

**CITY OF MIRAMAR  
PROPOSED CITY COMMISSION AGENDA ITEM**

**Meeting Date:** September 17, 2018

**Presenter's Name and Title:** Susan Gooding-Liburd, Chief Financial Officer, on behalf of the Utilities Department

**Temp. Reso. Number:** R6815

**Item Description:** Temp. Reso. No. 6815, APPROVING THE AMENDMENT 2 TO THE DRINKING WATER STATE REVOLVING FUND DESIGN AND CONSTRUCTION LOAN AGREEMENT DW06820 FOR AN ADDITIONAL CONSTRUCTION LOAN IN THE AMOUNT OF \$15,000,000, EXCLUDING CAPITALIZED INTEREST, FOR THE EAST WATER TREATMENT PLANT RENOVATIONS; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES (*Chief Financial Officer Susan Gooding-Liburd*)

Consent ☐ Resolution ☒ Ordinance ☐ Quasi-Judicial ☐ Public Hearing ☐

**Instructions for the Office of the City Clerk: Please return all executed original to the Director of Utilities.**

**Public Notice** – As Required by the Sec. \_\_\_\_\_ of the City Code and/or Sec. \_\_\_\_\_, Florida Statutes, public notice for this item was provided as follows: on \_\_\_\_\_, in a \_\_\_\_\_ ad in the \_\_\_\_\_; by the posting the property on \_\_\_\_\_ and/or by sending mailed notice to property owners within \_\_\_\_\_ feet of the property on \_\_\_\_\_. (Fill in all that apply)

**Special Voting Requirement** – As required by Sec. \_\_\_\_\_, of the City Code and/or Sec. \_\_\_\_\_ Florida Statutes, approval of this item requires a \_\_\_\_\_ (unanimous 4/5ths etc. vote of the City Commission.

**Fiscal Impact:** Yes ☒ No ☐

**REMARKS:** Additional Funding in the amount of \$15,000,000 will be made available in Utilities CIP Account 410-55-900-533-000-606510-52041 - Construction

**Content:**

- **Agenda Item Memo from the Interim City Manager to City Commission**
- **Resolution TR 6815**
  - **Exhibit A: SRF Loan Amendment 2**
- **Attachment(s)**
  - **Attachment 1: Financial Analysis and Supporting Documentation for Prior & Parity Liens, Debt Rating and Schedule**



**CITY OF MIRAMAR  
INTEROFFICE MEMORANDUM**

**TO:** Mayor, Vice Mayor, & City Commissioners

**FROM:** Vernon E. Hargray, Interim City Manager

**BY:** Susan Gooding-Liburd, Chief Financial Officer

**DATE:** September 13, 2018

**RE:** Temp. Reso. No. 6815, approving the Amendment 2 to the Drinking Water State Revolving Fund Design and Construction Loan Agreement DW060820

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**RECOMMENDATION:** The Interim City Manager recommends approval of Temp. Reso. No. 6815, relating to the State Revolving Fund program; approving the Amendment 2 to the Drinking Water State Revolving Fund Design and Construction Loan Agreement DW060820 for additional construction loan in the amount of \$15,000,000, excluding capitalized interest, for the East Water Treatment Plant ("EWTP") Renovation Project; establishing pledged revenues; designating authorized representatives and providing assurances.

**ISSUE:** The Florida Administrative Code requires authorization to apply for financial assistance, to establish pledged revenues, to designate an authorized representative; to provide assurances of compliance with program requirements; and to enter into an agreement.

**BACKGROUND:** The City of Miramar owns and operates the EWTP, which provides potable water treatment at a rated 6.0 million gallons per day ("MGD") capacity. The EWTP was originally built in the 1950's and has gone through a series of renovations in past years and therefore is in need of a major renovation in order to enhance treatment processes, utilizing up-to-date technologies.

In 2014, a Preliminary Design Report ("PDR") evaluating and identifying needed improvements was prepared. The report provided recommendations including demolition of the existing lime softening treatment processes and installation of a new nanofiltration membrane softening treatment processes. It also included other associated mechanical and electrical improvements in order to address hydraulic

and electrical load requirements to meet current and future potable water demands.

On November 23, 2015, the City Commission adopted Resolution No. 16-41 and approved Design Build Contract with Wharton-Smith, Inc., for engineering design services for the East Water Treatment Plant Renovation project in an amount of \$1,133,655.

On February 1, 2017, the City Commission adopted Resolution No. 17-68 and approved additional fees for engineering design services in an amount of \$435,823.

On July 5, 2017, the City Commission adopted Resolution No. 17-174 and approved an amendment to the Design Build Contract for construction services in an amount of \$26,106,018.

On May 2, 2018, the City Commission adopted Resolution No. 18-108 for additional design services in an amount of \$239,601.

To fund the project, the City previously applied and received the State Revolving Fund ("SRF") loan in an amount of \$15,540,000. Subsequently, the City entered into the Agreement DW060820 with the State of Florida Department of Environmental Protection ("FDEP").

It is the City's intent to seek additional funding from the SRF loan program for this project. On August 13, 2018, the City of Miramar received notification that the FDEP adopted FY2019 CWSRF & DWSRF Intended Use Work Plan and Priority List during August 8, 2018 public hearing. The approved SRF Drinking Water Priority List included the additional funding for the construction activities for the East Water Treatment Plant Renovations ("Project"), FDEP Project No. 06082, in the amount of \$15,000,000.

The Florida Administrative Code rules require authorization to apply for financial assistance, to establish pledged revenues, to designate an authorized representative; to provide assurances of compliance with program requirements; and to enter into an agreement.

This Resolution authorizes and approves the Amendment 2 to the Agreement DW060820 for additional SRF funding in an amount of \$15,000,000 for the Project; authorizes the agreement; establishes pledged revenues; designates authorized representatives; and provides assurances.

Temp. Reso. No. 6815  
09/04/18  
09/12/18

**CITY OF MIRAMAR  
MIRAMAR, FLORIDA**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA, APPROVING THE AMENDMENT 2 TO THE DRINKING WATER STATE REVOLVING FUND DESIGN AND CONSTRUCTION LOAN AGREEMENT DW06820 FOR AN ADDITIONAL CONSTRUCTION LOAN IN THE AMOUNT OF \$15,000,000, EXCLUDING CAPITALIZED INTEREST, FOR THE EAST WATER TREATMENT PLANT RENOVATIONS; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, Florida Statutes provide for financial assistance to local government agencies to finance the construction of drinking water facilities; and

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

**WHEREAS**, the State Revolving Fund priority list designates Project No. DW06082 as eligible for available funding, in addition to the previously approved funding in accordance with Agreement DW060820; and

**WHEREAS**, the City of Miramar desires to amend the Agreement DW060820 with the Department of Environmental Protection under the State Revolving fund for project financing; and

Reso. No. \_\_\_\_\_

Temp. Reso. No. 6815  
09/04/18  
09/12/18

**WHEREAS**, the Interim City Manager recommends approval and authorization to amend the Agreement DW060820, in the form attached hereto as Exhibit “A,” with the Florida Department of Environmental Protection in the amount of \$15,000,000, excluding capitalized interest, for the East Water Treatment Plant Renovations Project; and

**WHEREAS**, the City Commission deems it to be in the best interest of the citizens and the residents of the City of Miramar to approve and authorize execution of the Amendment 2 to the Florida Department of Environmental Protection, in the form attached hereto as Exhibit “A”, in the amount of \$15,000,000, excluding capitalized interest, for the East Water Treatment Plant Renovations Project.

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

**Section 1:** That the foregoing “**WHEREAS**” clauses are ratified and confirmed as being true and correct and are made a specific part of this Resolution.

**Section 2:** That it approves the Amendment 2 to the Florida Department of Environmental Protection, in the form attached hereto as Exhibit “A.”

**Section 3:** That the revenue pledged for the repayment of the loan are net water and wastewater utility system revenues.

**Section 4:** That the Interim City Manager is hereby designated as the authorized representative to provide the assurance and commitment required by the amendment, and to represent the City of Miramar in carrying out responsibilities under the amendment.

Temp. Reso. No. 6815  
09/04/18  
09/12/18

**Section 5:** That it authorizes the Interim City Manager to execute the Amendment 2 to the Florida Department of Environmental Protection, attached hereto as Exhibit "A," together with any non-substantial changes deemed necessary by the City Manager and approved as to form and legal sufficiency by the City Attorney.

**Section 6:** That the appropriate City Officials are authorized to do all things necessary to carry out the aims of this Resolution.

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09/12/18

**Section 7:** That this Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Mayor, Wayne M. Messam

\_\_\_\_\_  
Vice Mayor, Yvette Colbourne

ATTEST:

\_\_\_\_\_  
City Clerk, Denise A. Gibbs

I HEREBY CERTIFY that I have  
approved this RESOLUTION  
as to form:

\_\_\_\_\_  
City Attorney  
Weiss Serota Helfman  
Cole & Bierman, P.L.

