

**CITY COMMISSION AGENDA  
CITY OF WINTER GARDEN  
TANNER HALL  
29 W. Garden Avenue, Winter Garden, Florida**

**Workshop & Regular Meeting**

**July 27, 2006**

**6:00 P.M.**

**CALL TO ORDER**

Roll Call and Determination of a Quorum

Invocation and Pledge of Allegiance

**PUBLIC WORKSHOP  
PARKS & RECREATION MASTER PLAN**

*Part 2 of 2*

1. Staff and Consultant presentations
2. Citizen comments
3. Questions and answers

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**REGULAR MEETING**

1. **APPROVAL OF MINUTES**

Regular Meeting of July 13, 2006

2. **PRESENTATION**

Proclamation to the Orange County School Board proclaiming the week of August 7–11, 2006 as the “First Days of School” in the City of Winter Garden

3. **FIRST READING OF PROPOSED ORDINANCES**

A. **Ordinance 06-20:** AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF WINTER GARDEN, FLORIDA, GRANTING THE PETITION OF SOUTHSTAR DEVELOPMENT PARTNERS, INC., FOR ESTABLISHMENT OF A COMMUNITY DEVELOPMENT DISTRICT; CREATING AND ESTABLISHING HICKORY HAMMOCK COMMUNITY DEVELOPMENT DISTRICT; PROVIDING FOR NAME, POWERS AND DUTIES; PROVIDING DESCRIPTION AND BOUNDARIES; PROVIDING INITIAL MEMBERS OF BOARD OF SUPERVISORS; PROVIDING SEVERABILITY AND AN EFFECTIVE DATE (Hickory Hammock CDD) **with the second reading and public hearing scheduled for August 10, 2006** – City Planner Cechman

B. **Ordinance 06-27:** AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF WINTER GARDEN, FLORIDA AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$13,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF WINTER GARDEN, FLORIDA SALES TAX REVENUE BONDS, SERIES 2006, TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A NEW CITY HALL COMPLEX; PLEDGING MONEYS RECEIVED BY THE CITY FROM THE LOCAL GOVERNMENT HALF-CENT SALES TAX AND CERTAIN OTHER FUNDS TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED HEREUNDER; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF BONDS ISSUED HEREUNDER; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH BONDS ISSUED HEREUNDER; AUTHORIZING THE AWARDED OF SAID SERIES 2006 BONDS PURSUANT TO A PUBLIC BID; DELEGATING CERTAIN AUTHORITY TO THE CITY MANAGER FOR THE AWARD OF THE SERIES 2006 BONDS AND THE APPROVAL OF THE TERMS AND DETAILS OF SAID SERIES 2006 BONDS; APPOINTING THE PAYING AGENT AND REGISTRAR FOR SAID SERIES 2006 BONDS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT TO SUCH SERIES 2006 BONDS; AUTHORIZING THE USE OF AN OFFICIAL NOTICE OF SALE AND THE PUBLICATION THEREOF OR A SUMMARY THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE FOR THE SERIES 2006 BONDS; AUTHORIZING MUNICIPAL BOND INSURANCE FOR THE SERIES 2006 BONDS; AUTHORIZING A RESERVE ACCOUNT INSURANCE FACILITY WITH RESPECT TO THE SERIES 2006 BONDS; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS ORDINANCE **with the second reading and public hearing scheduled for August 10, 2006** – Finance Director Strobeck

C. **Ordinance 06-28:** AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, AMENDING CHAPTER 54, PENSIONS AND RETIREMENT, ARTICLE III, PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS, OF THE CODE OF ORDINANCES OF THE CITY OF WINTER GARDEN; AMENDING SECTION 54-186, DEFINITIONS; ELIMINATING EXTRA DUTY OR SPECIAL PAY AS PART OF SALARY; PROVIDING

FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE **with the second reading and public hearing scheduled for August 10, 2006** – Police Chief Brennan

4. **SECOND READING AND PUBLIC HEARING OF PROPOSED ORDINANCES**

- A. **Ordinance 06-18:** AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, AMENDING THE CITY OF WINTER GARDEN FISCAL YEAR 2005-2006 BUDGET; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE – City Manager Bollhoefer
- B. **Ordinance 06-21:** AN ORDINANCE AMENDING THE FUTURE LAND USE MAP OF THE CITY OF WINTER GARDEN'S COMPREHENSIVE PLAN BY CHANGING THE DESIGNATION FROM LOW DENSITY RESIDENTIAL TO COMMERCIAL OF PROPERTY GENERALLY DESCRIBED AS .31 ACRES OF LAND LOCATED AT 160 S. MAIN STREET; PROVIDING FOR AN EFFECTIVE DATE - Senior Planner Randall
- C. **Ordinance 06-22:** AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, REZONING APPROXIMATELY .31 ACRES OF CERTAIN REAL PROPERTY LOCATED AT 160 S. MAIN STREET AND MORE SPECIFICALLY DESCRIBED HEREIN FROM R-2 TO CITY C-1; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE - Senior Planner Randall
- D. **Ordinance 06-23:** AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, REZONING APPROXIMATELY 4.3 ACRES OF CERTAIN REAL PROPERTY GENERALLY LOCATED ON THE EAST SIDE OF DILLARD STREET JUST NORTH OF HIGHWAY 50, FROM CITY C-2 AND TO CITY PCD; PROVIDING FOR CERTAIN PCD REQUIREMENTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE (Dillard Commons) - City Planner Cechman
- E. **Ordinance 06-25:** AN ORDINANCE OF THE CITY OF WINTER GARDEN AMENDING CHAPTER 54, PENSIONS AND RETIREMENT, ARTICLE II, PENSION PLAN FOR GENERAL EMPLOYEES, OF THE CODE OF ORDINANCES OF THE CITY OF WINTER GARDEN; AMENDING SECTION 54-31, BENEFIT AMOUNTS AND ELIGIBILITY; AMENDING SECTION 54-35, OPTIONAL FORMS OF BENEFITS; AMENDING SECTION 54-40, DISTRIBUTION OF BENEFITS; AMENDING SECTION 54-47, DIRECT TRANSFERS OF ELIGIBLE ROLLOVER DISTRIBUTIONS; AMENDING SECTION 54-52, DEFERRED RETIREMENT OPTION PLAN; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE – City Manager Bollhoefer
- F. **Ordinance 06-26:** AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, AMENDING CHAPTER 54, PENSIONS AND RETIREMENT, ARTICLE III, PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS, OF THE CODE OF ORDINANCES OF THE CITY OF WINTER GARDEN; AMENDING SECTION 54-186, DEFINITIONS, TO AMEND THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 54-189, FINANCES AND FUND MANAGEMENT; AMENDING SECTION 54-195, OPTIONAL FORMS OF BENEFITS; AMENDING SECTION 54-201, DISTRIBUTION OF BENEFITS; AMENDING SECTION 54-209, DIRECT TRANSFERS OF ELIGIBLE ROLLOVER DISTRIBUTIONS; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE – City Manager Bollhoefer

5. **REGULAR BUSINESS**

- A. Request for donation to purchase band equipment for the West Orange High School band – Chris Andrews
- B. Recommendation to approve a development agreement **AND** final plat for Carriage Pointe – Senior Planner Randall
- C. Recommendation to approve site plan for Stoneybrook West Commercial Tract 18 – City Planner Cechman
- D. Recommendation to approve site plan for Stoneybrook West Commercial Tract 19 – City Planner Cechman
- E. Recommendation to approve site plan for Church of the Messiah on North Woodland Street – Senior Planner Randall
- F. Recommendation to approve site plan for Oasis Community Church at 607 Avalon Road – Senior Planner Randall
- G. Recommendation to approve site plan for Holiday Bus at 1216 E. Story Road (Kanago) – City Planner Cechman
- H. Recommendation to approve site plan for Douce France Bakery at 610 Business Park Boulevard (Sacagiu) – Senior Planner Randall

- I. Recommendation to approve the proposed millage rate of 4.3040 for Fiscal Year 2006/2007 – City Manager Bollhoefer
- J. Discussion and possible action regarding Parks and Recreation Master Plan proposal – City Manager Bollhoefer

**6. MATTERS FROM CITIZENS**

**7. MATTERS FROM CITY ATTORNEY – A. Kurt Ardaman**

**8. MATTERS FROM CITY MANAGER – Michael Bollhoefer**  
A. Financial Statement for June 2006

**9. MATTERS FROM MAYOR AND COMMISSIONERS**

**ADJOURN** to a regular meeting on Thursday, August 10, 2006 at 6:30 p.m. at Tanner Hall

Please Note: In accordance with Florida Statutes 286.0105: Any person who desires to appeal any decision at this meeting will need a record of the proceedings and for this purpose may need to ensure that a verbatim record of the proceedings is made which includes the testimony and evidence upon which the appeal is based, which such written record is not provided by the City of Winter Garden.

Also, in accordance with Florida Statute 286.26: Persons with disabilities needing assistance to participate in any of these proceedings should contact the Office of the City Clerk, 251 W. Plant Street, Winter Garden, FL 34787, (407) 656-4111 x 2254 48 hours in advance of the meeting.

**ORDINANCE 06-20**

**AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF WINTER GARDEN, FLORIDA, GRANTING THE PETITION OF SOUTHSTAR DEVELOPMENT PARTNERS, INC., FOR ESTABLISHMENT OF A COMMUNITY DEVELOPMENT DISTRICT; CREATING AND ESTABLISHING HICKORY HAMMOCK COMMUNITY DEVELOPMENT DISTRICT; PROVIDING FOR NAME, POWERS AND DUTIES; PROVIDING DESCRIPTION AND BOUNDARIES; PROVIDING INITIAL MEMBERS OF BOARD OF SUPERVISORS; PROVIDING SEVERABILITY AND AN EFFECTIVE DATE**

**WHEREAS**, the Florida Legislature created and amended Chapter 190, Florida Statutes, to provide an alternative method to finance and manage basic services for community development; and

**WHEREAS**, SouthStar Development Partners, Inc. has petitioned for the establishment of the Hickory Hammock Community Development District (the "District"); and

**WHEREAS**, a public hearing has been conducted by the City Commission (the "Commission") of the City of Winter Garden, Florida (the "City") in accordance with the requirements and procedures of Section 190.005(2)(d), Florida Statutes, and the applicable requirements and procedures of the City's Charter and Code of Ordinances; and

**WHEREAS**, the District will constitute a timely, efficient, effective, responsive and economic way to deliver community development services in the area, thereby providing a solution to the City's planning, management and financing needs for delivery of capital infrastructure therein without overburdening the City and its taxpayers; and

**WHEREAS**, the Commission finds that the statements contained in the Petition are true and correct; and

**WHEREAS**, the creation of the District is not inconsistent with any applicable element or portion of the State Comprehensive Plan or the City's Comprehensive Plan; and

**WHEREAS**, the area of land within the District is of sufficient size, is sufficiently compact, and is sufficiently contiguous to be developable as one functional interrelated development; and

**WHEREAS**, the creation of the District is the best alternative available for delivering community development facilities and services to the area that will be served by the District; and

**WHEREAS**, the proposed facilities and services to be provided by the District will be compatible with the capacity and uses of existing local and regional community development facilities and services; and

**WHEREAS**, the area that will be served by the District is amenable to separate special district government; and

**WHEREAS**, the Commission finds that the District shall have those general and special powers authorized by Sections 190.011 and 190.012, Florida Statutes, and set forth herein, and that it is in the public interest of all of the citizens of the City that the District have such powers.

**NOW THEREFORE, BE IT ENACTED BY THE CITY OF WINTER GARDEN, FLORIDA:**

**Section 1.** The foregoing findings, which are expressly set forth herein, are hereby adopted and made a part hereof.

**Section 2.** The Petition to establish the Hickory Hammock Community Development District over the real property described in Exhibit 2 of the Petition filed by the Petitioner on April 19, 2006 (as supplemented by the Supplement To The Petition To Establish the Hickory Hammock Community Development District and that certain letter dated May 24, 2006 clarifying the maintenance and ownership of certain off-site road improvements) is hereby granted. A copy of the Petition, the Supplement To The Petition To Establish the Hickory Hammock Community Development District, and letter of May 24, 2006, are on file with the Office of the City Clerk and are attached hereto and incorporated herein as Exhibit "A."

**Section 3.** The legal description of the external boundaries of the District are as set forth in Exhibit "B" attached hereto and incorporated herein and depicted on the location map attached hereto and incorporated herein as Exhibit "C."

**Section 4.** The initial members of the Board of Supervisors shall be as follows:

Gordon Pfersich  
Brenda Yates  
Alfredo Walling  
Thad Rutherford  
William Sullivan

**Section 5.** The name of the District shall be the "Hickory Hammock Community Development District."

**Section 6.** The Hickory Hammock Community Development District is created for the purposes set forth in Chapter 190, Florida Statutes.

**Section 7.** Pursuant to Section 190.005 (2)(d), Florida Statutes, the charter for the Hickory Hammock Community Development District shall be Sections 190.006 through 190.041, Florida Statutes, as amended.

**Section 8.** The Commission hereby grants to the Hickory Hammock Community Development District all powers authorized pursuant to Sections 190.011 and 190.012(1) and 190.012(2)(d) and (e), Florida Statutes, and hereby finds that it is in the public interest of all citizens of the City to grant such powers.

**Section 9.** The Hickory Hammock Community Development District shall comply with the provisions of Section 190.016(12), Florida Statutes in the issuance of its bonds.

**Section 10.** No bond, debt or other obligation of the Hickory Hammock Community Development District, nor default thereon, shall constitute a debt or obligation of the City.

**Section 11.** If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

**Section 12.** It is the intention of the Commission, and it is hereby ordained that the provisions of this ordinance shall be excluded from the City's Code of Ordinances.

**Section 13.** This ordinance shall become effective ten (10) days after the date of enactment.

**READ FIRST TIME:** July 27, 2006.

**READ SECOND TIME AND PUBLIC HEARING HELD:** \_\_\_\_\_, 2006.

**ORDINANCE NO. 06-28**

**AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, AMENDING CHAPTER 54, PENSIONS AND RETIREMENT, ARTICLE III, PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS, OF THE CODE OF ORDINANCES OF THE CITY OF WINTER GARDEN; AMENDING SECTION 54-186, DEFINITIONS; ELIMINATING EXTRA DUTY OR SPECIAL PAY AS PART OF SALARY; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Police Chief needs to be able to monitor the extra duty or special detail work being performed by police officers by having the second party employer pay the City and then have the City issue payment to the individual officer; and

**WHEREAS**, under the current definition of salary in the Pension Plan for Firefighters and Police Officers this would require the City to include the above mentioned payment as compensation when determining pension benefits; and

**WHEREAS**, the City has determined that this would be cost prohibitive; and

**WHEREAS**, Florida State Statutes do not require this type of payment to be included as compensation in determining pension benefits; and

**WHEREAS**, the City desires to change the definition of salary to match the definition in the Florida Statutes;

**BE IT ENACTED BY THE CITY OF WINTER GARDEN, FLORIDA:**

**SECTION 1:** That Chapter 54, Pensions and Retirement, Article III, Pension Plan for Firefighters and Police Officers, of the Code of Ordinances of the City of Winter Garden, Section 54-194, Definitions, subsection (a), is hereby amended as follows:

**Sec. 54-186. Definitions.**

(a) *Salary* means the total compensation for services rendered to the city as a firefighter or police officer reportable on the member's W-2 form plus all tax deferred, tax sheltered, or tax exempt items of income derived from elective employee payroll deductions or salary reductions cash remuneration including "overtime" paid by the primary employer to a firefighter or police officer for services rendered, but not including any payments for extra duty or a special detail work performed on behalf of a second party employer. Compensation in excess of the limitations set forth in section 401(a)(17) of the Code shall be disregarded. The limitation on compensation for an "eligible employee" shall not be less than the amount which was allowed to be taken into account hereunder as in effect on July 1, 1993. "Eligible employee" is an individual who was a member before the first plan year beginning after December 31, 1995.

**SECTION 2:** This Ordinance shall become effective upon adoption at its second reading.

FIRST READING: \_\_\_\_\_ 2006.

SECOND READING AND PUBLIC HEARING: \_\_\_\_\_ 2006.

**ORDINANCE 06-18**

**AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, AMENDING THE CITY OF WINTER GARDEN FISCAL YEAR 2005-2006 BUDGET; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, on September 21, 2005, the City Commission of the City of Winter Garden, Florida, adopted Ordinance 05-53 appropriating and allocating all revenue and funds of the City of Winter Garden, Florida for the tax year beginning October 1, 2005 and ending September 30, 2006;

**WHEREAS**, on December 22, 2005, the City of Winter Garden, Florida, adopted Ordinance 05-63 amending the City of Winter Garden, Florida, Budget for the tax year beginning October 1, 2005 and ending September 30, 2006;

**WHEREAS**, the City Commission has decided to amend the City of Winter Garden, Florida Budget for the tax year beginning October 1, 2005 and ending September 30, 2006 to provide for mid-year adjustments;

**BE IT ENACTED BY THE CITY OF WINTER GARDEN, FLORIDA:**

**SECTION 1:** That the sum of \$10,178,775 to be appropriated as follows:

**REVENUES**

General Fund	\$ 1,361,300	
Law Enforcement Trust Fund	86,687	
Local Option Gas Tax Fund	(161,848)	
General Impact Fee Fund	185,016	
Transportation Impact Fee-South of Turnpike Fund	385,013	
Heritage Depot Museum Fund	700	
New City Hall Capital Project Fund	5,455,107	
Utility Operating Fund	277,814	Utility
Impact Fee Fund	2,038,326	
Utility Renewal and Replacement Fund	352,157	
Stormwater Fund	187,024	
Trailer City Fund	<u>11,479</u>	
	\$10,178,775	

**EXPENSES**

General Fund	\$ 1,361,300	
Law Enforcement Trust Fund	86,687	
Local Option Gas Tax Fund	(161,848)	
General Impact Fee Fund	185,016	
Transportation Impact Fee-South of Turnpike Fund	385,013	
Heritage Depot Museum Fund	700	
New City Hall Capital Project Fund	5,455,107	
Utility Operating Fund	277,814	Utility
Impact Fee Fund	2,038,326	
Utility Renewal and Replacement Fund	352,157	
Stormwater Fund	187,024	
Trailer City Fund	<u>11,479</u>	
	\$10,178,775	

**SECTION 2:** Detail for the aforementioned totals is attached as Exhibit 1, which shall be incorporated in the Ordinance. Should any portion of this Ordinance be held invalid, then such portions as are not declared to be invalid shall remain in full force and effect.

**SECTION 3:** This Ordinance shall become effective upon its adoption at the second reading and public hearing.

**EXHIBIT 1**  
ORDINANCE 06-18

**City of Winter Garden  
Interim Budget  
FYE 2006**

**City of Winter Garden  
Interim Budget  
FYE 2006**

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**City of Winter Garden  
Interim Budget  
General Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
<b>Administration</b>					
001-0213-313.10-00	Franchise Fees-Electric	\$ 1,138,137	\$ 1,137,000	\$ 265,000	1,402,000
	<i>Item underbudgeted</i>				
001-0213-314.10-00	Utility Service Taxes-Electric	1,457,544	1,411,700	265,000	1,676,700
	<i>Item underbudgeted</i>				
001-0213-314.30-00	Utility Service Taxes-Water	247,224	232,000	40,000	272,000
	<i>Item underbudgeted</i>				
001-0213-314.80-00	Utility Service Taxes-Propane	27,616	26,900	9,000	35,900
	<i>Item underbudgeted</i>				
001-0213-315.00-00	Communications Service Tax	1,055,864	1,026,551	77,000	1,103,551
	<i>Item underbudgeted</i>				
001-0213-331.10-00	Federal Grants-General Govt	12,471	-	1,883	1,883
	<i>FEMA Reimbursements</i>				
001-0213-335.18-00	Local Gov 1/2 Cent Sales Tax	2,912,563	2,986,720	137,000	3,123,720
	<i>Item underbudgeted</i>				
001-0213-338.20-00	Occup License-County Sharing	25,274	24,500	1,000	25,500
	<i>Item underbudgeted</i>				
001-0213.341.90-02	OCPS Collection Allowance	323,328	280,000	(124,834)	155,166
	<i>Item overbudgeted</i>				
001-0213-361.10-00	Interest	318,205	301,500	21,000	322,500
	<i>Item underbudgeted</i>				
001-0213-381.99-99	Use of Fund Balance	-	3,633,479	256,671	3,890,150
	<i>Using Unreserved Fund Balance for remainder of expenditure budget increases</i>				
<b>Utility Billing</b>					
001-0223-341.90-01	Interfund Management Fees	365,981	524,511	(51,559)	472,952
	<i>Item overbudgeted</i>				
<b>Planning, Zoning, and Development</b>					
001-0315-329.02-00	Plan Review Fees	37,960	35,000	92,146	127,146
	<i>Sembler for Winter Garden Village at Fowler Groves</i>				
001-0315-329.05-00	Plat Review Fees	45,435	36,000	(19,100)	16,900
	<i>Item overbudgeted</i>				
001-0315-369.90-00	Other Miscellaneous Revenues	40,687	40,000	23,000	63,000
	<i>Sembler for Winter Garden Village at Fowler Groves</i>				
<b>Building</b>					
001-0324-322.02-01	Reinspection Fee	236,130	190,000	35,000	225,000
	<i>Item underbudgeted</i>				
001-0324-322.02-02	Driveway Inspections	28,110	34,000	(14,000)	20,000
	<i>Item overbudgeted</i>				
001-0324-322.02-03	Administrative Service Fees	7,185	8,000	5,000	13,000
	<i>Item overbudgeted</i>				
001-0324-354.00-00	Viol of Local Ordinance	-	-	12,625	12,625
	<i>Tree Ordinance Violations</i>				
<b>Police</b>					
001-0521-338.30-00	911 PSAP Reimbursements	26,368	20,000	6,000	26,000
	<i>Item underbudgeted</i>				
001-0521-342.10-01	Special Detail	4,256	2,000	4,000	6,000

**City of Winter Garden  
Interim Budget  
General Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<i>Item underbudgeted</i>					
001-0521-342.10-02	False Alarms	18,200	15,000	(8,000)	7,000
<i>Item overbudgeted</i>					
001-0521-342.10-04	Accident Reports	1,452	1,200	1,000	2,200
<i>Item underbudgeted</i>					
001-0521-342.10-05	Statewide Mutual Aid Reimb	-	-	31,221	31,221
<i>Item underbudgeted</i>					
001-0521-351.10-00	Court Fines	204,962	175,000	55,000	230,000
<i>Item underbudgeted</i>					
001-0521-351.30-00	Police Training & Ed Fees	10,725	9,000	3,000	12,000
<i>Item underbudgeted</i>					
001-0521-354.20-00	Code Violations	3,531	2,000	2,000	4,000
<i>Item underbudgeted</i>					
001-0521-366.00-00	Contributions	600	-	3,000	3,000
<i>American Heart Association for Defibrilators</i>					
001-0521-369.90-00	Other Miscellaneous	5,814	4,000	(1,000)	3,000
<i>Item underbudgeted</i>					
001-0528-354.20-00	Code Violations	(2,523)	-	2,000	2,000
<i>Item underbudgeted</i>					
<b>Fire Department</b>					
001-0622-335.20-00	State Shared Revs-Public Safety	1,944	-	10,000	10,000
<i>Item underbudgeted</i>					
001-0622-342.20-02	Plan Review	45,925	60,000	3,000	63,000
<i>Item underbudgeted</i>					
<b>Cemetery</b>					
001-0739-343.80-02	Cemetery Foundation Charges	2,370	3,200	(1,000)	2,200
<i>Item overbudgeted</i>					
001-0739-343.80-04	Other	450	1,000	(1,000)	-
<i>Item overbudgeted</i>					
001-0739-343.80-05	Cemetery Lots	88,700	70,000	12,000	82,000
<i>Item underbudgeted</i>					
001-0739-343.80-06	Mausoleum Crypts	1,400	3,000	1,000	4,000
<i>Item underbudgeted</i>					
001-0739-364.03-00	Columbariums	600	3,000	(2,000)	1,000
<i>Item overbudgeted</i>					
<b>Streets</b>					
001-0741-334.49-00	State Grants-Transportation	159,476	100,000	(30,753)	69,247
<i>Item overbudgeted-Stoneybrook West Parkway Grant</i>					
001-0741-335.49-00	State Share Revenues	20,563	18,000	1,000	19,000
<i>Item underbudgeted-Fuel Tax Refunds</i>					
<b>Recreation</b>					
001-0872-347.21-05	Swim Lessons	4,453	5,500	6,000	11,500
<i>Item underbudgeted</i>					
001-0872-347.21-07	Other Programs	24,562	22,300	11,000	33,300
<i>Item underbudgeted</i>					
<b>Engineering</b>					
001-1016-329.03-00	Engineer Inspection Fees	615,689	400,000	133,000	533,000
<i>Item overbudgeted</i>					
001-1016-329.04-00	Review Fees	123,063	60,000	51,000	111,000

**City of Winter Garden  
Interim Budget  
General Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<i>Item underbudgeted</i>					
001-1016-329.06-00	Overtime Reimbursement	5,775	6,000	20,000	26,000
<i>Item underbudgeted</i>					
<b>Recreation-Newton Park Facilities</b>					
001-3658-362.01-00	Rental Income-Miscellaneous	1,190	1,000	6,000	7,000
<i>Item underbudgeted</i>					
001-3658-362.02-00	Rental Income-Auditorium	72,726	70,000	9,000	79,000
<i>Item underbudgeted</i>					
001-3658-369.90-00	Other Miscellaneous	12,167	15,000	3,000	18,000
<i>Item underbudgeted</i>					
<b>Total Revenues</b>				<b><u>\$ 1,361,300</u></b>	
<b>Expenditures</b>					
<b>Legislative</b>					
001-0111-511.34-01	Misc Contractual Services	\$ 8,038	\$ 45,000	\$ 29,000	\$ 74,000
<i>Town Hall Meetings</i>		<i>10,000</i>			
<i>Charter Review Facilitator</i>		<i>4,000</i>			
<i>Sound Technician for Meetings</i>		<i>15,000</i>			
001-0111-511.41-05	Comm Frgt Svcs / Postage	4,183	-	20,681	20,681
<i>Town Hall Meetings</i>		<i>20,000</i>			
<i>Charter Review Committee Application mailing costs</i>		<i>681</i>			
001-0111-511.47-01	Comm Frgt Svcs / Postage	130	300	20,000	20,300
<i>Town Hall Meetings</i>					
001-0111-511.49-05	Elections	5,768	15,000	15,000	30,000
<i>Run-off Election</i>					
001-0111-511.81-00	Aid to Government Agencies	-	-	4,000	4,000
<i>Heating Costs for Pool for West Orange High School</i>					
<b>Administration</b>					
001-0213-513.12-00	Regular Salaries & Wages	652,286	840,551	(12,385)	828,166
<i>New Citizen's Action Center Supervisor (CAC)</i>		<i>32,814</i>			
<i>Reduce for unfilled/overbudgeted positions</i>		<i>(46,000)</i>			
<i>Reclassify Human Resource (HR) Support Specialist</i>		<i>801</i>			
001-0213-513.21-00	FICA Taxes	46,934	64,880	(3,000)	61,880
001-0213-513.22-00	Retirement Contributions	73,059	124,819	(4,000)	120,819
<i>Benefits associated with above items</i>					
001-0213-513.31-01	Misc Professional Services	8,543	5,000	6,000	\$ 11,000
<i>Actuarial Study for switching Fire and Police Pension to the Florida Retirement System</i>					
001-0213-513.31-05	Appraisal Services	-	-	8,000	\$ 8,000
<i>Property appraisals for insurance carrier</i>					
001-0213-513.34-01	Misc Contractual Services	18,630	20,700	30,000	\$ 50,700
<i>Fire, Police, and Recreation Impact Fee Analysis</i>					
001-0213-513.34-08	Personnel Services	2,851	-	32,106	\$ 32,106
<i>CAC Receptionist</i>		<i>21,206</i>			
<i>Design for Website for Economic Dev Coordinator (EDC)</i>		<i>10,900</i>			
001-0213-513.40-00	Travel & Per Diem	5,749	9,000	4,000	13,000
<i>Additional for EDC</i>					
001-0213-513.41-05	Comm Frgt Svcs / Postage	5,311	5,000	5,000	10,000
<i>Additional for EDC</i>					
001-0213-513.45-00	Insurance	37,084	35,115	(9,000)	26,115

