

**Supplementary
Information**

City of Clearwater, Florida
Continuing Disclosure – Gas System Revenue Bonds
Series 2004, 2005, and 2007
Supplementary Information

The System:

Rates, Fees and Charges

The City Council has established a schedule of rates and charges by ordinance, which includes a purchased gas cost adjustment provision allowing the City to pass-through to customers any increase or decrease in the purchased price of gas. The City is not subject to regulation by any State agency in establishing or revising its rates. Where competitive fuel sources or transportation service are available to the customer, the City Council has authorized the City Manager to enter into contract gas service rates at special rates and/or conditions as required to obtain/retain the customer load. Such contract service must meet the normal construction feasibility formula to insure profitable payback to the City. As of September 30, 2009, contract rates applied to 269 customer accounts and impacted 18.68% of total revenues.

The rates charged by the System through September 30, 1996, were part of the Phase I Gas Rate Case implemented October 1, 1995, which was based on a comprehensive cost of service study performed by the Utility Advisory Services Group of the international accounting firm of Coopers & Lybrand, LLP (the "Rate Study"). This Phase I implementation resulted in an extensive overhaul of the Gas System customer rates, providing numerous classes of service and a modernized billing methodology.

The new rates, effective October 1, 1996, were designed to be industry-based and responsive to the competitive energy challenges. The goal of the Rate Study was to establish rates which would be fair to all classes of customers, provide funding to implement planned expansion in both existing northern Pinellas County services area and into the newly acquired southwestern Pasco service area, and provide an adequate growth potential in return to the City of Clearwater to further offset the ad valorem tax rates (current impact is about 0.5 mills).

As the result of experiences during the first seven months of the Phase I implementation, adjustments made to the Phase II rates were implemented October 1, 1996, and additional adjustments (Phase III) were implemented effective October 1, 1997. The total projected impact of both new phases of the rate case is \$1.05 million, or less than 7.9% of total gas sales revenues.

The rate ordinance containing the Phase II and Phase III rate changes was approved by the City Council on June 6, 1996. Gas rates for customer charges were increased effective April 1, 2005. The total estimated annual impact of this rate increase was \$373,352.

New rates, effective October 1, 2008, were designed to recover the costs of providing service to respective classes of customers. The goal of the "Cost of Service and Rate Study" was to establish rates which would be sufficient to meet Clearwater Gas System's total revenue requirements and reflect cost of service consideration and practical rate implementation constraints as required.

**City of Clearwater, Florida
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**CLEARWATER GAS SYSTEM
NATURAL GAS RATE BILLING FACTORS
FOR SEPTEMBER 1, 2009 - SEPTEMBER 30, 2009 BASED ON APPROVED GAS ADJUSTMENT FACTORS**