**Requested by Administration**

Commissioner Winston F. Barnes  
Commissioner Maxwell B. Chambers  
Vice Mayor Yvette Colbourne  
Commissioner Darline B. Riggs  
Mayor Wayne M. Messam

**Voted**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE REVOLVING FUND  
AMENDMENT 2 TO LOAN AGREEMENT DW060820  
CITY OF MIRAMAR**

This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF MIRAMAR, FLORIDA, (Project Sponsor) existing as a local government entity under the laws of the State of Florida. Collectively, the Department and the Project Sponsor shall be referred to as "Parties" or individually as a "Party".

The Department and the Project Sponsor entered into a Drinking Water State Revolving Fund Loan Agreement, Number DW060820, as amended, authorizing a Loan amount of \$15,540,000, excluding Capitalized Interest; and

The Project Sponsor is entitled to additional financing of \$15,000,000, excluding Capitalized Interest; and

Certain provisions of the Agreement need revision and several provisions need to be added to the Agreement.

The Parties hereto agree as follows:

1. Section 2.03(1) of the Agreement is deleted and replaced as follows:

(1) The financial assistance authorized pursuant to this Loan Agreement consists of the following:

Federal Resources, Including State Match, Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program Number	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
FS984522-160	EPA	66.468	Capitalization Grants for Drinking Water State Revolving Fund	\$30,540,000	140129

2. Section 8.12. is deleted and replaced as follows:

**8.12. SCRUTINIZED COMPANIES.**

(1) The Project Sponsor certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Project Sponsor or its subcontractors are found to have submitted a false certification; or if the Project Sponsor, or its

subcontractors are placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of the Agreement.

(2) If this Agreement is for more than one million dollars, the Project Sponsor certifies that it and its subcontractors are also not on the Scrutinized Companies with Activities in Sudan, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria as identified in Section 287.135, F.S. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Project Sponsor, its affiliates, or its subcontractors are found to have submitted a false certification; or if the Project Sponsor, its affiliates, or its subcontractors are placed on the Scrutinized Companies that Boycott the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria during the term of the Agreement.

(3) The Project Sponsor agrees to observe the above requirements for applicable subcontracts entered into for the performance of work under this Agreement.

(4) As provided in Subsection 287.135(8), F.S., if federal law ceases to authorize these contracting prohibitions then they shall become inoperative.

3. Additional financing in the amount of \$15,000,000, excluding Capitalized Interest, is hereby awarded to the Project Sponsor.

4. An interest rate of 1.23 percent per annum is established for the additional financing amount awarded in this amendment; however, if this amendment is not executed by the Project Sponsor and returned to the Department before October 1, 2018, the interest rate may be adjusted.

5. The estimated principal amount of the Loan is hereby revised to \$30,854,400, which consists of \$30,540,000 authorized for disbursement to the Project Sponsor and \$314,400 of Capitalized Interest. This total consists of the following:

(a) Original Agreement in the amount of \$15,758,400, including \$15,540,000 authorized for disbursement to the Project Sponsor and \$218,400 of Capitalized Interest, at an interest rate of 1.08 percent per annum; and

(b) Amendment 2 in the amount of \$15,096,000, including \$15,000,000 authorized for disbursement to the Project Sponsor and \$96,000 of Capitalized Interest, at an interest rate of 1.23 percent per annum; and

6. An additional Loan Service Fee in the amount of \$300,000 for a total of \$610,800 is hereby assessed. The fee represents two percent of the Loan amount excluding Capitalized Interest; that is, two percent of \$30,540,000.

7. The Semiannual Loan Payment amount is hereby revised and shall be in the amount of \$883,115. Such payments shall be received by the Department on April 15, 2020 and semiannually thereafter on October 15 and April 15 of each year until all amounts due hereunder

have been fully paid. Until this Agreement is further amended, each Semiannual Loan Payment will be proportionally applied, after deduction of the Loan Service Fee is complete, toward repayment of the amounts owed on each incremental Loan amount at the date such payment is due.

The Semiannual Loan Payment amount is based on the total amount owed of \$31,465,200, which consists of the Loan principal plus the Loan Service Fee.

8. The Project Sponsor and the Department acknowledge that the actual cost of the Project has not been determined. Project cost adjustments may be made as a result of mutually agreed upon Project changes. Capitalized Interest will be recalculated based on actual dates and amounts of Loan disbursements. If the Project Sponsor receives other governmental financial assistance for this Project, the costs funded by such other governmental assistance will not be financed by this Loan. The Department shall establish the final Project costs after its final inspection of the Project records. Changes in Project costs may also occur as a result of an audit.

The estimated Project costs are revised as follows:

CATEGORY	PROJECT COSTS (\$)
Construction and Demolition	29,800,000
Contingencies	740,000
SUBTOTAL	30,540,000
Capitalized Interest	314,400
TOTAL (Loan Principal Amount)	30,854,400

9. Subsection 10.07(5) is deleted and replaced as follows:

(5) The first Semiannual Loan Payment in the amount of \$883,115 shall be due April 15, 2020.

10. Section 10.08. is added to the agreement as follows:

#### 10.08. SPECIAL CONDITIONS.

Prior to any funds being released, the Project Sponsor shall submit the following:

(1) A certified copy of the Resolution which authorizes the application, establishes the Pledged Revenues, and designates an Authorized Representative for signing the application and executing the Loan Agreement; and

(2) A Legal Opinion addressing the availability of Pledged Revenues, the right to increase rates, and subordination of the pledge.

11. All other terms and provisions of the Loan Agreement shall remain in effect.

This Amendment 2 to Loan Agreement DW060820 may be executed in two or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this amendment to the Loan Agreement to be executed on its behalf by the Secretary or Designee and the Project Sponsor has caused this amendment to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this amendment shall be as set forth below by the Department.

for  
**CITY OF MIRAMAR**

\_\_\_\_\_  
Vernon E. Hargray, Interim City Manager

Attest:

Approved as to form and legal sufficiency:

\_\_\_\_\_  
Dennis Gibbs, City Clerk

\_\_\_\_\_  
City Attorney  
Weiss Serota Helfman Cole & Bierman, P.L

SEAL

for  
**STATE OF FLORIDA**  
**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

\_\_\_\_\_  
Secretary or Designee

\_\_\_\_\_  
Date

## GovRates, Inc.

Utility, Financial, Rate, and Management  
Consultants for Governments  
[www.govrates.com](http://www.govrates.com)

August 28, 2018

Honorable Mayor and  
Members of the City Commission  
City of Miramar  
2300 Civic Center Place  
Miramar, FL 33025

**Subject: Financial Analysis in Support of \$15,000,000 State Revolving Fund (SRF) Loan Amendment for East Water Treatment Plant Renovation Project**

GovRates, Inc. ("GovRates") as a subconsultant to Water Rite Consulting, LLC has prepared this financial analysis report in support of the \$15,000,000 State Revolving Fund (SRF) loan amendment for financing the East Water Treatment Plant Renovation project for the City of Miramar (the "City") water and wastewater system (the "System" or the "Utility"). This letter report includes a discussion of:

- The System's strong bond credit ratings from Standard and Poor's Global Ratings ("S&P") and Moody's Investors Service, Inc. ("Moody's").
- The System's existing and anticipated debt obligations.
- Recent historical financial performance of the System.
- Projected System operating results, debt service coverage, and ability to meet the financial obligations associated with the SRF loan amendment.
- Findings and conclusions associated with the analysis.

### Utility Credit Ratings

To achieve cost savings, the City issued the Utility System Refunding Revenue Bonds, Series 2017 (the "Series 2017 Bonds") in early Fiscal Year 2018 to refinance a prior bond issue (the Utility System Improvement Revenue Bonds, Series 2007). For this issuance, S&P assigned an underlying "AAA" rating to the Utility's bonds – the highest credit rating – while Moody's assigned an underlying rating of Aa2, which is considered high quality and very low risk. The reports associated with these credit ratings are included as Attachment A to this letter report and reference the System's strong financial performance. These high credit ratings enable the Utility to secure the lowest interest rates when debt financing and help to keep user rates lower, competitive, and affordable over the long-term.



