AGENDA DRAFT - 07/13/21

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2021

NEW ISSUE - Book-Entry Only **Ratings:** See "RATINGS" herein

In the opinion of Bond Counsel, assuming compliance by the City with certain tax covenants described herein, under existing law, interest on the Series 2021 Bonds is excluded from the gross income of the owners of the Series 2021 Bonds for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax. Bond Counsel is also of the opinion that the Series 2021 Bonds and the interest thereon are exempt from taxation under the existing laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined therein. See TAX MATTERS herein.

$35,000,000*
CITY OF RIVIERA BEACH, FLORIDA
Public Improvement Revenue Bonds
Series 2021

Dated: Date of Delivery **Due: October 1, as shown on the inside cover**

The City of Riviera Beach, Palm Beach County, Florida (the "City") is issuing its Public Improvement Revenue Bonds, Series 2021 (the "Series 2021 Bonds") as fully registered bonds initially registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be available to purchasers in principal denominations of $5,000 and integral multiples thereof under the book-entry only system maintained by DTC through brokers and dealers who are, or act through, DTC Participants. Purchasers will not receive physical delivery of the Series 2021 Bonds. Beneficial Owners of Series 2021 Bonds must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of the principal of and interest on such Series 2021 Bonds. See "DESCRIPTION OF THE SERIES 2021 BONDS - Book-Entry Only System" herein. The Bank of New York Mellon Trust Company, N.A., Dallas Texas, will serve as the initial Paying Agent and Registrar for the Series 2021 Bonds (the "Paying Agent"). While the Series 2021 Bonds are registered through the DTC Book-Entry System, principal of and interest on the Series 2021 Bonds will be payable by the Paying Agent to DTC.

Interest on the Series 2021 Bonds will accrue from their date of delivery and will be payable on April 1, 2022 and semiannually on each October 1 and April 1 thereafter, until maturity or earlier redemption.

The Series 2021 Bonds are being issued by the City pursuant to the Constitution and laws of the State of Florida, including particularly Chapter 166, Florida Statutes, as amended, and Resolution No. 88-14 (the "Bond Resolution") adopted by the City Council of the City (the "City Council") on September 3, 2014, as supplemented by Resolution No. ____-21 (the "Series 2021 Supplemental Resolution" and, together with the Bond Resolution, the "Resolution") adopted by the City Council on _____, 2021. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Resolution. See "APPENDIX C - Form of the Resolution."

The Series 2021 Bonds are being issued for the purpose of providing funds, together with other legally available funds of the City, to: (i) finance the cost of acquiring, constructing and equipping two (2) new fire stations in the City (the "Fire Stations"), as described herein, including to the extent permissible under the Code reimbursement to the City of any moneys previously advanced by the City to pay any portion

of such cost, (ii) pay capitalized interest on the Series 2021 Bonds, as described herein (such capitalized interest, collectively with the acquisition, construction and equipping of the Fire Stations, being referred to herein as the "Series 2021 Project"), and (iii) pay the costs of issuance of the Series 2021 Bonds. See "PURPOSE OF THE ISSUE" herein.

The Series 2021 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein under "DESCRIPTION OF THE SERIES 2021 BONDS - Redemption Provisions."

The Series 2021 Bonds are payable from and secured solely by a pledge of and first lien on the Pledged Revenues, consisting primarily of "Non-Ad Valorem Revenues" budgeted and appropriated by the City on an annual basis for the purpose of paying debt service on the Series 2021 Bonds and on the City of Riviera Beach, Florida Public Improvement Revenue Bonds, Series 2014 and the City of Riviera Beach, Florida Public Improvement Revenue Bonds, Series 2015, each issued under the Bond Resolution. In addition, the City has outstanding, and may incur in the future, other indebtedness for the payment of which the City has covenanted, or in the future may covenant, to budget and appropriate Non-Ad Valorem Revenues; provided, however, that such obligations shall satisfy the terms and conditions established under the Bond Resolution for the issuance of obligations payable from or supported by a pledge of Non-Ad Valorem Revenues. See "SECURITY AND SOURCES OF PAYMENT" and "NON-AD VALOREM REVENUES" herein.

THE SERIES 2021 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OF THE CITY, PALM BEACH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISIONS OR LIMITATIONS, OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, PALM BEACH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF BUT SHALL BE PAYABLE FROM AND SECURED SOLELY BY PLEDGED REVENUES, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION. NO BONDHOLDER SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY, PALM BEACH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF OR TAXATION IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY TO PAY THE SERIES 2021 BONDS OR THE INTEREST THEREON, NOR SHALL ANY BONDHOLDER BE ENTITLED TO PAYMENT OF SUCH PRINCIPAL OR INTEREST FROM ANY OTHER FUNDS OF THE CITY, OTHER THAN THE PLEDGED REVENUES, OR EVER HAVE A LIEN ON THE SERIES 2021 PROJECT OR ANY OTHER REAL OR PERSONAL PROPERTY OF THE CITY, EXCEPT FOR THE PLEDGED REVENUES, ALL IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION.

This cover page contains information for quick reference only. It is <u>not</u> 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 2021 Bonds are offered when, as and if issued and received by the Underwriters, subject to approval of legality by Greenspoon Marder, P. A., West Palm Beach, Florida. Greenspoon Marder, P.A. is also serving as Disclosure Counsel to the City. Certain legal matters will be passed on for the City by Dawn S. Wynn, Esquire, Riviera Beach, Florida, City Attorney. PFM Financial Advisors LLC, Coral Gables, Florida, is serving as Financial Advisor to the City with respect to the Series 2021 Bonds. The Series 2021 Bonds are expected to be delivered through the facilities of DTC in New York, New York on or about _____, 2021.

BIDS FOR THE SERIES 2021 BONDS WILL BE RECEIVED USING I-DEAL LLC'S PARITY/BIDCOMP COMPETITIVE BIDDING SYSTEM, AS SPECIFIED IN THE OFFICIAL NOTICE OF SALE.

Dated: _____ ___, 2021

_____

* Preliminary, subject to change.

Red herring: This Preliminary Official Statement and any information contained herein are subject to completion and amendment. The Series 2021 Bonds may not be sold and offers to buy may not be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances may this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2021 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

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

$35,000,000*
CITY OF RIVIERA BEACH, FLORIDA
Public Improvement Revenue Bonds
Series 2021

$_____ Serial Series 2021 Bonds

Maturity (October 1)	Principal Amount*	Interest Rate	Yield	Price	Initial CUSIP No.**
2022	$	%	%	%	769584____
2023					769584____
2024					769584____
2025					769584____
2026					769584____
2027					769584____
2028					769584____
2029					769584____
2030					769584____
2031					769584____
2032					769584____
2033					769584____
2034					769584____
2035					769584____
2036					769584____
2037					769584____
2038					769584____
2039					769584____
2040					769584____
2041					769584____
2042					769584____
2043					769584____
2044					769584____
2045					769584____
2046					769584____
2047					769584____
2048					769584____
2049					769584____
2050					769584____

$_____ – _____% Term Series 2021 Bonds Due October 1, ____, Priced at ____% to Yield ____% – Initial CUSIP No. _____**

$_____ – _____% Term Series 2021 Bonds Due October 1, ____, Priced at ____% to Yield ____% – Initial CUSIP No. _____**

_____

* Preliminary, subject to change.

** The City is not responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. CUSIP numbers are included solely for the convenience of the readers of this Official Statement.

CITY OF RIVIERA BEACH, FLORIDA

600 West Blue Heron Boulevard
Riviera Beach, Florida 33404
(561) 845-4000

MAYOR

RONNIE L. FELDER

CITY COUNCIL

SHIRLEY D. LANIER. . . . . Chairperson
KASHAMBA MILLER-ANDERSON. . . . . Chair Pro Tempore
TRADRICK MCCOY. . . . . Council Member
JULIA A. BOTEL, Ed.D. . . . . Council Member
DOUGLAS A. LAWSON. . . . . Council Member

ADMINISTRATION

City Manager
JONATHAN E. EVANS

City Attorney
DAWN S. WYNN

Director of Finance and Administrative Services
RANDY M. SHERMAN, CPA, CTP, CGFO

City Clerk
CLAUDENE L. ANTHONY, CMC

Financial Advisor
PFM FINANCIAL ADVISORS LLC
Coral Gables, Florida

Bond Counsel and Disclosure Counsel
GREENSPOON MARDER, P.A.
West Palm Beach, Florida

Independent Auditors
HCT CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS, LLC
Hollywood, Florida

No dealer, broker, salesman or other person has been authorized by the City or the Underwriters set forth on the cover page of this Official Statement (the "Underwriters") to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2021 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Official Statement has been obtained from public documents, records and other sources considered to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct. Any statement in this Official Statement involving estimates, assumptions and opinions, whether or not so expressly stated, are intended as such and are not to be construed as representations of fact. The Underwriters and the City expressly make no representation that such estimates, assumptions and opinions will be realized or fulfilled. Any information, estimates, assumptions and matters of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement, nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement. *The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities 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.*

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Official Statement. The offering of the Series 2021 Bonds is made only by means of this entire Official Statement.

References to website addresses presented in this Official Statement are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

Certain statements included or incorporated by reference in this Official Statement, including the Appendices, constitute "forward-looking statements." Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "project," "forecast," "budget" or other similar words. 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. The City does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

THE SERIES 2021 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, NOR HAS THE RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE EXEMPTION OF THE SERIES 2021 BONDS

FROM REGISTRATION OR QUALIFICATION IN CERTAIN STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CITY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED OR RECOMMENDED THE SERIES 2021 BONDS FOR SALE. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2021 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2021 BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THIS OFFICIAL STATEMENT SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE CITY OR THE UNDERWRITERS AND ANY ONE OR MORE HOLDERS OF THE SERIES 2021 BONDS.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE WEBSITE: **WWW.MUNIOS.COM**. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IF IT IS PRINTED IN FULL DIRECTLY FROM SUCH WEBSITE.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE CITY FOR PURPOSES OF RULE 15C2-12 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN FINANCIAL INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15C2-12(B)(1).

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OFFICIAL STATEMENT

relating to

$35,000,000*
CITY OF RIVIERA BEACH, FLORIDA
Public Improvement Revenue Bonds
Series 2021

INTRODUCTION

This Official Statement, which includes the cover page, inside cover page and the Appendices hereto, provides certain information regarding the City of Riviera Beach, Palm Beach County, Florida (the "City") and the sale by the City of its $35,000,000* Public Improvement Revenue Bonds, Series 2021 (the "Series 2021 Bonds"). The Series 2021 Bonds are being issued by the City pursuant to the Constitution and laws of the State of Florida (the "State"), including particularly Chapter 166, Florida Statutes, as amended, and Resolution No. 88-14 (the "Bond Resolution") adopted by the City Council of the City (the "City Council") on September 3, 2014, as supplemented by Resolution No. ____-21 (the "Series 2021 Supplemental Resolution" and, together with the Bond Resolution, the "Resolution") adopted by the City Council on _____, 2021. Capitalized terms not otherwise defined in this Official Statement shall have the meanings assigned to such terms in the Resolution. See "APPENDIX C - Form of the Resolution."

The Series 2021 Bonds are being issued for the purpose of providing funds, together with other legally available funds of the City, to finance the cost of the Series 2021 Project and pay the costs of issuing the Series 2021 Bonds. See "PURPOSE OF THE ISSUE" and "ESTIMATED SOURCES AND USES OF FUNDS" herein. The Series 2021 Bonds will be issued in book-entry only form and purchasers of the Series 2021 Bonds will not receive certificates representing their interest in the Series 2021 Bonds purchased. The Series 2021 Bonds will contain such other terms and provisions, including provisions regarding redemption, as described in "DESCRIPTION OF THE SERIES 2021 BONDS" herein.

In addition to the Series 2021 Bonds and the City of Riviera Beach, Florida Public Improvement Revenue Bonds, Series 2014 (the "Series 2014 Bonds"), and City of Riviera Beach, Florida Public Improvement Revenue Bonds, Series 2015 (the "Series 2015 Bonds"), each issued under the Bond Resolution, the City has outstanding, and may incur in the future, other indebtedness for the payment of which the City has covenanted, or in the future may covenant, to budget and appropriate Non-Ad Valorem Revenues; provided, however, that such obligations shall satisfy the terms and conditions established under the Bond Resolution for the issuance of obligations payable from or supported by a pledge of Non-Ad Valorem Revenues. See "SECURITY AND SOURCES OF PAYMENT" and "NON-AD VALOREM REVENUES" herein. The Series 2014 Bonds and Series 2015 Bonds are currently outstanding in the aggregate principal amount of $18,745,000 and $_____, respectively, and constitute the first and second Series of Bonds issued under the Bond Resolution. The Series 2021 Bonds will be the third Series of Bonds issued under the Bond Resolution. The Series 2021 Bonds, the Series 2014 Bonds, the Series 2015 Bonds and any other Series of Bonds issued under the Bond Resolution are referred to collectively in this Official Statement as the "Bonds."