	Firm Natural Gas Rate Schedules												NGV	NSS	Interr. NG Rate IS	Contract NG Rate CNS
	RS	SMF	MMF	LMF	SGS	MGS	LGS	RAC	GAC	LAC	SL	SL w/MA Relight				
Applicable Annual Therm Range or Other Rate Determinant	NA (1 - 3 Units)	NA (4 + Units)	NA (4 + Units)	NA (4 + Units)	0 - 17,999	18,000- 99,999	100,000 & up	NA (1 - 3 Units)	NA (0 - 149 tons)	NA (150 tons & +)	NA	NA	NA	NA	100,000 & up	NA
Monthly Customer Charge (For Central Pasco Territory)	\$10.00 (\$15.00)	\$25.00 (\$40.00)	\$40.00 (\$70.00)	\$95.00 (\$160.00)	\$25.00 (\$40.00)	\$40.00 (\$70.00)	\$95.00 (\$160.00)	\$10.00 (\$15.00)	\$25.00 (\$40.00)	\$40.00 (\$70.00)	\$20.00 (\$30.00)	\$20.00 (\$30.00)	By Contract (By Contract if not prev billed)	\$50.00 (\$75.00)	\$250.00 (\$400.00)	By Contract (By Contract)
Non-Fuel Energy Charge/Therm																
Non-Fuel Energy Charge	\$0.48	\$0.48	\$0.48	\$0.48	\$0.46	\$0.40	\$0.34	\$0.20	\$0.15	\$0.10	\$0.20	\$0.35	By Contract	\$0.46	\$0.28	By Contract
Energy Conservation Adj. (ECA)	0.07	0.07	0.07	0.07	0.07	0.07	0.07	NA	NA	NA	NA	NA	NA	NA	NA	NA
Regulatory Imposition Adj. (RIA)	0.01	0.01	0.01	0.01	0.01	0.01	0.01	NA	NA	NA	NA	NA	NA	NA	NA	NA
Usage & Inflation Adj. (UIA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total Non-Fuel Energy Charge	\$0.56	\$0.56	\$0.56	\$0.56	\$0.54	\$0.48	\$0.42	\$0.20	\$0.15	\$0.10	\$0.20	\$0.35	By Contract	\$0.46	\$0.28	By Contract
Purchased Gas Adjustment (PGA)	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	\$0.83	By Contract	\$0.83	0.75	0.75
Total Energy Charge/Therm	\$1.39	\$1.39	\$1.39	\$1.39	\$1.37	\$1.31	\$1.25	\$1.03	\$0.98	\$0.93	\$1.03	\$1.18	By Contract	\$0.83	1.03	0.75
Minimum Monthly Bill (For Central Pasco Territory)	\$10.00 (\$15.00)	\$25.00 (\$40.00)	\$40.00 (\$70.00)	\$95.00 (\$160.00)	\$25.00 (\$40.00)	\$40.00 (\$70.00)	\$95.00 (\$160.00)	\$10.00 (\$15.00)	\$25.00 (\$40.00)	\$40.00 (\$70.00)	\$20.00 (\$30.00)	\$20.00 (\$30.00)	By Contract (By Contract if not prev billed)	\$50.00 (\$75.00)	\$250.00 (\$400.00)	By Contract (By Contract)
Compares to LP/Gallon Rate of with 6.0% Franchise	\$ 1.27 \$ \$ 1.35 \$	\$ 1.27 \$ \$ 1.35 \$	\$ 1.27 \$ \$ 1.35 \$	\$ 1.27 \$ \$ 1.35 \$	\$ 1.25 \$ \$ 1.33 \$	\$ 1.20 \$ \$ 1.27 \$	\$ 1.14 \$ \$ 1.21 \$	\$ 0.94 \$ \$ 1.00 \$	\$ 0.90 \$ \$ 0.95 \$	\$ 0.85 \$ \$ 0.90 \$	\$ 0.94 \$ \$ 1.00 \$	\$ 1.08 \$ \$ 1.14 \$	0.76 \$ 0.81 \$	\$ 1.18 \$ \$ 1.25 \$	\$ 0.94 \$ 1.00	
Change from 1/06 Therm Rate % Change from 1/06 Therm Rate	(\$0.87) -38.5%	(\$0.87) -38.5%	(\$0.87) -38.5%	(\$0.87) -38.5%	(\$0.78) -36.3%	(\$0.78) -37.3%	(\$0.78) -38.4%	(\$0.85) -45.2%	(\$0.85) -46.4%	(\$0.85) -47.8%	(\$0.85) -45.2%	(\$0.80) -40.4%	(\$0.95) -53.4%	(\$0.86) -40.0%	(\$0.71) -40.8%	(\$0.71) -48.6%
Utility Tax Note:																
Fuel Rate per Therm 10/01/1973	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.069	\$0.055	\$0.069
Non-Utility Taxable Fuel/Therm	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.761	\$0.695	\$0.681

BTU FACTOR = THERMS/100 CUBIC FEET (CCF)

	10/2008	11/2008	12/2008	01/2009	02/2009	03/2009	04/2009	05/2009	06/2009	07/2009	08/2009	09/2009	Annual Average
Firm Service Rates	1.052	1.054	1.049	1.051	1.055	1.051	1.048	1.047	1.048	1.047	1.046	1.047	1.050
Interruptible Service Rates	1.032	1.034	1.028	1.030	1.035	1.031	1.027	1.027	1.028	1.026	1.026	1.027	1.029

City of Clearwater, Florida
Continuing Disclosure - Gas System Revenue Bonds
Series 2004, 2005, and 2007
Supplementary Information

GAS SUPPLY

On August 1, 1990, the Federal Energy Regulatory Commission (FERC) deregulated the natural gas pipeline industry. This allows other natural gas suppliers and local distribution companies, like the City of Clearwater, to transport gas over the Florida Gas Transmission (FGT) pipelines as opposed to purchasing natural gas supply from only FGT.