## Existing and Anticipated Debt Service Obligations

The System's outstanding and anticipated debt consists of senior lien revenue bond issues and subordinate State Revolving Fund (SRF) loans. The estimated debt service payments for these obligations over the next several years are summarized in the following table:

**Summary of Existing and Anticipated Debt Service Payments for Water and Wastewater System – Fiscal Years 2019 to 2025**

	Percent Allocable to Water and Wastewater System	Fiscal Year Ending September 30,							Fiscal Year When Fully Paid
		2019	2020	2021	2022	2023	2024	2025	
<b>Senior Lien Revenue Bonds:</b>									
Utility System Refunding Revenue Bond, Series 2015	100%	\$753,704	\$750,306	\$751,545	\$752,685	\$753,330	\$748,480	\$753,267	2034
Utility System Refunding Revenue Bonds, Series 2017	98.5%	2,559,276	2,552,874	2,554,105	2,552,628	2,558,291	2,555,829	2,560,261	2037
Total Senior Lien Bonds Debt Service		\$3,312,980	\$3,303,180	\$3,305,650	\$3,305,313	\$3,311,621	\$3,304,309	\$3,313,528	
<b>State Revolving Fund (SRF) Loans:</b>									
SRF Loan WW33508L	45.96%	\$500,692	\$500,692	\$500,692	\$500,692	\$500,692	\$500,692	\$500,692	2027
SRF Loan WW060800	100%	25,829	25,829	25,829	25,829	25,829	25,829	25,829	2037
SRF Loan SW060810	0%	0	0	0	0	0	0	0	N/A
SRF Loan WW060801	50%	236,368	472,736	472,736	472,736	472,736	472,736	472,736	2039
SRF Loan DW60820 with Amendment	100%	0	883,115	1,766,230	1,766,230	1,766,230	1,766,230	1,766,230	2040
Total SRF Loan Debt Service		\$762,888	\$1,882,371	\$2,765,486	\$2,765,486	\$2,765,486	\$2,765,486	\$2,765,486	
<b>Total Debt Service</b>		<b>\$4,075,868</b>	<b>\$5,185,551</b>	<b>\$6,071,136</b>	<b>\$6,070,799</b>	<b>\$6,077,107</b>	<b>\$6,069,795</b>	<b>\$6,079,014</b>	

The projects associated with SRF Loans WW060801 and DW60820 (to which this SRF loan amendment applies) are ongoing and, as such, the repayment schedule has not yet been finalized. If the City spends less money to complete the projects than what is authorized in the initial agreements between the City and the Florida Department of Environmental Protection, the repayment amounts will be lower.

It should be noted that the interest rate associated with this \$15,000,000 SRF loan amendment for the East Water Treatment Plant Renovation project is 1.23% per year. A 1.08% annual interest rate is associated with the initial \$15,540,000 borrowed for this project. It is unlikely that the City could secure a lower interest rate for financing the project.



The debt service payments for the historical Fiscal Years 2016 and 2017 and the current Fiscal Year 2018 are shown as follows:

**Summary of Debt Service Payments for Water and Wastewater System –  
Historical and Current Fiscal Years**

Description	Amount Allocable to Water and Wastewater System	Historical Fiscal Year		Current Fiscal Year
		2016	2017	2018
<b>Senior Lien Revenue Bonds:</b>				
Utility System Improvement Revenue Bonds, Series 2007	98.5%	\$2,966,886	\$2,963,279	\$0
Utility System Refunding Revenue Bond, Series 2015	100%	751,390	754,147	751,442
Utility System Refunding Revenue Bonds, Series 2017	98.5%	0	0	2,350,901
Total Senior Lien Bonds Debt Service		\$3,718,276	\$3,717,426	\$3,102,343
<b>State Revolving Fund (SRF) Loans:</b>				
SRF Loan WW33506P	100%	\$42,405	\$21,203	\$0
SRF Loan WW33508L	45.96%	500,692	500,692	500,692
SRF Loan WW060800	100%	0	12,914	25,829
SRF Loan SW060810	0%	0	0	0
SRF Loan WW060801	50.00%	0	0	0
SRF Loan DW60820 with Amendment	100%	0	0	0
Total SRF Loan Debt Service		\$543,097	\$534,809	\$526,520
<b>Total Debt Service</b>		<b>\$4,261,374</b>	<b>\$4,252,235</b>	<b>\$3,628,863</b>

Documentation for the repayment schedules for the Utility's debt obligations is included as Exhibits B through H at the end of this letter report.

Under the rate covenant for the senior lien bonds, the City must establish rates, fees, and charges such that Net Revenues and Connection Fees, together with the Fund Balance, are equal to at least 120% of the Annual Debt Service for as long as the Utility System Refunding Revenue Bond, Series 2015 (the "Series 2015 Bond") is outstanding. After the Series 2015 Bond is repaid, the coverage requirement is 110%. Since Connection Fees are not pledged toward the repayment of the City's SRF loans, GovRates has conservatively applied the 120% coverage requirement to the Net Revenues to demonstrate coverage on the senior lien bonds.



The City's SRF loan agreements require the City's rates and charges to be 115% of the sum of the Semiannual Loan Payments due in each fiscal year after the coverage requirements are met on all senior and parity debt obligations.

The historical and projected ability of the System to meet these coverage requirements is discussed in the following sections of this letter report.

## Recent Historical Financial Performance of the System

The System's historical financial performance is presented in the following table:

<b>Historical and Current Fiscal Year System Operating Results and Debt Service Coverage</b>			
	Historical Fiscal Year [2]		Projected Current Fiscal Year
	2016	2017	2018
Operating Revenue [1]	\$39,684,286	\$41,259,800	\$41,935,504
Interest Income	237,518	503,844	300,000
Other Income or Revenue	0	0	0
Total Revenues	\$39,921,804	\$41,763,644	\$42,235,504
Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	\$28,008,453	\$27,661,638	\$30,621,067
Net Revenues	\$11,913,351	\$14,102,006	\$11,614,437
Revenue (including coverage) pledged to debt service, excluding SRF loans	\$4,461,932	\$4,460,911	\$3,722,811
Revenue (including coverage) pledged to outstanding SRF loans	\$624,562	\$615,030	\$605,498
Revenue Available for Other Purposes	\$6,826,857	\$9,026,065	\$7,286,128
<b>All-In Debt Service Coverage Test</b>			
Net Revenues	\$11,913,351	\$14,102,006	\$11,614,437
Total Debt Service	4,261,374	4,252,235	3,628,863
Calculated Coverage	<u>280%</u>	<u>332%</u>	<u>320%</u>

[1] Amounts shown do not include reported Connection Fees since Connection Fees are not pledged toward the repayment of the SRF loans.

[2] Amounts based on information contained in the City's Comprehensive Annual Financial Report for each fiscal year.



The historical performance for the Fiscal Years 2016 and 2017 is based on information contained in the Comprehensive Annual Financial Report ("CAFR") for each fiscal year. This historical performance is considered strong by utility industry standards.

The Statements of Revenues, Expenses and Changes in Fund Net Position for the Utility Fund for the Fiscal Years 2016 and 2017 as contained in the CAFR for each respective fiscal year are shown in Exhibits I and J at the end of this letter report.

### Projected System Operating Results, Debt Service Coverage, and Ability to Meet the Financial Obligations Associated with the SRF Loan Amendment

As shown in the following table, the revenue available for this SRF loan amendment is projected to exceed the debt service payment with coverage through the Fiscal Year 2025 assuming that the City annually implements cost-of-living or inflationary adjustments. Moreover, the all-in debt service coverage is projected to remain strong by utility industry standards.

Summary of Projected System Operating Results and Debt Service Coverage [1]

	Fiscal Year Ending September 30,						
	2019	2020	2021	2022	2023	2024	2025
Operating Revenue	\$44,128,064	\$45,089,893	\$46,552,670	\$48,065,635	\$49,630,482	\$51,248,964	\$52,922,889
Interest Income	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Other Income or Revenue	0	0	0	0	0	0	0
Total Revenues	\$44,428,064	\$45,389,893	\$46,852,670	\$48,365,635	\$49,930,482	\$51,548,964	\$53,222,889
Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	\$33,926,308	\$34,945,285	\$35,995,319	\$37,046,944	\$38,129,754	\$39,244,690	\$40,392,721
Net Revenues	\$10,501,756	\$10,444,608	\$10,857,351	\$11,318,691	\$11,800,728	\$12,304,274	\$12,830,167
Revenue (including coverage) pledged to debt service, excluding SRF loans	\$3,975,576	\$3,963,816	\$3,966,780	\$3,966,375	\$3,973,946	\$3,965,171	\$3,976,234
Revenue (including coverage) pledged to outstanding SRF loans	\$877,321	\$1,659,980	\$2,170,815	\$2,170,815	\$2,170,815	\$2,170,815	\$2,170,815
Revenue Available for This SRF Loan Amendment	\$5,648,858	\$4,820,813	\$4,719,756	\$5,181,501	\$5,655,968	\$6,168,288	\$6,683,119
Debt Service Payment with Coverage for This SRF Loan Amendment	\$0	\$504,642	\$1,009,285	\$1,009,285	\$1,009,285	\$1,009,285	\$1,009,285
<b>All-In Debt Service Coverage Test</b>							
Net Revenues	\$10,501,756	\$10,444,608	\$10,857,351	\$11,318,691	\$11,800,728	\$12,304,274	\$12,830,167
Total Debt Service	4,075,868	5,185,551	6,071,136	6,070,799	6,077,107	6,069,795	6,079,014
Calculated Coverage	<u>258%</u>	<u>201%</u>	<u>179%</u>	<u>186%</u>	<u>194%</u>	<u>203%</u>	<u>211%</u>



