

FLORIDA STATE UNIVERSITY SCHOOLS, INC
2021-2022 BUDGET SUMMARY
FOR THE MONTH ENDING
August 31, 2022

	Dept ID	Fund	Budget	Expenditures	Encumbrance	Available Budget
Function 5000	Instructional					
Elementary	131005	510	2,891,075.00	167,626.75	2,607,264.88	116,183.37
Secondary Grades 6-12	131029	510	2,564,509.00	138,696.96	2,363,837.83	61,974.21
Secondary Special Areas	131011	510	1,512,637.00	80,996.15	1,420,841.49	10,799.36
Supplemental Academic Instruction	131025	510	389,006.00	58,818.93	329,808.06	379.01
Exceptional Student Education	131026	510	533,584.00	41,850.13	452,322.11	39,411.76
Reading	131027	510	154,581.00	7,681.41	141,005.93	5,893.66
Class Size Reduction	131010	510	887,374.00	44,136.70	832,077.11	11,160.19
Teacher Allocation	131012	510	108,114.00	9,694.55	29,693.00	68,726.45
Instructional Materials	131023	510	348,320.00	167,780.23	180,495.65	44.12
			9,389,200.00			314,572.13
Function 6000	Student Services					
Instructional Support Services	131001	510	1,022,558.00	60,170.36	875,492.97	86,894.67
Instructional & Curriculum Dev-Training	131002	510	6,000.00	161.00	2,163.00	3,676.00
Public School Tech - Instructional	131009	510	35,000.00	22,490.27	5,308.46	7,201.27
Digital Classroom Technology	131034	510	0.00	0.00	0.00	0.00
Mental Health Assistance	131036	510	143,273.00	22,435.88	63,577.54	57,259.58
			1,206,831.00			155,031.52
Function 7000	Administration					
School Board	131031	510	127,325.00	16,466.52	101,678.73	9,179.75
General Administration	131022	510	459,114.00	52,637.26	404,159.18	2,317.56
School Administration	131000	510	564,696.00	82,116.25	450,604.32	31,975.43
Fiscal Services	131030	510	244,445.00	32,127.28	175,071.89	37,245.83
Support Services	131003	510	124,750.00	3,322.55	38,233.57	83,193.88
Data Processing	131032	510	226,149.00	31,661.34	181,384.66	13,103.00
Administrative Technology Services	131021	510	395,892.00	137,291.20	241,782.85	16,817.95
Operation of Plant	131004	510	1,337,911.00	389,547.15	669,943.35	278,420.50
Maintenance of Plant	131033	510	224,742.00	19,675.24	109,949.52	95,117.24
Capital Outlay	131024	510	0.00	0.00	0.00	0.00
Safe Schools	131035	510	367,997.00	32,235.01	219,698.61	116,063.38
			4,073,021.00			683,434.52
Non-Operating	131014	510	15,331.00	0.00	0.00	15,331.00
TOTALS			14,684,383.00	1,619,619.12	11,896,394.71	1,153,038.17
AUXILIARY & STUDENT ACTIVITIES:						
Lunch Program	131015	510	470,000.00	4,018.60	308,973.34	157,008.06
Extended Day	131016	510	592,265.28	127,750.26	551,136.32	(86,621.30)
Activity Fees	131017	510	525,000.00	74,475.56	211,661.49	238,862.95
Athletic	131019	510	247,273.13	18,113.19	100,238.59	128,921.35
TOTALS			1,834,538.41	224,357.61	1,172,009.74	438,171.06