The two natural gas transmission companies that serve within the State of Florida are Florida Gas Transmission (FGT) and Gulfstream. Currently FGT is the sole provider of transportation service to the City. FGT is equally owned by Cross Country Energy Corp (owned by Southern Union) AND Southern Natural, an El Paso Corporation Affiliate.

The City joined Florida Gas Utility (FGU) in October 2000 by Resolution 00-35. FGU is responsible for the purchase & management of the City's natural gas supply. An updated All Requirements Gas Service Agreement, which was approved by Resolution 02-02 in January 2002, required the City to purchase 100% of its supply through FGU. FGU was formed through an Interlocal Agreement among its members. The Interlocal Agreement became effective on September 1, 1989 and consisted of five municipal utilities. Over the next several years, additional electric and gas distribution utilities joined FGU, bringing its current membership to 23 entities.

In addition, the City has entered into a Gas Supply & Transportation Agreement with Peoples Gas System (PGS), dated 12/02/04, to purchase natural gas to serve customers located in our Central Pasco territory, generally east of the Suncoast Parkway in Pasco County. The City has received a letter from FGU Council, dated 8/31/04, granting the City permission to utilize Teco Peoples Gas as a third party gas supplier since FGU is unable and unwilling to provide gas to the City within the meaning of the provisions of Section 3 (a)(i) and (ii) of the ALL Requirements Gas Service Agreement between the City and FGU.

The City has two Firm Transportation Service agreements (FTS-1 & FTS-2) with FGT in order to deliver natural gas to the City's four gate stations. FGU is currently managing the City's Phase II (FTS-1) and Phase III (FTS-2) transportation capacity on a daily basis. Table 1 shows the breakdown of the City's annual gas supply entitlements with FGT. The total annual entitlement is 3,212,226 decatherms of natural gas transportation.

Table 1 Breakdown of Transportation Capacity

Contract Period	Phase II (FTS-1) MMBtu Per Day 2/01/07 - 1/31/17	Phase III (FTS-2) MMBtu Per Day 12/9/91 - 2/28/15	Total MMBtu Per Day
October	170,438	41,788	212,226
Nov-Mar	1,543,069	268,931	1,812,000
April	216,570	53,430	270,000
May-Sept	711,756	206,244	918,000
Total Annual	2,641,833	570,393	3,212,226

City of Clearwater, Florida
Continuing Disclosure – Gas System Revenue Bonds
Series 2004, 2005, and 2007
Supplementary Information

Service Area

The Clearwater Gas System (CGS) is owned and operated as an enterprise utility by the City of Clearwater. CGS operates over 814 miles of underground gas main and handles the supply and distribution of both natural and propane (LP) gas throughout northern Pinellas County and western Pasco County. As a “full service” gas utility, CGS provides gas appliance sales, installation of inside customer gas piping, domestic and commercial gas equipment service, construction and maintenance of underground gas mains and service lines, and 24-hour response to any gas emergency within the service area. CGS is regulated for safety by the Florida Public Service Commission and the Federal Department of Transportation.

CGS has been serving customers in the Clearwater area for over 86 years (since 1923) when operations were begun with a manufactured gas plant operation from coal and coke. In 1959, when natural gas transmission lines were finally extended to the Florida peninsula, CGS discontinued manufacturing gas and began receiving piped natural gas from Florida Gas Transmission.

Clearwater Gas System serves over 19,527 customers in a 330 square mile service territory, which includes 20 municipalities as well as the unincorporated areas of northern Pinellas County and western Pasco County. The Pinellas County service territory is 158 square miles and extends generally from Ulmerton and Walsingham Roads on the south to the Pasco County line on the north and from the Gulf of Mexico on the West to the Hillsborough County line on the east. This includes all of the Pinellas beach communities south to Redington Beach. The Pasco County service territory is 172 square miles and extends from the Gulf of Mexico on the West inland about 20 miles to just east of State Road 41 and Land O’ Lakes and from the Pinellas and Hillsborough County lines on the South to generally State Road 52 on the north. The CGS service territory extends 42.3 miles from the southwestern-most to the northwestern-most points.

