

RESOLUTION NO. 94-43

A RESOLUTION AUTHORIZING THE CHAIRMAN OF THE BOARD OF COUNTY COMMISSIONERS OR THE COUNTY ADMINISTRATOR TO DEEM THE RESPECTIVE PRELIMINARY OFFICIAL STATEMENTS FOR THE COUNTY'S SALES TAX REVENUE AND REFUNDING BONDS, SERIES 1994 AND LIMITED AD VALOREM TAX REFUNDING BONDS, SERIES 1994 FINAL FOR PURPOSES OF RULE 15c2-12 UNDER THE SECURITIES EXCHANGE ACT OF 1934; MAKING CERTAIN OTHER PROVISIONS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA AS FOLLOWS:

Section 1. Findings. There has been presented to the Board of County Commissioners drafts, each dated March 1, 1994, of Preliminary Official Statements for St. Johns County, Florida (the "County") Sales Tax Revenue and Refunding Bonds, Series 1994 and Limited Ad Valorem Tax Refunding Bonds, Series 1994 (collectively, "the Bonds"). Such drafts are attached hereto as Exhibits 1 and 2, respectively, and by this reference made a part hereof. Paragraph (b)(1) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 requires the underwriter for the Bonds prior to its agreeing to purchase the Bonds to obtain and review an official statement that the County, as issuer of the Bonds, deems final as of its date, subject to certain exceptions.

Section 2. Designation of Authority. By the execution of a certificate in substantially the form of Exhibit 3 attached hereto and by this reference made a part hereof, the Chairman of the Board of County Commissioners of the County or the County Administrator is hereby authorized to deem each of the Preliminary Official Statements for the Bonds in the forms presented to this meeting with such changes as may be approved by either such official, such approval to be evidenced by the execution of such certificates, final.

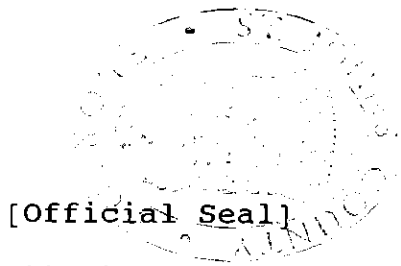
Section 3. Issuance Obligation. The adoption of this Resolution shall not obligate the County to issue the Bonds.

Section 4. Repealing Clause. All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 15th day of March, 1994.

BOARD OF COUNTY COMMISSIONERS
ST. JOHNS COUNTY, FLORIDA



[Official Seal]

By: Allan Roberts
Allan Roberts
Its: Chairman

Attest:

Carl "Bud" Markel
Carl "Bud" Markel
Its: Clerk

PRELIMINARY OFFICIAL STATEMENT DATED MARCH ___, 1994

NEW ISSUE

RATINGS: Moody's:
 Standard & Poor's:
 (_____) Insured)
 See "Ratings" herein

In the opinion of Bond Counsel, under existing law, assuming compliance with certain covenants in the Resolution described herein, interest on the 1994 Bonds is excluded from gross income for federal income tax purposes, and the 1994 Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes on interest, income or profits on debt obligations owned by corporations, as defined by Chapter 220, Florida Statutes, as amended. See, however, "TAX MATTERS" herein for a description of certain federal minimum and other special taxes that may affect the tax treatment of interest on the 1994 Bonds.

\$ __,000,000*
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue ^ and ^ Refunding Bonds
Series 1994

Dated: March 15, 1994

Due: October 1, as shown below

The Sales Tax Revenue ^ and ^ Refunding Bonds, Series 1994 (the "1994 Bonds") are being issued by St. Johns County, Florida (the "County"), as fully registered bonds in denominations of \$5,000 and integral multiples thereof. Interest (first payment due October 1, 1994 and on each April 1 and October 1 thereafter) on the 1994 Bonds will be payable by check or draft mailed to the registered owner by ^ Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Registrar and Paying Agent. Principal of the 1994 Bonds is payable to the registered owner upon presentation, when due, at the corporate trust office of the Paying Agent.

The 1994 Bonds are subject to redemption prior to their stated maturities as described herein.

The 1994 Bonds are being issued to provide funds to (i) advance refund a portion of the County's outstanding Sales Tax Revenue Bonds, Series 1989, (ii) ^ construct a part of certain additional roadway improvements ^ in connection with the County courthouse and administration facilities, and (iii) ^ pay the cost of issuance with respect to the 1994 Bonds.

The 1994 Bonds and the interest thereon will be payable solely from and secured by a pledge of and lien upon all moneys allocated to the County from the Local Government Half-cent Sales Tax Clearing Trust Fund in the State Treasury, pursuant to the provisions of Part VI, Chapter 218, Florida Statutes, as amended, together with all moneys on deposit to the credit of certain funds and accounts created under the Resolution and the earnings on the investment thereof (collectively, the "Pledged Funds"). The 1994 Bonds are being issued on a parity as to source of payment with the \$ __, __,000 outstanding County Sales Tax Revenue Bonds, Series 1989 (the "Parity Bonds").

The payment of the principal (but not premium) of and interest on the 1994 Bonds when due will be insured by a financial guaranty insurance policy to be issued by _____ simultaneously with the delivery of the 1994 Bonds.

[LOGO]

The 1994 Bonds shall not be or constitute general obligations or indebtedness of the County as "bonds" within the meaning of Article VII, Section 12 of the Constitution of the State of Florida, but shall be payable solely from and secured by a prior lien upon and a pledge of the Pledged Funds on a parity with the Parity Bonds. No owner of any 1994 Bonds shall ever have the right to compel the exercise of any ad valorem taxing power of the County, the State of Florida or any political subdivision thereof to pay the principal of or interest on any such Bond or shall be entitled to payment of such Bonds from any moneys of the County except the Pledged Funds, in the manner provided in the Resolution.

MATURITIES, AMOUNTS, INTEREST RATES, AND PRICES OR YIELDS*

\$_____,000 Serial Bonds

<u>Maturity</u> <u>October 1,</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u> <u>or</u> <u>Yield</u>	<u>Maturity</u> <u>October 1,</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u> <u>or</u> <u>Yield</u>
	\$	%			\$	%	

\$_____,000,000 _____% Term Bonds due October 1, 200____—Price—_____%
(Plus Accrued Interest)

The 1994 Bonds are offered when, as and if issued and received by the Underwriter, subject to the unqualified approval of legality by Foley & Lardner, Jacksonville, Florida, Bond Counsel. Certain legal matters will be passed upon for the County by James G. Sisco, Esquire, St. Augustine, Florida, Attorney for the County and for the Underwriter by its counsel, Rogers, Towers, Bailey, Jones & Gay, Jacksonville, Florida. It is expected that the 1994 Bonds in definitive form will be available for delivery in New York, New York on or about April __, 1994.

William R. Hough & Co.

March __, 1994

* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall 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 securities in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

ST. JOHNS COUNTY, FLORIDA

MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS

Allan Roberts, Chairman
Linda Balsavage
Barbara Ward
Moses (Coach) Floyd
Fred Brinkhoff
Don Jordan
Craig Maguire

COUNTY ADMINISTRATOR

Nicholas M. Meiszer

COUNTY CLERK

Carl "Bud" Markel

COUNTY FINANCE DIRECTOR

Michael R. Givens, C.P.A.

COUNTY ATTORNEY

James G. Sisco, Esquire

BOND COUNSEL

Foley & Lardner
Jacksonville, Florida

FINANCIAL ADVISOR

Public Financial Management, Inc.
Fort Myers, Florida

No dealer, broker, salesman or other person has been authorized by the County to give any information or to make any representations, other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County or the Underwriter. 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 1994 Bonds by any persons in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale in such jurisdiction. The information set forth herein has been furnished by the County and includes information obtained from other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create the implication that there has been no change in the affairs of the County since the date hereof.

The 1994 Bonds have not been registered under the Securities Act of 1933 in reliance upon an exemption contained in such Act.

IN CONNECTION WITH THE OFFERING OF THE 1994 BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 1994 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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SUMMARY STATEMENT

This Summary Statement, being part of the Official Statement, is subject to the more complete information contained herein and should not be considered to be a complete statement of the facts material to making an investment decision. The offering of the St. Johns County, Florida Sales Tax Revenue and Refunding Bonds, Series 1994 (the "1994 Bonds") to potential investors is made only by means of the entire Official Statement. No person is authorized to detach this Summary Statement from the Official Statement or to otherwise use it without the entire Official Statement. Unless otherwise defined, all capitalized terms in this Summary Statement shall be as defined in the main text of the Official Statement.

St. Johns County

St. Johns County, Florida (the "County") encompasses approximately 617 square miles and is located in the northeast region of the State of Florida, immediately south of Duval County and Jacksonville, Florida. The largest of the County's three municipalities is St. Augustine, which is the county seat. The estimated 1993 population of the County is 91,197.

Purpose of the 1994 Bonds

The 1994 Bonds are being issued to provide funds to (i) advance refund a portion of the County's outstanding Sales Tax Revenue Bonds, Series 1989, (ii) construct a part of certain additional roadway improvements in connection with the County courthouse and administration facilities, and (iii) pay the cost of issuance with respect to the 1994 Bonds.

Authority and Security for the 1994 Bonds

Authority for the 1994 Bonds. The 1994 Bonds are being issued pursuant to the Constitution and laws of the State of Florida, particularly, Chapter 125, Part I, Florida Statutes, as amended, County Ordinance No. 86-89, and other applicable provisions of law, and the Resolution.

Source of Payment. The 1994 Bonds are payable solely from and secured by a pledge of and lien upon all moneys allocated to the County from the Local Government Half-cent Sales Tax Clearing Trust Fund in the State Treasury pursuant to the provisions of Part VI, Chapter 218, Florida Statutes, as amended, together with all moneys on deposit to the credit of certain funds and accounts created under the Resolution and the earnings on the investment thereof, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"). The pledge of the Pledged Funds in favor of the 1994 Bonds is on a parity with the pledge of the Pledged Funds to the owners of the County's presently outstanding \$ _____ Sales Tax Revenue Bonds, Series 1989 (the "Parity Bonds")[, except that the Reserve Account for the Parity Bonds is funded by a surety bond issued by Municipal Bond Investors Assurance Corporation].

Reserve Account. Simultaneously with the issuance of the 1994 Bonds, the County is required by the Resolution to deposit in the Reserve Account the Reserve Account Requirement which is the lesser of (i) the Maximum Bond Service Requirement for the Parity Bonds, the 1994 Bonds and Additional Bonds, (ii) 125% of average annual debt service for the Parity Bonds, the 1994 Bonds and Additional Bonds, or (iii) 10% of the proceeds of the Parity Bonds, the 1994 Bonds and Additional Bonds. Moneys in the Reserve Account shall be used only for the purpose of payment of maturing principal of or interest or Amortization Installments on the Bonds and Additional Bonds when the other moneys in the Sinking Fund are insufficient therefor and for no other purpose. **[The Reserve Account for the Parity Bonds is funded by a surety bond issued by Municipal Bond Investors Assurance Corporation.]** The Reserve Account Requirement for the 1994 Bonds shall be initially funded by

Additional Bonds. The County may issue Additional Bonds payable from the Pledged Funds on a parity with the 1994 Bonds and the Parity Bonds, provided, however, that such Additional Bonds may be issued only if the County first complied with certain requirements set out in the Resolution.

No Pledge of Credit or Taxing Power. The 1994 Bonds shall not be or constitute general obligations or indebtedness of the County as "bonds" within the meaning of Article VII, Section 12 of the Constitution of the State of Florida, but shall be payable solely from and secured by a prior lien upon and a pledge of the Pledged Funds on a parity with the Parity Bonds. No owner of any 1994 Bonds shall ever have the right to compel the exercise of any ad valorem taxing power of the County, the State of Florida or any political subdivision thereof to pay the principal of or interest on any such Bond or shall be entitled to payment of such Bonds from any moneys of the County except the Pledged Funds, in the manner provided in the Resolution.

Municipal Bond Insurance. The payment of the principal of and interest on the 1994 Bonds when due will be insured by a financial guaranty insurance policy to be issued by _____ simultaneously with the delivery of the 1994 Bonds.

OFFICIAL STATEMENT
Relating to
\$ __,000,000*
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue ^ and ^ Refunding Bonds
Series 1994

March __, 1994

INTRODUCTION

The purpose of this Official Statement, including the cover page, summary statement, and appendices, is to provide information concerning the proposed issuance by St. Johns County, Florida (the "County") of \$ __,000,000* aggregate principal amount of the County's Sales Tax Revenue ^ and ^ Refunding Bonds, Series 1994 (the "1994 Bonds"). The 1994 Bonds are issued under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 125, Part I, Florida Statutes, as amended, County Ordinance No. 86-89, and other applicable provisions of law, and Resolution No. 86-132 of the County duly adopted on September 30, 1986, as amended and supplemented, particularly as supplemented by Resolutions No. 89-143, No. 89-247 and No. 94-__ duly adopted by the County on June 27, 1989, October 24, 1989 and March __, 1994, respectively. (Resolution No. 86-132, as amended and supplemented is herein referred to as the "Resolution"). See Appendix C hereto for a summary of pertinent provisions of the Resolution.

The County encompasses approximately 617 square miles and is located in the northeast region of the State, immediately south of Duval County and Jacksonville, Florida. The largest of the County's ^ three municipalities is St. Augustine, which is the county seat. The estimated 1993 population of the County is 91,197.

For a complete description of the terms and conditions of the 1994 Bonds, reference is made to the Resolution. ^ Capitalized terms used herein and not defined are used as defined in the Resolution^_. ^ The description of the 1994 Bonds and of the documents authorizing and securing the same and the description of other debt of the County do not purport to be comprehensive or definitive and are qualified in their entirety by reference to each. All information included herein has been provided by the County except where attributed to other sources. Copies of documents not contained in this Official Statement and further information which may be desired may be obtained from the County's finance director, Mr. Michael R. Givens, C.P.A., St. Johns County Administration Building, 4020 Lewis Speedway, St. Augustine, Florida 32095, telephone (904) 823-2490, or from the County's Financial Advisor, Public Financial Management, Inc., 5900

* Preliminary; subject to change.

Enterprise Parkway, Ft. Myers, Florida 33905, telephone (813)693-7117.

PURPOSE OF THE 1994 BONDS

The 1994 Bonds are being issued to provide funds to (i) advance refund a portion of the County's outstanding Sales Tax Revenue Bonds, Series 1989, (ii) ^ construct a part of certain additional roadway improvements ^ in connection with the County courthouse and administration facilities which were financed with the proceeds of the County's Sales Tax Revenue Bonds, Series 1989, and (iii) ^ pay the cost of issuance with respect to the 1994 Bonds.

REFUNDING PLAN

A portion of the proceeds of the 1994 Bonds will be used to provide the moneys needed to effect the defeasance of the County's outstanding Sales Tax Revenue Bonds, Series 1989 maturing on October 1, 1994 through [2011] (collectively, the "Refunded Bonds"). \$_____ of the County's Sales Tax Revenue Bonds, Series 1989 maturing on October 1, 2013 and October 1, 2019 will remain outstanding; such remaining outstanding Bonds are referred to as the "Parity Bonds." Upon issuance of the 1994 Bonds, the County will enter into an Escrow Deposit Agreement with ^ Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida as escrow holder (the "Escrow Holder"), providing, among other things, for the deposit of a portion of the proceeds from the sale of the 1994 Bonds and other moneys specified therein with the Escrow Holder. Such amounts shall be invested by the Escrow Holder in direct obligations of the United States of America and obligations the principal of and interest on which are fully guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor (the "Federal Securities"), in an amount which will be sufficient to pay the principal (including mandatory sinking fund installments) or redemption price of and interest on the Refunded Bonds as the same shall become due or called for redemption. The County will call the Refunded Bonds for redemption on October 1, 1997.

By deposit of the Federal Securities with the Escrow Holder pursuant to the Escrow Deposit Agreement, the County (in the opinion of Bond Counsel based upon schedules prepared by Public Financial Management, Inc. and rendered in reliance upon the report of ^ Deloitte & Touche described under the heading VERIFICATION OF MATHEMATICAL COMPUTATIONS) will have effected the defeasance of the Refunded Bonds. As a result of such refunding, it is the opinion of Bond Counsel that the lien of the Refunded Bonds on the funds pledged therefor, together with all other obligations of the County to the owners of the Refunded Bonds under the resolution pursuant to which the Refunded Bonds were issued will be defeased.

The maturing principal of and interest on the Federal Securities held under the Escrow Deposit Agreement will not be available to pay debt service on the 1994 Bonds.

DESCRIPTION OF THE 1994 BONDS

General

The 1994 Bonds shall be dated as set forth on the cover page of this Official Statement and are being issued as fully registered bonds without coupons in denominations of \$5,000 and integral multiples thereof. Interest on the 1994 Bonds (first payment due October 1, 1994 and semiannually on each April 1 and October 1 thereafter) will be payable by check or draft of ^ Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Registrar and Paying Agent, mailed to the registered owner, as shown on the registration books of the Registrar on the 15th day of the month prior to each interest payment date (the "Record Date"). Principal of and premium, if any, on the 1994 Bonds are payable at maturity or redemption to the registered owner upon presentation, when due or when called for redemption, at the corporate trust office of the Paying Agent in ^ Jacksonville, Florida.

