

2019

Comprehensive Annual Financial Report



Fiscal Year
Ended
Sept 30, 2019



Front Cover:

The entire community came together to celebrate the grand opening of the Crosstown Parkway on Saturday, September 28 from 9 a.m. to 2 p.m. to be among the first to experience Port St. Lucie's new bridge over the North Fork of the St. Lucie River up close. The Crosstown Parkway Extension Project provides a new bridge crossing over the North Fork of the St. Lucie River in the City of Port St. Lucie, connecting the existing Crosstown Parkway from Manth Lane to U.S. 1. The project extends along the existing West Virginia Drive, crossing over the North Fork of the St. Lucie River and connecting into U.S. 1 at Village Green Drive. The project is approximately two miles with the bridge being approximately 4,000 feet. The six-lane divided highway and bridge serves as a multi-modal transportation alternative for automobile, bicycle, pedestrian and public transit.

Back Cover:

The McCarty Ranch Preserve is 3,107 acres of largely old Florida pinelands. The City purchased the property in 2012 and incorporated it into the City limits in 2013, with plans to use it as a water storage and treatment facility to help meet the City's water demands for decades to come. Additionally, the property will serve as an environmentally-friendly passive recreational area for all to enjoy. McCarty Ranch Preserve is located at 12525 Range Line Rd., west of I-95, south of the intersection of Glades Cut Off Rd. and Range Line Rd.

Comprehensive Annual Financial Report

Year Ended September 30, 2019
City of Port St. Lucie, Florida



"A City for All Ages"

Prepared by:
The Financial Management Department



Russ Blackburn
City Manager

David Graham Assistant City Manager

Jesus Merejo Chief Assistant City Manager

Kristina Ciuperger Special Assistant to the City Manager/Chief Communications Officer/Interim Human Resources Director

Teresa Lamar-Sarno Assistant to the City Manager for Land Development Services

Robert Sweeney Public Works Officer

Brad Macek Utility Systems Director

Joel A. Dramis Building Official

Karen Phillips City Clerk

William Jones Chief Information Officer

Roger Jacob Facilities Maintenance Director

Jeff Snyder Chief Financial Officer

Stephen Okiye Finance Division Director

Faye Henry City Treasurer

Matthew Shiver Procurement Division Director

Renee Major Risk Management Director

Linda McCarthy MIDFLORIDA Credit Union Event Center Director

Sherman Conrad Parks & Recreation Director

John Bolduc Chief of Police

Camen Capezuto Neighborhood Services Director

Wesley McCurry CRA Director

City Council

Port St. Lucie City Council members must live in the district they represent, however residents throughout the City vote for every City Council seat, no matter which district. The Mayor is elected at-large in a citywide election and can live anywhere in the City. Like in the Council elections, all voters can vote in the mayoral election.



“

**Port St. Lucie is a
Safe, Beautiful, and
Prosperous City for
All People
- Your Hometown.”**



Gregory J. Oravec
Mayor



Shannon M. Martin
Vice Mayor, District 3



Stephanie Morgan
Councilmember, District 1



John Carvelli
Councilmember, District 2



Jolien Caraballo
Councilmember, District 4



"A City for All Ages"

Introductory Section

City of Port St. Lucie, Florida

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CITY OF PORT ST. LUCIE



**Financial Management Department
Jeff Snyder, CPA, Chief Financial Officer**

June 24, 2020

Honorable Mayor, Members of the
City Council, and Citizens of the
City of Port St. Lucie, Florida

The Comprehensive Annual Financial Report (CAFR) of the City of Port St. Lucie, Florida for the fiscal year ended September 30, 2019, is submitted herewith, fulfilling the requirements of the City Charter, Florida Statutes and the Rules of the Auditor General of the State of Florida. The organization, form, and contents of this report plus the accompanying financial statements and statistical tables are prepared by the Financial Management Department of the City in accordance with generally accepted accounting principles (GAAP) for state and local governments and as prescribed by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

The City is responsible for establishing and maintaining a comprehensive internal controls framework that is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the reliability of financial records for preparing financial statements, and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. It is our belief that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a comprehensive understanding of the City's financial activity have been included.

Florida Statutes require an independent certified public accountant's financial audit of cities in the State. The City's financial statements have been audited by Carr, Riggs, & Ingram, LLC, a firm of licensed certified public accountants. The independent audit was performed to provide reasonable assurance that the financial statements are free of material misstatement for the fiscal year ended September 30, 2019.

The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering

unmodified opinions that the City's financial statements for the fiscal year ended September 30, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The Single Audit Section is the last section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A compliments this letter of transmittal and should be read in conjunction with it.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities), as found in the basic financial statements, report information on all of the non-fiduciary activities of the primary government and its component units. The purpose of the government-wide financial statements is to provide a consolidated financial picture of all City activities. Governmental activities which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely mostly on fees and charges for service for support.

The Reporting Entity and Services

The City of Port St. Lucie is the most populous City in St. Lucie County. It was incorporated in 1961 and is located near the Atlantic Ocean on the southeast coast of Florida. It is situated in the southern part of St. Lucie County which lies between Indian River County to the north and Martin County to the south. The City currently occupies 120 square miles. The population as reported in the 2010 Census was 164,603 and the estimated population of the City as of April 1, 2018 was 191,903 (information supplied by the State of Florida Office of Economic & Demographic Research). In the early 2000's, the City was considered the fastest growing community in both the state and the country. The City is growing at a more sustainable pace and per the latest population estimates; the City is the 7th largest City in the State. The City of Port St. Lucie is empowered to levy a property tax on both real and personal property located within its boundaries. It is also empowered by state statutes to extend its corporate limits by annexation, which it has done from time to time.

Form of Government

The City of Port St. Lucie is strategically located 100 miles north of the City of Miami, 50 miles north of the City of West Palm Beach and 120 miles south of the City of Orlando. The City is served by three major north-south Florida highways: Interstate 95, the Florida Turnpike and U.S. Highway No. 1, and is located near a seaport, an international airport and has railway access. Port St. Lucie is the spring training home of the New York Mets major league baseball team and home of the St. Lucie Mets. The Professional Golf Association has a home in Port St. Lucie at PGA Village and has built three outstanding golf courses. The Indian River State College and Keiser University have facilities located within Port St. Lucie, providing excellent higher education opportunities.

The City was created under the Laws of Florida Act 61-2721 and operates under a Council/Manager form of government. The City Council, comprised of four council members and the mayor, is the principal legislative and governing body of the City. Council members and the mayor serve four year terms with staggered elections held every two years.

The City Manager is the Chief Administrative Officer of the City and is responsible to the City Council. The City Manager oversees the day-to-day operations, makes policy recommendations to the City Council and performs other duties assigned to him by the City Council including the preparation of the annual budget and the City's five-year capital improvement plan.

The City provides a broad range of municipal services including police protection, code inspection and compliance, planning and zoning, community and economic development, construction and maintenance of transportation facilities, recreational and cultural activities, emergency preparedness management, water and wastewater utilities, stormwater management and general and administrative support. Independent taxing agencies provide fire protection and education services.

Financial Reporting Entity

This report includes all funds of the City that are controlled by or are dependent on the City Council. The City also exercises oversight and financial responsibility for the Port St. Lucie Governmental Finance Corporation, the Port St. Lucie Community Redevelopment Agency and the Port St. Lucie Municipal Police Officers' Retirement Trust Fund. Accordingly, these activities are included in the City's financial statements. Additional information on these three legally separate entities can be found in Note I - A in the notes to the financial statements.

Annual budgets for all funds of the City, except Capital Projects Funds, are adopted by the City Council each year. The annual budget serves as the foundation for the City's financial planning and control. The budget is legally enacted through the passage of an ordinance by City Council on or before the end of September of the fiscal year currently ending. The level of budgetary control is the department. The City Manager is authorized to transfer budgeted amounts within departments of any fund. Revisions that alter the budgeted totals of any department require approval of the City Council. Encumbrance accounting is utilized in governmental funds in order to reserve the encumbered portion of the appropriation. Encumbrances outstanding at year end are reported as reservations to fund balance and are re-appropriated as part of the following year's budget.

Economic Condition and the Local Economy

Commercial Development

The City of Port St Lucie continues to experience significant growth in new residential and commercial construction. New commercial permits continue to be active in 2018 and 2019 with a total of 293 permits issued in 2018 versus 275 permits issued in 2019. Single family residential permits increased by nearly 25% between 2018 and 2019 with a total of 2,188 permits issued versus 2,725 permits issued respectively. The total value of all permits issued during 2018 was \$807 million versus \$846 million in 2019, nearly a 5% increase. This construction activity will positively impact our ad valorem tax base over the next couple of year.

Housing Market

According to the Florida Realtors Association the median sales price of a single-family home in St Lucie County increased 5.9% from \$220,000 in 2018 to \$233,000 in 2019. Likewise, the median sales price of townhouses and condos in St Lucie County increased by 2.1% from \$176,750 in 2018 to \$180,500 in 2019. As noted above the building permits issued are increasing at very strong rates.

The City's low crime rate, improved grades of local schools and affordable market rate housing are contributing factors leading to an increase in housing demand in Port St Lucie.

The effect on the economy due to the COVID-19 pandemic will not be known for many months. There are a multitude of theories being bantered about in the financial market ranging from an immediate recover to an economic Armageddon. The City will remain vigilant to trends and growth developments as time passes ready to take whatever measures are necessary to meet these challenges if they emerge. City Council has been and continues to be fiscally responsible with the City's resources which places the us in a strong financial position to weather this storm.

Strategic Plan

The Port St. Lucie City Council continues to utilize strategic planning to guide the future of the city. In July of 2018 the City Council adopted an updated Strategic Plan that identifies seven main goals along with strategic objectives and actions to support the overall goals:

- Safe, Clean and Beautiful;
- Vibrant Neighborhoods;
- Quality Education for All Residents;
- Diverse Economy and Employment Opportunities;
- High Quality Infrastructure and Facilities;
- Culture, Nature and Fun Activities and
- High Performing City Government Organization

The City Council adopted the following vision for our future:

Port St. Lucie has **Great Neighborhoods**; excellent **Educational Opportunities** for lifelong learning; a **Diverse Local Economy** and **Employment** options; **Convenient Transportation**; unique natural resources including the **St. Lucie River**; and **Leisure Opportunities** for an **Active Lifestyle**.

Port St. Lucie is a Safe, Beautiful, and Prosperous City for All People –Your Hometown.

The work of the City is centered in the City's mission:

“to provide exceptional municipal services that are responsive to the community and to plan for smart and balanced growth while acting in a financially responsible manner.”

The City's staff has embraced this strategic plan which drives our daily activities. From top to bottom we are committed to realizing these goals.

Budget Outlook

After six years of increasing property values and favorable economic indicators, the local economy continues to grow. For the seventh year in a row the City's taxable value has increased and the year-over-year percentage of increase has grown each year (from 1.7% in 2013 to 10.8% in 2019). This generates an additional \$4 million in property tax revenue for the 2019-2020 fiscal year over the prior year . As a result of the increase in assessed values and for the fourth year in a row, the City Council reduced the millage tax rates by 0.2260 mills for Fiscal Year 2018-2019, reducing the total City tax rate from a high of 6.3000 to 6.0740.

In the General Fund, five major revenues (property taxes, sales taxes, 10% electric utility tax, 6% electric franchise fee, and communications services tax) make up 83% of the total general fund revenues and are anticipated to increase 4.5%, primarily due to the increase in property tax values.

The long range General Fund model assumes a modest level of taxable value increase going into future years and increases to other economic revenues. Fund Balance Contingencies are being budgeted at 20% or greater. This sound financial picture is allowing the City Council to enhance the level of service being provided and they are able to begin addressing the deferred maintenance issues which were largely ignored during the Great Recession. With the City continuing to be in a strong position to fund its financial obligations, it is anticipated that the City's credit ratings will achieve higher classifications. However, we have significant unknowns of the future impact on our revenues due to the COVID-19 pandemic which we are all living through. The City will remain vigilant to the potential future changes so that we can react appropriately.

Current and Long-Term Capital Improvements.

The City of Port St. Lucie Capital Improvement Program is a multi-year plan used to identify needed capital projects and to coordinate financing and timing of the capital additions necessary to compliment the growth of the City and to comply with requirements of the Growth Management Act. Ongoing funding sources for capital improvements include a portion of the ad valorem taxes levied each year by the City, a 0.2313 county-wide tax levy dedicated to parks, the 6 cent, 2 cent, and 3 cent local option gas taxes imposed by County Ordinance, road impact fees, and parks impact fees. Grants and bond proceeds are also used to fund specific capital improvements, such as the various sidewalks projects and Riverwalk Multi-Phase (Park) Project. Major capital projects planned for the next five years are estimated to cost \$301.9 million in total and include:

- \$ 24.1 million Port St. Lucie Blvd Improvements
- \$ 44.7 million Westport Wastewater Plant upgrades
- \$ 34.8 million Water Treatment Upgrades
- \$ 5.5 million Sidewalk Improvements
- \$ 11.6 million Riverwalk Multi-Phase Project
- \$ 10.6 million Street Resurfacing Projects
- \$15.0 million Public Works Facility
- \$15.1 million Floresta Drive Improvements

The City of Port St. Lucie has completed a six-lane east-west connector road, Crosstown Parkway, which establishes a connection between Highway 1 and Interstate 95 to facilitate growth plus provide for emergency evacuation for our citizens in the west side of town. This is the culmination of nearly 20 years of continual effort and \$313 million in bonds, state grants, and federal grants.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Port St. Lucie, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2018. This was the twenty-eighth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

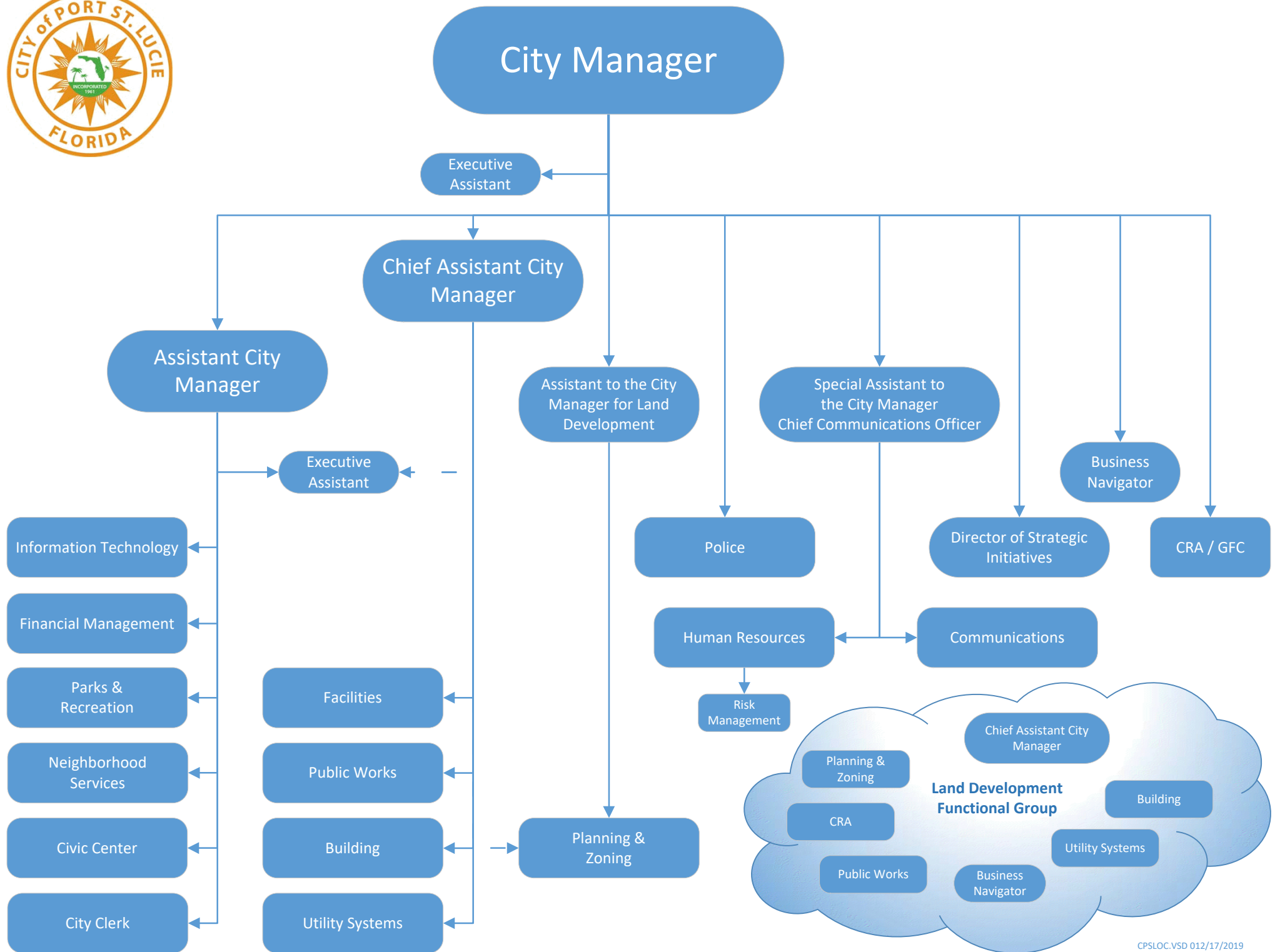
In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2018. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and a communications device.