**City of Winter Garden  
Interim Budget  
General Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<i>Item overbudgeted</i>					
001-0213-513.46-10	Repairs/Maintenance-Building	1,113	500	1,000	1,500
<i>Item underbudgeted</i>					
001-0213-513.47-01	Misc Printing and Binding	10,082	7,000	5,000	12,000
<i>Item underbudgeted</i>					
001-0213-513.49-01	Misc Other Charges	3,880	1,000	9,703	10,703
<i>Additional 2002 CRA Assessment per State Auditor Gen</i>		<i>8,703</i>			
<i>Item underbudgeted</i>		<i>1,000</i>			
001-0213-513.49-05	Licenses/Taxes/Certifications	609	1,000	1,000	2,000
<i>Item underbudgeted</i>					
001-0213-513.51-00	Office Supplies	13,835	13,400	11,852	25,252
<i>Increase in office supplies for 3 New Offices</i>					
<i>(Includes 3,000 for EDC)</i>		<i>4,243</i>			
<i>Computer with Monitor EDC &amp; CAC</i>		<i>2,440</i>			
<i>Wireless Mouse &amp; Keyboard HR</i>		<i>120</i>			
<i>Nextel/Blackberry EDC and CAC</i>		<i>1,900</i>			
<i>Telephones for EDC, HR, CAC</i>		<i>900</i>			
<i>2 PC's for City Clerk's Office per IT Director</i>		<i>1,500</i>			
<i>Replacement PC for Account Clerk per IT Director</i>		<i>749</i>			
001-0213-513.61-00	Land	54,968	-	132,081	132,081
<i>50 9th Street (Worth Property)</i>					
001-0213-513.64-00	Machinery and Equipment	1,125	18,800	27,335	46,135
<i>HR Director Desk</i>		<i>1,264</i>			
<i>EDC Desk</i>		<i>865</i>			
<i>EDC Smart Board</i>		<i>1,600</i>			
<i>EDC LapTop</i>		<i>3,000</i>			
<i>EDC Vehicle</i>		<i>19,707</i>			
<i>Ithaca impact Printer for AR CAC Function</i>		<i>900</i>			
001-0213-513.72-00	Interest	-	-	1,684	1,684
<i>Interest paid to CRA for fy 2002 1 month late transfer per State Auditor General</i>					
<b>Utility Billing</b>					
001-0223-513.34-01	Misc Contractual Services	32,490	37,000	5,000	42,000
<i>Bill printing and credit checks due to increased number of accounts</i>					
001-0223-513.34-04	Banking Services	1,170	30,000	(15,000)	15,000
<i>Item overbudgeted</i>					
001-0223-513.47-01	Misc Printing and Binding	24,693	30,000	(5,000)	25,000
<i>Item overbudgeted</i>					
<b>Information Technology</b>					
001-0225-513.64-00	Machinery and Equipment	166,449	197,700	51,300	249,000
<i>New DVR for Camera System</i>		<i>9,500</i>			
<i>ArcGis Spatial Analyst</i>		<i>2,500</i>			
<i>ArcGis Data Interoperability</i>		<i>2,500</i>			
<i>Access Control System Upgrade</i>		<i>11,000</i>			
<i>Unity Dual Server Upgrade &amp; Licenses</i>		<i>18,000</i>			
<i>Blackberry System Upgrade &amp; Licenses</i>		<i>3,300</i>			
<i>Laptop for Network Specialist</i>		<i>3,000</i>			
<i>Desk/Chairs for Network Specialist</i>		<i>1,500</i>			
<b>Planning</b>					
001-0315-515.31-01	Misc Professional Services	10,299	10,000	26,000	36,000
<i>CR545 Impact Fee Study and Streets Impact Study</i>					
001-0315-515.31-04	Engineering	-	-	62,000	62,000

Exhibit 1

City of Winter Garden  
Interim Budget  
General Fund

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Transportation Engineer</b>					
001-0315-515.46-10	Buildings	-	500	12,000	12,500
<i>New roof and carpet (damaged by water)</i>					
001-0315-515.52-01	Misc Operating Supplies	2,806	2,100	2,410	4,510
<i>Underbudgeted operating supplies</i>		1,000			
<i>Knowledge for all 5 staff members</i>		1,050			
<i>New Code Book</i>		360			
001-0315-515.64-00	Machinery & Equipment	12,347	1,000	48,700	49,700
<i>Sungard HTE Planning &amp; Zoning Software Application</i>		37,300			
<i>800Mhz Radio</i>		2,000			
<i>Imaging Software</i>		7,800			
<i>Purchase of 2 PCs for: K Randall &amp; B Byers</i>		1,600			

**Building**

Note: Adding 1 Plans Examiner/Inspector II Position to be funded with available budget due to unfilled positions

**Sworn Police**

001-0521-521.52-01	Misc Operating Supplies	55,295	60,851	68,007	128,858
<i>Striping 3 impact vehicles, convert 2 unmarked cars</i>		8,055			
<i>Supplies &amp; equipment for 5 outfitted vehicles @8,844</i>		44,220			
<i>Misc equipment to stock 2 impact fee vehicles</i>		10,488			
<i>Misc equipment to stock 4-wheel drive impact fee vehicle</i>		5,244			
001-0521-521.52-03	Gasoline and Oil	83,735	75,924	24,276	100,200
<i>Item underbudgeted-higher gas prices</i>					
001-0521-521.64-00	Machinery and Equipment	237,219	404,510	169,565	574,075
<i>Purchase 2 emergency light bars for 2 converted cars</i>		2,600			
<i>5 Vehicles:</i>					
<i>Base vehicle cost x 5</i>		112,500			
<i>Light Bar/Siren x 5</i>		26,715			
<i>Laptop and software x 5</i>		24,750			
<i>2 Defibrilators (Funded by contribution from American Heart Association)</i>		3,000			

**Fire**

001-0622-522.12-00	Regular Salaries & Wages	1,287,408	1,445,899	20,000	1,465,899
<i>Inadvertently omitted 2 existing positions from orig budget</i>					
001-0622-522.14-00	Overtime	113,306	121,312	45,000	166,312
<i>Additional needed to cover shifts for 2 employees on leave with pay</i>					
001-0622-522.15-00	Special Pay	9,324	5,250	11,000	16,250
<i>Items underbudgeted</i>					
001-0622-522.22-00	Retirement Contributions	283,937	319,101	29,000	348,101
<i>Inadvertently omitted 2 existing positions from orig budget</i>					
001-0622-522.45-00	Insurance	7,866	23,031	(6,000)	17,031
<i>Item overbudgeted</i>					
001-0622-522.52-03		22,798	20,000	10,000	30,000
<i>Increase in gas / oil prices</i>					
001-0622-522.54-03	Ed Assist Program Reimburse	14,074	20,050	19,400	39,450
<i>VCC Paramedic Classes for 8 personnel</i>		10,400			
<i>Educational requests for 11 personnel (non-paramedic)</i>		9,000			

**Public Works Admin.**

001-0701-539.63-00	Improv Other Than Bldgs.	-	-	10,000	10,000
<i>Paint Gas Tanks</i>					
001-0701-539.62-00	Buildings	-	-	7,000	7,000

Exhibit 1

City of Winter Garden  
Interim Budget  
General Fund

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<i>Door Swipe Card Access</i>					
001-0701-539.64-00	Machinery and Equipment	-	-	6,500	6,500
<i>Network upgrade</i>					
<b>Bldg. Maint.</b>					
001-0746-539-12-00	Regular Salaries & Wages	186,757	206,106	19,739	225,845
<i>1 Building Maint Supervisor new position</i>					
001-0746-539-14-00	Overtime	9,240	3,953	5,000	8,953
<i>Item underbudgeted</i>					
001-0746-539-21-00	FICA Taxes	14,277	16,070	1,510	17,580
001-0746-539-22-00	Retirement Contribution	31,413	38,021	3,573	41,594
001-0746-539-23-00	Health Insurance	34,185	37,258	3,600	40,858
001-0746-539-24-00	Workers' Compensation	7,487	7,003	784	7,787
<i>1 Building Maint Supervisor new position</i>					
<b>Fleet Maint.</b>					
001-0747-539.46-03	Repairs & Maint- Svc Vehicle	1,627	1,240	1,500	2,740
<i>Item was underbudgeted</i>					
001-0747-539.52-01	Misc Operating Supplies	20,374	15,000	8,000	23,000
<i>Items for vehicle repair underbudgeted</i>					
<b>Parks &amp; Landscaping</b>					
001-0775-572.52-01	Misc Operating Supplies	70,894	77,155	48,990	126,145
<i>Additional Christmas lights</i>		3,200			
<i>Split costs with Little League wiring on #3 field</i>		6,100			
<i>Unforeseen electrical panel repairs at senior field</i>		1,200			
<i>Cost of additional breaker at football field for irrigation</i>		1,200			
<i>Replaced plant material downtown due to poor soil</i>		4,200			
<i>Remulched downtown area for Merchants Festival</i>		3,300			
<i>Replaced 25 bulbs for street lamps, athletic fields</i>		1,350			
<i>Purchase trees (offset by revenues in building dept for tree ordinance violations)</i>		4,700			
<i>Wire, Conduit, and fused disconnect at little league fields</i>		23,740			
001-0775-572.63-00	Improv Other Than Building	21,425	130,652	19,000	149,652
<i>Materials &amp; labor underbudgeted due to price increase</i>					
<b>Recreation</b>					
001-0872-572.34-01	Misc Contractual Services	12,914	96,360	26,500	122,860
<i>Master plan additional, new software, fencing upgrades</i>		23,000			
<i>Lake Apopka property acquisition grant write up</i>		3,500			
<b>Legal</b>					
001-0914-514.12-00	Regular Salaries & Wages	-	-	5,782	5,782
001-0914-514.21-00	FICA Taxes	-	-	354	354
001-0914-514.22-00	Retirement Contributions	-	-	1,047	1,047
001-0914-514.24-00	Workers' Compensation	-	-	14	14
001-0914-514.31-06	Medical	-	-	88	88
<i>In-house City Attorney</i>					
001-0914-514-34-08	Other Contractual Services	-	-	1,200	\$ 1,200
<i>Temporary labor/background investigation - City Atty.</i>					
001-0914-514.40-00	Travel and per diem	-	-	1,000	1,000
001-0914-514.41-02	Telephone	-	-	1,000	1,000
<i>In-house City Attorney</i>					
001-0914-514.48-00	Promotional activities	-	-	6,000	6,000

Exhibit 1

City of Winter Garden  
Interim Budget  
General Fund

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<i>Employment ads for in-house City Attorney</i>					
001-0914-514.64-00	Machinery and Equipment	-	-	20,002	20,002
<i>2006 Ford 500 for in-house City Attorney</i>					
<b>Engineering</b>					
001-1016-541.12-00	Regular Salaries & Wages	205,310	286,976	28,902	315,878
	<i>Sick &amp; vacation time payout to retired employee</i>	<i>13,479</i>			
	<i>Engineering Tech effective 4/01/06</i>	<i>15,423</i>			
001-1016-541.14-00	Overtime	59,904	43,494	10,000	53,494
001-1016-541.31-04	Professional Services	209,381	110,000	182,000	292,000
	<i>Additional money for contract Engineering Services</i>	<i>60,000</i>			
	<i>City written specifications</i>	<i>42,000</i>			
	<i>Video review fees for outsourcing</i>	<i>10,000</i>			
	<i>Inspection Services-Daniels Road through Fowler Grove (Received revenue from Sembler)</i>	<i>70,000</i>			
001-1016-541.34-08	Personnel Services	-	1,000	10,000	11,000
	<i>Temp for administrative functions</i>				
001-1016-541.44-00	Rentals & Leases	-	1,200	10,700	11,900
	<i>Rental fee for office space and misc equipment</i>				
001-1016-541.52-03	Gasoline & Oil	6,073	5,000	3,000	8,000
001-1016-541.54-02	Seminars & Courses	1,744	3,000	2,000	5,000
001-1016-541.64-00	Machinery & Equipment	27,724	42,000	3,800	45,800
	<i>Laptop Computers</i>				
<b>Total Expenditures</b>				<b><u>\$ 1,361,300</u></b>	

Exhibit 1

**City of Winter Garden  
Interim Budget  
Law Enforcement Trust Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
121-1121-359.00-00	Forfeitures-State	\$ 32,292	\$ 10,000	\$ 1,406	\$ 11,406
121-1121-361.10-00	Interest	379	150	4,000	4,150
<i>Items underbudgeted</i>					
121-1121-389.99-99	Use of Fund Balance	-	-	4,659	4,659
<i>Using fund balance to balance revenues to expenditures</i>					
121-1321-359.00-00	Forfeitures-Federal	-	-	<u>76,622</u>	76,622
<i>Items underbudgeted</i>					
<b>Total Revenues</b>				<b><u>\$ 86,687</u></b>	
<b>Expenditures</b>					
<b>State Law Enforcement Trust Fund</b>					
121-1121-590.90-00	Carryforward Fund Balance	\$ -	\$ 5,150	\$ (5,150)	\$ -
121-1221-521.82-00	Aids to Private Organizations	6,250	-	15,215	15,215
<i>Sponsorship for Summer Recreation program for youths</i>		<b>14,965</b>			
<i>Donation to the Florida Missing Children's Day Event</i>		<b>250</b>			
<b>Federal Law Enforcement Trust Fund</b>					
121-1321-590.90-00	Carryforward Fund Balance	-	-	75,622	75,622
121-1421-521.82-00	Aids to Private Organizations	-	-	1,000	1,000
<i>Donation to Mothers Against Drunk Driving</i>		<b>500</b>			
<i>Donation to Central Florida Chapter FBI</i>		<b>500</b>			
<b>Total Expenditures</b>				<b><u>\$ 86,687</u></b>	

Exhibit 1

**City of Winter Garden  
Interim Budget  
Local Option Gas Tax Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
160-0741-312.41-00	Local Option Gas Tax	\$ 813,865	\$ 810,991	\$ 51,037	\$ 862,028
160-0741-361.10-00	Interest	23,516	19,000	21,000	40,000
160-0741-381.99-99	Use of Fund Balance	-	798,976	<u>(233,885)</u>	565,091
<b>Total Revenues</b>				<b><u>\$ (161,848)</u></b>	
<b>Expenditures</b>					
160-0741-541.63-00	Improv Other than Building	\$ 537,632	\$ 1,356,367	<u>\$ (161,848)</u>	\$ 1,194,519
	<i>Newell St-Highland to Boyd Construction</i>	<i>78,948</i>			
	<i>Main St-Story to Vining</i>	<i>(117,640)</i>			
	<i>South Main St-Smith to Tremain</i>	<i>(123,156)</i>			
<b>Total Expenditures</b>				<b><u>\$ (161,848)</u></b>	

Exhibit 1

**City of Winter Garden  
Interim Budget  
General Impact Fee Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
<b>Police</b>					
170-0021-389.99-99	Use of Fund Balance	\$ -	\$ -	\$ 22,016	\$ 22,016
<i>To balance increase in budgeted expenditures</i>					
<b>Administration</b>					
170-0213-361.10-00	Interest	182,090	173,000	58,000	231,000
<i>Item under budgeted</i>					
<b>Streets</b>					
170-0741-389.99-99	Use of Fund Balance	-	667,961	<u>105,000</u>	772,961
<i>To balance increase in budgeted expenditures</i>					
<b>Total Revenues</b>				<b><u>\$ 185,016</u></b>	
<b>Expenditures</b>					
<b>Police</b>					
170-0021-521.64-00	Machinery and Equipment	\$ 178,325	\$ 269,601	\$ 114,679	\$ 384,280
<i>2 New Vehicles</i>		<i>72,786</i>			
<i>4-W SUV for damaged roadways during hurricanes:</i>					
<i>Vehicle</i>		<i>28,000</i>			
<i>Light bar/siren, laptop, cage, etc</i>		<i>13,893</i>			
170-0021-590.90-00	Transfer to Fund Balance	-	50,395	(34,663)	15,732
<b>Streets</b>					
170-0741-541.63-00	Improv Other than Building	541,341	1,182,126	105,000	1,287,126
<i>Design turn lane Vineland &amp; HWY 50</i>		<i>25,000</i>			
<i>Wallick's Demo</i>		<i>50,000</i>			
<i>Intersection Improvements-SR50 and 535</i>		<i>30,000</i>			
<b>Total Expenses</b>				<b><u>\$ 185,016</u></b>	

Exhibit 1

**City of Winter Garden  
Interim Budget  
Transportation Impact Fees-South of Turnpike**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
171-0000-361.10-00	Interest	\$ 40,740	\$ 34,000	\$ 37,250	\$ 71,250
<i>Item under budgeted</i>					
171-0741-389.99-99	Use of Fund Balance	-	-	<u>347,763</u>	347,763
<i>To balance increase in budgeted expenditures</i>					
<b>Total Revenues</b>				<b><u>\$ 385,013</u></b>	
<b>Expenditures</b>					
171-0741-541.61-00	Land	\$ -	\$ -	\$ 427,250	\$ 427,250
<i>Appraisal for 545 Right-of-Way</i>		<i>2,250</i>			
<i>Land on 545</i>		<i>425,000</i>			
171-0741-541.63-00	Improve Other Than Building	223,567	473,826	208,000	681,826
<i>Intersection Design-545 &amp; Tilden</i>					
171-0741-590.90-00	Carryforward Fund Balance	-	250,237	<u>(250,237)</u>	-
<i>Reducing to fund additional project</i>					
<b>Total Expenses</b>				<b><u>\$ 385,013</u></b>	

Exhibit 1

**City of Winter Garden  
Interim Budget  
Heritage Depot Museum Trust Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
180-0000-389.99-99	Use of Fund Balance <i>Using all available funds and closing this fund</i>	\$ -	\$ -	\$ 700	\$ 700
<b>Total Revenues</b>				<b><u>\$ 700</u></b>	
<b>Expenditures</b>					
180-0000-573.46-10	Repairs/Maint-Building <i>Pest Control for Heritage Depot Museum</i>	\$ -	\$ -	\$ 700	\$ 700
<b>Total Expenses</b>				<b><u>\$ 700</u></b>	

Exhibit 1

**City of Winter Garden  
Interim Budget  
New City Hall Capital Project Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
333-0213-381.00-00	Transfers in	\$ -	\$ 1,794,393	\$ 509,841	\$ 2,304,234
	<i>Increasing utility fund transfer proportionate with increased cost estimates, representing direct space utility personnel will occupy</i>				
333-0213-384.00-00	Debt Proceeds	-	6,705,607	<u>4,945,266</u>	11,650,873
	<i>Increasing due to increased cost estimates</i>				
<b>Total Revenues</b>				<b><u>\$ 5,455,107</u></b>	
<b>Expenditures</b>					
333-0213-513.51-00	Office Supplies	\$ -	\$ 50,000	\$ 50,000	\$ 100,000
333-0213-513.52-01	Misc Operating Supplies	-	50,000	50,000	100,000
333-0213-513.62-00	Building	-	7,000,000	4,458,810	11,458,810
333-0213-513.64-00	Machinery and Equipment	-	400,000	<u>896,297</u>	1,296,297
	<i>Revising based on latest cost estimates</i>				
<b>Total Expenditures</b>				<b><u>\$ 5,455,107</u></b>	

**City of Winter Garden  
Interim Budget  
Utility Operating Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
410-2116-334.31-00	Grants-State	\$ (2,170)	\$ -	\$ 10,000	\$ 10,000
<i>Dept of Community Affairs Wastewater Facilities Plan</i>					
410-2116-343.30-00	Water Service	2,853,050	2,750,000	305,000	3,055,000
410-2116-343.32-00	Fire Hydrant Service	86,486	30,000	46,000	76,000
410-2116-343.33-00	Service Charges	157,979	180,000	7,000	187,000
410-2116-361.10-00	Interest	221,038	175,000	29,000	204,000
410-2116-361.30-00	Inc/(Dec) in Fair Value of Invest	(31,111)	45,000	(45,000)	-
410-2116.362.11-00	Building Leases	25,800	20,000	4,900	24,900
410-2116-365.00-00	Sale/Surplus Material/Scrap	2,404	-	13,008	13,008
410-2116-369.90-00	Other Miscellaneous Revs	32,882	15,000	16,000	31,000
<i>Items under(over) budgeted</i>					
410-2116-389.99-99	Use of Fund Balance	-	1,320,637	(108,094)	1,212,543
<i>Amount needed to balance revenues and expenses</i>					
<b>Total Revenues</b>				<b><u>\$ 277,814</u></b>	
<b>Expenses</b>					
<b>Administration</b>					
410-2113-536.91-01	Contingent Expense	\$ -	\$ 400,000	\$ (200,000)	\$ 200,000
<i>Reducing by half for remainder of fiscal year</i>					
410-2113-581.91-00	Transfers out	\$ 200,000	\$ 1,995,801	\$ 759,514	\$ 2,755,315
<i>Increasing transfer to New City Hall Capital Project Fund proportionate with increased cost estimates, representing direct space utility personnel will occupy</i>					
		509,841			
<i>Transfer to Utility Renewal and Replacement to fund additional projects</i>					
		249,673			
<b>Wastewater</b>					
410-2117-535.12-00	Regular Salaries & Wages	249,604	319,511	(30,000)	289,511
<i>Reducing for unfilled positions</i>					
410-2117-535.23-00	Life & Health Insurance	51,229	53,538	16,000	69,538
<i>Item underbudgeted</i>					
410-2117-535.45-00	Insurance	64,773	221,785	(59,000)	162,785
<i>Item overbudgeted</i>					
<b>Distribution</b>					
410-2126-533.52-01	Misc Operating Supplies	868,603	1,096,010	(200,000)	896,010
<i>Radio read meter retrofits under budget</i>					
<b>Collection</b>					
410-2127-535.45-00	Insurance	34,927	56,158	(14,000)	42,158
<i>Item overbudgeted</i>					
410-2127-535.64-00	Machinery and Equipment	-	74,000	5,300	79,300
<i>4 Port-O-Lets</i>					
<b>Total Expenses</b>				<b><u>\$ 277,814</u></b>	

Exhibit 1

**City of Winter Garden  
Interim Budget  
Utility Impact Fee Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
411-2116-361.10-00	Interest	\$ 606,264	\$ 520,000	\$ 80,000	\$ 600,000
<i>Item underbudgeted</i>					
411-2116-389.99-17	Use of Fund Bal Wastewater	-	2,865,125	1,958,326	4,823,451
<i>Increasing to balance revenues to expenses</i>					
<b>Total Revenues</b>				<b><u>\$ 2,038,326</u></b>	
<b>Expenses</b>					
<b>Water</b>					
411-2116-590.90-00	Carryforward Fund Balance	\$ -	\$ 2,332,252	\$ (458,647)	\$ 1,873,605
<i>Decreasing to balance revenues to expenses</i>					
<b>Distribution</b>					
411-2126-533.63-00	Improv Other Than Building	-	697,694	538,647	1,236,341
<i>Newell St-Highland to Boyd Construction</i>		<i>38,647</i>			
<i>Daniels Rd Utilities Relocations Distribution</i>		<i>500,000</i>			
<b>Collection</b>					
411-2127-535.63-00	Improv Other Than Building	-	2,739,439	<u>1,958,326</u>	4,697,765
<i>Trunkline C Phase 2 Collection</i>		<i>1,631,400</i>			
<i>Newell St-Highland to Boyd Construction</i>		<i>26,926</i>			
<i>Daniels Rd Utilities relocations Collection</i>		<i>300,000</i>			
<b>Total Expenses</b>				<b><u>\$ 2,038,326</u></b>	

**City of Winter Garden  
Interim Budget  
Utility Renewal and Replacement Fund**

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
412-2116.361.10-00	Interest	\$ 25,362	\$ 23,000	\$ 29,000	\$ 52,000
<i>Item underbudgeted</i>					
412-2116-381.41-00	Interfund Transfer In	200,000	1,201,408	836,616	2,038,024
<i>Amount needed to balance revenues and expenses</i>					
412-2116-389.99-99	Use of Fund Balance	-	513,459	<u>(513,459)</u>	-
<i>Using all available fund balance to fund additional projects</i>					
<b>Total Revenues</b>				<b><u>\$ 352,157</u></b>	
<b>Expenses</b>					
<b>Water</b>					
412-2116-533.63-00	Improv Other Than Building	\$ -	\$ 42,080	\$ (302,380)	\$ (260,300)
<i>Elevated Storage Tank Renovations</i>					
		<i>(205,000)</i>			
<i>Tilted Disc Valves-Woodlark</i>					
		<i>(32,380)</i>			
<i>Palmetto Well #2</i>					
		<i>(65,000)</i>			
412-2116-590.90-00	Carryforward Fund Balance	-	-	600,500	600,500
<i>Decreasing to balance revenues to expenses</i>					
<b>Distribution</b>					
412-2126-533.63-00	Improv Other Than Building	-	191,405	222,108	413,513
<i>Trunkline C Phase 2 Distribution</i>					
		<i>338,600</i>			
<i>Story Road-9th Street</i>					
		<i>(28,000)</i>			
<i>James, Virginia, Gary Upgrades</i>					
		<i>(88,492)</i>			
<b>Collection</b>					
412-2127-535.63-00	Sewer/WS-Improv Other Than	-	1,189,050	<u>(168,071)</u>	1,020,979
<i>Main St-Story to Vining</i>					
		<i>(33,810)</i>			
<i>Tremain St-Main to Dillard</i>					
		<i>(28,333)</i>			
<i>South Main Street-Smith to Tremain</i>					
		<i>(40,950)</i>			
<i>Highland/Lakeview-Henderson to Newell</i>					
		<i>(60,734)</i>			
<i>Tremain St-Lakeview to Boyd</i>					
		<i>(4,244)</i>			
<b>Total Expenses</b>				<b><u>\$ 352,157</u></b>	