Project Name	ENDING DATE	BUDGET NUMBER	PROJECT #	ALLOCATION	Expenditures	Encumbrance	AVAILABLE BALANCE
CARES Act CTE Infrastructure	09/30/22	131000/523	100200	65,182.00	65,189.54	0.00	(7.54)
ESSER I	09/30/22	131000/523	100516	203,076.93	186,861.37	0.00	16,215.56
Safety and Security, FSUS Leon	01/31/23	131000/523	100659	42,000.00	42,000.00	0.00	0.00
ESSER II - Technology Assistance	09/30/23	131000/523	100950	32,869.00	0.00	0.00	32,869.00
ESSER II - Lump Sum	09/30/23	131000/523	100984	466,736.00	462,986.82	35,016.99	(31,267.81)
ARP ESSER	09/30/24	131000/523	101179	1,007,203.00	0.00	0.00	1,007,203.00
Youth Mental Health Awareness	06/30/22	131000/523	101220	1,963.00	0.00	0.00	1,963.00
Civic Literacy Excellence Initiative	09/30/23	131000/523	101222	6,741.00	0.00	0.00	6,741.00
Computer Science Certification	06/30/22	131000/523	101308	15,299.00	0.00	0.00	15,299.00
CRRSA ESSER II Literacy	09/30/23	131000/523	101313	62,801.00	0.00	0.00	62,801.00
Career Dual Enrollment Pathways	09/30/23	131000/523	101314	110,180.00	0.00	0.00	110,180.00
ARP ESSER III - Formula G	09/30/24	131000/523	101335	412,190.00	0.00	0.00	412,190.00
ARP IDEA K-12	09/30/23	131000/523	101364	112,682.00	33,935.76	0.00	78,746.24
Pre-K Supplemental Fund	09/30/23	131000/523	101367	7,379.00	2,225.88	0.00	5,153.12
Computer Science Teacher	09/16/22	131000/523	101403	1,000.00	0.00	0.00	1,000.00
Summer Learning Camps	01/08/23	131000/523	101480	209,568.00	0.00	0.00	209,568.00
Title I, Part A	06/30/23	131000/523	101613	284,331.00	0.00	0.00	284,331.00
Title II, Part A	06/30/23	131000/523	101614	54,079.00	0.00	0.00	54,079.00
IDEA Pre-K	06/30/23	131000/523	101651	5,377.00	0.00	0.00	5,377.00
TOTALS				3,100,656.93	793,199.37	35,016.99	2,272,440.57

FEFP:

Restricted Balance Forward	2,970,147.00
Reserved by Board	3,107,852.00
reoccurring expenses	6,561,144.31
ENDING CASH BALANCE	13,387,959.43

AUXILIARY AND STUDENT ACTIVITIES:

Lunch Program	251,770.00
Extended Day	68,747.87
Activity Fees	388,147.73
Athletics	40,150.52

AUXILIARY ENDING CASH BALANCE

748,816.12

FSUS Finance Committee Meeting

September 7, 2022 @ 4 p.m.

A&P & USPS Salary Increase Proposal

Effective September 2, 2022 the University will implement a 5% salary increase for A&P and USPS employees. Providing a 5% increase to eligible employees at FSUS would cost \$50,740.

TSIA/CBA Proposal

FSUS and UFF have agreed to faculty salary increases and changes to supplemental pays, contingent upon Board approval and ratification by UFF. The salient points of the agreement are detailed below. This proposal would cost FSUS a total of \$131,930

- 1) Teachers at current base get a cumulative 3.64% raise to increase new base to \$45,250 retroactive to 8/1/22
- 2) Teachers above current base receive a cumulative 4.5% raise retroactive to 8/1/22
- 3) The following new supplements will be added:
 - a) New Musical Play Stipend: 1,500.00
 - b) New Elementary Theatre Sponsor Stipend: 700.00
 - c) New Elementary Art Club Stipend: 700.00
 - d) New National Art Honor Society Stipend: 700.00
 - e) Women's Wrestling: 700.00
 - f) eSports Club: 700.00
 - g) Future Educators of America: 700.00
- 4) All advanced degree supplements will be increased by \$250.00

Faculty Administrators Salary Proposal

The above proposal provide A&P & USPS employees will receive a 5% salary increase and faculty with an average increase of 4.03%. I am recommending a 4% increase for FSUS Faculty Administrators. This proposal would cost FSUS a total of \$20,464.