I want to thank the staff of the Financial Management Department for their efforts in preparing this report and all City departments for their cooperation and assistance throughout the past year. I also want to thank the City Manager and his staff, and the Mayor and City Council in providing leadership and taking necessary actions to continue a standard of financial excellence for the City.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'JSnyder', is positioned above the typed name.

Jeff Snyder, CPA
Chief Financial Officer





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Port St. Lucie
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrell

Executive Director/CEO

Financial Section

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
City of Port St. Lucie, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Port St. Lucie, Florida, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Port St. Lucie, Florida's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Municipal Police Officers Pension Trust Fund, which represent 86 percent, 86 percent and 76 percent, respectively of the assets, net position, and additions of the retirement trust funds. Those statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for the Municipal Police Officers Pension Trust Fund is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Honorable Mayor and Members of the City Council
City of Port St. Lucie, Florida
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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Port St. Lucie, Florida, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Port St. Lucie, Florida's basic financial statements. The introductory section, combining and individual non-major fund financial statements, budgetary schedules of non-major funds, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550 Rules of the Florida Auditor General is also not a required part of the basic financial statements.

Honorable Mayor and Members of the City Council
City of Port St. Lucie, Florida
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The combining and individual nonmajor fund financial statements, budgetary schedules of non-major funds, and schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, budgetary schedules of non-major funds, and schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory section, and statistical section disclosures have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2020 on our consideration of the City of Port St. Lucie, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Port St. Lucie's internal control over financial reporting and compliance.

Cam, Riggs & Ingram, L.L.C.

Melbourne, Florida
June 24, 2020

Management's Discussion & Analysis

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

As management of the City of Port St. Lucie, Florida we offer the following narrative overview and analysis of the financial activities of the City of Port St. Lucie, Florida (the City) for the fiscal year ended September 30, 2019. Readers are encouraged to consider this overview and analysis in combination with the traditional transmittal letter that can be found on pages vi - xi of this report.

FINANCIAL HIGHLIGHTS

- The City's revenue bond balance increased during the fiscal year as a result of refunding the nonexchange financial guarantee bond of \$54.6 million as a taxable revenue bond.
- Net pension liability and net other post-employment benefit (OPEB) liability both increased due to changes in assumptions and differences between actual and expected experiences, by nearly 37% or \$11.6 million.
- On the Government-Wide Financial Statements, the City's total cash and investments of \$196.6 million at September 30, 2019 may be used to meet the City's ongoing obligations to citizens and creditors.
- At the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$180.2 million, an increase of \$17.5 million from last fiscal year. Approximately 33.5% of the total governmental fund balance amount, or \$60.4 million, is designated as committed, assigned, and unassigned. The remaining 66.5% or \$119.8 million is designated as non-spendable or restricted found on page 31. See Note 2 on page 29 for a detailed description of fund balance classifications per GASB Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City Basic Financial Statements. The Basic Financial Statements are comprised of three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Financial Statements. This report also contains other supplementary information in addition to the Basic Financial Statements themselves. Detail regarding the Basic Financial Statement follows.

1) Basic Financial Statements – Government-Wide Financial Statements

The *Government-Wide Financial Statements* are designed to provide readers with a broad overview of the City finances, in a manner similar to a private-sector business. They are presented on pages 2 - 5 of this report. Summarized version of these statements are included in this Management Discussion & Analysis (MD&A) and can be found on pages 3 and 6.

The *Statement of Net Position*, page 2, presents information on all of the City assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the components as net position. Over time increases or decreases in net position may serve as a useful indicator of changes in the City's financial position.

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The *Statement of Activities*, page 4, presents information showing how the City net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This is the accrual basis of accounting. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both the Statement of Net Position and the Statement of Activities divide the functions of the City that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (Business-Type Activities). The Governmental Activities of the City include general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation. The Business-Type Activities of the City include the utility system, the stormwater utility, and the golf course. See Note 1 on page 21 for further discussion on the financial reporting entity.

Government-Wide Financial Statement Analysis

The following tables, graphs, and analysis discuss the financial position and changes to the financial position for the City as a whole and as of the year ended September 30, 2019.

Net Position. As noted above, net position may serve over time as a useful indicator of a government's financial position. The City's net position, the amount by which assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources, was \$1,041.5 million at the close of the fiscal year.

The largest portion of the City's net position, \$617.8 million, reflects its investment in capital assets, e.g., land, buildings, improvements, equipment, and infrastructure, less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The following table summarizes page 2, the detailed Statement of Net Position.

The restricted portion of the City's net position, \$298.1 million, represents resources that are subject to external restrictions on how they may be used. Such restrictions include debt service payments, development impact fees restricted to growth-related projects, other capital projects, and required reserves. The remaining unrestricted portion of the City's net position, \$125.5 million, may be used to meet current and ongoing obligations.

At the end of the fiscal year, the City had positive balances in all three categories of net positions, 1) net investment in capital assets, 2) restricted, and 3) unrestricted for the total government and the business-type activities.

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

City of Port St. Lucie, Florida
Net Position as of September 30,
(in thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2019	2018	2019	2018	2019	2018
Assets:						
Current and other assets	\$ 378,073	\$ 380,758	\$ 124,276	\$ 118,723	\$ 502,349	\$ 499,481
Capital assets	751,117	715,413	645,194	631,086	1,396,311	1,346,499
Total assets	1,129,190	1,096,171	769,470	749,809	1,898,660	1,845,980
Deferred outflows	35,039	32,478	16,708	16,599	51,747	49,077
Liabilities:						
Other liabilities	45,912	40,159	21,650	27,730	67,562	67,889
Long-term liabilities outstanding	422,795	436,624	404,556	412,037	827,351	848,661
Total liabilities	468,707	476,783	426,206	439,767	894,913	916,550
Deferred inflows	8,792	14,005	5,217	5,217	14,009	19,222
Net position:						
Net invested in capital assets	371,421	352,634	246,424	225,938	617,845	578,572
Restricted	260,295	287,398	37,801	44,362	298,096	331,760
Unrestricted (deficit)	55,015	(2,171)	70,529	51,124	125,544	48,953
Total net position	\$ 686,731	\$ 637,861	\$ 354,754	\$ 321,424	\$ 1,041,485	\$ 959,285

Capital Assets. The City's capital assets for the fiscal year ended September 30, 2019, totaled \$1.4 billion, net of accumulated depreciation. This represents an increase of \$49.8 million from prior fiscal year, an increase of \$35.7 million for Governmental Activities and an increase of \$14.1 million for Business-Type Activities.

The Crosstown Parkway bridge project resulted in the large increase in construction in progress. The completion of the bridge will finish a more than \$300 million project which began in 2005. This project will link the east and west portion of the City with a six-lane road to ease traffic delays within the City's other two major river crossings.

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The following table provides a detailed listing of the City's capital assets, net of accumulated depreciation.

City of Port St. Lucie, Florida
Capital Assets (net of depreciation)
as of September 30,
(in thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2019	2018	2019	2018	2019	2018
Land	\$ 131,972	\$ 123,309	\$ 56,048	\$ 55,694	\$ 188,020	\$ 179,003
Buildings	87,838	76,711	3,135	3,297	90,973	80,008
Improvements other than buildings	32,576	30,715	1,335	1,151	33,911	31,866
Machinery and equipment	10,856	12,486	12,862	12,686	23,718	25,172
Intangible	209	202	525	555	734	757
Infrastructure	358,200	372,124	22,103	22,860	380,303	394,984
Plant	-	-	206,214	211,357	206,214	211,357
Water and sewer system	-	-	325,074	319,664	325,074	319,664
Construction in progress	129,466	99,866	17,898	3,822	147,364	103,688
Total Capital Assets	\$ 751,117	\$ 715,413	\$ 645,194	\$ 631,086	\$ 1,396,311	\$ 1,346,499

Additional information regarding the City's capital assets can be found in Note 3 (D) of the financial statements.

Long-term Liabilities. As shown in the schedule below, the City experienced decreases in long-term debt of approximately 4.9% or \$40.6 million. The City has been concentrating on reducing outstanding debt as quickly as possible. Management has been refunding debt as present value savings warrant. The City's policy is to refund when the present value savings are 5% or greater and a present value of future cash flow savings are \$0.4 million or greater, unless it is in the City's best interest to refund.

General obligation (GO) bonds are backed by the full faith and credit of the City. In Florida, GO bonds can only be issued through a majority vote of our constituents. The current GO bonds are associated with the major capital project, Crosstown Parkway.

The special assessment debt was issued to aid in development of certain areas within the City by building the infrastructure: streets, electric, water, and sewer. Property owners pay for these improvements through assessments on their tax bill. Special assessment debt was reduced by 4.7% or \$6.5 million by required principal payments and utilizing excess special assessment collections for early call of outstanding principal.

Revenue bonds are backed by the specific revenue pledged and not the full faith and credit of the City. These bonds are largely related to water, sewer, and stormwater activities and will be paid from user fees. Revenue bonds increased by 6.8% or \$33.4 million during the year. The net increase was a result of refinancing the nonexchange financial guarantee net of required principal payments. The amount refinanced was \$54.1 million and required principal payments were \$20.7 million.

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

Overall, the City's long-term liabilities decreased during the year and increased for certain categories, namely, general obligation bonds, special assessment bonds, and nonexchange financial guarantee.

As mentioned earlier in the MD&A both the City's net pension liability and net OPEB liability increased by a total to 37% or \$11.6 million during the year due in a large part to changes in assumptions and differences between expected and actual experience.

City of Port St. Lucie, Florida
Long-Term Liabilities
as of September 30,
(in thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 97,890	\$ 101,605	\$ -	\$ -	\$ 97,890	\$ 101,605
Special assessment bonds	129,950	136,400	-	-	129,950	136,400
Revenue bonds	155,140	109,515	372,110	384,380	527,250	493,895
Compensated absences	10,067	9,669	3,987	3,686	14,054	13,355
Capital leases	781	1,037	-	-	781	1,037
Nonexchange financial guarantee	-	54,556	-	-	-	54,556
Unamortized bond premiums	12,172	15,882	26,660	31,914	38,832	47,796
Net pension liability	26,361	19,251	-	-	26,361	19,251
Net other post employment benefits	11,221	7,874	5,816	4,660	17,037	12,534
Total Long Term Liabilities	<u>\$ 443,582</u>	<u>\$ 455,789</u>	<u>\$ 408,573</u>	<u>\$ 424,640</u>	<u>\$ 852,155</u>	<u>\$ 880,429</u>

Additional information on the City's long-term debt can be found in the Notes to the Financial Statements, Note 3 (G), Long-Term Liabilities.

All the City's outstanding bonds are rated by at least one of the nationally recognized rating agencies. As the City has been moving forward with the issuance of the refunding bonds, Standard & Poor's (S&P) Global provided ratings. Notable is an upgrade to the Utility Revenue bonds by S&P Global of AA- up from an A+ based in part upon both strong operational management and strong financial management.

Ratings on the City's bonds are as follows:

Bond Type	S&P	Moody's	Fitch
General Obligation	AA-	Aa3	No rating
Special Assessment	AA-	No rating	No rating
Special Revenue	AA-	A2	No rating
Public Service Tax	AA-	No rating	No rating
Community Redevelopment	AA-	A2	No rating
Taxable Special Obligation	AA-	No rating	No rating
Stormwater Revenue	No rating	Aa3	No rating
Utility Revenue	No rating	Aa3	No rating

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

Changes in Net Position. Details of the following summarized information can be found on page 4, the Statement of Activities.