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* Preliminary, subject to change.

The Bond Resolution creates funds and accounts to be held as trust funds for the benefit of Bondholders, except for the Rebate Fund, but provides that separate subaccounts within the Debt Service Reserve Account shall be created for each Series of Bonds that has established by Supplemental Resolution, a Debt Service Reserve Requirement. Amounts held in such subaccount shall constitute Pledged Revenues for, and secure only, the particular Series of Bonds for which such subaccount was established. **No deposit to the Debt Service Reserve Account shall be made in connection with the issuance of the Series 2021 Bonds and no Debt Service Reserve Requirement has been established under the Series 2021 Supplemental Resolution. The Series 2021 Bonds shall not be secured by, or entitled to any benefit from, amounts held in the Debt Service Reserve Account or any subaccount created therein for the benefit of other Bonds issued under the Bond Resolution**. See "SECURITY AND SOURCES OF PAYMENT - No Debt Service Reserve Subaccount" herein.

The Bonds, including the Series 2021 Bonds, are payable from and secured solely by a pledge of and first lien on the Pledged Revenues derived by the City from all moneys, securities and instruments held in the funds and accounts created under the Bond Resolution, including, specifically, the Non-Ad Valorem Revenues budgeted and appropriated by the City on an annual basis and deposited into such funds and accounts.

THE SERIES 2021 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OF THE CITY, PALM BEACH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISIONS OR LIMITATIONS, OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, PALM BEACH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF BUT SHALL BE PAYABLE FROM AND SECURED SOLELY BY PLEDGED REVENUES, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION. NO BONDHOLDER SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY, PALM BEACH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF OR TAXATION IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY TO PAY THE SERIES 2021 BONDS OR THE INTEREST THEREON, NOR SHALL ANY BONDHOLDER BE ENTITLED TO PAYMENT OF SUCH PRINCIPAL OR INTEREST FROM ANY OTHER FUNDS OF THE CITY, OTHER THAN THE PLEDGED REVENUES, OR EVER HAVE A LIEN ON THE SERIES 2021 PROJECT OR ANY OTHER REAL OR PERSONAL PROPERTY OF THE CITY, EXCEPT FOR THE PLEDGED REVENUES, ALL IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION.

This introduction is intended to serve as a brief description of the Official Statement and is expressly qualified by reference to the Official Statement as a whole. A full review should be made of the entire Official Statement, including its appendices, as well as the documents and reports summarized or described herein. The description of the Series 2021 Bonds, the documents authorizing and securing the same, and the information from various reports contained herein are not comprehensive or definitive. All references herein to such documents and reports are qualified by the entire, actual content of such documents and reports. Copies of such documents and reports may be obtained from the City by contacting the Customer Service Administrator for the City's Department of Finance and Administrative Services, 600 West Blue Heron Boulevard, Riviera Beach, Florida 33404, telephone number: (561) 845-3416, email address: klawson@rivierabeach.org.

PURPOSE OF THE ISSUE

General

The Series 2021 Bonds are being issued for the purpose of providing funds, together with other legally available funds of the City, to: (i) finance the cost of acquiring, constructing and equipping two (2) new fire stations in the City (the "Fire Stations"), including to the extent permissible under the Code reimbursement to the City of any moneys previously advanced by the City to pay any portion of such cost, as more particularly described below in "The Series 2021 Project," (ii) pay capitalized interest on the Series 2021 Bonds (such capitalized interest, collectively with the acquisition, construction and equipping of the Fire Stations, being referred to herein as the "Series 2021 Project"), and (iv) pay the costs of issuance of the Series 2021 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2021 Project

The Series 2021 Project is comprised of the acquisition, construction and equipping of the Fire Stations and the payment of capitalized interest on the Series 2021 Bonds to and including _____ 1, 20____. The Fire Stations will consist of a new, replacement fire station (i) at the intersection of West Blue Heron Boulevard and North Congress Avenue within the City and (ii) on a City-owned vacant parcel of land on Singer Island within the City.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds from the proceeds of the Series 2021 Bonds:

Sources of Funds

Par Amount of Series 2021 Bonds	$
Net Original Issue Discount / Premium	
Total Estimated Sources of Funds	$

Uses of Funds

Deposit to Project Fund[(1)]	$
Costs of Issuance[(2)]	
Underwriters' Discount	
Total Estimated Uses of Funds	$

(1) $_____ is expected to be used for the Fire Stations and $_____ is expected to be used to pay capitalized interest on the Series 2021 Bonds to and including the _____ 1, 20____ Interest Payment Date.

(2) Includes fees of Bond Counsel, Disclosure Counsel, the Financial Advisor, the rating agencies and miscellaneous costs of issuance.

DESCRIPTION OF THE SERIES 2021 BONDS

General Description

The Series 2021 Bonds will be issued as fully registered bonds, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2021 Bonds. Individual purchases of the Series 2021 Bonds will be made in book-entry form only, and purchasers will not receive physical delivery of the Series 2021 Bonds or any certificate representing their beneficial ownership interest in the Series 2021 Bonds. See "DESCRIPTION OF THE SERIES 2021 BONDS - Book-Entry Only System" herein.

The Series 2021 Bonds are available to purchasers in principal denominations of $5,000 or any integral multiple thereof. The Series 2021 Bonds will be dated as of the date of their initial issuance and will bear interest from that date at the rates (calculated based upon a year of three hundred sixty (360) days consisting of twelve (12) thirty-day months) and will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. Interest on the Series 2021 Bonds will be payable on April 1 and October 1 of each year, commencing on April 1, 2022. The Bank of New York Mellon Trust Company, N.A., Dallas Texas, will act as the initial Paying Agent and Registrar for the Series 2021 Bonds.

Registration, Transfer and Exchange

The Registrar will keep books for the registration of transfers and exchanges of the Series 2021 Bonds. The City, the Registrar and the Paying Agent shall deem and treat the registered owner of any Series 2021 Bond as the absolute owner of such Series 2021 Bond for the purpose of receiving payment of the principal of and interest due thereon and for all other purposes. In the event the book-entry only system of registration of the Series 2021 Bonds, described below under "DESCRIPTION OF THE SERIES 2021 BONDS - Book-Entry Only System" is discontinued, the Series 2021 Bonds will be subject to transfer and exchange as more fully described in the Resolution. See "APPENDIX C - Form of the Resolution."

Redemption Provisions

The Series 2021 Bonds are subject to redemption prior to maturity as described below:

Optional Redemption

The Series 2021 Bonds maturing on or before October 1, 2031 will not be subject to optional redemption prior to maturity. The Series 2021 Bonds maturing on or after October 1, 2032 are subject to redemption prior to maturity at the option of the City, in whole or in part, at any time on or after October 1, 2031, and if in part, in maturities determined by the City and by lot within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption

The Series 2021 Bonds maturing on October 1, 20 ___ are subject to mandatory sinking fund redemption in part prior to maturity by lot, through the application of amortization installments, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus interest accrued to the redemption date, in the following principal amounts and on the following dates:

Due (October 1)	Amortization Installment
*	

* Maturity.

The Series 2021 Bonds maturing on October 1, 20 ___ are subject to mandatory sinking fund redemption in part prior to maturity by lot, through the application of amortization installments, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus interest accrued to the redemption date, in the following principal amounts and on the following dates:

Due (October 1)	Amortization Installment
*	

* Maturity.

The City or the Registrar, at the direction of the City, may purchase any of the Series 2021 Bonds that are Term Bonds at prices not to exceed par, plus accrued interest to the purchase date.

Notice of Redemption

Notice of redemption shall be given by the Paying Agent in the name of the City by mailing a copy of an official redemption notice not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption (i) by first class mail to the respective Owners of the Series 2021 Bonds designated for redemption at their addresses appearing on the bond registration books of the City maintained by the Registrar; provided that such notice shall be sent by certified mail, return receipt requested, to the Holders of the Series 2021 Bonds of $1,000,000 or more in aggregate principal amount; and (ii) by certified mail, return receipt requested, to the Securities Depository.

A second notice of redemption shall be given within sixty (60) days after the redemption date in the manner required above to the registered Holders of redeemed Series 2021 Bonds which have not been presented for payment within thirty (30) days after the redemption date. However, failure to give such notice shall not affect the validity of the redemption of the Series 2021 Bonds for which proper notice has been given as provided in the preceding paragraph.

Each notice of redemption shall (i) specify the Series 2021 Bonds to be redeemed, the CUSIP numbers, the Date of Issue, interest rates, maturity dates of the Series 2021 Bonds to be redeemed, the redemption date, the date of the notice of redemption, the redemption price and the place or places where amounts due upon such redemption will be payable (which shall be the designated corporate trust office of the Paying Agent or of its agent or, if the City is serving as Paying Agent, the address of the City, including the name and telephone number of a representative of such Paying Agent) and, if less than all of a maturity of the Series 2021 Bonds is to be redeemed, the numbers of the Series 2021 Bonds, and the

portions of a maturity of the Series 2021 Bonds, so to be redeemed, and (ii) state that on the redemption date, the Series 2021 Bonds to be redeemed shall cease to bear interest.

In the case of an optional redemption of the Series 2021 Bonds, any notice of redemption may state that (i) it is conditioned upon the deposit of moneys with the Paying Agent (or any other depository holding such moneys as escrow agent in trust for the Owners of the Series 2021 Bonds or portions thereof to be redeemed), no later than the redemption date, in an amount equal to the amount necessary to effect the redemption; or (ii) the City retains the right to rescind such notice of redemption on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the Finance Director delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Series 2021 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such funds available shall constitute an Event of Default under the Resolution. The Paying Agent shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2021 Bonds called for redemption and not so paid remain Outstanding.

Failure to mail any notice of redemption (or any defect therein) to one or more Bondholders shall not affect the validity of any proceedings for such redemption with respect to Bondholders to which notice was duly mailed.

Effect of Redemption

On the date so designated for redemption, notice having been mailed in the manner and under the conditions described herein, the Series 2021 Bonds or portions thereof so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2021 Bonds on such redemption date and, moneys for payment of the redemption price being held in separate accounts by the Paying Agent (or any other depository, as escrow agent, in trust for the Holders of the Series 2021 Bonds or portions thereof to be redeemed), interest on the Series 2021 Bonds or portions thereof so called for redemption shall cease to accrue, such Series 2021 Bonds or portions thereof shall cease to be entitled to any lien, benefit or security under the Bond Resolution and the registered owners of the Series 2021 Bonds or portions thereof to be redeemed shall have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon and, to the extent required, to receive Series 2021 Bonds for any unredeemed potion of the Series 2021 Bonds.

As long as a Book-Entry System is used for determining beneficial ownership of Series 2021 Bonds, notice of redemption will be sent by the Paying Agent only to DTC. DTC will be responsible for notifying the DTC Participants, which will in turn be responsible for notifying the Beneficial Owners. Any failure of DTC to notify any DTC Participant, or of any DTC Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Series 2021 Bonds. See "DESCRIPTION OF THE SERIES 2021 BONDS - Book-Entry Only System" herein.

Book-Entry Only System

The following contains a description of the procedures and operations of DTC and is based upon information provided by DTC. Neither the City nor the Underwriters have independently investigated or verified such procedures and operations and assume no responsibility for the accuracy or completeness of the description thereof.

DTC will act as securities depository for the Series 2021 Bonds. The Series 2021 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 certificate for the Series 2021 Bonds will be issued for each maturity of the Series 2021 Bonds, as set forth on the inside cover page of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest 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 one hundred (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 as the "DTC Participants." DTC has a S&P Global Ratings, a division of Standard & Poor's Financial Services LLC, rating of AA+. The DTC Rules applicable to 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 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021 Bond ("Beneficial Owner") is in turn to be recorded on the DTC Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the DTC Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021 Bonds are to be accomplished by entries made on the books of DTC Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2021 Bonds, except in the event that use of the book-entry system for the Series 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021 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 Series 2021 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 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The DTC 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. Beneficial Owners of Series 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to documents securing the Series 2021 Bonds. For example, Beneficial Owners of Series 2021 Bonds may wish to ascertain that the nominee holding the Series 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2021 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 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City 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 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

The redemption price and principal and interest payments on the Series 2021 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 City or the Paying Agent on the payment date in accordance with their respective holdings shown on DTC's records. Payments by DTC 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 Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal of and interest payments on the Series 2021 Bonds, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the 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 DTC Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2021 Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2021 Bond certificates are required to be printed and delivered. Subject to the policies and procedures of DTC (or any successor securities

depository), the City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2021 Bond certificates will be printed and delivered. Thereafter, Series 2021 Bond certificates may be transferred and exchanged as described in the Bond Resolution. See "APPENDIX C - Form of the Resolution."

