

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2023

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS:

Moody's: " __ " (__ Outlook)

S&P: " __ " (__ Outlook)

(See "RATINGS" herein)

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX MATTERS," interest on the Series 2023 Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes except as otherwise described herein under the caption "TAX MATTERS," and (b) not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, interest on the Series 2023 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations for tax years beginning after December 31, 2022. See "TAX MATTERS" herein for a general discussion of Bond Counsel's opinion and other tax considerations.

\$ _____ *

BREVARD COUNTY, FLORIDA

SOLID WASTE MANAGEMENT SYSTEM REVENUE BONDS, SERIES 2023

Dated: Date of Delivery

Due: September 1, as shown on inside cover

The Solid Waste Management System Revenue Bonds, Series 2023 (the "Series 2023 Bonds"), of Brevard County, Florida (the "Issuer"), will be issued only as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof and will be initially registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2023 Bonds. The Series 2023 Bonds will be available to purchasers only under the book-entry system maintained by DTC through brokers and dealers who are, or act through, DTC Participants. Purchasers will not receive delivery of the Series 2023 Bonds. So long as any purchaser is the Beneficial Owner (as defined herein) of a Series 2023 Bond, he or she must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of principal of, premium, if any, and interest on such Series 2023 Bond. The Issuer will treat DTC as the sole owner of the Series 2023 Bonds and will not have any duty or obligation with respect to Beneficial Owners. See "DESCRIPTION OF THE SERIES 2023 BONDS - Book-Entry Only System" herein. Interest on the Series 2023 Bonds will be payable on March 1, 2024, and semiannually thereafter on September 1 and March 1 of each year. Principal of, premium, if any, and interest on the Series 2023 Bonds will be payable by U.S. Bank Trust Company N.A., Orlando, Florida as paying agent (the "Paying Agent"), to Cede & Co. and the Beneficial Owners must look to DTC or their nominees for payment.

The Series 2023 Bonds are subject to optional redemption and mandatory redemption as described herein. See "Redemption Provisions" herein.

The Series 2023 Bonds are being issued under the provisions of the Constitution of the State of Florida, Chapter 125, Florida Statutes, Chapter 67-1146, Laws of Florida, Chapter 70-594, Laws of Florida,

the Charter of the Issuer, Chapter 94 of Part II of the Code of Ordinances of the Issuer (the "Solid Waste Ordinance"), other applicable provisions of law and Resolution No. 97-281, duly adopted by the Board of County Commissioners (the "Board") of the Issuer on November 25, 1997, which was amended and restated in its entirety by Resolution No. 2023-____ adopted by the Board on August 8, 2023 (the "Master Bond Resolution"), particularly as supplemented by Resolution No. 2023-____, adopted by the Board on August 8, 2023 (the "Supplemental Resolution" and together with the Master Bond Resolution, the "Bond Resolution"). The Series 2023 Bonds shall be issued, on parity with the Issuer's Outstanding Brevard County, Florida Solid Waste Management System Revenue Bond, Series 2016 (the "Series 2016 Bond"), to provide funds to (i) finance a portion of the costs of improving and upgrading the Issuer's Solid Waste System (as defined herein), (ii) prepay certain interim indebtedness of the Issuer incurred to finance, on an interim basis, certain improvements to the Solid Waste System, (iii) fund the Debt Service Reserve Account, and (iv) pay certain expenses related to the issuance and sale of the Series 2023 Bonds. See the discussion under the headings "PURPOSE OF THE SERIES 2023 BONDS," "THE PROJECTS," and "ESTIMATED SOURCES AND USES OF FUNDS" herein. For the definition of capitalized terms used on this cover page, see "APPENDIX C - FORM OF BOND RESOLUTION" herein.

The principal of, premium, if any, and interest on the Series 2023 Bonds will be payable from and will be secured solely by a lien upon and a pledge of (i) the Net Revenues, (ii) the Impact Fees, and (iii) until applied in accordance with the Bond Resolution, all moneys, including investments thereof, in certain of the funds and accounts created under the Bond Resolution, all in the manner and to the extent provided in the Bond Resolution (collectively, the "Pledged Funds"). The lien on the Pledged Funds for the Series 2023 Bonds is on parity with the lien on the Series 2016 Bond. For a more detailed discussion of the security for the Series 2023 Bonds, see the information under the heading "SECURITY FOR THE SERIES 2023 BONDS" herein.

The Series 2023 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, in the manner and to the extent provided in the Bond Resolution. No Holder of any Series 2023 Bond 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 Series 2023 Bond from any moneys of the Issuer except from the Pledged Funds in the manner and to the extent in the Bond Resolution. The Series 2023 Bonds and the obligations evidenced thereby shall not constitute a lien upon any portion the Solid Waste System or any other property of the Issuer, but shall constitute a lien only on, and shall be payable solely from, the Pledged Funds.

This cover page contains certain information for quick reference only. It is not, and is not intended to be, a summary of the issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2023 Bonds are offered when, as and if issued, subject to receipt of the legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed on for the Issuer by Morris Richardson, Esq., County Attorney, and by Bryant Miller Olive P.A., Miami, Florida, Disclosure Counsel. PFM Financial Advisors LLC, Orlando, Florida, is acting as Financial Advisor to the Issuer. It is expected that settlement for the Series 2023 Bonds will occur through the facilities of DTC in New York, New York, on or about _____, 2023.

**Raymond James
Truist Securities**

Dated: _____, 2023.

*Preliminary, subject to change.

\$ _____ *
BREVARD COUNTY, FLORIDA
SOLID WASTE MANAGEMENT SYSTEM REVENUE BONDS
SERIES 2023

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND INITIAL CUSIP NUMBERS

\$ _____ SERIAL BONDS

<u>Maturity</u> <u>(September 1)</u>	<u>Amounts</u>	<u>Interest</u> <u>Rates</u>	<u>Yields</u>	<u>Initial</u> <u>CUSIP Numbers**</u>
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\$ _____ % Term Bonds due September 1, _____; Yield _____ % Initial CUSIP No. _____ **

* Preliminary, subject to change.

** CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc., on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are included herein solely for the convenience of the purchasers of the Series 2023 Bonds. Neither the Issuer nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

BREVARD COUNTY, FLORIDA

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Viera, Florida 32490

(321) 637-2017

THE BOARD OF COUNTY COMMISSIONERS

Rita Pritchett, Chairman

Tom Goodson, Vice Chairman

John Tobia, Commissioner

Rob Feltner, Commissioner

Jason Steele, Commissioner

COUNTY MANAGER

Frank Abbate

COUNTY ATTORNEY

Morris Richardson, Esq.

CLERK OF THE CIRCUIT COURT

Rachel Sadoff

FINANCIAL ADVISOR

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Tampa, Florida

DISCLOSURE COUNSEL

Bryant Miller Olive P.A.

Miami, Florida

CONSULTING ENGINEER

Neel-Schaffer, Inc.

Maitland, Florida

No dealer, broker, salesman or other person has been authorized by the Issuer to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Issuer. This Official Statement neither constitutes an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2023 Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the Issuer, DTC (as to itself and the book-entry only system) and other sources which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create the implication that there has been no change in the affairs of the Issuer since the date hereof.

The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

Upon issuance, the Series 2023 Bonds will not be registered under the Securities Act of 1933 or any state securities law, will not be listed on any stock or other securities exchange, and neither the Securities and Exchange Commission (the "SEC") nor any other federal, state, municipal or other governmental entity, other than the Issuer, will have passed upon the accuracy or adequacy of this Official Statement or approved the Series 2023 Bonds for sale. The Bond Resolution has not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exceptions contained in such Act.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2023 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2023 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2023 BONDS HAS BEEN FILED WITH THE SEC OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2023 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. SUCH FORWARD-LOOKING STATEMENTS INCLUDE BUT ARE NOT LIMITED TO CERTAIN STATEMENTS CONTAINED IN THE INFORMATION UNDER THE CAPTIONS "ESTIMATED SOURCES AND USES OF FUNDS" AND "INVESTMENT CONSIDERATIONS." THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN

AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUER OR THE UNDERWRITERS AND ANY ONE OR MORE OF THE OWNERS OF THE SERIES 2023 BONDS.

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SEPTEMBER 30, 2022

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OFFICIAL STATEMENT

relating to

\$ _____ *

**BREVARD COUNTY, FLORIDA
SOLID WASTE MANAGEMENT SYSTEM REVENUE BONDS
SERIES 2023**

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, inside cover page and the Appendices hereto, is to furnish certain information with respect to the issuance by Brevard County, Florida (the "Issuer"), of its Solid Waste Management System Revenue Bonds, Series 2023 being issued in the aggregate principal amount of \$ _____ * (the "Series 2023 Bonds"). The Series 2023 Bonds are being issued under the provisions of the Constitution of the State of Florida, Chapter 125, Florida Statutes, Chapter 67-1146, Laws of Florida, Chapter 70-594, Laws of Florida, the Charter of the Issuer, Chapter 94 of Part II of the Code of Ordinances of the Issuer (the "Solid Waste Ordinance"), other applicable provisions of law and Resolution No. 97-281, duly adopted by the Board of County Commissioners (the "Board") of the Issuer on November 25, 1997, which was amended and restated in its entirety by Resolution No. 2023-____ adopted by the Board on August 8, 2023 (the "Master Bond Resolution"), particularly as supplemented by Resolution No. 2023-____, adopted by the Board on August 8, 2023 (the "Supplemental Resolution" and together with the Master Bond Resolution, the "Bond Resolution").

Capitalized terms used but not defined herein have the same meaning as when used in the Bond Resolution unless the context clearly indicates otherwise. See "APPENDIX C - FORM OF BOND RESOLUTION" attached hereto. All information included herein has been provided by the Issuer, except where attributed to other sources. Copies of such documents, reports and statements referred to herein that are not included in their entirety in this Official Statement may be obtained from the Issuer, 2725 Judge Fran Jamieson Way, Viera, Florida 32490, Attention: Finance Director, phone: (321) 637-2002.

The assumptions, estimates, projections and matters of opinion contained in this Official Statement, whether or not so expressly stated, are set forth as such and not as matters of fact, and no representation is made that any of the assumptions or matters of opinion herein are valid or that any projections or estimates contained herein will be realized. Neither this Official Statement nor any other statement which may have been made verbally or in writing in connection with the Series 2023 Bonds, other than the Bond Resolution, is to be construed as a contract with the Holders of the Series 2023 Bonds.

PURPOSE OF THE SERIES 2023 BONDS

The Issuer proposes to issue the Series 2023 Bonds to provide funds to (i) finance a portion of the costs of improving and upgrading the Issuer's Solid Waste System (as defined herein), (ii) prepay certain interim indebtedness of the Issuer incurred to finance, on an interim basis, certain improvements to the Solid Waste System (the "Interim Indebtedness"), (iii) fund the Debt Service Reserve Account, and (iv) pay certain expenses related to the issuance and sale of the Series 2023 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

*Preliminary, subject to change.

THE PROJECTS

The following projects will be financed or refinanced with all or a portion of the proceeds of the Series 2023 Bonds:

- Final engineering construction plans and development of the US-192 South Disposal Facility, a new solid waste management facility in south Brevard County area. The construction of the US 192 South Disposal Facility, a 28± acre lined Class III disposal unit and support facilities including truck scales and scale house, on-site access roads, leachate collection, transmission and storage tanks with tanker loading, and a small employee quarters/operations office building. The construction period is planned during 2024-2026 with the facility to be permitted by the Florida Department of Environmental Protection (“FDEP”) to operate as a solid waste disposal facility starting in 2027.
- Construction of a new Titusville Transfer Station to replace an aging receiving building, improve the on-site roads and traffic safety controls, and expansion of the facility to combine with the adjacent Mockingbird Yard Waste Mulching Facility. Engineering plans and permitting have been completed.
- Final engineering design, permitting, and construction plans for a 185-acre expansion of the Class I solid waste disposal area at the Issuer’s Central Disposal Facility near Cocoa, Florida.

The projects being funded in part by the proceeds of Series 2023 Bonds are all part of the disposal portion of the Solid Waste System. Participation by all Brevard County customers in the disposal portion of the Solid Waste System is mandatory. See “SOLID WASTE SYSTEM” herein and “APPENDIX F-ENGINEERING REPORT” for a description of the Solid Waste System and the Projects.

DESCRIPTION OF THE SERIES 2023 BONDS

Set forth below are descriptions of certain provisions contained in the Series 2023 Bonds and the Bond Resolution. Such provisions are qualified by reference to the full text thereof contained in the Bond Resolution. Other provisions contained in the Bond Resolution and in the Series 2023 Bonds, including but not limited to, provisions concerning events of default, remedies, supplemental and amendatory resolutions, with and without the consent of Bondholders, and defeasance of the Series 2023 Bonds are set forth in “APPENDIX C - FORM OF BOND RESOLUTION” hereto.

General

The Series 2023 Bonds will be dated the date of delivery thereof, will be issued in fully registered form, without coupons, in the denominations of \$5,000 each or integral multiples thereof, and will bear interest, computed on the basis of a 360-day year, consisting of twelve 30-day months, at the rates and mature on the dates set forth on the inside cover page of this Official Statement. Interest on the Series 2023 Bonds will be payable on March 1, 2024 and semiannually thereafter on September 1 and March 1 of each year (each an “Interest Date”). Principal of, redemption premium, if any, and interest on the Series 2023 Bonds will be payable in the manner described under “DESCRIPTION OF THE SERIES 2023 BONDS – Book-Entry Only System” herein. The Series 2023 Bonds will be subject to redemption as

described under “DESCRIPTION OF THE SERIES 2023 BONDS – Optional Redemption” and “– Mandatory Redemption” herein.

The Series 2023 Bonds will bear a Certificate of Authentication to be manually executed by U.S. Bank Trust Company N.A., Registrar, and no Series 2023 Bond will be valid or obligatory for any purpose unless the Certificate of Authentication thereon has been duly executed by the Registrar.

Book-Entry Only System

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE ISSUER BELIEVES TO BE RELIABLE. THE ISSUER TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2023 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2023 BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2023 BONDS SHALL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2023 BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2023 BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2023 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2023 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2023 BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2023 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE ISSUER NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2023 Bonds. The Series 2023 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2023 Bond certificate will be issued for each maturity of the Series 2023 Bonds as set forth in the inside cover of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC

system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The Direct Participants and the Indirect Participants are collectively referred to herein as the “DTC Participants.” DTC has an S&P Global Inc. (“S&P”) rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2023 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2023 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2023 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2023 Bonds, except in the event that use of the book-entry system for the Series 2023 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2023 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2023 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2023 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2023 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2023 Bonds within a series or maturity of a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2023 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2023 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments, as applicable, on the Series 2023 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Registrar and Paying Agent on the payment date in accordance with their respective holdings shown on DTC's records. Payments by

Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Issuer, or the Registrar and Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer and/or the Registrar and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2023 Bonds at any time by giving reasonable notice to the Issuer or paying agent. Under such circumstances, in the event that a successor depository is not obtained, the Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Series 2023 Bond certificates will be printed and delivered to DTC.

DTC may discontinue providing its services as depository with respect to the Series 2023 Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2023 Bond certificates are required to be printed and delivered to DTC.

The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2023 Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

NEITHER THE ISSUER NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE SERIES 2023 BONDS. THE ISSUER CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DTC PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE SERIES 2023 BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

Discontinuance of Securities Depository

DTC may discontinue providing its services with respect to the Series 2023 Bonds at any time by giving notice to the Issuer or the Paying Agent and discharging its responsibilities with respect thereto under applicable law, or the Issuer may terminate its participation in the system of book-entry transfers through DTC at any time. In the event that the DTC book-entry only system is discontinued and it is

not replaced with another book-entry system, the following provisions will apply: both principal of and interest on the Series 2023 Bonds shall be payable to the Holder in any coin or currency of the United States of America which is legal tender on the respective dates of payment thereof for the payment of public and private debts. Interest on the Series 2023 Bonds will be payable on each Interest Date by check or draft of the Paying Agent, made payable to and mailed to the Bondholders, as shown on the registration books of the Issuer on the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Date. Principal of the Series 2023 Bonds shall be payable to the Bondholders upon presentation and surrender, when due, at the designated office of the Paying Agent.

Payment of the Series 2023 Bonds

The principal of and redemption premium, if any, on the Series 2023 Bonds is payable at maturity or redemption to the registered owner upon presentation and surrender of such Series 2023 Bonds at the designated office of the Paying Agent. Interest payable on any Series 2023 Bonds on any Interest Date will be paid by check or draft of the Paying Agent to the Holder in whose name such Series 2023 Bond shall be registered 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 such Interest Date.

All payments of principal of or redemption premium, if applicable, and interest on the Series 2023 Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Notwithstanding the foregoing, principal and interest shall be paid by wire transfer or such other payment method required by DTC or any successor securities depository, to the account of DTC or successor depository or its nominee when the Series 2023 Bonds are registered to Cede & Co. or any successor nominee.

For so long as the Series 2023 Bonds shall be held in the DTC book-entry system (without certificates), all such payments of principal of, redemption premium, if any, and interest on the Series 2023 Bonds will be made to Cede & Co., as registered owner thereof, by the Paying Agent and payments to Beneficial Owners will be the responsibility of DTC and the DTC Participants. See “DESCRIPTION OF THE SERIES 2023 BONDS – Book-Entry Only System” herein.

Ownership of Series 2023 Bonds

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 Series 2023 Bond, whether such Series 2023 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or redemption premium, if applicable, and interest on such Series 2023 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 Series 2023 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.

Redemption Provisions

Optional Redemption

The Series 2023 Bonds or portions thereof maturing on and after September 1, 2034 are subject to redemption by the Issuer prior to maturity as a whole or in part on September 1, 2033, or on any date

thereafter, and if in part, from such maturities and in such amounts as the Issuer in its discretion shall select, and by lot within a maturity if less than all, from moneys which may be available for such purpose and deposited with the Paying Agent on or before the date fixed for redemption, at the redemption price of par, plus accrued interest to the redemption date.

Mandatory Redemption

The Series 2023 Bonds maturing on September 1, _____, are subject to mandatory sinking fund redemption prior to maturity, in part by lot, on September 1, in the following years and in the following amounts, from and to the extent sufficient moneys are then on deposit in the Term Bonds Redemption Account in the Debt Service Fund for such Series 2023 Bonds, at a redemption price of par, plus accrued interest to the respective dates of redemption:

<u>Year</u>	<u>Principal Amount</u>
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*Maturity

Notice of Redemption

Notice of such redemption, which shall specify the Series 2023 Bond or Series 2023 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, and (B) shall be mailed first class, postage prepaid, at least 20 days prior to the redemption date to all Holders of the Series 2023 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 such notice to the Holders of the Series 2023 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. Such notice shall also be mailed to the Insurer or Credit Bank, if any, of such redeemed Bonds. Failure of any Holder of Series 2023 Bonds to receive any notice mailed as provided in the Bond Resolution shall not affect the proceedings for redemption of such Holder's Series 2023 Bonds. Notice of optional redemption of Series 2023 Bonds shall only be sent if the Issuer reasonably determines it shall have sufficient funds available to pay the Redemption Price of and interest on the Series 2023 Bonds called for redemption on the redemption date.

Each notice of redemption shall state: (1) the CUSIP numbers of all Series 2023 Bonds being redeemed, (2) the original issue date of such Series 2023 Bonds, (3) the maturity date and rate of interest borne by each Series 2023 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 Series 2023 Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Series 2023 Bond, the principal amount) of each Series 2023 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 Series 2023 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 Series 2023 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 Registrar at an address specified, (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 (11) any other conditions that must be satisfied prior to such redemption.

In addition to the mailing of the notice described above, each notice of redemption and payment of the redemption price shall meet the following requirements; 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:

(A) Each further notice of redemption shall be sent to the Electronic Municipal Market Access of the Municipal Securities Rulemaking Board within ten (10) business days of the mailing of the redemption notice to Holders.

(B) Each further notice of redemption shall be sent to such other Person, if any, as shall be required by applicable law or regulation.

The Issuer may provide that a redemption may be contingent upon the occurrence of certain condition(s) and that if such condition(s) do not occur the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described above to all affected Bondholders as soon as practicable.

Redemptions of Portions of Series 2023 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 and guaranteed by the Holder thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Registrar shall authenticate (except as otherwise provided in the Bond Resolution) and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, 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.

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. All Bonds which have been redeemed shall be cancelled and destroyed by the Registrar and shall not be reissued.

Purchase in Lieu of Optional Redemption

Notwithstanding anything in the Bond Resolution to the contrary, at any time the Bonds are subject to optional redemption pursuant to the Bond Resolution, all or a portion of the Bonds to be redeemed as specified in the notice of redemption, may be purchased by the Paying Agent, as trustee, at the direction of the Issuer, on the date which would be the redemption date if such Bonds were redeemed

rather than purchased in lieu thereof, at a purchase price equal to the Redemption Price which would have been applicable to such Bonds on the redemption date for the account of and at the direction of the Issuer who shall give the Paying Agent, as trustee, notice at least ten days prior to the scheduled redemption date accompanied by an opinion of Bond Counsel to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of interest on such Bonds or any other Outstanding Bonds. In the event the Paying Agent, as trustee, is so directed to purchase Bonds in lieu of optional redemption, no notice to the holders of the Bonds to be so purchased (other than the notice of redemption otherwise required under the Bond Resolution) shall be required, and the Paying Agent, as trustee, shall be authorized to apply to such purchase the funds which would have been used to pay the Redemption Price for such Bonds if such Bonds had been redeemed rather than purchased. Each Bond so purchased shall not be canceled or discharged and shall be registered in the name of the Issuer. Bonds to be purchased under the Bond Resolution in the manner set forth above which are not delivered to the Paying Agent, as trustee, on the purchase date shall be deemed to have been so purchased and not optionally redeemed on the purchase date and shall cease to accrue interest as to the former holder thereof on the purchase date.

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 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 the Bond Resolution shall constitute original, additional 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.

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 and guaranteed 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 Series and maturity of any other authorized denominations.

The Bonds issued under the Bond Resolution 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 the Bond Resolution 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.

Each Bond shall be transferable 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 transfer of any such Bond, the Issuer shall issue, and cause to be authenticated (except as otherwise required in the Bond Resolution), in the name of the transferee a new Bond or Bonds of the same aggregate principal amount, interest rate and Series 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 or Redemption Price, if applicable, 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.

So long as the DTC book-entry system is in effect, the foregoing provisions will only apply to DTC, as the sole registered owner of the Series 2023 Bonds. Transfers of beneficial interests in Series 2023 Bonds will be governed by rules applicable to the DTC Book-entry system. See “DESCRIPTION OF THE SERIES 2023 BONDS – Book-Entry Only System” herein.