RESOLUTION OF THE
BOARD OF DIRECTORS OF FLORIDA STATE UNIVERSITY SCHOOL, INC.

WHEREAS, on behalf of the Florida State University School, Inc. (the "Corporation"), the City of Tallahassee, Florida (the "Issuer") issued its City of Tallahassee, Florida Lease Revenue Bonds (Florida State University Schools, Inc. Project) Series 2000A (the "2000A Bonds") the proceeds of which were loaned to the Corporation and used to finance the acquisition and construction the Florida State University School located in Tallahassee, Florida; and

WHEREAS, the 2000A Bonds were refunded by the City of Tallahassee, Florida Lease Revenue Refunding Bonds (Florida State University Schools, Inc. Project) Series 2010 (the "Refunded Bonds"), which are presently outstanding in the principal amount of \$6,946,783.00; and

WHEREAS, the Refunded Bonds were issued pursuant to an Indenture of Trust between the Issuer and U.S. Bank National Association, as successor trustee (the "Trustee"), dated as of August 1, 2000 (the "Master Indenture"), as supplemented by the First Supplemental Indenture of Trust, dated as of December 1, 2010, and are secured by the Trust Estate, as defined therein (the "Trust Estate"), which Trust Estate includes payments made by the Corporation to the Issuer pursuant to the Lease Purchase Agreement between the Issuer and the Corporation dated as of August 1, 2000 (the "Lease Purchase Agreement");

WHEREAS, the Corporation desires to currently refund the Refunded Bonds and to request the City of Tallahassee, Florida (the "City") to issue its refunding revenue bonds in a principal amount of not to exceed \$7,000,000 (the "Refunding Bonds") on behalf of the Corporation, to refinance the Project and reduce the debt service for the financing of the Project; and

WHEREAS, the Refunding Bonds shall constitute "Refunding Bonds" as defined in the Indenture and shall be secured by the Trust Estate;

WHEREAS, the Corporation now desires to approve and authorize the Refunding Bonds and the financing documents associated with the Refunding Bonds and the pledge of revenues to secure the Refunding Bonds, and

WHEREAS, the Corporation, through its Financial Advisor, Ford & Associates, Inc., issued a competitive request for proposals and received eight (8) proposals and determined that the best proposal was submitted by Key Government Finance, Inc. (the "Lender"), a copy of which is attached hereto as Exhibit A (the "Proposal"); and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF FLORIDA STATE UNIVERSITY SCHOOL, INC.:

1. 1. The proposed refunding described herein is hereby approved, and the Proposal is hereby accepted, provided, however, that the principal amount of the Refunding Bonds shall not exceed \$7,000,000 and the final maturity of the Refunding Bonds shall be not later than August 1, 2026, the present maturity of the Refunded Bonds.

1. 2. The prior actions of the Chair, Vice-Chair, Secretary or Treasurer of the Corporation (the "Authorized Officers") requesting that the Financial Advisor seek proposals and requesting that the City authorize the issuance of the Refunding Bonds are hereby approved and ratified.

1. 3. The Chair is hereby delegated the authority, and is hereby authorized to agree to the terms of the Refunding Bonds, including their maturity and payment schedule, all as to be set forth in a Second Supplemental Indenture of Trust (the "Second Supplemental"), a form of which is attached hereto as Exhibit B, that is hereby approved with such additional changes, insertions and omissions therein including, but not limited to, the insertion of rates, maturities and other details of the Refunding Bonds determined as herein provided and as may be made prior to the delivery of the Refunding Bonds, and as may be otherwise made and approved by the said Authorized Officers.

3. 3. The payment of the Lease Payments as defined in the Lease Purchase Agreement, is hereby specifically approved. The Chair, Vice-Chair, Secretary or Treasurer of the Corporation are hereby authorized to deliver a supplement and/or amendment to the Lease Purchase Agreement in connection with the issuance of the Refunding Bonds.

3. 4. The Authorized Officers of the Corporation are hereby further authorized and directed to execute and deliver, in connection with the issuance of the Refunding Bonds, such other certificates, agreements, documents and representations as may be required by the Lender or Bond Counsel in order to deliver the Refunding Bonds at closing.