City of Port St. Lucie, Florida
Changes in Net Position for the year ended September 30,
(in thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2019	2018	2019	2018	2019	2018
Program revenues:						
Charges for services	\$ 55,220	\$ 55,849	\$ 102,313	\$ 97,889	\$ 157,533	\$ 153,738
Operating grants & contributions	4,957	4,252	800	13	5,757	4,265
Capital grants & contributions	20,618	22,999	36,003	24,894	56,621	47,893
General revenues:						
Property taxes	60,802	56,103	-	-	60,802	56,103
Other taxes	57,277	49,715	-	-	57,277	49,715
State revenue sharing	6,041	5,685	-	-	6,041	5,685
Interest income	4,557	1,276	3,760	1,660	8,317	2,936
Other revenues	6,346	39,031	375	-	6,721	39,031
Total revenues	<u>215,818</u>	<u>234,910</u>	<u>143,251</u>	<u>124,456</u>	<u>359,069</u>	<u>359,366</u>
Expenses:						
General government	21,901	19,548	-	-	21,901	19,548
Public safety	54,882	53,319	-	-	54,882	53,319
Physical environment	18,793	18,941	-	-	18,793	18,941
Transportation	25,974	33,659	-	-	25,974	33,659
Economic environment	9,526	8,409	-	-	9,526	8,409
Human services	3,963	1,248	-	-	3,963	1,248
Culture & recreation	18,850	17,177	-	-	18,850	17,177
Interest on Long-term debt	16,553	12,239	-	-	16,553	12,239
Water & wastewater	-	-	81,878	87,774	81,878	87,774
Stormwater	-	-	22,771	22,370	22,771	22,370
Golf course	-	-	1,778	1,892	1,778	1,892
Total expenses	<u>170,442</u>	<u>164,540</u>	<u>106,427</u>	<u>112,036</u>	<u>276,869</u>	<u>276,576</u>
Change in net position before transfers	45,376	70,370	36,824	12,420	82,200	82,790
Transfers	3,494	(1,845)	(3,494)	1,845	-	-
Changes in net position	<u>48,870</u>	<u>68,525</u>	<u>33,330</u>	<u>14,265</u>	<u>82,200</u>	<u>82,790</u>
Net position - beginning						
before restatement	637,861	566,493	321,424	310,330	959,285	876,823
Restatement - note	-	2,843	-	(3,171)	-	(328)
Net position - beginning, restated	<u>637,861</u>	<u>569,336</u>	<u>321,424</u>	<u>307,159</u>	<u>959,285</u>	<u>876,495</u>
Net position - ending	<u><u>686,731</u></u>	<u><u>637,861</u></u>	<u><u>354,754</u></u>	<u><u>321,424</u></u>	<u><u>1,041,485</u></u>	<u><u>959,285</u></u>

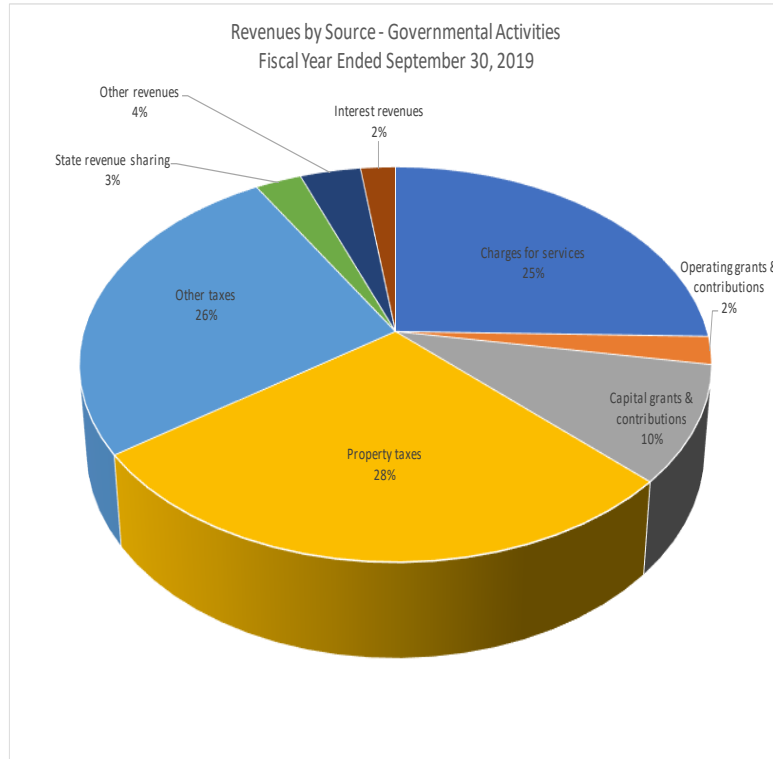
The City's results of operations were positive in both the governmental activities and the business-type activities. The City's net position increased by nearly 1% or to \$82.2 million.

Revenues were flat overall and remained at \$359 million; revenues were down by 8.1% or \$19.1 million for governmental activities and up by 15.1% or \$18.8 million for business-type activities.

Overall, expenses were flat with an increase of 0.1% or \$0.3 million.

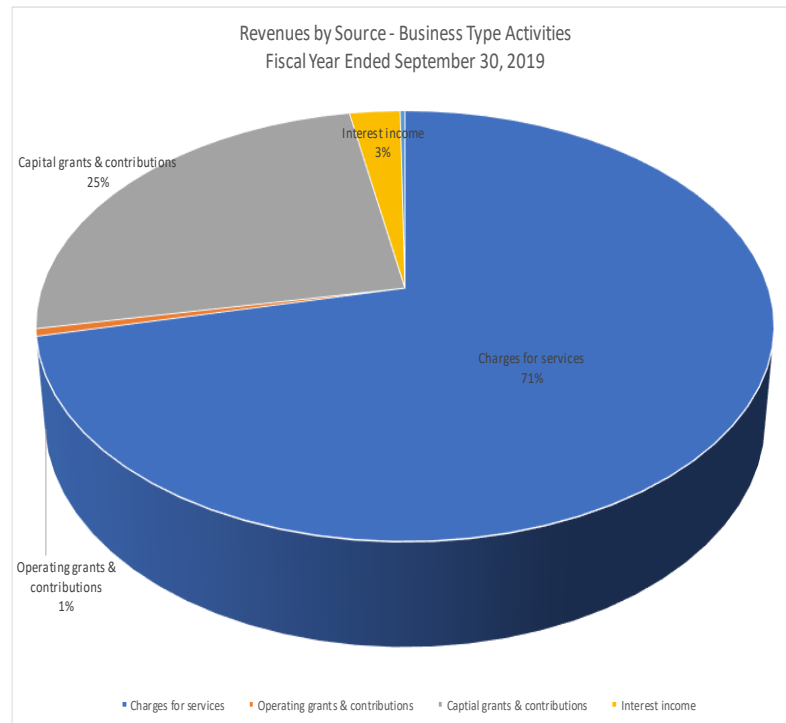
City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The sources of the revenues shown previously are portrayed in the following charts by percentage for Governmental Activities and then the Business Type Activities:



As shown above, property taxes and other taxes are the City's largest sources of revenue for the Governmental Activities comprising 54% of the total. Additional information about tax revenues is provided in the Revenue Capacity section of the Statistical Section of this report beginning on page 171.

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019



As shown in this chart, charges for services account for the majority of the Business-Type Activities revenues which is to be expected for these types of activities.

2) Basic Financial Statements - Fund financial statements

A *Fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the City's funds can be divided into three categories: governmental, proprietary and fiduciary.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as, on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The City maintains 39 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Community Redevelopment Fund, Crosstown Parkway Fund and Southwest Annexation District 1 Special Assessment Collection Fund, all of which are major funds. Data from the other 35 governmental funds are combined into a single, aggregated presentation.

Fund balance is segregated between non-spendable and spendable components. The segregation of the equity section is designed to indicate the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the fund can be spent. The five components of fund balance are as follows:

- *Non-spendable*: Amounts not in spendable form such as inventory and pre-paid items.

Spendable Fund balances:

- *Restricted*: Spendable resources which are restricted by external legal restrictions such as bond covenants and state and federal grants.
- *Committed*: Spendable resources which are committed by ordinances of the City Council and contracts approved by the City Council.
- *Assigned*: Spendable resources which are assigned by the City Council to specific uses such as capital projects and amounts to cover anticipated revenue shortfalls in the ensuing fiscal year.
- *Unassigned*: Spendable resources which can be used for any City purpose. In the general fund, it represents the cash carry forward into the next year's budget.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$180.2 million, an increase of \$17.5 million from the prior year. The primary reason for the increase was collections from the half cents sales tax which is a revenue source and fund established during the year. The half cent sales tax is a ten-year sales tax increase and revenues will be used to pay for building more sidewalks, improving roads and water-quality projects to improve the health of the Indian River Lagoon.

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The following summarizes information found on pages 6 - 9 pages in the following financial statements:

City of Port St. Lucie, Florida
Changes in Governmental Fund Balances
Fiscal Year Ended September 30, 2019
(in thousands)

	Fund Balances September 30, 2018	Net Changes in Fund Balances	Fund Balances September 30, 2019
General Fund	\$ 29,777	\$ 4,782	\$ 34,559
SW Annexation District 1 Collection Fund	10,194	411	10,605
Community Redevelopment Fund	248	(25)	223
Crosstown Parkway Fund	11,103	(5,457)	5,646
Nonmajor Governmental Funds	111,410	17,763	129,173
Totals	<u>\$ 162,732</u>	<u>\$ 17,474</u>	<u>\$ 180,206</u>
Nonspendable	\$ 31,735	\$ (111)	\$ 31,624
Spendable - Restricted	82,193	5,946	88,139
Spendable - Committed, Assigned, Unassigned	48,804	11,639	60,443
Total Governmental Fund Balances	<u>\$ 162,732</u>	<u>\$ 17,474</u>	<u>\$ 180,206</u>

The non-major governmental funds increased 15.9% or \$17.8 million. The main reason for the increase was the addition of the half cents sales tax fund which was established during the fiscal year.

The *General Fund* is the chief operating fund of the City. At the end of the current fiscal year, total fund balance of the General Fund was \$34.6 million. Of this amount approximately \$31.7 million is unassigned but included. As a measure of the General Fund's liquidity, it may be useful to compare total fund balances to total fund revenues and expenditures. The City's total fund balance represents 34.5% of revenues and 36.6% of expenditures in the General Fund.

Governments have an option of including the budgetary comparison statements for the General Fund and the major special revenue funds as either part of the Fund Financial Statements within the Basic Financials Statements, or as required supplementary information (RSI) after the Notes to the Financial Statements. The City has chosen to present the budgetary statements in the RSI following the Notes to the Financial Statements.

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The following summarizes the General Fund Budgetary Comparison Statement as presented on page 80:

City of Port St. Lucie, Florida
General Fund
Budgetary Comparison Statement
Fiscal Year Ended September 30, 2019
(in thousands)

	Final Amended Budget	Actuals	Variance Positive (Negative)
Revenues	\$ 100,949	\$ 100,179	\$ (770)
Expenditures and Encumbrances	100,359	94,485	5,874
Deficiency of Revenues Under Expenditures	590	5,694	5,104
Other Financing Sources (Uses)	(1,366)	(912)	454
Net Change in Fund Balance	(776)	4,782	5,558
Fund Balance October 1		29,778	
Fund Balance September 30		\$ 34,560	

The total revenues in the General Fund were within 1.0% of the final amended budget and total expenditures were less than the final amended budget.

The actual general fund expenditures were \$5.9 million less than the Final Amended Budget. The actual General Fund expenditures reflect department efficiencies, controlling costs, and only spending what is necessary during the fiscal year for operations.

Enterprise Funds. The Enterprise Fund Financial Statements are prepared and presented using the same accounting basis and measurement focus as the Government-Wide Financial Statements, but in more detail. The following table summarizes the statements presented on pages 12 – 13:

City of Port St. Lucie, Florida
Changes in Enterprise Fund Net Position
Fiscal Year Ended September 30, 2019
(in thousands)

	Net Position (Deficit) September 30, 2018	Change in Net Position	Net Position (Deficit) September 30, 2019
Utility System Fund	\$ 301,056	\$ 32,322	\$ 333,378
Stormwater Utility Fund	14,092	1,649	15,741
Non Major Enterprise Fund	5,360	(149)	5,211
Totals	\$ 320,508	\$ 33,822	\$ 354,330

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

The Utility System Fund increased its net position by \$32.3 million which is largely due to an increase in the capital contributions, system development fees, and connection fees (due to rapid growth in the City) which increased more than 46.6% or \$11.5 million. The remaining increase came as a result of increasing the utility rates by 1.5% and the explosive growth in building. Expenses have been increasing also but not as rapidly.

The Stormwater Utility Fund increased fees in the prior years and revenues and expenses were flat compared to prior year. The fund maintained their expenses level increasing by less than 1% which also helped increase the net position.

3) Basic Financial Statements – Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes to the Basic Financial Statements can be found beginning on page 21 of this report. Additionally, governments are required to disclose certain information about employee pension funds. The City has provided this information in Note 4 (B) to the financial statements and as required supplemental information.

ECONOMIC FACTORS

- The 1990 census recorded Port St. Lucie's population at 55,866 and the 2010 census recorded Port St. Lucie's population at 164,850, nearly 200% increase. As of July 2019, the City covers approximately 120 square miles and has an estimated population of just at 200,000.
- Unemployment rates in the US, Florida, and Port St. Lucie metropolitan statistical area (MSA) respectively for December 2019 are 3.7%, 3.1%, and 3.7%. This compares well to the national and state rates.
- Subsequent to the year end, in Mid-March of 2020 the World Health Organization (WHO) declared a global pandemic because of COVID-19, a novel coronavirus. There is neither a treatment nor vaccine for this virus. In an effort to reduce the spread, the State of Florida declared a stay at home order April 1, 2020. The impact was an immediate recession, rising unemployment rates and an immediate drop in sales and sales tax revenues. The prediction is that for FY2020, there will be a significant drop in revenue, and, assessed valuation of property is expected to remain the same or decrease.
- The fiscal year 2018-2019 assessed valuation of property increased 10.2% to \$10.8 billion. On September 23, 2019 the Port St. Lucie City Council voted to decrease the City total millage rate to 6.3000 from 6.0740 mills per \$1,000 of assessed valuation.
- Data produced by the Relators of the Palm Beaches and Greater Fort Lauderdale indicates that the average median sales price for an existing single-family home in Port St. Lucie has increased 5.9% over December 2019.

City of Port St. Lucie, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2019

Budget Outlook.

After many past years of declining property values and less than favorable economic indicators, the local economy continues to show signs of sustained health. For the seventh year in a row the City's taxable value has increased and the year-over-year percentage of increase has grown each year (from 1.7% in 2013-2014 to 10.8% in FY 2018-2019). This generated an additional \$4.7 million in property tax revenue for the 2019-2020 fiscal year over the prior year. As a result of the increase in assessed values, the City Council reduced tax rates by 0.226 mills for Fiscal Year 2019-2020, reducing the total City tax rate from 6.300 to 6.0740.

In the General Fund, five major revenues (property taxes, sales taxes, 10% electric utility tax, 6% electric franchise fee, and communications services tax) make up 76% of the total general fund revenues and are budgeted at 7.19% greater than the prior year, primarily due to the increase in property tax values.

Over the past year, the Port St. Lucie area has seen a positive trend in commercial and residential building permits issued. There were 193 new businesses that opened during the Calendar Year 2019 compared to 232 in Calendar Year 2018. Building permits are at their highest level in the past 10 years, certificates of occupancy are up 48.6% compared to 2018, and the median sales price for a traditional sale was up 5.9%. Existing businesses such as Tradition Medical Center and City Electric Supply have completed substantial expansions. These all will provide additional revenue and employment opportunities in the City as will the Ardie R. Copas State Veteran's Nursing Home once complete.

The long range General Fund model assumes a modest level of taxable value increase going into future years and increases to other economic revenues. Fund Balance Contingencies are being budgeted at 17% or greater. This sound financial picture allowed the City Council to enhance the level of services being provided and began addressing the deferred maintenance issues which were largely ignored during the Great Recession. With the City continuing to be in a strong position to fund its financial obligations, it is anticipated that the City's credit ratings will achieve higher classifications.

Recent world developments will increase the pressure on the City's budget. It is unclear at this time how these developments will impact the budget, but the obvious impacts will be on the revenue stream side. If the crisis lasts longer than anticipated, and revenues fall short of targets, it may be required to make on-going adjustments to proposed expenditures. Over the long term, the reduction in revenue will require cuts in expenditures or increases in Ad Valorem Revenue (millage).

Request for Information.

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, 121 S.W. Port St. Lucie Boulevard, Port St. Lucie, Florida, 34984-5099.