Optional Redemption

The 1994 Bonds maturing prior to October 1, _____ shall not be subject to redemption prior to maturity. The 1994 Bonds maturing on October 1, 200__ or thereafter, may be redeemed prior to maturity at the option of the County, as a whole on October 1, 200__, or on any date thereafter, or in part, from such maturity or maturities as the County shall designate and by lot within a maturity, on October 1, 200__, or on any interest payment date thereafter, at the following redemption prices (expressed as a percentage of the principal amount of the 1994 Bonds to be redeemed) plus accrued interest to the redemption date during the following periods:

Redemption Periods (both dates inclusive)	Redemption Prices
	%
October 1, 200__ to September 30, 200__	
October 1, 200__ to September 30, 200__	
October 1, 200__ and thereafter	

Mandatory Redemption

The 1994 Bonds maturing October 1, 20__ are subject to mandatory redemption in part prior to maturity by lot at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, beginning on October 1, _____ and on each October 1 thereafter in the years and in the principal amounts corresponding to the Amortization Installments as follows:

Years

Amortization
Installment

\$

Maturity

Notice of Redemption

Notice of redemption of the 1994 Bonds, unless waived, shall be mailed, postage prepaid, by first class mail by the Registrar not less than thirty (30) days nor more than sixty (60) days before the date fixed for redemption to the registered owners of any 1994 Bonds or portions of 1994 Bonds which are to be redeemed, at their addresses as they appear on the registration books kept by the Registrar or at such other address as such owner shall have furnished in writing to the Registrar. No defect in any notice of redemption or failure to give such notice to any owner of 1994 Bonds or failure of any owner to receive such notice shall in any manner defeat the effectiveness of a call for redemption as to all other owners of 1994 Bonds to be redeemed. Upon the giving of such notice of redemption, the 1994 Bonds or portions thereof to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such 1994 Bonds or portions thereof shall cease to bear interest.

AUTHORITY AND SECURITY FOR THE 1994 BONDS

The 1994 Bonds are being issued pursuant to the Constitution and laws of the State of Florida, particularly, Chapter 125, Part I, Florida Statutes, as amended, County Ordinance No. 86-89, and other applicable provisions of law, and the Resolution.

Source of Payment

The 1994 Bonds are payable solely from and secured by a pledge of and lien upon all moneys allocated to the County from the Local Government Half-cent Sales Tax Clearing Trust Fund in the State Treasury pursuant to the provisions of Part VI, Chapter 218, Florida Statutes, as amended, together with all moneys on deposit to the credit of certain funds and accounts created under the Resolution and the earnings on the investment thereof, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"). The pledge of the Pledged Funds in favor of the Bonds is on a parity with the pledge of the Pledged Funds to the owners of the Parity Bonds.

Pursuant to Chapter 212, Part I, Florida Statutes, the State is authorized to levy and collect a sales tax on, among other things, the sales price of each item or article of tangible

personal property sold at retail in the State, subject to certain exceptions and dealer allowances as set forth in Chapter 212. Currently, the sales tax in the State is 6%, having been increased from 5% in February, 1988, and from 4% in 1982. Chapter 218, Part VI, Florida Statutes, was added in 1982 and provides that money remitted to the State by a sales tax dealer located within a county and transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund in the State Treasury (the "Trust Fund") is earmarked for distribution to the governing body of that county and of each municipality within the county pursuant to a distribution formula. Chapter 212, Florida Statutes, provides that after specified distributions to the General Revenue Fund of the State and to the Solid Waste Management Trust Fund of the State, 9.653 percent of the remaining proceeds from the amount remitted by a sales tax dealer in a participating county is to be transferred to the Trust Fund. Such moneys are referred to in Chapter 218, Part VI, as the Local Government Half-cent Sales Tax. The Local Government Half-cent Sales Tax is distributed from the Trust Fund on a monthly basis to participating units of local government. Chapter 218, Part VI, permits the County to pledge its share of the Local Government Half-cent Sales Tax for the payment of principal of and interest on any capital project.

As initially enacted, Chapter 218, Part VI, Florida Statutes provided that the Local Government Half-cent Sales Tax was to be computed based upon one-half of the then newly effective 5th cent of the State sales tax. In 1985, the law was amended to provide that 9.697% of the proceeds of the sales tax remitted by a sales tax dealer located within the county was to be deposited in the Trust Fund. This percentage was amended in 1987 for the State's fiscal year ended June 30, 1988 to 9.846% and, for subsequent State fiscal years, 9.888%. Effective July 1, 1989 the present method of distribution described in the previous paragraph was enacted, with a percentage of 9.888%. Effective October 1, 1992, through June 30, 1993, the percentage was changed to 9.664%. Effective July 1, 1993, the percentage was set at its present rate of 9.653%.

Under Chapter 212, Part I, Florida Statutes, the sales tax collected by the State includes, but is not limited to, a levy on the following:

- (a) the sale of tangible personal property sold at retail in the State;
- (b) the use, or storage for use, of tangible personal property in the State when the same is not sold in the State;
- (c) rentals on tangible personal property;
- (d) accommodations in hotels, motels, apartments and offices;
- (e) parking and storage places in parking lots, garages and marinas for motor vehicles or boats;
- (f) admissions to places of amusement, most sport and recreation events and theaters;
- (g) utilities, except those used in homes;
- (h) restaurant meals;

- (i) expendables used in radio and television broadcasting;
- (j) telegraph messages and long distance telephone calls beginning and terminating in the State; and
- (k) mail order sales to purchasers within the State.

Among the items exempted from the sales tax are groceries; medicines, hospital rooms and meals; seeds, fertilizers and farm crop protection materials; purchases by religious, charitable and educational non-profit institutions; professional, insurance and personal service transactions; and some educational institutions' athletic events.

The sales tax is collected on behalf of the State by businesses at the time of sale at retail, use, consumption, or storage for use or consumption, of taxable property and remitted to the State on a monthly basis. Chapter 212 provides for penalties and fines, including criminal prosecution, for non-compliance with the provisions thereof.

To be eligible to participate in the Local Government Half-cent Sales Tax, the counties and municipalities must comply with certain requirements set forth in Section 218.63, Florida Statutes. These requirements include those concerning the reporting and auditing of its finances, the levying of ad valorem taxes or receipt of other revenue sources, and certifying certain requirements pertaining to the employment and compensation of law enforcement officers, the employment of fire fighters and the method of fixing millage rates for the levying of ad valorem taxes.

The County has complied and is required by the provisions of the Resolution to comply with all of the requirements set forth in Chapter 218, Part VI, which are necessary in order for the County to receive its maximum allocation of funds from the Trust Fund. Although Chapter 218, Part VI, does not impose any limitation on the number of years during which the County can receive distribution of the Local Government Half-cent Sales Tax from the Trust Fund, there may be future amendments to Chapter 218, Part VI, in subsequent years imposing additional requirements of eligibility for counties participating in the Local Government Half-cent Sales Tax. To be eligible to participate in the Trust Fund in future years, the County must comply with certain eligibility and reporting requirements of § 218.23(1), Florida Statutes. Otherwise, the County loses its Trust Fund distributions for twelve (12) months following a "determination of noncompliance" by the State Department of Revenue.

The Local Government Half-cent Sales Tax collected within a county and distributed to local government units is distributed among the county and the municipalities therein in accordance with the following formula:

County Share (percentage of total Half-cent Sales Tax receipts)	=	unincorporated area <u>population</u>	+	2/3 incorporated <u>area population</u>
		total county population	±	2/3 incorporated area population
Each Municipality Share (percentage of total Half-cent Sales Tax receipts)	=	<u>municipality population</u>		
		total county population	+	2/3 incorporated area population

Population is based upon the latest official State estimate of population certified prior to the beginning of the local government fiscal year. The population so computed for the County for the Fiscal Year ended September 30, 1993 is 91,197. The population for all of the incorporated areas in the County for the year ended September 30, 1993, is 16,193. The County's share of the Local Government Half-cent Sales Tax collected in the County for the fiscal years ended September 30, 1989 through 1993 has been 81.94%, 82.69%, 83.24%, 83.12% and 83.43%, respectively. Should any unincorporated area of the County become incorporated as a municipality, the share of the Local Government Half-cent Sales Tax received by the County would be reduced.

St. Johns County, Florida
Sales Tax Collections and Local Government Half-cent
Sales Tax Revenue

<u>Fiscal Year Ended September 30,</u>	<u>County Sales Tax Collections¹</u>	<u>County Half-cent Sales Tax Revenue²</u>
1987	\$26,180,650	\$2,148,771
1988	34,661,453	2,804,608
1989	38,388,833	2,892,095
1990	43,393,301	3,330,963
1991	43,857,420	3,387,917
1992	46,757,075	3,607,567
1993	52,565,198	4,003,716

¹ The annual collections for the County are provided by the State Department of Revenue and are based on the State's fiscal year (July 1-June 30). Increases are due in part to increases in tax rates. The last increase in sales tax rates was in February, 1988.

² Amounts represent distribution from the State for the indicated County fiscal years.

Historical and Projected Local Government Half-cent Sales Tax Distribution and Debt Service Coverage

	(Historical) Fiscal Year Ended September 30,		(Projected) Fiscal Year Ending September 30,				
	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
Local Government Half-cent Sales Tax Distribution ¹	\$3,607,567	\$4,003,716	\$4,236,000	\$4,405,000	\$4,582,000	\$4,810,000	\$5,052,000
Maximum Annual Debt Service for the Bonds and the Parity Bonds	\$1,642,100	\$1,642,100					
Estimated Debt Service ^ Coverage ^{2,3}	2.19x	2.44x	x				

¹ The projected amounts have been obtained from the Florida Advisory Council on Intergovernmental Relations Handbook.

² ^ Estimated Debt Service Coverage for Bond Years ending October 1, is based upon maximum annual debt service of \$_____ for the 1994 Bonds.

³ Bond years ending October 1 of indicated year.

Reserve Account

Simultaneously with the issuance of the 1994 Bonds, the County is required by the Resolution to deposit in the Reserve Account the Reserve Account Requirement which is the lesser of (i) the Maximum Bond Service Requirement for the Parity Bonds, the 1994 Bonds and Additional Bonds (as defined below), (ii) 125% of average annual debt service for the Parity Bonds, the 1994 Bonds and Additional Bonds, or (iii) 10% of the proceeds of the Parity Bonds, the 1994 Bonds and Additional Bonds. Upon the issuance of Additional Bonds, the Resolution provides that in certain circumstances, the Reserve Account Requirement may be accumulated over a period of time. The Resolution also permits the Reserve Account Requirement to be funded by a surety bond, irrevocable letter of credit, guaranty or insurance policy issued in compliance with the Resolution.

Moneys in the Reserve Account shall be used only for the purpose of payment of maturing principal of or interest or Amortization Installments on the Parity Bonds, the 1994 Bonds or Additional Bonds when the other moneys in the Sinking Fund are insufficient therefor, and for no other purpose. [The Reserve Account for the Parity Bonds is funded by a surety bond issued by Municipal Bond Investors Assurance Corporation. The Reserve Account Requirement for the 1994 Bonds shall be initially funded by _____.]

Additional Bonds

The County may issue Bonds (the "Additional Bonds") payable from the Pledged Funds on a parity with the 1994 Bonds and the Parity Bonds then outstanding pursuant to the Resolution, provided that:

(1) The County is in compliance with all covenants and undertakings of the County (i) contained in the Resolution, in connection with all of the 1994 Bonds, the Parity Bonds and any Additional Bonds then outstanding, and (ii) made with respect to any other bonds or other obligations of the County payable from the Pledged Funds or any part thereof and has not been in default as to any payment required to be made under the Resolution during at least the next preceding 24 months, or if at any such time the 1994 Bonds, the Parity Bonds and any Additional Bonds shall not have been outstanding for 24 months, then for the period that the 1994 Bonds, the Parity Bonds and any Additional Bonds shall have been outstanding.

(2) There shall have been obtained and filed with the County a statement of an independent certified public accountant of suitable experience and responsibility: (i) stating that he has examined the books and records of the County relating to the collection and receipt of the Pledged Funds; (ii) setting forth the amount of the Pledged Funds received by the County for any twelve (12) consecutive month period within the eighteen (18) consecutive months immediately preceding the date of the issuance of the Additional Bonds with respect to which such statement is made; (iii) stating that the aggregate amount of the Pledged Funds for such twelve consecutive month period equals or exceeds 125% of the maximum amount required in any subsequent fiscal year for the payment of the principal of and interest on the 1994 Bonds, the Parity Bonds and Additional Bonds previously issued then outstanding and the Additional Bonds with respect to which such statement is made. If, during such twelve consecutive month period, the moneys allocated to the County from the Trust Fund shall have increased pursuant to applicable legislation permitting the pledging of such money in the manner provided in the Resolution, the amount of the Pledged Funds stated for such twelve consecutive month period may be adjusted to reflect an amount which would have been allocated to the County had such increased rate been in effect throughout the entire term of such twelve consecutive month period.

The County has the right to issue one or more additional series of bonds which shall be junior and subordinate in all respects to the lien of the 1994 Bonds, the Parity Bonds and any Additional Bonds on the Pledged Funds and which, if expressly provided by the resolution authorizing the issuance thereof, shall achieve parity with the 1994 Bonds, the Parity Bonds and the Additional Bonds, in all respects, at such time as (i) the conditions prescribed in paragraph (1) above shall prevail, and (ii) there shall have been obtained and filed with the County a

statement of an independent certified public accountant containing the statement specified in paragraph (2) above and demonstrating that the County shall have received, for a period of twelve consecutive months, an aggregate amount of Pledged Funds equal to or exceeding 125% of the maximum amount required in any subsequent fiscal year for the payment of the principal of and interest on the 1994 Bonds, the Parity Bonds and any Additional Bonds previously issued then outstanding and the principal of and interest on the formerly junior and subordinate bonds which shall then be achieving parity therewith; and if during such twelve consecutive month period, the moneys allocated to the County from the Trust Fund shall have increased pursuant to applicable legislation permitting the pledging of such increase in the manner provided in the Resolution, the amount of the Pledged Funds for such twelve consecutive month period may be adjusted, for the purpose of junior and subordinate obligations achieving parity status with the 1994 Bonds, to reflect an amount which would have been allocated to the County had such increased rate been in effect throughout the entire term of such twelve consecutive month period.

No Pledge of Credit or Taxing Power

The 1994 Bonds shall not be or constitute general obligations or indebtedness of the County as "bonds" within the meaning of Article VII, Section 12 of the Constitution of the State of Florida, but shall be payable solely from and secured by a prior lien upon and a pledge of the Pledged Funds on a parity with the Parity Bonds. No owner of any 1994 Bonds shall ever have the right to compel the exercise of any ad valorem taxing power of the County, the State of Florida or any political subdivision thereof to pay the principal of or interest on any such Bond or shall be entitled to payment of such Bonds from any moneys of the County except the Pledged Funds, in the manner provided in the Resolution.

Other Covenants

The County has covenanted in the Resolution to keep books and records of the Pledged Funds. Within 180 days of the close of each Fiscal Year it shall furnish to any owner of 1994 Bonds who have requested such, copies of an annual audit report prepared by an independent certified public accountant or an auditing official of the State of Florida, covering for the preceding Fiscal Year, in reasonable detail, the record of the County's receipts of Pledged Funds.

The County also covenants to comply with all of the provisions of Part VI of Chapter 218, Florida Statutes, as amended, and all applicable regulations thereunder, in order that the County shall at all times receive the maximum allocation which it may be entitled to receive from the Trust Fund. The County agrees not to knowingly acquiesce in any attempt to eliminate or reduce the rate of the sales tax or the base upon which it is imposed, if such reduction will result in diminishing the proceeds it receives from the Trust Fund in each future Fiscal Year below an amount equal to

1.25 times the principal of and interest on the Parity Bonds, the Parity Bonds, the 1994 Bonds and any Additional Bonds due in such year, and will vigorously resist all such attempts by others to eliminate or reduce the same. The County agrees to comply at all times with the eligibility requirement for participation in distributions received from the Trust Fund.

MUNICIPAL BOND INSURANCE

Concurrently with the issuance of the 1994 Bonds, the Insurer will issue its Municipal Bond New Issue Insurance Policy for the 1994 Bonds (the "Policy"). A specimen of the Policy is contained herein as Appendix E. The information under this heading has been provided by the Insurer.

[TO COME]

SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the 1994 Bonds, together with other moneys of the County, are expected to be applied as described below:

Sources:

Principal Amount of 1994 Bonds
Less: Original Issue Discount
Accrued Interest on the 1994 Bonds
Sinking Fund for the Refunded Bonds

\$

Total Sources:

\$

Uses:

Deposit with Escrow Holder
Deposit to Construction Fund
Deposit to Interest Account
[Deposit to Reserve Account]
Underwriter's Discount
Cost of Issuance (including
bond insurance premium)

\$

Total Uses:

\$

DEBT SERVICE SCHEDULE

The following table sets forth the debt service schedule for the 1994 Bonds.

Bond Year Ending October 1,	1994 Bonds		Parity Bonds	Total Debt Service for the 1994 Bonds and the Parity Bonds
	<u>Principal</u>	<u>Interest</u>		
1994	\$	\$		\$
1995				
1996				
1997				
1998				
1999				
2000				
2001				
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011				
2012				
2013			\$1,641,100	
2014			1,638,600	
2015			1,638,600	
2016			1,639,300	
2017			1,640,800	
2018			1,637,800	
2019			1,640,300	
Totals	\$	\$	<u>1,637,700</u> \$13,114,200	\$

¹ Includes accrued interest of \$_____.