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2021 BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE HOLDER OF THE SERIES 2021 BONDS OR REGISTERED OWNERS OF THE SERIES 2021 BONDS SHALL MEAN DTC AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2021 BONDS.

The City can make no assurances that DTC will distribute payments of principal of, redemption price, if any, or interest on the Series 2021 Bonds to the Direct Participants, or that DTC Participants will distribute payments of principal of, redemption price, if any, or interest on the Series 2021 Bonds or redemption notices to the Beneficial Owners of such Series 2021 Bonds or that they will do so on a timely basis, or that DTC or any of its Participants will act in a manner described in this Official Statement. The City is not responsible or liable for the failure of DTC to make any payment to any Direct Participant or failure of any DTC Participant to give any notice or make any payment to a Beneficial Owner in respect to the Series 2021 Bonds or any error or delay relating thereto.

The rights of holders of beneficial interests in the Series 2021 Bonds and the manner of transferring or pledging those interests are subject to applicable state law. Holders of beneficial interests in the Series 2021 Bonds may want to discuss the manner of transferring or pledging their interest in the Series 2021 Bonds with their legal advisors.

NEITHER THE CITY NOR THE PAYING AGENT SHALL HAVE ANY OBLIGATION WITH RESPECT TO ANY DTC PARTICIPANT OR BENEFICIAL OWNER OF THE SERIES 2021 BONDS DURING SUCH TIME AS THE SERIES 2021 BONDS ARE REGISTERED IN THE NAME OF A SECURITIES DEPOSITORY PURSUANT TO A BOOK-ENTRY SYSTEM.

SECURITY AND SOURCES OF PAYMENT

Pledged Revenues

The Series 2021 Bonds are special obligations of the City payable solely from and secured solely by the Pledged Revenues. "Pledged Revenues" means (a) City Moneys, (b) any proceeds of Bonds originally deposited with the City and all moneys deposited and held from time to time by the City in the funds (other than the Rebate Fund) and accounts established under the Resolution, in each case until applied in accordance with the Resolution, (c) investment income received by the City in the funds (other than the Rebate Fund) and accounts established under the Resolution, and (d) any other moneys received by the Paying Agent in connection with repayment of the Bonds. "City Moneys" means the moneys budgeted and appropriated by the City and deposited into the Sinking Fund, or any other Fund established by the Resolution, from Non-Ad Valorem Revenues pursuant to the City's covenant to budget and appropriate Non-Ad Valorem Revenues, as provided in the Resolution.

"Non-Ad Valorem Revenues" means legally available revenues of the City derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the City of debt service on the Bonds, after the payment from the sources of Non-Ad Valorem Revenues pledged thereto of the principal of and interest on any other obligations of the City heretofore or hereafter issued which have a prior pledge on any source of the Non-Ad Valorem Revenues; provided,

however, that for the purposes of the anti-dilution test described below under the caption "SECURITY AND SOURCES OF PAYMENT- Anti-Dilution; Issuance of Other Obligations," "Non-Ad Valorem Revenues" means all legally available revenues of the City derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the City of Non-Self Supporting Debt, excluding non-ad valorem special assessments which are exclusively pledged to the payment of Special Assessment Obligations and Federal Direct Payments. For purposes of the pledge of Non-Ad Valorem Revenues provided in the Resolution, fees imposed by the City in connection with new construction, which fees are used to pay for the cost of new facilities and equipment, the need for which is in whole or in part the result of such new construction (commonly referred to as "impact fees"), are not considered legally available.

"Non-Self-Supporting Debt" means debt obligations of the City other than debt obligations relating to an enterprise fund, or general obligation bonds of the City or Special Assessment Obligations. "Special Assessment Obligations" means indebtedness payable from and secured solely by non-ad valorem special assessments, but shall not include any indebtedness that is secured in whole or in part by the City's covenant to budget and appropriate from Non-Ad Valorem Revenues. "Federal Direct Payments" means direct payments from the United States that the City becomes entitled to as a result of the issuance of any Series of the Bonds.

THE SERIES 2021 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OF THE CITY, PALM BEACH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISIONS OR LIMITATIONS, OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, PALM BEACH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF BUT SHALL BE PAYABLE FROM AND SECURED SOLELY BY PLEDGED REVENUES, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION. NO BONDHOLDER SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY, PALM BEACH COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF OR TAXATION IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY TO PAY THE SERIES 2021 BONDS OR THE INTEREST THEREON, NOR SHALL ANY BONDHOLDER BE ENTITLED TO PAYMENT OF SUCH PRINCIPAL OR INTEREST FROM ANY OTHER FUNDS OF THE CITY, OTHER THAN THE PLEDGED REVENUES, OR EVER HAVE A LIEN ON THE SERIES 2021 PROJECT OR ANY OTHER REAL OR PERSONAL PROPERTY OF THE CITY, EXCEPT FOR THE PLEDGED REVENUES, ALL IN THE MANNER AND TO THE EXTENT PROVIDED IN THE BOND RESOLUTION.

Covenant to Budget and Appropriate

Until the Bonds are no longer Outstanding, the City has covenanted and agreed in the Resolution, to the extent permitted by law and in accordance with applicable law and budgetary processes, to appropriate in its annual budget in each Fiscal Year, by amendment if necessary, Non-Ad Valorem Revenues in amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds, as the same become due (whether by redemption, at maturity or otherwise), and, if applicable, to restore any deficiency in a subaccount of the Debt Service Reserve Account or any other fund or account created and established under the Bond Resolution for the Bonds (including, without limitation, through reimbursement of a Reserve Account Credit Facility Issuer). **Notwithstanding the foregoing, the City does not covenant to maintain any services or programs now provided or maintained by the City**

which generate Non-Ad Valorem Revenues, other than such services or programs which are for essential public purposes affecting the health, welfare, and safety of the inhabitants of the City.

To the extent that the City is in compliance with the covenant contained above and its covenant in the Resolution relating to the issuance of total Non-Self-Supporting Debt, the covenant to budget and appropriate described above and the other obligations of the City contained in the Bond Resolution shall not be construed as a limitation on the ability of the City to pledge or covenant with respect to the Non-Ad Valorem Revenues (or any portion thereof) for other indebtedness or other legally permissible purposes. See "SECURITY AND SOURCES OF PAYMENT - Anti-Dilution; Issuance of Other Obligations" herein.

The City's covenant to budget and appropriate Non-Ad Valorem Revenues is not a pledge by the City of such Non-Ad Valorem Revenues nor the creation of a lien on such Non-Ad Valorem Revenues prior to their deposit into the funds and accounts created under the Resolution, and is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into, including the payment of debt service on bonds or other obligations. In addition, the covenant to budget and appropriate is subject to the provisions of Section 166.241(3), Florida Statutes, as amended, which provides, in part, that the governing body of each municipality makes appropriations for each Fiscal Year which, in any one (1) year, shall not exceed the amount to be received from taxation or other revenue sources. **The City's covenant to budget and appropriate Non-Ad Valorem Revenues does not require the City to levy and collect any particular source of Non-Ad Valorem Revenues nor to maintain or increase any regulatory fees or user charges with respect to any particular source of Non-Ad Valorem Revenues.**

Anti-Dilution; Issuance of Other Obligations

The City covenants in the Bond Resolution that in each Fiscal Year, while any Bonds are Outstanding, the total Non-Self-Supporting Debt Service due for each such Fiscal Year of the City shall not exceed fifty percent (50%) of Non-Ad Valorem Revenues. In furtherance of such covenant, the City has covenanted and agreed in the Bond Resolution that it will not issue or incur any indebtedness payable from or supported by a pledge of the Non-Ad Valorem Revenues unless the City can show that following the issuance of or incurrence of such additional indebtedness the total amount of Non-Ad Valorem Revenues (based on the most recently completed Fiscal Year for which audited financial statements are available) will be greater than 2.00 times the Maximum Debt Service. For purposes of this covenant, any Non-Self-Supporting Debt bearing a variable interest rate or proposed to bear a variable interest rate will be assumed to bear interest at all times to the maturity thereof at a fixed rate of interest equal to one hundred ten percent (110%) of the greater of (a) the average interest rate on such variable rate bonds during the twelve (12) months ending with the month preceding the date of calculation, or such shorter period that such Bonds shall have been Outstanding, or (b) the rate of interest on such variable rate bonds on the date of calculation.

"Non-Self-Supporting Debt Service" means the Debt Service on Non-Self-Supporting Debt. In calculating Debt Service on any Non-Self Supporting Debt, interest payments on any Bonds which are eligible to receive Federal Direct Payments shall be calculated net of expected receipt of such Federal Direct Payments. "Maximum Debt Service" means, at any time, the maximum amount required in the then-current or any future Fiscal Year to pay (a) all Non-Self-Supporting Debt, and (b) any proposed indebtedness of the City (i) which will be payable from Non-Ad Valorem Revenues, or (ii) for which any Non-Ad Valorem Revenues will be pledged.

For purposes of calculating the limitation on the incurrence of additional indebtedness set forth in the first paragraph of this subsection, the City may add to the total Non-Ad Valorem Revenues for the most recently completed Fiscal Year for which audited financial statements are available (the "Applicable Fiscal Year") increases in Non-Ad Valorem Revenues realized or projected to be realized by the City as a result of (a) any changes in the fees and charges imposed by the City which took effect after the end of the Applicable Fiscal Year, (b) any changes in the fees and charges imposed by the City which the City has enacted by ordinance or resolution which will be in effect during any Fiscal Year after the Applicable Fiscal Year, or (c) changes in state or federal law, regulation or allocation of revenues taking effect after the end of the Applicable Fiscal Year. Any such increase in Non-Ad Valorem Revenues shall be evidenced by a certificate of the Finance Director.

The City currently has certain long-term debt and capital lease obligations outstanding that are payable from and secured by Non-Ad Valorem Revenues. See "NON-AD VALOREM REVENUES - Obligations Payable From Non-Ad Valorem Revenues" herein.

Funds and Accounts

Creation of Funds and Accounts. The Bond Resolution creates and establishes with the City the following Funds and Accounts for the benefit of Bonds Outstanding: (1) the City of Riviera Beach, Florida Public Improvement Revenue Bonds Sinking Fund (the "Sinking Fund"), (2) the City of Riviera Beach, Florida Public Improvement Revenue Bonds Rebate Fund (the "Rebate Fund"), and (3) the City of Riviera Beach, Florida Public Improvement Revenue Bonds Project Fund (the "Project Fund"). Within the Sinking Fund the Bond Resolution creates and establishes the following separate accounts: (a) a Principal and Interest Account (the "Principal and Interest Account"), (b) a Bond Redemption Account (the "Bond Redemption Account"), and (c) a Debt Service Reserve Account (the "Debt Service Reserve Account"). Within the Debt Service Reserve Account the Bond Resolution provides for the creation of a separate subaccount for each Series of Bonds that has a Debt Service Reserve Requirement.

In addition, the Bond Resolution provides for the creation of separate accounts within the Rebate Fund for each Series of Bonds, if such separate accounts are determined to be necessary by Bond Counsel to preserve the exclusion of the interest on the Bonds or a Series of Bonds from gross income for federal income tax purposes. However, only the Sinking Fund and the Project Fund, and all accounts and subaccounts therein, shall constitute trust funds for the purposes of the Bond Resolution.

Project Fund. Amounts deposited into the Project Fund shall be the amounts determined by the Bond Resolution or any Supplemental Resolution as the amount required to finance the Project for which a Series of Bonds has been issued. In addition, there may be paid into the Project Fund, at the option of the City, any moneys received by the City for or in connection with a Project from any other source. Any amounts in the Project Fund shall be applied by the City to pay Costs of the Project, including, without limitation, costs of issuance of the Bonds. Separate accounts may be established in the Project Fund for each Series Project or any portion thereof.

Upon the completion of each Series Project, the balance in the Project Fund (or in any separate account in the Project Fund established therefor) in excess of the amount, if any, to be retained therein for payment of any remaining Cost of the Project, shall, as directed by the City (i) be deposited in the Principal and Interest Account or the Redemption Account and applied to the retirement of Bonds by payment, purchase, or redemption at the earliest date permissible under the terms of the Bond Resolution or the applicable Supplemental Resolution, or (ii) to the extent the same shall not, in an

Opinion of Bond Counsel, adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds, to be used for any other lawful purpose of the City.