Basic Financial Statements

City of Port St. Lucie, Florida

Statement of Net Position
September 30, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in pooled cash and investments	\$ 144,508,949	\$ 52,103,944	\$ 196,612,893
Receivables	187,872,298	18,668,136	206,540,434
Internal balances	(423,895)	423,895	-
Prepaid and other assets	31,624,000	2,319,298	33,943,298
Restricted equity in pooled cash and investments	14,491,901	50,760,742	65,252,643
Capital assets, net of depreciation	489,679,238	571,247,649	1,060,926,887
Capital assets, not depreciated	261,438,095	73,946,402	335,384,497
Total assets	1,129,190,586	769,470,066	1,898,660,652
Deferred outflows			
Loss on bond defeasance	16,536,679	12,676,205	29,212,884
Pension related deferred outflows	11,088,645	-	11,088,645
OPEB related deferred outflows	7,413,630	4,031,348	11,444,978
Total deferred outflows	35,038,954	16,707,553	51,746,507
Liabilities			
Accounts payable and other accrued expenses	19,393,499	5,928,194	25,321,693
Unearned revenue	1,832,707	2,497,772	4,330,479
Bond interest Payable	3,898,104	-	3,898,104
Long-term liabilities due within one year	20,787,699	13,223,827	34,011,526
Long-term liabilities due in more than one year	385,212,075	389,533,212	774,745,287
Net other post employment benefits	11,221,074	5,815,682	17,036,756
Net pension liability	26,361,356	-	26,361,356
Payable from restricted assets	-	9,207,696	9,207,696
Total liabilities	468,706,514	426,206,383	894,912,897
Deferred inflows			
Pensions	574,331	-	574,331
Other post employment benefits	8,217,388	5,217,332	13,434,720
Total deferred inflows	8,791,719	5,217,332	14,009,051
Net Position			
Net investment in capital assets	371,420,795	246,423,971	617,844,766
Restricted for:	-	-	-
Debt services	189,334,752	10,344,970	199,679,722
Capital projects	32,114,578	27,364,080	59,478,658
Protective inspections	15,831,263	-	15,831,263
Housing assistance	2,197,225	-	2,197,225
Transportation	19,412,067	-	19,412,067
Other purposes	1,405,161	-	1,405,161
Claims	-	92,234	92,234
Unrestricted	55,015,466	70,528,649	125,544,115
Total net position	\$ 686,731,307	\$ 354,753,904	\$ 1,041,485,211

The notes to the financial statements are an integral part of this statement.



"A City for All Ages"

City of Port St. Lucie, Florida

Statement of Activities

For the Year Ended September 30, 2019

Function/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
General government	\$ 21,901,294	\$ 2,734,335	\$ -	\$ 350,000
Public safety	54,881,911	13,010,530	648,292	-
Physical environment	18,792,667	30,806,604	250,902	-
Transportation	25,974,214	3,960,542	32,520	17,219,710
Economic environment	9,525,823	137,750	3,998,918	2,978,806
Human services	3,962,662	51,744	-	-
Culture and recreation	18,849,670	4,518,877	26,724	69,702
Debt service - interest	16,552,602	-	-	-
Total general government	170,440,843	55,220,382	4,957,356	20,618,218
Business-type activities:				
Utility system	81,877,917	77,109,074	800,037	36,002,447
Stormwater utility	22,770,841	23,675,557	-	-
Golf course	1,778,394	1,527,999	-	-
Total business-type activities	106,427,152	102,312,630	800,037	36,002,447
Total primary government	\$ 276,867,995	\$ 157,533,012	\$ 5,757,393	\$ 56,620,665

General Revenues:

Taxes:

Property taxes
Franchise and utility taxes
Communications service tax
Local business tax
Sales tax
State revenue sharing - unrestricted
Local option gas tax
Insurance premium tax
Interest
Miscellaneous Revenue
Transfers
Total general revenues and transfers

Change in net position

Net position - beginning

Net position - ending

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (18,816,959)	\$ -	\$ (18,816,959)
(41,223,089)	-	(41,223,089)
12,264,839	-	12,264,839
(4,761,442)	-	(4,761,442)
(2,410,349)	-	(2,410,349)
(3,910,918)	-	(3,910,918)
(14,234,367)	-	(14,234,367)
(16,552,602)	-	(16,552,602)
(89,644,887)	-	(89,644,887)
-	32,033,641	32,033,641
-	904,716	904,716
-	(250,395)	(250,395)
-	32,687,962	32,687,962
\$ (89,644,887)	\$ 32,687,962	\$ (56,956,925)

\$ 60,801,707	\$ -	\$ 60,801,707
24,320,736	-	24,320,736
4,778,502	-	4,778,502
2,030,504	-	2,030,504
14,032,808	-	14,032,808
6,040,623	-	6,040,623
10,544,228	-	10,544,228
1,569,087	-	1,569,087
4,557,240	3,760,370	8,317,610
6,346,273	374,577	6,720,850
3,493,586	(3,493,586)	-
138,515,294	641,361	139,156,655
48,870,407	33,329,323	82,199,730
637,860,900	321,424,581	959,285,481
\$ 686,731,307	\$ 354,753,904	\$ 1,041,485,211

City of Port St. Lucie, Florida

**Balance Sheet
Governmental Funds
September 30, 2019**

	General Fund	SW Annexation District 1 Collection Fund	Community Redevelopment Agency Fund	Crosstown Parkway Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 33,524,021	\$ 3,745,329	\$ 236,014	\$ 6,439,242	\$ 91,086,957	\$ 135,031,563
Receivables	4,777,488	119,830,111	-	25,600	51,857,047	176,490,246
Due from other governments	3,754,064	29,696	-	2,672,444	4,925,848	11,382,052
Prepaid items	66,773	-	-	-	34,040	100,813
Inventories	30,370	-	-	-	31,492,817	31,523,187
Restricted assets	-	6,830,696	-	-	7,661,205	14,491,901
Total assets	<u>\$ 42,152,716</u>	<u>\$ 130,435,832</u>	<u>\$ 236,014</u>	<u>\$ 9,137,286</u>	<u>\$ 187,057,914</u>	<u>\$ 369,019,762</u>
Liabilities, Deferred Inflows, and Fund Balances						
Liabilities						
Accounts payable	\$ 2,522,085	\$ 400	\$ 2,281	\$ 3,491,309	\$ 4,740,010	\$ 10,756,085
Accrued salaries and wages	2,061,904	-	10,582	-	396,446	2,468,932
Due to other governments	5,952	-	-	-	46,463	52,415
Unearned revenue	1,691,669	-	-	-	100,401	1,792,070
Deposits payable	311,806	-	-	-	961,402	1,273,208
Retainage payable	-	-	-	-	315,404	315,404
Total liabilities	<u>6,593,416</u>	<u>400</u>	<u>12,863</u>	<u>3,491,309</u>	<u>6,560,126</u>	<u>16,658,114</u>
Deferred Inflows						
Unavailable revenue	999,846	119,830,111	-	-	51,325,551	172,155,508
Total deferred inflows	<u>999,846</u>	<u>119,830,111</u>	<u>-</u>	<u>-</u>	<u>51,325,551</u>	<u>172,155,508</u>
Nonspendable	97,143	-	-	-	31,526,857	31,624,000
Restricted	-	10,605,321	223,151	5,645,977	71,665,090	88,139,539
Committed	2,806,480	-	-	-	25,980,290	28,786,770
Unassigned	31,655,831	-	-	-	-	31,655,831
Total fund balances	<u>34,559,454</u>	<u>10,605,321</u>	<u>223,151</u>	<u>5,645,977</u>	<u>129,172,237</u>	<u>180,206,140</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 42,152,716</u>	<u>\$ 130,435,832</u>	<u>\$ 236,014</u>	<u>\$ 9,137,286</u>	<u>\$ 187,057,914</u>	<u>\$ 369,019,762</u>

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Position
For the Year Ended September 30, 2019

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund Balances - Total Governmental Funds	\$ 180,206,140
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$1,192,407,046 and the accumulated depreciation is \$441,289,713	751,117,333
Long-term liabilities are not due and payable in the current period and are not reported in the governmental funds. Long-term liabilities at year end consist of:	(431,409,735)
Bonds Payable	382,980,000
Capital Leases	780,683
Compensated Absences	10,066,622
Net Other Post Employment Benefits	11,221,074
Net pension liability	26,361,356
Governmental funds do not report a liability for accrued interest until it is due and payable. Accrued interest must be reported as a liability in the government-wide financial statements.	(3,898,104)
In fund financial statements, governmental fund types recognize discounts and premiums during the current period as other financing uses. In the government-wide statements, discounts and premiums are applied against bonds payable.	(12,172,469)
Deferred inflows related to pensions and other post employment benefits are not financial resources and therefore are not reported in the governmental funds.	(8,791,719)
Deferred inflows for earned but unavailable revenues are not reported in the funds, but are reported in the statement of net position.	172,155,508
The difference between the amount required to repay previously issued debt in a refunding transaction and the amount of the old debt is reported as a deferred outflow of resources in the government-wide financial statements.	16,536,679
Deferred outflows related to pensions are not financial resources and therefore are not reported in the governmental funds.	18,502,275
The internal service fund is used by management to charge the cost of employee health insurance. The current assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	4,485,399
Net position of governmental activities	\$ 686,731,307

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2019**

	General Fund	SW Annexation District 1 Collection Fund	Community Redevelopment Agency Fund	Crosstown Parkway Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 65,737,912	\$ -	\$ -	\$ -	\$ 14,737,085	\$ 80,474,997
Licenses and permits	11,006,849	-	-	-	9,902,198	20,909,047
Intergovernmental	14,479,012	-	1,793,667	16,766,814	25,224,809	58,264,302
Charges for services	3,939,322	6,979,785	-	-	29,233,074	40,152,181
Fines and forfeitures	1,191,992	-	-	-	597,259	1,789,251
Interest income	1,084,983	335,548	12,041	237,752	2,833,964	4,504,288
Impact fees	970,583	-	-	-	12,236,846	13,207,429
Other	1,768,239	-	20,064	25,600	4,374,092	6,187,995
Total revenues	<u>100,178,892</u>	<u>7,315,333</u>	<u>1,825,772</u>	<u>17,030,166</u>	<u>99,139,327</u>	<u>225,489,490</u>
Expenditures						
Current						
General government	21,470,489	-	-	-	-	21,470,489
Public safety	48,452,947	-	-	-	8,733,138	57,186,085
Physical environment	363,145	112,239	-	-	18,233,830	18,709,214
Transportation	114,750	-	-	26,183,748	23,633,071	49,931,569
Economic environment	2,587,629	-	418,303	-	5,224,323	8,230,255
Human services	1,458,061	-	-	-	2,532,282	3,990,343
Culture and recreation	14,883,437	-	-	-	3,348,634	18,232,071
Debt Service						
Principal	745,000	3,085,000	2,720,000	-	12,321,768	18,871,768
Interest	4,409,864	3,705,744	1,593,150	-	7,654,349	17,363,107
Total expenditures	<u>94,485,322</u>	<u>6,902,983</u>	<u>4,731,453</u>	<u>26,183,748</u>	<u>81,681,395</u>	<u>213,984,901</u>
Excess (deficiency) of assets over (under) expenditures	<u>5,693,570</u>	<u>412,350</u>	<u>(2,905,681)</u>	<u>(9,153,582)</u>	<u>17,457,932</u>	<u>11,504,589</u>
Other financing sources (uses)						
Transfers in	9,202,280	-	1,328,097	4,027,088	13,170,739	27,728,204
Transfers out	(10,519,040)	(1,073)	(47,740)	(355,420)	(13,246,843)	(24,170,116)
Proceeds from sale of assets	-	-	1,600,000	25,000	380,695	2,005,695
Proceeds from issuance of debt	54,360,024	-	-	-	-	54,360,024
Payment to Escrow Agent	(53,955,165)	-	-	-	-	(53,955,165)
Total other financing sources (uses)	<u>(911,901)</u>	<u>(1,073)</u>	<u>2,880,357</u>	<u>3,696,668</u>	<u>304,591</u>	<u>5,968,642</u>
Net change in fund balances	4,781,669	411,277	(25,324)	(5,456,914)	17,762,523	17,473,231
Fund balances, beginning of year	<u>29,777,785</u>	<u>10,194,044</u>	<u>248,475</u>	<u>11,102,891</u>	<u>111,409,714</u>	<u>162,732,909</u>
Fund balances, end of year	<u>\$ 34,559,454</u>	<u>\$ 10,605,321</u>	<u>\$ 223,151</u>	<u>\$ 5,645,977</u>	<u>\$ 129,172,237</u>	<u>\$ 180,206,140</u>

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2019**

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances - Total Governmental Funds	\$ 17,473,231
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital outlay recorded as expenditures in the current period.	42,181,543
The amount of depreciation expense associated with capital assets is recorded as expense in the current period.	(26,798,772)
This is the amount of donated capital assets was received in the current period.	8,598,051
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. These transactions, however, have no effect on net assets. This is the amount of repayment of principal of long-term debt recorded in the current period	18,890,737
Governmental funds do not recognize expenditures for the long-term accrued liability associated with compensated absences. This is the net change of compensated absences recorded in the current period.	(397,898)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. Changes related to long-term liabilities included:	
In governmental funds, proceeds of new bonds are used to redeem outstanding bonds. The difference between the proceeds from the new bonds and the amount paid to redeem the old bonds is recorded as a loss. In the Statement of Activities, that difference must be amortized over the life of the bonds.	(4,385,648)
Governmental funds do not recognize expenditures for the liability associated with accrued interest payable on long-term debt. This is the amount of accrued interest payable recorded in the current period.	(873,082)
Governmental funds report the effect of issuance of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the amount of the difference in treatment of unamortized bond premiums and discounts.	3,709,522
Governmental funds do not recognize expenditures for the change in the Net Pension liability from year-to-year. This is the change of the Net Pension liability for the current period.	(245,920)
Governmental funds do not recognize expenditures for the change in the Net OPEB liability from year-to-year. This is the change of the Net OPEB liability for the current period.	1,349,957
In the governmental funds, revenues cannot be recognized until they are available to liquidate liabilities of the current period. In the statement of activities, revenue is recognized as soon as it is earned regardless of its availability.	(10,500,482)
Issuance of refunding bonds to provide resources to pay the outstanding balance of old debt provides an economic gain but frequently results in an accounting loss. The accounting loss must be amortized over the life of the refunded bonds in the Statement of Net Assets.	600,820
The internal service fund is used by management to charge the costs of health insurance. The net revenue of the internal service fund is reported with governmental activities.	(731,652)
Net change in net position - governmental activities	<u>\$ 48,870,407</u>

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

Statement of Net Position
Proprietary Funds
September 30, 2019

	Utility System Fund	Stormwater Utility Fund	Non Major Enterprise Fund	Total Enterprise Funds	Governmental Activities - Internal Service Fund
Assets					
Current assets					
Cash and cash equivalents	\$ 38,170,643	\$ 13,811,795	\$ 121,506	\$ 52,103,944	\$ 9,477,386
Receivables	9,499,288	869,578	-	10,368,866	-
Due from other governments	222,932	94,213	-	317,145	-
Prepaid items	50,817	495,708	-	546,525	-
Inventories	1,512,148	212,837	47,787	1,772,772	-
Restricted equity in pooled cash and investments	47,919,217	2,841,525	-	50,760,742	-
Total current assets	97,375,045	18,325,656	169,293	115,869,994	9,477,386
Noncurrent assets					
Noncurrent receivables	7,859,273	-	-	7,859,273	-
Advances to other funds	122,852	-	-	122,852	-
Capital assets (net of depreciation)	541,661,805	26,905,995	2,679,849	571,247,649	85,974
Capital assets, not being depreciated/amortized	54,344,759	16,814,701	2,786,942	73,946,402	253,459
Total noncurrent assets	603,988,689	43,720,696	5,466,791	653,176,176	339,433
Total assets	701,363,734	62,046,352	5,636,084	769,046,170	9,816,819
Deferred outflows					
Loss on debt defeasance	12,635,316	40,889	-	12,676,205	-
Other post employment benefits	2,893,000	1,049,759	88,589	4,031,348	-
Total deferred outflows	15,528,316	1,090,648	88,589	16,707,553	-
Liabilities					
Current liabilities					
Deposits payable	-	30,514	7,200	37,714	9,042
Accounts payable	3,844,490	977,988	44,564	4,867,042	4,518,413
Accrued salaries and wages	700,623	174,710	16,601	891,934	-
Unearned revenue	2,405,883	75,976	15,913	2,497,772	40,637
Retainage payable	4,594	-	-	4,594	-
Due to other governments	-	-	4,058	4,058	-
Current portion of long-term debt	11,971,661	1,242,803	9,363	13,223,827	-
Payable from restricted assets	8,022,998	1,184,698	-	9,207,696	-
Total current liabilities	26,950,249	3,686,689	97,699	30,734,637	4,568,092
Noncurrent liabilities					
Long-term portion of debt	348,609,518	40,829,025	94,669	389,533,212	-
Advances from other funds	-	43,876	78,976	122,852	-
Net other post employment benefits	4,169,361	1,519,906	126,415	5,815,682	-
Total noncurrent liabilities	352,778,879	42,392,807	300,060	395,471,746	-
Total liabilities	379,729,128	46,079,496	397,759	426,206,383	4,568,092
Deferred Inflows					
Other post employment benefits	3,784,502	1,316,700	116,130	5,217,332	-
Total deferred inflows	3,784,502	1,316,700	116,130	5,217,332	-
Net Position					
Net investment in capital assets	238,166,484	2,790,696	5,466,791	246,423,971	339,433
Debt service	7,595,679	2,749,291	-	10,344,970	-
Capital projects	27,364,080	-	-	27,364,080	-
Claims	-	92,234	-	92,234	-
Unrestricted	60,252,177	10,108,583	(256,006)	70,104,754	4,909,294
Total net position	\$ 333,378,420	\$ 15,740,804	\$ 5,210,785	\$ 354,330,009	\$ 5,248,727