Clearwater Gas System prides itself in being a competitive and public service-minded utility, providing safe, economical and environmentally-friendly gas, which is made in America, available in our communities for all of the homes and businesses in our service area, with special focus on the residential customers who make up 88.52% of our customer base.

City of Clearwater, Florida
Continuing Disclosure - Gas System Revenue Bonds
Series 2004, 2005, and 2007
Supplementary Information

As of September 30, 2009 the System's active natural gas customers were located as shown in the following table:

<u>Location</u>	<u>Meters</u>	<u>Percentage</u>
Belleair	402	2.31%
Belleair Beach	153	0.88%
Belleair Bluffs	25	0.14%
Belleair Shores	22	0.13%
Clearwater	6,515	37.49%
Dunedin	1,057	6.08%
Indian Rocks Beach	87	0.50%
Indian Shores	68	0.39%
Largo	917	5.28%
New Port Richey	294	1.69%
North Redington Beach	13	0.07%
Oldsmar	93	0.54%
Port Richey	14	0.08%
Redington Beach	44	0.25%
Redington Shores	27	0.16%
Safety Harbor	571	3.29%
Tarpon Springs	1,407	8.10%
Unincorporated Areas Pasco	2,658	15.29%
Central Pasco	268	1.54%
Unincorporated Areas Pinellas	2,745	15.79%
Total	<u>17,380</u>	<u>100.00%</u>

The following table shows the five largest interruptible customers by peak monthly consumption and the percent of the System's revenues derived from such customers during the 12 months ending September 30, 2009:

<u>Customer Name</u>	<u>Peak Monthly Therms</u>	<u>% of Gross Revenues</u>
Morton Plant Hospital	116,164	3.30%
Mease Hospital	87,205	2.35%
Angelica Textile Service	100,456	2.27%
Metal Industries	75,335	1.79%
Ajax Paving Industries	89,099	1.78%

The following table shows the breakdown of the System's customers by category as well as the volume of gas sold and the sales revenues generated by each category for the year ended September 30, 2009:

	<u>Average No. Customers</u>	<u>Gas Volume</u>	<u>Gas Sales</u>
Interruptible	14	25.98%	15.87%
Residential	15,270	16.06%	23.40%
Commercial	2,096	57.96%	60.72%
	<u>Therms</u>	<u>Revenues</u>	
Interruptible	5,586,238	\$ 5,065,185	
Residential	3,453,964	7,467,849	
Commercial	12,461,425	19,374,141	
Totals	<u>21,501,627</u>	<u>\$ 31,907,175</u>	

City of Clearwater, Florida
Continuing Disclosure – Water and Sewer Refunding Revenue Bonds
Series 2003 and 2009B; and Revenue Bonds Series 2002, 2006, and 2009A
Supplementary Information

Historical Financial Information

Water System:

Source and Volume of Water Pumped

(in million gallons per day, averaged over the fiscal year)

<u>FY</u>	<u>City Wells</u>	<u>County</u>	<u>Total</u>
2004	3.601	9.544	13.145
2005	3.550	10.630	14.180
2006	4.093	9.999	14.092
2007	3.570	9.090	12.660
2008	3.075	9.090	12.660
2009	3.738	9.090	12.660

Historical Growth in Number of Water Customers

(all figures are as of September of the year indicated)

<u>Year</u>	<u>Water Customers</u>
2004	40,235
2005	40,178
2006	40,467
2007	40,407
2008	40,131
2009	39,935

Ten Largest Water Customers
Fiscal Year Ending September 30, 2009

<u>Name of User</u>	<u>Water Used</u> (in 100 Cubic Feet)	<u>Revenues</u> <u>Produced</u>
1. City of Clearwater	82,498	\$ 675,957
2. Church of Scientology FSO Inc.	119,244	549,364
3. Morton Plant Hospital	59,639	322,664
4. Pinellas County Schools	37,009	256,604
5. IMT-LB Central FL Portfolio LLC	45,996	214,498
6. Clearwater Housing Authority	46,428	204,673
7. Sandpearl Resort LLC	31,965	141,515
8. Pinnacle Management Corp.	33,696	138,644
9. Bre/Clearwater Owner LLC	34,189	127,048
10. Brenntag Mid-South, Inc.	<u>25,943</u>	<u>125,989</u>
Total	<u>516,607</u>	<u>\$ 2,756,956</u>