Assumptions for the projections include the following:

1. The City's budgeted Fiscal Year 2019 operating expenses serve as the basis for the Fiscal Year 2019 operating expenses. The City is anticipated to outperform the projected Fiscal Year 2019 operating results per the formal rate study completed in 2014 (the "2014 Rate Study"). Compared with the 2014 Rate Study projections for Fiscal Year 2019, current projections reflect higher revenues, lower operating expenses, and lower combined debt service. A comparison of the current Fiscal Year 2019 projections with those of the 2014 Rate Study follows:

**Comparison of Projected Fiscal Year 2019 Operating Results  
– Current Projections vs. 2014 Rates Study**

	Current Projections	2014 Rate Study Projections
Total Revenues	\$44,428,064	\$42,620,446
Total Operating Expenses	33,926,308	34,854,302
Net Revenues	\$10,501,756	\$7,766,144

**All-In Debt Service  
Coverage Test**

Net Revenues	\$10,501,756	\$7,766,144
Total Debt Service	4,075,868	4,888,633
Calculated Coverage	<u>258%</u>	<u>159%</u>

The Fiscal Year 2019 operating expenses include the addition of two (2) support services divisions, the costs of which total approximately \$2.5 million. The costs of these support services divisions are not reflected in the Fiscal Year 2017 and 2018 operating expenses, as such costs were assigned to the City's General Fund for these fiscal years. However, the costs of these divisions were included as System operating expenses in the 2014 Rate Study projections.

2. The City is in the final year of a rate plan developed through the formal rate study completed in 2014. The City plans to initiate another rate study in the near future to determine rates beyond the Fiscal Year 2019. For the purpose of developing projections, it was assumed that the City would implement annual cost-of-living or inflationary adjustments of 3% per year to help preserve operating margins.

3. Based on discussions with the City staff, operating expenses were escalated by approximately 3.0% per year after the Fiscal Year 2019.

## **Findings and Conclusions**

---

Based on our analysis, GovRates considers that:

- The Utility's historical financial performance has been strong by utility industry standards as evidenced by the System's excellent credit ratings from S&P and Moody's.
- The City has sufficient Net Revenues to meet the near-term obligations associated with the Utility's outstanding and anticipated debt obligations including those under this SRF loan amendment. As previously mentioned, it has been assumed that the City would annually implement cost-of-living or inflationary adjustments to preserve System operating margins.
- The 1.23% interest rate associated with this SRF loan amendment is very favorable.
- The financial analysis summarized in this letter report pertains to the ability of the System to repay its existing and anticipated debt obligations – including those under this SRF loan amendment – and is not a comprehensive user rate review. The City plans to initiate a formal rate study in the near future to finalize the rate plan beyond the Fiscal Year 2019.

We greatly appreciate the opportunity to be of service to the City.

Very truly yours,

**GovRates, Inc.**



Bryan A. Mantz, CMC, CGFM  
President

## **Supporting Documentation**

- Exhibit A: S&P and Moody's Credit Rating Reports for the Utility's Bonds**
- Exhibit B: Repayment Schedule for Utility Refunding Revenue Bond, Series 2015 (100% Allocable to Water and Wastewater System) and Utility System Refunding Revenue Bonds, Series 2017 (98.5% Allocable to Water and Wastewater System)**
- Exhibit C: Repayment Schedule for SRF Loan WW33508L (45.96% Allocable to Water and Wastewater System)**
- Exhibit D: Repayment Schedule for SRF Loan WW060800**
- Exhibit E: Repayment Schedule for SRF Loan WW060801 (50% Allocable to Water and Wastewater System)**
- Exhibit F: Repayment Schedule for SRF Loan DW60820 with Amendment**
- Exhibit G: Repayment Schedule for Utility System Improvement Revenue Bonds, Series 2007 (Refinanced by Utility System Refunding Revenue Bonds, Series 2017)**
- Exhibit H: Repayment Schedule for SRF Loan WW33506P (Fully Repaid After Fiscal Year 2017)**
- Exhibit I: Statement of Revenues, Expenses, and Changes in Fund Net Position for Utility Fund for Fiscal Year 2016 as Reported in City's CAFR**
- Exhibit J: Statement of Revenues, Expenses, and Changes in Fund Net Position for Utility Fund for Fiscal Year 2017 as Reported in City's CAFR**



## EXHIBIT A

**S&P Global**  
Ratings

(/en\_US/web/guest

/home)

**Miramar, FL 2017 Utility System  
Bonds Assigned 'AAA' Rating**

05-Oct-2017 11:05 EDT

[View Analyst Contact Information](#)

NEW YORK (S&P Global Ratings) Oct. 5, 2017--S&P Global Ratings assigned its 'AAA' rating to Miramar, Fla.'s series 2017 utility system refunding revenue bonds. The outlook is stable.

The rating reflects the system's extremely strong enterprise and financial profile scores.

"The enterprise risk profile reflects our view of the system's service area that continues to grow and diversify with strong income indicators and low unemployment rates and very low industry risk as a monopolistic service provider of an essential public utility," said S&P Global Ratings credit analyst Edward McGlade. They also reflect its moderately affordable combined rates representing 1.7% of median household effective buying income and low risk operations, characterized by ample system capacity and strong overall operational management practices."

The bonds are secured by a pledge of the net revenues of the city's water and sewer systems. We understand bond proceeds will be used to refund a portion of the system's series 2007 bonds for debt service savings.

Miramar, with a population estimate of 134,037, is on the semi-tropical coastal ridge between the Everglades and the Atlantic Ocean. The customer base has 33,896 water customers with an average growth being relatively flat over the last five years, and 33,827 sewer customers with growth rates mirroring the water system.

"The stable outlook reflects our expectation that the system's strong financial position will remain characterized as strong," added Mr. McGlade. In our opinion, the service area's strong median household income levels provide additional stability for the rating. We do not expect to change the rating over the two-year outlook period given the system's liquidity and low leverage.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.globalcreditportal.com](http://www.globalcreditportal.com) and at [www.spcapitaliq.com](http://www.spcapitaliq.com). All ratings affected by this rating action can be found on the S&P Global Ratings' public website at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

**EXHIBIT A**

Primary Credit Analyst: Edward R McGlade, New York (1) 212-438-2061;  
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## EXHIBIT A

**MOODY'S**  
INVESTORS SERVICE

Print Export PDF

### Rating Action: Moody's Assigns Aa2 to Miramar, FL's Utility Sys. Ref. Rev. Bonds, Ser. 2017

Global Credit Research - 05 Oct 2017

New York, October 05, 2017 -- Issue: Utility System Refunding Revenue Bonds, Series 2017; Rating: Aa2; Rating Type: Underlying LT; Sale Amount: \$33,880,000; Expected Sale Date: 10/17/2017; Rating Description: Revenue: Government Enterprise;

#### Summary Rating Rationale

Moody's Investors Service has assigned an initial rating of Aa2 to the City of Miramar's (FL) Water and Sewer Enterprise's \$33.9 million Utility System Refunding Revenue Bonds, Series 2017.

The Aa2 rating incorporates the system's established and stable, mostly residential service area, well-managed financial operations supported by annual rate increases, low debt burden with healthy debt service coverage, and adequate legal provisions including no debt service reserve fund.

#### Rating Outlook

Outlooks are not usually assigned to local government credits with this amount of debt outstanding.

#### Factors that Could Lead to an Upgrade

Significant and sustained growth in customer base and demand

Material improvement in debt service coverage and liquidity

#### Factors that Could Lead to a Downgrade

Deterioration of debt service coverage and/or liquidity

Significant increase in debt or capital needs

#### Legal Security

The bonds are secured by the net revenues and connection fees of the water and wastewater system. Adequate legal provisions include a rate covenant of net revenues equal to 1.00 times annual debt service (or net revenues, connection fees, and fund balance equal to 1.10 times annual debt service and 1.20 times as long as the Series 2015 bond is outstanding), and an additional bonds test equal to 1.20 times MADS (1.30 times as long as the Series 2015 bond is outstanding). This issue does not have a debt service reserve fund.

#### Use of Proceeds

Proceeds from this issue will be used to refund the Series 2007 bonds (maturity 2037) for an estimated net present value savings of \$4.4 million, or 11.5% of refunded principal with no extension of maturities.

#### Obligor Profile

The utility provides combined water and sewer services for the City of Miramar and serviced approximately 33,896 water customers and 33,827 sewer customers in fiscal 2016.

#### Methodology

The principal methodology used in this rating was US Municipal Utility Revenue Debt published in December 2014. Please see the Rating Methodologies page on [www.moody's.com](http://www.moody's.com) for a copy of this methodology.

#### Regulatory Disclosures

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on [www.moody's.com](http://www.moody's.com).

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see [www.moody's.com](http://www.moody's.com) for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for additional regulatory disclosures for each credit rating.

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#### Related Issuers

Miramar (City of) FL

Miramar (City of) FL Water and Sewer Ent.

