

**ST. LUCIE COUNTY
FISCAL YEAR 2000-2001 BUDGET
DEBT SERVICE**

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DEBT ADMINISTRATION OVERVIEW

The County Administrator and Director of Finance are responsible for the administration of the Policy, with the Board ultimately responsible for approval of the form and dollar amount of any of the County borrowing. The Debt Management Policy is part of the comprehensive St. Lucie County's Financial Policy included under the Introduction tab in this issue of the Budget Book. The details of the outstanding debt obligations such as original amounts, outstanding balances, fiscal year principal and interest are shown in the Debt Summary Schedule in this section of the book.

Debt Issuance Procedures

The County Administration in cooperation with the BOCC evaluate each debt proposal and compare it with other competing interests in the County. Requests are considered in accordance with the County's overall adopted priorities and 5-year Capital Plan. St. Lucie County retains the services of professional financial consultants to facilitate the process.

The County may issue general obligation (GO) bonds and other debt instruments by means of referendums, County Ordinances, Bond Resolutions and/or other applicable provisions of law as required, and in full compliance with, the Constitution and Statutes of the State of Florida.

Throughout the process, the County Administration and the Department of Finance coordinate the issuance of debt, such as sizing the issuance, structuring the debt, identifying the repayment sources and determining the mix and method of sale. The County, as a practice, structures all long-term debt with prepayment options except when alternative structures are more advantageous. The County's debt service requirements reflect its fiscal policies regarding the prudent use of tax-exempt financing.

Credit Ratings

St. Lucie County Debt Policy strives to maintain a minimum underlying bond rating equivalent to a Moody Rating Service Aa1 (see key indicators listed in the Debt Policy). St. Lucie County has not received a formal rating review in the recent years. The County's Budget Office in conjunction with the County's Financial Advisor have initiated a process of preparation for a formal rating review in the near future.

Legal Debt Margin

Neither the Florida Constitution, Florida Statutes, nor the St. Lucie Board of County Commissioners place limit on the amount of debt the voters may approve by referendum. As of September 30, 2000 the County had \$19.5 million of general obligation debt outstanding. Based on the assessed valuation of \$8,147.4 million for the fiscal year ending September 30, 2000, the County's general obligation debt ratio equals to 0.23 percent (0.23%).