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ESTIMATED SOURCES AND USES OF FUNDS

The table that follows summarizes the estimated sources and uses of funds relating to the sale of the Series 2023 Bonds:

SOURCES:

Principal Amount of Series 2023 Bonds	\$
Net Original Issue [Premium][Discount]	

TOTAL SOURCES	<u>\$</u>
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USES:

Deposit to Construction Fund	
Prepayment of Interim Indebtedness	\$
Deposit to Debt Service Reserve Account	
Costs of Issuance ⁽¹⁾	

TOTAL USES	<u>\$</u>
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⁽¹⁾ Includes financial advisory and legal fees and expenses, Underwriter's discount and miscellaneous costs of issuance.

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DEBT SERVICE SCHEDULE

Bond Year Ending (September 1)	<u>Series 2023 Bonds</u>			Parity Bonds Debt Service	Total Debt Service*
	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>		
2016				\$459,960.00	
2017				865,217.50	
2018				865,275.50	
2019				864,972.00	
2020				864,307.00	
2021				863,280.50	
2022				866,892.50	
2023				865,022.50	
2024				862,791.00	
2025				865,198.00	
2026				867,123.00	
2027				863,566.00	
2028				864,647.50	
2029				865,247.00	
2030				865,364.50	
Total				\$12,568,864.50	

* Totals may not add due to rounding.

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Debt Service Coverage

The table below shows the historical and projected debt service and debt coverage calculations from Fiscal Year 2020 through Fiscal Year 2028. The projected debt service coverage ratio on the outstanding and proposed revenue bond issues without impact fee revenues is expected to decline from a high of 7.50x in Fiscal Year 2023, to a low of 1.82x in Fiscal Year 2028. With impact fee revenues, debt service coverage is forecast to decline from 8.47x in Fiscal Year 2023 to 1.92x in Fiscal Year 2028. See "SOLID WASTE SYSTEM – Historical and Projected Revenues and Expenditures" herein for more detailed information regarding revenues and expenditures.

Debt Service Coverage Table

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Debt Coverage Calculation									
Revenues without Impact Fees	\$29,308,570	\$29,060,013	\$29,882,623	\$31,998,186	\$37,078,092	\$38,353,839	\$39,770,751	\$41,717,806	\$43,900,287
Operating Expenditures & Interfund Transfers for County Services (without equipment replacements & escrow)	\$20,998,062	\$19,891,480	\$20,943,077	\$25,507,879	\$26,304,681	\$27,098,921	\$27,917,422	\$27,315,623	\$28,142,445
Net Revenues w/Impact Fees	\$9,204,786	\$10,178,171	\$10,070,314	\$7,329,458	\$11,629,111	\$12,109,918	\$12,708,329	\$15,257,182	\$16,612,843
Net Revenues w/o Impact Fees	\$8,310,508	\$9,168,532	\$8,939,545	\$6,490,307	\$10,774,111	\$11,254,918	\$11,853,329	\$14,402,182	\$15,757,843
Total Annual Debt Service	\$859,449	\$863,062	\$866,893	\$865,023	\$3,354,791	\$3,357,198	\$5,810,623	\$7,982,066	\$8,649,647
Debt Service Coverage w/o⁽²⁾Impact Fees	9.67x	10.62x	10.31x	7.50x	3.21x	3.35x	2.04x	1.80x	1.82x
Debt Service Coverage⁽³⁾ w/Impact Fees	10.71x	11.49x	11.62x	8.47x	3.47x	3.61x	2.19x	1.91x	1.92x

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SECURITY FOR THE SERIES 2023 BONDS

General

The payment of principal of and interest on the Series 2023 Bonds is payable from and secured by the Pledged Funds. Pledged Funds are defined in the Bond Resolution to mean (i) the Net Revenues, (ii) the Impact Fees, and (iii) until applied in accordance with the Bond Resolution, all moneys, including investments thereof, in certain of the funds and accounts created under the Bond Resolution. The pledge of and lien on the Pledged Funds in favor of the Series 2023 Bonds are on a parity with the lien on the Pledged Funds in favor of the Series 2016 Bond and any Additional Bonds issued hereafter under the Bond Resolution.

The term "Net Revenues" is defined in the Bond Resolution to mean Gross Revenues less Operating Expenses.

"Gross Revenues" shall mean all income and moneys received by the Issuer from the rates, fees, rentals, charges and other fees and income made and collected by the Issuer for the use of the products, services and facilities provided by the Solid Waste System, or otherwise received by the Issuer or accruing to the Issuer in the management and operation of the Solid Waste System, calculated in accordance with generally accepted accounting principles applicable to public solid waste systems similar to the Solid Waste System, including, without limiting the generality of the foregoing, (1) Assessment Proceeds, (2) moneys deposited from the Rate Stabilization Fund into the Revenue Fund in accordance with the terms hereof, provided any moneys transferred from the Rate Stabilization Fund into the Revenue Fund in an amount not to exceed the Rate Stabilization Amount within 120 days following the end of a Fiscal Year may be designated by the Issuer as Gross Revenues of such prior Fiscal Year, (3) Investment Earnings, (4) proceeds from use and occupancy insurance on the Solid Waste System, and (5) Operating Government Grants. "Gross Revenues" shall not include (A) Capital Government Grants, (B) proceeds of Bonds or other Issuer debt, (C) moneys deposited to the Rate Stabilization Fund from the Solid Waste System Reserve Fund, including any moneys transferred from the Solid Waste System Reserve Fund to the Rate Stabilization Fund within 120 days following the end of a Fiscal Year which the Issuer determines not to be Gross Revenues of such prior Fiscal Year, (D) any gain or loss from the sale of assets of the Solid Waste System, (E) any Federal Subsidy Payments, (F) Impact Fees, (G) proceeds of the Collection Assessments, and (H) any gain resulting from the valuation of investment securities at market value and any other gain that does not require or result in the receipt of cash. Gross Revenues may include other revenues related to the Solid Waste System which are not enumerated in the definition of "Gross Revenues" if so authorized by Supplemental Resolution and if and to the extent the same shall be approved for inclusion by any Insurers and Credit Banks.

"Operating Expenses" shall mean the Issuer's expenses for operation, maintenance and repairs with respect to the Solid Waste System and shall include, without limiting the generality of the foregoing, administration expenses, payments for the purchase of materials essential to or used in the operation of the Solid Waste System including bulk purchases of solid waste disposal services, fees for the management of the Solid Waste System or any portion thereof, any insurance and surety bond fees, accounting, legal and engineering expenses, ordinary and current rentals of equipment or other property, refunds of moneys lawfully due to others, payments to others for disposal of solid waste, actual payments to pension, retirement, health and hospitalization funds, payments to others for the storage, recovery of materials from, disposal or processing of solid waste (including without limitation, all payments, fees, costs or damages howsoever denominated which are payable by the Issuer with respect to any obligations of the Issuer under the provisions of any related agreement to which the Issuer is a party), payment of any service fee to any Person providing services with respect to the Solid Waste System, and any other expenses required to be paid for or

with respect to proper operation or maintenance of the Solid Waste System, including appropriate reserves therefor, all to the extent properly attributable to the Solid Waste System in accordance with generally accepted accounting principles applicable to public utility systems similar to the Solid Waste System, and disbursements for the expenses, liabilities and compensation of any Paying Agent or Registrar under the Bond Resolution, but does not include any extraordinary or non-recurring expenses, expenses paid from moneys in the Renewal and Replacement Fund, or any costs or expenses in respect of original construction or improvement other than expenditures necessary to prevent an interruption or continuance of an interruption of service or of receipt Gross Revenues or minor capital expenditures necessary for the proper and economical operation or maintenance of the Solid Waste System, or any provision for interest, depreciation, amortization or similar charges, or any debt issuance costs paid from proceeds of such debt, or any PILOTs, PILOFs, payments to haulers providing solid waste collection services to residential properties within the unincorporated portion of the Issuer, or the cost of preparation, closure and post-closure maintenance and monitoring of landfills utilized by the Issuer in connection with the Solid Waste System, or any accruals required to be recognized with respect to pension, retirement, health and hospitalization funds that do not require or result in the expenditure of cash, or any loss resulting from the valuation of investment securities at market value and any other loss that does not require or result in the expenditure of cash.

“Impact Fees” shall mean the fees and charges, if any, which relate to acquiring, constructing, equipping or expanding the capacity of the Solid Waste System for the purpose of paying or reimbursing the equitable share of the capital cost relating to such acquisition, construction, expansion or equipping of capacity of the Solid Waste System or expansion thereof in order to serve new users of the Solid Waste System, to the extent the same are lawfully levied, collected and pledged.

"Solid Waste System" shall mean any and all solid waste management and resource recovery facilities, any and all improvements, extensions and additions thereto hereafter constructed or acquired, used or useful in the disposal of solid waste as contemplated by Chapter 403, Florida Statutes, Chapter 67-1146, Laws of Florida, Chapter 70-594, Laws of Florida and the Solid Waste Ordinance, including, but not limited to, recycling and other volume reduction facilities, sanitary landfills, including existing or closed landfills, or other disposal means, resource recovery facilities (including steam production and electrical generating facilities using solid waste as fuel, landfill gas recovery and other resource recovery technologies), recycling and transfer stations, roads, water lines, wastewater lines and treatment facilities to the extent provided or operated to carry out the provisions of the Act, and all buildings, structures, fixtures, equipment and all property, real and personal now or hereafter owned, leased, operated or used by the Issuer, all for location, operation and use within the Service Area. "Solid Waste System" shall also include any other solid waste or resource recovery facilities if and to the extent the Issuer determines by Supplemental Resolution to include such facilities within the Solid Waste System as described in the Bond Resolution.

See “APPENDIX C – FORM OF BOND RESOLUTION” attached hereto for additional definitions.

Limited Obligations

The Series 2023 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, in the manner and to the extent provided in the Bond Resolution. No Holder of any Series 2023 Bond 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 Series 2023 Bond from any moneys of the Issuer except from the Pledged Funds in the manner and to the extent in the Bond Resolution. The Series 2023 Bonds and the obligations evidenced thereby shall not constitute a lien upon any portion the Solid Waste System or any other property of the Issuer, but shall constitute a lien only on, and shall be payable solely from, the Pledged Funds.

Establishment of Funds and Accounts

The Bond Resolution establishes several funds and accounts, including the (A) Brevard County, Florida Solid Waste Management System Revenue Fund, (B) Brevard County, Florida Solid Waste Management System Operation and Maintenance Fund, (C) Brevard County, Florida Solid Waste Management System Debt Service Fund (including an Interest Account, Principal Account, Term Bonds Redemption Account and Debt Service Reserve Account therein), (D) Brevard County, Florida Solid Waste Management System Renewal and Replacement Fund, (E) Brevard County, Florida Solid Waste Management System Reserve Fund, (F) Brevard County, Florida Solid Waste Management System Landfill Closure Fund, (G) Brevard County, Florida Solid Waste Management System Rebate Fund, (H) Brevard County, Florida Solid Waste Management System Rate Stabilization Fund, (I) Brevard County, Florida Solid Waste Management System Impact Fees Fund, and (J) Brevard County, Florida Solid Waste Management System Construction Fund (including the Series 2023 Project Account therein).

Moneys in the aforementioned funds and accounts (except for moneys in the Rebate Fund and Landfill Closure Fund), until applied in accordance with the provisions of the Bond Resolution, shall be subject to a lien and charge in favor of the Holders of the Series 2023 Bonds and for the further security of such Holders to the extent provided by the Bond Resolution.

Flow of Funds

The Bond Resolution provides that (A)(1) in the event the Issuer receives a Government Grant, the use and withdrawal of moneys from such Government Grant shall be governed by the terms of the Government Grant and applicable law.

(2) The Issuer shall deposit promptly, as received, all Gross Revenues into the Revenue Fund. Moneys in the Revenue Fund shall first be used each month to deposit in the Operation and Maintenance Fund such sums as are necessary to pay Operating Expenses for the ensuing month; provided the Issuer may transfer moneys from the Revenue Fund to the Operation and Maintenance Fund at any time to pay Operating Expenses to the extent there is a deficiency in the Operation and Maintenance Fund for such purpose. Amounts in the Operation and Maintenance Fund shall be paid out from time to time by the Issuer for Operating Expenses, including any expenses relating to the purchase or redemption of Bonds as provided in paragraph (B)(3) below (see “Term Bonds Redemption Account”).

The remaining moneys in the Revenue Fund shall be applied in accordance with paragraph (B) immediately below.

(B) Any deposits remaining in the Revenue Fund after the aforementioned transfers to the Operation and Maintenance Fund shall be disposed of by the Issuer on or before the 25th day of each month, commencing in the month immediately following the delivery of any of the Bonds to the purchasers thereof, or such later date as hereinafter provided, 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 Bonds Outstanding (except as to Capital Appreciation Bonds) accrued and unpaid and to accrue to the end of the then current calendar month. All Federal Subsidy Payments shall be deposited directly to the Interest Account upon receipt. Moneys in the Interest Account shall be applied by the Issuer for deposit with the Paying Agents to pay the interest on the Bonds on or prior to the date the same shall become due. Any Federal Subsidy Payments deposited to the Interest Account shall be deemed to have been applied to the payment of interest on the Federal Subsidy Bonds to which such Federal Subsidy Payments relate. 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. Except as otherwise provided by Supplemental Resolution authorizing the issuance of Variable Rate Bonds, in computing the interest on such Variable Rate Bonds which shall accrue during a calendar month, the interest rate on such Variable Rate Bonds shall be assumed to be (A) if such Variable Rate Bonds have been Outstanding for at least 24 months prior to the commencement of such calendar month, the highest average interest rate borne by such Variable Rate Bonds for any 30-day period, and (B) if such Variable Rate Bonds have not been Outstanding for at least 24 months prior to the date of calculation, the Bond Buyer Revenue Bond Index most recently published prior to the commencement of such calendar month.

(2) Principal Account. Commencing in the month which is one year prior to the first principal payment date, the Issuer shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amounts on all Bonds Outstanding due and unpaid to the next principal payment date 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 12 equivalent calendar months having 30 days each), except for the Sinking Fund Installments to be deposited pursuant to paragraph (B)(3) below (see "Term Bonds Redemption Account"), in equal amounts from the next preceding principal payment due date, or, if there be no such preceding principal payment due date from a date no later than 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 Agents to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. Serial Capital Appreciation Bonds shall be payable from the Principal Account in the years in which such Bonds mature and monthly payments into the Principal Account on account of such Bonds shall commence in the twelfth month immediately preceding the maturity date of such Bonds. 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 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) Term Bonds Redemption Account. Commencing in the month which is one year prior to the first Sinking Fund Installment due date, there shall be deposited to the Term Bonds Redemption Account the sum which, together with the balance in such Account, shall equal the Sinking Fund Installments on all Bonds Outstanding due and unpaid to the next Sinking Fund Installment due date and that portion of the Sinking Fund Installments of all Bonds Outstanding next due which would have accrued on such Bonds during the then current calendar month if such Sinking Fund Installments were deemed to accrue monthly (assuming that a year consists of 12 equivalent calendar months having 30 days each) in equal amounts from the next preceding Sinking Fund Installment due date, or, if there is no such preceding Sinking Fund Installment due date, from a date not later than one year preceding the due date of such Sinking Fund Installment. Moneys in the Term Bonds Redemption Account shall be used to purchase or redeem Term Bonds in the manner provided in the Bond Resolution, and for no other purpose. Term Capital Appreciation Bonds shall be payable from the Term Bonds Redemption Account in the years in which such Bonds mature and monthly payments into the Terms Bonds Redemption Account on account of such Bonds shall commence in the twelfth month immediately preceding the due date of the related Sinking Fund Installments. The Issuer shall adjust the amount of the deposit to the Term Bonds Redemption Account on the month immediately preceding any Sinking Fund Installment due date so as to provide sufficient moneys in the Term Bonds Redemption Account to pay the Sinking Fund Installments becoming due on such date. Payments to the Term Bonds Redemption Account shall be on parity with payments to the Principal Account. No further deposit need be made to the Term Bonds Redemption Account when the moneys therein are equal to the Sinking Fund Installments coming due on the Outstanding Bonds on the next succeeding Sinking Fund Installment due date.

Amounts accumulated in the Term Bonds Redemption Account with respect to any Sinking Fund Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Sinking Fund Installment was established) may be applied by the Issuer, on or prior to the 60th day preceding the due date of such Sinking Fund Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Sinking Fund Installment was established, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms. Amounts in the Term Bonds Redemption Account which are used to redeem Term Bonds shall be credited against the next succeeding Sinking Fund Installment which shall become due on such Term Bonds. 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 Term Bonds Redemption Account until such Sinking Fund Installment due date, for the purposes of calculating the amount of such Account. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the Issuer shall proceed to call for redemption on such due date, by causing notice to be given as provided in the Bond Resolution, Term Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Term Bonds maturing on a Sinking Fund Installment due date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Issuer shall pay out of the Term Bonds Redemption 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 Operation and Maintenance Fund.

(4) Debt Service Reserve Account. There shall be deposited to the Debt Service Reserve Account an amount which would enable the Issuer to restore the funds on deposit in the Debt Service

Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto. All deficiencies in the Debt Service Reserve Account must be made up no later than 12 months from the date such deficiency first occurred, whether such shortfall was caused by an increase in the applicable Debt Service Reserve Account Requirement, a decrease in the aggregate market value of the investments therein of more than 5% or withdrawal (whether from cash or a Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit). On or prior to each principal payment date and Interest Date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), moneys in the Debt Service 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 Term Bonds Redemption Account shall be insufficient for such purpose, but only to the extent the moneys transferred from the Solid Waste System Reserve Fund for such purposes pursuant to paragraph (B)(9) (see "Solid Waste System Reserve Fund") below shall be inadequate to fully provide for such insufficiency. Whenever there shall be surplus moneys in the Debt Service Reserve Account by reason of a decrease in the Debt Service Reserve Account Requirement or as a result of a deposit in the Debt Service Reserve Account of a Debt Service Reserve Account Letter of Credit or a Debt Service Reserve Account Insurance Policy, such surplus moneys, to the extent practicable, shall be deposited by the Issuer into the Solid Waste System Reserve Fund and applied as directed by Bond Counsel. The Issuer shall promptly inform each Insurer and Credit Bank of any draw upon the Debt Service Reserve Account for purposes of paying the principal of or Redemption Price, if applicable, and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as provided in the Bond Resolution, the Issuer shall fund the Debt Service Reserve Account in an amount at least equal to the applicable Debt Service Reserve Account Requirement to the extent such Series of Bonds are to be secured by the Debt Service Reserve Account or any subaccount therein; provided, however, nothing in the Bond Resolution shall be construed to require the Issuer to fund the Debt Service Reserve Account or any subaccount for any Series of Bonds. Upon the adoption of the Supplemental Resolution authorizing the issuance of a Series of Bonds, the Issuer shall determine whether such Series of Bonds shall be secured by the Debt Service Reserve Account or any subaccount therein and, if the Issuer determines that the Series of Bonds will be secured by a separate subaccount therein, the Issuer shall also establish the Debt Service Reserve Account Requirement applicable thereto. Such required amount, if any, shall be paid in full or in part from the proceeds of such Series of Bonds or may be accumulated in equal monthly payments to the Debt Service Reserve Account or subaccount therein over a period of months from the date of issuance of such Series of Bonds, which shall not exceed 36 months.

Notwithstanding the foregoing provisions, in lieu of or in substitution of any required deposits into the Debt Service Reserve Account or any subaccount therein, the Issuer may cause to be deposited into the Debt Service Reserve Account or subaccount a Debt Service Reserve Account Insurance Policy and/or Debt Service Reserve Account Letter of Credit for the benefit of the Bondholders in an amount equal to the difference between the Debt Service Reserve Account Requirement applicable thereto and the sums then on deposit in the Debt Service Reserve Account or subaccount, if any. The Issuer may also substitute a Debt Service Reserve Account Insurance Policy and/or Debt Service Reserve Account Letter of Credit for cash on deposit in the Debt Service Reserve Account or a subaccount therein upon compliance with the terms of this section. Such Debt Service Reserve Account Insurance Policy and/or Debt Service Reserve Account Letter of Credit shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any Interest Date,

principal payment date or redemption date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to the Bond Resolution and available for such purpose. Upon the initial deposit of any such Debt Service Reserve Account Insurance Policy and/or Debt Service Reserve Account Letter of Credit, the provider thereof shall be either (a) 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 one of the three highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as “plus” or “minus” or “1,” “2” or “3”), or (b) a commercial bank, insurance company or other financial institution which has been assigned a rating in one of the two highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as “plus” or “minus” or “1,” “2” or “3”). Any Debt Service Reserve Account Insurance Policy and/or Debt Service Reserve Account Letter of Credit shall equally secure all Bonds secured by the Debt Service Reserve Account or subaccount into which such Policy or Letter of Credit is deposited.

Each Debt Service Reserve Account Insurance Policy and Debt Service Reserve Account Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the provider of the Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit to reimbursement will be subordinated to cash replenishment of the Debt Service Reserve Account or subaccount to an amount equal to the difference between the full original amount available under the Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit and the amount then available for further draws or claims. If (a) the provider of a Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit becomes insolvent or (b) the provider of a Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit defaults in its payment obligations thereunder or (c) the rating of the provider of a Debt Service Reserve Account Insurance Policy falls below a rating of “A-” or “A3” by all of the Rating Agencies then rating such provider or (d) the rating of the provider of a Debt Service Reserve Account Letter of Credit falls below a rating of “AA-” or “Aa3” by at least two of the three Rating Agencies, the obligation to reimburse the provider of the Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit shall be subordinate to the cash replenishment of the Debt Service Reserve Account or subaccount. Where applicable, the amount available for draws or claims under a Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit may be reduced by the amount of cash or investments deposited in the Debt Service Reserve Account or subaccount pursuant to the provisions hereof.

If the revolving reinstatement feature described in the preceding paragraph is suspended or terminated or if the Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit is no longer valid and enforceable, the Issuer shall either (i) deposit into the Debt Service Reserve Account or subaccount an amount sufficient to cause the cash or investments on deposit in the Debt Service Reserve Account or applicable subaccount to equal the Debt Service Reserve Account Requirement on all Outstanding Bonds then secured by such Debt Service Reserve Account or subaccount, such amount to be paid over the ensuing five years in equal installments deposited at least semiannually or (ii) replace such instrument with a Debt Service Reserve Account Insurance Policy or a Debt Service Reserve Account Letter of Credit meeting the requirements described in the Bond Resolution within six months of such occurrence.