ADDITIONAL BOND FINANCING

The County expects to sell approximately \$_____,000,000 in aggregate principal amount of its Limited Ad Valorem Tax Refunding Bonds, Series 1994, the proceeds of which will be used to refund the County's \$3,560,000 outstanding Limited Ad Valorem Tax Refunding Bonds, Series 1988 and its \$7,265,000 outstanding General Obligation Bonds, Series 1989. Such sale is expected to take place on or about the date the 1994 Bonds are sold. If such Limited Ad Valorem Tax Refunding Bonds are sold, they are expected to be issued on the same date as the issuance of the 1994 Bonds. The County can give no assurance that such transaction will take place.

LEGAL MATTERS

Certain legal matters in connection with the authorization, issuance and sale of the 1994 Bonds are subject to the approval of Foley & Lardner, Jacksonville, Florida, Bond Counsel, the form of whose approving opinion is attached hereto as Appendix D. Certain legal matters will be passed upon for the County by James G. Sisco, Esquire, St. Augustine, Florida, County Attorney, and for the Underwriter by its counsel, Rogers, Towers, Bailey, Jones & Gay, Jacksonville, Florida.

LITIGATION

Several lawsuits and claims have been filed against the County and against its sheriff seeking substantial damages, including punitive damages, for injuries alleged to have been incurred by reason of the negligence or wrongful acts of the County, the sheriff, or other officials, deputies or employees. Such lawsuits and claims are being defended or investigated by the insurers of the County or sheriff. The County Attorney's opinion set forth in the next paragraph does not take into account the effect of those lawsuits or claims.

In the opinion of the County Attorney, there are no legal proceedings pending or threatened which materially affect the County's ability to perform its obligations to the owners of the 1994 Bonds. Further, in his opinion, there is no litigation or controversy of any nature now pending or threatened to restrain or enjoin the issuance, sale, execution or delivery of the 1994 Bonds or in any way contesting the validity of the 1994 Bonds or any proceedings of the County taken with respect to the authorization, sale, or issuance of the 1994 Bonds or the pledge or application of any moneys provided for the payment of the 1994 Bonds.

TAX MATTERS

Federal Tax Matters

The Internal Revenue Code of 1986, as amended (the "Code"), contains a number of requirements and restrictions which may apply to the 1994 Bonds, including investment restrictions, a requirement of periodic payments of arbitrage profits to the United States, requirements regarding the use of bond proceeds and the facilities financed therewith, and certain other matters. The County has covenanted that it will take any additional action required to be taken pursuant to the Nonarbitrage Certificate, or other instructions from its Bond Counsel, whether delivered in connection with or subsequent to the issuance of the sale of the 1994 Bonds, in order to comply with all provisions of the Code, compliance with which is required to maintain the tax-exempt status of the interest payable on the 1994 Bonds, as described in the opinion of Bond

Counsel delivered in connection with the issuance of the 1994 Bonds. Failure to comply with certain of such requirements could cause interest on the 1994 Bonds to be included in gross income retroactive to the date of issuance of the 1994 Bonds.

Subject to the condition that the County comply with the pertinent requirements of the Code, under existing law, in the opinion of Bond Counsel, interest on the 1994 Bonds will be excluded from the gross income of the owners thereof for federal income tax purposes and will not be treated as an item of tax preference in computing the alternative minimum tax for individuals and corporations. Reference is made to a proposed form of the Bond Counsel opinion attached hereto as Appendix D for the complete text thereof.

In rendering the opinion, Bond Counsel will rely upon certificates of the County with respect to certain material facts relating to the property financed and refinanced with the proceeds of the 1994 Bonds and the application of the proceeds of the 1994 Bonds.

The Code contains numerous provisions which could affect the economic value of the 1994 Bonds to certain owners of the 1994 Bonds. The following is a brief summary of some of the significant provisions that may be applicable to particular owners of the 1994 Bonds. Prospective owners of the 1994 Bonds, however, should consult their own tax advisors with respect to the impact of such provisions on their own tax situations.

The 1994 Bonds will not be "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Code. Interest on indebtedness incurred or continued to purchase or carry the 1994 Bonds or, in the case of banks and certain other financial institutions, interest expense allocable to interest on the 1994 Bonds, will not be deductible for federal income tax purposes.

Insurance companies (other than life insurance companies) are required to reduce the amount of their deductible underwriting losses by 15% of the amount of tax-exempt interest received or accrued on certain obligations, including the 1994 Bonds, acquired after August 7, 1986. If the amount of this reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includable in income. Life insurance companies are subject to similar provisions under which taxable income is increased by reason of receipt or accrual of tax-exempt interest, such as interest on the 1994 Bonds.

Interest on the 1994 Bonds must be included in the "adjusted current earnings" of corporations (other than S corporations, regulated investment companies, real estate investment trusts and REMIC's), and the alternative minimum taxable income of such corporations must be increased by 75% of the excess of adjusted current earnings over alternative minimum taxable income

(determined with regard to this adjustment and prior to reduction for certain net operating losses).

An environmental tax is imposed on corporations (other than S corporations, regulated investment companies, real estate investment trusts and REMIC's) by Section 59A of the Code. The amount of the environmental tax is equal to 0.12% of the excess of the alternative minimum taxable income (determined without regard to net operating losses and the deduction for the environmental tax) over \$2 million. The environmental tax may be imposed even if the corporation pays no alternative minimum tax because the corporation's regular income tax liability exceeds its alternative minimum tax liability. For purposes of the environmental tax, alternative minimum taxable income includes interest on tax-exempt obligations, such as the 1994 Bonds, to the same extent and in the same manner as such interest is included in alternative minimum taxable income as described in the preceding paragraph.

Certain recipients of social security benefits and railroad retirement benefits are required to include a portion of such benefits in gross income by reason of the receipt or accrual of interest on tax-exempt obligations, such as the 1994 Bonds.

For foreign corporations that operate branches in the United States, Section 884 of the Code imposes a branch level tax on certain earnings and profits in tax years beginning after 1986. Interest on tax-exempt obligations, such as the 1994 Bonds, may be included in the determination of such domestic branches' taxable base on which this tax is imposed.

Passive investment income, including interest on the 1994 Bonds, may be subject to federal income taxation under Section 1375 of the Code for S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of the S corporation consists of passive investment income.

Florida Tax Matters

It is also the opinion of Bond Counsel that, under existing law, the 1994 Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes on interest, income or profits on debt obligations owned by corporations, as defined by Chapter 220, Florida Statutes, as amended.

Original Issue Discount

In the opinion of Bond Counsel, under existing law, the original issue discount in the selling price of each 1994 Bond maturing in _____ and _____ (the "Discount Bonds"), to the extent properly allocable to each owner of a Discount Bond, is excluded from gross income for federal income tax purposes to the same extent that any interest payable on

such Discount Bond is or would be excluded from gross income for federal income tax purposes. The original issue discount is the excess of the stated redemption price at maturity of such Discount Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discount Bond were sold (the "Issue Price").

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound interest basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (i) the Issue Price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of each accrual period), less (iii) any interest payable on such Discount Bond during such accrual period.

The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, and will increase the owner's tax basis in such Discount Bond. The adjusted tax basis in a Discount Bond will be used to determine taxable gain or loss upon a disposition (e.g., upon a sale, exchange, redemption, or payment at maturity) of such Discount Bond.

If a Discount Bond is purchased for a cost that exceeds the sum of the Issue Price plus accrued interest and accrued original issue discount, the amount of original issue discount that is deemed to accrue thereafter to the purchaser is reduced by an amount that reflects amortization of such excess over the remaining term of such Discount Bonds.

As described above regarding tax-exempt interest, a portion of the original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. In the case of a corporation, such portion of the original issue discount will be included in the calculation of the corporation's alternative minimum tax liability, the environmental tax liability and the branch profits tax liability. Corporate owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in an alternative minimum tax liability, an environmental tax liability or a branch profits tax liability although the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners of Discount Bonds who did not purchase such Discount Bonds in the initial offering at the Issue Price should consult their own tax advisors with respect to the tax consequences of owning such Discount Bonds.

Owners of such Discount Bonds should consult their own tax advisors with respect to state and local tax consequences of the

Discount Bonds. It is possible that under the applicable provisions governing the determination of state and local income taxes, accrued original issue discount on the Discount Bonds may be deemed to be received in the year of accrual, even though there will not be a corresponding cash payment until a later year.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of (i) the mathematical computation of the adequacy of the cash and the Federal Securities to be held under the Escrow Deposit Agreement to pay, when due or when called for redemption, the principal of, premium and interest on the Refunded Bonds and (ii) the mathematical computations supporting the conclusion that the 1994 Bonds are not "arbitrage bonds" under Section 148 of the Code will be verified for the County by Deloitte & Touche. Such verification of mathematical accuracy and mathematical computations will be based upon information supplied by Public Financial Management, Inc.

RATINGS

The 1994 Bonds have been rated _____ and _____ by Moody's Investors Service and Standard & Poor's Corporation, respectively. An explanation of the significance of any ratings may be obtained only from the rating agency furnishing the same. There is no assurance that such ratings will be in effect for any given period of time or that they will not be revised upward or downward or withdrawn entirely by such rating agencies if, in the judgment of such agencies, circumstances so warrant. Any such downward revision or withdrawal of any ratings may have an adverse effect on the market price of the 1994 Bonds.

UNDERWRITING

William R. Hough & Co., (the "Underwriter") has agreed, subject to certain customary conditions to closing, to purchase the 1994 Bonds from the County at par plus accrued interest less an aggregate underwriting discount of \$_____ and an original issue discount of \$_____. The Underwriter will be obligated to purchase all of the 1994 Bonds if any such 1994 Bonds are purchased. The public offering prices may be changed, from time to time, by the Underwriter.

FINANCIAL ADVISOR

The County has retained Public Financial Management, Inc., Fort Myers, Florida, as Financial Advisor (the "Financial Advisor") in connection with preparation of the County's plan of financing and with respect to the authorization and issuance of the 1994 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in the Official Statement. Public Financial Management, Inc. is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing or trading of municipal securities or any other negotiable instruments. Public Financial Management, Inc. is a wholly-owned subsidiary of Marine Midland Bank, N.A.

ANNUAL FINANCIAL REPORT

The Component Unit Financial Statements of the Board of County Commissioners of the County for the Fiscal Year ended September 30, 1993, reproduced herein as Appendix A, are integral parts of this Official Statement. Copies of the Financial Statements and the report of the auditors are available from the Finance Director upon request. The security for the 1994 Bonds is limited to the Pledged Funds as described under "AUTHORITY AND SECURITY FOR THE 1994 BONDS."

MISCELLANEOUS

All information included herein has been provided by the County, except where attributed to other sources. The summaries of and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such reference or summary is qualified in its entirety by reference to each such document, statute, report or other instrument. The information herein has been compiled from official and other sources and, while not guaranteed by the County, is believed to be correct. So far as any statements made in the Official Statement and the Appendices attached hereto involve matters of opinion or of 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.

Section 517.051, Florida Statutes provides for the exemption from registration of certain government securities, such as the 1994 Bonds, provided that, if the issuer thereof has been in default at any time after December 31, 1975 as to principal or interest on obligations, its securities may not be offered or sold in Florida pursuant to this exemption except by means of an offering circular containing a full and fair disclosure of such defaults, as prescribed by rules of the Florida Department of

Banking and Finance (the "Department"). Under the rules of the Department, the prescribed disclosure is not required if the information is not an appropriate disclosure because such information would not be considered material by a reasonable investor. The County is not and has not been in default as to principal and interest on non-conduit bonds or other non-conduit debt obligations which it has issued or guaranteed. ^ The County is not undertaking an independent review of bonds or other debt obligations for which it served only as a conduit issuer, if any. Because the source of payment for any ^ defaulted conduit bonds would be separate and distinct from the source of payment for the 1994 Bonds and would not be an obligation of the County other than to the extent the County receives funds from the party borrowing the proceeds of such bonds, any default on such bonds is not considered a material fact with respect to the 1994 Bonds.

AUTHORIZATION OF AND CERTIFICATION CONCERNING OFFICIAL STATEMENT

The delivery of this Official Statement has been duly authorized by the Board of County Commissioners of the County. Concurrently with the delivery of the 1994 Bonds, the undersigned or the then Chairman or Vice Chairman of the Board will furnish his or her certificate to the effect that, to the best of his or her knowledge, this Official Statement did not as of its date and does not as of the date of the delivery of the 1994 Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purposes for which this Official Statement is to be used, or which is necessary in order to make the statements made herein, in light of the circumstances in which they were made, not misleading.

**ST. JOHNS COUNTY, FLORIDA, BOARD
OF COUNTY COMMISSIONERS**

By: _____
Chairman

APPENDIX B

GENERAL INFORMATION CONCERNING THE COUNTY

The following information concerning St. Johns County, Florida is included only for the purpose of providing general background information.

Location

St. Johns County (the "County") encompasses approximately 617 square miles and is located in the northeast region of the State of Florida. The County is located directly south of Duval County, Florida, and is bordered on the west by the St. Johns River, on the south by Flagler County, and on the east by the Atlantic Ocean.

There are three incorporated municipalities located in the County: St. Augustine, Hastings and St. Augustine Beach. St. Augustine, which was founded in 1565, is the oldest permanent European settlement in the United States and is the county seat. A small portion of the municipality of Marineland (primarily located in Flagler County) on which no improvements are located is also a part of the County.

Population

St. Johns County currently ranks 32nd out of Florida's 67 counties in gross population and ranks ninth statewide in the percentage change in population growth from 1980 to 1990.

St. Johns County has experienced steady population growth, as shown below:

<u>Year</u>	<u>Population</u>
1940 U.S. Census	20,012
1950 U.S. Census	24,998
1960 U.S. Census	30,034
1970 U.S. Census	31,025
1980 U.S. Census	51,303
1990 U.S. Census	83,829
1991 Estimate ¹	86,118
1992 Estimate ¹	88,417
1993 Estimate ¹	91,197

¹ University of Florida Bureau of Economic and Business Research.

Commerce and Industry

A combination of historical significance, favorable climate, and available recreational facilities including public beaches, golf courses, tennis courts, and cultural events has made the County a national and international tourist destination attracting more than a million visitors annually.

The County is home to a number of state, national and international business and sports organizations all contributing to a stable economy. Among those headquartered in the County are the PGA Tour, Inc., Association of Tennis Professionals, Flagler College, Florida School for the Deaf and Blind, Florida National Guard, and Florida East Coast Railway. Construction is about to begin in the northwestern part of the county on the World Golf Village complex. The project is a combined effort of the public and private sectors and includes the PGA Tour Hall of Fame, the LPGA Hall of Fame, the Mayo Clinic Sports Research Facility and exhibits by the United States Golf Association, Augusta National and the Royal and Ancient Golf Club of St. Andrews.

While tourism ranks highly in the economy, manufacturing and commercial activities, including food processing, airplane modification and repair, book binding, aluminum extrusion and commercial fishing play key roles.

Agriculture

Agribusiness remains a key sector of the state and the northeast region's economy. Agriculture is a major industry in the County and in 1992 provided the County with on-farm revenue in excess of \$57 million.

St. Johns County is known as the potato and cabbage capital of Florida, and leads the other counties in Florida in value of these products. Agriculture commodities produced in the County and their respective values for 1992 are as follows:

Potatoes	\$42,600,000
Forest Products	4,000,000
Ornamental Horticulture	4,000,000
Cabbage	2,600,000
Corn and Hay	2,000,000
Other Vegetables	1,000,000
Livestock and Dairy	<u>1,000,000</u>
Total	\$57,200,000

Source: Florida Department of Agriculture St. Johns County Extension Service, January, 1993.

The County's temperate climate with a mean temperature of 70 degrees Fahrenheit and an average annual rainfall of 50 inches make it ideal for the agriculture products described above.

Employment

The following table shows the average monthly employment by category for the second quarter ending June, 1993.

<u>Distribution</u>	<u>Number of Employees</u>	<u>Percentage of Total</u>
Manufacturing	3,111	10.44%
Construction	1,215	4.08
Transportation, Communications & Utilities	556	1.87
Wholesale Trade	1,109	3.72
Retail Trade	7,626	25.59
Finance, Insurance and Real Estate	1,060	3.56
Service	9,305	31.23
Government	4,825	16.19
Agriculture (Except Domestic, Self Employed, Unpaid Family Workers and Seasonal Workers)	<u>971</u>	<u>3.26</u>
TOTAL	29,799 *	100.00%*

* Subtotals may not equal totals due to disclosure editing and/or rounding.

Source: State of Florida, Department of Labor and Employment Security, Edited ES-202 Report.

Major Employers

The following table shows some of the major employers in St. Johns County and their approximate level of employment as of February, 1994.

<u>Establishment</u>	<u>Product</u>	<u>Approximate Employment</u>
St. Johns County School System	Education	3,090
St. Johns County	County Government	827
Flagler Hospital	Health Care	786
Grumman St. Augustine Corporation	Aircraft overhaul and modification	720
Florida School for the Deaf and Blind	Educational Institution	555
V.A.W. of America, Inc.	Aluminum Extrusion	500
Florida Department of Military Affairs	Florida National Guard Headquarters	322
Luhrs Corporation	Pleasure Crafts/Sport Fishing Boats	313*
City of St. Augustine	Municipal Government	250
Tree of Life, Inc.	Health Food Distributor	227
Flagler College	Four-year Liberal Arts College	209
Florida East Coast Railway	Intrastate Railroad Freight & Express	190
Ideal Division of Epicor Industries, Inc.	Automotive Products	160
Tensolite Company	Hi-tech Wire Insulation	150
Holloway Sportswear, Inc.	Sports Clothing	120

* Seasonal.