Sinking Fund. On or before 12:00 Noon (City time) on the last Business Day prior to each Interest Payment Date, the City shall deposit into the Sinking Fund an amount of Non-Ad Valorem Revenues (which at the time of such deposit become City Moneys and Pledged Revenues) which shall cause the amount therein to be at least equal to the Accrued Aggregate Debt Service calculated to such Interest Payment Date, and to the extent applicable, any amounts necessary to satisfy any deficiency in a subaccount of the Debt Service Reserve Account or reinstatement of a Reserve Account Credit Facility.

Application of Funds on Deposit. As soon as practicable after the deposit of Pledged Revenues into the Sinking Fund, and in any case no later than the close of business on the Business Day preceding such Interest Payment Date, the City shall credit moneys therein to the following purposes in the following order of priority (such application to be made in such a manner so as to assure sufficient moneys on deposit in such Accounts):

(1) To the Principal and Interest Account the amount, if any, required so that the balance in the Principal and Interest Account shall equal the amount of principal of and interest on the Bonds coming due on the next Interest Payment Date; provided that, for purposes of computing the amount to be deposited in the Principal and Interest Account, there shall be taken into account the amount, if any, set aside in said account from the proceeds of Bonds;

(2) To the Redemption Account, the amount, if any, required so that the balance in the Redemption Account shall equal the principal of and premium, if any, on the Bonds then coming due by reason of redemption on the next Interest Payment Date or earlier date of redemption;

(3) To the extent applicable, to each Reserve Account Credit Facility Issuer the amount, if any, required to reimburse such issuer for the amounts drawn under the applicable Reserve Account Credit Facility or otherwise required to be paid to reinstate the amount available thereunder (on a pro rata basis if there is more than one Reserve Account Credit Facility); and

(4) To the extent applicable, to the appropriate subaccount or subaccounts of the Debt Service Reserve Account the amount, if any, required for the amount on deposit in each such subaccount to equal the Debt Service Reserve Requirement for the applicable Series of Bonds (on a pro rata basis if more than one subaccount has a shortfall).

The City shall pay out of the Principal and Interest Account to the Paying Agent (i) by 12:00 Noon (City time) on, or any time before, each Interest Payment Date for any of the Bonds, the amount required for the interest payable on such date; and (ii) by 12:00 Noon (City time) on, or any time before, the maturity date of each of the Bonds the amount of principal of such Bonds payable on such date. The City shall pay out of the Redemption Account to the Paying Agent by 12:00 Noon (City time) on, or any time before, any redemption date for the Bonds the amount required for the payment of principal and any premium on the Bonds then to be redeemed. Such amounts shall be applied by the Paying Agent on and after the due dates thereof.

In addition, subject to the foregoing, the City shall pay from City Moneys the fees and expenses, at such times as are necessary, of the Paying Agent, the Registrar, the Credit Facility Issuer, if any, and

the Reserve Account Credit Facility Issuer, if any, and any other fees and expenses of the City relating to the Bonds.

No Debt Service Reserve Subaccount

The Bond Resolution provides for the funding of a subaccount within the Debt Service Reserve Account for each Series of Bonds to satisfy the Debt Service Reserve Requirement for such Series. "Debt Service Reserve Requirement" means the amount required to be on deposit in the subaccount of the Debt Service Reserve Account created and established under the Supplemental Resolution with respect to each Series of Bonds, which amount shall equal the least of: (a) the maximum annual aggregate amount of Debt Service on such Series of Bonds Outstanding for the then current or any future Fiscal Year, (b) one hundred twenty-five percent (125%) of the average annual amount of Debt Service on such Series of Bonds Outstanding for the then current or any future Fiscal Year, or (c) ten percent (10%) of the principal amount of the Bonds of such Series or the issue price of the Bonds of such Series, if the Bonds of such Series have more than a de minimis amount of original issue discount or premium (as such terms are used under the Code for such purpose).

All or a portion of the Debt Service Reserve Requirement may be satisfied by obtaining a Reserve Account Credit Facility with the requisite coverage. Amounts on deposit in each subaccount of the Debt Service Reserve Account shall only secure the Series of Bonds to which such subaccount relates. However, notwithstanding the foregoing, the Bond Resolution provides that the City may determine by Supplemental Resolution authorizing any Series of Bonds that such Series will not have a Debt Service Reserve Requirement or that the Debt Service Reserve Requirement will be less than the amount described in the immediately preceding paragraph.

No deposit to the Debt Service Reserve Account shall be made in connection with the issuance of the Series 2021 Bonds and no Debt Service Reserve Requirement has been established under the Series 2021 Supplemental Resolution. The Series 2021 Bonds shall not be secured by, or entitled to any benefit from, amounts held in the Debt Service Reserve Account or any subaccount created therein for the benefit of other Bonds issued under the Bond Resolution.

Modifications or Supplements to Bond Resolution

No material modifications or amendments of the Bond Resolution or of any resolution amendatory thereof or supplemental thereto, may be made without the consent in writing of the Owners of more than fifty percent (50%) in principal amount of the Bonds then Outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of the Bonds or a reduction in the rate of interest thereon, or affect the unconditional promise of the City to pay the interest on and principal of the Bonds, as the same mature or become due, from the Pledged Revenues, or reduce such percentage of Owners of the Bonds required above for such modification or amendment, without the consent of the Owners of all the Bonds affected. However, for purposes of providing the written consent of the Owners of any Series of Bonds to any modification or amendment of the Bond Resolution, the underwriters or initial marketing group for any Series of Bonds, at the time of the initial issuance of such Bonds, may consent to any such modification or amendment on behalf of the Owners of such Series of Bonds if the offering documents for all Bonds then Outstanding and offered by an offering document expressly disclosed that the consent of Owners could be provided by the underwriters of the Bonds issued under the Bond Resolution. This section is intended to provide such express disclosure with respect to the Series 2021 Bonds.

Notwithstanding the foregoing, the Bond Resolution may be amended, changed, modified and altered without the consent of the Owners of Bonds (i) to cure any ambiguity, correct or supplement any provisions contained therein which may be defective or inconsistent with any other provisions contained therein, (ii) to provide other changes which will not adversely affect the interest of such Owners (without taking into account the existence of any Credit Facility), (iii) to maintain the exclusion of interest on the Bonds, or any Series of Bonds, from gross income for federal income tax purposes, or (iv) to secure or maintain a rating on the Bonds or any Series of Bonds. In addition, in connection with any amendment, change, modification or alteration of or to the Bond Resolution, to the extent any Series of Bonds is secured by a Credit Facility that satisfies the requirements set forth in the Bond Resolution, the consent of the Credit Facility Issuer for such Series of Bonds shall constitute the consent of the Owners of such Bonds and all amendments, changes, modifications and alterations of or to the Bond Resolution shall be subject to the prior written consent of the Credit Facility Issuer. See "APPENDIX C - Form of the Resolution."

NON-AD VALOREM REVENUES

General

The City collects a wide range of taxes and revenues to fund its annual operations. Among the revenues collected by the City are non-ad valorem funds, the sources of which include public service taxes and communications services taxes (which are also sometimes referred to as utilities service taxes) and taxes on certain insurance premiums, franchise fees and fees for licenses and permits, including business tax receipts, funds received from the State of Florida under the State Revenue Sharing Act, funds distributed to local governments from the State collected sales tax, charges for certain City services, fines and forfeitures, interest earned on invested cash, federal and state categorical grants, and other miscellaneous revenues. However, non-ad valorem funds derived from taxes on insurance premiums are not legally available funds which can be included in the definition of Non-Ad Valorem Revenues. See "NON-AD VALOREM REVENUES - Sources of Non-Ad Valorem Revenues" herein.

The amounts and availability of any of the City's non-ad valorem funds are subject to change, including reduction or elimination by change of State law or changes in the facts or circumstances according to which certain of the non-ad valorem funds of the City are allocated. See "SECURITY AND SOURCES OF PAYMENT - Pledged Revenues" herein. In addition, the amount of certain non-ad valorem funds collected by or distributed to the City are directly related to the general economy of the City. Accordingly, adverse economic conditions could have a material adverse effect on the amount of non-ad valorem funds generally collected or received by the City in any Fiscal Year.

Sources of Non-Ad Valorem Revenues

Set forth below is a description of each of the categories of non-ad valorem funds collected or received by the City. Certain categories of non-ad valorem funds described below may contain specific revenue sources that are not legally available to pay Debt Service on the Series 2021 Bonds.

Public Service Tax Revenues. Sections 166.231 - 166.235, Florida Statutes, as amended (the "Public Service Tax Law") authorizes any municipality within the State to levy a public service tax on the purchase of electricity, metered natural gas, liquefied petroleum gas (either metered or bottled), manufactured gas (either metered or bottled) and water services, as well as any service competitive with the services specifically enumerated. The Communications Services Tax Simplification Law, as amended, being Chapter 202, Florida Statutes, as amended (the "Communications Services Tax Law") replaced the

authority previously provided local governments under Chapter 166, Florida Statutes, as amended, to levy a public service tax on the purchase of telecommunications services. Except for certain exceptions for water services, as provided in Section 166.231, Florida Statutes, as amended, public service taxes shall be levied only upon purchases within the City and shall not exceed ten percent (10%) of the payments received by the seller of the taxable item from the purchaser for the purchase of such service; provided, however, that fuel oil shall be taxed at a rate which shall not exceed four cents ($0.04) per gallon.

City Levy and Exemptions. The City levies its public service tax under the provisions of City Code, Part II, Article III, Chapter 18, Section 18-36 *et seq.* Under such provisions of the City Code, the City established a public service tax rate of ten percent (10%) and a rate of four cents ($0.04) per gallon on the purchase of fuel oil, representing the maximum rate allowed under Florida law. Section 166.231, Florida Statutes, as amended, allows a municipality to exempt from the public service tax the first 500 kilowatts of electricity per month purchased for residential use. The City does not currently grant such an exemption. The City Code, however, does exclude from public service taxation purchases of the United States of America, the State of Florida and any political subdivision or agency thereof, and recognized churches for use exclusively for church purposes.

Collections. Public service taxes must be collected by the seller from purchasers at the time of sale and remitted to the City Clerk, as prescribed by City Code. Thus, for example, the tax will appear on the periodic bills rendered to consumers by Florida Power & Light Company for electricity and by the City for water service. A failure by a consumer to pay the portion of the bill attributable to the public service tax will result in a suspension of such consumer's utility service in the same fashion as the failure to pay that portion of the bill attributable to the particular utility service.

Communications Services Tax Revenues. The Communications Services Tax Law authorizes counties and municipalities in the State to levy a local tax on all communications services, as such term is defined in Section 202.11, Florida Statutes, as amended. The Communications Services Tax Law contains provisions that are designed to ensure that the revenues collected by a municipality under its provisions are similar in amount to the revenues collected by such municipality under the provisions which provided for the levy of public service taxes on the purchase of telecommunications services. Communications services means the transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals, including cable services, to a point, or between or among points, by or through any electronic, radio, satellite, cable, optical, microwave, or other medium or method now in existence or hereafter devised, regardless of protocol used for such transmission or conveyance. For charter counties and municipalities, communications services taxes may not exceed 5.10% of the payments received by the providers of such communications services from purchasers. The maximum rate, however, does not include permitted add-ons of up to 0.12%, nor do they supersede conversion or emergency rates authorized by Section 202.20, Florida Statutes, as amended, which are in excess of the maximum rate.

City Levy and Exemptions. The City levies its communications services taxes under the provisions of City Code, Part II, Article IV, Chapter 18, Section 18-61 *et seq.* Under such provisions of the City Code, the City established a communications services tax rate of 5.22%, representing the maximum rate allowed in the Communications Services Tax Law, with the 0.12% ad-on. Section 202.125, Florida Statutes, as amended, exempts from the levy of communications services taxes:

(i) all purchases by the federal government and its agencies and instrumentalities;

(ii) the State and any county, municipality or political subdivision of the State; and

(iii) any home for the aged, religious or educational organization exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.

Collections. The communications services tax must be collected by the provider from purchasers and remitted to the State of Florida Department of Revenue (the "FDOR"). The proceeds of the communications services tax, less FDOR's costs of administration, are transferred to the Local Communications Services Tax Clearing Trust Fund held by FDOR and distributed to the City on a monthly basis. The FDOR distributes to the appropriate local governments the amount of revenue collected pursuant to the Communications Services Tax Law which each local government is entitled to receive.

Business Tax Revenues. Sections 205.013 - 205.1975, Florida Statutes, as amended (the "Local Business Tax Act") authorizes any municipality within the State to levy a business tax for the privilege of engaging in or managing any business, profession or occupation within its jurisdiction (the "Business Tax"). The Business Tax may be levied upon businesses, professions or occupations within the City, excluding customary religious, charitable or educational activities of nonprofit religious, nonprofit charitable and nonprofit educational institutions, and excluding any business, occupation or profession if a business tax thereon is prohibited by Section 8, Article I of the United States Constitution.