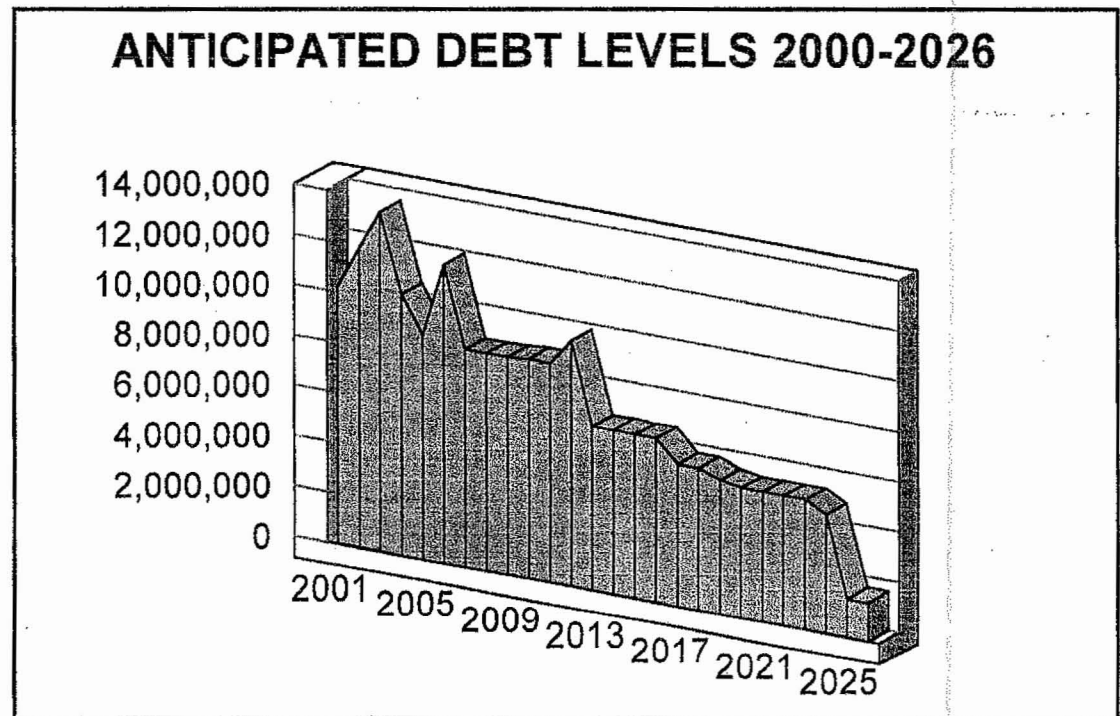
Outstanding Indebtedness

The County's total outstanding debt as of September 30, 2000 was \$131.5 million. Approximately 14.8 % of the total County debt is repaid with property tax revenues (\$6.1 million for ad valorem, and \$13.4 million limited ad valorem bonds). The remainder is repaid with pledged revenues, including sales tax, tourist tax and special taxing units.

General Obligation and Limited General Obligation Bonds

As of September 30, 2000, St. Lucie County had two outstanding general obligation bonds, payable from and secured by a lien upon and pledge of the proceeds of a direct, annual ad valorem tax upon all taxable property within the County:

1. GO Bonds, Series 1991 Refunding 10 million GO bonds from 1983 issued in connection with the Save Our Coast Program of the State of Florida, for the purpose of acquiring oceanfront land. The outstanding balance of this obligation on September 30, 2000 was \$2.8 million.



2. GO Bonds, Series 1997 were issued to pay the cost of acquisition of land in the Port of Fort Pierce for marine, commercial, recreation, and tourism purposes. The outstanding balance of this obligation on September 30, 2000 was \$3.2 million.

Additionally in 1999 St. Lucie County issued a Limited Ad Valorem Tax Bond, Series 1999 for the purpose of providing funds to 1) acquire environmentally sensitive lands to protect water quality, open spaces and wildlife within the County and 2) repay a Bond anticipation Note previously issued to provide temporary funding for such purposes. The bonds are secured solely by a lien upon and pledge of the proceeds received from the levy by the county of an ad valorem tax not to exceed one-quarter of one mil in any year on all taxable property within the County.

Non-Ad Valorem Revenue Bonds

The St. Lucie County currently has several outstanding non-ad valorem revenue bonds. As of September 30, 2000 the outstanding balances were as follows:

1. \$8.7 million Public Improvement Revenue Bond issued in 2000 to cover the cost of acquisition, construction, and installation of an 800 MHz Radio System for the County. The security for this bond consists of pledged revenues including Radio System Fines and amounts paid to the County by public agencies bound by the Radio System agreements.
2. \$39 million Sales Tax Refunding Revenue Bonds, Series 1994 issued to 1) advance refund all of the County's outstanding Sales Tax Revenue bonds, Series 1992, 2) pay the cost of certain capital improvements (Sheriff's building, additional court, jail, library and other administrative facilities), 3) purchase a Debt Service Reserve Account surety bond. The bonds are secured by the County's Local Government Half-Cent Sales Tax Clearing Trust Fund in the State Treasury. Money in the Trust Fund is distributed on a monthly basis to eligible cities and counties.
3. \$1.2 million Special Assessment Improvement Bonds, Series 1996 issued to pay the cost of acquiring and constructing certain paving and drainage improvements, including realignment of an existing roadway, within the Becker Road Municipal Service Benefit Unit (MSBU). The bonds are secured by a first lien on special assessments levied by the County against the lands and real estate within Becker Road MSBU. In case of insufficiency of such assessments, the County has a covenant to budget and appropriate bond payments from legally available non-ad valorem revenues.
4. \$9.6 million Solid Waste Refunding Revenue Bonds, Series 1993 issued to finance the costs of advance refunding the County's outstanding Solid Waste System Revenue Bonds, Series 1990. The bonds are secured by a pledge of the net revenues of the County's solid waste system.
5. \$5.4 million North Hutchinson Island Water and Sewer System Revenue Refunding Bonds, Series 1997. These bonds were issued to refund portions of prior financing for the re-use line on North Hutchinson Island. The bonds are payable from the net revenues of

the acquired system and certain capital facilities charges collected with respect to the system.