Source: St. Augustine and St. Johns County Chamber of Commerce, 1994.

Tourism and Recreation

A combination of favorable climate and available recreational activities including public beaches, tennis courts, golf courses and cultural performances has made tourism a major industry in the County. Each year, more than one

million people visit the County to tour its 300-year-old fortress, utilize the recreation facilities and to enjoy the antiquity of the nation's oldest city.

Transportation Facilities

Air: Commercial airline service is available at the Jacksonville International Airport located approximately 60 miles north of St. Augustine. The Daytona Beach Regional Airport is approximately 55 miles south of St. Augustine. Charter flights and flight training are available at the St. Augustine Municipal Airport.

Land: Three major north/south highways, Interstate 95, U.S. 1 and State Route A1A, serve the County. Bus transportation is provided to St. Augustine by Greyhound with 5 northbound and 11 southbound buses each day.

Rail: The County is served by the Florida East Coast Railway with freight service only. Amtrak and piggyback facilities are located in Jacksonville, 38 miles north of the County.

Waterways: The Port of St. Augustine provides access to the St. Augustine Inlet, the Intracoastal Waterway and the Atlantic Ocean. The nearest deep water port is in Jacksonville.

Health Care Facilities

Medical facilities are provided by Flagler Hospital, which has 230 beds. There are approximately 100 physicians in the area, including specialists in most fields. The County has six nursing homes; one of which is partially funded by the County and five of which are private establishments.

Education

The public school system is operated by the County under authority of the St. Johns County School Board of Public Instruction. There are twelve elementary schools, four middle schools, two high schools, an exceptional child center (ungraded), a parochial elementary school, a parochial high school, a tri-county Vocation and Technical Center, St. Johns River Community College, and Flagler College, which is a four-year liberal arts institution in which more than 1,000 students are enrolled. The State operates the Florida School for the Deaf and Blind in St. Augustine with primary school through senior high school levels.

Source: St. Augustine and St. Johns County Chamber of Commerce, ^ 1994.

ST. JOHNS COUNTY, FLORIDA
CIVILIAN LABOR FORCE
(unadjusted)

Unemployment Year	Civilian Labor Force	Employment	Unemployment	Unemployment Rate	State Rate
1982	23,924	21,709	2,215	9.3%	8.2%
1983	24,752	22,073	2,679	10.8	8.6
1984	29,212	26,953	2,259	7.7	6.3
1985	31,263	28,953	2,310	7.4	6.0
1986	35,097	32,815	2,282	6.5	5.7
1987	37,681	35,471	2,210	5.9	5.3
1988	38,781	36,761	2,020	5.2	5.0
1989	39,288	37,030	2,258	5.7	5.6
1990	40,011	37,761	2,250	5.6	5.9
1991	40,510	37,889	2,621	6.5	7.3
1992	44,089	41,174	2,915	6.6	8.2
1993	45,080	42,189	2,891	6.4	7.0

Source: Florida Department of Labor and Employment Security, Bureau of Research and Information.

ST. JOHNS COUNTY, FLORIDA
TAXABLE ASSESSED PROPERTY VALUATIONS

<u>Tax Roll Year</u>	Non-Exempt Real Property Valuations	Non-Exempt Personal Valuations	Non-Exempt Utilities Railroad	Total Taxable Assessed Property Valuations
1983	\$1,223,400,247	\$144,639,034	\$12,030,202	\$1,380,069,483
1984	1,390,251,339	164,456,858	7,626,145	1,562,334,342
1985	1,670,984,352	185,401,615	8,022,393	1,864,408,360
1986	1,962,247,284	206,521,804	1,072,961	2,169,842,049
1987	2,184,537,016	233,803,639	14,441,818	2,432,782,473
1988	2,462,124,391	244,414,748	15,577,014	2,722,116,153
1989	2,915,553,142	271,870,308	11,858,243	3,199,281,693
1990	3,200,364,647	299,669,118	12,107,655	3,512,141,420
1991	3,399,910,947	307,882,418	11,995,281	3,719,788,646
1992	3,528,333,247	310,968,580	10,492,944	3,849,794,771
1993	3,849,758,343	302,035,159	9,447,083	4,161,240,585

Source: State of Florida, Department of Revenue, Florida Ad Valorem Valuations and Tax Data for 1983-1990; Property Appraiser, St. Johns County for 1991-1993.

ST. JOHNS COUNTY, FLORIDA
AD VALOREM TAX LEVIES AND COLLECTIONS

<u>Tax Roll Year</u> <u>Uncollected</u>	<u>Property Taxes Levied</u>	<u>Total Tax Collections¹</u>	<u>% of Levy Collected²</u>	<u>Delinquent Tax</u>
1983	\$23,677,638	\$23,320,383	98.49%	\$357,255
1984	25,229,244	24,805,582	98.32	423,662
1985	31,295,519	31,042,190	99.19	253,329
1986	35,941,927	35,594,355	99.03	347,572
1987	40,160,327	39,785,685	99.07	374,642
1988	46,313,747	45,855,152	99.01	458,595
1989	59,828,202	<u>^ 58,709,509</u>	<u>98.13</u>	<u>1,118,693</u>
1990	<u>^ 66,515,233</u>	<u>65,324,133</u>	<u>98.21</u>	<u>1,191,100</u>
1991	<u>^ 70,079,557</u>	69,486,147	<u>^ 99.15</u>	<u>593,410</u>
1992	<u>^ 70,993,958</u>	<u>72,455,946</u>	<u>99.26</u>	<u>538,012</u>
<u>^ 1993³</u>	77,947,963	<u>^ 63,666,947</u>	<u>81.68</u>	

¹ Aggregate amount of tax collections as of close-out of fiscal year ending September 30, which includes the aggregate amount of discounts actually taken by taxpayers as allowed by Florida law. A 4% discount is allowed if the taxes are paid in November with the discount declining by 1% each month thereafter. Total tax collections include current taxes paid, tax certificate proceeds, delinquent tax payments upon taxable personal property and any prior period payments on County-held tax certificates.

² Represents percentage of current gross collections (total collections plus discounts taken) to property taxes levied.

³ ^ Process not completed until September, 1994; amounts reflect collections through February 5, 1994.

Source: State of Florida, Department of Revenue, Florida Ad Valorem Valuations and Tax Data for 1983-1990; Tax Collector, St. Johns County for 1991-1993.

ST. JOHNS COUNTY, FLORIDA
NET DEBT STATEMENT
as of March 1, 1994
(Adjusted to give effect to the issuance of the 1994 Bonds
and the Limited Ad Valorem Tax Refunding Bonds, Series 1994)

<u>Direct Debt</u>	<u>General Obligation Bonds</u>	<u>Non-Self Supporting Revenue Bonds</u>	<u>Self Supporting Revenue Bonds</u>
Limited Ad Valorem Tax Refunding Bonds, Series 1994	\$ _____		
Water and Sewer Revenue Bonds, Series 1989 (\$10,430,000) and Water and Sewer Revenue Bonds, Series 1990B-I and Series 1990B-II (\$21,265,000)			\$28,662,898
Water and Sewer Revenue Bonds, Series 1991A			15,526,779
Water and Sewer Subordinated Revenue Bonds, Series 1991			2,250,000
Solid Waste Disposal Revenue Bonds, Series 1990 (\$12,496,482 less \$1,134,000 in Reserve Account)			11,362,482
<u>Sales Tax Revenue Bonds, Series 1989</u>		\$ _____	
<u>Sales Tax Revenue and</u> Refunding <u>^</u> Bonds, Series 1994		^ _____	
Capital Improvement Revenue Bonds, Series 1987A (\$1,990,000 less \$189,269 in Reserve Account)		1,800,731	
Transportation Improvement Revenue Refunding Bonds, Series 1992	_____	<u>11,430,000</u>	_____
Total Direct Debt	\$ _____	\$ _____	\$ 57,802,159

<u>Direct Debt</u>	<u>General Obligation Bonds</u>	<u>Non-Self Supporting Revenue Bonds</u>	<u>Self Supporting Revenue Bonds</u>
<u>Underlying Debt</u>			
City of St. Augustine, Florida Water and Sewer Revenue Refunding Bonds, Series 1986 (\$27,445,000)			\$25,790,000
City of St. Augustine, Florida Public Service Tax and Guaranteed Entitlement Revenue Bonds, Series 1992		7,540,000	
Parking Facilities Acquisition Revenue Bonds, Series 1990		820,000	
St. Augustine Airport Authority District St. Augustine Airport Authority Bonds, Dated 2/1/65 (District is comprised of approximately 1/4 of the County's area)	\$ 100,000		
City of Hastings, Florida Water and Sewer Bonds (\$1,014,700 less \$47,419 in Reserve Account)			967,281
St. Johns County Board of Public Instruction Certificates of Indebtedness Dated 6/1/67 (\$370,000 less \$102,287 in Reserve Account)		267,713	
School District of St. Johns County, Florida General Obligation Refunding Bonds, Series 1993	<u>48,035,000</u>	<u> </u>	<u> </u>
Total Underlying Debt	\$48,135,000	\$ 8,267,713	\$26,757,281
Total Direct and Underlying Debt	\$ <u> </u>	\$ <u> </u>	\$86,776,168

DEBT RATIOS

Direct and Underlying General Obligation Debt	\$ _____
Per Capita	\$ _____
As a Percent of Taxable Assessed Valuation	1.54%
As a Percent of Total Assessed Valuation	1.21%
Direct and Underlying General Obligation and Non-Self Supporting Revenue Debt	\$ _____
Per Capita	\$ _____
As a Percent of Taxable Assessed Valuation	%
As a Percent of Total Assessed Valuation	%
^ 1993 St. Johns County Population Estimate	91,197
^ 1993 Taxable Assessed Valuation for St. Johns County	\$ 4,161,240,525
^ 1993 Total Assessed Valuation for St. Johns County	\$ 5,309,474,008

Police and Fire Protection

St. Johns County is served by the Sheriff's Office, which has approximately 400 full- and part-time employees including deputies, the detective division, communications, jail and administrative personnel. There are sixteen fire stations operating within the County, served by volunteers. The County operates a special rescue unit manned by trained emergency medical technicians.

Government

The Board of County Commissioners of St. Johns County is organized under Article ^ VIII of the Constitution of the State of Florida which empowers the creation of counties as a political subdivision of the state. St. Johns County is a nonchartered county and has the power of self government as provided by general and special law through county ordinances. Under the Constitution of the State of Florida, the offices of Clerk of Court, Property Appraiser, Sheriff, Tax Collector and Supervisor of Elections are specifically authorized and empowered to provide their functional services independently of the Board. The County School Board is a separately organized taxing entity not under the jurisdiction of the Board of County Commissioners and has specific legislative authority granted by the Constitution. The Board of County Commissioners is a seven member body with five members elected from districts and two elected countywide. The Board serves as the taxing authority for ^ certain entities authorized by the Constitution of the State of Florida including the constitutional officers and special taxing districts that are authorized under legislation and approved by the Board of County Commissioners. ^ Certain dependent county taxing districts also come under the purview of the Board's taxing limitations. The current general taxing limitation for the Board of County Commissioners is ten mills, as authorized by the Legislature. A mill generates one dollar of tax for every one thousand dollars of taxable value.

The Board of County Commissioners of St. Johns County enacted an ordinance which established the office of the County Administrator, who serves as an appointed official for the Board of County Commissioners and provides for day to day administration of county government as specifically authorized by the Board.

SUMMARY OF PERTINENT PROVISIONS OF THE RESOLUTION

The Resolution contains various covenants and security provisions, certain of which are summarized below. Such summaries do not purport to be complete and reference to the Resolution should be made for a full and complete statement thereof. Copies of the Resolution may be obtained from the office of the Clerk.

Resolution to Constitute Contract

The Resolution is declared to be and shall constitute a contract between the County and all owners of the 1994 Bonds, the Parity Bonds and any Additional Bonds (collectively, the "Bonds"); and the covenants and agreements set forth in the Resolution to be performed by the County are and shall be for the equal benefit, protection and security of all owners, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other, except as provided in the Resolution.

Negotiability, Registration, Transfer and Exchange

The Bonds shall be and shall have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, and each successive owner, in accepting any Bonds shall be conclusively deemed to have agreed that the same shall be and have all of said qualities and incidents of negotiable instruments.

The transfer of Bonds shall be registered on the Bond Register upon delivery to the Registrar of the Bonds to be transferred, accompanied by a written instrument or instruments of transfer in form and with guaranty of signatures satisfactory to the Registrar, duly executed by the owner of the Bonds to be transferred, or by such owner's attorney duly authorized in writing, containing such identification information for the transferee as the Registrar shall reasonably require.

In all cases of the transfer of any Bond, the Registrar shall enter the transfer of ownership in the Bond Register and shall deliver in the name of the transferee or transferees a new registered Bond or Bonds of authorized denominations of the same maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The County or the Registrar may charge the owner of such Bond for every such transfer an amount sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer and may require that such charge be paid before any such new Bond shall be delivered.

The County and the Registrar shall not be required to issue or transfer any Bonds during the period beginning with the fifteenth day next preceding either any interest payment date or any day on which such Bonds shall have been duly called for redemption in whole or in part and with respect to which the applicable notice of redemption shall have been duly given.

New Bonds delivered upon any transfer shall be valid, limited obligations of the County, evidencing the same debt as the Bonds surrendered, shall be payable solely from the Pledged Funds and shall be entitled to all of the security and benefits of the Resolution to the same extent as the Bonds surrendered.

The County and the Registrar may treat the registered owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and any notice to the contrary shall not be binding upon the County or the Registrar.

Bonds Mutilated, Destroyed, Stolen or Lost

In case any Bond shall become mutilated, or be destroyed, stolen or lost, the County may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the owner furnishing to the County satisfactory indemnity and complying with such other reasonable regulations and conditions as the County may prescribe and paying such expenses as the County may incur. If any such Bonds shall have matured or be about to mature, instead of issuing a substitute Bond the County may pay the same, upon being indemnified as aforesaid, if such Bond be lost, stolen or destroyed, without surrender thereof. All Bonds so surrendered shall be cancelled by the Issuer.

Any such duplicate Bonds shall constitute original, additional contractual obligations on the part of the County whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the Pledged Funds to the same extent as all other Bonds issued under the Resolution.

Bonds Not to Be Indebtedness of County

The Bonds shall not be or constitute general obligations or indebtedness of the County as "bonds" within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable solely from and secured by a prior lien upon and pledge of the Pledged Funds as provided in the Resolution. No owner of any Bond shall ever have the right to compel the exercise of any ad valorem taxing power of the County, the State of Florida or any political subdivision thereof to pay the principal of or interest on any Bond or be entitled to payment of such Bond from any moneys of the County except from the Pledged Funds in the manner provided in the Resolution.

Security for Bonds

The payment of the principal of and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and prior lien upon the Pledged Funds. The County irrevocably pledges the Pledged Funds to the payment of the principal of and premium, if any, and interest on the Bonds and for reserves therefor and for all other payments required by the Resolution. The 1994 Bonds are payable from the Pledged Funds on a parity, equally and ratably, with the Parity Bonds.

Covenants of the County

So long as any of the principal of or interest on any of the Bonds shall be outstanding and unpaid, or until provision for payment thereof shall have been made in the manner provided in the Resolution for defeasance, the County covenants with the owners of the Bonds as follows:

(A) Revenue Fund. The County shall deposit promptly as received all Pledged Funds into the Revenue Fund established under the Resolution. All moneys on deposit at any time in the Revenue Fund shall be applied by the County only for the purposes and in the manner and order specified in the Resolution.

(B) Disposition of Revenues. All moneys on deposit in the Revenue Fund shall be applied by the County on or before the twenty-fifth day of each month only in the following manner and in the following order of priority:

(1) After appropriate adjustment for the amount of accrued interest deposited therein from Bond proceeds, to deposit in the Interest Account in the Sinking Fund established under the Resolution the sum which, together with any investment earnings in the Interest Account not theretofore allocated to supplement any previous monthly deposit to the credit of the Interest Account, will be sufficient to pay one-sixth (1/6) of all interest becoming due on the Bonds on the next semiannual interest payment date, plus the full balance of any continuing deficiencies in prior deposits to the Interest Account, and

(2) To deposit in the Principal Account in the Sinking Fund the sum which, together with any investment earnings in the Principal Account not theretofore allocated to supplement any previous monthly deposit to the credit of the Principal Account, will be sufficient to pay one-twelfth (1/12) of the principal amount of all Serial Bonds maturing in the current Bond Year, if any, plus the full balance of any continuing deficiencies in prior deposits to the Principal Account, and

(3) To deposit in the Term Bonds Retirement Account in the Sinking Fund a sum which will be sufficient to pay one-twelfth (1/12) of the Amortization Installment, if any, for the then current Bond Year, plus the balance of any continuing deficiencies in prior deposits to the Term Bonds Retirement Account, and

(4) To deposit in the Reserve Account such sum which, together with any Reserve Instrument, will be necessary to maintain in the Reserve Account an amount equal to the Reserve Account Requirement. If a disbursement is made by a Reserve Instrument Provider under a Reserve Instrument, the County shall, promptly following such disbursement, but solely from Pledged Funds and after complying with paragraphs (1), (2) and (3) above, reinstate the limits of such Reserve Instrument to the amount required, or deposit into the Reserve Account funds in an amount sufficient to meet the Reserve Account Requirement, or accomplish a combination of such alternatives; and if compliance with the foregoing part of this sentence does not accomplish the payment and reimbursement to the Reserve Instrument Provider of such disbursement and its expenses and interest in accordance with the Reserve Instrument and any County's reimbursement agreement related thereto, the County shall pay to the Reserve Instrument Provider from Pledged Funds all such sums in full prior to such replenishment of the Reserve Account to the Reserve Account Requirement.