Exhibit 1

City of Winter Garden  
Interim Budget  
Stormwater Fund

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
420-2618-343.90-01	User Service Fees	\$ 706,782	\$ 750,000	\$ 63,000	\$ 813,000
420-2618-361.10-00	Interest	7,179	5,000	13,000	18,000
<i>Items underbudgeted</i>					
420-2618-389.99-99	Use of Fund Balance	-	623,030	<u>111,024</u>	734,054
<i>Amount needed to balance revenues to expenses</i>					
<b>Total Revenues</b>				<b><u>\$ 187,024</u></b>	
<b>Expenses</b>					
420-2618-538.31-04	Engineering Services	\$ 6,121	\$ 15,000	\$ 10,000	\$ 25,000
<i>NPDES Implementation (Potential Monitoring Require)</i>					
420-2618-538.63-00	Improv Other than Building	-	685,264	<u>177,024</u>	862,288
	<i>W Story at Plant 70" of 24" of concrete pipe for signal</i>	<i>5,000</i>			
	<i>Curb at Teacup Springs for underdrain</i>	<i>5,000</i>			
	<i>Stoneybrook underdrain west phase 3C per old agree</i>	<i>28,000</i>			
	<i>Newell St-Highland to Boyd Construction</i>	<i>70,324</i>			
	<i>Stormwater Master Plan</i>	<i>150,000</i>			
	<i>Main St-Story to Vining</i>	<i>(30,600)</i>			
	<i>Tremain St-Main to Dillard</i>	<i>(28,800)</i>			
	<i>South Main Street-Smith to Tremain</i>	<i>(33,000)</i>			
	<i>Tremain St-Lakeview to Boyd</i>	<i>(4,900)</i>			
	<i>Glenn Meadows Dr Creek Cr</i>	<i>(20,000)</i>			
	<i>Project Planning Services-Bradford Improvements</i>	<i>36,000</i>			
<b>Total Expenses</b>				<b><u>\$ 187,024</u></b>	

Exhibit 1

City of Winter Garden  
Interim Budget  
Trailer City Fund

<u>Account Number</u>	<u>Description</u>	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>Budget Adjustments</u>	<u>2006 Budget</u>
<b>Revenues</b>					
450-3657-361.10-00	Interest	\$ 1,784	\$ 1,000	\$ 3,000	\$ 4,000
450-3657-362.45-00	Rentals	204,185	197,256	(7,000)	190,256
<i>Items under/(over) budgeted</i>					
450-3657-389.99-99	Other Miscellaneous Revenues	-	23,207	15,479	38,686
<i>Item underbudgeted</i>					
<b>Total Revenues</b>				<b>\$ 11,479</b>	
<b>Expenses</b>					
<i>Maintaining grounds in-house</i>					
450-3657-539.12-00	Regular Salaries & Wages	\$ 56,264	\$ 57,125	\$ 14,379	\$ 71,504
<i>R DeWeese retirement &amp; sick time payout</i>					
450-3657-539.13-00	Other Salaries and Wages	1,515	10,920	(4,000)	6,920
<i>Item overbudgeted</i>					
450-3657-539.21-00	FICA Taxes	4,577	5,205	1,100	6,305
<i>FICA taxes on above-payout</i>					
<b>Total Expenses</b>				<b>\$ 11,479</b>	

ORDINANCE 06-23

AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, REZONING APPROXIMATELY 4.3 ACRES OF CERTAIN REAL PROPERTY GENERALLY LOCATED ON THE EAST SIDE OF DILLARD STREET JUST NORTH OF HIGHWAY 50, FROM CITY C-2 AND TO CITY PCD; PROVIDING FOR CERTAIN PCD REQUIREMENTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the owners of real property generally described as APPROXIMATELY 4.3 ACRES OF CERTAIN REAL PROPERTY GENERALLY LOCATED ON THE EAST SIDE OF DILLARD STREET JUST NORTH OF HIGHWAY 50, (hereinafter known as the Owners) desire to rezone their property from City C-2 to City PCD, and

WHEREAS, said property is identified in the Future Land Use Map of the Comprehensive Plan as Commercial, and

WHEREAS, the City desires to rezone said property to PCD with certain restrictions, then

WHEREAS, the City and the property owner have agreed to the specific PCD requirements identified herein, therefore;

BE IT ENACTED BY THE CITY OF WINTER GARDEN, FLORIDA:

**Section I – PCD Rezoning**

After due notice and public hearing, the zoning classification of real property legally described in ATTACHMENT “A”.

is hereby rezoned from City C-2 to City PCD in the City of Winter Garden, Florida with the following provisions and restrictions:

**Section II – General Requirements**

- (1) **Concept Plan** – All development on the subject property must substantially conform to ATTACHMENT “B” (the conceptual site plan) and the architectural rendering depicted on the conceptual site plan.
- (2) **Zoning** - Unless specifically noted otherwise within this ordinance, all development must comply with the general zoning requirements of the C-2 zoning district. These requirements include any approval procedure of the C-2 zoning district.
- (3) **Setbacks & Height Restrictions** - The setbacks for the subject property will be:  
  
40 feet in the front yard  
  
20 feet on each side yard (15 feet when adjacent to a public street)  
  
20 feet in the rear yard  
  
10  
  
The maximum height of any building will be 50 feet.
- (4) **Permitted Uses** - The permitted uses allowed on the subject property are those allowed in the C-2 zoning district with the addition of residential uses restricted to the 20 residential condominium units.
- (5) **Special Exception Uses** - The Special Exception uses allowed on the subject property are those allowed in the C-2 zoning district with a Special Exception Permit.
- (6) **Prohibited Uses** - The prohibited uses on the subject property are those prohibited in the C-2 zoning district with the exception of residential uses.
- (7) **Vehicular Connections** – Principal access to the property will be from Dillard Street .. The location of a cross access easement to the property to the north must be indicated for future connections and access, from said property.

- (8) **Pedestrian Connections** – Bicycle and pedestrian connections must be provided to adjacent properties including vehicular walkways, and pedestrian access and circulations. Trash receptacles, bike racks and benches must be provided. A 6 foot sidewalk is required to provide internal access from Dillard Street.
- (9) **Recreation Facilities** - A dedicated recreation area must be provided between the two garages for the condo residents.
- (10) **Utilities and equipment** - All utilities must be underground. All utility equipment (i.e. transformers, etc.) must be properly screened with landscaping or hidden from public view if on top of a roof.
- (11) **Retention Ponds** – All retention ponds must comply with State Road 50 Overlay Commercial Development Standards, ordinance 03-30, City Code Section 118.400.
- (12) **Impervious Surface Ratio**- The maximum impervious surface ratio shall not exceed 80% per PCD approval. .
- (13) **Design Criteria** – **The following design criteria shall be applicable to the entire subject site. Must comply with the West State Road 50 Overlay Commercial Development Standards; Ordinance 03-30, City Code Section 118.400 which includes lighting, buffers, fencing, architectural details, curbing, dumpsters, and signage.**

The Planning and Zoning Board shall approve the specific architectural details at the time the site plan is approved.

- (14) **Recording** - The Developer will pay for the recording of this ordinance.
- (15) **Outdoor Storage** – Outdoor storage of materials or equipment is a prohibited use.
- (16) **Orange County Public Schools** – The Developer will be required to obtain a Capacity Enhancement Agreement from Orange County Public Schools prior to obtaining the building permit for the first building containing residential units.
- (17) **Amendments** – Minor amendments to this ordinance will be achieved by Resolution of the City Commission. Major amendments will need to be approved by the City Commission by Ordinances.

**Section VI** The City Clerk and the City Manager are hereby authorized and directed to amend the Official Winter Garden Zoning Map in accordance with the provisions of this ordinance.

**Section VII** The restrictions in this ordinance may be amended via a resolution approved by the City Commission.

**Section VIII** All Ordinances and parts of Ordinances in conflict herewith are hereby repealed.

**Section IX** This Ordinance shall become effective upon approval by the City Commission.

ORDINANCE 06-21

AN ORDINANCE AMENDING THE FUTURE LAND USE MAP OF THE CITY OF WINTER GARDEN'S COMPREHENSIVE PLAN BY CHANGING THE DESIGNATION FROM LOW DENSITY RESIDENTIAL TO COMMERCIAL OF PROPERTY GENERALLY DESCRIBED AS .31 ACRES OF LAND LOCATED AT 160 S. MAIN STREET: PROVIDING FOR AN EFFECTIVE DATE. (160 S. Main St. SSCPA)

WHEREAS, on the 13 of June, 1991, the City Commission of the City of Winter Garden adopted Ordinance 91-16 which adopted a new Comprehensive Plan for the City of Winter Garden, and

WHEREAS, the owners of land generally described as approximately .31 acres located at 160 S. Main Street have petitioned the City to amend the Future Land Use Map of the Comprehensive Plan by changing the designation of said property from "Low Density Residential" to "Commercial", and

WHEREAS, the City Commission has conducted the prerequisite advertised public hearings as per Chapter 163 regarding the adoption of this ordinance for a Small Scale Comprehensive Plan Amendment, and

WHEREAS, the aforesaid petition complies with the Florida Statutes as a Small Scale Comprehensive Plan Amendment,

THEREFORE BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF WINTER GARDEN FLORIDA:

SECTION 1: The City of Winter Garden hereby amends The Future Land Use Map of the Comprehensive Plan with ATTACHMENT A.

SECTION 2: The City Planner is hereby authorized and directed to amend the Official Winter Garden Future Land Use Map in accordance with the provisions of this Ordinance.

SECTION 3: Should any portion of this Ordinance be held invalid, then the entire Ordinance shall be null and void.

SECTION 4: This Ordinance shall become effective upon the later of:

- (i) adoption at its second reading; and
  - (ii) the date the Department of Community affairs renders a letter identifying the Department will not conduct a compliance review or issue a Notice of Intent in accordance with procedures contained in Section 163.3187(3)(a), Florida Statutes,
- or
- (iii) when a final order issued by the Department of Community Affairs finding the amendment to be in compliance is accordance with Chapter 163.3184, F.S., or
  - (iv) the date a final order is issued by the Administration Commission finding the amendment to be in compliance in accordance with Chapter 163.3184, F.S.

ORDINANCE 06-22

AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, REZONING APPROXIMATELY .31 ACRES OF CERTAIN REAL PROPERTY LOCATED AT 160 S. MAIN STREET AND MORE SPECIFICALLY DESCRIBED HEREIN FROM R-2 TO CITY C-1; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE (160 S. Main Street Rezoning)

WHEREAS, the owner of real property generally described as approximately .31 acres located at 160 S. Main Street and legally described in Section 1 of this ordinance has petitioned the City to zone said property from R-2 to the City's C-1 zoning classification, therefore;

BE IT ENACTED BY THE CITY OF WINTER GARDEN, FLORIDA:

SECTION 1: After due notice and public hearing, the zoning classification of real property legally described on ATTACHMENT "A," is hereby rezoned from R-2 to C-1 in the City of Winter Garden, Florida.

SECTION 2: The City Planner is hereby authorized and directed to amend the Official Winter Garden Zoning Map in accordance with the provisions of this ordinance.

SECTION 3: Should any portion of this Ordinance be held invalid, then the entire Ordinance shall be null and void.

SECTION 4: This Ordinance shall become effective upon the amendment of the City of Winter Garden Comprehensive Land Use Plan for the property described herein providing for a land use designation which allows the zoning that is to be established by this ordinance.

FIRST READING: \_\_\_\_\_ 2006.

SECOND READING AND PUBLIC HEARING: \_\_\_\_\_ 2006.

**ORDINANCE NO. 06-25**

**AN ORDINANCE OF THE CITY OF WINTER GARDEN AMENDING CHAPTER 54, PENSIONS AND RETIREMENT, ARTICLE II, PENSION PLAN FOR GENERAL EMPLOYEES, OF THE CODE OF ORDINANCES OF THE CITY OF WINTER GARDEN; AMENDING SECTION 54-31, BENEFIT AMOUNTS AND ELIGIBILITY; AMENDING SECTION 54-35, OPTIONAL FORMS OF BENEFITS; AMENDING SECTION 54-40, DISTRIBUTION OF BENEFITS; AMENDING SECTION 54-47, DIRECT TRANSFERS OF ELIGIBLE ROLLOVER DISTRIBUTIONS; AMENDING SECTION 54-52, DEFERRED RETIREMENT OPTION PLAN; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.**

**BE IT ENACTED BY THE CITY OF WINTER GARDEN, FLORIDA:**

**SECTION 1:** That Chapter 54, Pensions and Retirement, Article II, Pension Plan for General Employees, of the City of Winter Garden Code of Ordinances, is hereby amended by amending Section 54-31, Benefit amounts and eligibility, subsection (d) to read as follows:

(d) *Early retirement benefit.* A member retiring hereunder on his early retirement date may receive either a deferred or an immediate monthly retirement benefit payable in the same form as for normal retirement as follows:

(1) A deferred monthly retirement benefit which shall commence on the first day of the month coincident with or next following attainment of age 65 ~~what would have been his normal retirement date had he continued employment as a general employee~~ and shall be continued on the first day of each month thereafter. The amount of each such deferred monthly retirement benefit shall be determined in the same manner as for retirement on his normal retirement date except that credited service and average final compensation shall be determined as of his early retirement date; or

(2) An immediate monthly retirement benefit which shall commence on his early retirement date and shall be continued on the first day of each month thereafter. The benefit payable shall be as determined in paragraph (1) above, reduced by five percent for each year by which the commencement of benefits precedes the date on which the general employee would have reached age 65.

**SECTION 2:** That Chapter 54, Pensions and Retirement, Article II, Pension Plan for General Employees,

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of the City of Winter Garden Code of Ordinances, is hereby amended by amending Section 54-35, Optional forms of benefits, subsection (a)(2) to read as follows:

(a) In lieu of the amount and form of retirement income payable in the event of normal or early retirement as specified herein, a member, upon written request to the board, may elect to receive a retirement income or benefit of equivalent actuarial value payable in accordance with one of the following options:

(1) A retirement income of a monthly amount payable to the retiree for his lifetime, but with 120 monthly payments guaranteed in any event.

(2) A retirement income of a modified monthly amount, payable to the retiree during the lifetime of the retiree and following the death of the retiree, 100 percent, 75 percent, 66 2/3 percent or 50 percent of such monthly amount payable to a joint pensioner for his lifetime. Except where the retiree's joint pensioner is his spouse, ~~the present value of payments to the retiree shall not be less than 50 percent of the total present value of payments to the retiree and his joint pensioner.~~ the payments to the joint pensioner as a percentage of the payments to the Retiree shall not exceed the applicable percentage provided for in the applicable table in the Treasury regulations.

\* \* \*

**SECTION 3:** That Chapter 54, Pensions and Retirement, Article II, Pension Plan for General Employees, of the City of Winter Garden Code of Ordinances, is hereby amended by amending Section 54-40, Distribution of benefits, to read as follows:

**Sec. 54-40. Minimum Distribution of benefits.**

~~Notwithstanding any other provision of this system to the contrary, a form of retirement income payable from this system after the effective date of this article [July 8, 1999], shall satisfy the following conditions:~~

~~(1) If the retirement income is payable before the member's death:~~

~~a. It shall either be distributed or commence to the member not later than April 1 of the calendar year following the later of the calendar year in which the member attains age 70 1/2, or the calendar year in which member retires.~~

~~b. The distribution shall commence not later than the calendar year defined above; and a), shall be paid over the life of the member or over the lifetimes of the member and spouse, issue or dependent, or b), shall be paid over the period extending not beyond the life expectancy of the member and spouse, issue or dependent.~~

~~Where a form of retirement income payment has commenced in accordance with the preceding paragraphs and the member dies before his entire interest in the system has been distributed, the remaining portion of such interest in the system shall be distributed no less rapidly than under the form of distribution in effect at the time of the member's death.~~

~~(2) If the member's death occurs before the distribution of his interest in the system has commenced, the member's entire interest in the system shall be distributed within five years of the member's death, unless it is to be distributed in accordance with the following rules:~~

~~a. The member's remaining interest in the system is payable to his spouse, issue or dependent;~~

~~b. The remaining interest is to be distributed over the life of the spouse, issue or dependent or over a period not extending beyond the life expectancy of the spouse, issue or dependent; and~~

~~c. Such distribution begins within one year of the member's death unless the member's spouse shall receive the remaining interest in which case the distribution need not begin before the date on which the member would have attained age 70 1/2 and if the spouse dies before the distribution to the spouse begins, this section shall be applied~~

~~as if the spouse were the member.~~

(a) General rules.

(1) Effective date. The provisions of this section will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.

(2) Precedence. The requirements of this section will take precedence over any inconsistent provisions of the plan.

(3) Requirements of treasury regulations incorporated. All distributions required under this section will be determined and made in accordance with the treasury regulations under section 401(a)(9) of the code.

(4) TEFRA section 242(b)(2) elections. Notwithstanding the other provisions of this section other than this subsection (a)(4), distributions may be made under a designation made before January 1, 1984, in accordance with section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the plan that related to section 242(b)(2) of TEFRA.

(b) Time and manner of distribution.

(1) Required beginning date. The member's entire interest will be distributed, or begin to be distributed, to the member no later than the member's required beginning date which shall not be later than April 1 of the calendar year following the later of the calendar year in which the member attains age seventy and one-half (70 ½) or the calendar year in which the member retires unless otherwise provided for in the plan or required by law.

(2) Death of member before distributions begin. If the member dies before distributions begin, the member's entire interest will be distributed, or begin to be distributed no later than as follows:

a. If the member's surviving spouse is the member's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the member died, or by December 31 of the calendar year in which the member would have attained age 70 ½, if later.

b. If the member's surviving spouse is not the member's sole designated beneficiary, then, distributions to the designated beneficiary will begin by December 31

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of the calendar year immediately following the calendar year in which the member died.

c. If there is no designated beneficiary as of September 30 of the year following the year of the member's death, the member's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the member's death.

d. If the member's surviving spouse is the member's sole designated beneficiary and the surviving spouse dies after the member but before distributions to the surviving spouse begin, this subsection (b)(2), other than subsection (b)(2)a., will apply as if the surviving spouse were the member.

For purposes of this subsection (b)(2) and subsection (e), distributions are considered to begin on the member's required beginning date or, if subsection (b)(2)d. applies, the date of distributions are required to begin to the surviving spouse under subsection (b)(2)a. If annuity payments irrevocably commence to the member before the member's required beginning date (or to the member's surviving spouse before the date distributions are required to begin to the surviving spouse under subsection (b)(2)a.) the date distributions are considered to begin is the date distributions actually commence.

(3) *Form of distribution.* Unless the member's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance of subsections (c), (d) and (e) of this section. If the member's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of section 401(a)(9) of the code and treasury regulations. Any part of the member's interest which is in the form of an individual account described in section 414(k) of the code will be distributed in a manner satisfying the requirements of section 401(a)(9) of the code and treasury regulations that apply to individual accounts.

(c) *Determination of amount to be distributed each year.*

(1) *General annuity requirements.* If the member's interest is paid in the form of annuity distributions under the plan, payments under the annuity will satisfy the following requirements:

a. The annuity distributions will be paid in periodic payments made at intervals not longer than one year.

b. The distribution period will be over a life (or lives) or over a period certain not longer than the period described in subsection (d) or (e).

c. Once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted.

d. Payments will either be nonincreasing or increase only as follows:

1. By an annual percentage increase that does not

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exceed the cumulative annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics or by a fixed annual increase of five percent or less.

2. To the extent of the reduction in the amount of the member's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in subsection (d) dies or is no longer the member's beneficiary pursuant to a qualified domestic relations order within the meaning of section 414(p).

3. To provide cash refunds of accumulated contributions upon the member's death.

4. To pay increased benefits that result from a plan amendment.

(2) Amount required to be distributed by required beginning date. The amount that must be distributed on or before the member's required beginning date (or, if the member dies before distributions begin, the date distributions are required to begin under subsection (b)(2)a. or (b)(2)c.) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the member's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the member's required beginning date.

(3) Additional accruals after first distribution calendar year. Any additional benefits accruing to the member in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(d) Requirements for annuity distributions that commence during a member's lifetime.

(1) Joint life annuities where the beneficiary is not the member's spouse. If the member's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the member and a nonspouse beneficiary, annuity payments to be made on or after the member's required beginning date to the designated beneficiary after the member's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the member using the table set forth in Q&A-2 of section 1.401(a)(9)-6T of the treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the member and a nonspouse beneficiary and a period certain annuity, the requirements in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

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(2) Period certain annuities. Unless the member's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the member's lifetime may not exceed the applicable distribution period for the member under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the member reaches age 70, the applicable distribution period for the member is the distribution period for age 70 under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the treasury regulations plus the excess of 70 over the age of the member as of the member's birthday in the year that contains the annuity starting date. If the

member's spouse is the member's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the member's applicable distribution period, as determined under this subsection (d)(2), or the joint life and last survivor expectancy of the member and the member's spouse as determined under the Joint and Last Survivor Table set forth in section 1.401(a)(9)-9 of the treasury regulations, using the member's and spouse's attained ages as of the member's and spouse's birthdays in the calendar year that contains the annuity starting date.

*(e) Requirements for minimum distributions where member dies before date distributions begin.*

*(1) Member survived by designated beneficiary.* If the member dies before the date distribution of his or her interest begins and there is a designated beneficiary, the member's entire interest will be distributed, beginning no later than the time described in subsection (b)(2)a. or (b)(2)b., over the life of the designated beneficiary or over a period certain not exceeding:

a. Unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the member's death.

b. If the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year the contains the annuity starting date.

*(2) No designated beneficiary.* If the member dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the member's death, distribution of the member's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the member's death.

*(3) Death of surviving spouse before distributions to surviving spouse begin.* If the member dies before the date distribution of his interest begins, the member's surviving spouse is the member's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this subsection (e) will apply as if the surviving spouse were the member.

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except that the time by which distributions must begin will be determined without regard to subsection (b)(2)a.

*(f) Definitions.*

*(1) Designated beneficiary.* The individual who is designated as the beneficiary under the plan and is the designated beneficiary under section 401(a)(9) of the code and section 1.401(a)(9)-1, Q&A-4, of the treasury regulations.

(2) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the member's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the member's required beginning date. For distributions beginning after the member's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to subsection (b)(2).

(3) Life expectancy. Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the treasury regulations.

(4) Required beginning date. The date specified in subsection (b)(1).

**SECTION 4:** That Chapter 54, Pensions and Retirement, Article II, Pension Plan for General Employees, of the City of Winter Garden Code of Ordinances, is hereby amended by amending Section 54-47, Direct transfers of eligible rollover distributions, to read as follows:

**Sec. 54-47. Direct transfers of eligible rollover distributions; Elimination of mandatory distributions.**

\* \* \*

(c) Elimination of mandatory distributions. Notwithstanding any other provision herein to the contrary, in the event this plan provides for a mandatory (involuntary) cash distribution from the plan not otherwise required by law, for an amount in excess of one-thousand dollars (\$1,000.00), such distribution shall be made from the plan only upon written request of the member and completion by the member of a written election on forms designated by the board, to either receive a cash lump sum or to rollover the lump sum amount.

**SECTION 5:** That Chapter 54, Pensions and Retirement, Article II, Pension Plan for General Employees, of the City of Winter Garden Code of Ordinances, is hereby amended by amending Section 54-52, Deferred retirement option plan, subsection (d), *Distribution of DROP accounts on termination of employment*, to read as follows:

(d) *Distribution of DROP accounts on termination of employment.*

(1) *Eligibility for benefits.* A member shall receive the balance in his DROP account in accordance with the provisions of this subsection (d) upon his termination of employment as a general employee. Except as provided in subsection (d)(4)(5), no amounts shall be paid to a

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member from the DROP prior to his termination of employment as a general employee.

(2) *Form of distribution.*

a. Unless the member elects otherwise, distribution of his DROP account shall be made in a lump sum, subject to the direct rollover provisions set forth in subsection (d)(7)(6). A member may elect, however, in such time and manner as the board shall prescribe, that his DROP distribution be used to purchase a nonforfeitable fixed annuity payable in such form as the member may elect. Elections under this paragraph shall be in writing and shall be made in such time or manner as the board shall determine. ~~If the annuity form selected is not a qualified joint and 50 percent survivor~~

~~annuity with the member's spouse as the beneficiary, the annuity payable to the member and thereafter to his beneficiary shall be subject to the incidental death benefit rule as described in Section 401(a)(9)(G) of the Code and its applicable regulations.~~

b. If a member dies before his benefit is paid, his DROP account shall be paid to his beneficiary in such optional form as his beneficiary may select. If no beneficiary designation is made, the DROP account shall be distributed to the member's estate.

(3) *Date of payment of distribution.* Except as otherwise provided in this subsection (d), distribution of a member's DROP account shall be made as soon as administratively practicable following the member's termination of employment. Distribution of the amount in a Member's DROP account will not be made unless the Member completes a written request for distribution and a written election, on forms designated by the Board, to either receive a cash lump sum or a rollover of the lump sum amount.

~~(4) — Age 70 1/2 required distribution. In no event shall the provisions of subsection (d) operate so as to allow the distribution of a member's DROP account to be later than the April 1 following the later of the calendar year in which he terminates his employment as a general employee or he attains age 70 1/2.~~

~~(4)(5) Proof of death and right of beneficiary or other person.~~ The board may require and rely upon such proof of death and such evidence of the right of any beneficiary or other person to receive the value of a deceased member's DROP account as the board may deem proper and its determination of the right of that beneficiary or other person to receive payment shall be conclusive.

~~(5)(6) Distribution limitation.~~ Notwithstanding any other provision of this subsection (d), all distributions from the DROP shall conform to the "Minimum Distribution Of Benefits" provisions as provided for herein, ~~regulations issued under Section 401(a)(9) of the Code, including the incidental death benefit provisions of Section 401(a)(9)(G) of the Code. Further, such regulations shall override any DROP provision that is inconsistent with Section 401(a)(9) of the Code.~~

~~(6)(7) Direct rollover of certain distributions.~~ This subsection applies to distributions made on

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or after January 1, 2002. Notwithstanding any provision of the DROP to the contrary, a distributee may elect to have any portion of an eligible rollover distribution paid in a direct rollover as otherwise provided under the system in section 54-47.