3. 5. The Authorized Officers are hereby authorized, on behalf of, in the name of and for the account of Corporation to:

a. execute all documents surrounding the closing of the sale of the Refunding Bonds and specifically the amendment or supplement to the Lease Purchase Agreement and any amendment to the Ground Lease Agreement related to the Refunding Bonds;

b. execute and/or endorse all documents necessary or required to evidence or consummate such Refunding Bonds; and

c. grant or assign a security interest of any kind in property, whether real, personal, tangible, intangible and/or mixed, pledged by Corporation as collateral securing payment or any performance relative to any loan to Corporation.

3. 6. The foregoing authority shall not be limited to the above-identified or described officers, members, position-holders or other representatives of Corporation but shall extend to such additional or different individuals as are named as being so authorized in any letter, form or other written notice by any member of the Corporation's Executive Committee or Finance Committee.

3. 7. The undersigned shall furnish a certified copy of this Resolution, and all parties are hereby authorized to deal with the present holders of the above-identified or described offices, memberships or positions under the authority of this Resolution unless and until it shall be expressly notified in writing to the contrary by Corporation.

3. 8. The undersigned shall, from time to time hereafter, as changes in the personnel of the above-identified or described offices, memberships or positions of Corporation, are made, immediately certify such changes and all parties shall be fully protected in relying upon such certifications of the undersigned and shall be indemnified and saved harmless from any claims, demands, expenses, losses and/or damages resulting from, or growing out of, honoring the signature or any officers, members, position-holders, representatives, agents, or employees so certified, or refusing to honor any signature not so certified which is not described or stated in the foregoing Resolution.

3. 9. The undersigned is authorized and directed to certify that the foregoing Resolution was duly adopted, and that the provisions thereof are in full conformity with the Articles of Incorporation, Charter or By-laws of the Corporation.

3. 10. All transactions by any officers, members, position-holders, representatives, agents, or employees of Corporation on its behalf prior to delivery of a certified copy of the foregoing Resolution is, in all respects, hereby ratified, confirmed and adopted.

3. 11. The present holders of the above-identified or described offices, memberships or positions, are expressly authorized and directed to affix the seal, if any, of Corporation on any instrument and to adopt any facsimile seal for any occasion and purpose on any instrument as the seal, if any, of Corporation, and that this Resolution supersedes any By-law or other organizational document of Corporation to the contrary.

[Remainder of page intentionally left blank]

3. 12.

Any person(s) authorized to act on behalf of Corporation pursuant to the terms of this Resolution is fully authorized to take any action or exercise any powers as set out or granted by those terms in relation to any subsidiary, parent or affiliate of Corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name(s) and affixed the seal, if any, of Corporation this ___ day of September, 2021.

Chairman-of the Board of Directors

(Corporate Seal)

Exhibit A

Proposal

Exhibit B

Form of Second Supplemental Indenture of Trust

SECOND SUPPLEMENTAL INDENTURE OF TRUST

Dated as of September 1, 2021

Between

CITY OF TALLAHASSEE, FLORIDA

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

Securing \$[principal]
in aggregate principal amount of
City of Tallahassee, Florida
Lease Revenue Refunding Bonds
(Florida State University Schools, Inc. Project)
Series 2021

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TRUST INDENTURE

This SECOND SUPPLEMENTAL INDENTURE OF TRUST, dated as of September 1, 2021 (the "Second Supplemental Indenture") is between the City of Tallahassee, Florida, a public body corporate and politic created and existing under the laws of the State of Florida (hereinafter called the "City" or the "Issuer"), and U.S. Bank National Association, a national banking association organized and existing under the laws of the United States, having power and authority to accept and execute trusts, and having a principal corporate trust office in Orlando, Florida, as successor trustee to SunTrust Bank, the original trustee (the "Trustee") and supplements that certain Indenture of Trust dated as of August 1, 2000 between the Issuer and the Trustee (the "Original Indenture").