City of Clearwater, Florida
Continuing Disclosure – Water and Sewer Refunding Revenue Bonds
Series 2003 and 2009B; and Revenue Bonds Series 2002, 2006, and 2009A
Supplementary Information

Sewer System:

<u>Average Sewage Flow</u>		<u>Historical Growth in Number of Sewer Customers</u>	
(as of September of the year indicated)			
<u>Fiscal Year</u>	<u>Annual Ave. Daily Flow In MGD</u>	<u>Fiscal Year</u>	<u>Sewer Customers</u>
2004	15.0	2004	33,234
2005	14.7	2005	33,305
2006	13.8	2006	33,279
2007	13.6	2007	33,255
2008	14.0	2008	33,146
2009	13.6	2009	33,084

Ten Largest Sewer Customers
Fiscal Year Ending September 30, 2009

<u>Name of User</u>	<u>Sewer Used (in 100 Cubic Feet)</u>	<u>Revenues Produced</u>
1. Church of Scientology	98,609	\$ 531,960
2. City of Clearwater	37,673	360,713
3. Morton Plant Hospital	57,550	358,990
4. Pinellas County Schools	36,133	331,332
5. IMT-LB Central FL Portfolio LLC	45,996	215,031
6. Clearwater Housing Authority	40,891	191,182
7. Bre/Clearwater Owner LLC	34,189	162,551
8. Pinnacle Management Corp.	33,696	159,370
9. Sandpearl Resort LLC	31,965	149,381
10. Publix	11,252	137,062
Total	<u>427,954</u>	<u>\$ 2,597,572</u>

Rates, Fees And Charges

The City uses a three-tiered rate structure for water and sewer usage. The base rate includes a minimum usage for residential and nonresidential water rates. Any usage over the minimum is billed at one rate per 1,000 gallons up to a designated level and at a second rate for usage over that level. For irrigation, there is a base rate, with no minimum, and a charge per 1,000 gallons of water usage up to a designated level and a higher charge for usage over that amount. The sewer base rate includes a minimum usage and a fixed charge per 1,000 gallons of water usage over the basic allowance. The minimum usage and second tier usage level vary with the size of the meters. For fiscal year 2009 there were no changes to the three-tiered rate structure for water or sewer usage.

City of Clearwater, Florida
Continuing Disclosure – Water and Sewer Refunding Revenue Bonds
Series 2003 and 2009B; and Revenue Bonds Series 2002, 2006, and 2009A
Supplementary Information

<u>Residential and Nonresidential Water Rates</u>		October 1, <u>2005</u>	October 1, <u>2006</u>	October 1, <u>2007</u>	October 1, <u>2008</u>	October 1, <u>2009</u>
<u>Size of Meter</u>		<u>Gallons</u>				
Minimum-	Under 1 inch	11.34	12.03	12.75	13.65	14.58
	1 inch	26.46	28.07	29.75	31.85	34.02
	1.5 inch	378.00	401.00	425.00	455.00	486.00
	2 inch	880.74	934.33	990.25	1,060.15	1,132.38
	3 or 2 inch manifold	1,357.02	1,439.59	1,525.75	1,633.45	1,744.74
	4 inch	2,611.98	2,770.91	2,936.75	3,144.05	3,358.26
	6 inch	6,709.50	7,117.75	7,543.75	8,076.25	8,626.50
	8 inch	11,340.00	12,030.00	12,750.00	13,650.00	14,580.00

Additional charges are assessed for usage in excess of designated minimums.