If three days prior to an Interest Date or principal payment date, or such other period of time as shall be required by the terms of the Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit, 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 Debt Service Reserve Account Insurance Policy and/or the issuer of the Debt Service Reserve Account Letter of Credit and submit a demand for payment pursuant to the provisions of such Debt Service Reserve Account Insurance Policy and/or the Debt Service Reserve Account Letter of Credit, (b) the Paying Agent, and (c) the Insurer or Credit Bank, if any, of the amount of such deficiency and the date on which such payment is due.

The Issuer may evidence its obligation to reimburse the issuer of any Debt Service Reserve Account Letter of Credit or Debt Service Reserve Account Insurance Policy by executing and delivering to such issuer a promissory note or other evidence therefor; provided, however, any such note or evidence (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 in the Bond Resolution. The obligation to reimburse the provider of a Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit for any Policy Costs shall be subordinate to the payment of Debt Service on the Bonds.

The term "Paying Agent" as used in the Bond Resolution may include one or more Paying Agents for the Outstanding Bonds.

Whenever the amount of cash in the Debt Service 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 Debt Service 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 Debt Service Reserve Account for any Series of Bonds and such subaccount shall be pledged to the payment of such Series of Bonds apart from the pledge provided in the Bond Resolution. To the extent a Series of Bonds is secured separately by a subaccount of the Debt Service Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Debt Service Reserve Account. Moneys in a separate subaccount of the Debt Service Reserve Account shall be maintained at the Debt Service Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount; provided the Supplemental Resolution authorizing such Series of Bonds may establish the Debt Service Reserve Account Requirement relating to such separate subaccount of the Debt Service Reserve Account at such level as the Issuer deems appropriate. In the event the Issuer by Supplemental Resolution establishes the Debt Service Reserve Account Requirement for a particular Series of Bonds to be zero (\$0.00) or it shall determine that such Series are not to be secured in any manner by the Debt Service Reserve Account or a subaccount, then it shall not be required to establish a separate subaccount; provided, however, such Series of Bonds shall have no lien on or pledge of any moneys on deposit in the Debt Service Reserve Account. Moneys used to replenish the Debt Service Reserve Account shall be deposited in the separate subaccounts in the Debt Service Reserve Account and in the Debt Service Reserve Account on a pro-rata basis.

In the event the Issuer shall maintain a Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit and moneys in the Debt Service Reserve Account or any

subaccount, the moneys shall be used prior to making any disbursements under such Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Letter of Credit. The provisions of the Debt Service Reserve Fund Policy Agreements, when executed and delivered, shall be incorporated in the Bond Resolution by reference. The provisions of such Agreements shall supersede the provisions hereof to the extent of any conflict herewith.

(5) Renewal and Replacement Fund. There shall be deposited to the Renewal and Replacement Fund monthly such sums as shall be sufficient to pay 1/12 of the Renewal and Replacement Fund Requirement, until the amount accumulated in such Fund is equal to the Renewal and Replacement Fund Requirement; provided, however, in the event that the Consulting Engineers shall certify that the Renewal and Replacement Fund Requirement is excessive for the purposes of the Renewal and Replacement Fund such excess amount as may be on deposit therein may be transferred by the Issuer from the Renewal and Replacement Fund for deposit into the Solid Waste System Reserve Fund. The moneys in the Renewal and Replacement Fund shall be applied by the Issuer for the purpose of paying the cost of major extensions, improvements or additions to, or the replacement or renewal of capital assets of, the Solid Waste System, or extraordinary repairs of the Solid Waste System; provided, however, that on or prior to each principal and interest payment date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), moneys in the Renewal and Replacement Fund shall be applied for the payment into the Interest Account, the Principal Account, and the Term Bonds Redemption Account when the moneys therein are insufficient to pay the principal of or Redemption Price, if applicable, and interest on the Bonds coming due, but only to the extent moneys transferred from the Solid Waste System Reserve Fund for such purpose pursuant to paragraph (B)(9) (see "Solid Waste System Reserve Fund") below, together with moneys available in the Debt Service Reserve Account for such purpose pursuant to paragraph (B)(4) above ("see Debt Service Reserve Account"), shall be inadequate to fully provide for such insufficiency. Moneys in the Renewal and Replacement Fund may also be transferred to the Operation and Maintenance Fund to fund Operating Expenses to the extent Gross Revenues shall be insufficient for such purpose; provided, however, such transfer shall be treated as an interfund loan and shall be repaid from Gross Revenues as described in this paragraph (B)(5) within one year from the date of such transfer.

(6) Subordinated Indebtedness. Gross Revenues in the Revenue Fund shall next be applied by the Issuer for the payment of any accrued debt service on Subordinated Indebtedness incurred by the Issuer in connection with the Solid Waste System and in accordance with the proceedings authorizing such Subordinated Indebtedness.

(7) Debt Service Fund. There shall be deposited to the Interest Account, the Principal Account and the Term Bonds Redemption Account of the Debt Service Fund, in that order, sufficient moneys such that the amounts on deposit therein shall equal, respectively, the interest, principal and Sinking Fund Installment next coming due on the Bonds Outstanding; provided, however, no deposit need be made to the Principal Account or Term Bonds Redemption Account until a date one year preceding the due date of such principal amount or Sinking Fund Installment.

(8) Landfill Closure Fund. To the extent the Landfill Closure Fund together with other funds or accounts of the Issuer dedicated to the purposes of such funds or accounts are not sufficient to satisfy applicable legal requirements, then the Issuer shall next deposit funds from the Revenue Fund into the Landfill Closure Fund or such other dedicated funds or accounts for such purposes so as to satisfy such legal requirements.

The Landfill Closure Fund shall serve as an escrow account in accordance with the requirements of Section 403.7125, Florida Statutes, to provide for the payment of closure and post closure costs from time to time relating to the Issuer's landfill(s) comprising part of the Solid Waste System.

(9) Solid Waste System Reserve Fund. The balance of any Gross Revenues remaining in said Revenue Fund shall be deposited in the Solid Waste System Reserve Fund and applied to the payment, on or prior to each principal and interest payment date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), into the Interest Account, the Principal Account and the Term Bonds Redemption Account when the moneys therein shall be insufficient to pay the principal of or Redemption Price, if applicable, and interest on the Bonds coming due. Moneys not required to meet such a deficiency shall be deposited to the Impact Fees Fund to repay any withdrawal from such Fund pursuant to paragraph (A) above (to the extent required by such section), then to the Reserve Account to make up any deficiency therein, and thereafter to the Rebate Fund to the extent moneys are required to be deposited therein. Thereafter, moneys in the Solid Waste System Reserve Fund may be applied for any lawful purpose relating to the Solid Waste System including but not limited to, purchase or redemption of Bonds, payment of Subordinated Indebtedness, payment of other obligations incurred with respect to the Solid Waste System, deposit to the Rate Stabilization Fund, PILOTs, PILOFs, provide loans to other operations of the Issuer provided such loans are repaid with interest in accordance with the Issuer's consolidated investment policy, and improvements, renewals and replacements to the Solid Waste System; provided, however, that none of such revenues shall ever be used for the purposes provided in this paragraph unless all payments required in paragraphs (B)(1) through (B)(8) above, including any deficiencies for prior payments, have been made in full to the date of such use. If in any given Fiscal Year, the amount of any PILOTs or PILOFs are limited pursuant to the definitions thereof, any excess not so paid from the Solid Waste System Reserve Fund in such Fiscal Year shall not be carried over to a subsequent Fiscal Year.

(C) Whenever moneys on deposit 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), no further deposits to the Debt Service Fund need be made. If on any payment date the Gross Revenues are insufficient to deposit the required amount in any of the funds or accounts or for any of the purposes provided above, the deficiency shall be made up on the subsequent payment dates.

The Issuer, in its discretion, may use moneys in the Principal Account and the Interest Account to purchase or redeem Bonds coming due on the next principal payment date, provided such purchase or redemption 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 or redeemed.

(D) In the event the Issuer shall issue a Series of Bonds secured by a Credit Facility, the Issuer may establish separate subaccounts in the Interest Account, the Principal Account and the Term Bonds Redemption Account to provide for payment of the principal of and interest on such Series; provided payment from the Pledged Funds of one Series of Bonds shall not have preference over payment of any other Series of Bonds, except as otherwise provided in the Bond Resolution. The Issuer may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in paragraph (B) above 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 Resolution authorizing such Bonds.

In the case of Bonds secured by a Credit Facility, amounts on deposit in the Debt Service Fund may be applied as provided in the applicable Supplemental Resolution to reimburse the Credit Bank for amounts drawn under such Credit Facility to pay the principal of, premium, if any, and interest on such Bonds or to pay the purchase price of any such Bonds which are tendered by the holders thereof for payment; provided such Credit Facility shall have no priority over Bondholders or an Insurer to amounts on deposit in the Debt Service Fund. Other payments due to a Credit Bank in relation to obligations arising under its Credit Facility may be on parity with the Bonds as to source of and security for payment to the extent provided in the Supplemental Resolution relating thereto.

Investment of Moneys

Moneys on deposit in the Revenue Fund, the Construction Fund, the Debt Service Fund, the Operation and Maintenance Fund, the Solid Waste System Reserve Fund, the Rate Stabilization Fund, the Impact Fees Fund and the Renewal and Replacement 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 Revenue Fund, the Operation and Maintenance Fund, the Principal Account, the Interest Account, the Term Bonds Redemption Account, the Renewal and Replacement Fund, the Rate Stabilization Fund, the Impact Fees Fund, the Landfill Closure Fund and the Solid Waste System Reserve Fund shall be invested and reinvested by the Issuer in Authorized Investments, maturing not later than the dates on which such moneys will be needed for the purposes of such fund or account. Moneys on deposit in the Debt Service Reserve Account shall be invested in Authorized Investments, maturing no later than ten years from the date of investment. All investments shall be valued at the market price thereof. Investments in the Debt Service Reserve Account shall be valued by the Issuer on an annual basis as of September 30 of each year.

Any and all income received from the investment of moneys in each separate account of the Revenue Fund, the Operation and Maintenance Fund, the Construction Fund, the Interest Account, the Principal Account, the Term Bonds Redemption Account, the Solid Waste System Reserve Fund, the Renewal and Replacement Fund (to the extent such income and other amounts in such Fund do not exceed the Renewal and Replacement Fund Requirement), the Solid Waste System Reserve Fund, the Landfill Closure Fund, the Impact Fees Fund, the Rate Stabilization Fund and the Debt Service Reserve Account (to the extent such income and the other amounts in the Debt Service Reserve Account does not exceed the Debt Service Reserve Account Requirement), shall be retained in such respective Fund or Account.

Any and all income received from the investment of moneys in the Renewal and Replacement Fund (only to the extent such income and the other amounts in such Fund exceed the Renewal and Replacement Fund Requirement) and the Debt Service Reserve Account (only to the extent such income and the other amounts in the Debt Service Reserve Account exceeds the Debt Service Reserve Account Requirement), shall be deposited upon receipt thereof in the Revenue Fund.

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

Debt Service Reserve Account

Pursuant to the Bond Resolution, the Issuer has created and established the Debt Service Reserve Account in the Debt Service Fund. The Debt Service Reserve Account Requirement with respect to the Series 2023 Bonds and the Series 2016 Bond shall be _____ dollars and _____ cents (\$_____).

Rate Covenant

The Issuer shall fix, establish, maintain and collect such rates, fees and charges for the products, services and facilities of the Solid Waste System, and revise the same from time to time, whenever necessary, so as always to provide in each Fiscal Year:

(A) Net Revenues, together with the Impact Fees, equal to at least 120% of the Annual Debt Service becoming due in such Fiscal Year; provided

(B) such Net Revenues shall be adequate at all times to pay in each Fiscal Year at least (1) 110% of the Annual Debt Service becoming due in such Fiscal Year, (2) 100% of any amounts required by the terms hereof to be deposited in the Renewal and Replacement Fund or the Debt Service Reserve Account or with any issuer of a Debt Service Reserve Account Letter of Credit or Debt Service Reserve Account Insurance Policy in such Fiscal Year to pay Policy Costs in such Fiscal Year, and (3) 100% of any amounts required by the terms of the Bond Resolution to be repaid to the Impact Fees Fund in such Fiscal Year.

Such rates, fees or other charges shall not be so reduced so as to be insufficient to provide adequate Net Revenues and Impact Fees for the purposes provided therefor by the Bond Resolution and to satisfy the rate covenant set forth in this section.

If, in any Fiscal Year, the Issuer shall fail to comply with the requirements contained in this section, it shall promptly cause the Rate Consultant to review its rates, fees, charges, income, Gross Revenues, Operating Expenses, Impact Fees and methods of operation and to make written recommendations as to the methods by which the Issuer may seek to comply with the requirements set forth in this section. The Issuer shall forthwith commence to implement such recommendations to the extent required so as to cause it to thereafter comply with said requirements. So long as the Issuer implements such recommendations in a timely manner so that the Issuer shall be in compliance with this section as of the end of the immediately succeeding Fiscal Year, the Issuer's failure to comply with this section shall not be considered an Event of Default under the Bond Resolution.

Issuance of Additional Bonds

The Bond Resolution provides that no Additional Bonds, payable on parity with the Bonds then Outstanding issued pursuant to the Bond Resolution, shall be issued except upon the conditions and in the manner in the Bond Resolution provided. The Issuer may issue one or more Series of Additional Bonds for any one or more of the following purposes: (i) financing or refinancing the Cost of a Project, or the completion thereof, or (ii) refunding any or all Outstanding Bonds, any Subordinated Indebtedness of the Issuer, or any other indebtedness of the Issuer that it may lawfully refund with proceeds of Bonds.

No such Additional Bonds shall be issued unless the following conditions are complied with:

(A) The Issuer shall certify that it is current in all deposits into the various funds and accounts established hereby and all payments theretofore required to have been deposited or made by it under the provisions of the Bond Resolution, including all due and payable Policy Costs, have been deposited or made, and the Issuer is in compliance with the covenants and agreements of the Bond Resolution.

(B) The County Manager, an independent certified public accountant or the Rate Consultant shall certify that the amount of the Net Revenues (excluding Investment Earnings with respect to the Construction Fund), and Impact Fees received by the Issuer during the immediately preceding Fiscal Year or any 12

consecutive months selected by the Issuer of the 24 months immediately preceding the issuance of said Additional Bonds, adjusted as provided in the Bond Resolution, were equal to at least 120% of the Maximum Annual Debt Service of the Outstanding Bonds and the Additional Bonds then proposed to be issued, provided the amount of the Net Revenues, adjusted as provided in the Bond Resolution, received by the Issuer during such 12-month period, will be equal to at least (1) 110% of the Maximum Annual Debt Service of the Outstanding Bonds and the Additional Bonds then proposed to be issued, (2) 100% of any amounts required by the terms hereof to be deposited in the Renewal and Replacement Fund or the Debt Service Reserve Account or with any issuer of a Debt Service Reserve Account Letter of Credit or Debt Service Reserve Account Insurance Policy to pay any Policy Costs in the current Fiscal Year, and (3) 100% of any amounts required by the terms of the Bond Resolution under "Impact Fee Funds" to be repaid to the Impact Fees Fund in the current Fiscal Year.

(C) For the purpose of determining the Debt Service, the interest rate on Additional Bonds that are proposed to be issued as Variable Rate Bonds and are not Taxable Bonds shall be deemed to be the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds. For the purpose of determining the Debt Service under this section, the interest rate on Additional Bonds that are proposed to be issued as Variable Rate Bonds and are Taxable Bonds shall be deemed to be the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds plus 100 basis points.

(D) For the purpose of determining the Debt Service, the interest rate on Outstanding Variable Rate Bonds shall be deemed to be (1) if such Variable Rate Bonds have been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the highest of (a) the actual rate of interest borne by such Variable Rate Bonds on the date of sale, and (b) the average interest rate borne by such Variable Rate Bonds during the 12-month period preceding the date of sale, or (2) if such Variable Rate Bonds have not been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the higher of (a) the actual rate of interest borne by the Variable Rate Bonds on the date of sale, and (b) the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(E) For the purpose of this section, the phrases "12 consecutive months" or the "12-month period" shall mean the "immediately preceding Fiscal Year or any 12 consecutive months selected by the Issuer of the 24 months immediately preceding the issuance of said Additional Bonds."

(F) The Net Revenues and Impact Fees calculated pursuant to the foregoing paragraph (B) above under the section entitled "Issuance of Additional Bonds" may be adjusted upon the written advice of the Rate Consultant, at the option of the Issuer, as follows:

(1) If the Issuer, prior to the issuance of the proposed Additional Bonds, shall have increased the rates, fees or other charges for the products, services or facilities of the Solid Waste System, the Net Revenues and the Impact Fees for the 12 consecutive months shall be adjusted to show the Net Revenues and the Impact Fees which would have been derived from the Solid Waste System in such 12 consecutive months as if such increased rates, fees or other charges for the products, services or facilities of the Solid Waste System had been in effect during all of such 12 consecutive months.

(2) If the Issuer shall have acquired or has contracted to acquire any privately or publicly owned existing solid waste disposal facilities or resource recovery system that will become part of the Solid Waste System, the cost of which shall be paid from all or part of the proceeds of the issuance of the proposed Additional Bonds, then the Net Revenues derived from the Solid Waste System during the 12 consecutive months shall be increased by adding to the Net Revenues for said 12 consecutive months the Net Revenues which would have been derived from said existing solid waste disposal facilities or resource recovery system as if such existing solid waste disposal facilities or resource recovery system

had been a part of the Solid Waste System during such 12 consecutive months. For the purposes of this paragraph, the Net Revenues derived from said existing solid waste disposal facilities or resource recovery system during such 12 consecutive months shall be adjusted to determine such Net Revenues by deducting the cost of operation and maintenance of said existing solid waste disposal facilities or resource recovery system from the gross revenues of said facilities or system. Such Net Revenues shall take into account any increase in rates imposed on customers of such solid waste disposal facilities or resource recovery system on or prior to the acquisition thereof by the Issuer.

(3) If the Issuer, in connection with the issuance of Additional Bonds, shall enter into a contract (with a duration not less than the final maturity of such Additional Bonds) with any public or private entity whereby the Issuer agrees to furnish services in connection with any solid waste disposal facilities or resource recovery system, then the Net Revenues of the Solid Waste System during the 12 consecutive months immediately preceding the issuance of said Additional Bonds shall be increased by the least amount which said public or private entity shall guarantee to pay in any one year for the furnishing of said services by the Issuer, after deducting therefrom the proportion of operating expenses and repair, renewal and replacement cost attributable in such year to such services.

(4) In the event the Issuer shall be constructing or acquiring additions, extensions or improvements to the Solid Waste System from the proceeds of such Additional Bonds and shall have established fees, rates or charges to be charged and collected from users of such facilities when service is rendered, such Net Revenues and Impact Fees may be adjusted by adding thereto 100% of the Net Revenues and Impact Fees estimated by the Rate Consultant to be derived during the first 12 months of operation after completion of the construction or acquisition of said additions, extensions and improvements from the customers of the facilities to be financed by Additional Bonds together with other funds on hand or lawfully obtained for such purpose; provided such customers must represent existing occupied structures that will be added to the Solid Waste System upon completion of the proposed additions, extensions or improvements.

(5) If the Issuer shall add new customers subsequent to the commencement of the 12 consecutive month period, the Rate Consultant may adjust the Net Revenues and Impact Fees to reflect the Net Revenues and Impact Fees that would have been received by the Issuer if such customers had been in place for the entire 12 consecutive months.

(6) The Net Revenues and Impact Fees shall be adjusted for any period the Solid Waste System or any portion thereof was not owned by the Issuer to reflect government ownership of the Solid Waste System or such portion.

(G) Additional Bonds shall be deemed to have been issued pursuant to the Bond Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of the Bond Resolution (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 the Bond Resolution. Except as provided in the Bond Resolution, 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.

(H) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of paragraph (B) above under the section entitled "Issuance of Additional Bonds" shall not apply, provided that the issuance of such Additional Bonds shall result in a reduction of the

aggregate debt service. The conditions of paragraph (B) above under the section entitled "Issuance of Additional Bonds" 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.

SOLID WASTE SYSTEM

General

Prior to the creation of the present Solid Waste System, the Issuer and its municipalities had operated several solid waste landfills throughout Brevard County, many of them uncontrolled. Recognizing the inadequacy of continuing this method of solid waste disposal, the Florida Legislature created, Chapter 67-1146, Laws of Florida, 1967, as amended by Chapter 70-594, Laws of Florida 1970 (the "Special Acts"), which authorized the Issuer to construct, operate, and maintain a solid waste disposal system for the use and benefit of the inhabitants of incorporated and unincorporated Brevard County. The Special Act granted the Issuer the power to prescribe, fix, establish, and collect fees, rentals, or other charges for the benefit of the Solid Waste System and to pledge such revenues as security for the payment of bonds issued to finance the cost of construction, acquisition, and improvement of the Solid Waste System.

An ordinance adopted by the Issuer in the early 1970s created the Brevard County Solid Waste Disposal Municipal Service Benefit Unit under the authority of Section 125.01, Florida Statute for all property within the unincorporated Brevard County, and further mandated all municipal solid waste ("MSW") generated and accumulated within the benefit unit be collected and disposed of at the solid waste management facilities owned and operated by the Issuer. In August 1992, the Board of County Commissioners passed Ordinance No. 92-28 relating to MSW management practices in Brevard County. This ordinance amended Chapter 12, Code of Brevard County, Florida, in its entirety to incorporate, among other things, a uniform method of collecting solid waste assessments in Brevard County as provided in Section 197.3632, Florida Statutes, "Uniform Method for the Levy, Collection, and Enforcement of Non-ad Valorem Assessments."

From the time when the Solid Waste System was initially placed into service in the early 70s, through the end of Fiscal Year 2022, approximately 45 million tons of solid waste collected in Brevard County has been transported, processed and disposed of by the Solid Waste System.

Currently, the Solid Waste System, which is an enterprise fund operation of the Issuer, is composed of two (2) separate but inter-related solid waste management operations, including:

- **COLLECTION OPERATIONS:** Collection of municipal solid waste, yard trash, land clearing and curbside recycled material using exclusive franchised collectors serving only the unincorporated portions of Brevard County, over which the Board of County Commissioners has responsibility. Participation in the Issuer's franchise collection operations by the cities and municipalities within Brevard County is not mandatory.
- **DISPOSAL OPERATIONS:** Solid waste processing, recycling, transport and disposal operations serving both the incorporated and unincorporated portions of Brevard County. Participation by all Brevard County customers in the disposal portion of the Solid Waste System is mandatory.