WITNESSETH:

WHEREAS, pursuant to authority granted by Chapter 166 and Chapter 159, Part II, Florida Statutes, the Issuer is authorized and empowered to exercise any power for municipal purposes, except as otherwise provided by law; and

WHEREAS, in accordance with the provisions of Chapter 166 and Chapter 159, Part II, Florida Statutes, and pursuant to Resolution No. 00-R-32 adopted by the City on July 12, 2000 (the "Resolution") the City issued its \$23,330,000 City of Tallahassee, Florida, Lease Revenue Bonds (Florida State University Schools, Inc. Project), Series 2000A (the "Series 2000A Bonds") and its \$850,000 City of Tallahassee, Florida, Lease Revenue Bonds (Florida State University Schools, Inc. Project), Series 2000B (the "Series 2000B Bonds"), pursuant to the Original Indenture, for the purpose of financing on behalf of Florida State University Schools, Inc. ("FSUS"), a portion of the costs of constructing and equipping a charter lab school facility (the "Project"), which is a capital project and is related to the establishment of a charter school; and

WHEREAS, pursuant to Resolution No. 10-R-33 adopted on September 29, 2010, as supplemented by Resolution No. 10-R-44 adopted on December 8, 2010, the City issued its \$18,144,076.00 City of Tallahassee, Florida, Lease Revenue Refunding Bonds (Florida State University Schools, Inc. Project), Series 2010 (the "Series 2010 Bonds") pursuant to that First Supplemental Indenture as "Refunding Bonds"; and

WHEREAS, the Series 2000B Bonds are no longer Outstanding and FSUS has requested that the Issuer issue Refunding Bonds as defined in and authorized by the Original Indenture to refund, in full, the Series 2010 Bonds (herein the "Series 2010 Bonds"); and

WHEREAS, the Issuer has determined pursuant to Resolution No. 21-R-28 adopted on September 8, 2021, to issue its \$[principal] City of Tallahassee, Florida, Lease Revenue Refunding

Bonds (Florida State University Schools, Inc. Project), Series 2021 (the "Series 2021 Bonds") pursuant to this Second Supplemental Indenture as "Series 2021 Bonds" authorized under the Original Indenture to refund the Series 2010 Bonds; and

WHEREAS, the Issuer has received from FSUS, a Florida not for profit corporation organized under Chapter 617, Florida Statutes, to which a charter has been granted by Florida State University (the "University") to operate a developmental research school pursuant to Section 1002.32, Florida Statutes (formerly codified as Section 228.056(4)(e), Florida Statutes), a Ground Lease Agreement (the "Ground Lease") dated as of August 28, 2000, for certain real property described on Exhibit A thereto (the "Land") located within the corporate municipal limits of the Issuer; and

WHEREAS, all things necessary to make the Series 2021 Bonds, when authenticated by the Trustee and issued and delivered as provided in the Original Indenture, as supplemented by this Second Supplemental Indenture, the valid, binding and legal obligations of the Issuer, according to the import thereof, and to create a valid assignment and pledge of the securities, property, moneys and rights in order to secure the payment of the principal and purchase price of, premium, if any, and interest on the Series 2021 Bonds, have been done and performed, and the execution and delivery of this Second Supplemental Indenture and the execution, issuance and delivery of the Series 2021 Bonds, subject to the terms hereof, have in all respects been authorized.

NOW, THEREFORE, KNOW ALL BY THESE PRESENTS, THIS SECOND SUPPLEMENTAL INDENTURE WITNESSETH:

That the Issuer, in consideration of the premises and of the acceptance by the Trustee of the trusts created by the Original Indenture, and of the purchase and acceptance of the Series 2021 Bonds by the holders thereof, and of the sum of TEN DOLLARS (\$10.00), lawful money of the United States of America, to it paid by the Trustee, at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to secure the payment of the principal and purchase price of, premium, if any, and the interest on, the Series 2021 Bonds and all other amounts payable by the Issuer pursuant to the terms of the Series 2021 Bonds hereby agrees that the terms and conditions of the Original Indenture shall be equally applicable and shall secure the Series 2021 Bonds as though fully set forth herein.