**SECTION 6:** All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

**SECTION 7:** If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

**SECTION 8:** That this Ordinance shall become effective upon adoption.

ORDINANCE NO. 06-26

AN ORDINANCE OF THE CITY OF WINTER GARDEN, FLORIDA, AMENDING CHAPTER 54, PENSIONS AND RETIREMENT, ARTICLE III, PENSION PLAN FOR FIREFIGHTERS AND POLICE OFFICERS, OF THE CODE OF ORDINANCES OF THE CITY OF WINTER GARDEN; AMENDING SECTION 54-186, DEFINITIONS, TO AMEND THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 54-189, FINANCES AND FUND MANAGEMENT; AMENDING SECTION 54-195, OPTIONAL FORMS OF BENEFITS; AMENDING SECTION 54-201, DISTRIBUTION OF BENEFITS; AMENDING SECTION 54-209, DIRECT TRANSFERS OF ELIGIBLE ROLLOVER DISTRIBUTIONS; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE CITY OF WINTER GARDEN, FLORIDA:

**SECTION 1:** That Chapter 54, Pensions and Retirement, Article III, Pension Plan for Firefighters and Police Officers, of the Code of Ordinances of the City of Winter Garden, Section 54-186, Definitions, is hereby amended by amending the definition of *Credited service* to read as follows:

**Sec. 54-186. Definitions.**

(a) As used herein, unless otherwise defined or required by the context, the following words and phrases shall have the meaning indicated:

\* \* \*

*Credited service* means the total number of years and fractional parts of years of service as a firefighter or police officer with member contributions, when required, omitting intervening years or fractional parts of years when such member was not employed by the city as a firefighter or police officer. A member may voluntarily leave his accumulated contributions in the fund for a period of five years after leaving the employ of the fire or police department pending the possibility of being reemployed as a firefighter or police officer, without losing credit for the time that he was a member of the system. If a vested member leaves the employ of the fire or police department, his accumulated contributions will be returned only upon his written request. If a member who is not vested is not reemployed as a firefighter or police officer with the fire or police department within five years, his accumulated contributions, if one-thousand dollars (\$1,000.00) or less, shall be returned. If a Member who is not vested is not reemployed within five (5) years,

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his Accumulated Contributions, if more than one-thousand dollars (\$1,000.00), will be returned only upon the written request of the Member and upon completion of a written election to receive a cash lump sum or to rollover the lump sum amount on forms designated by the Board. Upon return of a member's accumulated contributions, all of his rights and benefits under the system are forfeited and terminated. Upon any reemployment, a member shall not receive credit for the years and fractional parts of years of service for which he has withdrawn his accumulated contributions from the fund, unless the member repays into the fund the contributions he has withdrawn, with interest, as determined by the board, within 90 days after his reemployment. Current members shall be permitted to repurchase prior service pursuant to the previous sentence if the request to repurchase and the payment of the required amount is made within six months from the effective date of the ordinance adopting this provision. The

years or fractional parts of a year that a member serves in the military service of the Armed Forces of the United States, the United States Merchant Marine or the United States Coast Guard, voluntarily or involuntarily, after separation from employment as a firefighter or police officer with the city to perform training or service, shall be added to his years of credited service for all purposes, including vesting, provided that:

- (a) The member must return to his employment as a firefighter or police officer within one year from the earlier of the date of his military discharge or his release from active service.
- (b) The member is entitled to reemployment under the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA), (P.L. 103--353).
- (c) The maximum credit for military service pursuant to this paragraph shall be five years.

In the event that a member of this system has also accumulated credited service in another pension system maintained by the city, then such other credited service shall be used in determining vesting as provided for in section 54-194, and for determining eligibility for early or normal retirement. Such other credited service will not be considered in determining benefits under this system. Only his credited service under this system on or after his date of membership in this system will be considered for benefit calculation. In addition, any benefit calculation for a member of this system who is or becomes eligible for a benefit from this system after he has become a member of another pension system maintained by the city, shall be based upon the member's average final compensation, credited service and benefit accrual rate as of the date the member ceases to be a firefighter or police officer.

\* \* \*

**SECTION 2:** That Chapter 54, Pensions and Retirement, Article III, Pension Plan for Firefighters and Police Officers, of the Code of Ordinances of the City of Winter Garden, is hereby amended by amending subsection (6)b.6. of Section 54-189, Finances and fund management, to read as follows:

**Sec. 54-189. Finances and fund management.**

*Establishment and operation of fund:*

\* \* \*

- (6) The board shall have the following investment powers and authority:

\* \* \*

b. All monies paid into or held in the fund shall be invested and reinvested by the board and the investment of all or any part of such funds shall be limited to:

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\* \* \*

- 6. Real estate, provided the board shall not invest more than ten percent at cost in real property or real estate. The Board may invest in real estate directly or through an investment vehicle approved by the Board.

\* \* \*

**SECTION 3:** That Chapter 54, Pensions and Retirement, Article III, Pension Plan for Firefighters and Police Officers, of the Code of Ordinances of the City of Winter Garden, is hereby amended by amending subsection (a)(2) of Section 54-195, Optional forms of benefits, to read as follows:

**Sec. 54-195. Optional forms of benefits.**

(a) In lieu of the amount and form of retirement income payable in the event of normal or early retirement as specified herein, a member, upon written request to the board, may elect to receive a retirement income or benefit of equivalent actuarial value payable in accordance with one of the following options:

\* \* \*

(2) A retirement income of a modified monthly amount, payable to the retiree during the lifetime of the retiree and following the death of the retiree, 100 percent, 75 percent, 66 2/3 percent or 50 percent of such monthly amount payable to a joint pensioner for his lifetime. Except where the retiree's joint pensioner is his spouse, ~~the present value of payments to the retiree shall not be less than 50 percent of the total present value of payments to the retiree and his joint pensioner; the payments to the joint pensioner as a percentage of the payments to the Retiree shall not exceed the applicable percentage provided for in the applicable table in the Treasury regulations.~~

\* \* \*

**SECTION 4:** That Chapter 54, Pensions and Retirement, Article III, Pension Plan for Firefighters and Police Officers, of the Code of Ordinances of the City of Winter Garden, is hereby amended by amending Section 54-201, Distribution of benefits, to read as follows:

**Sec. 54-201. Minimum Distribution of benefits.**

~~Notwithstanding any other provision of this system to the contrary, a form of retirement income payable from this system after the effective date of this article [December 31, 1999], shall satisfy the following conditions:~~

~~(1) If the retirement income is payable before the member's death:~~

~~a. It shall either be distributed or commence to the member not later than April 1 of the calendar year following the later of the calendar year in which the member attains age 70 1/2, or the calendar year in which member retires.~~

~~b. The distribution shall commence not later than the calendar year defined above; and a), shall be paid over the life of the member or over the lifetimes of~~

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~~the member and spouse, issue or dependent, or b), shall be paid over the period extending not beyond the life expectancy of the member and spouse, issue or dependent.~~

~~Where a form of retirement income payment has commenced in accordance with the preceding paragraphs and the member dies before his entire interest in the system has been distributed, the remaining portion of such interest in the system shall be distributed no less rapidly than under the form of distribution in effect at the time of the member's death.~~

~~(2) If the member's death occurs before the distribution of his interest in the system has commenced, the member's entire interest in the system shall be distributed within five years of the member's death, unless it is to be distributed in accordance with the following rules:~~

~~a. The member's remaining interest in the system is payable to his spouse, issue or dependent;~~

~~b. The remaining interest is to be distributed over the life of the spouse, issue or dependent or over a period not extending beyond the life expectancy of the spouse, issue or dependent; and~~

~~c. Such distribution begins within one year of the member's death unless the member's spouse shall receive the remaining interest in which case the distribution need not begin before the date on which the member would have attained age 70 ½ and if the spouse dies before the distribution to the spouse begins, this section shall be applied as if the spouse were the member.~~

(a) General Rules.

(1) Effective Date. The provisions of this Section will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.

(2) Precedence. The requirements of this Section will take precedence over any inconsistent provisions of the Plan.

(3) Requirements of Treasury Regulations Incorporated. All distributions required under this Section will be determined and made in accordance with the Treasury regulations under Section 401(a)(9) of the Code.

(4) TEFRA Section 242(b)(2) Elections. Notwithstanding the other provisions of this Section other than this subsection (a)(4), distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the plan that related to Section 242(b)(2) of TEFRA.

(b) Time and Manner of Distribution.

(1) Required Beginning Date. The Member's entire interest will be distributed, or begin to be distributed, to the Member no later than the Member's required beginning date which shall not be later than April 1 of the calendar year following the

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later of the calendar year in which the Member attains age seventy and one-half (70 ½) or the calendar year in which the Member retires unless otherwise provided for in the Plan or required by law.

(2) Death of Member Before Distributions Begin. If the Member dies before distributions begin, the Member's entire interest will be distributed, or begin to be distributed no later than as follows:

a. If the Member's surviving spouse is the Member's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in

which the Member died, or by December 31 of the calendar year in which the Member would have attained age 70 ½, if later.

b. If the Member's surviving spouse is not the Member's sole designated beneficiary, then, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Member died.

c. If there is no designated beneficiary as of September 30 of the year following the year of the Member's death, the Member's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Member's death.

d. If the Member's surviving spouse is the Member's sole designated beneficiary and the surviving spouse dies after the Member but before distributions to the surviving spouse begin, this subsection (b)(2), other than subsection (b)(2)a., will apply as if the surviving spouse were the Member. For purposes of this subsection (b)(2). and subsection (e), distributions are considered to begin on the Member's required beginning date or, if subsection (b)(2)d. applies, the date of distributions are required to begin to the surviving spouse under subsection (b)(2)a. If annuity payments irrevocably commence to the Member before the Member's required beginning date (or to the Member's surviving spouse before the date distributions are required to begin to the surviving spouse under subsection (b)(2)a.) the date distributions are considered to begin is the date distributions actually commence.

(3) Form of Distribution. Unless the Member's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance of subsections (c),(d) and (e) of this Section. If the Member's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Section

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401(a)(9) of the Code and Treasury regulations. Any part of the Member's interest which is in the form of an individual account described in Section 414(k) of the Code will be distributed in a manner satisfying the requirements of Section 401(a)(9) of the Code and Treasury regulations that apply to individual accounts.

(c) Determination of Amount to be Distributed Each Year.

(1) General Annuity Requirements. If the Member's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

a. The annuity distributions will be paid in periodic payments made at intervals not longer than one year.

b. The distribution period will be over a life (or lives) or over a period certain not longer than the period described in subsection (d) or (e).

c. Once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted.

d. Payments will either be nonincreasing or increase only as follows:

1. By an annual percentage increase that does not exceed the cumulative annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics or by a fixed annual increase of five percent or less.

2. To the extent of the reduction in the amount of the Member's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in subsection (d) dies or is no longer the Member's beneficiary pursuant to a qualified domestic relations order within the meaning of Section 414(p).

3. To provide cash refunds of Accumulated Contributions upon the Member's death.

4. To pay increased benefits that result from a Plan amendment.

(2) Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Member's required beginning date (or, if the Member dies before distributions begin, the date distributions are required to begin

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under subsection (b)(2)a. or (b)(2)c.) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Member's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Member's required beginning date.

(3) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Member in a calendar year after the first distribution

calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(d) Requirements for Annuity Distributions That Commence During a Member's Lifetime.

(1) Joint Life Annuities Where the Beneficiary Is Not the Member's Spouse.

If the Member's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Member and a nonspouse beneficiary, annuity payments to be made on or after the Member's required beginning date to the designated beneficiary after the Member's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Member using the table set forth in Q&A-2 of Section 1.401(a)(9)-6T of the Treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Member and a nonspouse beneficiary and a period certain annuity, the requirements in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

(2) Period Certain Annuities. Unless the Member's spouse is the sole

designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Member's lifetime may not exceed the applicable distribution period for the Member under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the Member reaches age 70, the applicable distribution period for the Member is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the Member as of the Member's birthday in the year that contains the annuity starting date. If the Member's spouse is the Member's sole designated beneficiary and the form of

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distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Member's applicable distribution period, as determined under this subsection (d)(2), or the joint life and last survivor expectancy of the Member and the Member's spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Member's and spouse's attained ages as of the Member's and spouse's birthdays in the calendar year that contains the annuity starting date.

(e) Requirements for Minimum Distributions Where Member Dies Before Date Distributions Begin.

(1) Member Survived by Designated Beneficiary. If the Member dies before the date distribution of his or her interest begins and there is a designated beneficiary, the Member's entire interest will be distributed, beginning no later than the time described in subsection (b)(2)a. or (b)(2)b., over the life of the designated beneficiary or over a period certain not exceeding:

a. Unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Member's death.

b. If the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year the contains the annuity starting date.

(2) No designated Beneficiary. If the Member dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the Member's death, distribution of the Member's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Member's death.

(3) Death of Surviving Spouse Before Distributions to Surviving Spouse Begin. If the Member dies before the date distribution of his interest begins, the Member's surviving spouse is the Member's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this subsection (e) will apply as if the surviving spouse were the Member, except that the time by which distributions must begin will be determined without regard to subsection (b)(2)a..

(f) Definitions.

(1) Designated Beneficiary. The individual who is designated as the beneficiary under the Plan and is the designated beneficiary under Section 401(a)(9) of

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the Code and Section 1.401(a)(9)-1, Q&A-4, of the Treasury regulations.

(2) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Member's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Member's required beginning date. For distributions beginning after the Member's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to subsection (b)(2).

(3) Life Expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.

(4) Required Beginning Date. The date specified in subsection (b)(1).

**SECTION 5:** That Chapter 54, Pensions and Retirement, Article III, Pension Plan for Firefighters and Police Officers, of the Code of Ordinances of the City of Winter Garden, is hereby amended by adding subsection (c) to Section 54-209, Direct transfers of eligible rollover distributions, to read as follows:

**Sec. 54-209. Direct transfers of eligible rollover distributions; Elimination of mandatory distributions.**

\* \* \*

(c)Elimination of Mandatory Distributions. Notwithstanding any other provision herein to the contrary, in the event this Plan provides for a mandatory (involuntary) cash distribution from the Plan not otherwise required by law, for an amount in excess of one-thousand dollars (\$1,000.00), such distribution shall be made from the Plan only upon written request of the Member and completion by the Member of a written election on forms designated by the Board, to either receive a cash lump sum or to rollover the lump sum amount.

**SECTION 6:** All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

**SECTION 7:** If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

**SECTION 8:** That this Ordinance shall become effective upon adoption.



**CITY OF WINTER GARDEN, FLORIDA**



**SALES TAX  
REVENUE BOND ORDINANCE**



**ENACTED AUGUST 10, 2006**



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**ORDINANCE NO. \_\_\_\_\_**

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF WINTER GARDEN, FLORIDA AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$13,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF WINTER GARDEN, FLORIDA SALES TAX REVENUE BONDS, SERIES 2006, TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A NEW CITY HALL COMPLEX; PLEDGING MONEYS RECEIVED BY THE CITY FROM THE LOCAL GOVERNMENT HALF-CENT SALES TAX AND CERTAIN OTHER FUNDS TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED HEREUNDER; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF BONDS ISSUED HEREUNDER; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH BONDS ISSUED HEREUNDER; AUTHORIZING THE AWARDING OF SAID SERIES 2006 BONDS PURSUANT TO A PUBLIC BID; DELEGATING CERTAIN AUTHORITY TO THE CITY MANAGER FOR THE AWARD OF THE SERIES 2006 BONDS AND THE APPROVAL OF THE TERMS AND DETAILS OF SAID SERIES 2006 BONDS; APPOINTING THE PAYING AGENT AND REGISTRAR FOR SAID SERIES 2006 BONDS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT TO SUCH SERIES 2006 BONDS; AUTHORIZING THE USE OF AN OFFICIAL NOTICE OF SALE AND THE PUBLICATION THEREOF OR A SUMMARY THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE FOR THE SERIES 2006 BONDS; AUTHORIZING MUNICIPAL BOND INSURANCE FOR THE SERIES 2006 BONDS; AUTHORIZING A RESERVE ACCOUNT INSURANCE FACILITY WITH RESPECT TO THE SERIES 2006 BONDS; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS ORDINANCE.

BE IT ENACTED BY THE CITY OF WINTER GARDEN, FLORIDA:

**ARTICLE I**

**GENERAL**

**SECTION 1.01. DEFINITIONS.** When used in this Ordinance, the following terms shall have the following meanings, unless the context clearly otherwise requires:

**"Accreted Value"** shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Date next preceding the date of computation, or the date of computation if an Interest Date, such interest to accrue at a rate not exceeding the legal rate, compounded semiannually, plus, with respect to matters related to the payment upon redemption or acceleration of the Capital Appreciation Bonds, if such date of computation shall not be an Interest Date, a portion of the difference between the Accreted Value as of the immediately preceding Interest Date and the Accreted Value as of the immediately succeeding Interest Date, calculated based on the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a 360-day year.

**"Act"** shall mean Chapter 166, Florida Statutes, Part VI, Chapter 218, Florida Statutes, the City Charter and other applicable provisions of law.

**"Additional Bonds"** shall mean the obligations (including, but not limited to, bond anticipation notes or other similar short-term indebtedness) issued at any time under the provisions of Section 5.02 hereof on a parity with the Series 2006 Bonds.

**"Amortization Installment"** shall mean an amount designated as such by, or provided for pursuant to, this Ordinance or Supplemental Ordinance of the Issuer and established with respect to the Term Bonds.

**"Annual Debt Service"** shall mean, at any time, the aggregate amount in the then current Fiscal Year of (1) interest required to be paid on the Outstanding Bonds during such Fiscal Year, except to the extent that such interest is to be paid from deposits in the Interest Account or Construction Fund from Bond proceeds for such purpose, (2) principal of Outstanding Serial Bonds maturing in such Fiscal Year, and (3) the Amortization Installments with respect to such Fiscal Year. For purposes of this definition, (A) all amounts payable on a Capital Appreciation Bond shall be considered a

principal payment due in the year of its maturity or date of redemption by Amortization Installment, (B) with respect to debt service on any Bonds which the Issuer has determined are subject to a Qualified Hedge Agreement, interest on such Bonds during the term of such Qualified Hedge Agreement shall be deemed to be the Hedge Payments coming due during such period of time, and (C) the amount on deposit in the Reserve Account (or any subaccount thereof) on any date of calculation of Annual Debt Service shall be deducted from the amount of principal due at the final maturity of the Bonds which are secured by such Reserve Account (or subaccount thereof) and in each preceding year until such amount is exhausted.

**"Authorized Investments"** shall mean any of the following, if and to the extent that the same are at the time legal for investment of funds of the Issuer:

- (1) Cash (insured at all times by the Federal Deposit Insurance Corporation),
- (2) Obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. including:
  - (A) U.S. treasury obligations
  - (B) All direct or fully guaranteed obligations
  - (C) Farmers Home Administration
  - (D) General Services Administration
  - (E) Guaranteed Title XI financing
  - (F) Government National Mortgage Association (GNMA)
  - (G) State and Local Government Series
- 3) Obligations of Government – Sponsored Agencies that are not backed by the full faith and credit of the U.S. Government:
  - (A) Federal Home Loan Mortgage Corp. (FHLMC) Debt obligations
  - (B) Federal Home Loan Banks (FHL Banks)
  - (C) Federal National Mortgage Association (FNMA) Debt obligations
  - (D) Resolution Funding Corp. (REFCORP) Debt obligations

Any security used for defeasance must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the rated debt (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

(4) The following obligations may be used as Authorized Investments for all purposes other than defeasance investments in refunding escrow accounts.

- (A) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:
- Export-Import Bank
  - Rural Economic Community Development Administration
  - U.S. Maritime Administration
  - Small Business Administration
  - U.S. Department of Housing & Urban Development (PHAs)
  - Federal Housing Administration
  - Federal Financing Bank
- (B) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:
- Senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC)
  - Obligations of the Resolution Funding Corporation (REFCORP)
  - Senior debt obligations of the Federal Home Loan Bank System
  - Senior debt obligations of other Government Sponsored Agencies approved by the Insurer
- (C) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing not more than 360 calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);
- (D) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;
- (E) Investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P;
- (F) Pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not

callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

- (i) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or S&P or any successors thereto; or
  - (ii) (a) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (2)(A) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (b) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate; Pre-refunded Municipal Obligations meeting the requirements of subsection (B) hereof may be used as Authorized Investments for annual appropriation lease transactions.
- (G) Municipal obligations rated "Aaa/AAA" or general obligations of States with a rating of "A2/A" or higher by both Moody's and S&P;
  - (H) Investment agreements approved in writing by the Insurer (supported by appropriate opinions of counsel); and
  - (I) Other forms of investments (including repurchase agreements) approved in writing by the Insurer.
- (5) The value of the above investments shall be determined as follows:
    - (A) For the purpose of determining the amount in any fund, all Authorized Investments credited to such fund shall be valued at fair market value. The Issuer shall determine the fair market value based on accepted industry standards and from accepted industry providers. Accepted industry providers shall include but are not limited to pricing services provided by

Financial Times Interactive Data Corporation, Merrill Lynch, Citigroup, Bear Stearns, or Lehman Brothers.

- (B) As to certificates of deposit and bankers' acceptances: the face amount thereof, plus accrued interest thereon; and
- (C) As to any investment not specified above: the value thereof established by prior agreement between the Issuer and the Insurer.

(6) Units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, or any similar common trust fund which is established pursuant to law as a legal depository of public moneys and for which the State Board of Administration acts as custodian.

Rating categories when referred to herein shall be without regard to gradations within such categories, such as "plus" or "minus."

**"Authorized Issuer Officer"** shall mean the Mayor/Commissioner, the City Manager, or their designee(s), and when used in reference to any act or document also means any other person authorized by ordinance or resolution of the Issuer to perform such act or sign such document.

**"Bond Amortization Account"** shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

**"Bond Counsel"** shall mean Nabors, Giblin & Nickerson, 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, and duly admitted to practice law before the highest court of any state of the United States of America.

**"Bond Insurance Policy"** shall mean a municipal bond insurance policy issued by an Insurer insuring the payment, when due, of the principal of and interest on a Series of Bonds as provided therein. With respect to the Series 2006 Bonds, "Bond Insurance Policy" shall mean the financial guaranty insurance policy issued by Ambac Assurance Corporation insuring the payment of the principal of and interest on the Series 2006 Bonds.

**"Bondholder"** or **"Holder"** or **"holder of Bonds"** or any similar term, when used with reference to a Bond or Bonds, shall mean any Person who shall be the registered owner of any Outstanding Bond or Bonds as provided in the registration books of the Issuer.

**"Bonds"** shall mean the Series 2006 Bonds, together with any Additional Bonds, issued pursuant to this Ordinance and any Subordinated Indebtedness which accedes to the status of Bonds pursuant to Section 5.04 hereof.

**"Capital Appreciation Bonds"** shall mean those Bonds, if any, so designated by Supplemental Ordinance of the Issuer, which may be either Serial Bonds or Term Bonds and which shall bear interest payable at maturity or redemption. In the case of Capital Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or prior to redemption of such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

**"City Charter"** shall mean the City Charter of the Issuer, as the same may be amended and supplemented from time to time.

**"City Commission"** shall mean the City Commission of the City of Winter Garden, Florida.

**"City Manager"** shall mean the City Manager of the City of Winter Garden, Florida and such other person as may be duly authorized to act on his or her behalf.

**"Clerk"** shall mean the City Clerk of the City of Winter Garden, Florida and such other person as may be duly authorized to act on his or her behalf.

**"Code"** shall mean the Internal Revenue Code of 1986, as amended, and the regulations and rules promulgated thereunder.

**"Construction Fund"** shall mean the City of Winter Garden, Florida Sales Tax Revenue Bonds Construction Fund established pursuant to Section 4.03 hereof.

**"Cost"** when used in connection with a Project and permitted by the Act, shall mean (1) the Issuer's cost of physical construction; (2) costs of acquisition by or for the Issuer of such Project or any portion thereof; (3) any costs of land and interests therein and the costs of the Issuer incidental to such acquisition (including, without limitation, title insurance and related costs and costs associated with the examination, survey and any remediation required with respect to such land); (4) the cost of any indemnity and surety bonds and premiums for insurance during construction; (5) all interest due to be paid on the Bonds and other obligations relating to the Project during the period of construction of the Project and a reasonable period subsequent to completion of construction as the Issuer shall determine; (6) engineering, architectural, legal, financial advisory and other consultant fees and expenses; (7) costs and expenses of the financing incurred for the Project, including fees and expenses of any Paying Agent, Registrar, Credit Facility Provider or depository; (8) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any interim or temporary

indebtedness of the Issuer incurred for the Project; (9) costs of machinery, equipment, technology, supplies, spare parts, furniture and any other items required by the Issuer for the commencement of operation of the Project; and (10) any other costs properly attributable to such construction or acquisition or to the issuance of the Bonds which finance the Project, as determined by generally accepted accounting principles applicable to the Project, and shall include reimbursement to the Issuer for any such items of Cost paid by the Issuer prior to the issuance of the Bonds or other obligations issued to finance the Project.

**"Counterparty"** shall mean the entity entering into a Hedge Agreement with the Issuer. Counterparty would also include any guarantor of such entity's obligations under such Hedge Agreement.

**"Credit Facility"** shall mean as to any particular Series of Bonds, a Bond Insurance Policy, a letter of credit, a line of credit or another credit or liquidity enhancement facility, as approved herein or in the Supplemental Ordinance providing for the issuance of such Series of Bonds.

**"Credit Facility Provider"** shall mean the Insurer, bank or other financial institution issuing a Credit Facility for a particular Series of Bonds.

**"Debt Service Fund"** shall mean the City of Winter Garden, Florida Sales Tax Revenue Bonds Debt Service Fund established pursuant to Section 4.04 hereof.

**"Finance Director"** shall mean the Finance Director of the City of Winter Garden, Florida and such other person as may be duly authorized to act on his or her behalf.

**"Fiscal Year"** shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

**"Fitch"** shall mean Fitch Ratings and any assigns or successors thereto.

**"Hedge Agreement"** shall mean an agreement in writing between the Issuer and the Counterparty pursuant to which (1) the Issuer agrees to pay to the Counterparty an amount, either at one time or periodically, which may, but is not required to, be determined by reference to the amount of interest (which may be at a fixed or variable rate) payable on a notional amount specified in such agreement in the period specified in such agreement and (2) the Counterparty agrees to pay to the Issuer an amount, either at one time or periodically, which may, but is not required to, be determined by reference to the amount of interest (which may be at a fixed or variable rate) payable on all or a

portion of a notional amount specified in such agreement during the period specified in such agreement.