The taxes authorized by the Local Business Tax Act do not include fees or licenses paid to any board, commission or officer for permits, registrations, examinations or inspections. Unless otherwise provided by law, such fees or licenses are deemed to be regulatory and in addition to, but not in lieu of, Business Taxes authorized under the Local Business Tax Act. Such fees and licenses collected by Palm Beach County and remitted to the City and fees for business certifications of use are recorded by the City in the business tax category.

The Business Tax is required to be based upon reasonable classifications and must be uniform throughout each classification. Business Taxes are required to be paid annually and receipts evidencing payment of the Business Tax are effective from October 1 for the Fiscal Year paid, through September 30 of the following year. The Local Business Tax Act provides conditions for the establishment of the rate each municipality may charge as Business Taxes. Increases in the established Business Tax rate may only occur every other year, may not exceed five percent (5%) per rate increase, and must be enacted by ordinance by a vote of at least a majority, plus one, of the governing body of the municipality.

The Local Business Tax Act provides exemptions from the imposition of Business Taxes on (i) vehicles used for the sale and delivery of tangible personal property for a business that has paid its Business Tax; (ii) certain businesses conducting farm, horticultural and related activities, except when the product manufactured from such activities is intoxicating liquors, wine, or beer, (iii) temporary or transitory businesses or occupations regulated by the State's Department of Business and Professional Regulation when a Business Tax has been paid for the permanent business location, (iv) employees of any business that has paid its Business Tax, except for counties and municipalities that, pursuant to resolution or ordinance, imposed a Business Tax on employees prior to October 13, 2010, (v) individuals licensed and operating as a broker associate or sales associate under Chapter 475, Florida Statutes, as amended, (vi) certain disabled persons physically incapable of manual labor, widows with minor dependents and persons 65 years of age or older, meeting all of the other conditions provided as qualifications for the exemption in the Local Business Tax Act, (vii) certain veterans (including their unremarried spouses), spouses of active duty military servicemembers who have relocated to the county or municipality pursuant to a permanent change of station order, persons receiving public assistance, as defined in Section 409.2554, Florida Statutes, and persons whose household income is below one hundred thirty percent (130%) of the

federal poverty level based on the current year's federal poverty guidelines, and (viii) certain activities of religious and charitable organizations and mobile home operators relating to mobile home installation.

City Levy and Collections. The City levies its Business Tax under the provisions of City Code, Part II, Article V, Chapter 10, Section 10-131 *et seq*. Under such provisions of the City Code, the City imposes a Business Tax on every person engaging in or managing any business, profession or occupation who maintains a permanent business location or branch office within the City. Such persons are required to register their business with the City's business tax receipt division of the Department of Community Development and pay the Business Tax for such business on or before October 1 of each year.

Sales Tax Revenues. Pursuant to Chapter 212 Florida Statutes, as amended, and Part VI of Chapter 218, Florida Statutes, as amended (the "Half-Cent Sales Tax Act"), retail sales of tangible personal property and other taxable transactions described in Chapter 212 are taxed at a rate of 6% of the sales price of each item or transaction (the "Sales Tax") and 8.814% of the proceeds of the Sales Tax (the "Half-Cent Sales Tax") collected by the State in each county is required to be deposited in the Local Government Half-Cent Sales Tax Clearing Trust Fund in the State Treasury.

Calculation and Distribution. The Half-Cent Sales Tax is distributed to each county and each participating municipality within each county in the State in accordance with the following formula:

$$\text{County's share (\% of Half-Cent Sales Tax)} = \frac{\text{unincorporated area population}}{\text{total county population}} + \frac{2/3 \text{ incorporated area population}}{2/3 \text{ incorporated area population}}$$

$$\text{Municipality's share (\% of Half-Cent Sales Tax)} = \frac{\text{municipality population}}{\text{total county population}} + \frac{}{2/3 \text{ incorporated area population}}$$

The formula is revised each year based upon the population estimates prepared by the University of Florida, Bureau of Economic and Business Research.

Revenues from the collection of Sales Taxes are required to be remitted to the State of Florida Department of Revenue (the "FDOR") each month. Half-Cent Sales Tax revenues are deposited by the FDOR into the Local Government Half-cent Sales Tax Clearing Trust Fund and earmarked for distribution to the governing body of the county and participating municipalities within the county from which the Sales Taxes were received. Distributions to local governments from the Local Government Half-cent Sales Tax Clearing Trust Fund are made to eligible counties and municipalities monthly.

Eligibility to Participate. To be eligible to participate in Half-Cent Sales Tax distributions, a county or municipality must satisfy various statutory requirements set forth in Section 218.23(1), Florida Statutes, as amended. For a description of such requirements, see "NON-AD VALOREM REVENUES - Sources of Non-Ad Valorem Revenues - State Revenue Sharing Revenues - Eligibility to Participate" herein.

State Revenue Sharing Revenues. Pursuant to an allocation formula established in the Florida Revenue Sharing Act of 1972, as amended, being Chapter 218, Part II, Florida Statutes, as amended (the "State Revenue Sharing Act") the State is required to share with the cities and counties of the State certain non-ad valorem funds derived from State sales and use tax collections, State alternative fuel user decal fee

collections and from the one-cent municipal fuel tax collections. From such collections the State is required to share with eligible municipalities no less than the aggregate amount such municipality received from the State during fiscal year 1971-1972 under the provisions of State law then existing for (i) the tax on cigarettes, (ii) the road tax and (iii) the tax on motor fuel and, additionally, the amount received by eligible municipalities each year may not decrease from the aggregate amount received by such municipality the preceding State fiscal year (collectively, the "Guaranteed Entitlement").

Calculation and Distribution. The State Revenue Sharing Act creates an apportionment factor for the participation in revenue sharing by eligible counties and a separate apportionment factor for the participation in revenue sharing by eligible municipalities. For eligible municipalities, the apportionment factor is composed of various criteria, including the following:

(i) the proportion of the population of a given municipality to the total population of all eligible municipalities in the State, as adjusted by certain factors according to the population of the given municipality;

(ii) the proportion of the Sales Tax collected within a given municipality to the total Sales Tax collected within all the eligible municipalities in the State. The Sales Tax collected within a given municipality is derived by allocating the amount of Sales Tax collections for the county in which the municipality is located to each municipality in the county on the basis of the proportion of each municipality's population to the total population of the county; and

(iii) additional criteria relating to the relative ability of the given municipality to raise revenue, based upon the population of the given municipality and its assessed property values.

These factors are also used to determine the amount of revenue sharing funds that will be shared with the municipalities in each State fiscal year.

Collections received and to be distributed to local governments are deposited into the Revenue Sharing Trust Fund for Counties or the Revenue Sharing Trust Fund for Municipalities. Distributions from the respective trust funds are made to eligible counties and municipalities monthly.

The Revenue Sharing Trust Fund for Municipalities receives 1.3409 percent of sales and use tax collections, the net collections from the one-cent municipal fuel tax and, beginning January 1, 2019, will receive 25 percent of the four-cent fuel tax on natural gas used as motor fuel. Municipalities must use the funds derived from the one-cent municipal fuel tax for transportation-related expenditures.

Eligibility to Participate. The Revenue Sharing Act specifically provides that each unit of local government will receive annually its minimum entitlement. "Minimum entitlement" is defined as "the amount of revenue, as certified by a unit of local government and determined by the FDOR, which must be shared with a unit of local government so that such unit will receive the amount of revenue necessary to meet its obligations as a result of pledges or assignments or trusts entered into which obligated funds received from revenue sources or proceeds which, by the terms of the State Revenue Sharing Act, shall henceforth be distributed out of revenue sharing trust funds."

The Revenue Sharing Act imposes certain requirements on units of local government described below that must be met to participate in revenue sharing beyond the minimum entitlement. To be eligible to participate in revenue sharing under the State Revenue Sharing Act beyond the minimum entitlement, a county or municipality must satisfy various statutory requirements set forth in Section

218.23(1), Florida Statutes, as amended. Such requirements include, without limitation, obligations to comply with State financial reporting requirements, a requirement for the production of ad valorem tax revenues at no less than a three (3) mills ad valorem tax levy, exclusive of taxes levied for debt service or other special millages authorized by voters, and requirements relating to the qualifications of enforcement personnel and firefighters. The City complies with such requirements and, although no assurance can be given, the City expects to continue to comply with such requirements in the future.

Gasoline Tax Revenues. Local governments are authorized by Florida Statutes to levy up to twelve-cents per gallon of local option fuel taxes in the form of three (3) separate levies. The first option is a tax of one to six cents on every net gallon of motor and diesel fuel sold within a county. This tax may be authorized by an ordinance adopted by a majority vote of the governing body of the county or voter approval in a countywide referendum. The proceeds from the one to six cents fuel tax, generally, may only be used to fund transportation expenditures.

The second tax is a one to five cents levy upon every net gallon of motor fuel sold within a county. Diesel fuel is not subject to this tax. This additional tax may be authorized by an ordinance adopted by a majority plus one vote of the governing body of the county or voter approval in a countywide referendum. Proceeds from the additional one to five cents fuel tax may only be used for transportation expenditures needed to meet the requirements of the capital improvements element of an adopted local government comprehensive plan.

The third tax is a one cent levy on every net gallon of motor and diesel fuel sold within a county. This tax is referred to as the "Ninth-Cent Fuel Tax." The Ninth-Cent Fuel Tax may be authorized by an ordinance adopted by an extraordinary vote of the governing body of the county or voter approval in a countywide referendum. Generally, the proceeds from the Ninth-Cent Fuel Tax may only be used to fund transportation expenditures.

Calculation and Distribution. A county's proceeds from the one to six cents and the one to five cents fuel taxes are distributed by the FDOR according to the distribution factors determined at the local level by interlocal agreement between the county and municipalities within the county's boundaries. If no interlocal agreement is established, then a local government's distribution is based on the transportation expenditures of that local government for the immediately preceding five (5) fiscal years as a proportion of the sum total of such expenditures for the respective county and all municipalities within the county.

Palm Beach County levies the full twelve cents of fuel tax authorized to be levied by counties under Florida law. The amount of fuel tax revenues distributed to municipalities in Palm Beach County is determined by interlocal agreement. Pursuant to such agreement, the City receives 1.481% of the one to six cents fuel taxes collected in the County and 0.934% of the one to five cents fuel taxes collected in the County. With regard to the Ninth-Cent Fuel Tax, counties may, but are not required, to share the proceeds of such tax with the municipalities in the county. As a result, the City does not receive revenue from the Ninth-Cent Fuel Tax levy in Palm Beach County.

The FDOR administers the collection and distribution of local option fuel tax revenues. Local option fuel taxes remitted to the FDOR are deposited into the Local Option Fuel Tax Trust Fund. Distributions from the Local Option Fuel Tax Trust Fund to counties and municipalities are made monthly.

Eligibility to Participate. To be eligible to participate in local option fuel tax distributions, a county or municipality must satisfy various statutory requirements set forth in Section 218.23(1), Florida

Statutes, as amended. For a description of such requirements, see "NON-AD VALOREM REVENUES - Sources of Non-Ad Valorem Revenues - State Revenue Sharing Revenues - Eligibility to Participate" herein.

The Series 2021 Project is not transportation project. As a result, local option fuel taxes are not considered Non-Ad Valorem Revenues for the Series 2021 Bonds.

Insurance Premium Taxes. Insurance premium taxes constitute revenues collected pursuant to a levy of taxes on premiums paid to insurers within the City for insurance policies issued by such insurers. Revenues generated from insurance premium taxes are collected by the FDOR and deposited into the Department of Revenue Premium Tax Clearing Trust Fund. After subtracting an administration fee, the FDOR distributes to the appropriate local governments the amount of revenue generated from insurance premium taxes which each local government is entitled to receive. Such distributions are made by the FDOR within fifteen (15) days after the receipt of the insurance premium taxes. Under Chapter 624, Florida Statutes, as amended, insurance premium taxes are required to be paid quarterly.

Pursuant to Chapter 175, Florida Statutes, as amended, a portion of the insurance premium taxes available to the City are distributed to the City Firefighters' Share Plan and held as a separate benefit for the City's firefighters under the Riviera Beach Municipal Firefighters' Pension Plan. In addition, pursuant to Chapter 185, Florida Statutes, as amended, a portion of the insurance premium taxes available to the City are held as a separate benefit under the Riviera Beach Police Pension Plan for the City's police officers. As a result, the insurance premium taxes are not considered Non-Ad Valorem Revenues for the Series 2021 Bonds.