Solid Waste Department

The Solid Waste System is an enterprise-fund operation of the Issuer and is administered by the Solid Waste Management Department (“SWMD”). The SWMD is divided into two programs. The Operations program is responsible for all landfilling operations, vehicle operations and transfer stations operations. The Support Services program includes an engineering and maintenance section, an environmental services section, and a finance section. The SWMD includes a total of 151 employees.

Thomas Mulligan, P.E. is the Director of the Solid Waste Management Department. Mr. Mulligan is a graduate of the Florida Institute of Technology and has a bachelor’s degree in Environmental Engineering. He is a State of Florida Licensed Professional Engineer, license number 065660. Mr. Mulligan has an extensive environmental engineering background, having almost 30 years of experience in both private and public practice in solid waste management, hazardous waste management, air pollution, and assessment and remediation of soil and groundwater contamination. Mr. Mulligan has been a member of the Solid Waste Management Department for 12 years, with eight years as the department’s Engineer, two years as the Assistant Director, and two years as the Director.

Service Area

The geographic area served by the Solid Waste System is the entirety of Brevard County. For planning and operations purposes, Brevard County is divided into three (3) service areas identified as North, Central and South service areas. These service areas are grouped and classified into wastesheds according to the type of waste and the location in which the solid waste is managed for final disposal. Currently, the Issuer has one (1) Class I wasteshed which includes the combined north, central, and south service areas, and two (2) Class III wastesheds which separate Class III waste generated in the south county service area from the Class III waste generated in the combined central and north county service areas. The general boundaries of these service areas, wastesheds and the locations of the Solid Waste System facilities are presented below:

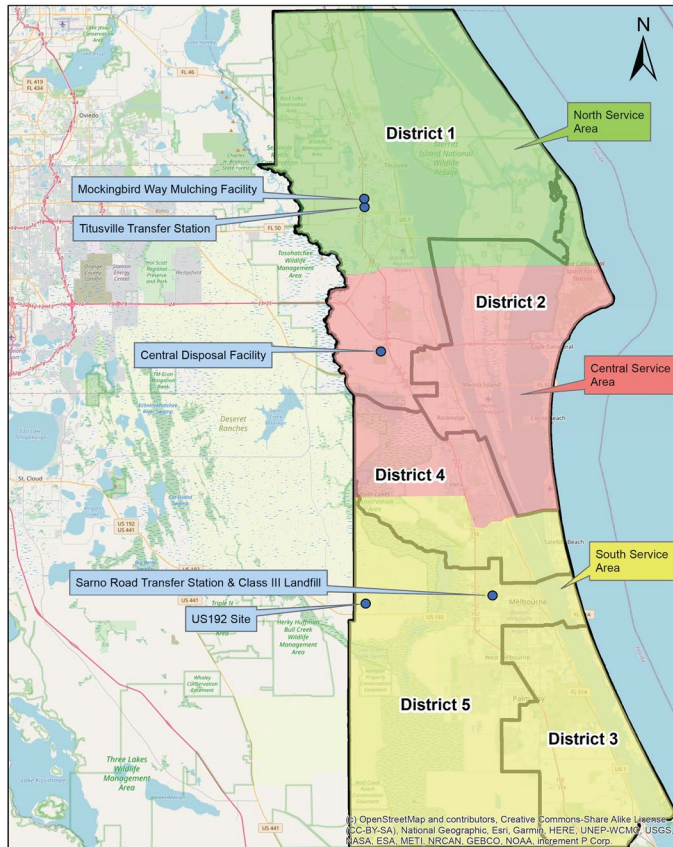


FIGURE 1 - Brevard County Solid Waste Management Facilities & Service Area Boundaries

Collection and Transfer

Currently, the Issuer owns and operates five (5) solid waste receiving and processing facilities. These are the (i) Titusville Transfer Station, (ii) Mockingbird Way Mulching Facility, (iii) Sarno Transfer Station, (iv) Sarno Road Landfill (“SRL”) and (v) Central Disposal Facility (“CDF”). A sixth facility designated as the US-192 Site (located on US Highway 192) is scheduled to be developed as the new South Disposal Facility (“SDF”) and will be receiving Class III solid waste generated in the south county service area beginning in 2027.

Solid Waste Collection

Franchised collectors who have contracts either with the Issuer or directly with the municipalities collect solid waste generated within the incorporated and unincorporated areas of Brevard County on a regularly scheduled basis. The Issuer has no control on collection of solid waste within the incorporated areas of Brevard County. The Cities of Rockledge and Titusville utilize municipal crews for collection of refuse within the boundaries of their municipalities. Other municipalities contract directly with private waste collection companies to collect residential and commercial solid waste within the municipality and deliver it to the Issuer’s Solid Waste System for processing and disposal.

An annual solid waste collection assessment is levied and collected by the Issuer using the uniform method for collection of non-ad-valorem assessments in the unincorporated areas of Brevard County on all residential properties. **The revenues derived from the levying and collecting of the solid waste collection**

assessments are not part of the Net Revenues pledged to secure the Series 2023 Bonds. Cities and municipalities separately and independent of the Issuer charge their residents in their respective incorporated areas for solid waste collection service and delivery of the waste to the Issuer's Solid Waste System for processing and disposal.

Solid Waste Transfer

The Issuer's solid waste transfer system reduces the cost of transportation to all citizens of Brevard County and facilitates the curbside collection of solid waste, yard trash and recyclables. Currently all solid waste delivered to the Sarno Road and Titusville transfer stations are transferred to the CDF by the Issuer's transfer trailers for processing and final disposal. Based on the latest topographic survey, the remaining disposal capacity at the Sarno Road Landfill is minimal and may be reserved for future use in the aftermath of a windstorm. The Class III solid waste generated in the south county service area is planned to be transported to the CDF starting this year until a new US-192 Facility is developed in the south county area beginning in 2027.

Titusville Transfer Station. The Titusville Transfer Station has been operating at capacity since the mid-70s. The Titusville Transfer Station contains older ram compactor technology that is more labor intensive than top loading technology and more costly to maintain. The Issuer plans to replace the transfer station with a new modern transfer station facility to provide the same level of service to the citizens of the north county service area.

Sarno Road Transfer Station. The Sarno Road Transfer Station with a design capacity of 2,400 tons per day started operating in October 2004. The Sarno Road Transfer Station is attractively designed and operationally efficient. The Transfer Station is in good shape with sufficient capacity to handle the Class I waste expected to be generated in the south county service area during the next 25-year planning period. The Issuer operates a drive-through Household Hazardous Waste Collection Center at the Sarno Road Transfer Station serving the south county service area.

Solid Waste Disposal Facilities

Central Disposal Facility

The Central Disposal Facility is currently the only facility of the Solid Waste System that provides for the Class I solid waste disposal needs of the entirety of Brevard County. The CDF covers approximately 900± acres of land west of the City of Cocoa and north of SR-524. Included in this acreage is a Slurry-Wall Landfill ("SWL"), and a South Parcel Landfill ("SPL"), along with required stormwater management system, leachate collection and storage, operations offices and vehicle maintenance facilities, fuel depot and other infrastructure. The SWL has been in operation since the mid-1970s and is reaching the maximum permitted height.

In 2002, the Issuer obtained approvals from FDEP allowing expansion of landfill areas onto the south parcel areas. Impacted wetlands were mitigated with a combination of on-site conservation easement and off-site mitigation. This allowed planning for future development of a 185-acre lined disposal area with an estimated solid waste disposal capacity of 32.5 million cubic yards ("MCY").

In 2017, the Issuer completed construction of the first Cell (“Cell-1”) in the SPL covering approximately 41-acres. The Cell-1 landfill is anticipated to have sufficient capacity to meet the disposal needs of the Solid Waste System through the end of 2024.

In 2020, the Issuer permitted a second cell (“Cell- 2”) in the SPL contiguous with Cell-1, also covering 41-acres. Cell-2 is currently under construction and is expected to be ready for disposal operations prior to the end of Fiscal Year 2022-2023. The combined capacity of Cells 1 and 2 is approximately 9.5 MCY, providing disposal capacity for the next 4-6 years. In 2021, the Issuer prepared a master development plan for the SPL to maximize the disposal capacity. The plans for future development of the SPL disposal areas (Cells 3 through 5) estimated that the potential solid waste disposal capacity, once permitted and constructed, will meet the disposal needs of the Issuer through the 2048 planning period. Currently, the SWMD is in the process of final design of the base liner system and plans to obtain a 20-year permit for construction and operation of the Cells 1 through 5 disposal areas in the SPL.

The leachate, collected from the SWL and Cell-1 in the SPL, is pumped into a 1 1/2 -million-gallon capacity leachate holding and pre-treatment tank. The collected leachate is transmitted to the Issuer’s Wastewater Treatment Facility for treatment and disposal based on an inter-departmental agreement with the Brevard County Utility Services Department.

Landfill Gas (“LFG”) generated from decomposition of solid waste is collected from the closed side slopes to control odors. It is in compliance with the FDEP Title V Facility Air Emission Permit. The LFG is normally composed of 50% methane by volume and is widely used in generation of power or cleaned and processed to pipeline quality natural gas. In April 2008, the Issuer entered into an agreement with a private developer (the “Developer”) to utilize the current and potential future LFG collected at the CDF for generation of power (the “LFG Agreement”). In 2023, the LFG Agreement was amended to [allow the Issuer to] share a larger portion of the revenues that might be expected from the sale of power or pipeline quality gas. The LFG Agreement also provides for the Developer to partially reimburse the Issuer for the cost of an interim LFG well-field and collection system. Such reimbursement is limited to \$5.0 million over the term of the LFG Agreement.

The Issuer also operates a Central Household Hazardous Waste Collection Center at the CDF where household hazardous waste is dropped off by citizens. The household hazardous waste is packaged by the Issuer in containers for safe transport to a permitted household hazardous waste processing facility outside of Brevard County.

Sarno Road Landfill

The existing Sarno Road Class III Landfill located adjacent to the Sarno Road Transfer Station covers approximately 187-acres. The SRL has been used by the SWMD exclusively for disposal of Class III solid waste delivered to the site from the south county solid waste service area. The Sarno Road Landfill includes a yard waste mulching operation, white goods storage area, concrete, and used tire storage, and other permitted solid waste operations. Due to the Federal Aviation Administration’s height restrictions affecting the Melbourne Airport flight path, vertical expansion beyond the currently permitted elevation of 104 National Geodetic Vertical Datum is infeasible. Air space will be depleted in the fourth quarter of 2023. The central relatively flat area of the SRL covering 40-acres, could be used for other solid waste operations at the SRL, yard waste mulch operations, or be used by FEMA for emergency debris management in the aftermath of inclement weather. However, there is no disposal capacity, and all storm debris has to be removed from the site after processing. Potentially, the closed the SRL site may be developed as a private solar power generation site generating non-operating revenues to the SWMD.

US-192 South Disposal Facility

This 2,980-acre site was purchased by the Issuer in 1992 specifically for the purpose of developing a landfill in the south county service area once the SRL capacity was depleted. The property is located north of US Highway 192, approximately 10 miles west of the City of Melbourne, in an unincorporated area of Brevard County adjacent to the Brevard/Osceola County line. Initial site development planning, environmental and solid waste facility design and permitting of the new landfill facility began in 2005.

In February 2017, after a period of negotiations between the parties, the Issuer entered into a Settlement Agreement with Farmland Reserve, Inc. d/b/a Deseret Ranches of Florida (“Deseret”) and Deer Park Ranch, Ltd. (“Deer Park Ranch”) which stipulated that the Issuer would commit to eliminating the impacts to some of the on-site wetlands and relocate one of the proposed stormwater management ponds associated with the development of future solid waste disposal area. In return, Deseret and Deer Park Ranch each agreed that they would not oppose the issuance of any permit or approval for the Issuer’s Class III solid waste disposal area and related facilities on the site. In addition, only 1,900-acres of the southern portion of the Issuer owned property would be developed for the Class III solid waste operations at this time, and the Issuer will allow Deseret continued use of the remaining northern portion of the property during this period.

The most recent modification to the settlement agreement with Deseret and Deer Park Ranch allows for the permitting of Class I solid waste disposal area after 2036. All interim Class I waste from the south county service area will continue to be sent to the CDF for disposal.

In 2022, the Issuer reported completion of federal and state permitting requirements for development of the new SDF with a Class III disposal area to replace the SRL. The Issuer is completing construction bid plans for the initial site clearing, excavations, roads, drainage, fencing and construction of the infrastructure for the new landfill. The project includes construction of a 28-acre Class III solid waste disposal area with expected construction completion in 2026. The Issuer plans to start operations at the SDF in 2027.

Transfer Trailer Fleet

The Issuer operates a transfer-trailer fleet to haul solid waste from the transfer stations to the CDF. At the present time, the transfer-trailer fleet is composed of sixteen (16) tractors and a total of thirty-six (36) trailers. The average allowable net weight per load is approximately 20 tons and requires a round trip haul distance of 65 miles round-trip (approximately 2-hours) from the Sarno Road Transfer Station to the CDF, and haul distance of 50 miles round-trip (approximately 1 ½ hours) from the Titusville Transfer Station to the CDF.

Solid Waste Recycling Program

Brevard County’s Curbside Recycling Program was initiated in 1989 in response to the State of Florida Solid Waste Management Act of 1988 which mandated a 30% reduction of solid waste disposal through recycling. The Board of County Commissioners implemented a curbside materials recycling program in the unincorporated portion of Brevard County, together with the officials of municipalities in the areas of their respective jurisdictions. Chapter 94, Article III, Code of Brevard County was amended to create the Brevard County Solid Waste Recycling Municipal Service Benefit Unit (“Recycling MSBU”) under the authority of Section 125.01, Florida Statutes, to finance the cost of the Issuer’s recycling program, in part, through non-ad-valorem special annual assessments on improved real properties. **The revenues derived from the levying and collecting of the non-ad valorem special annual assessments for the recycling program are not part of the Net Revenues pledged to secure the Series 2023 Bonds.** In 1997, the Recycling MSBU was combined with the Solid Waste Collection Municipal Service Benefit Unit. Once per week

curbside collection of recyclable materials is done through the Issuer's agreements with the franchised collectors in the unincorporated areas of Brevard County. The current agreements are structured such that the franchised collectors are compensated based on recyclable tonnage. Both the residential and the commercial recycling programs are voluntary.

In addition to the collection of traditional recyclables, the Issuer has an electronics recycling program to remove heavy metals such as lead from the waste stream. Residential homeowners may bring flat screen televisions, computers, monitors, scanners and similar items to the CDF, Mockingbird or Sarno Household Hazardous Waste Collection Centers.

The Issuer has an active educational program to promote public awareness and encourage participation in the Issuer's recycling program that targets groups such as schools, civic groups, businesses, and construction contractors. The FDEP reports indicate the percentage of total waste generated in Brevard County that was recycled for use by public and private facilities in Brevard County are as follows:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
53.3%	56.5%	59.6%	52.0%

Yard Waste Management

Once per week, the Issuer's franchised waste haulers collect residential yard waste from curbsides and deliver it to the Issuer's yard waste management facilities. Commercial landscaping and land clearing yard wastes are delivered by the yard waste generators (at their cost) to the Issuer's facilities.

Currently there are three separate yard waste management facilities located at the Central Disposal Facility, Mockingbird Way Mulching Facility, and Sarno Road Landfill. The Issuer historically uses outside contractors to grind and mulch the combined yard wastes. Some of the mulch is stored on site for use to amend the cover soil in compliance with the FDEP operations permit. The surplus mulch produced is reportedly transported by a private contractor to an outside facility.

Mulching Operations

Mockingbird Yard Waste Mulching Facility

In order to maximize the efficient operation of the Titusville Transfer Station and eliminate the costly transfer of yard waste debris from the north county service area to CDF, the Issuer developed a yard waste management facility in Titusville in 1997. The Issuer currently operates the Mockingbird Yard Waste Mulching Facility located north of the Titusville Transfer Station on S.R. 405. The Mockingbird Way Mulching Facility covers approximately 52-acres and includes a yard waste mulching operation, a white-goods storage area, a Household Hazardous Waste Collection Center, and a recycled materials collection area.

CDF Yard Waste Mulching Operation

Yard waste delivered to the CDF is directed to a 15-acre yard waste mulching area. An outside contractor under a service contract with the Issuer mulches the collected yard waste for use to amend cover soils and placed on the working face of the landfill as the required daily or intermediate cover. Currently, the CDF Yard Waste Mulching Operation processes approximately 8,000 tons of yard waste on an average monthly basis. The surplus mulch produced at the CDF is transported off-site by a private contractor.

SRL Yard Waste Mulching Operation

Yard waste delivered to the SRL is directed to a designated area on top of the existing disposal area for mulching. An outside contractor mulches the collected yard waste for use as cover material at the landfill, or for pick-up by municipalities for landscaping purposes. Currently, the Sarno Road Yard Waste Mulching Operation processes approximately 10,000 tons of yard waste on an average monthly basis.

CDF Landfill Gas-to-Energy Facility

LFG generated at the CDF site is routed to an on-site Landfill Gas-to-Energy (“LFGTE”) facility. The plant consists of four CAT G3520C generators that use the methane content of the landfill gas as fuel to generate electricity and can supply up to 8 megawatts to the grid. The plant is owned and operated by Brevard Energy, Inc. (“BEI”), which leases the property from the Issuer pursuant to an agreement (the “LFGTE Agreement”).

The Issuer receives monthly payments from BEI for property lease, as well as an agreed sum based on the energy content of the LFG. In 2023, the Issuer amended and extended the LFGTE Agreement for the next 25 years based on BEI’s plans for a major expansion of the LFGTE facility with construction of another processing train to process the collected LFG into a commercial grade LNG and transmit to a nearby cross-Florida gas transmission pipeline. The new agreement is expected to increase the Issuer’s non-operating revenues for the annual lease payment and the Issuer’s share of the power and gas sales. It is estimated the payment to the Issuer will increase to approximately \$250,000 in 2023, and further increase to approximately \$750,000 per year in 2028 when the new LFGTE plant is expected to be completed.

Regulatory

The Issuer maintains its regulatory agency permits in active status by pro-actively renewing current permits and through planning and timely permitting of new or improved facilities. See “APPENDIX F – ENGINEERING REPORT” for a schedule of existing status of the Issuer’s Solid Waste System operational, construction, and environmental resource permits.

Rates and Charges

In September 2022, the Issuer adopted new solid waste assessment, rates and charges for residential, commercial and government customers. Resolution No. 21-93 (Gate Charges Resolution), Resolution No. 21-94 (Impact Fees Resolution) and Resolution No. 22-077 (Assessments Resolution) present the current approved gate charges, impact fees and assessments, and the basis for the annual escalation in these rate Schedules adopted for Fiscal Year 2023 through the planning period.

Disposal Assessment.

The annual solid waste disposal assessment is the major funding source for the Solid Waste System. It is levied annually on improved property in Brevard County which generates or is capable of generating solid waste. The billing system is divided into three major categories: residential, commercial, and governmental. Categories are billed utilizing the use and size of property with modification given to properties because of their rate of generation and occupancy. Annual special disposal assessments are levied, collected, and enforced in the same manner as ad-valorem taxes. The current rate schedule, effective October 1, 2022, established annual assessments for solid waste disposal for Fiscal Year 2023 through Fiscal Year 2025, and an escalation schedule for future years to help fund the Solid Waste System’s expansion, improvements, and

operations for the planning period tied to the annual change in Consumer Price Index for Garbage and Trash (the “CPI-G&T”).

Gate Billing.

Disposal of solid waste which is not included in the annual disposal assessment such as land clearing debris, construction/demolition (“C&D”) material, sludge, etc. is provided for with a separate charge established by the Board. This charge is levied on a per ton basis to those parties delivering such waste to the solid waste facilities. Gate charges per ton for future years incorporate an escalation factor tied to the annual change in the CPI-G&T.

Special Solid Waste Charges.

Charges for special waste include those wastes which are not normally included under the definition of municipal solid waste such as land clearing, or yard waste mixed with other solid waste. All require pre-disposal approval by the Solid Waste Director or designee, except disposal of land clearing or yard waste mixed with other solid waste, with the exception of tires, which shall not be mixed. These include such solid waste as burn residue from solid rocket boosters; chemical containers which have been rendered legally empty, industrial sludge, dried paints and coatings, fly ash, ash from other incineration processes, any land clearing, C&D, or yard waste mixed with other solid waste, any non-hazardous chemical compounds or other materials, which in the opinion of the Issuer operations require review and/or chemical analyses to determine acceptability. The Issuer does not accept waste generated outside Brevard County. Disposal charges for any special waste delivered to the Solid Waste System in future years are similarly escalated by the annual change in the CPI-G&T.

Non-Operating Revenue.

Non-operating revenue is generated primarily from impact fees, material sales, interest income, grants, and other miscellaneous sources.

The Issuer enacted Ordinance No. 88-28, imposing impact fees on all newly developed property within the incorporated and unincorporated areas of Brevard County. It is a one-time fee and is divided into two major categories: residential and commercial (including governmental). Categories are billed utilizing the use and size of property with modification given to property because of the rate of generation and occupancy. Pursuant to Resolution No. 21-94 adopted on August 3, 2021, the current impact fee schedule, effective October 1, 2021, established impact fees for solid waste disposal for various types of properties.

Historical and Projected Revenues and Expenditures

The Solid Waste System’s historical and projected revenues, expenses, capital improvements, debt service, and other transfers for Fiscal Year 2020–2022, budget for Fiscal Year 2023, and forecast from Fiscal Year 2024 through Fiscal Year 2028 are shown in Table 11 of the Engineering Report attached hereto as Appendix F. The table shows the primary sources of funds to be operating revenues from assessments and gate charges. The primary uses of funds include operating expenses, transfers to rolling stock and transfers to the landfill closure escrow accounts. Debt service payments increase significantly in Fiscal Year 2024, and again in Fiscal Year 2026–Fiscal Year 2028, as debt service payments begin on the Series 2023, 2025, 2026, and 2027 revenue bonds.

The following table shows the total revenues and total expenditures for the period covering 2020 through 2028.