6. \$5.7 million Holiday Pines Water and Wastewater System Revenue Bonds, Series 1999 issued for the purpose of financing the cost of acquiring a privately-owned water and sewer utility and establishing the utility as a separate County water and sewer system. The bonds are secured by 1) a pledge of the net revenues of the Holiday Pines utility system, 2) certain capital facilities charges collected with respect to the system and 3) covenant of the County to budget and appropriate non-ad valorem revenues amounts needed to cure any deficiency in the sinking fund to pay debt service.

7. \$13.3 million South Hutchinson Island Wastewater System, 1998 Series issued to refinance the County's Special Assessment Bonds Series 1995 for the construction of regional wastewater system on South Hutchinson Island. These bonds are secured by a first lien on special assessments levied by the County against the lands and real estate benefitting from the project.

8. \$0.65 million South Hutchinson Bonds, 1998A Series issued to finance the cost of extending sewer lines from SHI Wastewater Treatment Plant directly to the north of the FPL nuclear power plant (North District). These bonds are secured by a first lien on special assessments levied by the County against the lands and real estate benefitting by the project.

Other Long-Term Obligations

The St. Lucie currently levies a four-percent Tourist Development Tax on the use of tourist facilities in the County. Of this amount, two percent is used to cover any operating deficits of the Thomas J. White sports complex. Any remaining balance is applied to the 1988 lease agreement that St. Lucie County entered into with the Thomas J. White Corp to finance the cost of this major league baseball spring training facility. The balance of this liability on September 30, 2000 was \$16.0 million. The remaining obligation, if any, is to be forgiven by the White Corporation at the end of the repayment period.

Airport Payback to Florida Department of Transportation is a non-interest bearing obligation to repay certain grant funds received in prior years for the expansion of the County's airport facilities. Due to the fact that the expansion projects were discontinued by the St. Lucie Board of Commissioners, some of the advanced grant funds have to be returned to the granting agency.

Loans

As of September 30, 2000, the St. Lucie County had a total of \$2.1 million outstanding balances in notes payable from government type funds, and \$1.1 million notes payable from proprietary type funds. These obligations are secured by St. Lucie County's covenants to budget and appropriate from legally available non-ad valorem revenues an amount sufficient to pay the required annual principal and interest on the notes.

Capital Leases

The St. Lucie County has entered into several capital lease for equipment at interest rates ranging from 4.9 to 12 percent. The total outstanding balance as of September 30, 2000 was \$460,504. All capital lease transactions undergo a thorough process of comparison to actual acquisition of assets. Lease options are chosen if the annual cost of owning and maintaining the assets is higher. Capital leases are a cost-saving mechanism due to fast-changing technologies and high service and repair costs on assets owned by the County.

Municipal Services Benefit Units (MSBU)

MSBUs are special assessments districts set up to finance various neighborhood improvement projects. Special assessments are imposed against the properties benefitting from the projects. They are legally set up as trust accounts and are not an obligation of the County. The St. Lucie County is currently acting as the agent for the property owners in several municipal service taxing/benefit units located within the County. The County is in no way liable for repayment of the debt and is only collecting the assessments and forwarding the collections to the paying agent.

Industrial Development Bonds

The St. Lucie County acted as a facilitator for the Industrial Development Bonds transactions. These obligations are not in any way a debt of the County. In the last ten years, Florida Power and Light obtained tax-exempt bonds totaling \$312.945 million to finance a portion of the St. Lucie Nuclear Power Plant. These bonds are secured by a combination of net revenues from the St. Lucie Nuclear Power Plant and all assets of FP&L. There are several other local companies who have completed the Industrial Development bond transactions totaling \$18.8 million.

Community Development District Bonds

St. Lucie County acted as a facilitator for a number of tax-exempt bond transactions issued on behalf of local services districts and the Housing Finance Authority. The purpose of this bonds was to finance various local projects: water and sewer, irrigation, storm water and paving improvements, as well as for stimulating the construction and rehabilitation of housing through the use of public financing. These bonds are not an obligation of the County.