#### Related Research

New Issue: Miramar (City of), FL Water & Sewer Enterprise; New Issue - Moody's Assigns Aa2 to Miramar, FL's Utility Sys. Ref. Rev. Bonds, Ser. 2017

Issuer Comment: City of Miramar, FL: Annual Comment on Miramar

New Issue: Moody's assigns Aa3 to Miramar, FL's \$79.6M Capital Improvement Rev. Bonds, Ser. 2015

Rating Action: Moody's assigns Aa3 to Miramar, FL's \$79.6M Capital Improvement Rev. Bonds, Ser. 2015

New Issue: Moody's assigns Aa3 to Miramar, FL's \$58M Special Obligation Bonds, Series 2013

# EXHIBIT B (Series 2015 Bond 100% Allocable to Water and Wastewater; Series 2017 Bonds 98.5% Allocable to Water and Wastewater)

## DEBT SERVICE SCHEDULE

The following table sets forth the annual debt service schedule for the Series 2015 Bond and the Series 2017 Bonds.

Year Ending October 1	Series 2015 Bond	Series 2017 Bonds			Aggregate Debt Service
		Principal	Interest	Total	
2018	\$751,442	\$ 950,000	\$1,436,701	\$2,386,701	\$3,138,143
2019	753,704	1,030,000	1,568,250	2,598,250	3,351,954
2020	750,306	1,075,000	1,516,750	2,591,750	3,342,056
2021	751,545	1,130,000	1,463,000	2,593,000	3,344,545
2022	752,685	1,185,000	1,406,500	2,591,500	3,344,185
2023	753,330	1,250,000	1,347,250	2,597,250	3,350,580
2024	748,480	1,310,000	1,284,750	2,594,750	3,343,230
2025	753,267	1,380,000	1,219,250	2,599,250	3,352,517
2026	752,823	1,445,000	1,150,250	2,595,250	3,348,073
2027	751,884	1,520,000	1,078,000	2,598,000	3,349,884
2028	755,351	1,590,000	1,002,000	2,592,000	3,347,351
2029	748,488	1,670,000	922,500	2,592,500	3,340,988
2030	751,262	1,755,000	839,000	2,594,000	3,345,262
2031	753,508	1,845,000	751,250	2,596,250	3,349,758
2032	755,127	1,940,000	659,000	2,599,000	3,354,127
2033	751,416	2,030,000	562,000	2,592,000	3,343,416
2034	752,210	2,135,000	460,500	2,595,500	3,347,710
2035	0	2,245,000	353,750	2,598,750	2,598,750
2036	0	2,355,000	241,500	2,596,500	2,596,500
2037	0	2,475,000	123,750	2,598,750	2,598,750
Total	<u>\$12,786,828</u>	<u>\$32,315,000</u>	<u>\$19,385,951</u>	<u>\$51,700,951</u>	<u>\$64,487,779</u>

## THE SYSTEM

### Background

The City is located in the southwest portion of Broward County (the "County"). It is bordered on the north by the City of Pembroke Pines and by the City of Hollywood, on the east by City of West Park, on the south by the City of Miami Gardens and Miami-Dade County, and on the west by the Everglades. The City is linear with dimensions of approximately 14 miles in length from east to west and 1.5 to 2.5 miles in width, comprising approximately 31 square miles. The City's 2016 population was estimated at 134,037.

The City has two service areas for which it provides water and wastewater service: the western service area and the eastern service area. Over the past twenty years, the City underwent extraordinary growth and development of previously vacant lands in its western service area. This development required extensive expansion of water and wastewater infrastructure as the City has more than doubled in population.

EXHIBIT C (45.96% Allocable to Water and Wastewater System)

Loan Amortization Schedule - STATE REVOLVING LOAN # WW33508L (EAST MIRAMAR INFRASTRUCTURE)

	Enter values	
	Loan amount	\$ 18,024,236.78
	Annual interest rate	2.09 %
	Loan period in years	20
	Number of payments per year	2
Start date of loan		1/15/2007
Optional extra payments		-

Loan summary	
Scheduled payment	\$ 544,693.07
Scheduled number of payments	40
Actual number of payments	40
Total early payments	\$ -
Total interest	\$ 3,997,043.63

Lender name: STATE OF FLORIDA - US BANK

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	7/15/2007	\$ 18,024,236.78	\$ 661,472.00	\$ -	\$ 661,472.00	\$ 513,240.16	\$ 148,231.84	\$ 17,510,996.62	\$ 148,231.84
2	1/15/2008	17,510,996.62	661,472.00	-	661,472.00	498,120.50	163,351.50	17,012,876.12	311,583.34
3	7/15/2008	17,012,876.12	544,693.07	-	544,693.07	369,407.42	175,285.65	16,643,468.70	486,868.99
4	1/15/2009	16,643,468.70	544,693.07	-	544,693.07	370,768.82	173,924.25	16,272,699.88	660,793.24
5	7/15/2009	16,272,699.88	544,693.07	-	544,693.07	374,643.36	170,049.71	15,898,056.52	830,842.95
6	1/15/2010	15,898,056.52	544,693.07	-	544,693.07	378,558.38	166,134.69	15,519,498.14	996,977.64
7	7/15/2010	15,519,498.14	544,693.07	-	544,693.07	382,514.31	162,178.76	15,136,983.83	1,159,156.40
8	1/15/2011	15,136,983.83	544,693.07	-	544,693.07	386,511.59	158,181.48	14,750,472.24	1,317,337.88
9	7/15/2011	14,750,472.24	544,693.07	-	544,693.07	390,550.64	154,142.43	14,359,921.61	1,471,480.32
10	1/15/2012	14,359,921.61	544,693.07	-	544,693.07	394,631.89	150,061.18	13,965,289.72	1,621,541.50
11	7/15/2012	13,965,289.72	544,693.07	-	544,693.07	398,755.79	145,937.28	13,566,533.92	1,767,478.77
12	1/15/2013	13,566,533.92	544,693.07	-	544,693.07	402,922.79	141,770.28	13,163,611.13	1,909,249.05
13	7/15/2013	13,163,611.13	544,693.07	-	544,693.07	407,133.33	137,559.74	12,756,477.80	2,046,808.79
14	1/15/2014	12,756,477.80	544,693.07	-	544,693.07	411,387.88	133,305.19	12,345,089.92	2,180,113.98
15	7/15/2014	12,345,089.92	544,693.07	-	544,693.07	415,686.88	129,006.19	11,929,403.04	2,309,120.17
16	1/15/2015	11,929,403.04	544,693.07	-	544,693.07	420,030.81	124,662.26	11,509,372.23	2,433,782.43
17	7/15/2015	11,509,372.23	544,693.07	-	544,693.07	424,420.13	120,272.94	11,084,952.10	2,554,055.37
18	1/15/2016	11,084,952.10	544,693.07	-	544,693.07	428,855.32	115,837.75	10,656,096.78	2,669,893.12
19	7/15/2016	10,656,096.78	544,693.07	-	544,693.07	433,336.86	111,356.21	10,222,759.93	2,781,249.34
20	1/15/2017	10,222,759.93	544,693.07	-	544,693.07	437,865.23	106,827.84	9,784,894.70	2,888,077.18
21	7/15/2017	9,784,894.70	544,693.07	-	544,693.07	442,440.92	102,252.15	9,342,453.78	2,990,329.33
22	1/15/2018	9,342,453.78	544,693.07	-	544,693.07	447,064.43	97,628.64	8,895,389.35	3,087,957.97
23	7/15/2018	8,895,389.35	544,693.07	-	544,693.07	451,736.25	92,956.82	8,443,653.10	3,180,914.79
24	1/15/2019	8,443,653.10	544,693.07	-	544,693.07	456,456.90	88,236.17	7,987,196.20	3,269,150.96
25	7/15/2019	7,987,196.20	544,693.07	-	544,693.07	461,226.87	83,466.20	7,525,969.33	3,352,617.16
26	1/15/2020	7,525,969.33	544,693.07	-	544,693.07	466,046.69	78,646.38	7,059,922.64	3,431,263.54
27	7/15/2020	7,059,922.64	544,693.07	-	544,693.07	470,916.88	73,776.19	6,589,005.76	3,505,039.73
28	1/15/2021	6,589,005.76	544,693.07	-	544,693.07	475,837.96	68,855.11	6,113,167.80	3,573,894.84
29	7/15/2021	6,113,167.80	544,693.07	-	544,693.07	480,810.47	63,882.60	5,632,357.34	3,637,777.45
30	1/15/2022	5,632,357.34	544,693.07	-	544,693.07	485,834.94	58,858.13	5,146,522.40	3,696,635.58
31	7/15/2022	5,146,522.40	544,693.07	-	544,693.07	490,911.91	53,781.16	4,655,610.49	3,750,416.74
32	1/15/2023	4,655,610.49	544,693.07	-	544,693.07	496,041.94	48,651.13	4,159,568.55	3,799,067.87
33	7/15/2023	4,159,568.55	544,693.07	-	544,693.07	501,225.58	43,467.49	3,658,342.97	3,842,535.36
34	1/15/2024	3,658,342.97	544,693.07	-	544,693.07	506,463.39	38,229.68	3,151,879.59	3,880,765.05
35	7/15/2024	3,151,879.59	544,693.07	-	544,693.07	511,755.93	32,937.14	2,640,123.66	3,913,702.19
36	1/15/2025	2,640,123.66	544,693.07	-	544,693.07	517,103.78	27,589.29	2,123,019.88	3,941,291.48
37	7/15/2025	2,123,019.88	544,693.07	-	544,693.07	522,507.51	22,185.56	1,600,512.37	3,963,477.04
38	1/15/2026	1,600,512.37	544,693.07	-	544,693.07	527,967.72	16,725.35	1,072,544.65	3,980,202.39
39	7/15/2026	1,072,544.65	544,693.07	-	544,693.07	533,484.98	11,208.09	539,059.67	3,991,410.48
40	1/15/2027	539,059.67	544,692.81	-	544,692.81	539,059.67	5,633.14	0.00	3,997,043.63