To the extent that provision for the payment thereof shall not be made from the proceeds of the Bonds, the County shall pay the reasonable fees and charges of the Registrar and paying agents for the Bonds, from time to time as the same shall be incurred, out of moneys in the Revenue Fund.

The balance of any moneys remaining in the Revenue Fund on the twenty-fifth day of each month after all of the above required transfers and deposits shall have been made shall be withdrawn from the Revenue Fund and deposited in the general fund of the County and may be used by the County for any lawful county purpose.

The Revenue Fund and the Sinking Fund and all other special funds and accounts created and established in the Resolution shall constitute trust funds for the purposes provided in the Resolution. The Resolution creates a lien upon such funds and accounts in favor of the owners of the Bonds until the moneys deposited therein shall have been applied in accordance with the Resolution.

The cash required to be accounted for in each of the foregoing funds and accounts may be deposited in a single bank account, and funds allocated to the various accounts may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash on deposit therein and such investments for the various purposes of such funds and accounts as provided in the Resolution.

The designation and establishment of the various funds and accounts in and by the Resolution shall not be construed to require the establishment of any completely independent, self-balancing fund as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as provided in the Resolution.

All such moneys shall be continuously secured in the manner provided in the Resolution. Any and all income received by the County from the investment of moneys in the

Principal Account shall be deposited in the Principal Account; and any and all income received by the County from the investment of moneys in the Interest Account shall be deposited in the Interest Account. Such earnings deposited in the Principal Account and the Interest Account shall be applied to equivalent reductions in the monthly deposits to such accounts required pursuant to the Resolution. Any and all income received by the County from the investment of moneys in the Revenue Fund, the Reserve Account and the Term Bonds Retirement Account shall be deposited by the County in the Revenue Fund.

(C) Compliance with Part VI, Chapter 218, Florida Statutes. The County covenants and agrees that it will comply with all of the provisions of Chapter 218, Part VI, Florida Statutes, as amended, and all applicable regulations thereunder, in order that the County shall at all times receive the maximum allocation which it may be entitled to receive from the Local Government Half-cent Sales Tax Clearing Trust Fund. The County shall not knowingly acquiesce in any attempt to eliminate or reduce the rate of the Sales Tax or the base upon which it is imposed, if such reduction will result in diminishing the Sales Tax proceeds to be received by the County in each future Fiscal Year below an amount equal to 1.25 times the principal of and interest on the Bonds falling due in that year, and will vigorously resist all such attempts by others to eliminate or reduce the same. The County shall comply at all times with the eligibility requirement for participation in the Sales Tax enumerated in Section 218.63, Florida Statutes. If for any reason the Sales Tax proceeds are found not legally sufficient to produce the full amount of Sales Tax proceeds which such tax might produce in order to meet all the requirements of the Resolution, the County covenants that to the extent permitted by law it will take all action reasonably practicable and feasible to cause the same to be replaced by another equivalent source of available non ad valorem revenues and will dedicate such revenues to the replacement of the Pledged Funds, to the extent necessary.

(D) Records and Audits. The County shall keep books and records of the Pledged Funds, which such books and records shall be kept separate and apart from all other books, records and accounts of the County, and any owner shall have the right, at all reasonable times, to inspect such books and records.

So long as any of the Bonds shall be outstanding, the County will furnish on or before one hundred eighty (180) days after the close of each Fiscal Year, to any owner who shall request the same in writing, copies of an annual audit report prepared by an independent certified public accountant or an auditing official of the State of Florida, covering for the preceding Fiscal Year, in reasonable detail, the record of the County's receipts of Pledged Funds.

(E) Fidelity Bond. The County will require each employee who may have possession of any Pledged Funds to be covered by a fidelity bond written by a responsible indemnity company in an amount fully adequate to protect the County from loss.

(F) Creation of Superior Liens. The County covenants that it will not issue any other notes, bonds, certificates or obligations of any kind or nature or create or cause or permit to be created any debt, lien, pledge, assignment or encumbrance or charge payable from or

enjoying a lien upon any of the Pledged Funds ranking prior and superior to the lien created by the Resolution for the benefit of the Bonds.

(G) No Impairment of Contract. The County has full power and authority to irrevocably pledge the Pledged Funds to the payment of the principal of and interest on the Bonds. The County shall take all actions and pursue such legal remedies as may be available to it either in law or in equity to prevent or cure any substantial impairment of the pledge of the Pledged Funds made by the Resolution.

(H) Arbitrage. The County covenants that it will not knowingly make any investments or acquiesce in the making of any investments by any depository pursuant to or under the provisions of the Resolution which could cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations issued thereunder (the "Code"). The County covenants that it shall pay from the special account described in paragraph (2) below, any rebate amount required to be paid on behalf of the County to the U.S. Treasury pursuant to Section 148 of the Code. The County shall take the following actions to provide for payment to the U.S. Treasury pursuant to Section 148 of the Code:

(1) Unless the County is furnished with an opinion of Bond Counsel to the effect that failure to make such determinations will not adversely affect the tax-exempt status of the Bonds, the County shall make a determination of the amount required to be paid to the U.S. Treasury at least every year (as of the anniversary of the date of issue of the Bonds) and upon the final payment of the Bonds.

(2) An amount equal to the amount to be paid pursuant to paragraph (1) above shall be transferred from the Revenue Fund to be placed into a special account, which shall be held for the sole benefit of the U.S. Treasury and shall not be or be deemed to be a pledged fund (and no moneys deposited therein shall be or deemed to be Pledged Funds). The County shall promptly deposit into the special account any deficiency in such amount.

(3) The County shall make payment to the U.S. Treasury from the special account on the dates and in the manner required by law.

(4) The County shall take any additional action required to be taken pursuant to the nonarbitrage certificate, or other instructions from Bond Counsel, delivered in connection with or subsequent to the issuance and sale of the Bonds.

(5) The County shall keep records of the determinations made until six years after the final payment on the Bonds. The County shall keep adequate records, including any necessary certifications, to evidence the fair market value of any investments purchased with Bond proceeds.

(I) Compliance with the Code. The County covenants and agrees that it will take any additional action required to be taken pursuant to the nonarbitrage certificate, or other instructions from Bond Counsel, whether delivered in connection with or subsequent to the issuance and sale of the Bonds, in order to comply with all provisions of the Code compliance with which is required to maintain the tax-exempt status of the interest payable on the Bonds as described in the opinion of Bond Counsel delivered in connection with the issuance of the Bonds.

Events of Default and Remedies

If one or more of the following events, called "Events of Default," shall happen, that is to say, in case:

(A) default shall be made in the payment of the principal or redemption price of any Bond when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(B) default shall be made in the payment of any installment of interest on any Bond when and as such installment of interest shall become due and payable; or

(C) default shall be made by the Issuer in the performance of any obligations in respect of the Reserve Account and such default shall continue for 30 days thereafter; or

(D) the County shall (1) admit in writing its inability to pay its debts generally as they become due, (2) file a petition in bankruptcy or take advantage of any insolvency act, (3) make an assignment for the benefit of its creditors, (4) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property, or (5) be adjudicated a bankrupt; or

(E) a court of competent jurisdiction shall enter an order, judgment or decree appointing a receiver of the Pledged Funds, or of the whole or any substantial part of the County's property, or approving a petition seeking reorganization of the County under the federal bankruptcy laws or any other applicable law or statute of the United States of America or the State of Florida pertaining to bankruptcy or insolvency, and such order, judgment or decree shall not be vacated or set aside or stayed within 60 days from the date of the entry thereof; or

(F) under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Pledged Funds or of the County or of the whole or any substantial part of the County's property, and such custody or control shall not be terminated or stayed within 60 days from the date of assumption of such custody or control; or

(G) the County shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the

Resolution on the part of the County to be performed, and such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given the County by the owners of not less than 25% in principal amount of the Bonds then outstanding; or

(H) a default shall occur under the Financial Guaranty Agreement executed by the County and Municipal Bond Investors Assurance Corporation in connection with the Reserve Instrument relating to the Parity Bonds;

then in each and every such case any owner of the Bonds affected by the Event of Default and then outstanding or an agent or trustee therefor may proceed to protect and enforce its rights and the rights of the owners by a suit, action or special proceeding in equity or at law, by mandamus or otherwise, either for the specific performance of any covenant or agreement contained in the Resolution or in aid or execution of any power granted in the Resolution or for any enforcement of any proper legal or equitable remedy (including the appointment of a receiver) as said owner or owners shall deem most effectual to protect and enforce the rights aforesaid.

No remedy conferred upon or reserved to the owners by the Resolution is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given under the Resolution or now or hereafter existing at law or in equity or by statute.

No delay or omission of any owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by the Resolution to the owners may be exercised from time to time, and as often as may be deemed expedient.

Nothing contained in the Resolution, however, shall be construed to grant to any owner any right to or lien on any property or income of the County or situated within its territorial limits except the Pledged Funds.

Modification or Amendment

The County may, from time to time and at any time, adopt resolutions supplemental to or amendatory of the Resolution without the consent of the Bondowners for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in the Resolution, as supplemented, or to clarify any matters or questions arising under the Resolution.

(B) To grant to or confer upon the Bondowners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondowners.

(C) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of the Resolution other conditions, limitations and restrictions thereafter to be observed.

(D) To add to the covenants and agreements of the County in the Resolution other covenants and agreements thereafter to be observed by the County or to surrender any right or power reserved to or conferred upon the County by the Resolution.

(E) To specify and determine any matters and things relative to the Bonds which are not contrary to or inconsistent with the Resolution as theretofore in effect.

No other modification or amendment of the Resolution or of any resolution amendatory thereof or supplemental thereto may be made without the consent in writing of the owners of 51% or more in principal amount of the Bonds then outstanding, but no modification or amendment of the Resolution or of any resolution amendatory thereof or supplemental thereto which shall be approved by the Insurer shall require such consent of Bondowners; 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 in the amount of principal obligation thereof or affecting the promise of the County to pay the principal of and interest on the Bonds as the same shall become due from the Pledged Funds or reduce the number of such Bonds, the written consent of the owners of which are required for such modifications or amendments which shall be permissible under the Resolution, without the consent of all owners.

Defeasance

If, at any time, the County shall have paid, or shall have made provision for payment of, the principal, interest and redemption premiums, if any, with respect to the Bonds, then, and in that event, the pledge of and lien on the Pledged Funds in favor of the owners of such Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit by the County of cash and/or Federal Securities, or bank certificates of deposit fully secured as to principal and interest by Federal Securities (or deposit of any other securities or investments which may be authorized by law from time to time and sufficient under such law to effect such a defeasance), in irrevocable trust with a banking institution or trust company, for the sole benefit of the owners of such Bonds, in an aggregate principal amount which, together with interest to accrue thereon, will be sufficient to make timely payment of the principal of and redemption premiums, if any, and interest accrued and which shall thereafter accrue on such Bonds in accordance with their terms, the registrar's and paying agents' fees and expenses with respect thereto and any other expenses occasioned by escrow arrangements or provision for redemption, shall be considered "provision for payment." Nothing contained in the Resolution shall be deemed to require the County to call any of the outstanding Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the County in determining whether to exercise any such option for early redemption. The agreement providing for the deposit of such securities may provide for the investment of moneys unclaimed by owners and for payment to the County of such unclaimed moneys and investment earnings thereon.

[FORM OF BOND COUNSEL LEGAL OPINION]

_____, 1994

The Honorable Chairman and the
Members of the Board of County
Commissioners of St. Johns County
St. Augustine, Florida

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Board of County Commissioners of St. Johns County, Florida (the "Issuer"), and other proofs submitted relative to the authorization, issuance and sale of and the security for the following described bonds (the "Bonds"):

\$ _____
ST. JOHNS COUNTY, FLORIDA
SALES TAX REVENUE AND REFUNDING BONDS
SERIES 1994
Dated as of March 15, 1994

The Bonds are issued pursuant to the Constitution and laws of the State of Florida, including particularly Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 86-89 and Resolution No. 86-132 duly adopted by the Issuer on September 30, 1986, as previously amended and supplemented, particularly as supplemented by Resolution No. 89-143 duly adopted by the Issuer on July 27, 1989, as amended and supplemented, and Resolution No. 94-____ duly adopted by the Issuer on March __, 1994, as supplemented (collectively, the "Resolution"), to finance the refunding of the Issuer's outstanding Sales Tax Revenue Bonds, Series 1989 (the "Series 1989 Bonds"), maturing October 1, 1994, through and including October 1, ____ and a part of the cost of constructing certain additional roadway improvements in connection with the county courthouse and administration facilities financed with the Series 1989 Bonds and pay certain costs of issuance with respect to the Bonds. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

The principal of, premium, if any, and interest on the Bonds are payable solely from and secured by a prior lien upon and a pledge of the Local Government Half-cent Sales

The Honorable Chairman and the
Members of the Board of County
Commissioners of St. Johns County
_____, 1994

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Tax (as such term is defined in the Resolution) and all moneys on deposit to the credit of certain funds and accounts created under the Resolution and the earnings on the investment thereof, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"). The Bonds are payable from the Pledged Funds on a parity with the Series 1989 Bonds maturing October 1, ____ and October 1, 2019 (the "Parity Obligations"), in the manner provided in the Resolution.

The Bonds and the interest thereon do not constitute a general indebtedness of the Issuer or a pledge of its faith and credit, but are payable solely from the Pledged Funds in the manner provided in the Resolution. No owner of any of the Bonds shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay the Bonds or interest thereon or be entitled to payment of the Bonds or interest thereon from any moneys of the Issuer except the Pledged Funds.

The Issuer has reserved the right to issue additional parity bonds to be payable from and secured by the Pledged Funds equally and ratably with the Bonds and the Parity Obligations, upon the terms and conditions prescribed in the Resolution.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Resolution and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing political subdivision of the State of Florida with the power to adopt the Resolution, perform the agreements on its part contained therein and issue the Bonds.
2. The Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer in accordance with its terms.
3. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer enforceable in accordance with their terms.

The Honorable Chairman and the
Members of the Board of County
Commissioners of St. Johns County
_____, 1994

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4. The Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes on interest, income or profits on debt obligations owned by corporations, as defined by Chapter 220, Florida Statutes, as amended.

5. Interest on the Bonds (including any original issue discount properly allocable to the owners thereof) (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax applicable to all taxpayers; provided, however, that interest on the Bonds is included in "adjusted current earnings" for purposes of calculating the alternative minimum tax imposed on corporations. The opinion set forth in clause (a) above is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture under the Trust Indenture Act of 1939, as amended.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Respectfully submitted,

FOLEY & LARDNER

PRELIMINARY OFFICIAL STATEMENT DATED MARCH __, 1994

NEW ISSUE

RATINGS: Moody's:
Standard & Poor's:
() Insured)
See "Ratings" herein

In the opinion of Bond Counsel, under existing law, assuming compliance with certain covenants in the Resolution described herein, interest on the Bonds is excluded from gross income for federal income tax purposes, and the Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes on interest, income or profits on debt obligations owned by corporations, as defined by Chapter 220, Florida Statutes, as amended. See, however, "TAX MATTERS" herein for a description of certain federal minimum and other special taxes that may affect the tax treatment of interest on the Bonds.

\$ __,000,000*
ST. JOHNS COUNTY, FLORIDA
Limited Ad Valorem Tax Refunding Bonds
Series 1994

Dated: March 15, 1994

Due: September 1, as shown below

The Limited Ad Valorem Tax Refunding Bonds, Series 1994 (the "Bonds") are being issued by St. Johns County, Florida (the "County"), as fully registered bonds in denominations of \$5,000 and integral multiples thereof. Interest (first payment due September 1, 1994 and on each March 1 and September 1 thereafter) on the Bonds will be payable by check or draft of ^ Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Registrar and Paying Agent or, at the option of the Paying Agent, and at the request and expense of any registered owner, by bank wire transfer for the account of such owner. Principal of the Bonds is payable to the registered owner upon presentation, when due, at the corporate trust office of the Paying Agent.

The Bonds are subject to redemption prior to their stated maturities as described herein.

The Bonds are being issued to provide funds to (i) advance refund the County's outstanding Limited Ad Valorem Tax Refunding Bonds, Series 1988 and General Obligation Bonds, Series 1989 and (ii) pay the cost of issuance with respect to the Bonds.

The principal of, premium, if any, and interest on the Bonds are payable solely from ad valorem taxes, not to exceed annually one mill, levied upon all taxable real property valued at just value within the County, all in the manner and to the extent described in the Resolution.