**"Hedge Payments"** shall mean any amounts payable by the Issuer as interest on the related notional amount under a Qualified Hedge Agreement; excluding, however, any payments due as a penalty or a fee or by virtue of termination of a Qualified Hedge Agreement or any obligation of the Issuer to provide collateral.

**"Hedge Receipts"** shall mean any amounts receivable by the Issuer on the related notional amount under a Qualified Hedge Agreement.

**"Insurer"** shall mean with respect to the Series 2006 Bonds, Ambac Assurance Corporation, a Wisconsin-domiciled stock insurance company, and with respect to any other Series of Bonds, the Credit Facility Provider, if any, issuing a Bond Insurance Policy with respect to such Series of Bonds.

**"Interest Account"** shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

**"Interest Date"** or **"interest payment date"** shall be such date or dates for the payment of interest on the Bonds as provided pursuant to Sections 2.01 or 2.02 hereof.

**"Issuer"** or **"City"** shall mean the City of Winter Garden, Florida, a municipal corporation established pursuant to the laws of the State of Florida.

**"Maximum Annual Debt Service"** shall mean the largest aggregate amount of the Annual Debt Service becoming due in any Fiscal Year in which Bonds are Outstanding, excluding all Fiscal Years which shall have ended prior to the Fiscal Year in which the Maximum Annual Debt Service shall at any time be computed.

**"Maximum Interest Rate"** shall mean, with respect to any particular Variable Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Ordinance of the Issuer delineating the details of such Bonds, that shall be the maximum rate of interest such Bonds may at any particular time bear in the future in accordance with the terms of such Supplemental Ordinance.

**"Mayor/Commissioner"** shall mean the Mayor/Commissioner of the City Commission and such other person as may be duly authorized to act on his or her behalf.

**"Moody's"** shall mean Moody's Investors Service, and any assigns or successors thereto.

**"Official Notice of Sale"** shall mean the Official Notice of Sale to be prepared and distributed in connection with the offering and sale of the Series 2006 Bonds, which Official Notice of Sale shall in substantially the form of which is attached hereto as Exhibit A.

**"Ordinance"** shall mean this Sales Tax Revenue Bond Ordinance, as the same may from time to time be amended, modified or supplemented by Supplemental Ordinance.

**"Outstanding"** when used with reference to the Bonds and as of any particular date, shall describe all of the Bonds theretofore and thereupon being authenticated and delivered except, (1) any Bond in lieu of which another Bond or Bonds have been issued to replace lost, mutilated or destroyed Bonds, (2) any Bond surrendered by the Holder thereof in exchange for another Bond or Bonds under Sections 2.07 and 2.08 hereof, (3) Bonds deemed to have been paid pursuant to Section 9.01 hereof, and (4) Bonds cancelled after purchase in the open market or because of payment at maturity or upon redemption.

**"Paying Agent"** shall mean for each Series of Bonds, the paying agent appointed by the Issuer for such Series of Bonds and its successors and assigns, if any. With respect to the Series 2006 Bonds, "Paying Agent" shall mean U.S. Bank National Association, Fort Lauderdale, Florida.

**"Person"** shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

**"Pledged Funds"** shall mean (1) the Sales Tax Revenues, and (2) until applied in accordance with the provisions of this Ordinance, all moneys, including investments thereof, in the funds and accounts established hereunder except (A) for the Unrestricted Revenue Account and the Rebate Fund and (B) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions hereof.

**"Policy Costs"** shall mean all amounts owed by the Issuer to an issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit, including but not limited to, repayments of draws made with respect thereto, interest and expenses.

**"Prerefunded Obligations"** shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (1) which are (A) not callable at the option of the obligor prior to maturity or (B) as to which irrevocable instructions have been given to

the fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (2) which are fully secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or Refunding Securities, secured in the manner set forth in Section 9.01 hereof, which fund may be applied only to the payment of such principal of, redemption premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as the case may be, (3) as to which the principal of and interest on the Refunding Securities, which have been deposited in such fund along with any cash on deposit in such fund, are sufficient, as verified by an independent certified public accountant, to pay principal of, redemption premium, if any, and interest on the bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (1) above, and (4) which are rated in the highest rating category of Standard & Poor's, Fitch or Moody's.

**"Principal Account"** shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

**"Project"** shall mean the 2006 Project and the acquisition, construction and equipping of such additional capital improvements, properties and facilities and other activities or items that are subsequently approved by the Issuer and which may be lawfully financed with Sales Tax Revenues pursuant to the Act.

**"Qualified Hedge Agreement"** shall mean a Hedge Agreement with a Counterparty which at the time it enters into such Qualified Hedge Agreement is rated "A-" or better by Standard & Poor's and "A3" or better by Moody's.

**"Rebate Fund"** shall mean the City of Winter Garden, Florida Sales Tax Revenue Bonds, Rebate Fund established pursuant to Section 4.04 hereof.

**"Redemption Price"** shall mean, with respect to any Bond or portion thereof, the principal amount or portion thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Ordinance.

**"Refunding Securities"** shall mean any of the items listed in paragraphs 2 or 3 of the definition of Authorized Investments, and Prerefunded Obligations.

**"Registrar"** shall mean for each Series of Bonds, any registrar appointed by the Issuer for such Series of Bonds and its successors and assigns, if any. With respect to the Series 2006 Bonds, "Registrar" shall mean U.S. Bank National Association, Fort Lauderdale, Florida.

**"Reserve Account"** shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

**"Reserve Account Insurance Policy"** shall mean an insurance policy or surety bond deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(4) hereof. The reserve account surety bond to be issued by Ambac Assurance Corporation in connection with the issuance of the Series 2006 Bonds shall constitute a "Reserve Account Insurance Policy."

**"Reserve Account Letter of Credit"** shall mean an unconditional irrevocable letter of credit or line of credit (other than a Reserve Account Insurance Policy) deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(4) hereof.

**"Reserve Account Requirement"** shall mean, as of any date of calculation for the Reserve Account or any subaccount thereof, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds secured thereby, (2) one hundred twenty-five percent (125%) of the average annual debt service for all Outstanding Bonds secured thereby, or (3) such other amount as shall be designated by Bond Counsel as the maximum amount of Bond proceeds which may be deposited in the Reserve Account without subjecting the same to yield restriction under the Code, or causing interest on any of the Bonds (other than Taxable Bonds) to be included in gross income for purposes of federal income taxation; provided, however, if a particular Series of Bonds is separately secured by a subaccount in the Reserve Account, the Reserve Account Requirement for such Series of Bonds may be less than the amount determined by applying the foregoing (including zero) and shall be set forth in the Supplemental Ordinance authorizing such Series of Bonds. For the purpose of determining the Reserve Account Requirement on any Variable Rate Bonds, the interest rate on the Variable Rate Bonds shall be assumed to be the lesser of (a) the rate calculated in accordance with Section 5.02(B) hereof and (b) such other interest rate as is designated by Bond Counsel to be necessary to avoid interest on any of the Bonds (other than Taxable Bonds) to be included in gross income for purposes of federal income taxation.

**"Restricted Revenue Account"** shall mean the separate account in the Revenue Fund established pursuant to Section 4.04 hereof.

**"Revenue Fund"** shall mean the City of Winter Garden, Florida Sales Tax Revenue Bonds Revenue Fund established pursuant to Section 4.04 hereof.

**"Sales Tax Revenues"** shall mean all moneys distributed (including any emergency distribution) to the Issuer from the Local Government Half-cent Sales Tax

Clearing Trust Fund pursuant to Part VI, Chapter 218, Florida Statutes and other applicable provisions of law.

**"Serial Bonds"** shall mean all of the Bonds other than Term Bonds.

**"Series"** shall mean all the Bonds delivered on original issuance in a simultaneous transaction and identified pursuant to Sections 2.01 and 2.02 hereof or a Supplemental Ordinance authorizing the issuance by the Issuer as a separate Series, regardless of variations in maturity, interest rate, amortization installments or other provisions.

**"Series 2006 Bonds"** shall mean the City of Winter Garden, Florida Sales Tax Revenue Bonds, Series 2006, authorized and issued pursuant to Section 2.02 of this Ordinance.

**"Standard & Poor's"** or **"S&P"** shall mean Standard and Poor's Ratings Group, and any assigns and successors thereto.

**"State"** shall mean the State of Florida.

**"Subordinated Indebtedness"** shall mean that indebtedness of the Issuer, subordinate and junior to the Bonds, issued in accordance with the provisions of Section 5.01 hereof.

**"Supplemental Ordinance"** shall mean any ordinance or resolution of the Issuer amending or supplementing this Ordinance enacted and becoming effective in accordance with the terms of Sections 7.01, 7.02 and 7.03 hereof.

**"Taxable Bonds"** shall mean any Bonds which state, in the body thereof, that the interest income thereon is includable in the gross income of the Holder thereof for federal income taxation purposes or that such interest is subject to federal income taxation.

**"Term Bonds"** shall mean Bonds which shall be designated as or authorized to be Term Bonds by this Ordinance or Supplemental Ordinance of the Issuer and which are subject to mandatory redemption by Amortization Installment.

**"2006 Project"** shall mean generally the acquisition, construction and equipping of an approximately 40,000 square foot City Hall complex, all as more particularly described in the plans and specifications on file or to be on file with the Issuer, as the same may be modified or amended from time to time.

**"Unrestricted Revenue Account"** shall mean the separate account in the Revenue Fund established pursuant to Section 4.04 hereof.

**"Variable Rate Bonds"** shall mean Bonds issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof at the date of issue.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Ordinance; the term "heretofore" shall mean before the date of adoption of this Ordinance; and the term "hereafter" shall mean after the date of adoption of this Ordinance.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

**SECTION 1.02. AUTHORITY FOR ORDINANCE.** This Ordinance is adopted pursuant to the provisions of the Act.

**SECTION 1.03. ORDINANCE TO CONSTITUTE CONTRACT.** In consideration of the purchase and acceptance of any or all of the Bonds by those who shall hold the same from time to time, the provisions of this Ordinance shall be a part of the contract of the Issuer with the Holders of the Bonds and the Credit Facility Provider(s) and shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Bonds and the Credit Facility Provider(s). The pledge made in this Ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Holders of any and all of said Bonds and for the benefit, protection and security of the Credit Facility Provider(s). All of the Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Ordinance.

**SECTION 1.04. FINDINGS.** It is hereby ascertained, determined and declared:

(A) That pursuant to the Act, the Issuer is authorized to pledge the Sales Tax Revenues to pay the principal of, premium, if any, and interest on Bonds.

(B) That the Issuer has various capital improvement needs and requirements in the form of the 2006 Project.

(C) That the most efficient and cost-effective method of acquiring, constructing and equipping the 2006 Project is by the issuance of the Series 2006 Bonds secured by the Pledged Funds.

(D) That the Pledged Funds currently are not pledged or encumbered in any manner.

(E) That the estimated Pledged Funds will be sufficient to pay the principal of and interest on the Series 2006 Bonds, as the same become due, and all other payments provided for in this Ordinance.

(F) In accordance with Section 218.385, Florida Statutes, and pursuant to this Ordinance, the Series 2006 Bonds shall be advertised for competitive bids pursuant to the Official Notice of Sale, the form of which is attached hereto as Exhibit A.

(G) Pursuant to the Official Notice of Sale, any competitive bids received in accordance with the Official Notice of Sale on or prior to 11:00 a.m., Eastern Daylight Savings Time, on August 24, 2006, or such other date or time as is determined by the City Manager in accordance with the terms and provisions of the Official Notice of Sale, shall be publicly opened and announced.

(H) Due to the present volatility and uncertainty of the market for tax-exempt obligations such as the Series 2006 Bonds, it is desirable for the Issuer to be able to advertise and award the Series 2006 Bonds at the most advantageous time and date which shall be determined by the City Manager, and, accordingly, the City Commission hereby determines to delegate the advertising and awarding of the Series 2006 Bonds to the City Manager within the parameters described herein.

(I) It is necessary and appropriate that the City Commission determine certain parameters for the terms and details of the Series 2006 Bonds and to delegate certain authority to the City Manager for the award of the Series 2006 Bonds and the approval of the terms of the Series 2006 Bonds in accordance with the provisions hereof and of the Official Notice of Sale.

(J) In the event Bond Counsel to the Issuer shall determine that the Series 2006 Bonds have not been awarded competitively in accordance with the provisions of Section 218.385, Florida Statutes, the City Commission shall adopt such resolutions or ordinances and make such findings as shall be necessary to authorize and ratify a negotiated sale of the Series 2006 Bonds in accordance with said Section 218.385, Florida Statutes.

(K) That the principal of and interest on the Bonds issued pursuant to this Ordinance, and all other payments provided for in this Ordinance will be paid solely from the Pledged Funds, and the ad valorem taxing power of the Issuer will never be necessary or authorized to pay the principal of and interest on the Bonds to be issued pursuant to

this Ordinance and, except as otherwise provided herein, the Bonds shall not constitute a lien upon any property within or of the Issuer.

**SECTION 1.05. AUTHORIZATION OF THE 2006 PROJECT.** The Issuer hereby authorizes the acquisition, construction and equipping of the 2006 Project.

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## ARTICLE II

### AUTHORIZATION, TERMS, SALE, EXECUTION AND REGISTRATION OF BONDS

**SECTION 2.01. AUTHORIZATION OF BONDS.** This Ordinance creates an issue of Bonds of the Issuer to be designated as "City of Winter Garden, Florida Sales Tax Revenue Bonds" which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed and delivered under this Ordinance is not limited except as is or may hereafter be provided in this Ordinance or as limited by the Act or by law.

The Bonds may, if and when authorized by the Issuer pursuant to this Ordinance, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Issuer may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates; all as determined hereby.

The Bonds shall be issued in such denominations and such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; and the proceeds shall be used in such manner; all as determined by Supplemental Ordinance of the Issuer in accordance with the provisions of the Act. The Issuer may issue Bonds which may be secured by a Credit Facility all as shall be determined hereby or by Supplemental Ordinance of the Issuer.

**SECTION 2.02. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2006 BONDS; AWARD OF THE SERIES 2006 BONDS; REDEMPTION OF THE SERIES 2006 BONDS.** (A) In accordance with the Act and the terms of this Ordinance, there is hereby created an issue of Bonds of the Issuer to be designated as "City of Winter Garden, Florida Sales Tax Revenue Bonds, Series 2006" (or such other designation as the City Manager may determine), to be issued in the aggregate principal amount of not exceeding \$13,500,000, for the principal purpose of financing and/or reimbursing the Costs of the acquisition, construction and equipping of the 2006 Project. The aggregate principal amount of Series 2006 Bonds to be issued pursuant to the

Ordinance shall be determined by the City Manager provided such aggregate principal amount does not exceed \$13,500,000. The Series 2006 Bonds shall be dated their date of delivery (or such other date as shall be determined by the City Manager), shall be issued in the form of fully registered Bonds in denominations of \$5,000 or any integral multiple thereof, shall be numbered consecutively from one upward in order of maturity preceded by the letter "R", shall bear interest from their dated date, payable semi-annually, on April 1 and October 1 of each year (the "Interest Dates"), commencing on April 1, 2007 (or such other date as shall be determined by the City Manager).

The Series 2006 Bonds shall bear interest at such rates and prices or yields, shall mature on October 1 of each of the years and in the principal amounts corresponding to such years, and shall have such redemption provisions as determined by the City Manager subject to the conditions set forth in this Section 2.02 and the provisions of the Official Notice of Sale. The final maturity of the Series 2006 Bonds shall not be later than October 1, 2036. All of the terms of the Series 2006 Bonds will be included in a certificate to be executed by the City Manager following the award of the Series 2006 Bonds (the "Award Certificate") and shall be set forth in the final Official Statement, as described herein.

(B) The City Manager, on behalf of the Issuer and only in accordance with the terms hereof and of the Official Notice of Sale, shall award the Series 2006 Bonds to the underwriter or underwriters (the "Underwriters") that submit a bid proposal which complies in all respects with this Ordinance and the Official Notice of Sale and offers to purchase the Series 2006 Bonds at the lowest true interest cost to the Issuer, as calculated by the Issuer's Financial Advisor, Public Financial Management, Inc., in accordance with the terms and provisions of the Official Notice of Sale; provided, however, the Series 2006 Bonds shall not be awarded to any bidder unless the true interest cost set forth in the winning bid (as calculated by the Issuer's Financial Advisor) is equal to or less than 5.50%. In accordance with the provisions of the Official Notice of Sale, the City Manager may, in his sole discretion, reject any and all bids.

(C) The Series 2006 Bonds may be redeemed prior to their respective maturities from any moneys legally available therefor, upon notice as provided in Section 3.03 hereof, upon the terms and provisions as determined by the City Manager, in his discretion and upon the advice of the Issuer's Financial Advisor; provided, however, with respect to optional redemption terms for the Series 2006 Bonds, if any, the first optional redemption date may be no later than October 1, 2016 and no call premium may exceed 1.00% of the par amount of that portion of the Series 2006 Bonds to be redeemed. Term Bonds may be established with such Amortization Installments as the City Manager deems appropriate and upon the advice of the Issuer's Financial Advisor. The redemption provisions for the Series 2006 Bonds, if any, shall be set forth in the Award Certificate and in the final Official Statement.

**SECTION 2.03. APPLICATION OF BOND PROCEEDS.** (A) The proceeds derived from the sale of the Series 2006 Bonds, including premium, if any, shall be applied by the Issuer as follows:

(i) A sufficient amount of Series 2006 Bond proceeds shall be used to pay the premium for the Reserve Account Insurance Policy, the face amount of which shall equal the Reserve Account Requirement for the Series 2006 Bonds.

(ii) A sufficient amount of the Series 2006 Bond proceeds shall be applied to the payment of the premium of the Bond Insurance Policy applicable to the Series 2006 Bonds and to the payment of costs and expenses relating to the issuance of the Series 2006 Bonds. Such amount or any portion thereof may, at the option of the Issuer, be deposited in and disbursed from the Construction Fund.

(iii) The balance of the Series 2006 Bond proceeds shall be deposited to an account in the Construction Fund and shall be used to pay the Costs of the 2006 Project.

(B) The proceeds of any Series of Additional Bonds shall be applied by the Issuer in accordance with the provisions of the Supplemental Ordinance authorizing such Series of Bonds.

**SECTION 2.04. EXECUTION OF BONDS.** The Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of the Mayor/Commissioner and the official seal of the Issuer shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the Clerk. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond shall hold the proper office of the Issuer, although at the date of such Bond such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Ordinance, notwithstanding that either or both shall have ceased to hold such office at the time the Bonds shall be actually sold and delivered.

**SECTION 2.05. AUTHENTICATION.** No Bond shall be secured hereunder or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Bond a certificate of authentication by the

Registrar or such other entity as may be approved by the Issuer for such purpose. Such certificate on any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. The form of such certificate shall be substantially in the form provided in Section 2.10 hereof.

**SECTION 2.06. TEMPORARY BONDS.** Until the definitive Bonds are prepared, the Issuer may execute, in the same manner as is provided in Section 2.04 hereof, and deliver, upon authentication by the Registrar pursuant to Section 2.05 hereof, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations authorized by the Issuer by subsequent ordinance or resolution, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer, at its own expense, shall prepare and execute definitive Bonds, which shall be authenticated by the Registrar. Upon the surrender of such temporary Bonds for exchange, the Registrar, without charge to the Holder thereof, shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Ordinance. All temporary Bonds surrendered in exchange for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Registrar.

**SECTION 2.07. BONDS MUTILATED, DESTROYED, STOLEN OR LOST.** In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. All Bonds so surrendered or otherwise substituted shall be cancelled by the Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same or cause the Bond to be paid, upon being indemnified as aforesaid, and if such Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 2.07 shall constitute original contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Bond be at any time found by anyone, and such duplicate Bond shall be

entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as all other Bonds issued hereunder.

**SECTION 2.08. INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER.** Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Bonds of the same maturity of any other authorized denominations.

The Bonds issued under this Ordinance shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in this Ordinance and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Bonds.

The transfer of any Bond shall be registered only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the registration or transfer of any such Bond, the Issuer shall issue, and cause to be authenticated, in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Bond. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name any Outstanding Bond shall be registered upon the books of the Issuer as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent with respect to the Bonds, forthwith (A) following the fifteenth day prior to an Interest Date for the Bonds, and (B) at any other time as reasonably requested by the Paying Agent, certify and furnish to the Paying Agent the names, addresses and holdings of the Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Bond shall effect payment of interest on such Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request and at the

expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Bonds or the transfer of Bonds shall be registered, the Issuer shall execute and the Registrar shall authenticate and deliver such Bonds in accordance with the provisions of this Ordinance. Execution of Bonds by the Mayor/Commissioner and Clerk for purposes of exchanging, replacing or registering the transfer of Bonds may occur at the time of the original delivery of the Bonds. All Bonds surrendered in any such exchanges or registration of transfer shall be held by the Registrar for safekeeping until directed by the Issuer to be cancelled by the Registrar. For every such exchange or registration of transfer, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Issuer and the Registrar shall not be obligated to make any such exchange or transfer of the Bonds during the period commencing on the fifteenth day of the month immediately preceding an Interest Date on the Bonds and ending on such Interest Date, or, in the case of any proposed redemption of Bonds of such Series, then, for the Bonds subject to redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

The Issuer may elect to issue any Bonds as uncertificated registered public obligations (not represented by instruments), commonly known as book-entry obligations, provided it shall establish a system of registration therefor by Supplemental Ordinance. In accordance with Section 2.09 hereof, the Issuer elects to initially provide for a book entry only system of registration for the Series 2006 Bonds.

**SECTION 2.09. FULL BOOK ENTRY FOR SERIES 2006 BONDS.** Notwithstanding the provisions set forth in Section 2.08 hereof, the Series 2006 Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each of the maturities of the Series 2006 Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). All of the Outstanding Series 2006 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC. As long as the Series 2006 Bonds shall be registered in the name of Cede & Co., all payments of principal on the Series 2006 Bonds shall be made by the Paying Agent by check or draft or by bank wire transfer to Cede & Co., as Holder of the Series 2006 Bonds, upon presentation of the Series 2006 Bonds to be paid, to the Paying Agent.

With respect to the Series 2006 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation to any direct or indirect

participant in the DTC book-entry program (the "Participants"). Without limiting the immediately preceding sentence, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Series 2006 Bonds, (B) the delivery to any Participant or any other Person other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2006 Bonds, including any notice of redemption, or (C) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, redemption premium, if any, or interest on the Series 2006 Bonds. The Issuer, the Registrar and the Paying Agent shall treat and consider the Person in whose name each Series 2006 Bond is registered in the registration books kept by the Registrar as the Holder and absolute owner of such Bond for the purpose of payment of principal, redemption premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, redemption premium, if any, and interest on the Series 2006 Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal, redemption premium, if any, and interest on the Series 2006 Bonds to the extent of the sum or sums so paid. No Person other than a Holder, as shown in the registration books kept by the Registrar, shall receive a certificated Bond evidencing the obligation of the Issuer to make payments of principal, redemption premium, if any, and interest pursuant to the provisions of this Ordinance. Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in Section 2.08 with respect to transfers during the 15 days next preceding an Interest Date or mailing of notice of redemption, the words "Cede & Co." shall refer to such new nominee of DTC; and upon receipt of such notice, the Issuer shall promptly deliver a copy of the same to the Registrar and the Paying Agent.

Upon (A) receipt by the Issuer of written notice from DTC (i) to the effect that a continuation of the requirement that all of the Outstanding Series 2006 Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2006 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the Issuer that such book-entry only system is burdensome or undesirable to the Issuer, the Series 2006 Bonds shall no longer be

restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Holders shall designate, in accordance with the provisions of this Ordinance. In such event, the Issuer shall issue, and the Registrar shall authenticate, transfer and exchange the Series 2006 Bonds of like principal amount and maturity, in denominations of \$5,000 or any integral multiple thereof to the Holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the Blanket Letter of Representations previously executed by the Issuer and delivered to DTC shall apply to the payment of principal of and interest on the Series 2006 Bonds.

**SECTION 2.10. FORM OF BONDS.** The text of the Bonds, except for Capital Appreciation Bonds and Variable Rate Bonds, the form of which shall be provided by Supplemental Ordinance of the Issuer, shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Mayor/Commissioner or the Clerk prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Bonds and the Issuer's delivery of the Bonds to the purchaser or purchasers thereof):

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No. R-

\$

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
CITY OF WINTER GARDEN, FLORIDA  
SALES TAX REVENUE BOND, SERIES \_\_\_\_\_**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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Registered Holder:

Principal Amount:

**KNOW ALL MEN BY THESE PRESENTS**, that the City of Winter Garden, Florida, a municipal corporation established pursuant to the laws of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the Pledged Funds hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest, calculated on the basis of a 360-day year consisting of twelve 30-day months, on such Principal Amount from the Date of Original Issue identified above or from the most recent interest payment date to which interest has been paid at the Interest Rate identified above on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year commencing \_\_\_\_\_ 1, \_\_\_\_\_ until such Principal Amount shall have been paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

Such Principal Amount and interest on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Such Principal Amount on this Bond is payable, upon presentation and surrender hereof, at the designated corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as Paying Agent. Payment of each installment of interest shall be made to the person in

whose name this Bond shall be registered on the registration books of the Issuer maintained by \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as Registrar, at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding each interest payment date and shall be paid by a check or draft of such Paying Agent mailed to such Registered Holder at the address appearing on such registration books or, at the request of such Registered Holder, by bank wire transfer for the account of such Holder.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$\_\_\_\_\_ (the "Bonds") of like date, tenor and effect, except as to maturity date, interest rate, denomination and number, issued for the principal purpose of providing moneys for \_\_\_\_\_ (all as more particularly described in the hereinafter defined Ordinance), under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 166, Florida Statutes, Part VI, Chapter 218, Florida Statutes, the City Charter (as defined in the hereinafter defined Ordinance), and other applicable provisions of law (collectively, the "Act"), and Ordinance No. \_\_\_\_ of the Issuer enacted on \_\_\_\_\_, 2006 (as amended and supplemented from time to time, the "Ordinance"), and is subject to all the terms and conditions of the Ordinance.

This Bond and the interest hereon are payable from and secured by a pledge of and lien upon (1) the Sales Tax Revenues (as defined in the Ordinance) and (2) until applied in accordance with the provisions of the Ordinance, all moneys, including investments thereof, in certain of the funds and accounts established by the Ordinance, all in the manner and to the extent described in the Ordinance (collectively, the "Pledged Funds").