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions. For all purposes of this Second Supplemental Indenture, unless the context or use clearly indicates another or different meaning or intent, the following terms shall have the following meanings, and any other words and terms defined in the Original Indenture shall have the same meanings when used herein as assigned to them in the Original Indenture:

"Default Rate" means three percent (3%) above the then applicable interest rate.

"Determination of Taxability" means a final decree or judgment of any federal court or a final action of the Internal Revenue Service determines that interest paid or payable on any Series 2021 Bond is or was includable in the gross income of an Owner of the Series 2021 Bond for federal income tax purposes under the Code based solely on an action or non-action of the Issuer or the FSUS; provided, that no such decree, judgment, or action will be considered final for this purpose, however, unless the Issuer has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any Owner of a Series 2021 Bond, and until conclusion of any appellate review, if sought.

"Series 2021 Bonds" shall mean the \$[principal] City of Tallahassee, Florida, Lease Revenue Refunding Bonds (Florida State University Schools, Inc. Project), Series 2021 authorized herein and issued as Refunding Bonds as provided in section 209 of the Original Indenture.

"Taxable Rate" shall mean 1.10%.

ARTICLE II

THE SERIES 2021 BONDS

Section 2.01. Authorization. The Issuer hereby authorizes and creates under this Second Supplemental Indenture an amount of Refunding Bonds, entitled to the benefit, security and protection of the Original Indenture, to be designated City of Tallahassee, Florida, Lease Revenue Refunding Bonds (Florida State University Schools, Inc. Project), Series 2021. The total principal amount of Series 2021 Bonds that may be issued and outstanding hereunder shall be \$[principal], except as provided in Section 207 of the Original Indenture with respect to replacement of mutilated, lost, stolen, destroyed or undelivered Bonds. The Series 2021 Bonds shall be dated September __, 2021 and shall be issued only as a single fully registered bond without coupons in the principal amount of \$[principal], and in substantially the form of Exhibit A to the Original Indenture, with appropriate variations, omissions, insertions, notations, legends or endorsements required by law or usage or permitted or required by the Original Indenture or permitted or required hereby.

Within each Fund created under the Original Indenture there shall be created a Series 2021 Account for the Series 2021 Bonds, provided, however, no Series 2021 Account shall be created in the Debt Service Reserve Fund and the Series 2021 Bonds shall not be secured by any amounts on deposit, if any, in the Debt Service Reserve Fund.

Section 2.02. Terms of Original Indenture. All terms and conditions of the Original Indenture shall be fully applicable to the Series 2021 Bonds as though originally issued thereunder and secured thereby.

Section 2.03. Description of Series 2021 Bonds. (a) The Series 2021 Bonds shall be issued as a single bond in the principal amount of \$[principal] in denominations of \$1.00, subject to amortization payments and bear interest at the rate of 0.869%. Upon the occurrence of a Determination of Taxability, the Series 2021 Bond shall bear interest at the Taxable Rate.

(b) If the Issuer fails to make any payment of principal of or interest on the Series 2021 Bonds on its due date, interest on the past due payment shall accrue at the Default Rate until payment is made. If such delinquent amount is not paid within 90 days of its due date, the entire principal amount of the Series 2021 Note shall bear interest at the Default Rate until such Default is cured. Additionally, if any payment due on the Series 2021 Note is paid later than 10 days after the date due, such payment may be subject to an additional late fee of 5% on the overdue payment.

Section 2.04. Redemption of Series 2021 Bonds.

(a) Optional Redemption. Any portion or all of the Series 2021 Bonds are subject to optional redemption by the Issuer at the direction of FSUS prior to maturity, in whole or in part on any date at a redemption price equal to the principal amount thereof to be redeemed plus interest accrued to the date of redemption without premium. The redemption price of the Series 2021 Bonds to be redeemed shall be the principal amount thereof plus accrued interest to but not including the date of such redemption.