The payment of the principal (but not premium) of and interest on the Bonds when due will be insured by a financial guaranty insurance policy to be issued by _____ simultaneously with the delivery of the Bonds.

[LOGO]

MATURITIES, AMOUNTS, INTEREST RATES, AND PRICES OR YIELDS*

<u>^</u>							<u>^</u>	
<u>Maturity</u>	<u>Amount</u>	<u>Interest</u>	<u>Price</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest</u>	<u>Price</u>	
<u>September 1,</u>		<u>Rate</u>	<u>or</u>	<u>September 1,</u>		<u>Rate</u>	<u>or</u>	
			<u>Yield</u>				<u>Yield</u>	
<u>1994</u>	\$	%		<u>1999</u>	\$	%		
<u>1995</u>				<u>2000</u>				
<u>1996</u>				<u>2001</u>				
<u>1997</u>				<u>2002</u>				
<u>1998</u>				<u>2003</u>				

^ (Plus Accrued Interest)

The Bonds are offered when, as and if issued and received by the Underwriter, subject to the unqualified approval of legality by Foley & Lardner, Jacksonville, Florida, Bond Counsel. Certain legal matters will be passed upon for the County by James G. Sisco, Esquire, St. Augustine, Florida, Attorney for the County and for the Underwriter by its counsel, Rogers, Towers,

Bailey, Jones & Gay, Jacksonville, Florida. It is expected that the Bonds in definitive form will be available for delivery in New York, New York on or about April __, 1994.

William R. Hough & Co.

March __, 1994

* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall 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 securities in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

ST. JOHNS COUNTY, FLORIDA

MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS

Allan Roberts, Chairman
Linda Balsavage
Barbara Ward
Moses (Coach) Floyd
Fred Brinkhoff
Don Jordan
Craig Maguire

COUNTY ADMINISTRATOR

Nicholas M. Meiszer

COUNTY CLERK

Carl "Bud" Markel

COUNTY FINANCE DIRECTOR

Michael R. Givens, C.P.A.

COUNTY ATTORNEY

James G. Sisco, Esquire

BOND COUNSEL

Foley & Lardner
Jacksonville, Florida

FINANCIAL ADVISOR

Public Financial Management, Inc.
Fort Myers, Florida

No dealer, broker, salesman or other person has been authorized by the County to give any information or to make any representations, other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County or the Underwriter. 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 Bonds by any persons in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale in such jurisdiction. The information set forth herein has been furnished by the County and includes information obtained from other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create the implication that there has been no change in the affairs of the County since the date hereof.

The Bonds have not been registered under the Securities Act of 1933 in reliance upon an exemption contained in such Act.

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

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SUMMARY STATEMENT

This Summary Statement, being part of the Official Statement, is subject to the more complete information contained herein and should not be considered to be a complete statement of the facts material to making an investment decision. The offering of the St. Johns County, Florida Limited Ad Valorem Tax Refunding Bonds, Series 1994 (the "Bonds") to potential investors is made only by means of the entire Official Statement. No person is authorized to detach this Summary Statement from the Official Statement or to otherwise use it without the entire Official Statement. Unless otherwise defined, all capitalized terms in this Summary Statement shall be as defined in the main text of the Official Statement.

St. Johns County

St. Johns County, Florida (the "County") encompasses approximately 617 square miles and is located in the northeast region of the State of Florida, immediately south of Duval County and Jacksonville, Florida. The largest of the County's three municipalities is St. Augustine, which is the county seat. The estimated 1993 population of the County is 91,197.

Purpose of the Bonds

The Bonds are being issued to provide funds to (i) advance refund the County's outstanding Limited Ad Valorem Tax Refunding Bonds, Series 1988 and General Obligation Bonds, Series 1989 and (ii) pay the cost of issuance with respect to the Bonds.

Authority and Security for the Bonds

Authority for the Bonds. The Bonds are being issued pursuant to the Constitution and laws of the State of Florida, particularly, Article VII, Section 12, Florida Constitution, Chapter 125, Part I, Florida Statutes, as amended, Chapter 132, Florida Statutes, as amended, particularly Sections 132.33 through 132.47 thereof, and other applicable provisions of law, and the Resolution.

Source of Payment. The principal of, premium, if any, and interest on the Bonds are payable solely from ad valorem taxes, not to exceed annually one mill, levied upon all taxable real property valued at just value within the County, all in the manner and to the extent described in the Resolution.

Municipal Bond Insurance. The payment of the principal (but not premium) of and interest on the Bonds when due will be insured by a financial guaranty insurance policy to be issued by _____ simultaneously with the delivery of the Bonds.

OFFICIAL STATEMENT
Relating to
\$ __,000,000*
ST. JOHNS COUNTY, FLORIDA
Limited Ad Valorem Tax Refunding Bonds
Series 1994

March __, 1994

INTRODUCTION

The purpose of this Official Statement, including the cover page, summary statement, and appendices, is to provide information concerning the proposed issuance by St. Johns County, Florida (the "County") of \$ __,000,000* aggregate principal amount of the County's Limited Ad Valorem Tax Refunding Bonds, Series 1994 (the "Bonds"). The Bonds are issued under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Article VII, Section 12, Florida Constitution, Chapter 125, Part I, Florida Statutes, as amended, Chapter 132, Florida Statutes, as amended, particularly Sections 132.33 through 132.47 thereof, and other applicable provisions of law, and Resolution 94-__ of the County duly adopted on March __, 1994, (as supplemented, the "Resolution"). See Appendix C hereto for pertinent provisions of the Resolution.

The County encompasses approximately 617 square miles and is located in the northeast region of the State, immediately south of Duval County and Jacksonville, Florida. The largest of the County's ^ three municipalities is St. Augustine, which is the county seat. The estimated 1993 population of the County is 91,197.

For a complete description of the terms and conditions of the Bonds, reference is made to the Resolution. Capitalized terms used herein and not defined are used as defined in the Resolution; such definitions may be found in Appendix C hereto. The description of the Bonds and of the documents authorizing and securing the same and the description of other debt of the County do not purport to be comprehensive or definitive and are qualified in their entirety by reference to each. All information included herein has been provided by the County except where attributed to other sources. Copies of documents not contained in this Official Statement and further information which may be desired may be obtained from the County's finance director, Mr. Michael R. Givens, C.P.A., St. Johns County Administration Building, 4020 Lewis Speedway, St. Augustine, Florida 32095, telephone (904) 823-^ 2490, or from the County's Financial Advisor, Public Financial Management, Inc., 5900 Enterprise Parkway, Ft. Myers, Florida 33905, telephone (813) 693-7117.

* Preliminary; subject to change.

PURPOSE OF THE BONDS

The Bonds are being issued to provide funds to (i) advance refund the County's \$3,560,000 outstanding Limited Ad Valorem Tax Refunding Bonds, Series 1988 and its \$7,265,000 outstanding General Obligation Bonds, Series 1989 (collectively, the "Refunded Bonds"), and (ii) pay the cost of issuance with respect to the Bonds.

REFUNDING PLAN

A portion of the proceeds of the Bonds will be used to provide the moneys needed to effect the defeasance of the Refunded Bonds. Upon issuance of the Bonds, the County will enter into an Escrow Deposit Agreement with Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida as escrow holder (the "Escrow Holder"), providing, among other things, for the deposit of a portion of the proceeds from the sale of the Bonds and other moneys specified therein with the Escrow Holder. Such amounts shall be invested by the Escrow Holder in direct obligations of the United States of America, none of which permit redemption prior to maturity at the option of the obligor (the "Federal Securities"), in an amount which will be sufficient to pay the principal (including mandatory sinking fund installments) or redemption price of and interest on the Refunded Bonds as the same shall become due or called for redemption. The County will call the Limited Ad Valorem Tax Refunding Bonds, Series 1988 for redemption on March 1, 1996 and the General Obligation Bonds, Series 1989 for redemption on September 1, 1997.

By deposit of the Federal Securities with the Escrow Holder pursuant to the Escrow Deposit Agreement, the County (in the opinion of Bond Counsel based upon schedules prepared by Public Financial Management, Inc. and rendered in reliance upon the report of Deloitte & Touche described under the heading VERIFICATION OF MATHEMATICAL COMPUTATIONS) will have effected the defeasance of the Refunded Bonds. As a result of such refunding, it is the opinion of Bond Counsel that the lien of the Refunded Bonds on the funds pledged therefor, together with all other obligations of the County to the owners of the Refunded Bonds under the resolutions pursuant to which the Refunded Bonds were issued will be defeased.

The maturing principal of and interest on the Federal Securities held under the Escrow Deposit Agreement will not be available to pay debt service on the Bonds.

DESCRIPTION OF THE BONDS

General

The Bonds shall be dated as set forth on the cover page of this Official Statement and are being issued as fully registered bonds without coupons in denominations of \$5,000 and integral

multiples thereof. Interest on the Bonds (first payment due September 1, 1994 and semiannually on each March 1 and September 1 thereafter) will be payable by check or draft of ^ Bank of New York Trust Company of Florida, N.A., Jacksonville, Florida, as Registrar and Paying Agent, mailed or, at the option of the Paying Agent, and at the request and expense of any registered owner, by bank wire transfer, to the registered owner, as shown on the registration books of the Registrar on the 15th day of the month prior to each interest payment date. Interest on the Bonds shall be calculated on the basis of a 360-day year of twelve 30-day months. Principal of and premium, if any, on the Bonds are payable at maturity or redemption to the registered owner upon presentation, when due or when called for redemption, at the corporate trust office of the Paying Agent in ^ Jacksonville, Florida. In the event the interest payable on any Bond is not punctually paid or duly provided for by the County when due, such defaulted interest will be paid to the Owner in whose name such Bond shall be registered at the close of business on a special record date for payment of such defaulted interest as further provided in the Resolution.

Optional Redemption

The Bonds maturing prior to September 1, ____, shall not be subject to redemption prior to maturity. The Bonds maturing on September 1, 200__, or thereafter may be redeemed prior to maturity at the option of the County, as a whole on September 1, 200__, or on any date thereafter, or in part, from such maturity or maturities as the County shall designate and by lot within a maturity, on September 1, 200__, or on any interest payment date thereafter, at the following redemption prices (expressed as ^ a percentage of the principal amount of the Bonds to be redeemed) plus accrued interest to the redemption date, if redeemed during the following periods:

Redemption Periods
(both dates inclusive)

Redemption
Prices

September 1, 200__ to August 30, 200__
September 1, 200__ to August 30, 200__
September 1, 200__ and thereafter

%

Mandatory Redemption

The Bonds maturing September 1, 20__ are subject to mandatory redemption in part prior to maturity by lot at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, beginning on September 1, ____, and on each September 1 thereafter in the years and in the principal amounts corresponding to the Amortization Installments as follows:

<u>Year</u>	<u>Amortization</u> <u>Installments</u>
	\$

Maturity

Notice of Redemption

Notice of redemption of the Bonds, unless waived, shall be mailed, postage prepaid, by first class mail by the Registrar not less than thirty (30) days nor more than sixty (60) days before the date fixed for redemption to the registered owners of any Bonds or portions of Bonds which are to be redeemed, at their addresses as they appear on the registration books kept by the Registrar or at such other address as such owner shall have furnished in writing to the Registrar. No defect in any notice of redemption or failure to give such notice to any owner of Bonds or failure of any owner to receive such notice shall in any manner defeat the effectiveness of a call for redemption as to all other owners of Bonds to be redeemed. Upon the giving of such notice of redemption, the Bonds or portions thereof to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such Bonds or portions thereof shall cease to bear interest.

AUTHORITY AND SECURITY FOR THE BONDS

The Bonds are being issued pursuant to the Constitution and laws of the State of Florida, particularly, Article VII, Section 12, Florida Constitution, Chapter 125, Part I, Florida Statutes, as amended, Chapter 132, Florida Statutes, as amended, particularly Sections 132.33 through 132.47 thereof, and other applicable provisions of law, and the Resolution.

Source of Payment

The principal of, premium, if any, and interest on the Bonds are payable solely from ad valorem taxes, not to exceed annually one mill, levied upon all taxable real property valued at just value within the County, all in the manner and to the extent described in the Resolution.

Additional Bonds

The County will not issue any other obligations payable from the security pledged for the Bonds or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon.

Other Covenants

The County has covenanted in the Resolution that so long as any of the Bonds remain Outstanding it will levy and collect in each year, in addition to all other taxes levied and collected by it, an ad valorem tax, not to exceed one mill, on all taxable real property valued at just value within the County sufficient in amount to pay the principal of, premium, if any, and interest on the Bonds as the same become due. Such tax shall be assessed, levied and collected in the same manner and at the same time as other taxes of the County are assessed, levied and collected.

The County has also covenanted to keep books, records and accounts of all of its revenues and expenditures in accordance with generally accepted accounting principles. Within 180 days of the close of each Fiscal Year it must file with the Clerk and mail to all Owners of the Bonds who have filed their names and addresses with the Clerk for such purpose a statement setting forth in respect of the preceding Fiscal Year: (a) the total amounts deposited to the credit of each fund and account created under the provisions of the Resolution; (b) the principal amount of all Bonds paid, purchased or redeemed; and (c) the amounts on deposit at the end of such Fiscal Year to the credit of each such fund or account. An annual audit by an independent firm of certified public accountants is required of the financial statements of the County.

Ad Valorem Tax Procedures

Section 4 of Article VII of the Constitution of the State of Florida provides that "by general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation" subject to exceptions for "agricultural land, land producing high water recharge to Florida's aquifers or land used exclusively for non-commercial recreational purposes, certain personal property, and a limitation on the increase in assessments of homestead property as described below. The factors considered in arriving at a just valuation, as set forth in Section 193.011, Florida Statutes, are:

- (1) the present cash value of the property;
- (2) the highest and best use to which the property can be expected to be put in the immediate future and the present use of the property;
- (3) the location of the property;
- (4) the quantity or size of the property;
- (5) the cost of the property and the present replacement value of any improvements thereon;
- (6) the condition of the property;

- (7) the income from the property; and
- (8) the net proceeds of the sale of the property after deduction of certain fees and cost of sale.

By voter-initiated petition Article VII, Section 4 of the Florida Constitution was amended by referendum held in November, 1992. The Constitution now provides for limiting the increases in homestead property valuations for ad valorem tax purposes to a maximum of the lesser of (i) three percent (3%) of the assessment for the prior year, and (ii) the percent change in the Consumer Price Index for the preceding calendar year. Homestead property may be reassessed at just value as of January 1 of the year following any change in ownership. The Supreme Court of Florida has ruled that the first tax year in which the limitations of this constitutional provision shall apply is January 1, 1995. Calendar year 1994 is the base year upon which assessed just value of the homestead property is determined. The County is at this point in time unable to determine what impact this constitutional limitation will have on its taxing structure. A possible affect includes an increase in the millage rate to compensate for the limitation on future assessment increases.

In the opinion of the St. Johns County Property Appraiser, all real property in the County is assessed at 100% of the just value by the Property Appraiser, who is required to complete an assessment, as of January 1 of each year, of the value of all real property in the County no later than July 1 of each year. He is required to inspect physically the real property every three (3) years to determine its just value.

General Exemptions. Exemptions from the ad valorem tax include but are not limited to the first \$25,000 of assessed value for a permanent residence; property owned by certain permanently and totally disabled persons; renewable energy source improvements; inventory; property used by hospitals, nursing homes, homes for special services and property used by homes for the aged; educational property; property owned and used by labor organizations; community centers; governmental property; property owned by not-for-profit sewer and water companies; property owned by exempt entities for educational, literary, scientific, religious, charitable or governmental purposes; and the first \$500 of property of every widow, blind person or disabled person. See generally, Chapter 196, Florida Statutes.

Section 196.1995, Florida Statutes, permits a county, upon approval by referendum, to grant exemptions from ad valorem tax of up to one hundred percent (100%) to new business or expansion of existing business in the county. Such exemption, once granted, remains in effect for up to ten years. No such referendum has been held in the County. The exemption does not apply to taxes levied for the payment of bonds or to taxes authorized by a vote of the electors pursuant to Section 9(b) or Section 12, Article VII of the

Florida Constitution, nor does it apply to school taxes or water management district taxes.

Sections 196.1997 and 196.1998, Florida Statutes, permits the board of county commissioners of a county to adopt an ordinance allowing ad valorem tax exemption to historic properties if the owners are engaging in the restoration, rehabilitation, or renovation of such properties in accordance with guidelines established by law. The exemption from ad valorem taxation of the assessed value of all improvements to historic properties is up to one hundred percent (100%). The exemption from ad valorem taxation of the assessed value of the property as a whole can also be up to one hundred percent (100%) if the assessed value of the improvement is equal to at least fifty percent (50%) of the total assessed value of the property as improved. The exemption permitted by Section 196.1997 does not apply to taxes levied for the payment of bonds or to taxes authorized by a vote of the electors pursuant to Section 9(b) or Section 12, Article VII, of the Florida Constitution. The exemption can remain in effect for up to ten years. No such exemptions have been granted by the County.

Tax Levy. Florida law limits ad valorem tax millage levies for counties, cities, municipal service taxing or benefit units in unincorporated areas of a county, and school boards to ten (10) mills each, except additional taxes may be levied as required for periods not longer than two years and for debt service upon approval of the electors.