**IT IS EXPRESSLY AGREED BY THE REGISTERED HOLDER OF THIS BOND THAT THE FULL FAITH AND CREDIT OF THE ISSUER, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND AND THAT SUCH HOLDER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY TAXING POWER OF THE ISSUER, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL AND INTEREST. THIS BOND AND THE OBLIGATION EVIDENCED HEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE ISSUER, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM, THE PLEDGED FUNDS TO THE EXTENT PROVIDED IN THE ORDINANCE.**

The transfer of this Bond is registrable in accordance with the terms of the Ordinance only upon the books of the Issuer kept for that purpose at the designated corporate trust office of the Registrar by the Registered Holder hereof in person or by his

attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his attorney duly authorized in writing, and thereupon a new Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, therein prescribed. For every such exchange or registration of transfer, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Bonds are issuable in the form of fully registered Bonds in the denomination of \$5,000 and any integral multiple thereof, not exceeding the aggregate principal amount of the Bonds. The Issuer, the Registrar and any Paying Agent may treat the Registered Holder of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer and the Registrar shall not be obligated to make any exchange or transfer of the Bonds during the period commencing on the 15th day of the month immediately preceding an interest payment date on the Bonds and ending on such interest payment date, or, in the case of any proposed redemption of Bonds of such Series, then, for the Bonds subject to redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

[Insert Redemption Provisions]

Redemption of this Bond under the preceding paragraphs shall be made as provided in the Ordinance upon notice given by first class mail sent at least 30 days prior to the redemption date to the Registered Holder hereof at the address shown on the registration books maintained by the Registrar; provided, however, that failure to mail notice to the Registered Holder hereof, or any defect therein, shall not affect the validity of the proceedings for redemption of other Bonds as to which no such failure or defect has occurred. In the event that less than the full principal amount hereof shall have been called for redemption, the Registered Holder hereof shall surrender this Bond in exchange for one or more Bonds in an aggregate principal amount equal to the unredeemed portion of principal, as provided in the Ordinance.

Reference to the Ordinance and any and all ordinances supplemental thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this Bond, the nature, manner and extent of enforcement of such pledge and covenants, and the rights, duties, immunities and obligations of the Issuer.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed, in regular and due form and time as required by

the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

Neither the members of the City Commission of the Issuer nor any person executing this Bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

**IN WITNESS WHEREOF**, the City Commission of the City of Winter Garden, Florida has issued this Bond and has caused the same to be executed by the manual or facsimile signature of the Mayor/Commissioner of the City of Winter Garden, Florida and countersigned and attested by the manual or facsimile signature of the City Clerk, and its official seal or a facsimile thereof to be affixed or reproduced hereon, all as of the Date of Original Issue.

**CITY OF WINTER GARDEN, FLORIDA**

(SEAL)

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Mayor/Commissioner

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City Clerk

APPROVED:

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City Manager

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds of the Issue described in the within-mentioned Ordinance.

DATE OF AUTHENTICATION:

\_\_\_\_\_

\_\_\_\_\_, Registrar

\_\_\_\_\_  
Authorized Signatory

**ASSIGNMENT**

**FOR VALUE RECEIVED**, the undersigned sells, assigns and transfers unto

---

Insert Social Security or Other Identifying Number of Assignee

---

(Name and Address of Assignee)

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the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_, as attorneys to register the transfer of the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed:

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**NOTICE:** Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

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**NOTICE:** The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by the entirety

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT -- \_\_\_\_\_  
(Cust.)

Custodian for \_\_\_\_\_

under Uniform Transfers to Minors Act of \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in list above.

## ARTICLE III

### REDEMPTION OF BONDS

**SECTION 3.01. PRIVILEGE OF REDEMPTION.** (A) The terms of this Article III shall apply to redemption of Bonds other than Capital Appreciation Bonds or Variable Rate Bonds. The terms and provisions relating to redemption of Capital Appreciation Bonds and Variable Rate Bonds shall be provided by Supplemental Ordinance.

(B) The Series 2006 Bonds shall be subject to such optional and mandatory sinking fund redemption provisions as are determined by the City Manager in accordance with Section 2.02(C) hereof and as set forth in the Official Statement (referred to in Section 10.02 hereof).

(C) Additional Bonds shall be subject to redemption in accordance with and as provided in the terms of the Supplemental Ordinance setting forth the details of such Additional Bonds.

**SECTION 3.02. SELECTION OF BONDS TO BE REDEEMED.** The Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The Issuer shall, at least forty-five (45) days prior to the redemption date (unless a shorter time period is satisfactory to the Registrar, but in no event less than thirty-five (35) days) notify the Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than forty-five (45) days and not less than thirty-five (35) days prior to the redemption date by the Registrar from the Outstanding Bonds of the maturity or maturities designated by the Issuer or by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of \$5,000 and integral multiples thereof.

If less than all of the Outstanding Bonds of a single maturity are to be redeemed, the Registrar shall promptly notify the Issuer and Paying Agent (if the Registrar is not the Paying Agent for such Bonds) in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

**SECTION 3.03. NOTICE OF REDEMPTION.** Notice of such redemption, which shall specify the Bond or Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the Issuer, and (A)

shall be filed with the Paying Agent of such Bonds and (B) shall be mailed first class, postage prepaid, at least thirty (30) days prior to the redemption date to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice. Failure to mail notice to the Holders of the Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Bonds as to which no such failure or defect has occurred. Failure of any Holder to receive any notice mailed as herein provided shall not affect the proceedings for redemption of such Holder's Bonds.

Each notice of redemption shall state: (1) the CUSIP numbers of all Bonds being redeemed, (2) the original issue date of such Bonds, (3) the maturity date and rate of interest borne by each Bond being redeemed, (4) the redemption date, (5) the Redemption Price, (6) the date on which such notice is mailed, (7) if less than all Outstanding Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed, (8) that on such redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, (9) that the Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price at the designated office of the Paying Agent at an address specified, and (10) unless sufficient funds have been set aside by the Issuer for such purpose prior to the mailing of the notice of redemption, that such redemption is conditioned upon the deposit of sufficient funds for such purpose on or prior to the date set for redemption; and provided, further, that such notice and the redemption set forth therein may be subject to the satisfaction of one or more additional conditions set forth therein.

Within sixty (60) days of the date of redemption, the Registrar shall give a second notice of redemption by mailing another copy of the redemption notice to the registered Holders of Bonds called for redemption but which have not been presented for payment within thirty (30) days after the date set for redemption; provided, however, the failure to provide such further notice of redemption or to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

In addition to the mailing of the notice described above, each notice of redemption and payment of the redemption price shall meet the following requirement; provided, however, the failure to provide such further notice of redemption or to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above:

Each further notice of redemption shall be sent by certified mail or overnight delivery service or telecopy to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being The Depository Trust Company, New York, New York and Midwest Securities Trust Company, Chicago, Illinois) and to two or more national information services which disseminate notices of prepayment or redemption of obligations such as the Bonds (such information services now being Financial Information, Inc.'s "Daily Called Bond Service," Jersey City, New Jersey, Kenny Information Services "Called Bond Service," New York, New York, Moody's "Municipal and Government," New York, New York and Standard & Poor's "Called Bond Record," New York, New York).

**SECTION 3.04. REDEMPTION OF PORTIONS OF BONDS.** Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of the same interest rate and maturity, and of any authorized denomination as requested by such Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

**SECTION 3.05. PAYMENT OF REDEEMED BONDS.** Notice of redemption having been given substantially as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. Each check or other transfer of funds issued by the Paying Agent to pay the Redemption Price of Bonds being redeemed shall bear the CUSIP number or numbers of such Bonds and identify the payments applicable to each CUSIP number. All Bonds which have been redeemed shall be cancelled by the Registrar and shall not be reissued.

[Remainder of page intentionally left blank]

## ARTICLE IV

### SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

**SECTION 4.01. BONDS NOT TO BE INDEBTEDNESS OF ISSUER.** The Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds and moneys payable pursuant to any applicable Bond Insurance Policy, with and to the extent set forth in this Ordinance. No Holder of any Bond or any Insurer shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Bond, or be entitled to payment of such Bond from any moneys of the Issuer except from the Pledged Funds in the manner provided herein.

**SECTION 4.02. SECURITY FOR BONDS.** Except as otherwise provided herein or by Supplemental Ordinance, the payment of the principal of and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds; provided, however, (i) a Series of Bonds may be further secured by a Credit Facility in addition to the security provided herein; and (ii) a Series of Bonds may be secured independently of any other Series of Bonds by the establishment of a separate subaccount in the Reserve Account for such Series of Bonds. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of and interest on the Bonds in accordance with the provisions hereof. In addition, the Issuer does hereby irrevocably pledge and grant a lien upon the Pledged Funds to the payment of Policy Costs owing to an issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit in accordance with the provisions hereof; provided, however, such pledge and lien shall be junior and subordinate in all respects to the pledge and lien upon such Pledged Funds granted hereby to the Bondholders. The Pledged Funds shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer. Except as otherwise provided by Supplemental Ordinance or by the terms of a Qualified Hedge Agreement, the obligation of the Issuer to make Hedge Payments to a Counterparty pursuant to such Qualified Hedge Agreement shall be on parity with the Bonds as to lien on and pledge of the Pledged Funds in accordance with the terms hereof (any other payments related to a Qualified Hedge Agreement, including fees, penalties and termination payments and the obligation of the Issuer to collateralize, shall be Subordinated Indebtedness of the Issuer).

**SECTION 4.03. CONSTRUCTION FUND.** The Issuer covenants and agrees to establish a special fund to be known as the "City of Winter Garden, Florida Sales Tax

Revenue Bonds Construction Fund," which shall be used only for payment of the Costs of Projects. Moneys in the Construction Fund, until applied to payment of any item of the Costs of a Project in the manner hereinafter provided, shall be held in trust by the Issuer and shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

The Issuer shall establish within the Construction Fund a separate account for each Project (including the 2006 Project), the Costs of which are to be paid in whole or in part out of the Construction Fund.

The Issuer covenants that the acquisition, construction and equipping of each Project will be completed without delay and in accordance with sound engineering practices. The Issuer shall only make disbursements or payments from the applicable account of the Construction Fund to pay Costs of the Project for which such account was established, except as provided below with respect to any surplus proceeds in a particular account. The Issuer shall keep records of such disbursements and payments and shall retain all such records for such period of time as is required by applicable law.

Notwithstanding any of the other provisions of this Section 4.03, to the extent that other moneys are not available therefor, amounts in an account of the Construction Fund shall be applied to the payment of principal and interest on the Series of Bonds for which such account was established or to reimburse a Credit Facility Provider for the payment of such principal and interest.

The date of completion of acquisition, construction and equipping of a Project shall be filed by the City Manager, Director of Finance or Clerk with the Issuer. Promptly after the date of the completion of a Project, and after paying or making provisions for the payment of all unpaid items of the Costs of such Project, the Issuer shall deposit in the following order of priority any balance of moneys remaining in the Construction Fund in (A) any other account established in the Construction Fund for which the City Manager certifies that there are insufficient moneys to pay the Costs of the Project for which such account was established, (B) the Reserve Account to the extent of any deficiency therein, (C) the Interest Account to pay interest coming due on the Bonds, and (D) such other fund or account established hereunder as shall be determined by the Issuer, provided the Issuer has received an opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exclusion, if any, of interest on the Bonds (other than Taxable Bonds) from gross income for purposes of federal income taxation.

**SECTION 4.04. FUNDS AND ACCOUNTS.** The Issuer covenants and agrees to establish the following funds and accounts:

(A) The "City of Winter Garden, Florida Sales Tax Revenue Bonds Revenue Fund." The Issuer shall maintain two separate accounts in the Revenue Fund, the "Restricted Revenue Account" and the "Unrestricted Revenue Account."

(B) The "City of Winter Garden, Florida Sales Tax Revenue Bonds Debt Service Fund." The Issuer shall maintain four separate accounts in the Debt Service Fund, the "Interest Account," the "Principal Account," the "Bond Amortization Account" and the "Reserve Account."

(C) The "City of Winter Garden, Florida Sales Tax Revenue Bonds Rebate Fund."

Moneys in the aforementioned funds and accounts, other than the Rebate Fund and the Unrestricted Revenue Account, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

The Issuer may at any time and from time to time appoint one or more depositories to hold, for the benefit of the Bondholders, any one or more of the funds, accounts and subaccounts established hereby. Such depository or depositories shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds and accounts 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 be qualified under applicable State law as a depository.

**SECTION 4.05. DISPOSITION OF SALES TAX REVENUES.** (A) The Issuer shall promptly deposit upon receipt from the State all of the Sales Tax Revenues into the Restricted Revenue Account. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the 25th day of each month, commencing in the month immediately following delivery of any of the Bonds to the purchasers thereof, or such later date as hereinafter provided, in the following manner and in the following order of priority:

(1) Interest Account. The Issuer shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all of the Outstanding Bonds accrued and unpaid and to accrue to the end of the then current calendar month (assuming that a year consists of twelve (12) equal calendar months of thirty (30) days each). All Hedge Receipts shall be deposited directly to the Interest Account upon receipt. With respect to interest on

Bonds which the Issuer has determined are subject to a Hedge Payment, interest on such Bonds during the term of the Qualified Hedge Agreement shall be deemed to include the corresponding Hedge Payments. Moneys in the Interest Account shall be applied by the Issuer (a) for deposit with the Paying Agent to pay the interest on the Bonds on or prior to the date the same shall become due, whether by maturity, redemption or otherwise, and (b) for Hedge Payments. The Issuer shall adjust the amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date. With respect to debt service on any Bonds which are subject to a Qualified Hedge Agreement, any Hedge Payments due to the Counterparty to such Qualified Hedge Agreement relating to such Bonds shall be paid to the Counterparty to such Qualified Hedge Agreement on a parity basis with the aforesaid required payments into the Debt Service Fund. With respect to any Variable Rate Bonds, the amount to be deposited to the Interest Account shall be determined using an interest rate assumed to be the rate calculated in accordance with Section 5.02(B) hereof; provided, however, the Issuer shall adjust the amount on deposit in the Interest Account prior to each Interest Date so as to provide sufficient moneys to pay the actual interest due on such Variable Rate Bonds on such Interest Date.

(2) Principal Account. Commencing in the month which is one year prior to the first principal due date (or if the first principal due date is less than one year from the date of issuance of the Bonds, the month immediately following the issuance of the Bonds), the Issuer shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amount on the Outstanding Bonds due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve (12) equal calendar months having thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there is no such preceding payment due date from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the Issuer for deposit with the Paying Agent to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. The Issuer shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on the Bonds becoming due on such principal payment date. No further

deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(3) Bond Amortization Account. Commencing in the month which is one year prior to any Amortization Installment due date, there shall be deposited or credited to the Bond Amortization Account an amount which, together with the balance in said Account, shall equal the Amortization Installments of all Bonds Outstanding due and unpaid and that portion of the Amortization Installment next due which would have accrued on said Bonds during the then current calendar month if such Amortization Installment were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding Amortization Installment due date, or if there is no such preceding Amortization Installment due date, from a date one year preceding the due date of such Amortization Installment. Moneys in the Bond Amortization Account shall be used to purchase or redeem Term Bonds in the manner herein provided or as provided by Supplemental Ordinance, and for no other purpose. The Issuer shall adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay the Amortization Installments on the Bonds coming due on such date. No further deposit need be made to the Bond Amortization Account when the moneys therein are equal to the Amortization Installments coming due on the Outstanding Bonds on the next succeeding Amortization Installment due date. Payments to the Bond Amortization Account shall be on a parity with payments to the Principal Account.

Amounts accumulated in the Bond Amortization Account with respect to any Amortization Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Amortization Installment was established) may be applied by the Issuer, on or prior to the sixtieth (60th) day preceding the due date of such Amortization Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Amortization Installment was established at a price not exceeding par plus accrued interest, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms at a price not exceeding par plus accrued interest. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Amortization Account until such Amortization Installment date, for the purposes of calculating the amount of such Account. As soon as practicable after the sixtieth (60th) day preceding the due

date of any such Amortization Installment, the Issuer shall proceed to call for redemption on such due date, by causing notice to be given as provided in Section 3.03 hereof, Term Bonds of the Series and maturity for which such Amortization Installment was established (except in the case of Term Bonds maturing on an Amortization Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Amortization Installment. The Issuer shall pay out of the Bond Amortization Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the Issuer from the Restricted Revenue Fund.

(4) Reserve Account. There shall be deposited to the Reserve Account an amount which shall not be less than one twelfth (1/12) of the amount which would enable the Issuer to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto in one (1) year from the date of any deficiency caused by decreased market value of the investments on deposit therein or withdrawal therefrom. On or prior to each principal payment date and Interest Date for the Bonds, moneys in the Reserve Account shall be applied by the Issuer to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Account and the Bond Amortization Account shall be insufficient for such purpose. Whenever there shall be surplus moneys in the Reserve Account by reason of (i) investment income, shall be deposited into the Interest Account as provided in Section 4.07 hereof and (ii) a decrease in the Reserve Account Requirement, such surplus moneys shall be deposited by the Issuer into the Unrestricted Revenue Account, subject to receiving an opinion of Bond Counsel that such application will not have an adverse effect on the tax-exempt status on the Bonds (other than Taxable Bonds), and otherwise to the Debt Service Fund. The Issuer shall inform each Credit Facility Provider of any draw upon the Reserve Account for purposes of paying the principal of and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as herein provided, the Issuer shall, on the date of delivery of such Series of Bonds, fund the Reserve Account in an amount at least equal to the Reserve Account Requirement, if so required. Such required amount may be paid in full or in part from the proceeds of such Series of Bonds.

Notwithstanding the foregoing provisions, in lieu or substitution of the required deposits into the Reserve Account, the Issuer may cause to be deposited into the Reserve Account a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for the benefit of the Bondholders in an amount equal to the difference between the Reserve Account Requirement applicable thereto and the sums then on deposit in the Reserve Account, if any. The Issuer may also substitute a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for cash on deposit in the Reserve Account upon compliance with the terms of this Section 4.05(A)(4). Such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any principal payment date or Interest Date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to this Ordinance and available for such purpose. The issuer providing such Reserve Account Insurance Policy shall be an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in the highest rating category (without regard to gradations, such as "plus" or "minus" or "1," "2," or "3" of such category) by Standard & Poor's and Moody's. The issuer providing such Reserve Account Letter of Credit shall be a commercial bank, insurance company or other financial institution the obligations payable or guaranteed by which have been assigned a rating by each rating agency rating the Bonds secured by such Account in one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" or "1," "2," or "3" of such categories); provided, that notwithstanding the foregoing, such insurer or commercial bank must be rated by any rating agency or agencies providing a rating on the Bonds secured by such Reserve Account Insurance Policy or Reserve Account Letter of Credit.

In the event the Reserve Account contains both a Reserve Account Insurance Policy or Reserve Account Letter of Credit and cash and separate subaccounts have not been established in the Reserve Account, the cash shall be drawn down completely prior to any draw on the Reserve Account Insurance Policy or Reserve Account Letter of Credit. In the event more than one Reserve Account Insurance Policy or Reserve Account Letter of Credit is on deposit in the Reserve Account, amounts required to be drawn thereon shall be done on a pro-rata basis. The Issuer agrees to pay all Policy Costs owing in regard to any Reserve Account Insurance Policy or Reserve Account Letter of Credit from the Pledged Funds. Pledged Funds shall be applied in accordance with this Section 4.05(A)(4), first, to reimburse the issuer of the Reserve Account Insurance Policy or Reserve Account Letter of Credit for Policy Costs, and second, to replenish any cash deficiencies in the Reserve Account. This Ordinance shall not be discharged

or defeased while any obligations are owing in regard to a Reserve Account Insurance Policy or Reserve Account Letter of Credit on deposit in the Reserve Account. The Issuer agrees not to optionally redeem or refund Bonds unless all amounts owing in regard to a Reserve Account Insurance Policy or Reserve Account Letter of Credit on deposit in the Reserve Account have been paid in full.

If two (2) business days prior to an interest payment or redemption date or such other period of time as shall be established pursuant to Supplemental Ordinance, the Issuer shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest and/or principal due on the Bonds on such date, the Issuer shall immediately notify (a) the issuer of the applicable Reserve Account Insurance Policy and/or the issuer of the Reserve Account Letter of Credit and submit a demand for payment pursuant to the provisions of such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit, (b) the Paying Agent, and (c) the Insurer, if any, of the amount of such deficiency and the date on which such payment is due, and shall take all action to cause such Issuer or Insurer to provide moneys sufficient to pay all amounts due on such Interest Date including, if necessary, directing the Paying Agent to draw on the Reserve Account Insurance Policy or Reserve Account Letter of Credit.

The Issuer may evidence its obligation to reimburse the issuer of any Reserve Account Letter of Credit or Reserve Account Insurance Policy by executing and delivering to such issuer a promissory note or agreement therefore; provided, however, any such note (a) shall not be a general obligation of the Issuer the payment of which is secured by the full faith and credit or taxing power of the Issuer, and (b) shall be payable solely from the Pledged Funds in the manner provided herein.

To the extent the Issuer causes to be deposited into the Reserve Account, a Reserve Account Insurance Policy and/or a Reserve Account Letter of Credit for a term of years shorter than the life of the Series of Bonds so insured or secured, then the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit shall provide, among other things, that the issuer thereof shall provide the Issuer with notice as of each anniversary of the date of the issuance of the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit of the intention of the issuer thereof to either (a) extend the term of the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit beyond the expiration dates thereof, or (b) terminate the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit on the initial expiration dates thereof or such other future date as the issuer thereof shall have established. If the issuer of the Reserve Account Insurance Policy and/or the Reserve Account Letter of

Credit notifies the Issuer pursuant to clause (b) of the immediately preceding sentence, then the Issuer shall obtain a new Reserve Account Letter of Credit or a new Reserve Account Insurance Policy, or it shall deposit into the Reserve Account, on or prior to the end of the first full calendar month following the date on which such notice is received by the Issuer, such sums as shall be sufficient to pay an amount equal to a fraction, the numerator of which is one (1) and the denominator of which is equal to the number of months remaining in the term of the Reserve Account Insurance Policy and/or the Reserve Account Letter of credit of the Reserve Account Requirement on the date such notice was received (the maximum amount available, assuming full reimbursement by the Issuer, under the Reserve Account Letter of Credit and/or the Reserve Account Insurance Policy to be reduced annually by an amount equal to the deposit to the Reserve Account during the previous twelve (12) month period) until amounts on deposit in the Reserve Account, as a result of the aforementioned deposits, and no later than upon the expiration of such Reserve Account Insurance Policy and/or such Reserve Account Letter of Credit, shall be equal to the Reserve Account Requirement applicable thereto.

If any Reserve Account Letter of Credit or Reserve Account Insurance Policy shall terminate prior to the stated expiration date thereof, the Issuer agrees that it shall fund the Reserve Account over a period not to exceed twenty-four (24) months during which it shall make consecutive equal monthly payments in order that the amount on deposit in the Reserve Account shall equal the Reserve Account Requirement; provided, the Issuer may obtain a new Reserve Account Letter of Credit or a new Reserve Account Insurance Policy in lieu of making the payments required by this paragraph.

Whenever the amount of cash or securities in the Reserve Account, together with the other amounts in the Debt Service Fund, are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account may be transferred to the other Accounts of the Debt Service Fund for the payment of the Bonds.

The Issuer may also establish a separate subaccount in the Reserve Account for any Series of Bonds and provide a pledge of such subaccount to the payment of such Series of Bonds apart from the pledge provided herein. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Account. Moneys in a separate subaccount of the Reserve Account shall be maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount unless otherwise provided by Supplemental

Ordinance. Moneys shall be deposited to separate subaccounts in the Reserve Account on a pro-rata basis. In the event the Issuer shall maintain a Reserve Account Insurance Policy or Reserve Account Letter of Credit and moneys in such subaccount, the moneys shall be used prior to making any disbursements under such Reserve Account Insurance policy or Reserve Account Letter of Credit.

(5) Unrestricted Revenue Account. The balance of any moneys after the deposits required by Sections 4.05(A)(1) through (A)(4) hereof may be transferred, at the discretion of the Issuer, to the Unrestricted Revenue Account or any other appropriate fund and account of the Issuer and may be used for any lawful purpose including, without limitation, the early redemption of Bonds. In the event moneys on deposit in the Interest Account and the Principal Account on the third day prior to an Interest Date are not sufficient to pay the principal of and interest on the Bonds coming due on such Interest Date, the Issuer shall transfer moneys from the Unrestricted Revenue Account, if any, to the appropriate Account of the Debt Service Fund to provide for such payment. Any moneys remaining in the Unrestricted Revenue Account on each Interest Date may be used for any lawful purpose.

(B) The Issuer, in its discretion, may use moneys in the Principal Account, the Bond Amortization Account and the Interest Account to purchase or redeem Outstanding Bonds coming due on the next principal payment date, provided such purchase does not adversely affect the Issuer's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased.

(C) At least one business day prior to the date established for payment of any principal of or interest on the Bonds, the Issuer shall withdraw from the appropriate Account of the Debt Service Fund sufficient moneys to pay such principal or interest and deposit such moneys with the Paying Agent. Such deposits with the Paying Agent shall be made in moneys available to make payments of the principal of and interest on the Bonds as the same becomes due.

(D) In the event the Issuer shall issue a series of Bonds secured by a Credit Facility, the Issuer may establish such separate subaccounts in the Interest Account, the Principal Account and the Bond Amortization Account to provide for payment of the principal of and interest on such Series as may be required by the Credit Facility Provider; provided one Series of Bonds shall not have preference in payment from Pledged Funds over any other Series of Bonds. The Issuer may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in this Section 4.05 as shall be necessary to pay the principal of and interest on such Bonds as the same shall become due, all as provided by the Supplemental Ordinance authorizing such Bonds. In the case of Bonds secured by a Credit Facility, amounts on deposit in any

subaccounts established for such Bonds may be applied as provided in the applicable Supplemental Ordinance to reimburse the Credit Facility Provider for amounts drawn under such Credit Facility to pay the principal of or redemption price, if applicable, and interest on such Bonds or to pay the purchase price of any such Bonds which are tendered by the Holders thereof for payment.

(E) The Issuer agrees that at the time of issuing any Variable Rate Bonds it shall establish the Maximum Interest Rate with respect thereto and a Maximum Interest Rate with respect to amounts owed to the Credit Facility Provider which provides liquidity for such Bonds. Any Credit Facility Provider which provides a Credit Facility for liquidity purposes must be rated in one of the two highest short-term rating categories assigned by each rating agency rating the Bonds secured by such Credit Facility. Any accelerated principal payments due to a Credit Facility Provider or any interest due in excess of the interest rate on the Variable Rate Bonds to a Credit Facility Provider must be subordinate to the payment of the scheduled debt service on the Bonds.