Total Revenues and Expenditures Table

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Fund Balance									
Net Balance Forward Available	\$35,714,188	\$34,722,575	\$37,290,019	\$22,748,588	\$19,373,057	\$14,447,704	\$5,530,830	\$5,928,375	\$5,717,058
Total Revenues After Statutory Reduction	\$30,202,849	\$30,069,652	\$31,013,392	\$32,837,337	\$37,933,792	\$39,208,839	\$40,625,751	\$42,572,806	\$44,755,287
Total Expenditures	\$31,194,461	\$27,502,208	\$45,554,823	\$58,592,068	\$69,683,475	\$96,387,359	\$72,928,206	\$55,344,623	\$56,190,477
Financing									
Bond/Loan Proceeds ⁽¹⁾	\$0	\$0	\$0	\$49,203,530	\$0	\$48,261,646	\$42,820,169	\$14,215,816	\$0
Ending Fund Balance	\$34,722,575	\$37,290,025	\$22,748,588	\$46,197,387	\$14,447,704	\$5,530,830	\$16,048,544	\$17,492,543	\$6,057,354

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Revenues. The most recent operating revenues, the projected customer base, and the approved rates and charges were used to project the Solid Waste System’s operating revenues for the 30-year planning period. Forecast revenues from disposal assessments increase from \$26.3 million in Fiscal Year 2023 to \$36.5 million in Fiscal Year 2028. Gate charge revenues are forecast to increase from \$6.6 million in Fiscal Year 2023 to \$7.8 million in Fiscal Year 2028. Other non-operating revenues were based on the recent historical data and are projected by the Issuer to remain relatively constant, with minor fluctuations, over the forecast period. Budgeted and projected total Solid Waste System revenues are reduced by 5%, per statutory requirements.

The table below shows the recent historical operating revenues and projections through Fiscal Year 2028:

SOLID WASTE DISPOSAL REVENUE PROJECTIONS (FY 2020-FY 2028)
SOLID WASTE MANAGEMENT DEPARTMENT
BREVARD COUNTY, FLORIDA

	Actual			Budget	Projected				
	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	FY-2025	FY-2026	FY-2027	FY-2028
FUND BALANCE									
BALANCE FORWARD	\$35,714,188	\$34,722,575	\$37,290,019	\$22,748,588	\$19,373,057	\$14,447,704	\$5,530,830	\$5,928,375	\$5,717,058
NET BALANCE FORWARD AVAILABLE	\$35,714,188	\$34,722,575	\$37,290,019	\$22,748,588	\$19,373,057	\$14,447,704	\$5,530,830	\$5,928,375	\$5,717,058
REVENUE FROM DISPOSAL ASSESSMENT									
RESIDENTIAL ASSESSMENT BILLING UNITS	264,047	272,915	275,944	279,007	282,104	285,236	288,402	291,603	294,840
COMMERCIAL ASSESSMENT BILLING UNITS	56,324	56,740	57,699	58,674	59,666	60,674	61,700	62,742	63,803
RESIDENTIAL ANNUAL ASSESSMENT	\$57.00	\$57.00	\$57.00	\$62.13	\$66.48	\$69.80	\$71.90	\$74.05	\$76.28
COMMERCIAL ANNUAL ASSESSMENT	\$164.51	\$164.51	\$164.51	\$179.32	\$191.87	\$201.46	\$207.51	\$213.73	\$220.14
RESIDENTIAL ASSESSMENT REVENUE					\$18,754,045	\$19,910,326	\$20,735,271	\$21,594,395	\$22,489,116
COMMERCIAL ASSESSMENT REVENUE					\$11,447,952	\$12,223,494	\$12,802,973	\$13,409,923	\$14,045,647
RESIDENTIAL & COMMERCIAL ASSESSMENT	\$23,792,489	\$24,170,101	\$24,369,328	\$26,279,180	\$30,201,997	\$32,133,820	\$33,538,243	\$35,004,318	\$36,534,763
SUBTOTAL REVENUE- DISPOSAL ASSESSMENT	\$23,792,489	\$24,170,101	\$24,369,328	\$26,279,180	\$30,201,997	\$32,133,820	\$33,538,243	\$35,004,318	\$36,534,763
REVENUE - OPERATING INCOME									
LANDFILL GAS REVENUE	\$192,041	\$100,232	\$92,615	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$750,000
GATE CHARGES	\$3,985,817	\$3,891,780	\$4,677,939	\$6,588,618	\$6,961,534	\$7,170,380	\$7,385,491	\$7,607,056	\$7,835,268
SUBTOTAL - OPERATING INCOME	\$4,177,858	\$3,992,011	\$4,770,554	\$6,838,618	\$7,211,534	\$7,420,380	\$7,635,491	\$7,857,056	\$8,585,268
REVENUE - NON OPERATING INCOME									
IMPACT FEES	\$894,278	\$1,009,639	\$1,130,769	\$883,317	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000
INTEREST	\$896,498	\$519,838	\$372,256	\$180,503	\$1,247,372	\$453,630	\$337,268	\$693,235	\$729,335
RENTAL OF COUNTY COMPLEXES	\$96,737	\$10,182	\$84,739	\$79,000	\$43,500	\$43,500	\$43,500	\$43,500	\$43,500
MATERIAL SALES	\$182,731	\$325,821	\$277,054	\$265,000	\$262,651	\$282,632	\$271,834	\$270,529	\$271,912
OTHER REVENUE - MISC. & REBATES	\$162,258	\$42,060	\$8,692	\$40,000	\$63,252	\$38,501	\$37,611	\$44,841	\$46,051
SUBTOTAL NON OPERATING INCOME	\$2,232,502	\$1,907,540	\$1,873,509	\$1,447,820	\$2,516,776	\$1,718,263	\$1,590,214	\$1,952,105	\$1,990,798
GROSS REVENUES BEFORE STATUTORY REDUCTION	\$30,202,849	\$30,069,652	\$31,013,392	\$34,565,618	\$39,930,307	\$41,272,462	\$42,763,948	\$44,813,480	\$47,110,829
STATUTORY REDUCTION (5%)	\$0	\$0	\$0	(\$1,728,281)	(\$1,996,515)	(\$2,063,623)	(\$2,138,197)	(\$2,240,674)	(\$2,355,541)
TOTAL REVENUE	\$30,202,849	\$30,069,652	\$31,013,392	\$32,837,337	\$37,933,792	\$39,208,839	\$40,625,751	\$42,572,806	\$44,755,287

Source: Engineering Report, dated ____, 2023.

Expenditures. The most recent operating expenses were used to forecast the operating and maintenance expenses during the [25-year] planning period with adjustments as new facilities come online and old facilities are closed. While operating expenses are in general forecast to increase by approximately 3.0% annually, the opening and closing of facilities causes the total operating expenses for funds 4010 (operations), 4011 (rolling stock), and 4013 (impact fees) to fluctuate from \$24.7 million in Fiscal Year 2023 to

\$27.2 million in Fiscal Year 2028. Inter-fund transfers for Issuer services (compensation for services provided by other Issuer departments to the Solid Waste Division) are forecast to increase from \$773,000 in Fiscal Year 2023 to \$969,000 in Fiscal Year 2028. Payments in lieu of taxes (PILOT) by the Solid Waste Department to the Issuer's general fund have declined annually over the last three years and are forecast to remain at approximately \$528,000 through FY 2028. Intra-fund transfers to rolling stock (equipment R&R Fund) fluctuate from \$6.5 million in Fiscal Year 2023 to a high of \$8.3 million in Fiscal Year 2024, before declining to \$3.0 million in Fiscal Year 2028.

Transfers to landfill closure escrow accounts are required to be updated by FDEP annually. The financial responsibility for closure of the permitted disposal areas is estimated and reported to FDEP annually on September 1st of each year. The closing cost estimates are based on the disposal capacity used during the prior year and the number of years remaining to fill the permitted capacity. The cost estimates are also updated annually based on the local cost of labor and materials. As disposal area side slopes reach permitted elevations, the Issuer is required to partially close the completed slopes to control odors, reduce leachate generation, and collect the LFG in compliance with the permits. Therefore, the escrow fund balances may fluctuate or even be reduced. The records indicate the Issuer's closure escrow accounts balance is expected to decline by \$2.5 million in Fiscal Year 2023, and is forecast to remain relatively constant in Fiscal Year 2024 before increasing to \$2.9 million in Fiscal Year 2025 and then declining by \$8 million in Fiscal Year 2026, \$12.7 million in Fiscal Year 2027 and \$7.9 million in Fiscal Year 2028. This can be attributed to the sequential closure of CDF-SWL and the SRL final closure expenditures during this period.

Capital outlays, excluding rolling stock (equipment R&R) amount to \$166.7 million for Fiscal Year 2023 through Fiscal Year 2028. Approximately \$154.8 million of these planned improvements are expected to be financed from the proceeds of long-term debt.

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The table below shows the historical and projected operating expenditures through 2028.

OPERATION AND MAINTENANCE EXPENSE PROJECTION (FY 2020 - FY 2028)
SOLID WASTE MANAGEMENT DEPARTMENT
BREVARD COUNTY, FLORIDA

	FISCAL YEAR								
	2020	2021	2022	2023	2024	2025	2026	2027	2028
OPERATING EXPENSE									
FUND 4010 (OPERATIONS)									
TITUSVILLE TRANSFER STATION OPERATION	\$464,649	\$398,377	\$434,263	\$513,285	\$528,684	\$544,544	\$560,880	\$577,707	\$595,038
SARNO TRANSFER STATION OPERATION ¹	\$830,161	\$888,985	\$1,530,424	\$2,227,271	\$2,294,089	\$2,362,912	\$2,433,799	\$1,061,494	\$1,093,339
TRANSPORTATION	\$1,063,438	\$1,182,332	\$1,076,673	\$1,468,879	\$1,512,945	\$1,558,334	\$1,605,084	\$1,653,236	\$1,702,833
HAZARDOUS WASTE	\$444,704	\$371,437	\$371,280	\$613,336	\$631,736	\$650,688	\$670,209	\$690,315	\$711,025
SARNO HAZARDOUS WASTE	\$164,615	\$206,046	\$200,624	\$295,006	\$303,856	\$312,972	\$322,361	\$332,032	\$341,993
CDF YARD WASTE MULCHING FACILITY	\$741,115	\$532,697	\$690,315	\$904,722	\$931,864	\$959,820	\$988,614	\$1,018,273	\$1,048,821
SRL YARD WASTE MULCHING FACILITY	\$2,101,339	\$1,907,620	\$1,971,409	\$1,632,847	\$1,681,832	\$1,732,287	\$1,784,256	\$1,837,784	\$1,892,917
MOCKING BIRD MULCHING FACILITY OPERATION	\$946,145	\$1,343,650	\$1,111,891	\$1,045,136	\$1,076,490	\$1,108,785	\$1,142,048	\$1,176,310	\$1,211,599
ENVIRONMENTAL COMPLIANCE	\$666,004	\$648,179	\$463,850	\$833,086	\$858,079	\$883,821	\$910,336	\$937,646	\$965,775
ADMINISTRATION	\$2,043,018	\$2,192,017	\$1,881,378	\$2,430,781	\$2,503,704	\$2,578,816	\$2,656,180	\$2,735,865	\$2,817,941
HUMAN RESOURCES	\$135,729	\$135,143	\$245,681	\$230,449	\$237,362	\$244,483	\$251,818	\$259,372	\$267,154
CDF OPERATION	\$3,795,236	\$3,154,410	\$3,070,626	\$5,730,207	\$5,902,113	\$6,079,177	\$6,261,552	\$5,529,398	\$5,695,280
FACILITY MAINTENANCE	\$668,663	\$643,797	\$698,719	\$976,549	\$1,005,845	\$1,036,021	\$1,067,101	\$1,099,115	\$1,132,088
SRL CLASS III LANDFILL OPERATIONS ²	\$839,747	\$819,338	\$735,984	\$236,974	\$244,083	\$251,406	\$258,948	\$266,716	\$274,718
US-192 SITE LANDFILL OPERATIONS	\$125	\$325	\$125	\$10,225	\$10,532	\$10,848	\$11,173	\$931,508	\$959,454
OPERATIONS ADMINISTRATION	\$334,441	\$390,961	\$318,956	\$427,166	\$439,981	\$453,180	\$466,776	\$480,779	\$496,064
VEHICLE MAINTENANCE	\$798,933	\$917,703	\$969,139	\$1,136,122	\$1,170,206	\$1,205,312	\$1,241,471	\$1,278,715	\$1,317,077
S. W. CUSTOMER SERVICE	\$385,914	\$369,825	\$484,899	\$624,980	\$643,729	\$663,041	\$682,933	\$703,420	\$724,523
RECYCLING	\$209,894	\$172,979	\$203,480	\$240,981	\$248,210	\$255,657	\$263,326	\$271,226	\$279,363
FUEL AND VEHICLE PARTS FOR FLEET	\$2,316,500	\$2,525,310	\$3,337,679	\$3,119,903	\$3,213,500	\$3,309,905	\$3,409,202	\$3,511,478	\$3,616,823
SUBTOTAL OPERATING EXPENSE - FUND 4010	\$18,950,371	\$18,801,133	\$19,797,394	\$24,697,905	\$25,438,842	\$26,202,007	\$26,988,068	\$26,352,391	\$27,143,824
FUND 4011 RENWAL & REPLACEMENT OPERATING EXPENSE	\$1,300,463	\$293,844	\$377,668	\$10,803	\$0	\$0	\$0	\$0	\$0
FUND 4013 IMPACT FEE OPERATING EXPENSE	\$17,946	\$23,336	\$26,475	\$25,500	\$26,265	\$27,053	\$27,865	\$28,700	\$29,561
TOTAL OPERATING EXPENSE (FUNDS 4010, 4011 & 4013)	\$20,268,779	\$19,118,312	\$20,201,537	\$24,734,208	\$25,465,107	\$26,229,060	\$27,015,932	\$26,381,091	\$27,173,386
INTER FUND TRANSFERS FOR COUNTY SERVICES	\$729,283	\$773,168	\$741,540	\$773,671	\$839,574	\$869,861	\$901,490	\$934,532	\$969,059
TOTAL OPERATING EXPENSE INCLUDING INTERFUND TRANSFERS³	\$20,998,062	\$19,891,480	\$20,943,077	\$25,507,879	\$26,304,681	\$27,098,921	\$27,917,422	\$27,315,623	\$28,142,445
CAPITAL EXPENDITURES AND DEBT SERVICE									
PAYMENTS IN LIEU OF TAXES	\$562,010	\$551,183	\$544,801	\$527,666	\$527,666	\$527,666	\$527,666	\$527,666	\$527,666
CASH RESERVE FUNDED CAPITAL OUTLAYS	\$699,226	\$1,665,653	\$18,130,060	\$0	\$2,378,920	\$9,547,354	\$0	\$0	\$1,230,015
TRANSFER TO CLOSURE ESCROW	\$4,312,304	\$2,985,523	\$2,720,685	\$2,849,210	\$1,953,067	\$1,953,067	\$1,953,067	\$2,963,484	\$2,963,484
ROLLING STOCK	\$3,763,411	\$1,545,306	\$2,349,307	\$6,463,090	\$8,340,020	\$5,641,507	\$4,019,428	\$3,995,284	\$2,901,736
DEBT SERVICE	\$859,449	\$863,062	\$866,893	\$865,023	\$3,354,791	\$3,357,198	\$5,810,623	\$7,982,066	\$8,649,647
SUBTOTAL CAPITAL EXPENDITURES AND DEBT SERVICE	\$10,196,399	\$7,610,727	\$24,611,746	\$10,704,989	\$16,554,464	\$21,026,792	\$12,310,783	\$15,468,500	\$16,272,547
TOTAL EXPENDITURES (OPERATING, DEBT SERVICE & CAPITAL OUTLAYS)⁴	\$31,194,461	\$27,502,208	\$45,554,823	\$36,212,868	\$42,859,145	\$48,125,713	\$40,228,206	\$42,784,123	\$44,414,992

Source: Engineering Report, date ____, 2023.

Notes: ⁽¹⁾Budget for Sarno transfer station operating cost increases in FY 2023 due to SRL closure and transfer of C-III to CDF.

Assumed this operation stops after FY 2026 when US 192 is open.

⁽²⁾Sarno landfill closes in FY 2023, waste volume and operating cost shifted to CDF landfill through FY 2026. Waste volume and costs shifted to US 192 landfill starting in 2027.

⁽³⁾Total operating expense includes operating expenses, inter-fund transfers for County services, and Intra-fund transfers to escrow. This figure is used for debt service coverage calculation.

⁽⁴⁾Total expenditures is total cash outlays for each year.

The Solid Waste System’s historical and projected revenues, expenses, capital improvements, debt service, and other transfers for Fiscal Year 2020–Fiscal Year 2022, budget for Fiscal Year 2023, and forecast from Fiscal Year 2024 through Fiscal Year 2028 are shown in Table 11. The table shows the primary sources of funds to be operating revenues from assessments and gate charges. The primary uses of funds include operating expenses, transfers to rolling stock and transfers to the landfill closure escrow accounts. Debt service payments increase significantly in Fiscal Year 2024, and again in Fiscal Year 2026–Fiscal Year 2028, as debt service payments begin on the Series 2023, 2025, 2026, and 2027 revenue bonds.

Capital Improvement Program

The Issuer has adopted a Capital Improvement Program (“CIP”) to replace depleted disposal capacity, aging facilities, and expanding the Solid Waste System to meet the solid waste disposal needs of a growing population. The CIP is divided into two parts: (i) a short-term CIP covering the period of 2023-2028 (“Short-term CIP”) to meet the short-term needs of the Solid Waste System, and (ii) a long-term CIP covering the period of 2029-2048 (“Long-term CIP”) developed to forecast the capital improvement and expansion needs of the Solid Waste System in order for the Issuer to continue providing and maintaining the same level of service.

Short-term Capital Improvement Program

The Short-term CIP provides for necessary expansion of landfill disposal areas, solid waste and land clearing debris processing facilities, transfer station construction and ongoing transfer station related improvements, as well as, periodic renewal and replacement of transfer tractors, transfer trailers and landfill heavy equipment.

Landfill base construction and closure costs have risen significantly in the past two years due to pandemic-related materials and labor shortages.

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The Short-term CIP is summarized as follows:

SHORT-TERM CAPITAL IMPROVEMENTS PROGRAM SUMMARY (FY 2023-2028)
SOLID WASTE MANAGEMENT DEPARTMENT
BREVARD COUNTY, FLORIDA

Proj. No.	PROJECT DESCRIPTION	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total FY 2023-2028
1	U.S. 192 South Disposal Facility New Landfill Infrastructure Development- Stormwater, Roads, Employee	\$2,900,050	\$22,140,000	\$32,960,000	\$0	\$0	\$0	\$58,000,050
2	Cell 1 Disposal Area & Ancillary Facilities Construction	\$323,400	\$800,000	\$8,240,000	\$12,560,000	\$0	\$0	\$21,923,400
	Subtotal U.S. 192 South Disposal Facility	\$3,223,450	\$22,940,000	\$41,200,000	\$12,560,000	\$0	\$0	\$79,923,450
3	Titusville Transfer Station Facility Transfer Station Expansion and Site Improvement	\$255,750	\$5,763,250	\$8,790,000	\$2,090,000	\$0	\$0	\$16,899,000
	Subtotal-Titusville Transfer Station Facility	\$255,750	\$5,763,250	\$8,790,000	\$2,090,000	\$0	\$0	\$16,899,000
4	CDF- SPL Disposal Area Expansion SPL- Cell 2 Construction	\$17,250,000	\$0	\$0	\$0	\$0	\$0	\$17,250,000
5	SPL-Cell 3-5 Design, Permitting & Bid Plans	\$750,000	\$500,000	\$370,000	\$250,000	\$80,000	\$0	\$1,950,000
6	SPL- Cell 3 Base Construction (53 Acres)	\$0	\$0	\$7,449,000	\$17,275,000	\$12,480,500	\$12,480,500	\$49,685,000
7	SPL- Active LFG Collection System & Compliance	\$900,000	\$0	\$0	\$0	\$0	\$0	\$900,000
	Subtotal- CDF-SPL Disposal Area Expansion Projects	\$18,900,000	\$500,000	\$7,819,000	\$17,525,000	\$12,560,500	\$12,480,500	\$69,785,000
8	Sarno Road Transfer Station Facility Transfer Station Tipping Floor Replacement	\$0	\$0	\$0	\$525,000	\$0	\$525,000	\$1,050,000
	Subtotal-Sarno Transfer Station Facility	\$0	\$0	\$0	\$525,000	\$0	\$525,000	\$1,050,000
	SUBTOTAL-CAPITAL IMPROVEMENT PROJECTS	\$22,379,200	\$29,203,250	\$57,809,000	\$32,700,000	\$12,560,500	\$13,005,500	\$167,657,450

Source: Engineering Report, dated ____, 2023.

Long-term Capital Improvement Program

The Long-term CIP consists largely of landfill base construction projects and infrastructure expansion and improvements to continue meeting the community's growing needs of solid waste management in an environmentally sound and economically efficient manner. The landfill base expansion projects will include the related perimeter LFG transmission extensions, leachate pump stations and transmission, and expansion of the stormwater system improvements. Existing transfer stations are maintained for long-term operation by periodic replacement of tipping floors. A new south county yard waste mulching facility with adjacent recyclables management and household hazardous waste temporary storage facilities has been planned in the Palm Bay south county area. Periodic landfill sequential closures are scheduled for emissions/odor control in compliance with the FDEP Title V Air Emission operation permit and reducing leachate generation. The

sequential closure of disposal area side slopes which have achieved the final permitted elevations, will continue to be financed by the permit required escrow funds.

The estimated construction costs for the Long-term CIP are based on 2023 dollars and are not escalated for future inflation. These costs will be required to be updated periodically as the projects are fully defined and as plans are prepared to meet the needs of the Solid Waste System. The Long-term CIP is planned to be financed by a combination of cash reserves and proceeds of additional revenues bonds as may be needed in the future.