Franchise Fees. Franchise fees are derived from revenues received by the City pursuant to franchise agreements that the City has entered into with private entities to provide certain services within the City. Such services may include electric, gas, water, telephone, cable television, towing and rolloff container services. Section 337.401, Florida Statutes, as amended, also authorizes the City to grant public rights-of-way for the placing and maintaining along, across or on any road or publicly owned rail corridors within the jurisdiction of the City, electric transmission or other communication service lines or poles or pipelines, fences, gasoline tanks and pumps or other structures for any "utility," as such term is defined in Section 337.401, Florida Statutes, as amended. The City is authorized to charge franchise fees in connection with the granting of such public rights-of-way in accordance with Section 337.401, Florida Statutes, as amended.

The City's revenues from franchise fees currently consist of payments made by Florida Power & Light Company and Florida Public Utilities for the privilege of constructing upon and operating within rights-of-way owned by the City. Such franchise fees are paid pursuant to long-term agreements which provide for payment to the City of six percent (6%) of the entity's gross revenue derived from accounts within the City limits. The current franchise agreements with Florida Power & Light Company and Florida Public Utilities expire during calendar years 2040 and 2020, respectively. **[HAS FLORIDA PUBLIC UTILITIES AGREEMENT BEEN EXTENDED?]**

Charges for Services. The City collects revenue from fees it charges for certain services it provides. Such fees include, without limitation: (i) fees received from the City of Riviera Beach Community Redevelopment Agency (the "CRA") and from the City of Riviera Beach Utility Special District for administrative services provided to the CRA and to the Utility Special District, respectively, by the City; (ii) payments made in lieu of taxes; and (iii) garbage, trash, solid waste disposal, recycling and storm water administration fees.

Intergovernmental Revenues. Intergovernmental revenues constitute amounts received by the City pursuant to federal, State and County statutory requirements or initiatives and local programs that are designed to fund specific needs and services within the City. Such revenues include, without limitation, amounts received from: (i) the State pursuant to (a) the State Revenue Sharing Act and (b) State grants for library services, emergency management and community affairs; (ii) federal grants for emergency management, homeland security, economic development, transportation and technology; (iii) Palm Beach County resulting from mobile home or liquor license fees, hazard materials cleanup and grants for emergency management, security and other City services; (iv) museums, community colleges and other local entities; (v) rents and royalties from the City's grant of licenses to provide certain services in the City and from its lease of certain property owned by the City, including, without limitation, fees received from its telecommunications license; (vi) police towing and storage and other specific police department service fees; (vii) fire inspection and other specific fire department service fees; (viii) fees for emergency medical services; (ix) fees for the use of parks, playgrounds and related facilities and equipment; (x) election filing and public hearing fees; (xi) certain charges for recreational activities, special events and certificates of use and (xii) interfund charges.

Licenses and Permits. Revenues from licenses and permits constitute amounts received by the City for fees charged (i) to obtain permits and pay taxes to operate a business within the City and to satisfy penalties assessed in connection with certain licenses or permits; (ii) to obtain nonbusiness licenses and permits; (iii) for planning and zoning matters, including, without limitation, building permits and impact fees; and (iv) for certain registrations and inspections, including, without limitation, building inspections and security system registration and monitoring fees.

Fines and Forfeitures. Revenues from fines and forfeitures constitute amounts received by the City from fines assessed by the courts, charges imposed for municipal code violations, fines and penalties imposed for the commission of statutory offenses, violations for neglect of official duty and of administrative rules and regulations, including, without limitation, fines for parking or traffic violations and charges for false alarms. Revenues from forfeitures include amounts resulting from confiscation of deposits or bonds held as performance guarantees and proceeds from the sale of contraband property seized by law enforcement agencies.

Miscellaneous. Miscellaneous revenues include, without limitation, amounts received by the City from (i) the sale of surplus property; (ii) interest earnings on (a) the investment of moneys in the City's General Fund, (b) current or delinquent taxes and (c) liens on property; and (iii) contributions made to the City.

Non-Ad Valorem Revenues Collections

The following table summarizes actual collections by the City of non-ad valorem funds for the Fiscal Years ended September 30, 2012 through September 30, 2020, budgeted collections for the Fiscal Year ending September 30, 2021, the amount of such collections that would constitute Non-Ad Valorem Revenues under the Resolution, the debt service on obligations payable from Non-Ad Valorem Revenues and the debt service coverage amount. The availability of Non-Ad Valorem Revenues to be deposited into the Sinking Fund, as needed, may be effectively limited by the City's obligation to adopt a balanced budget, funding requirements for essential governmental services of the City and other limitations on the collection, appropriation or use of non-ad valorem funds by the City. Also see "SECURITY AND SOURCES OF PAYMENT - Pledged Funds" herein. Unless otherwise expressly noted in the following table, no attempt has been made to quantify what portion of the non-ad valorem funds of the City will be affected by such limitations.

Non-Ad Valorem Revenues by Source[1]

Non Ad-Valorem Revenues	Fiscal Year Ended September 30, 2012	2013	2014	2015	2016	2017	2018	2019	2020	Budget 2021[2]
Public Service Taxes[3]	$ 3,551,369	$ 4,060,124	$ 4,316,158	$ 4,275,034	$ 4,633,810	$ 4,762,948	$ 4,886,000	$ 5,144,247	$ 4,999,398	$ 5,135,000
Franchise Fees	2,482,954	2,507,601	2,721,401	2,704,479	2,586,398	2,774,685	2,765,329	2,814,988	2,695,046	3,179,225
Insurance Premium Taxes[4]	575,792	567,167	222,041	–	–	–	–	–	–	–
Licenses and Permits[5]	1,231,234	1,212,131	1,642,699	4,796,158	4,252,502	5,489,225	7,360,181	4,654,798	6,093,727	5,258,025
Communication Service Tax[6]	1,433,830	1,369,752	1,222,571	1,215,175	991,089	1,041,524	1,081,552	1,095,242	1,065,266	1,019,103
Fines and Forfeitures[7]	276,665	299,852	286,888	600,609	542,393	782,623	474,136	680,627	466,054	270,641
Intergovernmental[6][8][9]	____,____	____,____	____,____	____,____	____,____	____,____	____,____	____,____	____,____	____,____
Charges for Services	5,729,218	6,469,086	8,056,137	8,822,826	9,050,311	10,022,554	10,761,131	12,821,127	11,709,817	13,162,374
Sales Taxes[9]	2,125,149	2,236,508	2,396,237	2,583,803	2,678,737	2,676,005	2,752,320	2,844,050	2,660,804	2,727,692
Business Taxes	606,659	875,909	1,014,930	1,192,255	1,434,732	1,485,984	1,522,909	1,528,574	1,635,064	1,596,500
Gas Taxes[10]	473,444	471,241	477,499	510,525	523,141	542,643	497,870	543,837	497,260	____,____
Miscellaneous[11]	1,016,713	1,371,819	16,768	873,213	2,652,639	1,695,724	347,231	1,269,295	1,343,080	1,370,773
TOTAL NON-AD VALOREM FUNDS	19,803,939	23,168,730	23,939,198	26,626,285	28,965,534	30,287,617	31,565,985	32,511,837	32,155,823	32,228,985
Less Amounts Not Legally Available[5][12]	(778,026)	(776,879)	(426,705)	(166,221)	(596,355)	(259,750)	(476,218)	(172,691)	(_____)	(_____)
Less Debt Service Requirements[13]	(372,553)	(372,553)	(372,553)	(3,295,340)	(10,844,018)	(10,168,428)	(10,168,428)	(9,958,636)	(10,925,215)	(10,925,215)
TOTAL AVAILABLE NON-AD VALOREM REVENUES[10][14]	$18,653,360	$22,019,298	$23,139,940	$23,164,724	$17,525,161	$19,859,439	$20,921,339	$22,380,510	$21,230,608	$21,933,770
DEBT SERVICE COVERAGE RATIO	50.07x	59.10x	62.11x	7.03x	1.62x	1.95x	2.06x	2.25x	1.94x	2.13x

Source: City of Riviera Beach, Florida Department of Finance and Administrative Services.

Footnotes to the immediately preceding table are provided on the next page.

(1) Includes only non ad-valorem funds of the City that were deposited into the City's General Fund.

(2) Represents amount included in the adopted budget of the City for Fiscal Year 2021, as amended.

(3) Also referred to as "utility taxes" or "utility services taxes."

(4) Represents the insurance premium taxes available to the City that are either (i) distributed to the City Firefighters' Share Plan and held as a separate benefit for the City's firefighters pursuant to Chapter 175, Florida Statutes, as amended; or (ii) held as a separate benefit for the City's police officers under the Riviera Beach Police Pension Plan pursuant to Chapter 185, Florida Statutes, as amended. See "NON-AD VALOREM REVENUES - Sources of Non-Ad Valorem Revenues - Insurance Premium Taxes" herein. Since revenues collected from insurance premium taxes are not legally available to pay debt service on obligations secured generally by the City's non-ad valorem funds, insurance premium taxes are not included in the City's budgeted non-ad valorem funds.

(5) Increase beginning in Fiscal Year 2015 is the result of _____. See "NON-AD VALOREM REVENUES - Sources of Non-Ad Valorem Revenues - Licenses and Permits" herein.

(6) For purposes of the City's financial statements, revenues collected pursuant to the Communications Services Tax Law are included in the line item for intergovernmental revenues. See "NON-AD VALOREM REVENUES - Sources of Non-Ad Valorem Revenues - Communications Services Tax Revenues" and "- Intergovernmental Revenues" herein.

(7) Higher amounts in Fiscal Years 2015, 2017 and 2019 are the result of an increase in traffic fines in certain years and an increase in code enforcement fines resulting from efforts by the City to bring all buildings in the City into compliance with code requirements. See "NON-AD VALOREM REVENUES - Sources of Non-Ad Valorem Revenues - Fines and Forfeitures" herein.

(8) Increase in Fiscal Year 2013 results from the inclusion of approximately $2,500,000 in franchise fees that were reflected in both the franchise fees collected for Fiscal Year 2013 and in the intergovernmental revenues collected for Fiscal Year 2013.

(9) Sales taxes includes amounts collected pursuant to the Half-Cent Sales Tax Act and the State Revenue Sharing Act. For purposes of the City's financial statements, revenues collected pursuant to the State Revenue Sharing Act are included in the line item for intergovernmental revenues. See "NON-AD VALOREM REVENUES - Sources of Non-Ad Valorem Revenues - Sales Tax Revenues" and "- Intergovernmental Revenues" herein.

(10) Gas taxes are required to be used for transportation related expenditures. As a result, such taxes do not constitute Non-Ad Valorem Revenues for the Series 2021 Bonds.

(11) Includes various miscellaneous non-ad valorem revenues received by the City, including investment earnings. The decreases in Fiscal Years 2014, 2015 and 2018 are the result of _____. The increase in Fiscal Year 2016 results from _____. See "NON-AD VALOREM REVENUES - Sources of Non-Ad Valorem Revenues - Miscellaneous" herein.

(12) In addition to insurance premium taxes for Fiscal Years 2012 through 2014, amounts not legally available reflect the portion of intergovernmental revenues attributable to the grants and contributions that have limitations on the manner in which such revenues may be used which would prohibit their use for the payment of Debt Service, and any other non-ad valorem revenues, the use of all or any portion of which is similarly restricted.

(13) Represents obligations for which Non-Ad Valorem Revenues, or one or more sources of the Non-Ad Valorem Revenues, were pledged to pay debt service on such obligations. The amount reflected includes maximum annual Debt Service on the Series 2014 Bonds, beginning in Fiscal Year 2015, and maximum annual Debt Service on the Series 2015 Bonds, beginning in Fiscal Year 2016. See "INTRODUCTION" herein.

(14) Represents Non-Ad Valorem Revenues, as defined in the Bond Resolution.

Obligations Payable from Non-Ad Valorem Revenues

[DESCRIPTION OF SERIES 2014 BONDS, SERIES 2015 BONDS AND CAPITAL LEASE OBLIGATIONS TO BE PROVIDED

Set forth below is a table that shows all of the currently outstanding debt of the City that is payable from legally available non-ad valorem funds of the City. The City does not have any obligations

outstanding that have a lien on, or are secured solely by, any of the specific sources of revenue comprising the non-ad valorem funds of the City.

Outstanding Non-Ad Valorem Debt

Outstanding Obligation	Final Maturity	Outstanding Principal Amount	Percent of Total	Maximum Annual Debt Service
Public Improvement Revenue Bonds, Series 2014	2034	$_____	_____%	$1,970,072
Public Improvement Revenue Bonds, Series 2015	2035	_____		7,058,706
Capital Lease Obligations	20__	_____	____	_____
TOTAL		$_____	100.00%	$_____

Source: City of Riviera Beach, Florida Department of Finance and Administrative Services.