**SECTION 4.06. REBATE FUND.** Amounts on deposit in the Rebate Fund shall be held in trust by the Issuer and used solely to make required rebates to the United States (except to the extent the same may be transferred to the Issuer) and the Bondholders shall have no right to have the same applied for debt service on the Bonds. If the rebate requirements of Section 148(f) of the Code are applicable, the Issuer agrees to undertake all actions required of it in its arbitrage certificate related to the Bonds, including, but not limited to:

(A) making a determination in accordance with the Code of the amount required to be deposited in the Rebate Fund;

(B) depositing the amount determined in clause (A) above into the Rebate Fund;

(C) paying on the dates and in the manner required by the Code to the United States Treasury from the Rebate Fund and any other legally available moneys of the Issuer such amounts as shall be required by the Code to be rebated to the United States Treasury; and

(D) keeping such records of the determinations made pursuant to this Section 4.06 as shall be required by the Code, as well as evidence of the fair market value of any investments purchased with proceeds of the Bonds.

The provisions of the above-described arbitrage certificate may be amended without the consent of any Holder or the Credit Facility Provider from time to time as

shall be necessary, in the opinion of Bond Counsel, to comply with the provisions of the Code.

**SECTION 4.07. INVESTMENTS.** Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund, other than the Reserve Account, may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed for the purposes of such Fund or Account. Moneys on deposit in the Reserve Account may be invested and reinvested in Authorized Investments which mature no later than ten (10) years from the date of investment. All investments shall be valued at market at least semi-annually.

Any and all income received by the Issuer from the investment of moneys in the Construction Fund, the Interest Account, the Principal Account, the Bond Amortization Account, the Restricted Revenue Account and the Reserve Account (to the extent such income and the other amounts in the Reserve Account does not exceed the Reserve Account Requirement) shall be retained in such respective Fund or Account. Any and all income received by the Issuer from the investment of moneys in the Reserve Account (only to the extent such income and other amounts in the Reserve Account exceeds the Reserve Account Requirement) shall be deposited in the Interest Account.

Nothing contained in this Ordinance shall prevent any Authorized Investments acquired as investments of or security for funds held under this Ordinance from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

**SECTION 4.08. SEPARATE ACCOUNTS.** The moneys required to be accounted for in each of the foregoing funds, accounts and subaccounts established herein may be deposited in a single, non-exclusive bank account, and funds allocated to the various funds, accounts and subaccounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as herein provided.

The designation and establishment of the various funds, accounts and subaccounts in and by this Ordinance shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of

certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

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## ARTICLE V

### SUBORDINATED INDEBTEDNESS, ADDITIONAL BONDS AND COVENANTS OF ISSUER

**SECTION 5.01. SUBORDINATED INDEBTEDNESS.** The Issuer will not issue any other obligations payable from the Pledged Funds or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon except in compliance with the provisions of Section 5.02. The Issuer may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of the Pledged Funds and which may be secured by a pledge of the Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by this Ordinance and shall not be subject to acceleration prior to maturity. The Issuer shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued pursuant to Section 5.02 hereof. The Issuer agrees to pay promptly any Subordinated Indebtedness as the same shall become due.

**SECTION 5.02. ISSUANCE OF ADDITIONAL BONDS.** No Additional Bonds, payable on a parity with the Bonds then Outstanding pursuant to this Ordinance, shall be issued except upon the conditions and in the manner herein provided.

The Issuer may issue one or more Series of Additional Bonds for any one or more of the following purposes: financing or refinancing the Costs of a Project, or the completion thereof, or refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the Issuer or of any other indebtedness of the Issuer. No such Additional Bonds shall be issued unless (1) no Event of Default (as specified in Section 6.01 hereof) shall have occurred and be continuing hereunder and (2) the following conditions are complied with:

(A) Except as otherwise provided in Section 5.02(D) hereof, there shall have been obtained and filed with the Issuer a statement of the City Manager: (1) stating that he or she has examined the books and records of the Issuer relating to the Sales Tax Revenues which have been received by the Issuer for deposit to the Restricted Revenue Account; (2) setting forth the amount of such Sales Tax Revenues during any twelve (12) consecutive months designated by the Issuer within the twenty-four (24) months immediately preceding the date of delivery of such Additional Bonds with respect to which such statement is made; and (3) stating that the amount of such Sales Tax Revenues received during the aforementioned 12-month period equals at least 1.30 times the Maximum Annual Debt Service on all Bonds then Outstanding and such Additional

Bonds with respect to which such statement is made. Such report may be partially based upon a certification of certain matters related to the calculation of the Maximum Annual Debt Service by the Issuer's Financial Advisor.

(B) With respect to Variable Rate Bonds, for the purpose of determining the Maximum Annual Debt Service under Section 5.02(A) hereof, for determining required deposits to the Interest Account under Section 4.05(A)(1) hereof, and for determining the Reserve Account Requirement for any Variable Rate Bonds, the interest rate on any Variable Rate Bonds then proposed to be issued and on any Outstanding Variable Rate Bonds shall be deemed to be the lesser of (1) the interest rate described as the Bond Buyer 20-Bond Index in The Bond Buyer, as published by The Bond Buyer no more than two weeks prior to the sale of the Variable Rate Bonds, or (2) the Maximum Interest Rate.

(C) Additional Bonds shall be deemed to have been issued pursuant to this Ordinance the same as the Outstanding Bonds, and all of the other covenants and other provisions of this Ordinance (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to this Ordinance. Except as provided in Sections 4.02 and 4.05 hereof, all Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other; provided, however, that the Issuer shall include a provision in any Supplemental Ordinance authorizing the issuance of Variable Rate Additional Bonds pursuant to this Section 5.02 that in the event the principal thereof is accelerated due to such Bonds being held by the Credit Facility Provider, the lien of any accelerated debt due and owing such Credit Facility Provider on the Pledged Funds shall be subordinate in all respects to the pledge of the Pledged Funds created by this Ordinance.

(D) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of Section 5.02 hereof shall not apply, provided that the issuance of such Additional Bonds shall result in a reduction of aggregate debt service. The conditions of Section 5.02(A) hereof shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

**SECTION 5.03. BOND ANTICIPATION NOTES.** The Issuer may issue notes in anticipation of the issuance of Bonds which shall have such terms and details and be secured in such manner, not inconsistent with this Ordinance, as shall be provided by ordinance or resolution of the Issuer.

**SECTION 5.04. ACCESSION OF SUBORDINATED INDEBTEDNESS TO PARITY STATUS WITH BONDS.** The Issuer may provide for the accession of Subordinated Indebtedness to the status of complete parity with the Bonds, if (A) the Issuer shall meet all the requirements imposed upon the issuance of Additional Bonds by Section 5.02 hereof, assuming, for purposes of said requirements, that such Subordinated Indebtedness shall be Additional Bonds and (B) the Reserve Account, upon such accession, shall contain an amount equal to the Reserve Account Requirement in accordance with Section 4.05(A)(4) hereof. If the aforementioned conditions are satisfied, the Subordinated Indebtedness shall be deemed to have been issued pursuant to this Ordinance the same as the Outstanding Bonds, and such Subordinated Indebtedness shall be considered Bonds for all purposes provided in this Ordinance.

**SECTION 5.05. BOOKS AND RECORDS.** The Issuer will keep books and records of the receipt of the Sales Tax Revenues in accordance with generally accepted accounting principles, and any Credit Facility Provider, or Holder or Holders of at least \$1,000,000 aggregate principal amount of Bonds shall have the right at all reasonable times to inspect the records, accounts and data of the Issuer relating thereto.

**SECTION 5.06. NO IMPAIRMENT.** The pledging of the Pledged Funds in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution, agreement or other proceedings of the Issuer.

**SECTION 5.07. FEDERAL INCOME TAX COVENANTS.** (A) The Issuer covenants with the Holders of the Bonds (other than Taxable Bonds) that it shall not use the proceeds of the Bonds in any manner which would cause the interest on the Bonds to be or become includable in gross income for purposes of federal income taxation.

(B) The Issuer covenants with the Holders of the Bonds (other than Taxable Bonds) that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of the Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on the Bonds to become includable in gross income for purposes of federal income taxation.

(C) The Issuer hereby covenants with the Holders of the Bonds (other than Taxable Bonds) that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

**SECTION 5.08. RECEIPT OF SALES TAX REVENUES.** The Issuer covenants to do all things necessary or required on its part by the Act or otherwise to entitle the Issuer to receive the Sales Tax Revenues in the maximum amount provided by law. The Issuer shall exercise all legally available remedies to enforce such receipt now or hereafter available under law. The Issuer will not take any action or enter into any agreement that shall result in impairing or reducing the level of Sales Tax Revenues received by the Issuer from that level prevailing at the time the Issuer takes such action or enters into such agreement.

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## ARTICLE VI

### DEFAULTS AND REMEDIES

**SECTION 6.01. EVENTS OF DEFAULT.** The following events shall each constitute an "Event of Default":

(A) Default shall be made in the payment of the principal of or interest on any Bond when due. In determining whether a payment default has occurred, no effect shall be given to payment made under a Bond Insurance Policy.

(B) There shall occur the dissolution or liquidation of the Issuer, or the filing by the Issuer of a voluntary petition in bankruptcy, or the commission by the Issuer of any act of bankruptcy, or adjudication of the Issuer as bankrupt, or assignment by the Issuer for the benefit of its creditors, or appointment of a receiver for the Issuer, or the entry by the Issuer into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Ordinance on the part of the Issuer to be performed, and such default shall continue for a period of thirty (30) days after written notice of such default shall have been received from the Holders of not less than twenty-five percent (25%) of the aggregate principal amount of the Outstanding Bonds or any Insurer. Notwithstanding the foregoing, the Issuer shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes curative action and diligently pursues such action until the default has been corrected.

**SECTION 6.02. REMEDIES.** Any Holder of the Bonds or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in this Ordinance, and may enforce and compel the performance of all duties required by this Ordinance or by any applicable statutes to be performed by the Issuer or by any officer thereof; provided, however, that no Holder, Credit Facility Provider, trustee, receiver or other person shall have the right to declare the Bonds immediately due and payable.

The Holder or Holders of Bonds in an aggregate principal amount of not less than twenty-five per cent (25%) of the Bonds then Outstanding may by a duly executed certificate in writing appoint a trustee for Holders of Bonds issued pursuant to this Ordinance with authority to represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk. Notice of such appointment, together with evidence of the requisite signatures of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding and the trust instrument under which the trustee shall have agreed to serve shall be filed with the Issuer and the trustee and notice of appointment shall promptly be given to all Holders of Bonds by first class mail, postage prepaid. After the appointment of the first trustee hereunder, no further trustees may be appointed; however, the holders of a majority in aggregate principal amount of all the Bonds then Outstanding may remove the trustee initially appointed and appoint a successor and subsequent successors at any time.

**SECTION 6.03. DIRECTIONS TO RECEIVER AS TO REMEDIAL PROCEEDINGS.** The Holders of a majority in principal amount of the Bonds then Outstanding (or the Credit Facility Provider for any Series of Outstanding Bonds) have the right, by an instrument or concurrent instruments in writing executed and delivered to any receiver, to direct the method and place of conducting all remedial proceedings to be taken by any receiver hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions hereof, and that the trustee shall have the right to decline to follow any such direction which in the opinion of such receiver would be unjustly prejudicial to Holders of Bonds not parties to such direction.

**SECTION 6.04. REMEDIES CUMULATIVE.** No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

**SECTION 6.05. WAIVER OF DEFAULT.** No delay or omission of any Bondholder 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 an acquiescence therein; and every power and remedy given by this Section 6.05 to the Bondholders may be exercised from time to time, and as often as may be deemed expedient. No Event of Default may be waived without the consent of each Credit Facility Provider, which has honored all its obligations under its Credit Facility.

**SECTION 6.06. APPLICATION OF MONEYS AFTER DEFAULT.** If an Event of Default shall happen and shall not have been remedied, the Issuer or a trustee or

receiver appointed for the purpose shall apply all Pledged Funds as follows and in the following order:

(A) To the payment of the reasonable and proper charges, expenses and liabilities of the trustee or receiver, Registrar and Paying Agent hereunder; and

(B) To the payment of the interest and principal then due on the Bonds (provided such payments are made in accordance with applicable law), as follows:

(1) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

**FIRST:** to the payment to the Persons entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference; and

**SECOND:** to the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due at maturity in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference.

(2) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied first, to payment of any unfunded rebatable arbitrage, and second, to the payment of the principal and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

**SECTION 6.07. CONTROL BY CREDIT FACILITY PROVIDER.** To the extent a Credit Facility Provider makes any payment of principal of or interest on Bonds in accordance with its Credit Facility, such Credit Facility Provider shall become

subrogated to the rights of the recipients of such payments in accordance with the terms of its Credit Facility. Upon the occurrence and continuance of an Event of Default, a Credit Facility Provider of a Series of Bonds, if such Credit Facility Provider shall not be in payment default under its Credit Facility, shall be deemed to be the sole owner of such Bonds for purposes of (A) directing and controlling the enforcement of all rights and remedies with respect to such Series of Bonds, including any waiver of an Event of Default and removal of any trustee, and (B) exercising any voting right or privilege or giving any consent or direction or taking any other action that the Holders of such Bonds are entitled to take pursuant to this Article VI hereof. No provision expressly recognizing or granting rights in or to a Credit Facility Provider shall be modified without the consent of such Credit Facility Provider. A Credit Facility Provider's rights under this Section 6.07 shall be suspended during any period in which such Credit Facility Provider is in default in its payment obligations under its Credit Facility (except to the extent of amounts previously paid by such Credit Facility Provider and due and owing to such Credit Facility Provider) and shall be of no force or effect if its Credit Facility is no longer in effect or if the Credit Facility Provider asserts that its Credit Facility is not in effect or if the Credit Facility Provider waives such rights in writing. The rights granted to a Credit Facility Provider under this Section 6.07 are granted in consideration of such Credit Facility Provider issuing its Credit Facility. The Issuer shall provide each Credit Facility Provider immediate notice of any Event of Default described in Section 6.01(A) hereof and notice of any other Event of Default occurring hereunder within five days of the occurrence thereof. Each Credit Facility Provider of any Bonds hereunder shall be considered a third-party beneficiary to this Ordinance with respect to such Bonds.

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## ARTICLE VII

### SUPPLEMENTAL ORDINANCES

**SECTION 7.01. SUPPLEMENTAL ORDINANCE WITHOUT BONDHOLDERS' CONSENT.** The Issuer, from time to time and at any time, may adopt such Supplemental Ordinances without the consent of the Bondholders (which Supplemental Ordinance shall thereafter form a part hereof) for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Ordinance or to clarify any matters or questions arising hereunder.

(B) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.

(C) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of this Ordinance other conditions, limitations and restrictions thereafter to be observed.

(D) To add to the covenants and agreements of the Issuer in this Ordinance other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer.

(E) To specify and determine any matters and things relative to such Bonds which are not contrary to or inconsistent with this Ordinance as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.

(F) To specify and determine the matters and things referred to in Sections 2.01, 2.02, 2.10 or 5.02 hereof, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Ordinance as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.

(G) To authorize Additional Bonds or Projects.

(H) To provide for the establishment of a separate subaccount or subaccounts in the Reserve Account which shall independently secure one or more Series of Bonds issued hereunder.

(I) To make any other change that, in the opinion of the Issuer, would not materially adversely affect the security for the Bonds.

**SECTION 7.02. SUPPLEMENTAL ORDINANCE WITH BONDHOLDERS' AND CREDIT FACILITY PROVIDER'S CONSENT.** Subject to the terms and provisions contained in this Section 7.02 and Sections 7.01 and 7.03 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Ordinance to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Ordinance or Ordinances hereto as shall be deemed necessary or desirable by the Issuer for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Ordinance; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 7.02. Any Supplemental Ordinance which is adopted in accordance with the provisions of this Section 7.02 shall also require the written consent of the Insurer. No Supplemental Ordinance may be approved or adopted which shall permit or require (A) an extension of the maturity of the principal of or the payment of the interest on any Bond issued hereunder, (B) reduction in the principal amount of any Bond or the rate of interest thereon, (C) the creation of a lien upon or a pledge of the Pledged Funds other than the lien and pledge created by this Ordinance or as otherwise permitted hereby, (D) a preference or priority of any Bond or Bonds over any other Bond or Bonds (except as to the establishment of separate subaccounts in the Reserve Account as permitted hereby), or (E) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Ordinance. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders or a Credit Facility Provider of the adoption of any Supplemental Ordinance as authorized in Section 7.01 hereof.

If at any time the Issuer shall determine that it is necessary or desirable to adopt any Supplemental Ordinance pursuant to this Section 7.02, the Clerk shall cause the Registrar to give notice of the proposed adoption of such Supplemental Ordinance and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books and to all Insurers of Bonds Outstanding. Such notice shall briefly set forth the nature of the proposed Supplemental Ordinance and shall state that copies thereof are on file at the offices of the Clerk and the Registrar for inspection by all Bondholders. The Issuer shall not, however, be subject to any liability to any Bondholder by reason of its failure to cause the notice required by this Section 7.02 to be mailed and any such failure shall not affect the validity of such

Supplemental Ordinance when consented to and approved as provided in this Section 7.02.

Whenever the Issuer shall deliver to the Clerk an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Ordinance described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such Supplemental Ordinance in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such Supplemental Ordinance shall have consented to and approved the adoption thereof as herein provided, no Holder of any Bond shall have any right to object to the adoption of such Supplemental Ordinance, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Issuer from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any Supplemental Ordinance pursuant to the provisions of this Section 7.02, this Ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the Issuer and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Ordinance as so modified and amended.

**SECTION 7.03. AMENDMENT WITH CONSENT OF CREDIT FACILITY PROVIDER ONLY.** For purposes of amending this Ordinance pursuant to Section 7.02 hereof, a Credit Facility Provider of a Series of Bonds shall be considered the Holder thereof, provided such Series of Bonds, at the time of the adoption of the amendment, shall be rated by the rating agencies which shall have rated the Bonds no lower than the initial ratings assigned thereto by such rating agencies. The consent of the Holders of Bonds shall not be required if the Credit Facility Provider shall consent to the amendment as provided by this Section 7.03. The foregoing right of amendment, however, does not apply to any amendment to Section 5.07 hereof with respect to the exclusion of interest on the Bonds from gross income for purposes of federal income taxation or the amendments described in the penultimate sentence of the first paragraph of Section 7.02 hereof. Prior to adoption of any amendment made pursuant to this Section 7.03, notice of such amendment shall be delivered to the rating agencies rating the Bonds.

Upon filing with the Clerk of evidence of such consent of a Credit Facility Provider as aforesaid, the Issuer may adopt such Supplemental Ordinance. After the adoption by the Issuer of such Supplemental Ordinance, notice thereof shall be mailed in the same manner as notice of an amendment under Section 7.02 hereof.

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## ARTICLE VIII

### PROVISIONS RELATING TO THE BOND INSURANCE POLICY, INSURER AND RESERVE ACCOUNT SURETY BOND FOR THE SERIES 2006 BONDS

**SECTION 8.01 MUNICIPAL BOND INSURANCE; RESERVE ACCOUNT SURETY BOND.** (A) Subject in all respects to the satisfaction of the conditions set forth in Section 2.02 hereof, the Issuer hereby authorizes the payment of the principal of and interest on the Series 2006 Bonds to be insured pursuant to the Bond Insurance Policy issued by Ambac Assurance Corporation ("Ambac Assurance" or the "Insurer"). The City Manager is hereby authorized to execute such documents and instruments necessary to cause Ambac Assurance to insure the Series 2006 Bonds. Ambac Assurance shall be deemed to be an Insurer pursuant to this Ordinance.

(B) Subject in all respects to the satisfaction of the conditions set forth in Section 2.02 hereof, the Issuer shall deposit to the Reserve Account the reserve account surety bond purchased from Ambac Assurance (the "Reserve Account Surety Bond"), the face amount of which, together with any other cash amounts and the face amounts of any other reserve policies or surety bonds on deposit in the Reserve Account, is equal to the Reserve Account Requirement for the Series 2006 Bonds. The City Manager is hereby authorized to enter into a Guaranty Agreement substantially in the form attached hereto as Exhibit D (the "Guaranty Agreement") in order to cause Ambac Assurance to issue such Reserve Account Surety Bond. The provisions of such Guaranty Agreement, when executed and delivered, shall be incorporated herein by reference and to the extent there are any conflicts between the Guaranty Agreement and this Ordinance, the provisions of the Guaranty Agreement shall control.

**SECTION 8.02. PROVISIONS RELATING TO BOND INSURANCE POLICY.** (A) The commitment from Ambac Assurance to issue its Bond Insurance Policy and Reserve Account Surety Bond with respect to the Series 2006 Bonds is hereby approved and authorized and payment for the premiums for such insurance is hereby authorized from proceeds of the Series 2006 Bonds. A statement of insurance is hereby authorized to be printed on or attached to the Series 2006 Bonds for the benefit and information of the Bondholders of the Series 2006 Bonds.

(B) Subject in all respects to the satisfaction of the conditions set forth in Section 2.02 hereof, so long as the Bond Insurance Policy issued by Ambac Assurance is in full force and effect and Ambac Assurance has not defaulted in its payment obligations under the Bond Insurance Policy, the Issuer agrees to comply with the following provisions:

(1) Notices to be given to Ambac Assurance. The Issuer or the Paying Agent shall furnish to Ambac Assurance, upon request (to the attention of the Surveillance Department, unless otherwise indicated), the following:

(a) as soon as practicable after the filing thereof, a copy of any financial statement of the Issuer and a copy of any audit and annual report of the Issuer;

(b) a copy of any notice to be given to the registered owners of the Series 2006 Bonds, including, without limitation, notice of any redemption of or defeasance of Series 2006 Bonds, and any certificate rendered pursuant to this Ordinance relating to the security for the Series 2006 Bonds;

(c) To the extent that the Issuer has entered into a continuing disclosure agreement with respect to the Series 2006 Bonds, Ambac Assurance shall be included as party to be notified; and

(d) such additional information it may reasonably request.

The Paying Agent or Issuer shall notify Ambac Assurance (to the attention of the General Counsel office) of any failure of the Issuer to provide any relevant notices, certificates, etc.

The Issuer will permit Ambac Assurance to discuss the affairs, finances and accounts of the Issuer or any information Ambac Assurance may reasonably request regarding the security for the Series 2006 Bonds with appropriate officers of the Issuer. The Paying Agent or Issuer will permit Ambac Assurance to have access to and to make copies of all books and records relating to the Series 2006 Bonds at any reasonable time.

Ambac Assurance shall have the right to direct an accounting at the Issuer's expense, and the Issuer's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from Ambac Assurance shall be deemed a default under this Ordinance; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such

extension would not materially adversely affect the interests of any registered owner of the Series 2006 Bonds.

Notwithstanding any other provision of this Ordinance, the Issuer shall immediately notify Ambac Assurance (to the attention of the General Counsel office) if at any time there are insufficient moneys to make any payments of principal and/or interest as required and immediately upon the occurrence of any event of default under this Ordinance.

(2) Payment Procedure Pursuant to Bond Insurance Policy. As long as the Bond Insurance Policy shall be in full force and effect, the Issuer and the Paying Agent agree to comply with the following provisions:

(a) at least one (1) day prior to all Interest Dates the Paying Agent or the Issuer will determine whether there will be sufficient funds in the funds and accounts established under this Ordinance to pay the principal of or interest on the Series 2006 Bonds on such Interest Date. If the Paying Agent or the Issuer determines that there will be insufficient funds in such funds or accounts, the Paying Agent or the Issuer shall so notify Ambac Assurance. Such notice shall specify the amount of the anticipated deficiency, the Series 2006 Bonds to which such deficiency is applicable and whether such Series 2006 Bonds will be deficient as to principal or interest, or both. If the Paying Agent or the Issuer has not so notified Ambac Assurance at least one (1) day prior to an Interest Date, Ambac Assurance will make payments of principal or interest due on the Series 2006 Bonds on or before the first (1st) day next following the date on which Ambac Assurance shall have received notice of nonpayment from the Paying Agent or the Issuer.

(b) the Paying Agent shall, after notice has been given to Ambac Assurance as provided in (2)(a) above, make available to Ambac Assurance and, at Ambac Assurance's direction, to The Bank of New York, in New York, New York, as insurance trustee for Ambac Assurance or any successor insurance trustee (the "Insurance Trustee"), the registration books of the Issuer maintained by the Registrar and all records relating to the funds and accounts maintained under this Ordinance.

(c) the Registrar shall provide Ambac Assurance and the Insurance Trustee with a list of registered owners of Series 2006 Bonds entitled to receive principal or interest payments from Ambac Assurance under the terms of the Bond Insurance Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered

owners of the Series 2006 Bonds entitled to receive full or partial interest payments from Ambac Assurance and (ii) to pay principal upon the Series 2006 Bonds surrendered to the Insurance Trustee by the registered owners of the Series 2006 Bonds entitled to receive full or partial principal payments from Ambac Assurance.

(d) the Paying Agent or Registrar shall, at the time it provides notice to Ambac Assurance pursuant to (2)(a) above, notify registered owners of Series 2006 Bonds entitled to receive the payment of principal or interest thereon from Ambac Assurance (i) as to the fact of such entitlement, (ii) that Ambac Assurance will remit to them all or a part of the interest payments next coming due upon proof of Series 2006 Bondholder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from Ambac Assurance, they must surrender their Series 2006 Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such Series 2006 Bonds to be registered in the name of Ambac Assurance) for payment to the Insurance Trustee, and not the Paying Agent, and (iv) that should they be entitled to receive partial payment of principal from Ambac Assurance they must surrender their Series 2006 Bonds for payment thereon first to the Paying Agent who shall note on such Series 2006 Bonds the portion of the principal paid by the Paying Agent and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(e) in the event that the Paying Agent has notice that any payment of principal of or interest on a Series 2006 Bond which has become due for payment and which is made to a Series 2006 Bondholder by or on behalf of the Issuer has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Paying Agent shall, at the time Ambac Assurance is notified pursuant to (a) above, notify all registered owners that in the event that any registered owner's payment is so recovered, such registered owner will be entitled to payment from Ambac Assurance to the extent of such recovery if sufficient funds are not otherwise available, and the Paying Agent shall furnish to Ambac Assurance its records evidencing the payments of principal of and

interest on the Series 2006 Bonds which have been made by the Paying Agent and subsequently recovered from registered owners and the dates on which such payments were made.

(f) in addition to those rights granted Ambac Assurance under this Ordinance, Ambac Assurance shall, to the extent it makes payment of principal of or interest on Series 2006 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Registrar shall note Ambac Assurance's rights as subrogee on the registration books of the Issuer maintained by the Registrar upon receipt from Ambac Assurance of proof of the payment of interest thereon to the registered owners of the Series 2006 Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Registrar shall note Ambac Assurance's rights as subrogee on the registration books of the Issuer maintained by the Registrar upon surrender of the Series 2006 Bonds by the registered owners thereof together with proof of the payment of principal thereof.