The Long-term CIP is summarized below:

LONG-TERM CAPITAL IMPROVEMENTS PROGRAM SUMMARY (FY 2029-2048)
SOLID WASTE MANAGEMENT DEPARTMENT
BREVARD COUNTY, FLORIDA

PROJ. No.	PROJECT DESCRIPTION	Construction Phase	FY 2029-2033	FY 2034-2038	FY 2039-2043	FY 2044-2048	FY 2029-2048 TOTAL
Central Disposal Facility							
9	SPL (Cells 1-3) Active LFG Collection System Expansions- Phase 4	2029-2030	\$ 2,043,000	\$ -	\$ -	\$ -	\$ 2,043,000
10	CDF Leachate Collection/Transmission System Force Main	2029-2030	\$ 1,570,000	\$ -	\$ -	\$ -	\$ 1,570,000
11	SPL Wetlands And Conservation Easement Mitigation	2031-2033	\$ 1,657,000	\$ -	\$ -	\$ -	\$ 1,657,000
12	CDF- SPL Cell 4 Design, Permitting and Construction (33 acres)	2038-2040	\$ -	\$ 1,293,000	\$ 31,100,000	\$ -	\$ 32,393,000
13	SPL (Cells 1-4) Active LFG System Phase 5	2032-2034	\$ 120,000	\$ 4,250,000	\$ -	\$ -	\$ 4,370,000
14	CDF Borrow Pit Development and Road Infrastructure	2029-2046	\$ 1,180,000	\$ 2,530,000	\$ 2,650,000	\$ 2,530,000	\$ 8,890,000
Subtotal-Central Disposal Facility and Transfer Projects			\$ 6,570,000	\$ 8,073,000	\$ 33,750,000	\$ 2,530,000	\$ 50,923,000
Sarno Road Landfill Post-Closure Improvements							
15	Sarno Road Landfill Post-Closure Solar Panels and Site Improvements	2030-2031	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000
Subtotal-Sarno Road Landfill			\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000
U.S. 192 South Disposal Facility							
16	Class III Landfill Phase 2 Base Constructuion (19 Acres)	2031-2032	\$ 9,263,000	\$ -	\$ -	\$ -	\$ 9,263,000
17	Class III Landfill Phase 3 Base Constructuion (19 Acres)	2037-2038	\$ -	\$ 9,550,000	\$ -	\$ -	\$ 9,550,000
18	Class I Landfill Phase 1 Base Construction (40 Acres)	2037-2040	\$ -	\$ 10,050,000	\$ 17,940,000	\$ -	\$ 27,990,000
Subtotal-U.S. 192 South Disposal Facility			\$ 9,263,000	\$ 19,600,000	\$ 17,940,000	\$ -	\$ 46,803,000
Mockingbird Yard Waste Facility & Titusville Transfer Station							
19	Titusville Transfer Station Floor Refurbishment	2032- 2046	\$ 1,140,000	\$ 1,140,000	\$ 1,140,000	\$ 1,140,000	\$ 4,560,000
20	Mockingbird Yard Waste Mulching Facility Upgrades	2031	\$ 5,850,000	\$ -	\$ -	\$ -	\$ 5,850,000
Subtotal-Mockingbird Yard Waste Facility & Titusville Tranfer Station			\$ 6,990,000	\$ 1,140,000	\$ 1,140,000	\$ 1,140,000	\$ 10,410,000
Sarno Transfer Station Improvements							
21	Sarno Transfer Station Improvements & Upgrades	Every 5 years	\$ 2,280,000	\$ 2,280,000	\$ 2,280,000	\$ 2,280,000	\$ 9,120,000
Subtotal-Sarno Transfer Station Improvements			\$ 2,280,000	\$ 2,280,000	\$ 2,280,000	\$ 2,280,000	\$ 9,120,000
South County Yard Waste Mulching and Recycling Facility							
22	Acres)	2030	\$ 2,690,000	\$ -	\$ -	\$ -	\$ 2,690,000
23	South County Yard Waste Mulching Facility - Buildings/Infrastructure	2033-2034	\$ 6,030,000	\$ -	\$ -	\$ -	\$ 6,030,000
Subtotal-South County Yard Waste Mulching & Recycling Facility			\$ 8,720,000	\$ -	\$ -	\$ -	\$ 8,720,000
SUBTOTAL-CAPITAL IMPROVEMENT PROJECTS (FY-2028-2048)			\$ 34,123,000	\$ 31,093,000	\$ 55,110,000	\$ 5,950,000	\$ 126,276,000

Source: Engineering Report, dated ___, 2023.

See "APPENDIX F – ENGINEERING REPORT" for a short description of each of the proposed projects in the Short-term CIP and the Long-Term CIP.

Engineering Report

An Engineering Report dated _____, 2023 was completed by Neel-Schaffer, Inc. (the “Engineer’s Report”) and is attached hereto as “APPENDIX F – ENGINEERING REPORT.” Such Engineer’s Report provides additional detail and assumptions on the Solid Waste System and its financial condition.

The results of the Engineer’s financial proforma show that the overall financial health of the Solid Waste System is financially stable. Under the assumptions described in their report, revenues under the projected disposal assessments, gate charges, and other sources of revenue presented therein will be sufficient to meet operating and other expenses, including debt service payments, and coverage requirements during the Study Period (as defined in the Engineer’s Report). The projected assessments and disposal charges will also provide sufficient funds for planned capital improvement expenditures that are expected to be funded from current revenues. In addition, the cash balance and debt service coverage ratio are in good condition with a sizable fund balance building up toward the end of the forecast period.

FUTURE DEBT

The Issuer plans to issue additional debt in the form of three additional revenue bonds in the years 2024, 2026 and 2027 to fund its Short-term CIP projects totaling \$116,075,000. After 2028, additional bond issues are anticipated to finance a portion of the Long-term CIP projects totaling \$126,276,000.

THE ISSUER

Brevard County, Florida is a political subdivision of the State of Florida. Brevard County encompasses approximately 1,557 square miles along the Atlantic Ocean. It measures 72 miles north to south, and is bordered on the north by Volusia County and on the south by Indian River County. Brevard County extends about 20 miles inland from the Atlantic Ocean, with the St. Johns River forming its western boundary. The City of Titusville, Florida is the county seat. The government complex is located in Viera (an incorporated area), with branch offices at Rockledge and Melbourne.

The Issuer is governed by an elected 5-member Board of County Commissioners. Each Commissioner is elected for a 4-year term of office. The Board appoints a County Manager to administer the Issuer’s programs. The Clerk of the Circuit Court of the County is the clerk and accountant for the Board. Listed below are current members of the Board and their term expiration dates.

<u>Name</u>	<u>Date Current Term Began</u>	<u>Date Current Term Expires</u>
Rita Pritchett	November 2020	November 2024
Tom Goodson	November 2022	November 2026
John Tobia	November 2020	November 2024
Rob Feltner	November 2022	November 2026
Jason Steele	July 2023	November 2024

County Management

The County Manager is the head of the executive branch of county government, and is responsible to the Board of County Commissioners for the proper administration of all affairs of county government not otherwise entrusted to an elected County officer. The County Manager attends all regular and special meetings of the Board of County Commissioners and has the right to participate in its discussions.

Frank Abbate is the County Manager. Having served in the public sector for over 34 years, Frank Abbate's professional career is anchored by 26 years as the Issuer's Human Resources Director. Upon moving to Florida in 1989, Mr. Abbate was admitted to the Florida Bar. Mr. Abbate also served on as an Assistant County Manager for 2 1/2 years during his tenure with the Issuer. He has served as an Instructor for both Webster University and UCF in their graduate Public Administration and Human Resources Development programs. Upon graduating from the Dickinson School of Law, Penn State University, Mr. Abbate was admitted to the Pennsylvania Bar in 1982. He served as a Staff Attorney and then as the Personnel Director/Labor Attorney for the City of Harrisburg, Pennsylvania, for six years. As an undergraduate student at S.U.N.Y. @ Stony Brook, Mr. Abbate earned his Bachelor of Arts degree majoring in Political Science and served as a congressional intern in Washington, D.C.

Pursuant to the Brevard County Home Rule Charter, the County Attorney is a member of the Florida Bar appointed by the Board of County Commissioners to oversee and direct legal services provided to county government. The lawyers in the County Attorney's Office (CAO) serve as in-house counsel to the Board of County Commissioners and many of its advisory bodies, as well as the County Manager and all departments under the supervision of the County Manager.

Morris Richardson, Esq. is the County Attorney. [insert bio]

Pension and Other Post-Employment Benefits

Please see "APPENDIX A- GENERAL INFORMATION PERTAINING TO BREVARD COUNTY, FLORIDA" and "APPENDIX B-FINANCIAL STATEMENTS FOR THE ISSUER FOR FISCAL YEAR ENDED SEPTEMBER 30, 2022" for information regarding the County's pension information and other post-employment benefits.

For further information regarding the Issuer, see "APPENDIX A – GENERAL INFORMATION PERTAINING TO BREVARD COUNTY, FLORIDA."

RISK FACTORS

Prospective purchasers of the Series 2023 Bonds should consider the matters set forth below as well as other information contained in this Official Statement in evaluating an investment in the Series 2023 Bonds. This section does not purport to be a comprehensive list or description of all potential risks which, if realized, could adversely affect the payment or the value of the Series 2023 Bonds. The order of presentation of these factors below is not intended to create any implication as to the relative importance of any one risk factor over another.

Environmental and Regulatory Compliance

Solid waste management systems, including the Solid Waste System, are subject to comprehensive and continuing environmental regulation. Federal, state and other standards and procedures that regulate the operations and environmental impacts of solid waste management systems are subject to change. These changes may arise from continuing legislative, regulatory and judicial action regarding standards and procedures. There is no assurance that the Solid Waste System will remain subject to the regulations currently in affect, will be in compliance with current or future regulations, or will always be able to obtain all required permits. Compliance with applicable environmental standards could result in additional capital and operating expenditures, as well as possible penalties for non-compliance.

Failure to Meet Projections

The Issuer's financial projections included herein are based on a number of assumptions. Changes in circumstances could have a material adverse impact on the ability of the Issuer to make debt service payments with respect to the Series 2023 Bonds. See "SOLID WASTE SYSTEM-Historical and Projected Revenues and Expenditures" herein and "APPENDIX F-ENGINEERING REPORT" for the assumptions related to the financial projections.

Cybersecurity

The Issuer, like many other governmental entities, relies on a technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurance that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attack could impact operations and/or digital networks and the costs of remedying any such damage could be significant.

The Issuer has security policies which are routinely reviewed and edited to meet new regulatory requirements and also harden security. Security training is provided to the Issuer's employee. Additionally, the Issuer utilizes a third-party auditing firm who audits information technology security annually. The audit covers regulatory requirements and also Payment Card Industry compliance. The audit findings are mediated by Brevard County Information Systems staff and reviewed by the Brevard County Internal Audit Committee Chair. A Cybersecurity Officer position was funded in Fiscal Year 2022-2023 and the position was filled in 2023. The Issuer has had no significant cybersecurity incidents in the last five years.

Climate Change

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods, droughts, and hurricanes, which could result in negative economic impacts on the Issuer.

Such effects can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage local infrastructure. The economic impacts resulting from such extreme weather events could include a loss of revenue, interruption of service, and escalated recovery costs.

In 2019, the Issuer adopted a Resiliency Action Plan (the “Plan”) that was developed in conjunction with the East Central Florida Regional Planning Council (the “ECFRPC”). The Plan encompasses a variety of resiliency aspects and aims to incorporate discussion of infrastructure (water, energy, waste, etc.), health, planning, emergency preparedness, economics and leadership as they revolve around a more environmental “shock and stressor” approach.

Also, the SWMD has recently participated in a working group with the ECFRPC and several surrounding county solid waste departments on a project that aimed to examine the vulnerabilities of the regional solid waste system as a whole. The critical asset scope included identifying and mapping the waste system facilities, capacity evaluations, flood exposure in light of rising sea levels, and understanding industry identified vulnerabilities. The final report has not yet been published.

INVESTMENT POLICY

Moneys on deposit in the Construction Fund, the Revenue Fund, the Operation and Maintenance Fund, the Principal Account, the Interest Account, the Term Bonds Redemption Account, the Renewal and Replacement Fund, the Rate Stabilization Fund, the Impact Fees Fund, the Landfill Closure Fund, the Solid Waste System Reserve Fund, and the Debt Service Reserve Account shall be invested and reinvested by the Issuer in Authorized Investments. Additionally, investment of surplus funds of the Issuer is subject to state law, including, in particular, Section 218.415, Florida Statutes, which became effective October 1, 1995, which requires the adoption of a formal written investment policy for each unit of local government within the state. In the absence of such a formal written investment policy, investment of surplus funds is limited to certain specified types of investments. The Board has adopted a formal investment policy (the “Investment Policy”) which governs the investment of surplus funds of the Issuer.

The Issuer’s Investment Policy applies to all cash and investments held or controlled by the Issuer with the exception of the Issuer’s funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds and provides for quarterly reporting of the Issuer’s investment portfolio. The Investment Policy specifies the types of investments permitted and the types of investments which are not permitted, unless authorized by statute and prior approval of the Board. The investment in investment products that include the use of derivatives is permitted, provided the Finance Director or designee and/or the Issuer’s investment advisor(s) develop sufficient understanding of the derivative products and have the expertise to manage them. Investment in reverse repurchase agreements is not permitted. A copy of the Investment Policy may be obtained from the office of the Clerk of the Circuit Court.

The objective of the Investment Policy is to match investment cash flow and maturity with known cash needs and anticipated cash flow requirements (i.e., match assets to liabilities) to the extent possible.

The Board may revise the aforementioned Investment Policy from time to time. Investments are valued at fair value in accordance with GASB standards.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2023 Bonds and with regard to the treatment of the interest on the Series 2023 Bonds for Florida and federal income tax purposes (see "TAX MATTERS") are subject to the legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. The signed legal opinion, dated and premised on law in effect as of the date of original delivery of the Series 2023 Bonds, will be delivered to the initial purchaser at the time of original delivery of the Series 2023 Bonds.

The proposed text of Bond Counsel's legal opinion is set forth as APPENDIX D hereto. The actual legal opinion to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date and subsequent distribution of such legal opinion by recirculation of the Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date.

Certain legal matters incident to the issuance of the Series 2023 Bonds will be passed upon for the Issuer by Richard Morrison, Esq., County Attorney, and by Bryant Miller Olive P.A., Disclosure Counsel.

LITIGATION

General

The Board, the Clerk, the Sheriff, the County Property Appraiser and the County Tax Collector are defendants from time to time in various lawsuits. The County Attorney represents the Board. The County Property Appraiser, the Clerk, the Sheriff and the County Tax Collector each have separate counsel. It is the opinion of the County Attorney with respect to litigation pending against the Board that the Board either (1) has meritorious defenses against claims asserted in such litigation, (2) is immune from liability under principles of sovereign immunity, or (3) has adequate insurance coverage or reserves against liability with respect to such claims. There can be no assurance, however, that the Clerk and the Board will not incur liability for which adequate reserves do not exist. In the event of such liability, the Board could be required, among other responses, to expend reserves, reduce the level of services, or borrow money in order to satisfy such liability. It is not expected that any such liability would affect the obligation of the Board to apply the proceeds of the Pledged Funds in accordance with the provisions of the Bond Resolution.

The Series 2023 Bonds

There is no pending or, to the knowledge of the Issuer, threatened litigation against the Issuer which in any way questions or affects (1) the validity of the Series 2023 Bonds, or any proceedings or transactions relating to their sale, issuance or delivery, (2) the pledge of the Pledged Funds to secure payment of the Series 2023 Bonds or (3) the provisions for collection and application of the Pledged Funds in accordance with the provisions of the Bond Resolution.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities of the Issuer except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31, 1975, as provided by rule of the Office of

Financial Regulation within the Florida Financial Services Commission (the “Commission”). Pursuant to administrative rulemaking, the Commission has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the Issuer, and certain additional financial information, unless the Issuer believes in good faith that such information would not be considered material by a reasonable investor. The Issuer is not and has not been in default on any bond, note or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest since December 31, 1975, that would be considered material by a reasonable investor in the Series 2023 Bonds.

The Issuer has not undertaken an independent review or investigation of securities for which it has served as conduit issuer. The Issuer does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2023 Bonds because the Issuer would not have been obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the Issuer would have been pledged or used to pay such securities or the interest thereon.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Bond Counsel, the form of which is included as APPENDIX D hereto, the interest on the Series 2023 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under existing statutes, regulations, rulings and court decisions; provided, however, with respect to certain corporations, interest on the Series 2023 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations for tax years beginning after December 31, 2022. Failure by the Issuer to comply subsequent to the issuance of the Series 2023 Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), including but not limited to requirements regarding the use, expenditure and investment of Series 2023 Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2023 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The Issuer has covenanted in the Bond Resolution and other certifications executed in connection with the issuance of the Series 2023 Bonds to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2023 Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2023 Bonds, including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2023 Bonds and the payment of certain arbitrage earnings in excess of the “yield” on the Series 2023 Bonds to the Treasury of the United States of America. Noncompliance with such provisions may result in interest on the Series 2023 Bonds being included in gross income for federal income tax purposes retroactive to their date of issuance.

Collateral Tax Consequences

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series

2023 Bonds. Prospective purchasers of Series 2023 Bonds should be aware that the ownership of Series 2023 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2023 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2023 Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2023 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2023 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2023 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES REFERRED TO ABOVE. PROSPECTIVE SERIES 2023 BONDHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISORS FOR INFORMATION IN THAT REGARD

Other Tax Matters

Interest on the Series 2023 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2023 Bonds should consult their own tax advisors as to the income tax status of interest on the Series 2023 Bonds in their particular state or local jurisdictions.

The Inflation Reduction Act, H.R. 5376 (the IRA), was passed by both houses of the U.S. Congress and was signed by the President on August 16, 2022. As enacted, the IRA includes a 15 percent alternative minimum tax to be imposed on the “adjusted financial statement income,” as defined in the IRA, of certain corporations for tax years beginning after December 31, 2022. Interest on the Series 2023 Bonds will be included in the “adjusted financial statement income” of such corporations for purposes of computing the corporate alternative minimum tax. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential tax consequences of owning the Series 2023 Bonds.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2023 Bonds. In some cases, such proposals have contained provisions that altered these federal tax consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Series 2023 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2023 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2023 Bonds.

Original Issue Discount

Certain of the Series 2023 Bonds (the “Discount Bonds”) may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which initial offering price a substantial amount of the Discount Bonds of the same maturity was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Discount Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. An initial purchaser who acquires a Discount Bond at the initial offering price thereof to the public

will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period such purchaser holds such Discount Bonds and will increase the adjusted basis in such Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

Original Issue Premium

Certain of the Series 2023 Bonds (the "Premium Bonds") may be offered and sold to the public at an initial offering price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own tax advisors with respect to the state and local tax consequences of owning such Premium Bonds.

RATINGS

Moody's and S&P are expected to assign their ratings of "___" (_____ outlook) and "___" (___ outlook), respectively, to the Series 2023 Bonds. The ratings reflect only the views of said rating agencies and an explanation of the ratings may be obtained only from said rating agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their judgment, circumstances so warrant. A downward change in or withdrawal of any of such ratings, may have an adverse effect on the market price of the Series 2023 Bonds. An explanation of the significance of the ratings can be received from the rating agencies.

FINANCIAL ADVISOR

PFM Financial Advisors LLC, Orlando, Florida, is serving as financial advisor to the Issuer (the "Financial Advisor") and has acted in such capacity with respect to the sale and issuance of the Series 2023 Bonds. The Financial Advisor assisted in the preparation of this Official Statement and in other matters relating to the planning, structuring and issuance of the Series 2023 Bonds. The Financial Advisor did not engage in any underwriting activities with regard to the issuance and sale of the Series 2023 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this

Official Statement and is not obligated to review or ensure compliance with the undertaking by the Issuer to provide continuing secondary market disclosure.

UNDERWRITING

The Series 2023 Bonds are being purchased by Raymond James & Associates, Inc., acting on behalf of itself and as representative of Truist Securities, Inc. (collectively, the "Underwriters"). The Series 2023 Bonds are being purchased by the Underwriters at a purchase price of \$_____ (which represents the par amount of the Series 2023 Bonds, [(plus/less) net original issue (premium/discount) of \$_____], less an Underwriters' discount of \$_____). The Underwriters' obligations are subject to certain conditions precedent described in the Bond Purchase Agreement with the Issuer, and they will be obligated to purchase all of the Series 2023 Bonds if any Series 2023 Bonds are purchased. The Series 2023 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2023 Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters and their respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriters and their respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriters and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Issuer. The Underwriters and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Issuer.

AUDITED FINANCIAL STATEMENTS

The Audited Financial Statements for the Fiscal Year ended September 30, 2022, appended hereto as APPENDIX B, have been audited by Cherry Bekaert LLP, certified public accountants and advisors, as set forth in its report dated April 11, 2023, which report is also appended hereto. Such financial statements, including the auditor's report, have been included in the Official Statement as public documents and consent from the auditor was not requested. The auditor not been requested to perform, and has not performed any service related to, and therefore is not associated with, the preparation of this Official Statement.

The Series 2023 Bonds are payable solely from the Pledged Funds as described in the Bond Resolution and herein and the Series 2023 Bonds are not otherwise secured by, or payable from, the general revenues of the Issuer. See "SECURITY FOR THE SERIES 2023 BONDS" herein. The Financial Statements are presented for general information purposes only.

CONTINGENT FEES

The Issuer has retained Bond Counsel, the Financial Advisor and Disclosure Counsel with respect to the authorization, sale, execution and delivery of the Series 2023 Bonds. Payment of the fees of such

professionals and an underwriting discount to the Underwriter is contingent upon the issuance of the Series 2023 Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2023 Bonds upon an event of default under the Bond Resolution, are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the federal bankruptcy code, the remedies specified by the Bond Resolution and the Series 2023 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2023 Bonds, including Bond Counsel's approving opinion, will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. See "APPENDIX C - FORM OF BOND RESOLUTION" attached hereto for a description of events of default and remedies.

CONTINUING DISCLOSURE

The Issuer will covenant for the benefit of the owners of the Series 2023 Bonds to provide certain financial information and operating data relating to the Issuer (the "Annual Report"), and to provide, or cause to be provided, notices of the occurrence of certain enumerated events. Annual financial information and operating data of the Issuer will be filed by the Issuer with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA"). The notices of material events, when and if they occur, shall be timely filed by the Issuer with EMMA. The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX E – FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. The Continuing Disclosure Certificate shall be executed by the Issuer prior to the issuance of the Series 2023 Bonds. These covenants have been made in order to assist the Underwriters in complying with the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "Rule"). With respect to the Series 2023 Bonds, no party other than the Issuer is obligated to provide any continuing disclosure information with respect to the Rule.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The references, excerpts, and summaries of all documents, statutes, and information concerning the Issuer and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2023 Bonds, the security for the payment of the Series 2023 Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument. Copies of such documents may be obtained from the Issuer, located at 2725 Judge Fran Jamieson Way, Viera, Florida 32490, phone: (321) 637-2017.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2023 Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

FORWARD-LOOKING STATEMENTS

This Official Statement contains certain “forward-looking statements” concerning the Issuer's operations, performance and financial condition, including its future economic performance, plans and objectives and the likelihood of success in developing and expanding. These statements are based upon a number of assumptions and estimates which are subject to significant uncertainties, many of which are beyond the control of the Issuer. The words “may,” “would,” “could,” “will,” “expect,” “anticipate,” “believe,” “intend,” “plan,” “estimate” and similar expressions are meant to identify these forward-looking statements. Actual results may differ materially from those expressed or implied by these forward-looking statements.