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

**Reconciliation of the Statement of Net Position of
Proprietary Funds to the Statement of Net Position
For the Year Ended September 30, 2019**

Total net position of Enterprise Funds on the statement of net position of proprietary funds	\$354,330,009
The internal service fund is used by management to charge the cost of employee health insurance. The current assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	423,895
Net position in business-type activities	<u><u>\$354,753,904</u></u>

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

**Statement of Revenues, Expenditures, and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2019**

	Utility System Fund	Stormwater Utility Fund	Non Major Enterprise Fund	Total Enterprise Funds	Governmental Activities - Internal Service Fund
Operating revenues:					
Charges for services	\$ 77,109,074	\$ 23,675,557	\$ 1,527,999	\$ 102,312,630	\$ -
Employer contributions to health insurance	-	-	-	-	16,341,412
Employee contributions to health insurance	-	-	-	-	2,894,155
Other contributions	-	-	-	-	411,591
Total operating revenues	<u>77,109,074</u>	<u>23,675,557</u>	<u>1,527,999</u>	<u>102,312,630</u>	<u>19,647,158</u>
Operating expenses:					
Personal services	20,587,659	5,567,086	697,240	26,851,985	216,254
Contractual services	1,834,277	10,322,318	235,904	12,392,499	1,163,820
Depreciation/amortization expense	34,293,237	1,351,383	242,853	35,887,473	6,360
Operating supplies and expense	12,890,825	2,508,744	591,541	15,991,110	392,894
Administrative expenses	-	-	-	-	679,347
Insurance premiums	-	-	-	-	2,145,085
Benefits paid	-	-	-	-	16,535,901
Total operating expenses	<u>69,605,998</u>	<u>19,749,531</u>	<u>1,767,538</u>	<u>91,123,067</u>	<u>21,139,661</u>
Operating income (loss)	<u>7,503,076</u>	<u>3,926,026</u>	<u>(239,539)</u>	<u>11,189,563</u>	<u>(1,492,503)</u>
Nonoperating revenue (expenses)					
Interest income	2,294,602	1,460,490	5,277	3,760,369	280,653
Grants	800,037	-	-	800,037	-
Interest	(11,914,654)	(2,910,119)	(856)	(14,825,629)	-
Gain on disposition of equipment	14,519	16,270	-	30,789	-
Miscellaneous	51,263	277,839	29,204	358,306	51,726
Total nonoperating revenue (expenses)	<u>(8,754,233)</u>	<u>(1,155,520)</u>	<u>33,625</u>	<u>(9,876,128)</u>	<u>332,379</u>
Income (loss) before operating transfers	<u>(1,251,157)</u>	<u>2,770,506</u>	<u>(205,914)</u>	<u>1,313,435</u>	<u>(1,160,124)</u>
Transfers and Contributions					
Capital contributions	15,026,357	-	-	15,026,357	-
System developments fees	7,341,897	-	-	7,341,897	-
Connection fees	13,634,193	-	-	13,634,193	-
Transfers in	2,164,340	-	228,425	2,392,765	-
Transfers out	<u>(4,592,801)</u>	<u>(1,121,962)</u>	<u>(171,588)</u>	<u>(5,886,351)</u>	<u>(64,501)</u>
Total transfers and contributions	<u>33,573,986</u>	<u>(1,121,962)</u>	<u>56,837</u>	<u>32,508,861</u>	<u>(64,501)</u>
Change in net position	<u>32,322,829</u>	<u>1,648,544</u>	<u>(149,077)</u>	<u>33,822,296</u>	<u>(1,224,625)</u>
Net position, beginning of year	<u>301,055,591</u>	<u>14,092,260</u>	<u>5,359,862</u>	<u>320,507,713</u>	<u>6,473,352</u>
Net position, end of year	<u>\$ 333,378,420</u>	<u>\$ 15,740,804</u>	<u>\$ 5,210,785</u>	<u>\$ 354,330,009</u>	<u>\$ 5,248,727</u>

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Net Position of Proprietary Funds the Statement of Activities
For the Year Ended September 30, 2019

Net Change in Net Position - Enterprise Funds	\$ 33,822,296
The internal service fund is used by management to charge the costs of health insurance. The net revenue of the internal service fund is reported with governmental activities.	<u>(492,973)</u>
Net change in net position - business-type activities	<u>\$ 33,329,323</u>

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

**Statement of Cash Flows
Proprietary Funds
September 30, 2019**

	Utility System Fund	Stormwater Utility Fund	Non Major Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Cash flows from operating activities					
Receipts from customers	\$ 77,714,692	\$ 23,372,116	\$ 1,527,999	\$ 102,614,807	\$ 19,649,562
Payments to suppliers	(10,694,655)	(12,373,224)	(859,527)	(23,927,406)	(18,943,063)
Payments to employees	(20,587,659)	(5,567,086)	(697,240)	(26,851,985)	(216,254)
Net cash provided (used) by operating activities	46,432,378	5,431,806	(28,768)	51,835,416	490,245
Cash flows from noncapital and related financing activities					
Operating grants	800,037	-	-	800,037	-
Transfers in from other funds	2,164,340	-	228,425	2,392,765	-
Transfers out to other funds	(4,592,801)	(1,121,962)	(171,588)	(5,886,351)	(64,501)
Advances from (to) other funds	-	(4,623)	-	(4,623)	-
Payments received/(made) on advances (to)/from other funds	12,944	-	(8,322)	4,622	-
Net cash provided (used) by noncapital and related financing activities	(1,615,480)	(1,126,585)	48,515	(2,693,550)	(64,501)
Cash flows from capital and related financing activities					
Purchases of capital assets	(48,835,427)	(1,113,302)	(46,321)	(49,995,050)	-
Receipts/payments on leases and notes	-	-	(9,411)	(9,411)	-
Principal paid on revenue bonds	(14,507,101)	(977,209)	-	(15,484,310)	-
Interest paid on revenue bonds, leases and notes	(15,404,096)	(2,893,851)	-	(18,297,947)	-
Principal paid on other debt	-	-	-	-	-
Interest paid on other debt	-	-	-	-	-
Issuance of revenue, G.O. bonds, and capital leases	-	-	-	-	-
Contributed capital and capital grants	36,002,447	-	-	36,002,447	51,726
Net cash provided (used) by capital and related financing activities	(42,744,177)	(4,984,362)	(55,732)	(47,784,271)	51,726
Cash flows from investing activities					
Interest earnings on cash and investments	2,294,602	1,460,490	5,276	3,760,368	280,652
Net cash provided by (used by) investing activities	2,294,602	1,460,490	5,276	3,760,368	280,652
Net increase (decrease) in cash and cash equivalents	4,367,323	781,349	(30,709)	5,117,963	758,122
Cash and cash equivalents - beginning of year	81,722,537	15,871,971	152,215	97,746,723	8,719,264
Cash and cash equivalents - end of year	\$ 86,089,860	\$ 16,653,320	\$ 121,506	\$ 102,864,686	\$ 9,477,386

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

**Statement of Cash Flows
Proprietary Funds
September 30, 2019**

	Utility System Fund	Stormwater Utility Fund	Non Major Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 7,503,076	\$ 3,926,026	\$ (239,539)	\$ 11,189,563	\$ (1,492,503)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	34,293,237	1,351,383	242,853	35,887,473	6,360
Increase (decrease) in long-term assets/liabilities	51,263	277,840	29,204	358,307	-
Change in assets and liabilities:					
Accounts receivable	605,618	(326,149)	-	279,469	2,404
Inventory	15,336	25,516	577	41,429	-
Prepaid expenses	(50,511)	14,914	-	(35,597)	-
Accrued insurance claims	(89,164)	-	-	(89,164)	1,960,493
Accounts payable	1,653,013	238,594	(42,975)	1,848,632	4,449
Due from others	-	-	4,058	4,058	-
Other accrued liabilities	537,669	20,790	(12,554)	545,905	-
Compensated absences	82,612	-	(2,126)	80,486	-
Due to/from other governments	(215,000)	21,190	-	(193,810)	-
Customer deposits	47,299	40,799	7,200	95,298	9,042
Retainage payable	4,594			4,594	
OPEB payable	1,993,336	(159,097)	(15,466)	1,818,773	-
Net cash provided (used) by operating activities	<u>\$ 46,432,378</u>	<u>\$ 5,431,806</u>	<u>\$ (28,768)</u>	<u>\$ 51,835,416</u>	<u>\$ 490,245</u>
Supplemental cash flow information:					
Noncash capital improvements and other changes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

Balance Sheet
Fiduciary Funds
September 30, 2019

	Retirement Trust Funds
Assets	
Cash and cash equivalents	\$ 523
Fixed investments	5,041,137
Corporate stocks	26,348,838
Corporate bonds	6,865,762
US Government obligations	635,133
Federal agencies	9,490,297
Municipal obligations	1,134,136
Real estate investments	12,524,756
Mutual funds	69,493,716
Accrued investment income	281,057
Prepaid items	1,418
Total assets	<u>\$ 131,816,773</u>
Liabilities and net position	
Accounts payable	196,080
Total liabilities	<u>196,080</u>
Net position	
Restricted for:	
Employee retirement	131,620,693
Total net position	<u>131,620,693</u>
Total liabilities and net position	<u>\$ 131,816,773</u>

The notes to the financial statements are an integral part of this statement.

City of Port St. Lucie, Florida

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2019

	<u>Retirement Trust Funds</u>
Additions	
Contributions	
City	\$ 8,131,532
State	1,569,087
Employee	1,805,061
Total contributions	<u>11,505,680</u>
Investment income	
Net increase in fair value of investments	2,186,362
Interest and dividends	2,627,832
Total investment income	4,814,194
Investment expense	<u>(269,005)</u>
Total additions	<u>16,050,869</u>
Deductions	
Benefit payments	7,560,098
Administrative costs and charges	222,178
Refunds	197,975
Total deductions	<u>7,980,251</u>
Change in net position	8,070,618
Net position, beginning of year	<u>123,550,075</u>
Net position, end of year	<u>\$ 131,620,693</u>

The notes to the financial statements are an integral part of this statement.



"A City for All Ages"

Notes to the Financial Statements

City of Port St. Lucie, Florida

For the Year Ended September 30, 2019

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City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 1. NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Port St. Lucie, Florida (the "City") was incorporated in 1961 and covers an area of approximately 120 square miles. The City derives authority from Article VIII, Section 2 of the Constitution of the State of Florida, and Chapter 166, Florida Statutes, "Municipal Home Rule Powers Act". The specific organizational governing authority of the City of Port St. Lucie is the City of Port St. Lucie City Charter as adopted in 1976 and as from time to time subsequently amended. The City operates under an elected City Council (5 members) and provides services to its more than 191,000 residents in the form of law enforcement, community enrichment and development, street maintenance, culture and recreation, planning and zoning, human services and general administrative services.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies:

A. SCOPE OF REPORTING ENTITY

The accompanying financial statements present the City's primary government and component units over which the City exercises significant influence. Even though the component units are legally separate, they are so intertwined with the City that they are, in substance, the same as the City. The following component units are included in the City's financial statements as blended component units.

Port St. Lucie Governmental Finance Corporation - The Corporation is a not-for-profit corporation incorporated in 1990 for the sole purpose of assisting the City in acquiring and constructing various governmental projects consisting of real and/or personal property. The Corporation is included in the City's financial statements since the directors of the Corporation are the Mayor and members of the City Council and the lease payments by the City to the Corporation are the primary source of funds to pay the debt of the Corporation.

Community Redevelopment Agency - The Community Redevelopment Agency was established for the purpose of improving the economic and social conditions within a specific boundary. Incremental property taxes collected within this area are remitted by the various taxing entities back to the Community Redevelopment Agency. The Community Redevelopment Agency (CRA) is included in the City's financial statements since the directors are the Mayor and members of the City Council and the incremental property taxes received by the City are remitted to the CRA.

The activities of the Port St. Lucie Governmental Finance Corporation are included in the combined financial statements within the Special Revenue Funds. The activities of the Community Redevelopment Agency are included in the basic financial statements as a major fund.

Port St. Lucie Municipal Police Officers' Retirement Trust Fund - The Port St. Lucie Municipal Police Officers' Retirement Trust Fund is included in the financial statements as a pension trust fund. Activities of the Trust Fund are reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. The Trust Fund issues separate financial statements and are available by contacting the City of Port St. Lucie Financial Management Department, 121 S.W. Port St. Lucie Boulevard, Port St. Lucie, Florida 34984.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 1. NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole, excluding fiduciary activities such as employee pension plans. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees charged to developers. These revenues are subject to externally imposed restrictions to their program uses. Taxes and other revenue sources are reported as general revenues.

Interfund transfers were recorded to the General Fund from the other operating funds to cover the cost of services provided, such as finance, personnel, purchasing, legal, information technology, and certain management functions.

The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Fund and Fiduciary Fund financial statements. The government-wide statement of net position reports all assets and liabilities of the City, including long-term assets and long-term liabilities and other obligations. The effect of interfund activity has been removed from these statements. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred. The City's fiduciary funds are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party (plan participants and third party) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental column of the government-wide presentation. Totals on the business-type activity fund statements should directly reconcile to the business-type activity column presented in the government-wide statements.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 1. NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The focus of the government-wide financial statements is on the City as a whole. The focus of the Fund Financial Statements is on the major funds of the governmental and business-type activities. Each presentation provides valuable information that can be analyzed to enhance the usefulness of the information.

Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund that include charges for services and user fees. Non-operating revenues are not related to the operations of the proprietary fund and include interest earnings and intergovernmental revenue. Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses are not related to operations, such as interest expense.

Modified Accrual

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues available if they are collected within 45 days after year-end. Primary revenue sources that have been treated as susceptible to accrual include, where material, intergovernmental revenue, franchise taxes, communication taxes and charges for services.