ST. LUCIE COUNTY - BASIC DEBT SCHEDULE

UPDATED: 08-Dec-00

LINE	FUND	OBLIGATION	YEAR ISSUED	MATURITY	ORIGINAL AMOUNT	INTEREST RATE	PRINCIPAL OUTSTANDING ON 9/30/00	PAYMENTS DUE IN FY 01			
								PRINCIPAL	INTEREST	OTHER COST	TOTAL
6		<u>GENERAL OBLIGATIONS & LIMITED AD VALOREM:</u>									
7											
8	205	BEACH BOND I&S, GO AD VALOREM	1991	Mar-03	8,635,000	5.2%-6.5%	2,855,000	885,000	154,977	500	1,040,477
9		Refunding voted 1983 bonds for oceanfront land acquisition.									
10											
11	242	PORT I&S (Cotton Property), GO AD VALOREM	1997	Jan-17	3,500,000	4%-5.37%	3,265,000	125,000	170,253	1,000	296,253
12		Bond for purchasing land in the Port of Fort Pierce.									
13											
14	282	ENVIRONMENTAL LAND BOND	1999	Oct-11	15,300,000	4%-4.28%	13,365,000	1,010,000	541,010	5,000	1,556,010
15		Limited Ad valorem tax bonds for land acquisition									
16					TOTAL:						
					27,435,000		19,485,000				
17											
18		<u>BONDS - GOVERNMENT FUNDS:</u>									
19											
20	204	800 MHZ RADIO SYSTEM	2000	Apr-23	8,770,000	4.2% - 5.5%	8,770,000	545,000	435,293	42,000	1,022,293
21		Public Improvement Revenue Bonds Series 2000A									
22											
23	215	5 BLDG BOND	1994	Oct-23	44,775,000	2.5%-5%	38,995,000	970,000	1,915,980	5,000	2,890,980
24		Refunding 1992 Sales Tax Revenue Bonds issued for County facilities.									
25											
26	235	BECKER ROAD	1996	Nov-17	1,860,000	6%-6.5%	1,240,000	0	79,605	1,500	81,105
27		MSTU paving and drainage improvements.									
28					TOTAL:						
					55,405,000		49,005,000				
29											
30		<u>BONDS - ENTERPRISE FUNDS:</u>									
31											
32	401	SOLID WASTE SERIES 93	1993	Sep-15	12,945,000	2.65%-5%	9,635,000	580,000	463,405	1,206	1,044,611
33		Revenue bonds refunding 1990 issues & retiring unneeded funding									
34											
35	441	N HUTCHINSON W&S	1997	Oct-22	5,560,000	7.25%-7.5%	5,420,000	50,000	286,735	1,500	340,235
36		Revenue refunding bonds for acquisition of N Hutchinson system									
37		Includes outstanding parity bonds of 1992			400,000	6%-7%	90,000	90,000	6,300	500	96,800
38											
39	471	HOLIDAY PINES WATER AND WASTEWATER SYSTEM	1999	Oct-29	5,840,000	3.4%-5%	5,750,000	95,000	294,164	500	389,664
40		Revenue bonds, Series 1999									
41					TOTAL:						
					24,745,000		20,895,000				
42											
43		<u>OTHER LONG-TERM OBLIGATIONS:</u>									
44											
45	XXX	SPORTS COMPLEX LEASE FROM T.J. WHITE	1988	2003	16,079,939	No Interest	16,079,939	TBD	TBD	TBD	0
46		2 out of 3 cents from Tourist Dev. tax are used to cover operating deficits of the stadium									
47		and the leftover is used for lease payments. The remaining obligation is to be forgiven by the									
48		T.J. White Company									
49											
50	140	Airport Payback to FDOT	1998	2005	8,998,351	PRINC. ONLY	7,697,963	1,173,424	0	0	1,173,424
51											
52					TOTAL:						
					25,078,290		23,777,902				