## EXHIBIT D

### STATE REVOLVING FUND AMENDMENT 1 TO LOAN AGREEMENT WW060800 CITY OF MIRAMAR

This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF MIRAMAR, FLORIDA, (Local Government) existing as a local government agency under the laws of the State of Florida.

#### WITNESSETH:

WHEREAS, the Department and the Local Government entered into a State Revolving Fund Loan Agreement, Number WW060800, authorizing a Loan amount of \$546,664, excluding Capitalized Interest; and

WHEREAS, the Loan Amount, Loan Service Fee, and Project costs need adjustment to reflect actual costs; and

WHEREAS, revised provisions for audit and monitoring are needed; and

WHEREAS, the Semiannual Loan Payment amount needs revision to reflect adjustment of Project costs.

NOW, THEREFORE, the parties hereto agree as follows:

1. The Loan amount is hereby reduced by \$163,999, and the adjusted total disbursed amount for this loan is \$382,665.

2. The Loan Service Fee is reduced by \$3,280, and the adjusted total service fee for this Loan is \$7,653. The fee represents two percent of the Loan amount excluding Capitalized Interest; that is, two percent of \$382,665. The Loan Service Fee is assessed as of the effective date of January 15, 2017.

3. The total amount to repay by the Local Government is \$402,313.83, which consists of \$382,665.00 disbursed to the Local Government, \$11,995.83 of accrued Capitalized Interest and \$7,653.00 of service fee charges, each at a Financing Rate of 2.56 percent per annum (the interest rate is 1.28 percent per annum, and the Grant Allocation Assessment rate is 1.28 percent per annum).

4. The Semiannual Loan Payment amount is hereby revised and shall be in the amount of \$12,914.28. Such payments shall be received by the Department on July 15, 2017 and semiannually thereafter on January 15 and July 15 of each year until all amounts due hereunder have been fully paid.

5. Section 2.03(1) is hereby deleted and replaced as follows:

## **EXHIBIT E (SRF Loan WW060801; 50% Allocable to Water and Wastewater System)**

### **10.05. REPAYMENT SCHEDULE.**

The Semiannual Loan Payment shall be computed based upon the principal amount of the Loan plus the estimated Loan Service Fee and capitalized Loan Service Fee interest and the principle of level debt service. The amount of Loan proceeds authorized for disbursement and associated Capitalized Interest will be treated as the Loan principal for computing the Semiannual Loan Payment. The Semiannual Loan Payment amount may be adjusted, by amendment of this Agreement, based upon revised information. After the final disbursement of Loan proceeds, the Semiannual Loan Payment shall be based upon the actual Project costs and the Loan Service Fee, and actual dates and amounts of disbursements, taking into consideration any previous payments. Actual Project costs shall be established after the Department's inspection of the completed Project and associated records. The Corporation will deduct the Loan Service Fee and all associated interest from the first available repayments following the final amendment.

Each Semiannual Loan Payment shall be in the amount of \$472,736 until the payment amount is adjusted by amendment. The interest and Grant Allocation Assessment portions of each Semiannual Loan Payment shall be computed, using their respective rates, on the unpaid balance of the principal amount of the Loan, which principal includes Capitalized Interest. Interest (at the Financing Rate) also shall be computed on the estimated Loan Service Fee. The interest and Grant Allocation Assessment on the unpaid balance shall be computed as of the due date of each Semiannual Loan Payment.

Semiannual Loan Payments shall be paid to, and must be received by, the Trustee beginning on August 15, 2019 and semiannually thereafter on February 15 and August 15 of each year until all amounts due hereunder have been fully paid. Funds transfer shall be made by electronic means.

The Semiannual Loan Payment amount is based on the total amount owed of \$17,150,640, which consists of the Loan principal, and the estimated Loan Service Fee.

### **10.06. PROJECT COSTS.**

The Local Borrower, the Corporation and the Department acknowledge that the actual Project costs have not been determined as of the effective date of this Agreement. Project cost adjustments may be made as a result of construction bidding or Project changes agreed upon by the Department. Capitalized Interest will be recalculated based on actual dates and amounts of Loan disbursements. If the Local Borrower receives other governmental financial assistance for this Project, the costs funded by such other governmental assistance will not be financed by this Loan. The Department shall establish the final Project costs after its final inspection of the Project

## EXHIBIT F (SRF Loan DW60820 with Amendment)

have been fully paid. Until this Agreement is further amended, each Semiannual Loan Payment will be proportionally applied, after deduction of the Loan Service Fee is complete, toward repayment of the amounts owed on each incremental Loan amount at the date such payment is due.

The Semiannual Loan Payment amount is based on the total amount owed of \$31,465,200, which consists of the Loan principal plus the Loan Service Fee.

8. The Project Sponsor and the Department acknowledge that the actual cost of the Project has not been determined. Project cost adjustments may be made as a result of mutually agreed upon Project changes. Capitalized Interest will be recalculated based on actual dates and amounts of Loan disbursements. If the Project Sponsor receives other governmental financial assistance for this Project, the costs funded by such other governmental assistance will not be financed by this Loan. The Department shall establish the final Project costs after its final inspection of the Project records. Changes in Project costs may also occur as a result of an audit.

The estimated Project costs are revised as follows:

CATEGORY	PROJECT COSTS (\$)
Construction and Demolition	29,800,000
Contingencies	740,000
SUBTOTAL	30,540,000
Capitalized Interest	314,400
TOTAL (Loan Principal Amount)	30,854,400

9. Subsection 10.07(5) is deleted and replaced as follows:

(5) The first Semiannual Loan Payment in the amount of \$883,115 shall be due April 15, 2020.

10. Section 10.08. is added to the agreement as follows:

### 10.08. SPECIAL CONDITIONS.

Prior to any funds being released, the Project Sponsor shall submit the following:

(1) A certified copy of the Resolution which authorizes the application, establishes the Pledged Revenues, and designates an Authorized Representative for signing the application and executing the Loan Agreement; and

(2) A Legal Opinion addressing the availability of Pledged Revenues, the right to increase rates, and subordination of the pledge.

11. All other terms and provisions of the Loan Agreement shall remain in effect.

**EXHIBIT G (Series 2007 Bonds were refinanced by Series 2017 Bonds)**
**Loan Amortization Schedule -**
**2007 UTILITY SYSTEM REVENUE BONDS**

Enter values	
Loan amount	\$ 46,040,000.00
Annual interest rate	4.50 %
Loan period in years	30
Number of payments per year	2
Start date of loan	10/1/2007
Optional extra payments	\$ -

Loan summary	
Scheduled payment	\$ -
Scheduled number of payments	60
Actual number of payments	60
Total early payments	\$ -
Total interest	\$ 41,257,593.33