In addition to the Series 2014 Bonds, the Series 2015 Bonds, and the City's existing capital lease obligation described above, the City may incur other indebtedness in the future secured by the City's covenant to budget and appropriate legally available non-ad valorem funds. Further, the City may pledge as security for other obligations certain specified funds which are currently available to be Non-Ad Valorem Revenues. Such specified funds would be required to be applied to the obligations for which they are pledged and, to the extent so applied, would not be available for use as Non-Ad Valorem Revenues under the Resolution. However, see "SECURITY AND SOURCES OF PAYMENT - Anti-Dilution; Issuance of Other Obligations" herein. The City does not have any current plans to issue obligations secured by its covenant to budget and appropriate legally available non-ad valorem funds.

Historical and Projected Debt Service Coverage

Set forth below is a table that shows (i) the Non-Ad Valorem Revenues for Fiscal Years 2016 through 2020 and the amount budgeted for Fiscal Year 2021, (ii) the Maximum Debt Service for all obligations secured by the City's covenant to budget and appropriate legally available non-ad valorem funds, assuming the Series 2021 Bonds were Outstanding during such Fiscal Years, and (iii) the coverage of the Maximum Debt Service on all obligations secured by the City's covenant to budget and appropriate legally available non-ad valorem funds, assuming the Series 2021 Bonds were Outstanding during such Fiscal Years.

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Historical Non-Ad Valorem Revenues, Debt Service and Coverage

	A	B	C=A/B
Fiscal Year	Total Non-Ad Valorem Revenues [1]	Obligations Secured by Non-Ad Valorem Revenues [2]	Debt Service Coverage on Obligations Secured by Non-Ad Valorem Revenues [2]
2016	$28,369,179	$_____	__.____x
2017	30,027,867		
2018	31,089,767		
2019	32,339,146		
2020	_____		
2021[3]	_____		

Source: City of Riviera Beach, Florida Department of Finance and Administrative Services.

(1) Represents Non-Ad Valorem Revenues, as defined in the Bond Resolution. See "NON-AD VALOREM REVENUES - Non-Ad Valorem Revenues Collections.

(2) Represents Maximum Debt Service, as defined in the Bond Resolution, and includes the Maximum Debt Service requirement for (i) the Series 2014 Bonds of $1,970,071.88, (ii) the Series 2015 Bonds of $7,058,705.60, (iii) the City's existing capital lease obligation described above of $_____ and (iv) the Series 2021 Bonds to be issued of $_____. The Maximum Debt Service requirement for the Series 2021 Bonds is included solely for purposes of showing the amount of coverage that would have been available if the Series 2021 Bonds had been issued prior to Fiscal Year 2021 and assumes issuance of the Series 2021 Bonds in the aggregate principal amount of $35,000,000.00, at a true interest cost of _____% per annum. For the actual Maximum Debt Service on the Series 2021 Bonds, see "DEBT SERVICE REQUIREMENTS" herein.

(3) Non-Ad Valorem Revenues reflect amount budgeted for the Fiscal Year.

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DEBT SERVICE REQUIREMENTS

The following table sets forth the Debt Service requirement for the Series 2021 Bonds.

Maturity October 1	Principal	Interest	Total
2022	$	$	$
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
Total	$	$	$

PENSION AND OTHER POST EMPLOYMENT BENEFITS

[TO BE UPDATED, AS NEEDED]

The following is a description of the pension plan and other post employment benefits ("OPEB") offered by the City to its employees. A more complete discussion of the City's pension plans and OPEB can be found in "APPENDIX B - General Purpose Financial Statements of the City for the Fiscal Year Ended September 30, 2020," beginning on page 91 under Note 13 and continuing through Note 14 ending on page 110.

General Employees' Retirement System

Plan Description

The City of Riviera Beach General Employees' Retirement System covers all regular full time employees, excluding members of the Police and Firefighters' pension plans. The City reports the plan as a trust fund in its financial statements. The plan does not issue separate financial statements. The plan is administered by a seven (7) person board, of which four (4) members are appointed by the Mayor, with approval of the City Council, and three (3) members are elected by plan participants. The plan may be amended by the City Council from time to time.

Funding Requirements

Employees are required to contribute six percent (6%) of their earnings. The City contributes the remaining amount necessary to meet the normal cost of the plan and to make payments towards the liquidation of an unfunded past service liability.

Actuarially Determined Contributions

Pension expense is based on an annual actuarial valuation. The actuarial valuation is performed at the beginning of the preceding Fiscal Year and is used to determine the pension funding required during the next budget year. In the past, the City funded the pension expense, based on the required employer contribution amount, as determined by the actuarial valuation.

Actual Contributions

For the Fiscal Year ended September 30, 2020, the City funded the pension expense based on the percent-of-payroll rate, as determined by the actuarial valuation and applied to the actual active member actual covered payroll for the Fiscal Year. For the Fiscal Year ended September 30, 2020, the City's contribution was $_____, or __.__% of payroll based on a payroll amount of $_____. A copy of the actuarial valuation report may be obtained from the City's Department of Finance and Administrative Services.

Plan's membership information

As of September 30, 2020, the general employees' pension plan membership consisted of:

Retirees and Beneficiaries currently receiving benefits, including DROP, and terminated employees entitled to, but not yet receiving benefits	
Active employees	
Total members	

Source: City of Riviera Beach, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2020.

Funded Status and Funding Progress

The funded status of the plan as of September 30, 2020, the most recent actuarial valuation, was as follows:

City of Riviera Beach, Florida
Pension Fund Current Funding Status
(in thousands)

Actuarial Valuation Date	(a) Actuarial Value of Plan Assets	(b) Actuarial Accured Liability (AAL)	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	([b-a]/c) UAAL as a Percent of Covered Payroll
10/1/20	$54,987	$87,987	$33,000	62.49%	9,319	354.12%

Source: City of Riviera Beach, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2020.

Actuarial Methods and Assumptions

Actuarial methods and significant actuarial assumptions used to determine the annual required contribution for the current Fiscal Year are as follows:

Valuation date	October 1, 2020
Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll, closed
Single equivalent amortization period	21 years

Actuarial Assumptions

Asset valuation method	5-year smoothed market
Investment rate of return	7.5%
Projected salary increases	3.0% for the next year, then 6.2% to 11.0% based on service
Inflation and other general increases included above	3.0%
Cost of living adjustments	None

Annual Pension Cost and Changes in Net Pension Assets

The City's annual pension cost ("APC") and net pension obligations for the General Employees' Pension Plan for the past three (3) years are summarized below:

City of Riviera Beach, Florida
Pension Fund Cost and Obligations

	Fiscal Year ended September 30,		
	2020	2019	2018
Annual Required Contribution	$4,254,523	$3,375,976	$3,097,988
Deduct: Interest on Net Pension Asset	(63,221)	(62,588)	(58,810)
Adjustment to Annual Required Contribution	(112,217)	(118,576)	(125,826)
Annual Pension Cost	4,303,519	3,431,964	3,165,004
Less: Actual Contribution	4,254,523	3,450,987	3,223,859
(Decrease) / Increase in Net Pension	48,996	(19,023)	(58,855)
Net Pension Asset, Beginning of Year	(831,852)	(812,829)	(753,974)
Net Pension Asset, End of Year	(782,856)	(831,852)	(812,829)
Percent of APC contributed each year	98.9%	100.6%	101.9%

Source: City of Riviera Beach, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2020.

Other Post Employment Benefits

In accordance with Section 112.0801, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. In June 2015, GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" ("GASB 75") replaced the requirements of GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions," as amended, and GASB Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans." The objective of GASB 75 is to improve the financial reporting by state and local governments for postemployment benefits other than pensions ("OPEB"). The provisions of GASB 75 were effective

beginning with the financial statements of the City for the Fiscal Year ended September 30, 2018. While GASB 75 requires recognition and disclosure of the unfunded OPEB liability, there is no requirement that the liability of such plan be funded.

General

The City's underlying health plans are fully insured. These retirees are required to pay the full amount of the premium in order to remain covered under the medical plan. The premiums charged by the insurance company are based on the blending of the experience among active employees and older retired employees. Since the older retirees actually have higher costs, this means that the City is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of that premium on behalf of the active employees, which is referred to as the "implicit rate subsidy" by GASB.

Funding Policy

Currently, the City's OPEB benefits are unfunded. That is, there is no separate Trust Fund or equivalent arrangement into which the City makes contributions to advance fund the obligation, as it does for its pension plans. Therefore, the ultimate subsidies which are provided over time are financed directly by the general assets of the City. All approved benefits are paid by the City when due.

Plan membership

Based on the actuarial valuation results as of October 1, 2019, the number of participants included in the plan is as follows:

Active participants	
Retired participants and surviving spouses	
Total participants	

Actuarial Methods and Assumptions

Actuarial methods and significant actuarial assumptions used for the current year are summarized below:

Actuarial methods:	
Actuarial valuation date	October 1, 2019
Actuarial cost method	Entry age
Amortization method	Level % closed
Remaining amortization period	28 years
Asset valuation method	Unfunded
Actuarial assumptions:	
Investment rate of return	3.75%
Projected salary increases	5.2% - 13.0%
Inflation rate for above items	3.0%
Payroll growth assumptions	4.0%

Funded Status and Funding Progress

The funded status of the Plan as of September 30, 2020, the most recent actuarial valuation, is as follows:

City of Riviera Beach, Florida
OPEB Current Funding Status
(in thousands)

Actuarial Valuation Date	(a) Actuarial Value of Plan Assets	(b) Actuarial Accured Liability (AAL) Entry Age	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Percent Funded	(c) Annual Covered Payroll	([b-a]/c) UAAL as a Percent of Covered Payroll
10/1/19	- 0 -	$8,957	$8,957	0%	19,724	45.41%

Source: City of Riviera Beach, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2020.

Annual OPEB Cost and Net OPEB Obligation

The annual OPEB cost is the amount that is expensed for the year. Since the City's OPEB plan is currently unfunded, the offset to that expense comes from actual subsidies expected to be paid on behalf of the current retirees and their dependents for the current year. This offset is called the Employer Contribution, and equals the total age-adjusted premiums paid by the City for coverage for the retirees and their dependents for the year (net of the retiree's own payments for the year). The annual OPEB cost accrued for the Fiscal Year was $_____, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The annual OPEB cost and the net OPEB obligation (asset) for the Fiscal Year ended September 30, 2020 and the preceding years are presented below:

[Remainder of page intentionally left blank]

City of Riviera Beach, Florida
OPEB Cost and Obligations

	Fiscal Year ended September 30,		
	2020	2019	2018
Annual Required Contribution	$4,254,523	$3,375,976	$3,097,988
Deduct: Interest on Net Pension Asset	(63,221)	(62,588)	(58,810)
Adjustment to Annual Required Contribution	(112,217)	(118,576)	(125,826)
Annual Pension Cost	4,303,519	3,431,964	3,165,004
Less: Actual Contribution	4,254,523	3,450,987	3,223,859
(Decrease) / Increase in Net Pension	48,996	(19,023)	(58,855)
Net Pension Asset, Beginning of Year	(831,852)	(812,829)	(753,974)
Net Pension Asset, End of Year	(782,856)	(831,852)	(812,829)
Percent of APC contributed each year	98.9%	100.6%	101.9%

Source: City of Riviera Beach, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2020.

TAX MATTERS

Exclusion of Interest from Gross Income for Federal Tax Purposes

The Internal Revenue Code of 1986, as amended (the "Code") imposes certain requirements that must be met on a continuing basis subsequent to the issuance of the Series 2021 Bonds in order to assure that interest on the Series 2021 Bonds will be excluded from gross income for federal income tax purposes under Section 103 of the Code. Failure of the City to comply with such requirements may cause interest on the Series 2021 Bonds to be included in gross income for federal income tax purposes, retroactive to the date of issuance of the Series 2021 Bonds. The City has covenanted to comply with the provisions of the Code applicable to the Series 2021 Bonds and has covenanted not to take any action or permit any action that would cause the interest on the Series 2021 Bonds to be included in gross income under Section 103 of the Code or cause interest on the Series 2021 Bonds be an item of tax preference under Section 57 of the Code.

Assuming the City complies with its covenants with respect to the Code, Greenspoon Marder, P.A., Bond Counsel to the City, is of the opinion that, under existing law, interest on the Series 2021 Bonds is excluded from the gross income of the owners of the Series 2021 Bonds for federal income tax purposes pursuant to Section 103 of the Code and interest on the Series 2021 Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax.

Tax Treatment of Original Issue Discount

The initial public offering price of the Series 2021 Bonds maturing in the years _____ and _____ (the "Series 2021 Discount Bonds") is less than the principal amount payable on such Series 2021 Bonds at maturity. The difference between the initial public offering price at which a substantial amount of the

Series 2021 Discount Bonds was sold and the principal amount payable at maturity of the Series 2021 Discount Bonds constitutes original issue discount. Bond Counsel is of the opinion that the appropriate portion of the original issue discount allocable to the original and each subsequent owner of the Series 2021 Discount Bonds will be treated for federal income tax purposes as interest not includable in gross income under Section 103 of the Code to the same extent as stated interest on the Series 2021 Discount Bonds.