LINE	FUND	OBLIGATION	YEAR ISSUED	MATURITY	ORIGINAL AMOUNT	INTEREST RATE	PRINCIPAL OUTSTANDING ON 9/30/00	PAYMENTS DUE IN FY 01					
								PRINCIPAL	INTEREST	OTHER COST	TOTAL		
58		<u>NOTES PAYABLE - GOVERNMENT FUNDS:</u>											
59													
60	102	STORMWATER MSTU (102001)	1998	2001	200,000	5.215%	70,000	70,000	1,830	0		71,830	
61		Stormwater Equipment											
62													
63	184	BEACH RENOURISHMENT NOTES	1998	Dec-03	485,000	4.83%	396,827	92,302	16,938	5,500		114,740	
64		Fiscal year different from loan year											
65													
66	total	PORT DEEPENING LOAN FROM US ARMY CORP OF ENG	1998	2027	797,960	6.125%	722,251	11,120	44,238	0		55,358	
67		Loan payments are shared 48%/52% as follows:											
68	140001	Port funds			383,021		331,174	5,338	21,234	0		26,572	
69	(48%)	St. Lucie County pays 48%											
70	142	Port Development MSBU			414,939		370,121	5,782	23,004	0		28,786	
71	(52%)	Others pay 52%											
72													
73	201	SOUTH COUNTY REGIONAL STADIUM	2000	Feb-10	410,000	6.58%	410,000	39,972	25,585	20,000		85,557	
74		Improvement Revenue Note Series 2000A											
75													
76	262	TOURIST DEV TAX REVENUE NOTES	1997	Sep-02	960,000	5.57%	243,448	34,818	13,560	0		48,378	
77		For improvement of the Thomas J. White Stadium.											
78													
79	262	TOURIST DEV TAX REVENUE NOTES	2000	Sep-02	410,000	6.23%	234,280	198,922	14,596	1,500		213,018	
80		For improvement of the Thomas J. White Stadium.											
81													
82	390	TREASURE COAST MSBU	1999	2000	39,225	5.6%	39,225	0	0	0		0	
83													
84	395	RIVER BRANCH ESTATES MSBU	2000	2001	11,000	5.6%	11,000	0	0	0		0	
85													
86				TOTAL:	4,111,145		2,106,075						
87													
88		<u>NOTES PAYABLE - ENTERPRISE FUNDS:</u>											
89													
90	461	SPORTS COMPLEX SCOREBOARD-Payback	1999	2002	300,000	No Interest	150,000	75,000	0	0		75,000	
91													
92	501	IT UNIX SERVER IBM - Revenue Note	2000	Jun-05	526,954	6.11%	526,954	66,118	21,071	0		87,189	
93													
94	501	PUBLIC SAFETY COMPUTER EQUIPMENT	1999	Sep-04	536,314	5.9%-6.1%	444,933	101,926	26,474	0		128,400	
95		Revenue Note											
96				TOTAL:	1,363,268		1,121,887						
97													
98		<u>CAPITAL LEASES:</u>											
99													
100	001	PURCHASING (001-1320)	1999	2004	122,739	12%	87,315	22,204	9,236	0		31,440	
101													
102	001	SUPERVISOR OF ELECTIONS (001-1910)	1998	2001	454,301	4.9%	105,659	100,487	3,298	0		103,785	
103													
104	145	MOSQUITO CONTROL EQUIPMENT	1999	2004	87,825	5.45%	52,596	16,610	2,865	0		19,475	
105													
106	418	GOLF COURSE EQUIPMENT	2000	2003	214,934	6.69%	214,934	41,763	12,890	0		54,653	
107													
108	461	SPORTS COMPLEX EQUIPMENT	1995	2000	102,385	5.97%-6.2%	0	0	0	0		0	
109													
110				TOTAL:	982,184		460,504						