Property taxes are accounted for when measurable and available. No accruals for the property tax levy becoming due in November 2019 are included in the accompanying financial statements since such taxes are levied for the subsequent fiscal year and are not considered available at September 30, 2019.

In applying the "susceptible to accrual" concept (the City may act as either provider or recipient), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, should under most circumstances be reported as advances by the provider and unearned revenue by the recipient.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, as under accrual accounting. Exceptions to this general rule include principal and interest on long-term debt, expenditures related to compensated absences, and claims and judgments, which are recognized when due.

C. BASIS OF PRESENTATION

The financial transactions of the City are recorded in individual funds. The operations for each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. Resources are allocated to and accounted for in individual funds, based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Governmental Funds

The focus of Governmental Fund measurement (in the Fund Financial Statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 1. NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following is a description of the major Governmental Funds of the City:

General Fund - to account for revenues and expenditures for the City. All general tax revenue and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the general fund.

SW Annexation Special Assessment District 1 Collection Fund - to account for the annual assessment collections and payment of principal and interest on the Special Assessment Bonds. Proceeds of the Bonds were used to pay the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the SW Annexation Special Assessment District.

Port St. Lucie Community Redevelopment Agency Fund - to account for revenues and expenditures of the Community Redevelopment Agency established for the purpose of improving the economic and social conditions within a specific boundary. The fund receives the tax-increment revenues from the City and County for the various redevelopment districts.

Crosstown Parkway Fund - to account for the expenditures associated with the acquisition of land and construction of the Crosstown Parkway. Funding is provided by the issuance of ad valorem tax supported bonds and federal and state grants.

Proprietary Funds

The focus of Proprietary Fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows, which is similar to businesses. The following is a description of the major Proprietary Funds of the City:

Utility System Fund - to account for the operations of a water and wastewater system.

Stormwater Utility Fund - to account for the operations of a program designed to maintain, replace and improve the City's stormwater-related infrastructure.

Other Fund Types

Additionally, the City reports the following Fund types:

Internal Service Fund - to account for medical, dental and vision benefits provided to City employees and administered by the City.

Pension Trust/Employee Benefit Funds - to account for one defined benefit plan, three defined contribution plans, and one other post employment benefits plan (OPEB), which accumulate resources for pension and other benefit payments to City employees/retirees.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 1. NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS AND NET POSITION OR EQUITY, REVENUES, AND EXPENDITURES/EXPENSES

Pooled Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand and demand deposits. The City has established an investment policy in accordance with Section 218.415, Florida Statutes that allows the City to invest in relatively low risk securities, such as certificates of deposit, money market accounts, and U. S. Government Securities and Agencies. Investments are stated at fair value or amortized cost, which approximates fair value. Resources of all funds, with the exception of the pension funds and the other post employment (OPEB) fund, have been combined into investment pools for the purpose of maximizing investment yields. Investment revenue is comprised of interest and dividends and realized and unrealized gains and losses on investments. Investment revenue on pooled investments is allocated monthly based upon equity balances of the respective funds. Accrued interest on pooled investments is grouped with pooled cash and investments on the balance sheet at year-end.

Receivables

All receivables are shown net of an allowance for uncollectibles. Unbilled service revenues of the utility system are accrued at the end of the year by prorating actual subsequent billings.

Due To/Due From

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balance outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Prepaid and Other Assets

Inventories are composed of expendable supplies held for consumption, and are stated at cost using the first-in, first-out method. The governmental fund type inventories are recorded using the consumption method.

The Neighborhood Stabilization Program Fund has acquired various distressed improved properties with funding from federal government grant programs. The City renovates these properties or, in some cases, demolishes the structure, and sells the property to qualified individuals in the City. The Governmental Finance Fund has acquired property held for resale when the previous owner topped making tax payments. These properties are accounted for as an item of inventory based on the acquisition price plus applicable carrying costs, amounting to \$31,492,817 at September 30, 2019, as presented in the non-major governmental funds.

For certain bond issues, the City purchased bond insurance to lower the cost of borrowing. Prepaid insurance is amortized over the terms of the respective bonds using the straight line method. The carrying value as of September 30, 2019 is \$457,922.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 1. NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Assets

Certain revenue bond proceeds of the various funds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by contracts or applicable bond covenants.

Capital Assets

The City's property, plant, equipment, intangible and infrastructure assets with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The City maintains infrastructure asset records consistent with all other capital assets. Proprietary and component unit capital assets are also reported in their respective fund financial statements. Donated assets are stated at acquisition value on the date donated. The City generally capitalizes assets with cost of \$5,000 or more as purchases and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of assets constructed net of any interest income earned.

Estimated useful lives, in years, for depreciable assets are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	5 - 50
Improvements, other than buildings	2 - 50
Infrastructure	20 - 50
Mobile equipment	3 - 30
Furniture, machinery, and equipment	3 - 30
Intangible	5 - 10

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from City service if they meet certain criteria. These benefits, plus their related taxes, are classified as compensated absences. The accumulated compensated absences are accrued when incurred in the government-wide financial statements and proprietary funds for both the current and long-term portions. The General Fund, Road and Bridge Fund, and Building Department Fund typically are the governmental-type funds that liquidate the compensated absences liability. Compensated absences are reported in the governmental funds only if they have matured and are due and payable as of September 30, 2019.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 1. NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Debt and Bond Discounts/Premiums

In the government-wide financial statements and the proprietary fund types in the fund financial statements, outstanding debt is reported as liabilities. Bond discounts or premiums are amortized over the terms of the respective bonds using the effective interest rate method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources and discounts as other financing uses of the current period. Issuance costs are reported as expenditures.

Deferred Outflows

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense). In the government-wide financial statements and the proprietary fund types in the fund financial statements, the difference between the reacquisition price and the net carrying value of refunded debt is amortized over the terms of the respective bonds using the effective interest rate method and reported as deferred outflows. The amounts for pensions and OPEB relate to certain differences between projected and actual actuarial results, and certain differences between projected and actual investment earnings.

In the government-wide financial statements, imposed nonexchange transactions that will be collected in future periods are reported as revenues in the statement of activities. The governmental fund financial statements report imposed nonexchange transactions that will be collected in future periods as deferred inflows.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. The amounts for pensions and OPEB relate to certain differences between projected and actual actuarial results and certain differences between projected and actual investment earnings.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from management's estimates.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 1. NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

The City's property tax is levied annually on October 1 on the real and personal property located in the City on January 1 (the lien date) of the fiscal year. The assessed value on which the 2018 levy was based was approximately \$9.7 billion. The assessed values are established by the St. Lucie County Property Appraiser. Tax collections by the St. Lucie County Tax Collector normally begin in November of each year with a due date of March 31 of the following year. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January, and 1% in February. Unpaid property taxes become delinquent as of April 1. Current tax collections for the year ended September 30, 2019 were approximately 96% of the total tax levied. The City is permitted by state law to levy taxes up to 10 mills of assessed valuation. The tax rate for the year ended September 30, 2019 was 5.0807 mills for general operating purposes plus a voter-approved 1.2193 mill levy for debt service on general-obligation bonds.

E. NEW ACCOUNTING STANDARDS

Effective October 1, 2018, the City implemented Governmental Accounting Standards Board Statement No. 83, Certain Asset Retirement Obligations (ARO). "The principal objective of this Statement is to provide financial statement users with information about asset retirement obligations (AROs) that were not addressed in GASB standards by establishing uniform accounting and financial reporting requirements for these obligations."

Effective October 1, 2018, the City implemented Governmental Accounting Standards Board Statement No. 88, Certain Debt Disclosures. "The principal objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt."

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 2. NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGET AND BUDGETARY ACCOUNTING

The City's Financial Management Department prepares an annual operating budget for the General, Debt Service, Special Revenue, and Enterprise Funds. Major capital facilities and improvements, which are accounted for within the Capital Projects Funds, are subject to budgetary control on a project basis whereas other capital outlay accounted for within these funds are subjected to the standard budgetary control.

The City includes anticipated cash carryforwards from the prior year as budgeted revenues in the formal budget. These amounts, however, are excluded from budgeted revenues in the accompanying financial statements in accordance with generally accepted accounting principles.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and means of financing them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. The budget is legally enacted through the passage of an ordinance by City Council on or before the thirtieth day of September of the fiscal year currently ending.
- d. The level of budgetary control is the department. The City Manager is authorized to transfer budgeted amounts within departments of any fund. Revisions that alter the budgeted totals of any department require approval of the City Council. Unencumbered appropriations lapse at year-end.
- e. Budgets for general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles, except encumbrances are presented as expenditures.
- f. Formal budget integration is not employed for proprietary, capital project or trust funds because effective budgetary control is achieved by alternate measures.
- g. Encumbrances - Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation in the governmental funds. Encumbrances outstanding at year-end are reported as assigned fund balance for construction and long-term contracts and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

B. FUND BALANCE DISCLOSURE

Fund balance classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund is the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 2. NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. FUND BALANCE DISCLOSURE (CONTINUED)

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City classifies governmental fund balances as follows:

Nonspendable

Nonspendable fund balance includes amounts that cannot be spent because they are not in spendable form, such as inventories and prepaid amounts.

Spendable Fund Balance

Restricted - fund balance amounts that are constrained for specific purposes which are externally imposed through debt covenants or amounts constrained by federal and state law.

Committed - fund balance amounts that can only be used for the specific purposes that are internally imposed by City Council Ordinances. Commitments may be changed by the City Council amending or repealing the Ordinance that imposed the constraint initially. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations.

Assigned - fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. This indicates that resources in these funds are, at a minimum, intended to be used for the purposes of that fund. Fund balance may be assigned by City Council Resolution, by transfer to a special revenue or capital project fund as authorized by City Council, or an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget.

Unassigned - the residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance are available unless there are legal requirements that prohibit this, such as grant agreements that require a local spending match. Also, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 2. NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. FUND BALANCE DISCLOSURE (CONTINUED)

The fund balance classifications at September 30, 2019 are as follows:

Fund Balance by Category	General Fund	SW Annexation District 1 Collection Fund	Community Redevelopment Agency Fund	Crosstown Parkway Fund	Nonmajor Governmental Funds	Total
Nonspendable:						
Prepaid items	\$ 2,143	\$ -	\$ -	\$ -	\$ 20,751	\$ 22,894
Deposits	64,630	-	-	-	13,289	77,919
Inventories	30,370	-	-	-	31,492,817	31,523,187
Restricted:						
Protective inspections	-	-	-	-	15,831,263	15,831,263
Law enforcement	-	-	-	-	1,267,039	1,267,039
Pollution control	-	-	-	-	138,122	138,122
Housing assistance/rehabilitation	-	-	-	-	2,197,225	2,197,225
Transportation	-	-	-	5,645,977	19,412,067	25,058,044
Water/sewer capital projects	-	-	-	-	14,759,047	14,759,047
Parks and recreation capital improvements	-	-	-	-	5,096,517	5,096,517
Road and bridge capital projects	-	-	-	-	6,613,037	6,613,037
Debt service	-	10,605,321	223,151	-	6,350,773	17,179,245
Committed:						
Transportation	-	-	-	-	8,952,811	8,952,811
General projects	104,110	-	-	-	3,491,704	3,595,814
Street lights	-	-	-	-	79,946	79,946
Neighborhood improvements	-	-	-	-	1,280,732	1,280,732
Economic development	1,500	-	-	-	8,591,880	8,593,380
Conservation	-	-	-	-	1,112,775	1,112,775
Public art	898,312	-	-	-	-	898,312
Capital projects	600,211	-	-	-	-	600,211
Law enforcement	1,202,347	-	-	-	-	1,202,347
Encumbrances, other	-	-	-	-	2,470,442	2,470,442
Unassigned:	31,655,831	-	-	-	-	31,655,831
	<u>\$ 34,559,454</u>	<u>\$ 10,605,321</u>	<u>\$ 223,151</u>	<u>\$ 5,645,977</u>	<u>\$ 129,172,237</u>	<u>\$ 180,206,140</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

The City operates using pooled cash and investments and cash balances from all funds which are combined and invested to the extent available. Earnings are allocated monthly to each fund based on average daily balances of cash and investments.

As of September 30, 2019, pooled cash, cash equivalents and investments including restricted amounts of the primary government, consisted of the following:

	City Primary Government	Fiduciary Funds Pension Trust	Fiduciary Funds OPEB	Total
Deposits with financial institutions and cash on hand	\$ 18,513,141	\$ -	\$ 523	\$ 18,513,664
Cash equivalents and investments	243,352,395	113,064,857	18,468,918	374,886,170
Total cash, cash equivalents and investments	<u>\$ 261,865,536</u>	<u>\$ 113,064,857</u>	<u>\$ 18,469,441</u>	<u>\$ 393,399,834</u>
Investment Type				
U.S. Government obligations	\$ 26,104,844	\$ 635,133	\$ -	\$ 26,739,977
U.S. Government agencies	89,118,799	9,490,297	-	98,609,096
Municipal obligations	820,350	1,134,136	-	1,954,486
Corporate obligations	25,813,894	6,865,762	-	32,679,656
Commercial paper	4,906,921	-	-	4,906,921
Domestic fixed income funds	-	5,041,137	-	5,041,137
Domestic equity investment funds	-	30,654,248	18,468,918	49,123,166
Domestic stocks	-	26,348,838	-	26,348,838
Foreign equity investment funds	-	16,059,660	-	16,059,660
Real estate investment funds	-	12,524,756	-	12,524,756
Temporary investment funds	-	4,310,890	-	4,310,890
Money market funds	38,514,665	-	-	38,514,665
Investment pools	51,072,922	-	-	51,072,922
Certificates of deposits	7,000,000	-	-	7,000,000
Total cash equivalents and investments	<u>\$ 243,352,395</u>	<u>\$ 113,064,857</u>	<u>\$ 18,468,918</u>	<u>\$ 374,886,170</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. CASH AND INVESTMENTS (CONTINUED)

As of September 30, 2019, the City's cash and cash equivalents included deposits with financial institutions. Cash deposits are subject to custodial risk and custodial risk is the risk that in the event of a bank failure, the City's deposits may not be returned. Deposits with financial institutions were entirely covered by federal deposit insurance and collateral pool pledged to the State Treasurer of Florida by financial institutions that comply with the requirement of Florida Statutes and have been designated as Qualified Public Depositories ("QPD") by the State Treasurer of Florida. The Florida bank deposit insurance exists because Florida Statutes require state and local governmental units to only deposit monies with financial institutions classified as QPD. For a financial institution to qualify as QPD, it must participate in the state's deposit insurance pool that requires collateral to be deposited based on the financial institution's rating and the value of public funds it has on deposit. Upon default of any QPD, the pooled collateral is used to guarantee the state and local government deposits. This pool is additional insurance above the federal depository insurance. As of September 30, 2019, the City has bank deposits only with QPD institutions.

Cash, cash equivalents and investments held separately or where contractual arrangement or bond covenants require otherwise, are classified as "restricted assets". When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. For purposes of the Statement of Cash Flows, cash equivalents are defined as all liquid investments with an original maturity of three months or less.