Under Section 1288 of the Code, original issue discount on the Series 2021 Discount Bonds accrues on the basis of economic accrual. The basis of an initial purchaser of a Series 2021 Discount Bond acquired at the initial public offering price of the Series 2021 Discount Bond will be increased by the amount of such accrued discount.

Owners of the Series 2021 Discount Bonds should consult their personal tax advisors with respect to the determination for federal income tax purposes of the original issue discount properly accruable with respect to the Series 2021 Discount Bonds and the tax accounting treatment of accrued interest.

Tax Treatment of Original Issue Premium

The Series 2021 Bonds maturing in the years _____ and _____ (the "Series 2021 Premium Bonds") were sold at a price in excess of the amount payable at the maturity date. The excess, if any, of the tax basis of the Series 2021 Premium Bonds to a purchaser (other than a purchaser who holds such Series 2021 Premium Bonds as inventory, stock in trade or for sale to customers in the ordinary course of business) over the amount payable at maturity is amortizable bond premium, which is not deductible from gross income for federal income tax purposes. Amortizable bond premium, as it amortizes, will reduce the owner's tax cost of the Series 2021 Premium Bonds used to determine, for federal income tax purposes, the amount of gain or loss upon the sale, redemption at maturity or other disposition of the Series 2021 Premium Bonds. Accordingly, an owner of a Series 2021 Premium Bond may have taxable gain from the disposition of the Series 2021 Premium Bond, even though the Series 2021 Premium Bond is sold, or disposed of, for a price equal to the owner's original cost of acquiring the Series 2021 Premium Bond. Bond premium amortizes over the term of the Series 2021 Premium Bonds under the "constant yield method" described in regulations interpreting Section 1272 of the Code. Owners of the Series 2021 Premium Bonds should consult their own tax advisors with respect to the calculation of the amount of bond premium which will be treated for federal income tax purposes as having amortized for any taxable year (or portion thereof) of the owner and with respect to other federal, state and local tax consequences of owning and disposing of the Series 2021 Premium Bonds.

Additional Federal Income Tax Consequences

Prospective purchasers of the Series 2021 Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Series 2021 Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations. Prospective purchasers of the Series 2021 Bonds should also consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Bond Counsel expresses no opinion regarding any federal tax consequences other than its opinion with regard to the exclusion of interest on the Series 2021 Bonds from gross income pursuant to Section 103 of the Code and interest on the Series 2021 Bonds not constituting an item of tax preference under Section 57 of the Code. Prospective purchasers of the Series 2021 Bonds should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of holding the Series 2021 Bonds.

The Internal Revenue Service (the "Service") has an ongoing program of auditing state and local government obligations, which may include randomly selecting bond issues for audit, to determine whether interest paid to the holders is properly excludable from gross income for federal income tax purposes. It cannot be predicted whether the Series 2021 Bonds will be audited. If an audit is commenced, under current Service procedures the holders of the Series 2021 Bonds may not be permitted to participate in the audit process, and the value and liquidity of the Series 2021 Bonds may be adversely affected.

Changes in Federal Tax Law

Federal, state or local legislation, administrative pronouncements or court decisions may affect the tax-exempt status of interest on the Series 2021 Bonds, gain from the sale or other disposition of the Series 2021 Bonds, the market value of the Series 2021 Bonds, or the marketability of the Series 2021 Bonds, or otherwise prevent the owners of the Series 2021 Bonds from realizing the full current benefit of the exclusion from gross income of the interest thereon. For example, federal legislative proposals have been made in recent years that would, among other things, limit the exclusion from gross income of interest on obligations such as the Series 2021 Bonds for higher-income taxpayers. If enacted into law, such proposals could affect the tax exemption of interest on the Series 2021 Bonds or the market price for, or marketability of, the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their own tax advisers regarding such matters.

State of Florida Tax Treatment

Bond Counsel is further of the opinion that the Series 2021 Bonds and the interest thereon are exempt from taxation under existing laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined therein. Bond Counsel has not opined as to the taxability of the Series 2021 Bonds or the income therefrom under the laws of any state other than Florida.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the requirements of Securities and Exchange Commission Rule 15c2-12 (the "Rule"), the City has agreed in the Series 2021 Supplemental Resolution to provide, within two hundred ten (210) days following the end of each Fiscal Year, commencing with the Fiscal Year ending September 30, 2021, certain financial information and operating data relating to the City and the Series 2021 Bonds. The City has also agreed in the Series 2021 Supplemental Resolution to provide notices of the occurrence of certain enumerated events in a timely manner not in excess of ten (10) business days after the occurrence of the event. Such enumerated events are as described in the Rule. See "APPENDIX C - Form of the Resolution."

The City does not currently have any obligations outstanding that require compliance with the Rule and has not had any such obligations outstanding within the past five (5) years. Any failure to comply

with the continuing disclosure undertaking established for the Series 2021 Bonds (or established by the District for any of its outstanding bonds) does not constitute an event of default under the Resolution or the Series 2021 Bonds.

In order to provide continuing disclosure with respect to the Series 2021 Bonds in accordance with the Rule, the City will retain the services Digital Assurance Certification, L.L.C. ("DAC"). The obligation of DAC to deliver the information at the times, and with the contents described in the Series 2021 Supplemental Resolution is limited by and in all respects subject to the receipt by DAC of such information from the City in the time periods required for its delivery.

RATINGS

Standard & Poor's Ratings Services ("S&P") and Fitch Ratings ("Fitch") have assigned ratings of "____" and "____," respectively, to the Series 2021 Bonds. Such ratings reflect the view of such organizations and an explanation of the significance of such ratings may be obtained only from S&P and Fitch, respectively. An explanation of the ratings assigned by S&P may be obtained from S&P at 55 Water Street, 38th Floor, New York, New York 10041, (212) 438-2124. An explanation of the ratings assigned by Fitch may be obtained from Fitch at 33 Whitehall Street, New York, New York 10004, (212) 908-0500.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. A securities rating is not a recommendation to buy, sell or hold securities. There is no assurance that the ratings provided by S&P and Fitch, respectively, will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies if, in their judgment, circumstances so warrant. Any downward revision or withdrawal of any such ratings may have an adverse effect on the market price of the Series 2021 Bonds.

LITIGATION

There is no litigation or administrative proceeding, other than as is disclosed in this Official Statement, of any nature, now pending or, to the best knowledge of the City, threatened against the City which, in the opinion of Dawn S. Wynn, City Attorney (the "City Attorney"), will have any material adverse effect on the collection, pledge or use of the Pledged Revenues in the manner contemplated by the Resolution or the ability of the City to comply with its obligations under the Resolution. At the time of the delivery of the Series 2021 Bonds, an opinion will be delivered by the City Attorney to the effect that no litigation or other proceedings are pending or, to her best knowledge, threatened against the City in any way (i) restraining or enjoining the issuance, sale or delivery of the Series 2021 Bonds or (ii) questioning or affecting the validity of the Series 2021 Bonds or any proceedings of the City taken with respect to the authorization, sale, execution or issuance of the Series 2021 Bonds or of the pledge of any moneys or other security provided for the Series 2021 Bonds.

The City experiences routine litigation and claims incidental to the conduct of municipal affairs. In the opinion of the City Attorney, there are no lawsuits presently pending or, to her best knowledge, threatened, the adverse outcome of which would impair the City's ability to perform its obligations under the Resolution.

LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Series 2021 Bonds by the City and with regard to the tax-exempt status thereof are subject to the approving opinion of

Greenspoon Marder, P.A., West Palm Beach, Florida, Bond Counsel, whose approving opinion will be available at the time of delivery of the Series 2021 Bonds. Greenspoon Marder, P.A. is also serving as Disclosure Counsel to the City and its opinion as Disclosure Counsel also will be available at the time of delivery of the Series 2021 Bonds. Certain other legal matters will be passed on for the City by its counsel, Dawn S. Wynn, City Attorney.

The proposed text of the approving legal opinion of Bond Counsel to be delivered concurrently with the delivery of the Series 2021 Bonds is set forth as APPENDIX D to this Official Statement. The actual legal opinion to be delivered may vary from the text of APPENDIX D, if necessary, to reflect facts and law on the date of delivery of the Series 2021 Bonds.

The legal opinions to be delivered by Bond Counsel, Disclosure Counsel and the City Attorney concurrently with the delivery of the Series 2021 Bonds are based on existing law, which is subject to change. Such legal opinions are further based on factual representations made as of the date thereof. The attorneys rendering legal opinions concurrently with the delivery of the Series 2021 Bonds assume no duty to update or supplement their respective opinions to reflect any facts or circumstances, including changes in law, that may thereafter occur or become effective. In addition, such legal opinions express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed in such opinions. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2021 Bonds upon an event of default under the Resolution are in many respects dependent upon regulatory and judicial actions, which are often subject to discretion and delay. Under existing laws and judicial decisions, the remedies provided for in the Resolution may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2021 Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Series 2021 Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the enforcement of creditors' rights generally, and by equitable remedies and proceedings generally.

FINANCIAL ADVISOR

PFM Financial Advisors LLC, Coral Gables, Florida, is acting as financial advisor (the "Financial Advisor") to the City in connection with the issuance of the Series 2021 Bonds. The Financial Advisor has acted as advisor to the City in connection with the preparation of this Official Statement and in other matters relating to the planning, structuring and issuance of the Series 2021 Bonds. The Financial Advisor has not undertaken to make independent verification of, or to assume responsibility for, the accuracy, completeness or fairness of the information contained in this Official Statement.

The Financial Advisor is a registered municipal advisory firm. The Financial Advisor is not engaged in the business of underwriting, marketing or trading of municipal securities. Investors should not base any investment decision on the fact that the Financial Advisor has advised the City on the Series 2021 Bonds.

UNDERWRITING

The Series 2021 Bonds are being purchased by _____ (the "Underwriters"), subject to certain terms and conditions set forth in the Official Notice of Sale, including the approval of certain legal matters by Bond Counsel, delivery of a certificate from the City regarding information set forth in this Official Statement, and the existence of no material adverse change in the condition of the City from that set forth in this Official Statement. The purchase price payable by the Underwriters for the Series 2021 Bonds is $_____ (equal to the principal amount of the Series 2021 Bonds, minus an underwriters' discount of $_____ and plus/minus a net original issue premium/discount of $_____).

The Series 2021 Bonds are offered for sale to the public at the prices or yields set forth on the inside cover page of this Official Statement. The Series 2021 Bonds may be offered and sold to certain dealers at prices lower than or yields higher than such offering prices or yields. After the initial public offering, such public offering prices or yields may be changed, from time to time, by the Underwriters.

CONTINGENT FEES

The City has retained Bond Counsel, Disclosure Counsel and the Financial Advisor with respect to the authorization, sale, execution and delivery of the Series 2021 Bonds. Payment of the fees of such professionals and an underwriting discount to the Underwriters (including the fees of Underwriters' Counsel, if any) are each contingent upon the issuance of the Series 2021 Bonds.

FINANCIAL STATEMENTS

The general purpose financial statements of the City for the Fiscal Year ended September 30, 2020 and the report of HCT Certified Public Accountants & Consultants, LLC, independent certified public accountants (the "Auditor"), in connection therewith, dated June 28, 2021, are included in APPENDIX B as part of the public records of the City. The consent of the Auditor was not requested for the reproduction of its audit report in this Official Statement. The Auditor has performed no services in connection with the preparation of this Official Statement and is not associated with the offering of the Series 2021 Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Florida law requires the City to make a full and fair disclosure of any bonds or other debt obligations which it has issued or guaranteed and which are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served as a conduit issuer). Florida law further provides, however, that if the City in good faith believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted. The City is not and has not been in default as to principal and interest on bonds or other debt obligations which it has issued as the principal obligor or guarantor.

MISCELLANEOUS

The summaries and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each reference or summary is qualified in its entirety by reference to such document, statute, report or other instrument. The information herein has been compiled from official and other sources and, while not guaranteed by the City, is believed

to be correct. So far as any statements made in this Official Statement and the appendices attached hereto involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

AUTHORIZATION AND APPROVAL

The delivery of this Official Statement by the City has been duly authorized and approved by the City Council of the City.

CITY OF RIVIERA BEACH, FLORIDA

By: _____
RONNIE L. FELDER, Mayor

By: _____
RANDY M. SHERMAN,
Finance Director/Chief Financial Officer

APPENDIX A

Supplemental Information- City of Riviera Beach, Florida

APPENDIX B

General Purpose Financial Statements of the City

For the Fiscal Year Ended September 30, 2020

APPENDIX C

Form of the Resolution

APPENDIX D

Form of Opinion of Bond Counsel