Lender name: WELLS FARGO

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	4/1/2008	\$ 46,040,000.00	\$ 837,568.33	\$ -	\$ 837,568.33	\$ -	\$ 837,568.33	\$ 46,040,000.00	\$ 837,568.33
2	10/1/2008	46,040,000.00	1,039,740.00	-	1,039,740.00	0.00	1,039,740.00	46,040,000.00	1,877,308.33
3	4/1/2009	46,040,000.00	1,039,740.00	-	1,039,740.00	0.00	1,039,740.00	46,040,000.00	2,917,048.33
4	10/1/2009	46,040,000.00	1,039,740.00	-	1,039,740.00	0.00	1,039,740.00	46,040,000.00	3,956,788.33
5	4/1/2010	46,040,000.00	1,039,740.00	-	1,039,740.00	0.00	1,039,740.00	46,040,000.00	4,996,528.33
6	10/1/2010	46,040,000.00	1,039,740.00	-	1,039,740.00	0.00	1,039,740.00	46,040,000.00	6,036,268.33
7	4/1/2011	46,040,000.00	1,039,740.00	-	1,039,740.00	0.00	1,039,740.00	46,040,000.00	7,076,008.33
8	10/1/2011	46,040,000.00	1,969,740.00	-	1,969,740.00	930,000.00	1,039,740.00	45,110,000.00	8,115,748.33
9	4/1/2012	45,110,000.00	1,019,977.50	-	1,019,977.50	0.00	1,019,977.50	45,110,000.00	9,135,725.83
10	10/1/2012	45,110,000.00	1,989,977.50	-	1,989,977.50	970,000.00	1,019,977.50	44,140,000.00	10,155,703.33
11	4/1/2013	44,140,000.00	999,365.00	-	999,365.00	0.00	999,365.00	44,140,000.00	11,155,068.33
12	10/1/2013	44,140,000.00	2,009,365.00	-	2,009,365.00	1,010,000.00	999,365.00	43,130,000.00	12,154,433.33
13	4/1/2014	43,130,000.00	977,902.50	-	977,902.50	0.00	977,902.50	43,130,000.00	13,132,335.83
14	10/1/2014	43,130,000.00	2,032,902.50	-	2,032,902.50	1,055,000.00	977,902.50	42,075,000.00	14,110,238.33
15	4/1/2015	42,075,000.00	956,802.50	-	956,802.50	0.00	956,802.50	42,075,000.00	15,067,040.83
16	10/1/2015	42,075,000.00	2,051,802.50	-	2,051,802.50	1,095,000.00	956,802.50	40,980,000.00	16,023,843.33
17	4/1/2016	40,980,000.00	933,533.75	-	933,533.75	0.00	933,533.75	40,980,000.00	16,957,377.08
18	10/1/2016	40,980,000.00	2,078,533.75	-	2,078,533.75	1,145,000.00	933,533.75	39,835,000.00	17,890,910.83
19	4/1/2017	39,835,000.00	909,202.50	-	909,202.50	0.00	909,202.50	39,835,000.00	18,800,113.33
20	10/1/2017	39,835,000.00	2,099,202.50	-	2,099,202.50	1,190,000.00	909,202.50	38,645,000.00	19,709,315.83
21	4/1/2018	38,645,000.00	883,915.00	-	883,915.00	0.00	883,915.00	38,645,000.00	20,593,230.83
22	10/1/2018	38,645,000.00	2,123,915.00	-	2,123,915.00	1,240,000.00	883,915.00	37,405,000.00	21,477,145.83
23	4/1/2019	37,405,000.00	857,565.00	-	857,565.00	0.00	857,565.00	37,405,000.00	22,334,710.83
24	10/1/2019	37,405,000.00	2,152,565.00	-	2,152,565.00	1,295,000.00	857,565.00	36,110,000.00	23,192,275.83
25	4/1/2020	36,110,000.00	831,665.00	-	831,665.00	0.00	831,665.00	36,110,000.00	24,023,940.83
26	10/1/2020	36,110,000.00	2,176,665.00	-	2,176,665.00	1,345,000.00	831,665.00	34,765,000.00	24,855,605.83
27	4/1/2021	34,765,000.00	801,402.50	-	801,402.50	0.00	801,402.50	34,765,000.00	25,657,008.33
28	10/1/2021	34,765,000.00	2,206,402.50	-	2,206,402.50	1,405,000.00	801,402.50	33,360,000.00	26,458,410.83
29	4/1/2022	33,360,000.00	771,546.25	-	771,546.25	0.00	771,546.25	33,360,000.00	27,229,957.08
30	10/1/2022	33,360,000.00	2,236,546.25	-	2,236,546.25	1,465,000.00	771,546.25	31,895,000.00	28,001,503.33
31	4/1/2023	31,895,000.00	740,415.00	-	740,415.00	0.00	740,415.00	31,895,000.00	28,741,918.33
32	10/1/2023	31,895,000.00	2,270,415.00	-	2,270,415.00	1,530,000.00	740,415.00	30,365,000.00	29,482,333.33
33	4/1/2024	30,365,000.00	706,946.25	-	706,946.25	0.00	706,946.25	30,365,000.00	30,189,279.58
34	10/1/2024	30,365,000.00	2,301,946.25	-	2,301,946.25	1,595,000.00	706,946.25	28,770,000.00	30,896,225.83
35	4/1/2025	28,770,000.00	671,058.75	-	671,058.75	0.00	671,058.75	28,770,000.00	31,567,284.58
36	10/1/2025	28,770,000.00	2,341,058.75	-	2,341,058.75	1,670,000.00	671,058.75	27,100,000.00	32,238,343.33
37	4/1/2026	27,100,000.00	634,318.75	-	634,318.75	0.00	634,318.75	27,100,000.00	32,872,662.08
38	10/1/2026	27,100,000.00	2,374,318.75	-	2,374,318.75	1,740,000.00	634,318.75	25,360,000.00	33,506,980.83
39	4/1/2027	25,360,000.00	595,168.75	-	595,168.75	0.00	595,168.75	25,360,000.00	34,102,149.58
40	10/1/2027	25,360,000.00	2,415,168.75	-	2,415,168.75	1,820,000.00	595,168.75	23,540,000.00	34,697,318.33
41	4/1/2028	23,540,000.00	554,218.75	-	554,218.75	0.00	554,218.75	23,540,000.00	35,251,537.08
42	10/1/2028	23,540,000.00	2,454,218.75	-	2,454,218.75	1,900,000.00	554,218.75	21,640,000.00	35,805,755.83
43	4/1/2029	21,640,000.00	511,468.75	-	511,468.75	0.00	511,468.75	21,640,000.00	36,317,224.58
44	10/1/2029	21,640,000.00	2,496,468.75	-	2,496,468.75	1,985,000.00	511,468.75	19,655,000.00	36,828,693.33
45	4/1/2030	19,655,000.00	466,806.25	-	466,806.25	0.00	466,806.25	19,655,000.00	37,295,499.58
46	10/1/2030	19,655,000.00	2,541,806.25	-	2,541,806.25	2,075,000.00	466,806.25	17,580,000.00	37,762,305.83
47	4/1/2031	17,580,000.00	417,525.00	-	417,525.00	0.00	417,525.00	17,580,000.00	38,179,830.83
48	10/1/2031	17,580,000.00	2,592,525.00	-	2,592,525.00	2,175,000.00	417,525.00	15,405,000.00	38,597,355.83
49	4/1/2032	15,405,000.00	365,868.75	-	365,868.75	0.00	365,868.75	15,405,000.00	38,963,224.58
50	10/1/2032	15,405,000.00	2,645,868.75	-	2,645,868.75	2,280,000.00	365,868.75	13,125,000.00	39,329,093.33
51	4/1/2033	13,125,000.00	311,718.75	-	311,718.75	0.00	311,718.75	13,125,000.00	39,640,812.08
52	10/1/2033	13,125,000.00	2,696,718.75	-	2,696,718.75	2,385,000.00	311,718.75	10,740,000.00	39,952,530.83
53	4/1/2034	10,740,000.00	255,075.00	-	255,075.00	0.00	255,075.00	10,740,000.00	40,207,605.83
54	10/1/2034	10,740,000.00	2,755,075.00	-	2,755,075.00	2,500,000.00	255,075.00	8,240,000.00	40,462,680.83
55	4/1/2035	8,240,000.00	195,700.00	-	195,700.00	0.00	195,700.00	8,240,000.00	40,658,380.83
56	10/1/2035	8,240,000.00	2,815,700.00	-	2,815,700.00	2,620,000.00	195,700.00	5,620,000.00	40,854,080.83
57	4/1/2036	5,620,000.00	133,475.00	-	133,475.00	0.00	133,475.00	5,620,000.00	40,987,555.83
58	10/1/2036	5,620,000.00	2,878,475.00	-	2,878,475.00	2,745,000.00	133,475.00	2,875,000.00	41,121,030.83
59	4/1/2037	2,875,000.00	68,281.25	-	68,281.25	0.00	68,281.25	2,875,000.00	41,189,312.08
60	10/1/2037	2,875,000.00	2,943,281.25	-	2,943,281.25	2,875,000.00	68,281.25	0.00	41,257,593.33

EXHIBIT H (SRF Loan WW33506P; Fully Repaid After Fiscal Year 2017)

Loan Amortization Schedule - STATE REVOLVING LOAN # WW33506P (WASTEWATER)

Enter values	
Loan amount	\$ 361,167.46
Annual interest rate	1.58 %
Loan period in years	10
Number of payments per year	2
Start date of loan	1/15/2007
Optional extra payments	\$ -

Loan summary	
Scheduled payment	\$ 21,202.74
Scheduled number of payments	20
Actual number of payments	20
Total early payments	\$ -
Total interest	\$ 62,887.22