LINE	FUND	OBLIGATION	YEAR ISSUED	MATURITY	ORIGINAL AMOUNT	INTEREST RATE	PRINCIPAL OUTSTANDING ON 9/30/00	PAYMENTS DUE IN FY 01			
								PRINCIPAL	INTEREST	OTHER COST	TOTAL
116		<u>SPECIAL ASSESSMENTS:</u>									
117											
118	448	NORTH A1A MSBU	2000	2013	39,000	7.5%	39,000	0	0	0	0
119											
120	671	WAGNER PLACE MSBU	1991	Sep-00	80,000	7.5%	0	0	0	0	0
121		Classified as a trust account.									
122											
123	672	FFA ROAD MSBU	1995	Feb-04	120,000	6.5%	45,000	15,000	3,413	1,000	19,413
124		Payable to Sunbank									
125											
126	673	S HUTCH W&S SPECIAL ASSESSMT BONDS	1998	Nov-25	14,920,000	4.15%-5%	13,320,000	0	646,888	0	646,888
127		Refinancing of Bond for SHI Water & Sewer improvements.									
128											
129	673	SOUTH HUTCH - NORTH DISTRICT SERIES 1998A	1998	Nov-25	910,000	7%	655,000	0	45,850	0	45,850
130		Construct a wastewater/reuse water collection & transmission system.									
131											
132	674	DRIFTWOOD MANOR MSBU	1997	2007	132,000	7%	80,500	5,000	5,285	0	10,285
133		Classified as a trust account.									
134											
135	676	KING ORANGE MSBU	1996	Oct-11	225,000	7.5%	130,000	0	9,750	0	9,750
136		MSBU paving and drainage improvements. Classified as a trust account.									
137											
138		Note:									
139		\$185,000 Special Assesment Bond, Series 1999 combines Lost Tree, Anita St, and Timberlake:									
140											
141	677	LOST TREE MSBU	1999	2013	24,000	7.08%	22,300	1,132	1,622	0	2,754
142											
143	678	ANITA STREET MSBU	1999	2013	32,000	7.08%	30,802	0	1,921	0	1,921
144											
145	679	TIMBERLAKE MSBU	1999	2013	129,000	7.08%	123,176	6,084	8,721	0	14,805
146											
147	692	IDEAL HOLDING MSBU	2000	Sept-14	96,000	6.49%	96,000	0	0	0	0
148											
149	693	WESTHAVEN MSBU	2000	Sept-14	152,000	6.49%	152,000	0	0	0	0
150											
151		Note:									
152		An MSBU is a Municipal Services Benefit Unit. The debt service is paid by assessments									
153		on benefiting property, and unless guaranteed by the Board, is not an obligation of county									
154		government.									
155											
156											
157											
					TOTAL:		16,859,000				14,693,778
158		TOTAL COUNTY DEBT OBLIGATIONS:			155,978,887						131,545,146

ST. LUCIE COUNTY - BASIC DEBT SCHEDULE

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COMMUNITY DEVELOPMENT DISTRICT BONDS - bonds issued by district:

DISTRICT	ISSUED	MATURES	AMOUNT
ST LUCIE WEST IRRIGATION AND STORMWATER	1994	2020	19,785,000
SLW - ROADS, DRAINAGE AND UTILITIES	1995	2000	4,010,000
SLW - ROADS, UTILITIES	1995	2025	4,950,000
SLW - ROAD, DRAINAGE	1997	2003	3,135,000
SLW - UTILITIES REFUNDING	1994	2023	22,990,000
CAPRON TRAILS	1991	2010	8,375,000
THE RESERVE - W&S		2022	4,400,000
THE RESERVE - REFINANCING UTILITIES		2022	400,000
THE RESERVE - DRAINAGE	1994	2014	5,000,000
HOUSING FINANCE AUTHORITY	1984	2015	2,891,000
HOUSING FINANCE AUTHORITY	1985	2016	1,000,000
HOUSING FINANCE AUTHORITY	1991	2023	7,170,000
HOUSING FINANCE AUTHORITY	1992	2024	4,950,000
HOUSING FINANCE AUTHORITY	1995	2028	6,235,000
HOUSING FINANCE AUTHORITY	1996	2029	3,750,000
HOUSING FINANCE AUTHORITY	1997	2030	8,685,000
HOUSING FINANCE AUTHORITY	1998	2031	5,818,000

INDUSTRIAL REVENUE BONDS

sponsored by the County on behalf of local companies:

COMPANY	ISSUED	AMOUNT
FLORIDA POWER & LIGHT	1990-95	\$312,945,000
INDIAN RIVER TERMINAL CO		\$1,000,000
KEGEL & STILLI		\$900,000
606 IT6 CORPORATION		\$500,000
WHITE DEVELOPMENT CORP		\$5,285,000
SAVANNAHS HOSPITAL		\$9,500,000
ORCHID ISLAND JUICE CO		\$1,575,000