The County's aggregate millage rate for its fiscal year beginning October 1, 1993 is 6.733 mills. This figure is computed by totalling the non-voted ad valorem taxation levied by the County and dependent districts that levy a millage assessment and is divided by the gross taxable value of property in the County. Taxpayers residing in the unincorporated area of the County pay ad valorem taxes levied by the County of 6.804. This includes a .5 mill levy for the St. Johns County Fire District municipal service taxing unit (which levy is not included in the 10 mill limitation for County taxes). Some taxpayers in the unincorporated area of the County reside in one of two special street lighting taxing districts which levy an additional millage of .153 or .340 mills, respectively. Therefore, a taxpayer in the unincorporated area of the County is subject to a millage levy of 6.804, 6.957 or 7.144 mills, which respective levy is subject to the 10 mill limitation. A taxpayer in any of the three incorporated municipalities located in the County is subject to a County tax levy of 6.304 mills--such taxpayer is not subject to the .5 mill levy of the St. Johns County Fire District. Additionally, all taxpayers in the incorporated and unincorporated areas of the County are presently subject to a .303 mill levy for voted debt service.

Section 197.383, Florida Statutes, requires the Tax Collector to distribute, to each governmental unit levying the tax, the taxes collected four times during each of the first two months after the tax roll comes into his possession and once per month thereafter.

**Current Millage Levy
As of October 1, 1993**

St. Johns County	6.733 mills ¹
St. Johns County School Board	8.637 mills
St. Johns County Special Districts	1.020 mills
Town of Hastings	8.595 mills
City of St. Augustine	7.390 mills
City of St. Augustine Beach	2.000 mills

¹ For a description of the method by which the 6.733 mills is computed, see Tax Levy on page [7] hereof.

**St. Johns County, Florida
1993 Taxpayers Having Largest Assessed Valuations**

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>
Bell South Telecommunications	Public Utility	\$52,872,947
Florida Power & Light Co.	Public Utility	37,580,746
Resort Holdings I Ltd.	Hotel & Land Developer	29,105,965
Florida East Coast Railway	Railroad	16,153,221
New Plan Realty Trust	Real Estate/Land Holder	15,057,530
General Development Corp.	Land Developer	13,867,280
St. Johns Service Co.	Real Estate/Land Developer	12,039,560
Double G Pool Properties	Real Estate/Land Developer	10,627,060
Arvida/JMB Partners	Home Construction/Land Developer	9,727,230
Lifecare Pastoral Services, Inc.	Real Estate/Land Developer	9,549,960

Source: St. Johns County Tax Collector.

MUNICIPAL BOND INSURANCE

Concurrently with the issuance of the Bonds, the Insurer will issue its Municipal Bond New Issue Insurance Policy for the Bonds (the "Policy"). A specimen of the Policy is contained herein as Appendix E. The information under this heading has been provided by the Insurer.

[TO COME]

SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Bonds, together with other moneys of the County, are expected to be applied as described below:

Sources:

Principal Amount of Bonds	\$
Less: Original Issue Discount	
Accrued Interest on the Bonds	
Debt Service Funds for the Refunded Bonds	_____
Total Sources:	\$ _____

Uses:

Deposit with Escrow Holder	\$
Deposit to Interest Account	
Underwriter's Discount	
Cost of Issuance (including bond insurance premium)	_____
Total Uses:	\$ _____

DEBT SERVICE SCHEDULE

The following table sets forth the debt service schedule for the Bonds.

Bond Year Ending September 1,	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
1994	\$	\$	\$
1995			
1996			
1997			
1998			
1999			
2000			
2001			
2002			
2003			
Totals	\$ _____	\$ _____	\$ _____

¹ Includes accrued interest of \$_____.

ADDITIONAL BOND FINANCING

The County expects to sell approximately \$__,000,000 in aggregate principal amount of its Sales Tax Revenue Refunding Bonds, Series 1994. Such sale is expected to take place on or about the date the Bonds are sold. If such Sales Tax Revenue Refunding Bonds are sold, they are expected to be issued on the same date as the issuance of the Bonds. The County can give no assurance that such transaction will take place.

LEGAL MATTERS

Certain legal matters in connection with the authorization, issuance and sale of the Bonds are subject to the approval of Foley & Lardner, Jacksonville, Florida, Bond Counsel, the form of whose approving opinion is attached hereto as Appendix D. Certain legal matters will be passed upon for the County by James G. Sisco, Esquire, St. Augustine, Florida, County Attorney, and for the Underwriter by its counsel, Rogers, Towers, Bailey, Jones & Gay, Jacksonville, Florida.

LITIGATION

Several lawsuits and claims have been filed against the County and against its sheriff seeking substantial damages, including punitive damages, for injuries alleged to have been incurred by reason of the negligence or wrongful acts of the County, the sheriff, or other officials, deputies or employees. Such lawsuits and claims are being defended or investigated by the insurers of the County or sheriff. The County Attorney's opinion set forth in the next paragraph does not take into account the effect of those lawsuits or claims.

In the opinion of the County Attorney, there are no legal proceedings pending or threatened which materially affect the County's ability to perform its obligations to the owners of the Bonds. Further, in his opinion, there is no litigation or controversy of any nature now pending or threatened to restrain or enjoin the issuance, sale, execution or delivery of the Bonds or in any way contesting the validity of the Bonds or any proceedings of the County taken with respect to the authorization, sale, or issuance of the Bonds or the pledge or application of any moneys provided for the payment of the Bonds.

TAX MATTERS

Federal Tax Matters

The Internal Revenue Code of 1986, as amended (the "Code"), contains a number of requirements and restrictions which may apply to the Bonds, including investment restrictions, a requirement of

periodic payments of arbitrage profits to the United States, requirements regarding the use of bond proceeds and the facilities financed therewith, and certain other matters. The County has covenanted to comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bonds from the gross income of the owner thereof for federal income tax purposes as described in the opinion of Bond Counsel delivered in connection with issuance of the Bonds, including, in particular, the payment of any amount required to be rebated to the United States Treasury pursuant to the Code. Failure to comply with certain of such requirements could cause interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds.

Subject to the condition that the County comply with the pertinent requirements of the Code, under existing law, in the opinion of Bond Counsel, interest on the Bonds will be excluded from the gross income of the owners thereof for federal income tax purposes and will not be treated as an item of tax preference in computing the alternative minimum tax for individuals and corporations. Reference is made to a proposed form of the Bond Counsel opinion attached hereto as Appendix D for the complete text thereof.

In rendering the opinion, Bond Counsel will rely upon certificates of the County with respect to certain material facts relating to the property refinanced with the proceeds of the Bonds and the application of the proceeds of the Bonds.

The Code contains numerous provisions which could affect the economic value of the Bonds to certain owners of the Bonds. The following is a brief summary of some of the significant provisions that may be applicable to particular owners of the Bonds. Prospective owners of the Bonds, however, should consult their own tax advisors with respect to the impact of such provisions on their own tax situations.

The Bonds will not be "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Code. Interest on indebtedness incurred or continued to purchase or carry the Bonds or, in the case of banks and certain other financial institutions, interest expense allocable to interest on the Bonds, will not be deductible for federal income tax purposes.

Insurance companies (other than life insurance companies) are required to reduce the amount of their deductible underwriting losses by 15% of the amount of tax-exempt interest received or accrued on certain obligations, including the Bonds, acquired after August 7, 1986. If the amount of this reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includable in income. Life insurance companies are subject to similar provisions under which taxable income is increased by reason of receipt or accrual of tax-exempt interest, such as interest on the Bonds.

Interest on the Bonds must be included in the "adjusted current earnings" of corporations (other than S corporations, regulated investment companies, real estate investment trusts and REMIC's), and the alternative minimum taxable income of such corporations must be increased by 75% of the excess of adjusted current earnings over alternative minimum taxable income (determined with regard to this adjustment and prior to reduction for certain net operating losses).

An environmental tax is imposed on corporations (other than S corporations, regulated investment companies, real estate investment trusts and REMIC's) by Section 59A of the Code. The amount of the environmental tax is equal to 0.12% of the excess of the alternative minimum taxable income (determined without regard to net operating losses and the deduction for the environmental tax) over \$2 million. The environmental tax may be imposed even if the corporation pays no alternative minimum tax because the corporation's regular income tax liability exceeds its alternative minimum tax liability. For purposes of the environmental tax, alternative minimum taxable income includes interest on tax-exempt obligations, such as the Bonds, to the same extent and in the same manner as such interest is included in alternative minimum taxable income as described in the preceding paragraph.

Certain recipients of social security benefits and railroad retirement benefits are required to include a portion of such benefits in gross income by reason of the receipt or accrual of interest on tax-exempt obligations, such as the Bonds.

For foreign corporations that operate branches in the United States, Section 884 of the Code imposes a branch level tax on certain earnings and profits in tax years beginning after 1986. Interest on tax-exempt obligations, such as the Bonds, may be included in the determination of such domestic branches' taxable base on which this tax is imposed.

Passive investment income, including interest on the Bonds, may be subject to federal income taxation under Section 1375 of the Code for S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of the S corporation consists of passive investment income.

Florida Tax Matters

It is also the opinion of Bond Counsel that, under existing law, the Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes on interest, income or profits on debt obligations owned by corporations, as defined by Chapter 220, Florida Statutes, as amended.

Original Issue Discount

In the opinion of Bond Counsel, under existing law, the original issue discount in the selling price of each Bond maturing in _____ and _____ (the "Discount Bonds"), to the extent properly allocable to each owner of a Discount Bond, is excluded from gross income for federal income tax purposes to the same extent that any interest payable on such Discount Bond is or would be excluded from gross income for federal income tax purposes. The original issue discount is the excess of the stated redemption price at maturity of such Discount Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discount Bond were sold (the "Issue Price").

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound interest basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (i) the Issue Price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of each accrual period), less (iii) any interest payable on such Discount Bond during such accrual period.

The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, and will increase the owner's tax basis in such Discount Bond. The adjusted tax basis in a Discount Bond will be used to determine taxable gain or loss upon a disposition (e.g., upon a sale, exchange, redemption, or payment at maturity) of such Discount Bond.

If a Discount Bond is purchased for a cost that exceeds the sum of the Issue Price plus accrued interest and accrued original issue discount, the amount of original issue discount that is deemed to accrue thereafter to the purchaser is reduced by an amount that reflects amortization of such excess over the remaining term of such Discount Bonds.

As described above regarding tax-exempt interest, a portion of the original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. In the case of a corporation, such portion of the original issue discount will be included in the calculation of the corporation's alternative minimum tax liability, the environmental tax liability and the branch profits tax liability. Corporate owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in an alternative minimum tax liability, an environmental tax liability or a branch profits tax liability although the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners of Discount Bonds who did not purchase such Discount Bonds in the initial offering at the Issue Price should consult their own tax advisors with respect to the tax consequences of owning such Discount Bonds.

Owners of such Discount Bonds should consult their own tax advisors with respect to state and local tax consequences of the Discount Bonds. It is possible that under the applicable provisions governing the determination of state and local income taxes, accrued original issue discount on the Discount Bonds may be deemed to be received in the year of accrual, even though there will not be a corresponding cash payment until a later year.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of (i) the mathematical computation of the adequacy of the cash and the Federal Securities to be held under the Escrow Deposit Agreement to pay, when due or when called for redemption, the principal of, premium and interest on the Refunded Bonds and (ii) the mathematical computations supporting the conclusion that the Bonds are not "arbitrage bonds" under Section 148 of the Code will be verified for the County by Deloitte & Touche. Such verification of mathematical accuracy and mathematical computations will be based upon information supplied by Public Financial Management, Inc.

RATINGS

The Bonds have been rated _____ and _____ by Moody's Investors Service and Standard & Poor's Corporation, respectively. An explanation of the significance of any ratings may be obtained only from the rating agency furnishing the same. There is no assurance that such ratings will be in effect for any given period of time or that they will not be revised upward or downward or withdrawn entirely by such rating agencies if, in the judgment of such agencies, circumstances so warrant. Any such downward revision or withdrawal of any ratings may have an adverse effect on the market price of the Bonds.

UNDERWRITING

William R. Hough & Co., (the "Underwriter") has agreed, subject to certain customary conditions to closing, to purchase the Bonds from the County at par plus accrued interest less an aggregate underwriting discount of \$_____ and an original issue discount of \$_____. The Underwriter will be obligated to purchase all of the Bonds if any such Bonds are purchased. The public offering prices may be changed, from time to time, by the Underwriter.

FINANCIAL ADVISOR

The County has retained Public Financial Management, Inc., Fort Myers, Florida, as Financial Advisor (the "Financial Advisor") in connection with preparation of the County's plan of financing and with respect to the authorization and issuance of the Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in the Official Statement. Public Financial Management, Inc. is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing or trading of municipal securities or any other negotiable instruments. Public Financial Management, Inc. is a wholly-owned subsidiary of Marine Midland Bank, N.A.

ANNUAL FINANCIAL REPORT

The Component Unit Financial Statements of the Board of County Commissioners of the County for the Fiscal Year ended September 30, 1993, reproduced herein as Appendix A, are integral parts of this Official Statement. Copies of the Financial Statements and the report of the auditors are available from the Finance Director upon request. The security for the Bonds is limited to ^ ad valorem taxes, not to exceed annually one mill as described under "AUTHORITY AND SECURITY FOR THE BONDS."

MISCELLANEOUS

All information included herein has been provided by the County, except where attributed to other sources. The summaries of and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such reference or summary is qualified in its entirety by reference to each such document, statute, report or other instrument. The information herein has been compiled from official and other sources and, while not guaranteed by the County, is believed to be correct. So far as any statements made in the Official Statement and the Appendices attached hereto involve matters of opinion or of 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.

Section 517.051, Florida Statutes provides for the exemption from registration of certain government securities, such as the Bonds, provided that, if the issuer thereof has been in default at any time after December 31, 1975 as to principal or interest on obligations, its securities may not be offered or sold in Florida pursuant to this exemption except by means of an offering circular containing a full and fair disclosure of such defaults, as prescribed by rules of the Florida Department of Banking and

Finance (the "Department"). Under the rules of the Department, the prescribed disclosure is not required if the information is not an appropriate disclosure because such information would not be considered material by a reasonable investor. The County is not and has not been in default as to principal and interest on non-conduit bonds or other non-conduit debt obligations which it has issued or guaranteed. The County is not undertaking an independent review of bonds or other debt obligations for which it served only as a conduit issuer, if any. Because the source of payment for any defaulted conduit bonds would be separate and distinct from the source of payment for the Bonds and would not be an obligation of the County other than to the extent the County receives funds from the party borrowing the proceeds of such bonds, any default on such bonds is not considered a material fact with respect to the Bonds.

AUTHORIZATION OF AND CERTIFICATION CONCERNING OFFICIAL STATEMENT

The delivery of this Official Statement has been duly authorized by the Board of County Commissioners of the County. Concurrently with the delivery of the Bonds, the undersigned or the then Chairman or Vice Chairman of the Board will furnish his or her certificate to the effect that, to the best of his or her knowledge, this Official Statement did not as of its date and does not as of the date of the delivery of the Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purposes for which this Official Statement is to be used, or which is necessary in order to make the statements made herein, in light of the circumstances in which they were made, not misleading.

ST. JOHNS COUNTY, FLORIDA, BOARD
OF COUNTY COMMISSIONERS

By: _____

Chairman

APPENDIX B

GENERAL INFORMATION CONCERNING THE COUNTY

The following information concerning St. Johns County, Florida is included only for the purpose of providing general background information.

Location

St. Johns County (the "County") encompasses approximately 617 square miles and is located in the northeast region of the State of Florida. The County is located directly south of Duval County, Florida, and is bordered on the west by the St. Johns River, on the south by Flagler County, and on the east by the Atlantic Ocean.

There are three incorporated municipalities located in the County: St. Augustine, Hastings and St. Augustine Beach. St. Augustine, which was founded in 1565, is the oldest permanent European settlement in the United States and is the county seat. A small portion of the municipality of Marineland (primarily located in Flagler County) on which no improvements are located is also a part of the County.

Population

St. Johns County currently ranks 32nd out of Florida's 67 counties in gross population and ranks ninth statewide in the percentage change in population growth from 1980 to 1990.

St. Johns County has experienced steady population growth, as shown below:

<u>Year</u>	<u>Population</u>
1940 U.S. Census	20,012
1950 U.S. Census	24,998
1960 U.S. Census	30,034
1970 U.S. Census	31,025
1980 U.S. Census	51,303
1990 U.S. Census	83,829
1991 Estimate ¹	86,118
1992 Estimate ¹	88,417
1993 Estimate ¹	91,197

¹ University of Florida Bureau of Economic and Business Research.

Commerce and Industry

A combination of historical significance, favorable climate, and available recreational facilities including public beaches, golf courses, tennis courts, and cultural events has made the County a national and international tourist destination attracting more than a million visitors annually.

The County is home to a number of state, national and international business and sports organizations all contributing to a stable economy. Among those headquartered in the County are the PGA Tour, Inc., Association of Tennis Professionals, Flagler College, Florida School for the Deaf and Blind, Florida National Guard, and Florida East Coast Railway. Construction is about to begin in the northwestern part of the county on the World Golf Village complex. The project is a combined effort of the public and private sectors and includes the PGA Tour Hall of Fame, the LPGA Hall of Fame, the Mayo Clinic Sports Research Facility and exhibits by the United States Golf Association, Augusta National and the Royal and Ancient Golf Club of St. Andrews.