MISCELLANEOUS

The references, excerpts and summaries of all documents, resolutions and ordinances referenced herein do not purport to be complete statements of the provisions of such documents, resolutions and ordinances, and reference is directed to all such documents, resolutions and ordinances for full and complete statements of all matters of fact relating to the Series 2023 Bonds, the security for and the repayment of the Series 2023 Bonds and the rights and obligations of the holders thereof.

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AUTHORIZATION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the Issuer. At the time of delivery of the Series 2023 Bonds, the Issuer will furnish a certificate to the effect that nothing has come to their attention which would lead it to believe that the Official Statement (other than information herein related to DTC, the book-entry only system of registration and the information contained under the caption "TAX MATTERS" as to which no opinion shall be expressed), as of its date and as of the date of delivery of the Series 2023 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA

By: _____
Chair
Brevard County, Florida

By: _____
County Manager
Brevard County, Florida

APPENDIX A

GENERAL INFORMATION PERTAINING TO BREVARD COUNTY, FLORIDA

The following information concerning Brevard County, Florida, and the Melbourne-Titusville-Palm Bay Metropolitan Statistical area is included only for the purpose of providing general background information. The information has been compiled on behalf of the County and such compilation involved oral and written communication with various sources as indicated. The information is subject to change, although efforts have been made to update the information where practicable.

General Description and Location

Brevard County, Florida (the "County"), encompasses 1,557 square miles along the Atlantic Ocean. The County is 72 miles north to south, and is bordered on the north by Volusia County and on the south by Indian River County. The County extends about 20 miles inland from the Atlantic Ocean, with the St. Johns River forming its western boundary. The City of Titusville, Florida, the County seat, is located 40 miles east of Orlando, Florida, and 135 miles southeast of the City of Jacksonville, Florida. The County is traversed north and south by the Indian and Banana Rivers. The Melbourne-Titusville-Palm Bay Metropolitan Statistical Area (MSA) contains 16 municipalities.

The County is divided into three distinct landforms which lie in banks roughly parallel to the Indian River: (i) the St. Johns River, which is the westernmost part of the County; (ii) the Atlantic Coastal Ridge, which forms the eastern boundary of the mainland; and (iii) the barrier islands, which lie offshore and parallel to the mainland.

The climate in the County is characterized as subtropical, with a pronounced marine influence from the Atlantic. The July high is around 91 degrees. The January low is around 50 degrees. The annual average humidity level is 70%, with humidity reaching its peak in August at 79%. Summer temperatures average in the 80's with highs in the low 90's a common occurrence. Rainfall averages about 5 inches annually with most of the precipitation occurring during the summer season.

Government

The County is governed by an elected 5-member Board of County Commissioners (the "Board"). Each Commissioner is elected for a 4-year term of office. The Board appoints a County Manager to administer the County's programs. The Clerk of the Circuit Court of the County is the clerk and accountant for the Board. The government complex is located in Viera, with offices at Titusville and Melbourne. In addition to the courthouse facilities, service complexes are located in the north, central and southern sections of the County. Listed below are current members of the Board of County Commissioners and their term expiration dates.

<u>Name</u>	<u>Date Current Term Began</u>	<u>Date Current Term Expires</u>
Rita Pritchett	November 2020	November 2024
Tom Goodson	November 2022	November 2026
John Tobia	November 2020	November 2024
Rob Feltner	November 2022	November 2026
Jason Steel	July 2023	November 2024

General Demographic Information

The following table shows certain demographic information for the County:

<u>Year</u>	<u>Population</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2013	550,410	\$21,016,076	\$38,183	45.9	70,529	7.7%
2014	555,747	21,905,106	39,416	46.3	70,071	6.3
2015	566,018	23,302,452	41,169	46.6	71,119	5.5
2016	577,242	24,236,432	41,987	47.0	71,634	4.7
2017	588,002	25,789,638	43,860	47.1	72,408	3.8
2018	594,787	27,396,517	46,061	47.2	72,467	3.4
2019	600,836	29,275,434	48,725	47.3	72,646	2.7
2020	608,007	31,476,172	51,769	47.2	73,106	5.4
2021	616,628	34,208,428	55,477	47.2	70,214	2.6
2022	627,544	(1)	(1)	(1)	74,082	2.2

Source: Brevard County, Florida Annual Comprehensive Financial Report for the Fiscal Year ended September 30, 2022.

(1) Data Unavailable.

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Population

The County is the tenth largest county in population and fifteenth in population density among the 67 counties of the State of Florida. Since 1950 the County's population has grown at a faster rate than the rate of growth for the State of Florida as a whole, with the exception of the 1970 to 1980 period. The primary cause for the rapid growth is migration. The development of the Space Center, peripheral services, aerospace and high technology industries, tourism services and an influx of retired persons have contributed to population growth.

The following table shows the comparative population trends for the County and the State of Florida for the years 1950-2030:

Brevard County and State of Florida Population Trends 1950-2030

<u>Year</u>	<u>Brevard County</u>	<u>Average Annual Percentage Increase</u>	<u>State of Florida</u>	<u>Average Annual Percentage Increase</u>
1950	23,653	46.5%	2,771,305	---
1960	111,435	371.6	4,951,560	78.7%
1970	230,006	106.4	6,791,418	37.2
1980	272,959	18.7	9,746,324	43.5
1990	398,978	46.2	12,937,926	32.7
2000	476,230	19.4	15,982,824	23.5
2010	543,376	14.1	18,801,310	17.6
2020	606,612	11.6	21,021,643	11.8
2030	685,200	11.3	24,588,500	11.7

Source: U.S. Department of Commerce, Bureau of the Census for 1950, 1960, 1970, 1980, 1990, 2000, 2010, and 2020.

Projections of Florida Population by County, 2025-2050, Bureau of Economic and Business Research, University of Florida for 2030.

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Employment Information

The local economy, which was based largely upon space program construction, has evolved and diversified. The local economy now includes manufacturing of electronic equipment, the Space Shuttle Program at the Kennedy Space Center, citrus production, agriculture and tourism. Major private employers include Health First Medical Group LLC, L3Harris Technologies Inc., Publix Super Markets, Inc., Wal-Mart Associates, Inc., and Northrop Grumman Corporation. The County's unemployment rate has steadily decreased in the past seven years, with the exception of 2020, from 5.5% in 2015 to 2.2% in 2022.

The following table summarizes unemployment rates for the Palm Bay-Melbourne-Titusville MSA and for the State of Florida for the years 2013-2022:

Unemployment Statistics

<u>Melbourne-Titusville-Palm Bay MSA*</u>		<u>State of Florida**</u>	
<u>Year</u>	<u>Unemployment Rate (%)</u>	<u>Year</u>	<u>Unemployment Rate (%)</u>
2013	7.7	2013	6.8
2014	6.3	2014	5.4
2015	5.5	2015	4.7
2016	4.7	2016	4.9
2017	3.8	2017	4.2
2018	3.4	2018	3.6
2019	2.7	2019	3.3
2020	5.4	2020	7.7
2021	2.6	2021	4.6
2022	2.2	2022	2.9

Source: Metropolitan Area Employment and Unemployment, U.S. Bureau of Statistics, retrieved from FRED.

State Employment and Unemployment, U.S. Bureau of Statistics, retrieved from FRED.

*Annual Not Seasonally Adjusted.

**Annual Seasonally Adjusted. All data is subject to revision.

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The following table summarizes the level of employment in the civilian labor force for certain years.

Civilian Labor Force Summary
Brevard County, Florida

<u>Calendar Year</u>	<u>Civilian Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Unemployment Rate (%)</u>
2013	258,796	237,243	21,553	8.3
2014	258,556	240,490	18,066	7.0
2015	257,684	242,562	15,122	5.9
2016	263,419	249,817	13,601	5.2
2017	266,773	255,041	11,732	4.4
2018	274,910	264,981	9,929	3.6
2019	282,118	272,891	9,227	3.3
2020	281,903	262,203	19,699	7.0
2021	289,818	277,874	11,944	4.1
2022	296,541	288,096	8,446	2.9

Source: Unemployment in States and Local Areas (all other areas), U.S. Bureau of Statistics, retrieved from FRED.

The following table lists the (10) ten largest employers in the County for the year 2022:

Major Employers		
<u>Firm</u>	<u>Activity</u>	<u>Approximate Employees</u>
Brevard County School Board	Educational Facilities	8,500
Health First Medical Group	Medical Facilities	8,500
L3Harris Technologies	Aerospace	8,500
Publix Super Markets, Inc.	Grocery	3,500
Wal-Mart Associates, Inc.	Retail	3,500
Northrop Grumman Corporation	Aerospace and Defense	3,500
Brevard County Board of County Commissioners	County Government	2,500
National Aeronautics Space Administration	Government Agency	2,500
Teletech Services Corp	Communications and Electronics	1,500
Blue Origin Florida, LLC	Aerospace	1,500

Source: Brevard County, Florida Annual Comprehensive Financial Report for the Fiscal Year ended September 30, 2022.

Transportation

The County is a quadramodal transportation hub--allowing for in-county space, air, sea, highway and rail access. In addition, many of those transportation methods are part of Foreign Trade Zone 136, which enables qualified businesses to defer or eliminate U.S. Customs' duties on imported goods.

Air: The Orlando Melbourne International Airport offers up to 10 scheduled departures per day, and the Space Coast Regional Airport in Titusville is one of the state's premier executive airports. In addition, Orlando International Airport, one of the nation's busiest airports, is easily accessible via State Road 528. Orlando Melbourne International Airport and Space Coast Regional Airport are both part of Foreign Trade Zone (FTZ) 136. Orlando Melbourne International Airport services the international and domestic travel markets while offering a 1,380-acre Business and Industrial Park in FTZ 136. Space Coast Regional's main runway is 7,320 feet long and capable of handling any jet up to a Boeing 757. In May 2020, the FAA issued a launch site operators license, or a spaceport license, to Space Coast Regional Airport.

Highway: Running from Maine to Miami, I-95 is the most heavily traveled north-south interstate on the East Coast, and for the convenience of businesses and residents alike, it runs directly through the County. For goods and persons traveling to Orlando, Tampa and all points west, Brevard County offers SR-528, better known as the Beachline Expressway because it directly links to other major Florida highways such as I-4 and the Florida Turnpike.

Rail: Running directly through the County, Florida's East Coast Railway (FEC) is a Class II freight railroad that extends along a 351-mile corridor between Jacksonville and Miami. It is the exclusive rail provider for PortMiami, Port Everglades and Port of Palm Beach. FEC is the sole rail provider operating along the east coast of Florida. The railway network includes three automotive terminals, five intermodal terminals, and three ports in Miami, Fort Lauderdale, and West Palm Beach. The railway can accommodate large and small cars and carry more weight depending upon the needs of transportation.

Sea: Port Canaveral is a bustling deep-water seaport providing ocean cargo service between leading world markets and is home to Foreign Trade Zone 136. In addition, it's the busiest cruise port in the world. Port Canaveral has liquid and dry bulk facilities, 11 cargo berths from 400-1000 feet of berthing space, 1 roll on/roll off (ro/ro) ramp and 2 new deep water containers.

Space: The Space Coast is one of only three areas in the country that currently conduct commercial orbital launches. Managed by the 45th Space Wing, Cape Canaveral Air Force Station has conducted more than 3,300 launches since their first launch in 1950.

Community Facilities

Modern hospitals, extended care facilities, nursing homes and diagnostic clinics are located in the major population areas of the County. County has six nationally recognized hospitals that deliver advanced medical services using the latest technology and therapies. Services offered locally include a level II trauma center, emergency air transport service, quality in and outpatient care, as well as skilled nursing and assisted living facilities throughout the County. Public safety is provided by the Brevard County Sheriff's Department and the police departments of various municipalities. Modern fire protection is available in the cities and in the residential, commercial and industrial areas of the County. Libraries, theaters and

museums offer educational and cultural advantages to County residents. Churches, embracing all major denominations, are located throughout the County.

Educational System

The School District of Brevard County, Florida (the "District") is organized under Article IX, Section 4 of the Florida Constitution and Chapter 1001, Florida Statutes. The boundaries of the District are coterminous with the County. Brevard Public Schools is the 49th largest district in the United States and the 10th largest district in Florida. As of February 13, 2023, the District included 84 schools (including 12 charter schools and 15 special centers), 74,300 full time equivalent membership students and 8,500 full time employees. Of the 84 schools, 64 earned State Five Star awards for volunteerism and community engagement, 25 were deemed a State School of Excellence, and 6 were National Blue-Ribbon Schools (out of 12 in Florida).

There are 84 private and parochial schools in Brevard County, Florida. Higher education facilities are provided by the Florida Institute of Technology (private), Eastern Florida State College, Webster University, Keiser University, and the University of Central Florida, which has a campus at Cocoa, offering Elementary Education, Nursing, and online degrees.

Budgetary Process

The County's annual budget is prepared pursuant to Chapters 129 and 200, Florida Statutes, and represents the County's legal authority to levy taxes and expend funds for County purposes. The Board will be held personally liable and subject to penalty for making unbudgeted expenditures.

On or before May 1 of each year, the Sheriff, the Clerk of the Circuit Court and the Supervisor of Elections must each submit to the Board a tentative budget request for their respective offices for the ensuing fiscal year. No later than July 31st, the County Budget Officer shall prepare and present to the Board a proposed budget for each Board fund. The Board will receive and examine the proposed budget for each fund and, subject to the notice and hearing requirements, make such changes as it deems necessary, provided that the budget remains in balance. A summary of the proposed budget is prepared by the Board, advertised, publicly reviewed and revised prior to final approval and adoption before the end of the fiscal year on September 30.

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BREVARD COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Governmental Activities				Business-Type Activities					Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds	Notes	Commercial Paper	Capital Leases	Revenue Bonds	Commercial Paper	Capital Leases	Total		
2013	\$113,603,990	\$145,079,768	\$0	\$10,782,000	\$406,323	\$17,485,046	\$1,035,000	\$0	\$288,392,127	1.37%	524
2014	104,228,699	152,338,438	0	20,583,000	378,312	16,246,559	828,000	0	294,603,008	1.34	530
2015	94,523,006	142,335,274	0	23,642,000	274,274	41,293,274	828,000	0	302,896,459	1.30	535
2016	84,170,000	133,564,590	0	22,041,000	258,746	48,189,478	1,356,309	0	289,580,123	1.19	502
2017	74,870,000	126,031,270	1,936,168	20,425,000	346,725	46,381,128	14,620,884	0	284,611,175	1.10	484
2018	50,460,000	153,960,685	3,148,115	0	863,364	44,391,195	32,744,488	0	285,567,847	1.04	480
2019	45,480,000	138,719,784	2,984,000	0	811,234	42,621,848	37,424,624	0	268,041,490	0.92	446
2020	40,400,000	123,746,946	2,819,000	0	1,880,957	40,517,788	46,286,318	0	255,651,009	0.81	420
2021	35,205,000	110,556,450	2,654,000	0	1,983,700	38,357,345	46,939,684	0	235,696,179	0.69	382
2022 ⁽²⁾	27,285,000	102,505,589	1,965,000	0	6,208,906	36,129,077	45,613,302	112,770	219,819,644	⁽¹⁾	350

Source: Brevard County, Florida Annual Comprehensive Financial Report for the Fiscal Year ended September 30, 2022.

⁽¹⁾ Data not available.

⁽²⁾ Details regarding Brevard County's outstanding debt can be found in Note 15 of the financial statements.

Florida Statutes do not provide a legal debt margin for Florida counties.

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Tax Data

The following data is provided for information and analytical purposes only. The Bonds are not secured by the ad valorem tax revenues, sales and use tax revenues, motor fuel tax revenues or franchise fee/service tax revenues of the County.

**TAX REVENUES BY SOURCE⁽¹⁾
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Fiscal Year</u>	<u>General Property Tax</u>	<u>Sales and Use Tax</u>	<u>Motor Fuel Tax ⁽²⁾</u>	<u>Franchise Fees/ Service Tax</u>	<u>Total</u>
2013	\$183,761,113	\$18,943,935	\$8,662,379	\$20,712,408	\$232,079,835
2014	188,884,586	19,983,673	8,922,124	21,017,000	238,807,383
2015	201,684,868	22,121,934	9,138,572	20,949,011	253,894,385
2016	208,233,093	24,844,640	9,670,235	20,384,882	263,132,850
2017	215,874,911	58,199,195 ⁽³⁾	10,066,128	20,093,287	304,233,521
2018	223,872,746	74,013,781	10,037,468	20,704,464	328,628,459
2019	232,616,345	76,947,230	10,471,679	20,800,879	340,836,133
2020	244,084,124	72,506,988	10,460,507	20,394,022	347,445,641
2021	251,455,412	83,996,691	10,275,574	21,339,488	367,067,165
2022	260,328,868	101,550,415	11,069,531	24,232,758	397,181,572

Source: Brevard County, Florida Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2022.

- ⁽¹⁾ The ad valorem property taxes, sales and use taxes, and the communications services tax were combined for financial statement presentation and disclosed by fund type as taxes. Franchise fees are reported as permits, fees and special assessments.
- ⁽²⁾ The motor fuel tax is disclosed in the County Transportation Trust Fund, as intergovernmental revenues.
- ⁽³⁾ Effective January 1, 2017, the County began collecting a half-cent discretionary infrastructure sales tax for the purpose of restoring the Indian River Lagoon.

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**BREVARD COUNTY, FLORIDA
 ASSESSED PROPERTY VALUATION
 LAST TEN FISCAL YEARS
 (Unaudited)**

Year	Total Assessed Valuation ⁽¹⁾	Tax Exempt Properties ⁽²⁾	Save Our Homes Exemptions ⁽³⁾	Other Exemptions ⁽⁴⁾	Total Exemptions	Residential Taxable Valuation	Non - Residential Taxable Valuation	Taxable Assessed Valuation	Total Direct Tax Rate ⁽⁵⁾	Percentage of Taxable Value to Assessed Value
2013	\$43,002,295,084	\$10,518,529,347	\$518,856,130	\$7,338,033,105	\$18,375,418,582	\$18,012,805,800	\$6,614,070,072	\$24,626,876,502	14.3817	57.3%
2014	45,463,019,488	10,583,214,600	1,687,001,570	7,447,647,557	19,717,863,727	18,957,047,515	6,788,108,246	25,745,155,761	13.7667	56.6
2015	49,719,790,258	10,688,584,530	3,250,275,480	7,790,662,963	21,729,522,973	20,324,574,954	7,665,692,331	27,990,267,285	13.3209	56.3
2016	53,424,677,382	10,752,576,290	4,926,068,420	8,061,719,547	23,740,364,257	21,839,146,773	7,845,166,352	29,684,313,125	13.0785	55.6
2017	58,247,872,830	11,175,847,704	6,625,043,320	8,491,020,437	26,291,911,461	23,326,185,999	8,629,775,370	31,955,961,369	12.4913	53.9
2018	63,729,757,240	11,441,071,877	8,286,967,230	9,417,507,207	29,145,546,314	25,504,879,118	9,079,331,808	34,584,210,926	11.8749	54.3
2019	69,481,505,378	11,976,854,928	10,019,716,140	9,783,491,421	31,780,062,489	28,013,968,812	9,687,474,077	37,701,442,889	11.3412	54.3
2020	73,934,215,396	12,308,420,655	10,639,624,760	10,227,314,202	33,175,359,617	30,359,962,527	10,398,893,252	40,758,855,779	10.9485	55.1
2021	78,137,242,972	12,761,380,493	10,396,624,040	11,170,447,304	34,328,451,837	32,635,216,326	11,173,574,809	43,808,791,135	10.6062	56.1
2022	83,120,802,549	13,100,557,711	12,084,398,090	10,960,716,149	36,145,671,950	35,473,545,910	11,501,584,689	46,975,130,599	10.3516	56.5

Source: Brevard County, Florida Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2022.

Source: Brevard County Property Appraiser

⁽¹⁾ The Brevard County Property Appraiser shall assess all property at market or just value. In arriving at just valuation as required under s.4. Article VII of the State Constitution, the Property Appraiser takes into consideration the factors enumerated in Section 193.011, Florida Statutes.

⁽²⁾ Governmental, Institutional and Economic Development Exemptions.

⁽³⁾ "Save our Homes" (FS 193.155), limits annual increases in property value assessments on real property qualifying and receiving the homestead exemption.

⁽⁴⁾ Other exemptions (i.e. \$50,000 homestead exemption, Disability/Blind, Widow/Widowers, and age 65 & older).

⁽⁵⁾ Includes only the Countywide Tax Rate.

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BREVARD COUNTY, FLORIDA
PROPERTY TAX LEVIES AND TAX COLLECTIONS ⁽¹⁾
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended September 30	Taxes Levied	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collection to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$591,602,518	\$590,734,618	99.85%	\$976,888	\$591,711,506	100.00%
2014	598,423,273	597,789,542	99.89	1,013,315	598,802,857	100.00
2015	633,164,565	632,316,305	99.87	984,279	633,300,584	100.00
2016	660,621,903	659,833,517	99.88	922,323	660,755,840	100.00
2017	686,139,597	685,258,441	99.87	1,107,915	686,366,356	100.00
2018	727,412,422	726,211,828	99.83	581,047	726,792,875	99.91
2019	764,439,720	764,009,415	99.94	660,055	764,669,470	100.00
2020	806,707,337	806,428,902	99.97	493,494	806,922,396	100.00
2021	832,524,510	832,189,330	99.96	431,594	832,620,924	100.00
2022	883,568,614	883,362,230	99.98	N/A	883,362,230	99.98

Source: Brevard County, Florida Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2022.

Source: Brevard County Tax Collector

⁽¹⁾ Property taxes are due and payable as of November 1 and become delinquent on April 1. A tax certificate sale is held at the end of May on all delinquent real estate taxes, and a lien is placed on the property.

BREVARD COUNTY, FLORIDA
PRINCIPAL TAXPAYERS
(September 30, 2022)
(Unaudited)

Taxpayer	Taxes	% of Total Taxes
Florida Power & Light Company	\$ 25,939,451	2.94%
L3Harris Technologies, Inc.	3,857,819	0.44
Walmart Stores, Inc.	3,443,128	0.39
City of Melbourne Airport Authority	2,758,263	0.31
Steward, LLC	1,989,768	0.23
Health First, Inc.	1,978,087	0.22
Oleander Power Project, Ltd.	1,482,604	0.17
Blue Origin, LLC	1,335,918	0.15
Public Super Markets, Inc.	1,247,488	0.14
Florida East Coast Railway, LLC	1,196,072	0.13
Total	\$ 45,228,598	5.12%
Total Taxes	\$ 883,568,614	

Source: Brevard County, Florida Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2022.