<u>Rates for Irrigation (Lawn) Meters</u>		October 1, <u>2005</u>	October 1, <u>2006</u>	October 1, <u>2007</u>	October 1, <u>2008</u>	October 1, <u>2009</u>
<u>Size of Meter</u>		<u>Gallons</u>				
Minimum-	Under 1 inch	4.04	4.28	4.54	4.86	5.20
	1 inch	12.13	12.86	13.63	14.58	15.60
	1.5 inch	60.67	64.31	68.17	72.94	78.05
	2 inch	169.87	180.06	190.86	200.22	218.52
	3 or 2 inch manifold	335.70	355.84	377.19	403.59	431.84
	4 inch	647.14	685.97	727.13	778.03	832.49
	6 inch	1,953.54	2,070.75	2,195.00	2,348.65	2,513.06

<u>Sewer Rates</u>		October 1, <u>2005</u>	October 1, <u>2006</u>	October 1, <u>2007</u>	October 1, <u>2008</u>	October 1, <u>2009</u>
<u>Size of Meter</u>		<u>Gallons</u>				
Minimum-	Under 1 inch	15.60	16.53	17.52	18.75	20.07
	1 inch	36.40	38.57	40.88	43.75	46.83
	1.5 inch	520.00	551.00	584.00	625.00	669.00
	2 inch	1,211.60	1,283.83	1,360.72	1,456.25	1,558.77
	3 or 2 inch manifold	1,866.80	1,978.09	2,096.56	2,243.75	2,401.71
	4 inch	3,593.20	3,807.41	4,035.44	4,318.75	4,622.79
	6 inch	9,230.00	9,780.00	10,366.00	11,093.75	11,874.75
	8 inch	15,600.00	16,530.00	17,520.00	18,750.00	20,070.00

Per 1,000 gallons of water used over that allowed in minimum	5.20	5.51	5.84	6.25	6.69
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Additional Indebtedness

Additional indebtedness incurred totaled \$67,715,000 for capital improvements to the water and sewer systems and \$32,176 for the lease purchase of capital equipment. The issuance of the Series 2009B refunding revenue bonds to refund and redeem the 1998 refunding revenue bonds resulted in a net decrease to indebtedness of \$3,882,041.

City of Clearwater, Florida
Continuing Disclosure – Stormwater System Revenue Bonds
Series 1999, 2002, 2004, and 2005
Supplementary Information

Rates, Fees, and Charges

The City uses a measurement of one equivalent residential unit or ERU as the basis for the stormwater management utility fee. The rate per ERU was unchanged from the inception of the utility on January 1, 1991 until 1998 when annual increases were adopted for five fiscal years beginning October 1, 1998. In November 2001, additional increases were adopted including a change to the increase previously adopted, to be effective October 1, 2002. Effective August 5, 2004, additional increases were adopted. On July 20, 2006, rate increases were adopted for the five-year period beginning October 1, 2007. An increase was adopted on June 19, 2008, for the one-year period beginning October 1, 2012. The monthly rates are as follows:

<u>Effective Date</u>	<u>Rate Per ERU</u>
January 1, 1991	\$3.00
October 1, 1998	\$4.00
October 1, 1999	\$4.17
October 1, 2000	\$4.35
October 1, 2001	\$4.54
January 1, 2002	\$6.13
October 1, 2002	\$7.16
October 1, 2003	\$8.01
October 1, 2004	\$8.65
October 1, 2005	\$9.35
October 1, 2006	\$9.71
October 1, 2007	\$10.51
October 1, 2008	\$11.14
October 1, 2009	\$11.80
October 1, 2010	\$12.51
October 1, 2011	\$13.26
October 1, 2012	\$13.59

Single-family homes, multifamily units, condominium units, apartments and mobile homes are rated as one ERU per dwelling unit. Nonresidential property is charged at the rate of 1,830 square feet of impervious area per ERU.

HISTORICAL NET REVENUES

	<u>Fiscal Years Ended September 30,</u>				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Net Operating Revenues (Excluding Depreciation)	\$4,548,421	\$5,103,551	\$5,688,934	\$5,681,465	\$5,750,323
Interest Income and other Non-Operating Revenues (Expenses)	220,570	465,203	608,038	550,935	787,426
Total Net Revenues	<u>\$4,768,991</u>	<u>\$5,568,754</u>	<u>\$6,296,972</u>	<u>\$6,232,400</u>	<u>\$6,537,749</u>
Maximum Annual Debt Service Coverage	\$2,889,994	\$2,889,994	\$2,889,994	\$2,889,994	\$2,889,994
	1.65	1.93	2.19	2.16	2.26