Lender name: STATE OF FLORIDA - BOA

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	7/15/2007	\$ 361,167.46	\$ 21,202.74	\$ -	\$ 21,202.74	\$ 15,496.30	\$ 5,706.44	\$ 345,671.16	\$ 5,706.44
2	1/15/2008	345,671.16	21,202.74	-	21,202.74	15,741.14	5,461.60	329,930.02	11,168.04
3	7/15/2008	329,930.02	21,202.74	-	21,202.74	15,989.85	5,212.89	313,940.18	16,380.94
4	1/15/2009	313,940.18	21,202.74	-	21,202.74	16,242.49	4,960.25	297,697.69	21,341.19
5	7/15/2009	297,697.69	21,202.74	-	21,202.74	16,499.12	4,703.62	281,198.58	26,044.82
6	1/15/2010	281,198.58	21,202.74	-	21,202.74	16,759.80	4,442.94	264,438.77	30,487.75
7	7/15/2010	264,438.77	21,202.74	-	21,202.74	17,024.61	4,178.13	247,414.17	34,665.89
8	1/15/2011	247,414.17	21,202.74	-	21,202.74	17,293.60	3,909.14	230,120.57	38,575.03
9	7/15/2011	230,120.57	21,202.74	-	21,202.74	17,566.83	3,635.91	212,553.74	42,210.94
10	1/15/2012	212,553.74	21,202.74	-	21,202.74	17,844.39	3,358.35	194,709.35	45,569.29
11	7/15/2012	194,709.35	21,202.74	-	21,202.74	18,126.33	3,076.41	176,583.01	48,645.69
12	1/15/2013	176,583.01	21,202.74	-	21,202.74	18,412.73	2,790.01	158,170.28	51,435.70
13	7/15/2013	158,170.28	21,202.74	-	21,202.74	18,703.65	2,499.09	139,466.63	53,934.79
14	1/15/2014	139,466.63	21,202.74	-	21,202.74	18,999.17	2,203.57	120,467.47	56,138.37
15	7/15/2014	120,467.47	21,202.74	-	21,202.74	19,299.35	1,903.39	101,168.11	58,041.75
16	1/15/2015	101,168.11	21,202.74	-	21,202.74	19,604.28	1,598.46	81,563.83	59,640.21
17	7/15/2015	81,563.83	21,202.74	-	21,202.74	19,914.03	1,288.71	61,649.80	60,928.92
18	1/15/2016	61,649.80	21,202.74	-	21,202.74	20,228.67	974.07	41,421.13	61,902.99
19	7/15/2016	41,421.13	21,202.74	-	21,202.74	20,548.29	654.45	20,872.84	62,557.44
20	1/15/2017	20,872.84	21,202.62	-	21,202.62	20,872.84	329.78	0.00	62,887.22
21	7/15/2017	0.00	21,202.74	-	0.00	0.00	0.00	0.00	62,887.22
22	1/15/2018	0.00	21,202.74	-	0.00	0.00	0.00	0.00	62,887.22
23	7/15/2018	0.00	21,202.74	-	0.00	0.00	0.00	0.00	62,887.22

# EXHIBIT I

**City of Miramar, Florida**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**Fiscal Year Ended September 30, 2016**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Major Funds		Nonmajor Enterprise Funds	Total	Internal Service Funds
	Utility Fund	Cultural Arts Fund			
<b>OPERATING REVENUES</b>					
Water sales	\$ 16,641,812	\$ -	\$ -	\$ 16,641,812	\$ -
Wastewater service	20,577,024	-	-	20,577,024	-
Stormwater fees	-	-	3,206,286	3,206,286	-
Impact fees	743,765	-	-	743,765	-
Service charges	2,445,274	-	-	2,445,274	-
Charges for services	-	-	-	-	25,946,758
Other	20,176	-	-	20,176	708,526
<b>TOTAL OPERATING REVENUES</b>	<b>40,428,051</b>	<b>-</b>	<b>3,206,286</b>	<b>43,634,337</b>	<b>26,655,284</b>
<b>OPERATING EXPENSES</b>					
General and administrative	4,194,525	-	-	4,194,525	24,412,362
Water operations	7,345,868	-	-	7,345,868	-
Wastewater operations	6,375,221	-	-	6,375,221	-
Field operations	1,771,056	-	-	1,771,056	-
Flood control/stormwater management	-	-	1,741,251	1,741,251	-
Construction and facilities management	2,458,172	-	-	2,458,172	-
Non-departmental	5,863,611	-	-	5,863,611	-
<b>TOTAL OPERATING EXPENSES</b>	<b>28,008,453</b>	<b>-</b>	<b>1,741,251</b>	<b>29,749,704</b>	<b>24,412,362</b>
Operating income before depreciation	12,419,598	-	1,465,035	13,884,633	2,242,922
Depreciation and amortization	8,856,284	-	299,779	9,156,063	467,522
Operating income	3,563,314	-	1,165,256	4,728,570	1,775,400
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest income	237,518	-	17,169	254,687	63,552
Interest expense	(1,963,682)	-	(150,347)	(2,114,029)	-
Grant revenues	190,124	-	95,734	285,858	-
Insurance recoveries	-	-	-	-	18,377
Loss on disposal of capital asset	(1,382)	-	-	(1,382)	(5,687)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(1,537,422)</b>	<b>-</b>	<b>(37,444)</b>	<b>(1,574,866)</b>	<b>76,242</b>
Income before transfers	2,025,892	-	1,127,812	3,153,704	1,851,642
<b>TRANSFERS</b>					
Transfers out	-	(1,393,925)	(500,250)	(1,894,175)	-
Capital contributions	292,420	-	-	292,420	-
<b>TOTAL TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	<b>292,420</b>	<b>(1,393,925)</b>	<b>(500,250)</b>	<b>(1,601,755)</b>	<b>-</b>
<b>SPECIAL ITEM (NOTE 14)</b>	<b>-</b>	<b>(18,031,450)</b>	<b>968,383</b>	<b>(17,063,067)</b>	<b>-</b>
Change in net position	2,318,312	(19,425,375)	1,595,945	(15,511,118)	1,851,642
<b>Net position, beginning</b>	<b>266,196,410</b>	<b>19,425,375</b>	<b>2,468,688</b>	<b>288,090,473</b>	<b>4,704,403</b>
<b>Net position, ending</b>	<b>\$ 268,514,722</b>	<b>\$ -</b>	<b>\$ 4,064,633</b>	<b>\$ 272,579,355</b>	<b>\$ 6,556,045</b>

See notes to basic financial statements.

# EXHIBIT J

## CITY OF MIRAMAR, FLORIDA STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FISCAL YEAR ENDED SEPTEMBER 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds	Nonmajor Enterprise Funds	Total	Internal Service Funds
	Utility Fund			
OPERATING REVENUES				
Water sales	\$ 17,416,220	\$ -	\$ 17,416,220	\$ -
Wastewater service	21,581,166	-	21,581,166	-
Stormwater fees	-	4,525,241	4,525,241	-
Impact fees	2,040,249	-	2,040,249	-
Service charges	2,244,163	-	2,244,163	-
Charges for services	-	-	-	31,146,797
Other	18,251	-	18,251	776,476
TOTAL OPERATING REVENUES	43,300,049	4,525,241	47,825,290	31,923,273
OPERATING EXPENSES				
General and administrative	4,637,339	-	4,637,339	27,002,340
Water operations	7,354,364	-	7,354,364	-
Wastewater operations	6,991,739	-	6,991,739	-
Field operations	2,071,219	-	2,071,219	-
Flood control/stormwater management	-	1,908,349	1,908,349	-
Non-departmental	6,606,977	-	6,606,977	-
TOTAL OPERATING EXPENSES	27,661,638	1,908,349	29,569,987	27,002,340
Operating income before depreciation	15,638,411	2,616,892	18,255,303	4,920,933
Depreciation and amortization	8,932,179	310,607	9,242,786	952,933
Operating income	6,706,232	2,306,285	9,012,517	3,968,000
NONOPERATING REVENUES (EXPENSES)				
Interest income	503,844	39,504	543,348	135,364
Interest expense	(1,919,093)	(142,754)	(2,061,847)	(4,108)
Fiscal charges	-	(5,841)	(5,841)	-
Insurance recoveries	-	-	-	4,386
Loss on disposal of capital asset	-	-	-	(6,657)
TOTAL NONOPERATING REVENUES (EXPENSES)	(1,415,249)	(109,091)	(1,524,340)	128,985
Income before transfers	5,290,983	2,197,194	7,488,177	4,096,985
TRANSFERS				
Transfers in	-	-	-	707,000
Capital contributions	1,822,227	149,662	1,971,889	-
TOTAL TRANSFERS AND CAPITAL CONTRIBUTIONS	1,822,227	149,662	1,971,889	707,000
Change in net position	7,113,210	2,346,856	9,460,066	4,803,985
Net position, beginning	268,514,722	4,064,633	272,579,355	6,556,045
Net position, ending	\$ 275,627,932	\$ 6,411,489	\$ 282,039,421	\$ 11,360,030

See notes to basic financial statements.