PENSION

Florida Retirement System

The information relating to the Florida Retirement System ("FRS") contained herein has been obtained from the FRS Annual Reports available at www.dms.myflorida.com and the Florida Annual Comprehensive Financial Reports available at www.myfloridacfo.com/transparency/state-financial-reports/FL-ACFR. No representation is made by the Issuer as to the accuracy or adequacy of such information or that there has not been any material adverse change in such information subsequent to the date of such information.

General. Substantially all full and part time employees of the Issuer are eligible to participate in the FRS. The FRS is a cost-sharing multiple-employer public-employee retirement system with two primary plans – the FRS defined benefit pension plan (the "FRS Pension Plan") and the FRS defined contribution plan (the "FRS Investment Plan"). The FRS Pension Plan was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees.

Membership. FRS membership is compulsory for all employees filling a regularly established position in a state agency, county agency, state university, state community college, or district school board. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations, although optional, is generally irrevocable after election to participate is made. Members hired into certain positions may be eligible to withdraw from the FRS altogether or elect to participate in the non-integrated optional retirement programs in lieu of the FRS except faculty of a medical college in a state university who must participate in the State University System Optional Retirement Program.

There are five general classes of membership, as follows:

- *Regular Class* - Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class (SMSC)* - Members in senior management level positions in state and local governments as well as assistant state attorneys, assistant statewide prosecutors, assistant public defenders, assistant attorneys general, deputy court administrators, and assistant capital collateral representatives.
- *Special Risk Class* - Members who are employed as law enforcement officers, firefighters, firefighter trainers, fire prevention officers, state fixed-wing pilots for aerial firefighting surveillance, correctional officers, emergency medical technicians, paramedics, community-based correctional probation officers, youth custody officers (from July 1, 2001 through June 30, 2014), certain health-care related positions within state forensic or correctional facilities, or specified forensic employees of a medical examiner's office or a law enforcement agency, and meet the criteria to qualify for this class.
- *Special Risk Administrative Support Class* - Former Special Risk Class members who are transferred or reassigned to nonspecial risk law enforcement, firefighting, emergency medical care, or correctional administrative support positions within an FRS special risk-employing agency.
- *Elected Officers' Class (EOC)* - Members who are elected state and county officers and the elected officers of cities and special districts that choose to place their elected officials in this class.

Members of the Elected Officers' Class may elect to withdraw from the FRS or participate in the SMSC in lieu of the Elected Officers' Class.

Beginning July 1, 2001, through June 30, 2011, the FRS Pension Plan provided for vesting of benefits after six years of creditable service for members initially enrolled during this period. Members not actively working in a position covered by the FRS Pension Plan on July 1, 2001, must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2001, through June 30, 2011, vest after six years of service. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. Members are eligible for normal retirement when they have met the requirements listed below. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5% benefit reduction for each year prior to the normal retirement age.

- *Regular Class, SMSC, and EOC Members* – For members initially enrolled in the FRS Pension Plan before July 1, 2011, six or more years of creditable service and age 62, or the age after completing six years of creditable service if after age 62. Thirty years of creditable service regardless of age before age 62. For members initially enrolled in the FRS Pension Plan on or after July 1, 2011, eight or more years of creditable service and age 65, or the age after completing eight years of creditable service if after age 65. Thirty-three years of creditable service regardless of age before age 65.

- *Special Risk Class and Special Risk Administrative Support Class Members* – For members initially enrolled in the FRS Pension Plan before July 1, 2011, six or more years of Special Risk Class service and age 55, or the age after completing six years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. A total of 25 years of service including special risk service and up to four years of active-duty wartime service and age 52. Without six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class. For members initially enrolled in the FRS Pension Plan on or after July 1, 2011, eight or more years of Special Risk Class service and age 60, or the age after completing eight years of Special Risk Class service if after age 60. Thirty years of special risk service regardless of age before age 60. Without eight years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

Benefits. Benefits under the FRS Pension Plan are computed on the basis of age, average final compensation, creditable years of service, and accrual value by membership class. Members are also eligible for in-line-of-duty or regular disability and survivors' benefits. Pension benefits of retirees and annuitants are increased each July 1 by a cost-of-living adjustment. If the member is initially enrolled in the FRS Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

The Deferred Retirement Option Program ("DROP") became effective July 1, 1998, subject to provisions of Section 121.091(13), Florida Statutes. FRS Pension Plan members who reach normal retirement are eligible to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a maximum of 60 months. Authorized

instructional personnel may participate in the DROP for up to 36 additional months beyond their initial 60-month participation period. Monthly retirement benefits remain in the FRS Trust Fund during DROP participation and accrue interest. As of June 30, 2022, the FRS Trust Fund held \$2,668,218,157 in accumulated benefits for 31,023 participants in the DROP. Of these 31,023 DROP participants, 29,153 were active in the DROP with balances totaling \$2,372,404,554. The remaining participants were no longer active in the DROP and had balances totaling \$295,813,603 to be processed after June 30, 2022.

Administration. The Department of Management Services, Division of Retirement administers the FRS Pension Plan. The State Board of Administration (the "SBA") invests the assets of the FRS Pension Plan held in the FRS Trust Fund. Costs of administering the FRS Pension Plan are funded from earnings on investments of the FRS Trust Fund. Reporting of the FRS Pension Plan is on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the obligation is incurred.

Contributions. All participating employers must comply with statutory contribution requirements. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and Investment Plan rates) are recommended by the actuary but set by the Legislature. Statutes require that any unfunded actuarial liability (UAL) be amortized within 30 plan years. Pursuant to Section 121.031(3) (f), Florida Statutes, any surplus amounts available to offset total retirement system costs are to be amortized over a 10-year rolling period on a level-dollar basis. The balance of legally required reserves at June 30, 2022, was \$180,226,404,807. These funds were reserved to provide for total current and future benefits, refunds, and administration of the FRS Pension Plan.

Effective July 1, 2011, both employees and employers of the FRS are required to make contributions to establish service credit for work performed in a regularly established position. Effective July 1, 2002, the Florida Legislature established a uniform contribution rate system for the FRS, covering both the FRS Pension Plan and the FRS Investment Plan. The uniform rates for Fiscal Year 2021-2022 are as follows:

<u>Membership Class</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate⁽¹⁾</u>	<u>Total Contribution Rate</u>
Regular	3.00%	9.10%	12.10%
Special Risk	3.00	24.17	27.17
Special Risk Administrative Support	3.00	36.04	39.04
Elected Officers'	3.00	62.01	65.01
Judges	3.00	39.19	42.19
Governor, Lt. Governor, Cabinet, Legislators, State Attorneys, and Public Defender	3.00	62.01	65.01
Elected County, City, and Special District Officials	3.00	49.70	52.70
Senior Management Service	3.00	27.29	30.29
Deferred Retirement Option Program	0.00	16.68	16.68

⁽¹⁾ These rates include the normal cost and unfunded actuarial liability contributions but do not include the 1.66 percent contribution for the Retiree Health Insurance Subsidy and the fee of 0.06 percent for administration of the FRS Investment Plan and provision of educational tools for both plans.

Source: Florida Retirement System Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022.

The employer contribution rates of the Issuer by job class for the periods from October 1, 2021 through June 30, 2022, and from July 1, 2022 through September 30, 2022, respectively, were as follows:

	October 1, 2021 through June 30, 2022	July 1, 2022 through September 30, 2022
Regular	10.82%	11.91%
Special Risk Administrative Support	37.76	38.65
Special Risk	25.89	27.83
Senior Management Service	29.01	31.57
Elected Officers	51.42	57.00
DROP Participants	18.34	18.60

Source: Brevard County Annual Comprehensive Financial Report for Fiscal Year Ended September 30, 2022.

The contributions of the Issuer are established and may be amended by the State Legislature. The Issuer's contributions to the FRS Pension Plan, including employee contributions, totaled \$32 million for the Fiscal Year ended September 30, 2022.

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Pension Amounts for the FRS Pension Plan

**Schedule of Changes in Net Pension Liability and Related Ratios
(in thousands)**

	<u>June 30, 2019</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>
Total Pension Liability				
Service cost	\$2,523,070	\$2,647,456	\$2,648,469	\$2,635,672
Interest on total pension liability	13,194,902	13,458,929	13,713,166	14,012,135
Effect of plan changes	11,404	-	-	99,285
Effect of economic/demographic (gains) or losses	247,482	448,646	349,779	1,243,179
Effect of assumption changes or inputs	1,585,626	1,738,139	-	2,437,637
Benefit payments	<u>(10,867,549)</u>	<u>(11,395,765)</u>	<u>(11,985,107)</u>	<u>(12,629,514)</u>
Net change in total pension liability	6,694,935	6,897,405	4,726,307	7,798,395
Total pension liability, beginning	<u>191,317,399</u>	<u>198,012,334</u>	<u>204,909,739</u>	<u>209,636,046</u>
Total pension liability, ending (a)	<u>\$198,012,334</u>	<u>\$204,909,739</u>	<u>\$209,636,046</u>	<u>\$217,434,441</u>
Fiduciary Net Position				
Employer contributions	\$3,100,721	\$3,322,557	\$3,809,568	\$4,267,182
Member contributions	752,813	748,455	756,530	769,228
Investment income net of investment expenses	9,410,440	5,339,908	47,954,667	(14,240,179)
Benefit payments	<u>(10,867,549)</u>	<u>(11,395,765)</u>	<u>(11,985,107)</u>	<u>(12,629,514)</u>
Administrative expenses	<u>(19,580)</u>	<u>(21,556)</u>	<u>(21,741)</u>	<u>(22,495)</u>
Net change in plan fiduciary net position	2,376,845	(2,006,402)	40,513,917	21,855,778
Fiduciary net position, beginning	<u>161,196,881</u>	<u>163,574,667</u>	<u>161,568,265</u>	<u>202,082,183</u>
Fiduciary net position, ending (b)	<u>\$163,573,726</u>	<u>\$161,568,265</u>	<u>\$202,082,183</u>	<u>\$180,226,405</u>
Net pension liability, ending = (a) – (b)	\$34,438,608	\$43,341,474	\$7,553,863	\$37,208,036
Fiduciary net position as a % of total pension liability	82.61%	78.85%	96.40%	82.89%
Covered payroll ⁽¹⁾	\$35,571,200	\$36,898,200	\$37,590,100	\$38,679,800
Net pension liability as a % of covered payroll	96.82%	117.46%	20.10%	96.20%

Source: Florida Retirement System Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022.

Actuarial Methods and Assumptions for the FRS Pension Plan. The total pension liability was determined by an actuarial valuation as of the valuation date of July 1, 2022, calculated based on the discount rate and actuarial assumptions below:

	June 30, 2020	June 30, 2021	June 30, 2022
Discount rate	2.21%	6.80%	6.70%
Long-term expected rate of return, net of investment expense	N/A	6.80%	6.70%
Bond Buyer General Obligation 20-Bond Municipal Bond Index	2.21%	N/A	N/A

Source: Florida Retirement System Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022.

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees in determining the projected depletion date. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The actuarial assumptions used to determine the total pension liability as of June 30, 2022, were based on the results of an actuarial experience study for the period July 1, 2013 - June 30, 2018.

Valuation Date	July 1, 2022
Measurement Date	June 30, 2022
Asset Valuation Method	Fair Market Value
Inflation	2.40%
Salary increase including inflation	3.25%
Mortality	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 with Projection Scale P2018
Actuarial cost method	Individual Entry Age

Source: Florida Retirement System Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022.

Sensitivity Analysis for the FRS Pension Plan. The following presents the net pension liability of the plan, calculated using the discount rate of 6.70 percent, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70 percent) or one percentage point higher (7.70 percent) than the current rate.

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
Total pension liability	\$244,575,145,000	\$217,434,441,000	\$194,741,583,000
Fiduciary net position	<u>180,226,404,807</u>	<u>180,226,404,807</u>	<u>180,226,404,807</u>
Net pension liability	\$64,348,740,193	\$37,208,036,193	\$14,515,178,193

Source: Florida Retirement System Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022.

The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 6.70% as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
County's proportionate share of the net pension liability (asset)	\$484,587,115	\$280,200,279	\$109,308,563

Source: Brevard County Annual Comprehensive Financial Report for Fiscal Year Ended September 30, 2022.

Retiree Health Insurance Subsidy

The Retiree Health Insurance Subsidy ("HIS") Program is a non-qualified, cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The benefit is a monthly payment to assist eligible retirees and surviving beneficiaries of state-administered retirement systems in paying their health insurance costs. The Department of Management Services, Division of Retirement administers the HIS program. For the fiscal year ended June 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

The HIS Program is funded by required contributions from FRS participating employers as set by the Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2022, the contribution rate was 1.66% of payroll pursuant to Section 112.363, F.S. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, the legislature may reduce or cancel HIS payments.

The County's contributions to the HIS Plan totaled \$3,526,192 for the fiscal year ended September 30, 2022.

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Pension Amounts for the HIS

**Schedule of Changes in Net Pension Liability and Related Ratios
(in thousands)**

	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Total Pension Liability				
Service cost	\$232,118	\$265,521	\$280,659	\$290,825
Interest on total pension liability	418,157	402,709	278,747	275,386
Effect of plan changes	-	-	0	5,215
Effect of economic/demographic (gains) or losses	-	452,542	0	(54,219)
Effect of assumption changes or inputs	516,083	481,833	85,978	(1,585,357)
Benefit payments	(491,890)	(505,549)	(514,361)	(524,004)
Net change in total pension liability	674,468	1,097,056	131,023	1,592,154
Total pension liability, beginning	10,816,576	11,491,044	12,588,098	12,719,121
Total pension liability, ending (a)	11,491,044	12,588,098	12,719,121	11,126,966
Fiduciary Net Position				
Employer contributions	\$555,291	\$576,253	\$587,801	\$605,084
Member contributions	195	370	55	48
Investment income net of investment expenses	6,181	5,315	1,054	1,812
Benefit payments	(491,890)	(505,549)	(514,361)	(524,004)
Administrative expenses	(195)	(172)	(193)	(189)
Net change in plan fiduciary net position	69,582	76,217	74,356	82,751
Fiduciary net position, beginning	232,463	302,045	378,261	452,618
Fiduciary net position, ending (b)	\$302,045	378,261	452,618	535,368
Net pension liability, ending = (a) – (b)	\$11,188,999	\$12,209,837	\$12,266,503	\$10,591,597
Fiduciary net position as a % of total pension liability	2.63%	3.00%	3.56%	4.81%
Covered payroll	\$33,452,626	\$34,715,391	\$35,406,397	\$36,451,712
Net pension liability as a % of covered payroll	33.45%	35.17%	34.64%	29.06%

Source: Florida Retirement System Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022.

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Actuarial Methods and Assumptions for the HIS. The total pension liability was determined by an actuarial valuation as of the valuation date of July 1, 2022, calculated based on the discount rate and actuarial assumptions below, and then was projected to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB 67. The same demographic and pay-related assumptions that were used in the Florida Retirement System Actuarial Valuation as of July 1, 2022 ("funding valuation") were used for the HIS program, unless otherwise noted. In a given membership class and tier, the same assumptions for both FRS Investment Plan members and for FRS Pension Plan members were used.

	June 30, 2020	June 30, 2021	June 30, 2022
Discount rate	2.21%	2.16%	3.54%
Long-term expected rate of return, net of investment expense	N/A	N/A	N/A
Bond Buyer General Obligation 20-Bond Municipal Bond Index	2.21%	2.16%	3.54%

Source: Florida Retirement System Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022.

In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The discount rate used in the 2022 valuation was updated from 2.16% to 3.54%, reflecting the change in the Bond Buyer General Obligation 20- Bond Municipal Bond Index as of June 30, 2022.

The actuarial assumptions used to determine the total pension liability as of June 30, 2022, were based on the results of an actuarial experience study for the period July 1, 2013 - June 30, 2018.

Valuation Date	July 1, 2022
Measurement Date	June 30, 2022
Asset Valuation Method	Fair Market Value
Inflation	2.40%
Salary increase including inflation	3.25%
Mortality	Generational PUB-2010 with Projection Scale MP-2018
Actuarial cost method	Individual Entry Age

Source: Florida Retirement System Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022.

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Sensitivity Analysis for the HIS. The following presents the net pension liability of the HIS, calculated using the discount rate of 3.54%, as well as what the HIS's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current rate.

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Total pension liability	\$12,653,025,307	\$11,126,965,688	\$9,864,182,813
Fiduciary net position	535,368,479	535,368,479	535,368,479
Net pension liability	12,117,656,828	10,591,597,209	9,328,814,334

Source: Florida Retirement System Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2022.

The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 3.54% as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
County's proportionate share of the net pension liability	\$70,616,918	\$61,723,645	\$54,364,645

Source: Brevard County Annual Comprehensive Financial Report for Fiscal Year Ended September 30, 2022.

FRS Investment Plan

The State Board of Administration administers the defined contribution plan officially titled the FRS Investment Plan. The Florida Legislature establishes and amends the benefit terms of the plan. Retirement benefits are based upon the value of the member's account upon retirement. The FRS Investment Plan provides vesting after one year of service regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the FRS Investment Plan, the years of service required for vesting under the Pension Plan (including the service credit represented by the transferred funds) is required to be vested for these funds and the earnings on the funds. The employer pays a contribution as a percentage of salary that is deposited into the individual member's account. The FRS Investment Plan member directs the investment from the options offered under the plan. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer assessment of 0.06% of payroll and by forfeited benefits of plan members. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the FRS Investment Plan, receive a lump-sum distribution, or leave the funds invested for future distribution. Disability coverage is provided; the employer pays an employer contribution to fund the disability benefit which is deposited in the FRS Trust Fund. The member may either transfer the account balance to the FRS Pension Plan

when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the FRS Investment Plan and rely upon that account balance for retirement income.

The County's Investment Plan pension expense totaled \$5,997,480 for the fiscal year ended September 30, 2022.

Multiple Employer Defined Benefit Retirement Plan

As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan and HIS. Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan FRS Investment Plan alternative to the FRS Pension Plan, which is administered by the SBA. As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or from the website: www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports.

OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Board administers a single employer defined benefit healthcare plan (the "Plan"). The Plan provides health care benefits including medical coverage and prescription drug benefits to both active and eligible retired employees and their dependents. Florida Statutes require local governments to offer the same health and hospitalization insurance coverage to retirees and their eligible dependents as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. For the retired employees and their eligible dependents, the cost of any such continued participation may be paid by the employer or by the retired employees. Full time employees of the Board and Constitutional Officers are eligible to participate in the Plan. Employees who are active participants in the plan at the time of retirement and are either age 62 with completion of six years of service or have 30 years of service are also eligible to participate. The Plan does not issue a publicly available financial report.

The Board may amend the plan design, with changes to the benefits, premiums and/or levels of participant contribution at any time. On at least an annual basis and prior to the enrollment process, the Board approves the rates for the coming year for the retiree, employee and Issuer contributions.

As of September 30, 2022, the membership of the Issuer’s and Constitutional Officers’ medical plan consisted of:

	County
Active Employees	3,737
Retirees, Spouses and Beneficiaries	982
Total	4,719

Source: Brevard County Annual Comprehensive Financial Report for Fiscal Year Ended September 30, 2022.

Funding Policy

The maximum employer contribution target is 56% of the annual premium cost of the Plan. The annual premium costs are between \$7,711 and \$12,921 for retirees and spouses under age 65 and between \$5,503 and \$9,207 for retirees and spouses over age 65. Employees hired prior to January 1, 2006, are eligible to receive 100% of the earned percentage of benefits for their lifetime upon attainment of age 62 and completion of 6 years of service or upon completing 30 years of service, if earlier. Employees hired on or after January 1, 2006, are eligible to receive a graduated earned percentage of benefits upon retirement based on years of service.

No trust fund has been established for the plan.

Actuarial Assumptions and Other Inputs

The total OPEB liability was measured as of September 30, 2022, and was determined by an actuarial valuation as of October 1, 2022, using the following assumptions and other inputs:

Payroll growth	2.00% (including inflation)
Discount rate	4.77% S&P Municipal Bond 20-Year High Grade Index as of September 30, 2022
Healthcare cost trend rates	7.00% for participants under 65 and 5.50% for participants 65 and older for fiscal year 2023, decreasing by .33% for under 65 and .5% for over 65 in fiscal year 2024 and later
Retirees’ share of benefit-related costs	56% of projected health insurance premium retirees

Source: Brevard County Annual Comprehensive Financial Report for Fiscal Year Ended September 30, 2022.

The mortality table used was PUB-2010 General Headcount-Weighted Mortality, projected using MP-2021. No formal experience studies were conducted.

Changes in the Total OPEB Liability

Balance at September 30, 2021	<u>\$27,571,556</u>
Changes for the year:	
Service cost	\$499,044
Interest	641,941
Differences between expected and actual experience	7,274,744
Changes in assumptions or other inputs	(4,737,296)
Benefit payments	<u>(2,309,149)</u>
Net changes	<u>\$1,369,284</u>
Balance at September 30, 2022	<u>\$28,940,840</u>

Changes in assumptions or other inputs reflects a change in the discount rate from 2.43%, at the beginning of the fiscal year, to 4.77% at September 30, 2022, and a change in the mortality tables used.

Sensitivity Analysis of the Total OPEB Liability. The following presents the Total OPEB Liability calculated using the discount rate of 4.77%, as well as what the Total OPEB Liability would be if it were calculated using a discount rate that is one percentage point lower (3.77%) or one percentage point higher (5.77%) than the current rate.

	1% Decrease 3.77%	Current Discount Rate 4.77%	1% Increase 5.77%
Changes in discount rate	<u>\$30,829,652</u>	<u>\$28,940,840</u>	<u>\$27,230,971</u>

Source: Brevard County Annual Comprehensive Financial Report for Fiscal Year Ended September 30, 2022.

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APPENDIX B

**FINANCIAL STATEMENTS FOR THE ISSUER FOR
FISCAL YEAR ENDED SEPTEMBER 30, 2022**

The financial statements included in this Appendix have been included as a public document, and the auditor's consent to include the financial statements herein has not been requested. The auditor was not requested to perform, and has not performed, any service in connection with, and is therefore not associated with, the offering of the Series 2023 Bonds.

APPENDIX C
FORM OF BOND RESOLUTION

APPENDIX D

FORM OF BOND COUNSEL OPINION

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX F
ENGINEERING REPORT