While tourism ranks highly in the economy, manufacturing and commercial activities, including food processing, airplane modification and repair, book binding, aluminum extrusion and commercial fishing play key roles.

Agriculture

Agribusiness remains a key sector of the state and the northeast region's economy. Agriculture is a major industry in the County and in 1992 provided the County with on-farm revenue in excess of \$57 million.

St. Johns County is known as the potato and cabbage capital of Florida, and leads the other counties in Florida in value of these products. Agriculture commodities produced in the County and their respective values for 1992 are as follows:

Potatoes	\$42,600,000
Forest Products	4,000,000
Ornamental Horticulture	4,000,000
Cabbage	2,600,000
Corn and Hay	2,000,000
Other Vegetables	1,000,000
Livestock and Dairy	<u>1,000,000</u>
Total	\$57,200,000

Source: Florida Department of Agriculture St. Johns County Extension Service, January, 1993.

The County's temperate climate with a mean temperature of 70 degrees Fahrenheit and an average annual rainfall of 50 inches make it ideal for the agriculture products described above.

Employment

The following table shows the average monthly employment by category for the second quarter ending June, 1993.

<u>Distribution</u>	<u>Number of Employees</u>	<u>Percentage of Total</u>
Manufacturing	3,111	10.44%
Construction	1,215	4.08
Transportation, Communications & Utilities	556	1.87
Wholesale Trade	1,109	3.72
Retail Trade	7,626	25.59
Finance, Insurance and Real Estate	1,060	3.56
Service	9,305	31.23
Government	4,825	16.19
Agriculture (Except Domestic, Self Employed, Unpaid Family Workers and Seasonal Workers)	<u>971</u>	<u>3.26</u>
TOTAL	29,799 *	100.00%*

* Subtotals may not equal totals due to disclosure editing and/or rounding.

Source: State of Florida, Department of Labor and Employment Security, Edited ES-202 Report.

Major Employers

The following table shows some of the major employers in St. Johns County and their approximate level of employment as of February, 1994.

<u>Establishment</u>	<u>Product</u>	<u>Approximate Employment</u>
St. Johns County School System	Education	3,090
St. Johns County	County Government	827
Flagler Hospital	Health Care	786
Grumman St. Augustine Corporation	Aircraft overhaul and modification	720
Florida School for the Deaf and Blind	Educational Institution	555
V.A.W. of America, Inc.	Aluminum Extrusion	500
Florida Department of Military Affairs	Florida National Guard Headquarters	322
Luhrs Corporation	Pleasure Crafts/Sport Fishing Boats	313*
City of St. Augustine	Municipal Government	250
Tree of Life, Inc.	Health Food Distributor	227
Flagler College	Four-year Liberal Arts College	209
Florida East Coast Railway	Intrastate Railroad Freight & Express	190
Ideal Division of Epicor Industries, Inc.	Automotive Products	160
Tensolite Company	Hi-tech Wire Insulation	150
Holloway Sportswear, Inc.	Sports Clothing	120

* Seasonal.

Source: St. Augustine and St. Johns County Chamber of Commerce, 1994.

Tourism and Recreation

A combination of favorable climate and available recreational activities including public beaches, tennis courts, golf courses and cultural performances has made tourism a major industry in the County. Each year, more than one

million people visit the County to tour its 300-year-old fortress, utilize the recreation facilities and to enjoy the antiquity of the nation's oldest city.

Transportation Facilities

Air: Commercial airline service is available at the Jacksonville International Airport located approximately 60 miles north of St. Augustine. The Daytona Beach Regional Airport is approximately 55 miles south of St. Augustine. Charter flights and flight training are available at the St. Augustine Municipal Airport.

Land: Three major north/south highways, Interstate 95, U.S. 1 and State Route A1A, serve the County. Bus transportation is provided to St. Augustine by Greyhound with 5 northbound and 11 southbound buses each day.

Rail: The County is served by the Florida East Coast Railway with freight service only. Amtrak and piggyback facilities are located in Jacksonville, 38 miles north of the County.

Waterways: The Port of St. Augustine provides access to the St. Augustine Inlet, the Intracoastal Waterway and the Atlantic Ocean. The nearest deep water port is in Jacksonville.

Health Care Facilities

Medical facilities are provided by Flagler Hospital, which has 230 beds. There are approximately 100 physicians in the area, including specialists in most fields. The County has six nursing homes; one of which is partially funded by the County and five of which are private establishments.

Education

The public school system is operated by the County under authority of the St. Johns County School Board of Public Instruction. There are twelve elementary schools, four middle schools, two high schools, an exceptional child center (ungraded), a parochial elementary school, a parochial high school, a tri-county Vocation and Technical Center, St. Johns River Community College, and Flagler College, which is a four-year liberal arts institution in which more than 1,000 students are enrolled. The State operates the Florida School for the Deaf and Blind in St. Augustine with primary school through senior high school levels.

Source: St. Augustine and St. Johns County Chamber of Commerce, 1994.

ST. JOHNS COUNTY, FLORIDA
CIVILIAN LABOR FORCE
(unadjusted)

Unemployment Year	Civilian Labor	Unemployment		State	
	<u>Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Rate</u>	<u>Rate</u>
				9.3%	8.2%
1982	23,924	21,709	2,215	10.8	8.6
1983	24,752	22,073	2,679	7.7	6.3
1984	29,212	26,953	2,259	7.4	6.0
1985	31,263	28,953	2,310	6.5	5.7
1986	35,097	32,815	2,282	5.9	5.3
1987	37,681	35,471	2,210	5.2	5.0
1988	38,781	36,761	2,020	5.7	5.6
1989	39,288	37,030	2,258	5.6	5.9
1990	40,011	37,761	2,250	6.5	7.3
1991	40,510	37,889	2,621	6.6	8.2
1992	44,089	41,174	2,915	6.4	7.0
1993	45,080	42,189	2,891		

Source: Florida Department of Labor and Employment Security, Bureau of Research and Information.

ST. JOHNS COUNTY, FLORIDA
TAXABLE ASSESSED PROPERTY VALUATIONS

<u>Tax Roll Year</u>	Non-Exempt Real Property Valuations	Non-Exempt Personal Valuations	Non-Exempt Utilities Railroad	Total Taxable Assessed Property Valuations
1983	\$1,223,400,247	\$144,639,034	\$12,030,202	\$1,380,069,483
1984	1,390,251,339	164,456,858	7,626,145	1,562,334,342
1985	1,670,984,352	185,401,615	8,022,393	1,864,408,360
1986	1,962,247,284	206,521,804	1,072,961	2,169,842,049
1987	2,184,537,016	233,803,639	14,441,818	2,432,782,473
1988	2,462,124,391	244,414,748	15,577,014	2,722,116,153
1989	2,915,553,142	271,870,308	11,858,243	3,199,281,693
1990	3,200,364,647	299,669,118	12,107,655	3,512,141,420
1991	3,399,910,947	307,882,418	11,995,281	3,719,788,646
1992	3,528,333,247	310,968,580	10,492,944	3,849,794,771
1993	3,849,758,343	302,035,159	9,447,083	4,161,240,585

Source: State of Florida, Department of Revenue, Florida Ad Valorem Valuations and Tax Data for 1983-1990; Property Appraiser, St. Johns County for 1991-1993.

ST. JOHNS COUNTY, FLORIDA
AD VALOREM TAX LEVIES AND COLLECTIONS

<u>Tax Roll Year</u>	<u>Property Taxes Levied</u>	<u>Total Tax Collections¹</u>	<u>% of Levy Collected²</u>	<u>Delinquent Tax</u>
<u>Uncollected</u>				
1983	\$23,677,638	\$23,320,383	98.49%	\$357,255
1984	25,229,244	24,805,582	98.32	423,662
1985	31,295,519	31,042,190	99.19	253,329
1986	35,941,927	35,594,355	99.03	347,572
1987	40,160,327	39,785,685	99.07	374,642
1988	46,313,747	45,855,152	99.01	458,595
1989	59,828,202	<u>58,709,509</u>	<u>98.13</u>	<u>1,118,693</u>
1990	<u>66,515,233</u>	<u>65,324,133</u>	<u>98.21</u>	<u>1,191,100</u>
1991	<u>70,079,557</u>	69,486,147	<u>99.15</u>	<u>593,410</u>
1992	<u>72,993,958</u>	<u>72,455,946</u>	<u>99.26</u>	<u>538,012</u>
<u>1993³</u>	77,947,963	<u>63,666,947</u>	<u>81.68</u>	

¹ Aggregate amount of tax collections as of close-out of fiscal year ending September 30, which includes the aggregate amount of discounts actually taken by taxpayers as allowed by Florida law. A 4% discount is allowed if the taxes are paid in November with the discount declining by 1% each month thereafter. Total tax collections include current taxes paid, tax certificate proceeds, delinquent tax payments upon taxable personal property and any prior period payments on County-held tax certificates.

² Represents percentage of current gross collections (total collections plus discounts taken) to property taxes levied.

³ Process not completed until September, 1994; amounts reflect collections through February 5, 1994.

Source: State of Florida, Department of Revenue, Florida Ad Valorem Valuations and Tax Data for 1983-1990; Tax Collector, St. Johns County for 1991-1993.

ST. JOHNS COUNTY, FLORIDA
NET DEBT STATEMENT
as of March 1, 1994
(Adjusted to give effect to the issuance of the Bonds
and the Sales Tax Revenue Refunding Bonds, Series 1994)

	<u>General Obligation Bonds</u>	<u>Non-Self Supporting Revenue Bonds</u>	<u>Self Supporting Revenue Bonds</u>
<u>Direct Debt</u>			
Limited Ad Valorem Tax Refunding Bonds, Series 1994	\$ _____		
Water and Sewer Revenue Bonds, Series 1989 (\$10,430,000) and Water and Sewer Revenue Bonds, Series 1990B-I and Series 1990B-II (\$21,265,000)			\$28,662,898
Water and Sewer Revenue Bonds, Series 1991A			15,526,779
Water and Sewer Subordinated Revenue Bonds, Series 1991			2,250,000
Solid Waste Disposal Revenue Bonds, Series 1990 (\$12,496,482 less \$1,134,000 in Reserve Account)			11,362,482
Sales Tax Revenue <u>^</u> Bonds, Series <u>^ 1989</u>		\$ _____	
<u>Sales Tax Revenue and Refunding Bonds, Series 1994</u>		_____	
Capital Improvement Revenue Bonds, Series 1987A (\$1,990,000 less \$189,269 in Reserve Account)		1,800,731	
Transportation Improvement Revenue Refunding Bonds, Series 1992	_____	<u>11,430,000</u>	_____
Total Direct Debt	\$ _____	\$ _____	\$ 57,802,159

<u>Direct Debt</u>	<u>General Obligation Bonds</u>	<u>Non-Self Supporting Revenue Bonds</u>	<u>Self Supporting Revenue Bonds</u>
<u>Underlying Debt</u>			
City of St. Augustine, Florida Water and Sewer Revenue Refunding Bonds, Series 1986 (\$27,445,000)			\$25,790,000
City of St. Augustine, Florida Public Service Tax and Guaranteed Entitlement Revenue Bonds, Series 1992		7,540,000	
Parking Facilities Acquisition Revenue Bonds, Series 1990		820,000	
St. Augustine Airport Authority District St. Augustine Airport Authority Bonds, Dated 2/1/65 (District is comprised of approximately 1/4 of the County's area)	\$ 100,000		
City of Hastings, Florida Water and Sewer Bonds (\$1,014,700 less \$47,419 in Reserve Account)			967,281
St. Johns County Board of Public Instruction Certificates of Indebtedness Dated 6/1/67 (\$370,000 less \$102,287 in Reserve Account)		267,713	
School District of St. Johns County, Florida General Obligation Refunding Bonds, Series 1993	<u>48,035,000</u>	<u> </u>	<u> </u>
Total Underlying Debt	\$48,135,000	\$ 8,267,713	\$26,757,281
Total Direct and Underlying Debt	\$ <u> </u>	\$ <u> </u>	\$86,776,168

DEBT RATIOS

Direct and Underlying General Obligation Debt	\$ _____	
Per Capita	\$ _____	1.54%
As a Percent of Taxable Assessed Valuation		1.21%
As a Percent of Total Assessed Valuation		
Direct and Underlying General Obligation and Non-Self Supporting Revenue Debt	\$ _____	
Per Capita	\$ _____	%
As a Percent of Taxable Assessed Valuation		%
As a Percent of Total Assessed Valuation		
<u>^</u> 1993 St. Johns County Population Estimate	91,197	
<u>^</u> 1993 Taxable Assessed Valuation for St. Johns County	\$ 4,161,240,525	
<u>^</u> 1993 Total Assessed Valuation for St. Johns County	\$ 5,309,474,008	

Police and Fire Protection

St. Johns County is served by the Sheriff's Office, which has approximately 400 full- and part-time employees including deputies, the detective division, communications, jail and administrative personnel. There are sixteen fire stations operating within the County, served by volunteers. The County operates a special rescue unit manned by trained emergency medical technicians.

Government

The Board of County Commissioners of St. Johns County is organized under Article ^ VIII of the Constitution of the State of Florida which empowers the creation of counties as a political subdivision of the state. St. Johns County is a nonchartered county and has the power of self government as provided by general and special law through county ordinances. Under the Constitution of the State of Florida, the offices of Clerk of Court, Property Appraiser, Sheriff, Tax Collector and Supervisor of Elections are specifically authorized and empowered to provide their functional services independently of the Board. The County School Board is a separately organized taxing entity nor under the jurisdiction of the Board of County Commissioners and has specific legislative authority granted by the Constitution. The Board of County Commissioners is a seven member body with five members elected from districts and two elected countywide. The Board serves as the taxing authority for ^ certain entities authorized by the Constitution of the State of Florida including the constitutional officers and special taxing districts that are authorized under legislation and approved by the Board of County Commissioners. ^ Certain dependent county taxing districts also come under the purview of the Board's taxing limitations. The current general taxing limitation for the Board of County Commissioners is ten mills, as authorized by the Legislature. A mill generates one dollar of tax for every one thousand dollars of taxable value.

The Board of County Commissioners of St. Johns County enacted an ordinance which established the office of the County Administrator, who serves as an appointed official for the Board of County Commissioners and provides for day to day administration of county government as specifically authorized by the Board.

[FORM OF BOND COUNSEL LEGAL OPINION]

_____, 1994

The Honorable Chairman and the
Members of the Board of County
Commissioners of St. Johns County
St. Augustine, Florida

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Board of County Commissioners of St. Johns County, Florida (the "Issuer"), and other proofs submitted relative to the authorization, issuance and sale of and the security for the following described bonds (the "Bonds"):

§ _____
ST. JOHNS COUNTY, FLORIDA
LIMITED AD VALOREM TAX REFUNDING BONDS
SERIES 1994
Dated as of March 15, 1994

The Bonds are issued pursuant to the Constitution and laws of the State of Florida, including particularly Article VII, Section 12(b) of the Constitution, Chapter 125, Part I, Florida Statutes, as amended, Chapter 132, Florida Statutes, as amended, particularly Section 132.33 through 132.47 thereof, and Resolution No. 94-____ duly adopted by the Issuer on March __, 1994, as supplemented (the "Resolution"), to finance the refunding of the Issuer's outstanding Limited Ad Valorem Tax Refunding Bonds, Series 1988, and General Obligation Bonds, Series 1989. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

The principal of, premium, if any, and interest on the Bonds are payable solely from ad valorem taxes, not to exceed annually one mill, levied upon all taxable real property valued at just value within St. Johns County, all in the manner and to the extent described in the Resolution.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Resolution and in the certified proceedings and

The Honorable Chairman and the
Members of the Board of County
Commissioners of St. Johns County
_____, 1994
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other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing political subdivision of the State of Florida with the power to adopt the Resolution, perform the agreements on its part contained therein and issue the Bonds.

2. The Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer in accordance with its terms.

3. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer enforceable in accordance with their terms.

4. The Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes on interest, income or profits on debt obligations owned by corporations, as defined by Chapter 220, Florida Statutes, as amended.

5. Interest on the Bonds (including any original issue discount properly allocable to the owners thereof) (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax applicable to all taxpayers; provided, however, that interest on the Bonds is included in "adjusted current earnings" for purposes of calculating the alternative minimum tax imposed on corporations. The opinion set forth in clause (a) above is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The Honorable Chairman and the
Members of the Board of County
Commissioners of St. Johns County

_____, 1994

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6. The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture under the Trust Indenture Act of 1939, as amended.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Respectfully submitted,

FOLEY & LARDNER

EXHIBIT 3

[Date]

William R. Hough & Co.
Suite 1440
200 West Forsyth Street
Jacksonville, Florida 32202

Attention: Mr. Mitchell N. Owens

Re: St. Johns County, Florida [Sales Tax Revenue and
Refunding Bonds, Series 1994/Limited Ad Valorem Tax
Refunding Bonds, Series 1994]

Ladies and Gentlemen:

Please be advised that, as of the date hereof, St. Johns County, Florida (the "County") deems the Preliminary Official Statement of the County dated _____, relating to the captioned obligations final for purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, except for the omission of not more than the following information: the offering prices, interest rates, selling compensation, aggregate principal amounts, principal amounts per maturity, delivery date, and other terms of such obligations depending on such matters.

Very truly yours,

St. Johns County, Florida

By: _____
[Chairman, Board of County
Commissioners of St. Johns
County, Florida/County
Administrator]