(b) Extraordinary Mandatory Redemption. The Bonds are subject to redemption, as a whole or in part at any time in the event the Issuer determines pursuant to Section 611 of the Original Indenture, not to rebuild or replace any damaged, destroyed or condemned property, upon receipt by the Trustee of amounts resulting from the occurrence of the events of damage, destruction or condemnation of the Project described in Section 611 of the Original Indenture. Bonds redeemed pursuant to this Section shall be redeemed for a price equal to the principal amount of Bonds so redeemed, without premium, plus interest accrued to but not including the date of redemption.

(c) Mandatory Redemption by Amortization Installments. The Series 2021 Bonds are subject to mandatory redemption on the Principal Payment Dates and in the principal amounts set forth below at the principal amount thereof (without premium) plus accrued interest to but not including the redemption date. The Series 2021 Bonds to be so redeemed shall be selected by the Trustee by lot in any customary manner of selection as determined by the Trustee.

Date <u>(August 1)</u>	<u>Principal</u>
2022	
2023	
2024	
2025	
2026	

Mandatory redemption pursuant to this Section 2.04 shall not require any advance notice nor surrender of the Bonds (except on the Maturity Date) as provided in Section 703 of the Original Indenture.

(d) Selection of Bond for Redemption. Whenever Bonds are to be redeemed in part other than pursuant to Section 2.04(c) hereof, the Trustee shall select the Bonds to be redeemed by lot, in inverse order of maturity. Bonds to be redeemed pursuant to Section 2.04(c) hereof shall be selected by the Trustee by lot.

Section 2.05. Use of Proceeds of Series 2021 Bonds. The proceeds of the Series 2021 Bonds shall be received by the Trustee and used as follows:

(a) \$_____ from the proceeds of the Series 2021 Bonds shall be used to pay the costs of issuance of the Series 2021 Bonds, and

(b) \$_____ from the proceeds of the Series 2021 Bonds, together with \$_____ on deposit under the Original Indenture for the payment of the Series 2010 Bonds and \$_____, the balance of the Debt Service Reserve Fund for the Series 2010 Bonds shall be irrevocably deposited to the credit of the Debt Service Fund and credited to the accounts for the Series 2010 Bonds, invested or held in cash uninvested as directed by FSUS, and used solely to retire the Series 2010 Bonds on the earliest date for which notice of redemption may be given.

ARTICLE III

MISCELLANEOUS

Section 3.01. Counterparts. This Second Supplemental Indenture may be signed in several counterparts, each of which shall be an original and all of which together shall constitute the same instrument.

Section 3.02. Governing Law. This Second Supplemental Indenture and the authority of the Issuer to issue the Series 2021 Bonds shall be governed by and construed in accordance with the laws of the State.

Section 3.03. No Personal Liability of Issuer Officials. No provision, covenant or agreement contained in this Second Supplemental Indenture or the Series 2021 Bonds shall be deemed to be the covenant or agreement of any member, or any breach thereof, shall constitute or give rise to or impose upon the Issuer a pecuniary liability or charge upon its general credit or taxing power. No current or former official, officer, agent, employee or member of the Issuer shall be personally liable on the Indenture or the Bonds, in his individual capacity, nor shall such persons executing this Second Supplemental Indenture or the Series 2021 Bonds or be subject to any personal liability or accountability by reason of the issuance of the Series 2021 Bonds.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Indenture to be executed in their respective names and have caused their respective corporate seals to be hereunto affixed and attested by their respective duly authorized officers, all as of the date first above written.

SEAL

CITY OF TALLAHASSEE, FLORIDA

Attest:

By: _____

Name: John E. Dailey

Title: Mayor

By: _____

Name: James O. Cooke, IV

Title: City Treasurer-Clerk

Approved as to Form:

By: _____

Name: Cassandra K. Jackson

Title: City Attorney

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____

Name: _____

Title: Vice President

[Signature page to the Second Supplemental Indenture of Trust]