The following schedule reconciles the deposit and investment information above to the City's financial statements:

Fund Type	Equity in Pooled Cash and Investments	Restricted Equity in Pooled Cash and Investments	Total
<u>Governmental Activities</u>			
General	\$ 33,524,021	\$ -	\$ 33,524,021
Community Redevelopment	236,014	-	236,014
Crosstown Parkway Fund	6,439,242	-	6,439,242
SW Annexation District 1	3,745,329	6,830,696	10,576,025
Other Governmental Funds	91,086,957	7,661,205	98,748,162
Internal Service Fund	9,477,386	-	9,477,386
Total Governmental	<u>144,508,949</u>	<u>14,491,901</u>	<u>159,000,850</u>
<u>Business Type Activities</u>			
Utility System Fund	38,170,643	47,919,217	86,089,860
Stormwater Utility Fund	13,811,795	2,841,525	16,653,320
Nonmajor Enterprise Funds	121,506	-	121,506
Total Business Type	<u>52,103,944</u>	<u>50,760,742</u>	<u>102,864,686</u>
Subtotal	<u>\$ 196,612,893</u>	<u>\$ 65,252,643</u>	<u>\$ 261,865,536</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. CASH AND INVESTMENTS (CONTINUED)

The Other Post Employment Benefits (OPEB) trust fund's investments are maintained by an independent third-party investment management firm that is permitted by the City to invest those monies in their managed mutual funds.

	Fair Value	Rating S &P	Level
Mutual funds	\$ 18,468,918	n/a	Level 1
Cash and equivalents	523	n/a	n/a
	<u>\$ 18,469,441</u>		

Investments

The City's investment policy applies to all investment activity and shall include all available funds in excess of amounts needed to meet short-term expenses, but shall not apply to pension funds, trust funds, or funds related to the issuance of debt where there are other existing policies or indentures in effect. The policy objective is to invest funds in a manner with highest priority on preservation of principal and safety of liquidity with optimization of investment returns being secondary consideration. Treasury securities are the benchmark used for riskless investment transactions with a minimum standard for rate of return.

The investment guidelines allow the following investments:

- Negotiable obligations unconditionally guaranteed by the United States Government and its agencies.
- Fully collateralized United States Agency obligations which carry an implied guarantee and the implied full faith and credit of the United States Government.
- Other United States Agency obligations which carry an implied guarantee and the implied full faith and credit of the United States Government.
- Interest-bearing savings accounts, money market accounts, certificates of deposit, or time deposits constituting direct obligations of any bank or savings and loan association certified as a Qualified Public Depository by the State of Florida.
- Repurchase agreements collateralized by U.S. Treasury Bills or Notes.
- State of Florida Local Government Surplus Funds Trust Fund (F.S. Chapter 218).
- Local government investment pool shares organized under F.S. Chapter 163 and rated AAA.
- Money market mutual fund shares of any money market fund registered as an investment company under the federal "Investment Company Act of 1940", as amended.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

The policy also establishes guidelines for diversification by the above classification varying from a maximum of 5% to 90% in each category and to maintain no more than 20% of available resources in any one financial institution.

Except for the investments held in local government investment pools, the City's pooled investments are 100% insured through a combination of the implied guarantee of the United States Government, the Federal Depository Insurance Corporation (FDIC), and Florida's Qualified Public Depository coverage. United States Agency and Treasury obligations are held for the City by a third-party safe-keeping custodian through a "delivery-versus-payment" (DVP) process.

The Florida local government investment pool balance consists of six governmental investment pools: Florida Cooperative Liquid Assets Securities System (FLCLASS), Florida Surplus Asset Fund (FLSAFE), Florida Public Assets for Liquidity Management (FL PALM), Florida Fixed Income Trust (FLFIT), Florida Short Term Asset Reserve (FLSTAR), and Florida Local Government Investment Trust. The pools are organized under Florida Statutes Section 163, the Florida Interlocal Cooperation Act, by Florida public agencies for the purpose of operating an independent investment pool for local governments in Florida and administered by a Board of Trustees elected by the participants in the pool. FLCLASS and FLSAFE are operated in a manner consistent with SEC Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC registered mutual funds to use amortized cost rather than fair value, to report net position used to compute share prices if certain conditions are met. Those conditions included restrictions on the types of investments held, restrictions on the term to maturity of individual investment and the dollar weighted average of the portfolio, requirement for portfolio diversification, and requirement of for divestiture considerations in the event of security downgrades and defaults and required actions if the fair value of the portfolio deviates from amortized cost by a specified amount. The fair value of the position in the pools is considered to be the same as the City's account balance (amortized cost) in the pool. The investment in FL PALM includes shares in the Term Series which are purchased to mature at pre-determined maturity dates selected by the City. FL PALM shares are redeemable at fair value with at least 7 days notice, less a premature redemption penalty.

Municipal Police Officers' Retirement Trust

The Municipal Police Officers' Retirement Trust Fund (MPORT) is authorized to invest in:

- U.S. Government obligations and U.S. agencies
- Domestic and foreign high quality bonds, notes and fixed income securities
- General market common stocks and equity securities, preferred stocks and pooled equity funds (maximum investment of 70% of total assets and no one stock or equity-related security would exceed 5% of the total portfolio on the cost basis)
- Real estate investment trusts (REIT), limited to 5% of the total portfolio

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Fair Value of Investments: The City follows the provisions of GASB Codification, 150: *Investments*, which establishes a framework for measuring the fair value of investments in a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy under GASBC 150 are described below:

Level 1 - Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 - Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 - Investments reflect prices based upon unobservable inputs.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

The table below represents all investments City Primary Government and Fiduciary Funds categorized in the fair value hierarchy.

Investments by fair value level	Total	Level 1	Level 2	Level 3
Fixed Income Securities				
U.S. government obligations	\$ 26,739,977	\$ -	\$ 26,739,977	\$ -
U.S. government agencies	98,609,096	-	98,609,096	-
Municipal obligations	1,954,486	-	1,954,486	-
Corporate obligations	32,679,656	-	32,679,656	-
Commercial paper	4,906,921	-	4,906,921	-
Domestic fixed investment funds	5,041,137	5,041,137	-	-
Domestic equity investment funds	49,123,166	49,123,166	-	-
Domestic stocks	26,348,838	26,348,838	-	-
Foreign equity investment funds	16,059,660	16,059,660	-	-
Temporary investments	4,310,890	4,310,890	-	-
Alternative fund	18,453,664	-	18,453,664	-
Subtotal	284,227,491	100,883,691	183,343,800	-
Investments measured at net asset value (NAV):				
Real estate investment funds	12,524,756	-	-	-
FLSAFE	14,815,642	-	-	-
FLCLASS	5,319,890	-	-	-
FLFIT	9,329,269	-	-	-
Florida Local Government Investment Trust	8,142,212	-	-	-
FLPALM	13,465,909	-	-	-
Total investments at NAV	63,597,678	-	-	-
Total Investment at cost				
Certificates of deposit (exempt)	7,000,000	-	-	-
Total investments	354,825,169	\$ 100,883,691	\$ 183,343,800	\$ -
Money market funds	38,514,665			
Total cash equivalents and investments	\$ 393,339,834			

Real estate investment funds are open ended, commingled private real estate portfolios. These REIT-based funds are structured as limited partnerships. Their primary focus is to invest in well-based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the trust's ownership interest in partner's capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Investment Risks

Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of fixed income securities. In order to limit interest rate risk the City's investment policy provides for maximum maturity period of 5 years.

Credit risk for fixed income securities is the risk that the issuer will not fulfill its obligations. Nationally recognized statistical rating organization ("NRSRO"), such as Moody's and Standard and poor's, assign credit ratings to security issuers and issues that indicate a measure of potential credit risk to investors. The City's investment policy addresses credit risk by limiting investments to the safest types of securities which are generally those receiving the highest credit ratings from NRSRO.

Concentration risk is the risk of amplified losses that may occur from having a large portion of your holdings in a particular investment, asset class or market segment relative to the overall portfolio. The City's investment policy requires diversification of investments to minimize potential losses on individual securities.

Custodial credit risk is defined as the risk that the plan may not recover cash and investment held by another party in the event of a financial failure. The Pension Trust Plan requires all securities to be held by a third-party custodian in the name of the Plan. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. The investments in mutual funds are considered unclassified pursuant to the custodial credit risk categories of GASBC 150, because they are not evidenced by securities that exist in physical or book-entry form.

The Pension Trust Plan allows for foreign investments. Investing in foreign markets may involve special risks and considerations not typically associated with investing in companies in the United States of America. These risks include revaluation of currencies, high rates of inflation, repatriation restrictions on income and capital, and future adverse political, social, and economic developments. Moreover, securities of foreign governments may be less liquid, subject to delayed settlements, taxation on realized or unrealized gains, and their prices are more volatile than those of comparable securities in U.S. companies.

Primary Government	NRSRO Rating	Average Duration	Fair Value
U.S. government obligations	AA	0.53	\$ 26,104,844
U.S. government mortgage and asset back securities	AA	0.49	89,118,799
Municipal obligations	AA	2.945	820,350
Corporate obligations	A-AAA	1.932	25,813,894
Pension Trust Funds			
U.S. government obligations	AA	9.5	635,133
U.S. government agencies	AA	5.3	9,490,297
Municipal obligations	AA-AAA	4.7	1,134,136
Corporate obligations	BBB-AA	9.2	\$ 6,865,762

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. RECEIVABLES

At September 30, 2019, receivables for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts of \$19,408,646 for the nonmajor funds, are as follows:

	General Fund	SW Annexation District 1 Collection Fund	Crosstown Parkway Fund	Nonmajor Governmental Funds	Total
Governmental Funds:					
Receivables	\$ 4,777,488	\$ 119,830,111	\$ 25,600	\$ 51,857,047	\$ 176,490,246
Due from other governments	3,754,064	29,696	2,672,444	4,925,848	11,382,052
Gross Receivables	<u>\$ 8,531,552</u>	<u>\$ 119,859,807</u>	<u>\$ 2,698,044</u>	<u>\$ 56,782,895</u>	<u>\$ 187,872,298</u>

Accounts receivable for enterprise funds are net of allowance for uncollectible accounts of \$1,414,264 for the Utility System and \$92,597 for the Stormwater Utility System. In addition, the enterprise funds have long term accounts receivable for 10 year, non-interest bearing water and sewer connection fees loans. The following schedule summarizes the receivable balances in the following fund types at September 30, 2019:

	Utility System Fund	Stormwater Utility Fund	Total
Business-Type Activities:			
Receivables	\$ 9,499,288	\$ 869,578	\$10,368,866
Due from other governments	222,932	94,213	317,145
Noncurrent receivables	7,859,273	-	7,859,273
Advances to other funds	122,852	-	122,852
	<u>\$17,704,345</u>	<u>\$ 963,791</u>	<u>\$18,668,136</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. ASSESSMENTS RECEIVABLE

The City issued special assessment debt for the expansion of the Utility System (Water and Sewer). The expansion occurred in multiple phases and projects at various times in the City. The levies have occurred in prior years and are reflected as special revenue funds. The City is assessing property owners for the expansion of the water and sewer system. Property owners were given the option of prepaying the full assessment amount or financing the amount over 20 years. The City issued special assessment debt to fund the construction for property owners who elected not to prepay. When financed, the payment is included within the property-owners annual real property tax bill and includes interest and an amount to cover the additional costs of financing. Property owners may pay off their assessment at any time plus accrued interest.

The City also issued special assessment debt for funding infrastructure improvements of roads, drainage, and water and sewer within particular benefited areas. These have been implemented at the request of those property-owners. The benefited properties are assessed annually for the necessary amounts to fund the current debt service requirements on the applicable debts.

The following schedule summarizes the current year transactions and balances at September 30, 2019:

	SW Annexation	Other Governmental	Total
Assessments Receivables Balance, October 1, 2018	\$ 122,353,963	\$ 59,302,181	\$ 181,656,144
Collections and Credits During the Year Ended September 30, 2019	(2,523,852)	(9,322,896)	(11,846,748)
Interest on Delinquent Assessments	-	1,346,266	1,346,266
Assessments Receivable Balance, September 30, 2019	<u>\$ 119,830,111</u>	<u>\$ 51,325,551</u>	<u>\$ 171,155,662</u>

Delinquent special assessments and interest on delinquent special assessments for the current fiscal year in the amount of \$629,719 are included in the assessments receivable year end balance reported in the above schedule. An allowance for doubtful accounts of \$16,512,688 has been provided for special assessments receivable at September 30, 2019.

In accordance with governmental accounting standards, the assessments are reported as "deferred inflows - unavailable revenues" on the Governmental Funds Balance Sheet since the assessments will be billed and collected in future years and are unavailable to pay current obligations. In the Statement of Net Position, the special assessments were recorded as revenues at the time of the assessment and are a component of Net Position

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated/amortized					
Land	\$ 123,308,718	\$ 8,663,386	\$ -	\$ -	\$ 131,972,104
Construction work in progress	99,866,396	29,599,595	-	-	129,465,991
Total Capital Assets, Not Being Depreciated	223,175,114	38,262,981	-	-	261,438,095
Capital Assets, Being Depreciated/Amortized:					
Buildings	120,924,610	14,008,612	-	-	134,933,222
Improvements other than buildings	54,435,847	4,192,158	-	-	58,628,005
Machinery and equipment	39,639,771	1,425,090	(5,411,348)	-	35,653,513
Intangible	265,746	33,176	-	-	298,922
Infrastructure	696,904,867	4,588,469	(38,047)	-	701,455,289
Total Capital Assets, Being Depreciated	912,170,841	24,247,505	(5,449,395)	-	930,968,951
Less Accumulated Depreciation/Amortization for:					
Buildings	44,214,086	2,880,722	-	-	47,094,808
Improvements other than buildings	23,720,589	2,330,969	-	-	26,051,558
Machinery and equipment	27,153,361	3,049,869	(5,405,100)	-	24,798,130
Intangible	63,993	25,523	-	-	89,516
Infrastructure	324,781,059	18,511,689	(37,047)	-	343,255,701
* Total Accumulated Depreciation	419,933,088	26,798,772	(5,442,147)	-	441,289,713
Total Capital Assets, Being Depreciated - Net	492,237,753	(2,551,267)	(7,248)	-	489,679,238
Total Capital Assets, Net of Depreciation	\$ 715,412,867	\$ 35,711,714	\$ (7,248)	\$ -	\$ 751,117,333

* Depreciation/Amortization expense was charged to functions as follow:

Governmental Activities:	
General Government	\$ 605,884
Public Safety	2,220,864
Physical Environment	450,060
Transportation	18,935,634
Economic Environment	2,178,631
Human Services	37,622
Culture & Recreation	2,370,077
Total Depreciation	\$ 26,798,772

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. CAPITAL ASSETS (CONTINUED)

There is \$12,000,000 included in the additions as a result of reclassifying Vaccine and Gene Therapy Institute (VGTI) from an asset held for resale to Capital Assets. The City is currently leasing VGTI and plans to hold the asset.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Capital asset activity for the year ended September 30, 2019 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Business-Type Activities					
Capital assets, not being depreciated/amortized					
Land	\$ 55,694,348	\$ 353,593	\$ -	\$ -	\$ 56,047,941
Construction work in progress	3,821,601	14,076,860	-	-	17,898,461
Total Capital Assets, Not Being Depreciated	59,515,949	14,430,453	-	-	73,946,402
Capital assets, being depreciated/amortized					
Plant	326,626,616	4,159,318	-	-	330,785,934
Water and Sewer system	631,162,391	29,032,144	-	-	660,194,535
Machinery and equipment	35,088,425	1,961,472	(572,249)	-	36,477,648
Buildings	5,110,008	-	-	-	5,110,008
Improvements other than buildings	3,433,357	339,462	-	-	3,772,819
Intangible	948,505	72,200	-	-	1,020,705
Infrastructure	26,959,631	-	-	-	26,959,631
Total Capital Assets, Being Depreciated	1,029,328,933	35,564,596	(572,249)	-	1,064,321,280
Less Accumulated Depreciation/Amortization for:					
Plant	115,270,061	9,302,038	-	-	124,572,099
Water and Sewer system	311,497,687	23,623,310	-	-	335,120,997
Machinery and equipment	22,402,264	1,785,231	(572,249)	-	23,615,246
Buildings	1,813,269	161,374	-	-	1,974,643
Improvements other than buildings	2,282,692	155,271	-	-	2,437,963
Intangible	393,210	102,193	-	-	495,403
Infrastructure	4,099,224	758,056	-	-	4,857,280
* Total Accumulated Depreciation	457,758,407	35,887,473	(572,249)	-	493,073,631
Total Capital Assets, Being Depreciated - Net	571,570,526	(322,877)	-	-	571,247,649
Total Capital Assets, Net of Depreciation	\$ 631,086,475	\$ 14,107,576	\$ -	\$ -	\$ 645,194,051

* Depreciation/Amortization expense was charged to functions as follow:

Business-Type Activities:	
Utility system	\$ 34,293,710
Stormwater Utility	1,350,910
Nonmajor enterprise	242,853
Total Depreciation	\$ 35,887,473

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. ENCUMBRANCES

The City has outstanding commitments for engineering and construction projects in process. Those commitments are approximated for the respective funds at September 30, 2019:

General Fund	\$ 1,908,168
Crosstown Parkway Fund	6,955,735
Nonmajor Governmental Funds	8,196,883
Stormwater Utility	409,514
Utility System	<u>13,740,723</u>
Total Encumbrances	<u><u>\$ 31,211,023</u></u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made and adjustments recorded subsequent to year end.