City of Clearwater, Florida
Continuing Disclosure – Infrastructure Sales Tax Revenue Bonds, Series 2001
Supplementary Information

Historical Debt Service Coverage

<u>Fiscal Year</u>	<u>Sales Tax Revenues (1)</u>	<u>Maximum Annual Debt Service</u>	<u>Debt Service Coverage</u>
2005	\$ 9,977,529	\$ 6,955,888	1.43
2006	10,704,390	6,887,888	1.55
2007	9,930,812	6,884,800	1.44
2008	9,862,977	6,884,800	1.43
2009	8,574,091	6,752,400	1.27

(1) The Infrastructure Sales Tax Revenue Bonds, Series 2001, were issued June 1, 2001 in the amount of \$46,445,000. They are secured by a lien upon and a pledge of the City's share of the proceeds derived by Pinellas County, Florida from the levy and collection of the one-cent discretionary infrastructure sales tax pursuant to Section 212.055(2), Florida Statutes, as amended (sales tax revenues).

Continuing Disclosure
Improvement Revenue Refunding Bonds, Series 2001
Improvement Revenue Bonds, Series 2008
Supplementary Information

Historical Debt Service Coverage

<u>Fiscal Year</u>	<u>Pledged Revenues (1)</u>	<u>Maximum Annual Debt Service</u>	<u>Debt Service Coverage</u>
2005	\$ 17,493,450	\$ 864,060	20.25
2006	18,117,728	861,000	21.04
2007	18,193,910	861,000	21.13
2008	18,279,990	1,919,221	9.52
2009	18,987,205	1,835,664	10.34

(1) The Improvement Revenue Refunding Bonds, Series 2001, were issued October 15, 2001 in the amount of \$11,470,000. They were secured by a lien upon and a pledge of the Public Service Tax pursuant to Section 166.231, Florida Statutes as amended. Effective October 1, 2001, the Florida Legislature repealed the public service tax on telecommunications created per Section 166.231(9), Florida Statutes, and created a simplified tax structure for communications services pursuant to Chapter 2000-260, Laws of Florida. To the extent that the Public Service Tax receipts derived by the City pursuant to Section 166.231(9), Florida Statutes, is eliminated as a result of this new tax, all of the revenues received by the City pursuant to the new Communications Services Tax shall be deemed to replace the Public Service Tax receipts so eliminated. Consequently the pledged revenues include both public service taxes and communications services taxes effective October 1, 2001. Improvement Revenue Bonds, Series 2008, were issued August 12, 2008, in the amount of \$12,900,000. They were secured by a lien upon and a pledge of the public service tax pursuant to Chapter 166, Part II, Florida Statutes.

**City of Clearwater, Florida
Fire Services Program
Supplementary Information**

Pursuant to agreements between the City of Clearwater, the Pinellas County Fire Authority and the Pinellas County Emergency Medical Services Authority, the City has provided fire and emergency medical services to the respective authorities. With respect to fire services, the services are provided for the benefit of properties located outside the corporate limits of the City, but within a designated service area. Emergency medical services are provided for the benefit of persons residing both inside and outside the corporate limits of the City, based on the Authority's nearest unit dispatch policy.

With respect to the Fire Services Program, a budget was prepared by Fire Department personnel covering proposed expenditures for fiscal year ending September 30, 2009, for the Fire Department as a whole. Since the funding for the Emergency Medical Services Program is based on the level fixed in prior years, the Fire Services Program budget is essentially the residual obtained by deducting the approved level of funding for the Emergency Medical Services Program from the budgeted amounts included in the total Fire Department budget. This budget was submitted to, and duly approved by, the relevant Authority prior to the commencement of the fiscal year. Income received from Pinellas County Fire Protection Authority and valid program expenditures for the Fire Services Program for the fiscal year ended September 30, 2009 are summarized below.

Total Revenue Received from Pinellas County Fire Protection Authority	<u>\$ 2,103,923</u>
Total Fire Service Expenditures for Fiscal Year Ended September 30, 2009	<u>\$ 16,588,351</u>

The Fire Services Program does not currently utilize an equipment reserve.