(3) The Issuer hereby covenants and agrees that it shall reimburse Ambac Assurance for any amounts paid under the Bond Insurance Policy and all costs of collection thereof and enforcement of this Ordinance and any other documents executed in connection with this Ordinance, together with interest thereon, from the date paid or incurred by Ambac Assurance until payment thereof in full by the Obligor, payable at the Insurer Payment Rate (as hereinafter defined), including without limitation (to the extent permitted by applicable law) interest on claims paid by Ambac Assurance in respect of interest on the Series 2006 Bonds. Such payment obligation shall be payable on demand and on a parity with, and from the same sources and secured by the same security as, regularly scheduled principal and interest payments in respect of the Series 2006 Bonds. For purposes of the foregoing, "Insurer Payment Rate" shall mean the lesser of (a) the maximum rate permissible under applicable usury or similar laws limiting interest rates and (b) the greater of (i) the then applicable highest rate of interest on the Series 2006 Bonds and (ii) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A. ("Chase") at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by Chase) plus 3 percent. The Insurer Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event that Chase ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly

announced prime or base lending rate of such national bank as Ambac Assurance shall specify.

(4) Consent of Ambac Assurance. Any provision of this Ordinance expressly recognizing or granting rights in or to Ambac Assurance may not be amended in any manner which affects the rights of Ambac Assurance hereunder without the prior written consent of Ambac Assurance. Ambac Assurance reserves the right to charge the Issuer a fee for any consent or amendment to this Ordinance while the Bond Insurance Policy is outstanding.

(5) Consent of Ambac Assurance in Lieu of Bondholder's Consent. Unless otherwise provided in this Section, Ambac Assurance's consent shall be required in lieu of Series 2006 Bondholder consent when Series 2006 Bondholder consent is required for the following purposes: (a) execution and delivery of any Supplemental Ordinance; (b) removal of the Paying Agent and selection and appointment of any successor trustee or paying agent; and (c) initiation or approval of any action not described in (a) or (b) above which requires consent of the Series 2006 Bondholders.

(6) Consent of Ambac Assurance in the Event of Insolvency. Any reorganization or liquidation plan with respect to the Issuer must be acceptable to Ambac Assurance. In the event of any reorganization or liquidation, Ambac Assurance shall have the right to vote on behalf of all Holders of Series 2006 Bonds absent a default by Ambac Assurance under the Bond Insurance Policy.

(7) Consent of Ambac Assurance Upon Default. Anything in this Ordinance to the contrary notwithstanding, upon the occurrence and continuance of an event of default as described in this Ordinance, Ambac Assurance shall be entitled to control and direct the enforcement of all rights and remedies granted to the Series 2006 Bondholders or the Paying Agent for the benefit of the Series 2006 Bondholders under this Ordinance.

(8) Provisions Concerning the Paying Agent.

(a) Ambac Assurance shall receive prior written notice of any Paying Agent resignation.

(b) Every successor Paying Agent appointed pursuant to this Ordinance shall be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$75,000,000 and acceptable to

Ambac Assurance. Any successor Paying Agent shall not be appointed unless Ambac Assurance approves such successor in writing.

(c) Notwithstanding any other provision of this Ordinance, in determining whether the rights of the Series 2006 Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Ordinance, the Paying Agent shall consider the effect on the Series 2006 Bondholders as if there were no Bond Insurance Policy.

(d) Notwithstanding any other provision of this Ordinance, no removal, resignation or termination of the Paying Agent shall take effect until a successor, acceptable to Ambac Assurance, shall be appointed.

(9) Interested Parties. To the extent that this Ordinance confers upon or gives or grants to Ambac Assurance any right, remedy or claim under or by reason of this Ordinance, Ambac Assurance is thereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the Issuer, the Paying Agent, Ambac Assurance, the Insurer and the registered owners of the Series 2006 Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Paying Agent, Ambac Assurance, the Insurer and the registered owners of the Series 2006 Bonds.

(10) Defeasance. Notwithstanding anything in this Ordinance to the contrary, in the event that the principal and/or interest due on the Series 2006 Bonds shall be paid by Ambac Assurance pursuant to the Bond Insurance Policy, the Series 2006 Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, and the assignment and pledge of the Pledged Funds and all covenants, agreements and other obligations of the Issuer to the registered owners shall continue to exist and shall run to the benefit of Ambac Assurance, and Ambac Assurance shall be subrogated to the rights of such registered owners.

(C) As long as the Reserve Account Surety Bond shall be in full force and effect, the Issuer and the Paying Agent agree to comply with the following provisions:

(1) In the event and to the extent that moneys on deposit in the Debt Service Fund, including all cash amounts on deposit in and credited to the Reserve

Account therein in excess of the amount of the Reserve Account Surety Bond, are insufficient to pay the amount of principal and interest coming due, then upon the later of: (a) one (1) day after receipt by the General Counsel of Ambac Assurance of a demand for payment in the form attached to the Reserve Account Surety Bond as Attachment 1 (the "Demand for Payment"), duly executed by the Paying Agent certifying that payment due under this Ordinance has not been made to the Paying Agent; or (b) the payment date of the Series 2006 Bonds as specified in the Demand for Payment presented by the Paying Agent to the General Counsel of Ambac Assurance, Ambac Assurance will make a deposit of funds in an account with the Paying Agent or its successor, sufficient for the payment to the Paying Agent, of amounts which are then due to the Paying Agent under this Ordinance (as specified in the Demand for Payment) up to but not in excess of the Surety Bond Coverage, as defined in the Reserve Account Surety Bond; provided, however, that in the event that the amount on deposit in, or credited to, the Reserve Account, in addition to the amount available under the Reserve Account Surety Bond, includes amounts available under a letter of credit, insurance policy, surety bond or other such funding instrument (the "Additional Funding Instrument"), draws on the Reserve Account Surety Bond and the Additional Funding Instrument shall be made on a pro rata basis to fund the insufficiency.

(2) The Paying Agent shall, after submitting to Ambac Assurance the Demand for Payment as provided in (1) above, make available to Ambac Assurance all records relating to the funds and accounts maintained under this Ordinance.

(3) The Paying Agent shall, upon receipt of moneys received from the draw on the Reserve Account Surety Bond, as specified in the Demand for Payment, credit the Reserve Account to the extent of moneys received pursuant to such Demand.

(4) The Reserve Account shall be replenished in accordance with the terms of this Ordinance.

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## ARTICLE IX

### DEFEASANCE

**SECTION 9.01. DEFEASANCE.** If (A) the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of any Series of Bonds the principal and interest or Redemption Price due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, and (ii) the Issuer shall pay all amounts owing to any Credit Facility Provider issuing a Credit Facility with respect to such Series of Bonds, and all covenants, agreements and other obligations of the Issuer to the holders of such Series of Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agents shall pay over or deliver to the Issuer all money or securities held by them pursuant to this Ordinance which are not required for payment or redemption of any Series of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds or interest installments appertaining thereto shall be deemed to have been paid within the meaning of this Section 9.01 if there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Issuer either moneys in an amount which shall be sufficient, or Refunding Securities verified by an independent certified public accountant to be in such amount that the principal of and the interest on or redemption price which when due will provide moneys which, together with the moneys, if any, deposited with such banking institution or trust company at the same time shall be sufficient, to pay the principal of and interest due and to become due on said Bonds on and prior to the maturity date thereof. Except as hereafter provided, neither the Refunding Securities nor any moneys so deposited with such banking institution or trust company nor any moneys received by such bank or trust company on account of principal of or redemption price, if applicable, or interest on said Refunding Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of or redemption price of the Bonds for the payment of which they were deposited and the interest accruing thereon to the date of maturity; provided, however, the Issuer may substitute new Refunding Securities and moneys for the deposited Refunding Securities and moneys if the new Refunding Securities and moneys are sufficient to pay the principal of and interest on or redemption price of the refunded Bonds.

For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or specified Refunding Securities and moneys, if any, in accordance with this Section 9.01, the interest to come due on such Variable Rate Bonds on or prior to the maturity or redemption date thereof, as the case may be, shall be

calculated at the Maximum Interest Rate; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than the Maximum Interest Rate for any period, the total amount of moneys and specified Refunding Securities on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to satisfy this Section 9.01, such excess shall be paid to the Issuer free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under this Ordinance.

If Bonds are not to be redeemed or paid within 60 days after any such defeasance described in this Section 9.01, the Issuer shall cause the Registrar to mail a notice to the Holders of such Bonds that the deposit required by this Section 9.01 of moneys or Refunding Securities has been made and said Bonds are deemed to be paid in accordance with the provisions of this Section 9.01 and stating such maturity date upon which moneys are to be available for the payment of the principal of and interest on or redemption price of said Bonds. Failure to provide said notice shall not affect the Bonds being deemed to have been paid in accordance with the provisions of this Section 9.01.

Notwithstanding anything herein to the contrary, in the event that the principal of or interest due on the Bonds shall be paid by a Credit Facility Provider, such Bonds shall remain Outstanding, shall not be defeased or otherwise satisfied and shall not be considered paid by the Issuer, and the pledge of the Pledged Funds and all covenants, agreements and other obligations of the Issuer to the Bondholders shall continue to exist and Credit Facility Provider shall be subrogated to the rights of such Bondholders.

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## ARTICLE X

### MISCELLANEOUS

**SECTION 10.01. PRELIMINARY OFFICIAL STATEMENT.** The Issuer hereby authorizes the distribution and use of the Preliminary Official Statement in substantially the form attached hereto as Exhibit B (the "Preliminary Official Statement") in connection with offering the Series 2006 Bonds for sale. If between the date hereof and the mailing of the Preliminary Official Statement it is necessary to make insertions, modifications or changes in the Preliminary Official Statement, the Mayor/Commissioner and the City Manager are hereby authorized to approve such insertions, changes and modifications. The Mayor/Commissioner and the City Manager are hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") in the form as mailed. Execution of a certificate by the Mayor/Commissioner and the City Manager deeming the Preliminary Official Statement "final" as described above shall be conclusive evidence of the approval of any insertions, changes or modifications.

**SECTION 10.02. OFFICIAL STATEMENT.** Subject in all respects with the satisfaction of the conditions set forth in Section 2.02 hereof, the Mayor/Commissioner and the City Manager are hereby authorized and directed to execute and deliver a final Official Statement, dated the date of the award of the Series 2006 Bonds, which shall be in substantially the form of the Preliminary Official Statement relating to the Series 2006 Bonds, in the name and on behalf of the Issuer, and thereupon to cause such Official Statement to be delivered to the Underwriters with such changes, amendments, modifications, omissions and additions as may be approved by the Mayor/Commissioner and the City Manager. Said Official Statement, including any such changes, amendments, modifications, omissions and additions as approved by the Mayor/Commissioner and the City Manager, and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2006 Bonds to the public. Execution by the Mayor/Commissioner and the City Manager of the Official Statement shall be deemed to be conclusive evidence of approval of such changes.

**SECTION 10.03. OFFICIAL NOTICE OF SALE.** The form of the Official Notice of Sale attached hereto as Exhibit A and the terms and provisions thereof are hereby authorized and approved. The City Manager is hereby authorized to make such changes, insertions and modifications as she shall deem necessary prior to the advertisement of such Official Notice of Sale or a summary thereof. The City Manager is hereby authorized to advertise and publish the Official Notice of Sale, or a summary thereof, at such time as she deems necessary and appropriate, upon the advice of the Issuer's Financial Advisor, to accomplish the competitive sale of the Series 2006 Bonds.

**SECTION 10.04. APPOINTMENT OF PAYING AGENT AND REGISTRAR.** U.S. Bank National Association, Fort Lauderdale, Florida, is hereby designated Registrar and Paying Agent for the Series 2006 Bonds. The City Manager is hereby authorized to enter into any agreement which may be necessary to effect the transactions contemplated by this Section 10.04 and by this Ordinance.

**SECTION 10.05. SECONDARY MARKET DISCLOSURE.** Subject to the satisfaction in all respects with the conditions set forth in Section 2.02 hereof, the Issuer hereby covenants and agrees that, in order to provide for compliance by the Issuer with the secondary market disclosure requirements of the Rule, it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the Issuer and dated the dated date of the Series 2006 Bonds, as it may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Certificate shall be substantially in the form of Exhibit C hereto with such changes, amendments, modifications, omissions and additions as shall be approved by the City Manager who is hereby authorized to execute and deliver such Certificate. Notwithstanding any other provision of this Ordinance, failure of the Issuer to comply with such Continuing Disclosure Certificate shall not be considered an Event of Default under this Ordinance; provided, however, to the extent permitted by law, the sole and exclusive remedy of any Series 2006 Bondholder for the enforcement of the provisions of the Continuing Disclosure Certificate shall be an action for mandamus or specific performance, as applicable, by court order, to cause the Issuer to comply with its obligations under this Section 10.05 and the Continuing Disclosure Certificate. For purposes of this Section 10.05, "Series 2006 Bondholder" shall mean any person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2006 Bonds (including persons holding such Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any such Bond for federal income tax purposes.

**SECTION 10.06. CAPITAL APPRECIATION BONDS.** For the purposes of (A) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity, or (B) receiving payment of a Capital Appreciation Bond if the principal of all Bonds becomes due and payable under the provisions of this Ordinance, or (C) computing the amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the Issuer or any trustee or receiver appointed to represent the Bondholders any notice, consent, request or demand pursuant to this Ordinance for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

**SECTION 10.07. SALE OF BONDS.** The Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or

prices as shall be consistent with the provisions of the Act, the requirements of this Ordinance and other applicable provisions of law.

**SECTION 10.08. GENERAL AUTHORITY.** The members of the City Commission of the Issuer and the officers, attorneys and other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this Ordinance, the Guaranty Agreement or the Bond Insurance Policy or which are desirable or consistent with the requirements of this Ordinance, the Guaranty Agreement or the Bond Insurance Policy for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Bonds and this Ordinance, including the execution of any documents or instruments relating to insuring payment of the Bonds, and each member, employee, attorney and officer of the Issuer or the Issuer are hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder.

**SECTION 10.09. SEVERABILITY OF INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions of this Ordinance shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Ordinance and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Bonds issued hereunder.

**SECTION 10.10. REPEAL OF INCONSISTENT ORDINANCES.** All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

[Remainder of page intentionally left blank]

**SECTION 10.11. EFFECTIVE DATE.** This Ordinance shall become effective upon its final adoption.

READ FIRST TIME: July 27, 2006

READ SECOND TIME AND PUBLIC HEARING HELD: August 10, 2006

APPROVED:

By: \_\_\_\_\_  
Jack Quesinberry, Mayor/Commissioner

(SEAL)

ATTEST:

By: \_\_\_\_\_  
Kathy Golden, City Clerk

**EXHIBIT A**

**FORM OF OFFICIAL NOTICE OF SALE**

**EXHIBIT B**

**FORM OF PRELIMINARY OFFICAL NOTICE OF SALE**

**EXHIBIT C**

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

**EXHIBIT D**

**FORM OF GUARANTY AGREEMENT**

## **CONTINUING DISCLOSURE CERTIFICATE**

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Winter Garden, Florida (the "Issuer") in connection with the issuance of its \$\_\_\_\_\_ City of Winter Garden, Florida Sales Tax Revenue Bonds, Series 2006 (the "Series 2006 Bonds"). The Series 2006 Bonds are being issued pursuant to the Issuer's Ordinance No. \_\_\_\_\_ enacted on August 10, 2006, as the same may be amended and supplemented from time to time (the "Ordinance"). The Issuer covenants and agrees as follows:

**SECTION 1. PURPOSE OF DISCLOSURE CERTIFICATE.** This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Series 2006 Bondholders and in order to assist the original underwriters of the Series 2006 Bonds in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934 (the "Rule").

**SECTION 2. PROVISION OF ANNUAL INFORMATION.** Except as otherwise provided herein, the Issuer shall provide to all of the nationally recognized municipal securities information repositories described in Section 4 hereof (the "NRMSIRs"), to any state information depository that is established within the State of Florida (the "SID"), and to Ambac Assurance Corporation ("Ambac") on or before April 30 of each year, commencing April 30, 2007 with the report for the 2006 Fiscal Year, the information set forth below in this Section 2. Notwithstanding the immediately preceding sentence, to the extent any such information does not become available to the Issuer before April 30 of any year, the Issuer shall provide such information when it becomes available, but no later than one year following the end of the Issuer's Fiscal Year.

(A) the Issuer's Comprehensive Annual Financial Report for the immediately preceding Fiscal Year (the "CAFR"), which shall include the audited financial statements of the Issuer for the immediately preceding Fiscal Year prepared in accordance with Generally Accepted Accounting Principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Government Accounting Standards Board; provided, however, if the audited financial statements of the Issuer are not completed prior to April 30 of any year, the Issuer shall provide unaudited financial statements on such date and shall provide the audited financial statements as soon as practicable following their completion; and

(B) to the extent not set forth in the CAFR, additional financial information and operating data of the type included with respect to the Issuer in the final official statement

prepared in connection with the sale and issuance of the Series 2006 Bonds (the "Official Statement"), as set forth below:

- a. Information in the table entitled "City of Winter Garden, Orange County and Other Municipalities Population Last Five Years."
- b. Information in the table entitled "Orange County, City of Winter Garden and Other Municipalities Percent of Total Half-Cent Sales Tax Revenues Last Five Fiscal Years."
- c. Information in the table entitled "Historical Receipts of Sales Tax Revenues by the City."

For purposes of this Disclosure Certificate, "Fiscal Year" means the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

**SECTION 3. REPORTING SIGNIFICANT EVENTS.** The Issuer shall provide to the NRMSIRs or the Municipal Securities Rulemaking Board (the "MSRB"), to the SID, if any, and to Ambac on a timely basis, notice of any of the following events, if such event is material with respect to the Series 2006 Bonds or the Issuer's ability to satisfy its payment obligations with respect to the Series 2006 Bonds:

- (A) Principal and interest payment delinquencies;
- (B) Non-payment related defaults;
- (C) Unscheduled draws on the debt service reserve fund reflecting financial difficulties;
- (D) Unscheduled draws on credit enhancement reflecting financial difficulties;
- (E) Substitution of credit or liquidity providers, or their failure to perform;
- (F) Adverse tax opinions or events affecting the tax-exempt status of the Series 2006 Bonds;
- (G) Modifications to rights of Series 2006 Bondholders;
- (H) Calls on the Series 2006 Bonds (excluding mandatory sinking fund redemptions);
- (I) Defeasance of the Series 2006 Bonds;

(J) Release, substitution, or sale of property securing repayment of the Series 2006 Bonds;

(K) Rating changes; and

(L) Notice of any failure on the part of the Issuer or any other Obligated Person (as defined herein) to meet the requirements of Section 2 hereof.

The Issuer may from time to time, in its discretion, choose to provide notice of the occurrence of certain other events, in addition to those listed in this Section 3, if, in the judgment of the Issuer, such other events are material with respect to the Series 2006 Bonds, but the Issuer does not specifically undertake to commit to provide any such additional notice of the occurrence of any material event except those events listed above.

Whenever the Issuer obtains knowledge of the occurrence of a significant event described in this Section 3, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities law to holders of Series 2006 Bonds.

**SECTION 4. NRMSIRs.** The NRMSIRs to which the Issuer shall provide the information described in Sections 2 and 3 above, to the extent required, shall be the NRMSIRs then existing on the date such information is provided in accordance with the terms of this Disclosure Certificate. The following organizations are the NRMSIRs in existence on the date hereof:

(A) Bloomberg Municipal Repository  
100 Business Park Drive  
Skillman, New Jersey 08558  
Phone: 609/279-3225  
Fax: 609/279-5962  
Email: Munis@Bloomberg.com

(B) FT Interactive Data  
Attn: NRMSIR  
100 Williams Street  
New York, New York 10038  
Phone: 212/771-6999  
Fax: 212/771-7390 (Secondary Market Information)  
212/771/7391 (Primary Market Information)  
Email: NRMSIR@FTID.com

(C) Standard & Poor's Securities Evaluations, Inc.  
55 Water Street, 45th Floor  
New York, New York 10041  
Phone: 212/438-4595  
Fax: 212/438-3975  
Email: nrmsir\_repository@sandp.com

(D) DPC Data Inc.  
One Executive Drive  
Fort Lee, New Jersey 07024  
Phone: 201/346-0701  
Fax: 201/947-0107  
Email: nrmsir@dpcdata.com

(E) Any NRMSIRs that are established subsequently and approved by the SEC.

(F) A list of the names and addresses of all designated NRMSIRs as of any date may currently be obtained by calling the SEC's Fax on Demand Service at 202/942-8088 and requesting document number 0206 or by visiting the SEC's website at "www.sec.gov/info/municipal/nrmsir.htm." However, in lieu of filing with the NRMSIRs and SID, if any, the Issuer may provide the required information to:

Disclosure USA  
P.O. Box 684667  
Austin, Texas 78768-4667  
<http://www.disclosureusa.org>  
Fax: (512) 476-6403

**SECTION 5. NO EVENT OF DEFAULT.** Notwithstanding any other provision in the Ordinance to the contrary, failure of the Issuer to comply with the provisions of this Disclosure Certificate shall not be considered an event of default under the Ordinance. To the extent permitted by law, the sole and exclusive remedy of any Series 2006 Bondholder for the enforcement of the provisions hereof shall be an action for mandamus or specific performance, as applicable, by court order, to cause the Issuer to comply with its obligations hereunder. For purposes of this Disclosure Certificate, "Series 2006 Bondholder" shall mean any person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2006 Bonds (including persons holding Series 2006 Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any Series 2006 Bond for federal income tax purposes.

**SECTION 6. INCORPORATION BY REFERENCE.** Any or all of the information required herein to be disclosed may be incorporated by reference from other documents, including official statements or debt issues of the Issuer or related public entities, which have been submitted to each of the NRMSIRs and the SID, if any, or the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each document incorporated by reference.

**SECTION 7. DISSEMINATION AGENTS.** The Issuer may, from time to time, appoint or engage a successor dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any dissemination agent with or without appointing a successor disseminating agent.

**SECTION 8. TERMINATION.** The Issuer's obligations under this Disclosure Certificate shall terminate upon (A) the legal defeasance, prior redemption or payment in full of all of the Series 2006 Bonds, or (B) the termination of the continuing disclosure requirements of the Rule by legislative, judicial or administrative action.

**SECTION 9. AMENDMENTS.** Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision may be waived, if such amendment or waiver is supported by an opinion of counsel that is nationally recognized in the area of federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

**SECTION 10. ADDITIONAL INFORMATION.** Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in its annual information described in Section 2 hereof or notice of occurrence of a significant event described in Section 3 hereof, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in its annual information or notice of occurrence of a significant event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in its future annual information or notice of occurrence of a significant event.

**SECTION 11. OBLIGATED PERSONS.** If any person, other than the Issuer, becomes an Obligated Person (as defined in the Rule) relating to the Series 2006 Bonds, the Issuer shall use its best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person.

**SECTION 12. DISSEMINATION COVER SHEET.** For the convenience of the Issuer, attached hereto as Exhibit A is a cover sheet that the Issuer may use to accompany any report that is required to be filed pursuant to the provisions of this Certificate. The Issuer is not required to use such cover sheet.

Dated: \_\_\_\_\_, 2006

**CITY OF WINTER GARDEN, FLORIDA**

By: \_\_\_\_\_  
City Manager

**APPENDIX A**

**DISSEMINATION COVER SHEET**

# Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

See [www.sec.gov/info/municipal/nrmsir.htm](http://www.sec.gov/info/municipal/nrmsir.htm) for list of current NRMSIRs and SIDs

**IF THIS FILING RELATES TO A SINGLE BOND ISSUE:**

Provide name of bond issue exactly as it appears on the cover of the Official Statement (please include name of state where issuer is located):

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Provide nine-digit CUSIP\* numbers if available, to which the information relates:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:**

Issuer's Name (please include name of state where Issuer is located): \_\_\_\_\_

Other Obligated Person's Name (if any): \_\_\_\_\_  
(Exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP number(s), if available, of Issuer: \_\_\_\_\_

(Contact CUSIP's Municipal Disclosure Assistance Line at 212-438-6518 for assistance with obtaining the proper CUSIP numbers.)

**TYPE OF FILING:**

Electronic (number of pages attached) \_\_\_\_\_  Paper (number of pages attached) \_\_\_\_\_

If information is also available on the Internet, give URL: \_\_\_\_\_

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)

A.  Annual Financial Information and Operating Data pursuant to Rule 15c2-12

(Financial information and operating data should not be filed with the MSRB.)

Fiscal Period Covered: \_\_\_\_\_

B.  Audited Financial Statements or CAFR pursuant to Rule 15c2-12

Fiscal Period Covered: \_\_\_\_\_

C.  Notice of a Material Event pursuant to Rule 15c2-12 (Check as appropriate)

- |  |  |
|--|--|
| 1. <input type="checkbox"/> Principal and interest payment tax-delinquencies                             | 6. <input type="checkbox"/> Adverse tax opinions or events affecting the exempt status of the security       |
| 2. <input type="checkbox"/> Non-payment related defaults   | 7. <input type="checkbox"/> Modifications to the rights of security holders                                  |
| 3. <input type="checkbox"/> Unscheduled draws on debt service reserves reflecting financial difficulties | 8. <input type="checkbox"/> Bond calls   |
| 4. <input type="checkbox"/> Unscheduled draws on credit enhancements reflecting financial difficulties   | 9. <input type="checkbox"/> Defeasances  |
| 5. <input type="checkbox"/> Substitution of credit or liquidity providers, or their failure to perform   | 10. <input type="checkbox"/> Release, substitution, or sale of property securing repayment of the securities |
|  | 11. <input type="checkbox"/> Rating changes  |

D.  Notice of Failure to Provide Annual Financial Information as Required

E.  Other Secondary Market Information (Specify): \_\_\_\_\_

I hereby represent that I am authorized by the issuer or obligor or its agent to distribute this information publicly:

**Issuer Contact:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Employer \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip Code \_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_  
Email Address \_\_\_\_\_ Issuer Web Site Address \_\_\_\_\_

**Dissemination Agent Contact, if any:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Employer \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip Code \_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_  
Email Address \_\_\_\_\_ Issuer Web Site Address \_\_\_\_\_

**Obligor Contact, if any:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Employer \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_ Zip Code \_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_  
Email Address \_\_\_\_\_ Issuer Web Site Address \_\_\_\_\_

**Investor Relations Contact, if any:**

Name \_\_\_\_\_ Title \_\_\_\_\_  
Telephone \_\_\_\_\_ Email Address \_\_\_\_\_