The following is a summary of amounts advanced to other funds:

Receivable Fund	Payable Fund	Amount
Utility System	Stormwater Utility	\$ 43,876
Utility System	Nonmajor Enterprise Fund	\$ 78,976

The following is a summary of interfund transfers:

Transfers-Out	Transfers-In						Total
	General Fund	Community Redevelopment Fund	Crosstown Parkway Fund	Nonmajor Governmental Funds	Utility System Fund	Nonmajor Enterprise Fund	
General Fund	\$ -	\$ 1,237,844	\$ -	\$ 8,649,280	\$ 433,733	\$ 198,183	\$ 10,519,040
Nonmajor Governmental Funds	3,017,947	90,252	4,027,088	4,381,459	1,730,097	-	13,246,843
SW Annex District 1 Fund	1,073	-	-	-	-	-	1,073
Community Redevelopment Fund	47,740	-	-	-	-	-	47,740
Crosstown Parkway Fund	355,420	-	-	-	-	-	355,420
Utility System Fund	4,422,559	-	-	140,000	-	30,242	4,592,801
Stormwater Utility Fund	1,121,962	-	-	-	-	-	1,121,962
Nonmajor Enterprise Fund	171,588	-	-	-	-	-	171,588
Internal Service Fund	63,991	-	-	-	510	-	64,501
Totals	<u>\$ 9,202,280</u>	<u>\$ 1,328,096</u>	<u>\$ 4,027,088</u>	<u>\$ 13,170,739</u>	<u>\$ 2,164,340</u>	<u>\$ 228,425</u>	<u>\$ 30,120,968</u>

The City's routine transfers include transfers made to move unrestricted revenues or balances that have been collected or accumulated in the General Fund to other funds based on budgetary authorization, and the transfer of revenues from a fund that by statute or budgetary authority must collect them to a fund that by statute or budgetary authority to expend them. Additionally, several funds transferred to the Road & Bridge Fund their allocable share of construction project expenditures.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. LONG-TERM LIABILITIES

Governmental Activities Debt

The following is a summary of the changes in long-term liabilities for the year ended September 30, 2019:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental Activities:					
Sales Tax Refunding bonds, Series 2011	\$ 9,410,000	\$ -	\$ 1,705,000	\$ 7,705,000	\$ 1,785,000
General Obligation & Refunding Bonds Series 2014	65,660,000	-	3,715,000	61,945,000	4,115,000
General Obligation & Refunding Bonds Series 2016	35,945,000	-	-	35,945,000	-
Public Service Tax Bonds, Series 2014	19,775,000	-	445,000	19,330,000	465,000
Public Service Tax Bonds, Series 2016	26,100,000	-	2,365,000	23,735,000	2,485,000
CRA TIF Refunding Bonds, Series 2016	33,495,000	-	2,720,000	30,775,000	3,120,000
Taxable Special Obligation bonds, Series 2017	20,735,000	-	925,000	19,810,000	945,000
Taxable Special Obligation Bonds, Series 2018	-	54,085,000	300,000	53,785,000	1,465,000
Subtotal	<u>211,120,000</u>	<u>54,085,000</u>	<u>12,175,000</u>	<u>253,030,000</u>	<u>14,380,000</u>
Special Assessment District Bonds					
Series 2003 D, East Lake Village	3,540,000	-	645,000	2,895,000	675,000
Series 2005 A, St Lucie Land Holdings	7,975,000	-	-	7,975,000	1,200,000
Series 2005 B, USA #9	675,000	-	-	675,000	250,000
Series 2011 B, USA #5, 6, 7A Refunding	2,720,000	-	2,720,000	-	-
Series 2016, SW Annex Refunding	121,490,000	-	3,085,000	118,405,000	3,125,000
Unamortized bond premium	15,881,991	275,024	3,984,546	12,172,469	-
Subtotal	<u>152,281,991</u>	<u>275,024</u>	<u>10,434,546</u>	<u>142,122,469</u>	<u>5,250,000</u>
Total bonds payable, net	<u>363,401,991</u>	<u>54,360,024</u>	<u>22,609,546</u>	<u>395,152,469</u>	<u>19,630,000</u>
Compensated Absences	9,668,724	5,585,249	5,187,351	10,066,622	905,996
Capital lease	1,037,420	-	256,737	780,683	251,703
Nonexchange Financial Guarantee	54,555,985	-	54,555,985	-	-
Subtotal	<u>65,262,129</u>	<u>5,585,249</u>	<u>60,000,073</u>	<u>10,847,305</u>	<u>1,157,699</u>
Total	<u>\$ 428,664,120</u>	<u>\$ 59,945,273</u>	<u>\$ 82,609,619</u>	<u>\$ 405,999,774</u>	<u>\$ 20,787,699</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

\$13,915,000 Sales Tax Refunding Revenue Bonds, Series 2011 - payable from and collateralized by a lien upon and a pledge of the state shared Sales Tax Revenues, due in annual principal installments ranging from \$640,000 to \$2,070,000 plus interest ranging from 2.0% to 5.0% through September 2023. Proceeds used to refund a majority portion of the \$20,000,000 Sales Tax Improvement Revenue Bonds, Series 2003, which proceeds were used for roadway improvements.

\$74,740,000 General Obligation Bonds and Refunding Bonds, Series 2014 - due in annual principal installments ranging from \$505,000 to \$5,155,000 plus semiannual interest at a rate ranging from 1.5% to 5.0%. Proceeds used to provide \$36,000,000 of project funds for the Crosstown Parkway project and to advance refund \$29,505,000 of the General Obligation Bonds, Series 2005, and \$12,510,000 of the General Obligation Bonds, Series 2006.

\$33,300,000 Public Service Tax Revenue Bonds, Series 2014A & 2014B - payable from and collateralized by a lien upon and a pledge of the public service tax revenues, due in annual principal installments ranging from \$760,000 to \$2,170,000 plus interest semiannually at a rate ranging from 2.611% to 5.0%. Proceeds used to refund the \$39,900,000 Lease Revenue bonds, Series 2010A & 2010B.

\$38,260,000 Community Redevelopment Agency Redevelopment Trust Fund Refunding Revenue Bonds, Series 2016 - payable from and collateralized by a lien upon and pledge of the net tax increment revenues generated in the Community Redevelopment Area, due in annual principal installments ranging from \$2,225,000 to \$5,715,000 plus interest semiannually at a rate ranging from 2.0% to 5.0% through January 2026. Proceeds were used to refund the remaining balances of the outstanding \$11,870,000 CRA Bonds, Series 2004, and the \$46,450,000 CRA Bonds, Series 2006.

\$30,875,000 Public Service Tax Revenue Bonds, Series 2016 - payable from and collateralized by a lien upon and a pledge of the public service tax revenues, due in annual principal installments ranging from \$2,255,000 to \$3,495,000 plus interest semiannually at a rate of 5.0%. Proceeds used to refund the remaining balance of the \$45,600,000 Refunding Certificates of Participation, Series 2008. The refunding resulted in a future cash flow savings of \$4,725,392 and a net present value savings of \$4,163,207. The economic loss of \$3,255,772 will be amortized over 20 years.

\$37,075,000 General Obligation Refunding Bonds, Series 2016 - due in annual principal installments ranging from \$1,960,000 to \$6,000,000 plus semiannual interest at a rate ranging from 3.125% to 5.0%. Proceeds used to refund the remaining balances of the \$49,285,000 General Obligation Bonds, Series 2005, and \$44,545,000 General Obligation Bonds, Series 2006. The refunding resulted in a future cash flow savings of \$6,079,171 and a net present value savings of 4,392,084. The economic gain of \$1,285,901 will be amortized over 19 years.

\$22,345,000 Taxable Special Obligation Bonds, Series 2017 - payable from amounts budgeted and appropriated by the City from non-ad valorem revenues, due in annual principal installments ranging from \$905,000 to \$1,655,000 plus semiannual interest at a rate ranging from 1.892% to 4.357%. Proceeds used to advance refund the remaining balance of the \$31,360,000 Special Assessment Refunding Bonds, Series 2008A. The refunding resulted in a future cash flow savings of \$15,743,297 and a net present value savings of \$3,989,340. The economic loss of \$3,843,556 will be amortized over 10 years.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

\$54,085,000 Taxable Special Obligation Refunding Revenue Bonds, Series 2018A - payable from amounts budgeted and appropriated by the City from non-ad valorem revenues, due in annual principal installments ranging from \$300,000 to \$3,680,000 plus semiannual interest at a rate ranging from 2.825% to 4.555%. There was an economic loss of \$600,820 resulting from the transaction.

Special Assessment Debt with Government Commitment

\$10,350,000 Special Assessment Bonds, Series 2003D (East Lake Village Special Assessment District) - payable from assessments levied on subject properties within the assessment area, due in annual principal installments ranging from \$200,000 to \$775,000 plus interest ranging from 4.25% to 4.625% through July 2023. Due to the early call of certain bonds, no principal payments were due until July 2016. The City has a secondary obligation to budget sufficient Non-Ad Valorem Revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming debt service payment.

\$18,725,000 Special Assessment District Bonds, Series 2005A - (St. Lucie Land Holdings Special Assessment District) - payable from assessments levied on subject properties within the assessment area, due in annual principal installments ranging from \$700,000 to \$1,365,000 plus interest ranging from 3.75% to 4.625% through July 2027. Due to the early call of certain bonds, no principal payments are due until July 2017. Proceeds used to finance a portion of the cost of acquisition and improvements of roadway and drainage system additions, improvements and extensions and the potable water distribution and wastewater collection system within the SAD. The City has a secondary obligation to budget sufficient Non-Ad Valorem Revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming debt service payment.

\$4,765,000 Special Assessment District Bonds, Series 2005B - (Utility Service Area 9 - Water and Wastewater Expansion Project) - payable from assessments levied on subject properties within the service area, due in annual principal installments beginning in 2018, ranging from \$105,000 to \$345,000 plus interest ranging from 4.125% to 4.5% through July 2025. Due to the early call of certain bonds, no principal payments are due until July 2020. Proceeds used for water and wastewater system expansion within the SAD. The City has a secondary obligation to budget sufficient net income of the Utility System to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming debt service payment.

\$126,895,000 Special Assessment Refunding Bonds, Series 2016 (Southwest Annexation Special Assessment District No. 1) - payable from assessments levied on subject properties within the assessment area, due in annual principal installments ranging from \$2,350,000 to \$6,580,000 plus interest semiannually ranging from 1.0% to 4.0% through July 2045. The City has a secondary obligation to budget sufficient Non-Ad Valorem Revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the upcoming debt service payment. Proceeds were used to refund the \$129,440,000 remaining balance of the outstanding \$155,840,000 Special Assessment District Bonds, Series 2016 (Southwest Annexation Special Assessment District No. 1).

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Long-term debt service requirements for each of the years subsequent to September 30, 2019 are:

	Governmental Activities		
<u>September 30,</u>	Principal	Interest	Total
2020	\$ 19,630,000	\$ 15,531,381	\$ 35,161,381
2021	19,370,000	14,782,877	34,152,877
2022	20,715,000	13,943,385	34,658,385
2023	22,175,000	13,034,671	35,209,671
2024	21,270,000	12,047,026	33,317,026
2025	22,445,000	11,111,138	33,556,138
2026	23,165,000	10,095,618	33,260,618
2027	18,155,000	9,252,381	27,407,381
2028	13,815,000	8,497,974	22,312,974
2029	14,365,000	7,954,282	22,319,282
2030	14,950,000	7,370,109	22,320,109
2031	15,580,000	6,740,792	22,320,792
2032	16,210,000	6,104,832	22,314,832
2033	16,835,000	5,425,906	22,260,906
2034	17,550,000	4,716,830	22,266,830
2035	18,260,000	4,017,109	22,277,109
2036	8,695,000	3,285,907	11,980,907
2037	9,010,000	2,965,801	11,975,801
2038	9,345,000	2,633,542	11,978,542
2039	9,695,000	2,288,299	11,983,299
2040	10,060,000	1,922,445	11,982,445
2041	10,450,000	1,531,143	11,981,143
2042	10,855,000	1,123,692	11,978,692
2043	7,430,000	684,400	8,114,400
2044	6,370,000	420,875	6,790,875
2045	6,580,000	213,850	6,793,850
Total	<u>\$ 382,980,000</u>	<u>\$ 167,696,265</u>	<u>\$ 550,676,265</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Business-Type Activity Debt:

The following summary reflects the transactions of long-term obligations in the enterprise funds for the year ended September 30, 2019:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Stormwater Utility System Fund:					
Series 2010 A&B Stormwater Revenue Bonds	\$ 36,000,000	\$ -	\$ -	\$ 36,000,000	\$ -
Series 2011 Stormwater Refunding Revenue Bonds	6,020,000	-	1,090,000	4,930,000	1,145,000
Utility System Fund:					
Series 2007 Utility Refunding & Improvement Revenue Bonds	78,970,000	-	7,090,000	71,880,000	7,460,000
Series 2012 Utility Refunding Revenue Bonds	18,985,000	-	860,000	18,125,000	900,000
Series 2014 Utility Refunding Revenue Bonds	29,585,000	-	-	29,585,000	1,465,000
Series 2016 Utility Refunding Revenue Bonds	206,515,000	-	2,970,000	203,545,000	1,630,000
Series 2018 Utility Refunding Revenue Bonds	8,305,000	-	260,000	8,045,000	265,000
Unamortized bond premium	31,914,322	-	5,254,242	26,660,080	-
Total bonds payable, net	416,294,322	-	17,524,242	398,770,080	12,865,000
Compensated Absences	3,685,959	310,399	9,401	3,986,957	358,825
Total Long-term Obligations	<u>\$ 419,980,281</u>	<u>\$ 310,399</u>	<u>\$ 17,533,643</u>	<u>\$ 402,757,037</u>	<u>\$ 13,223,825</u>

The Stormwater Utility Revenue Bonds are collateralized by a lien upon and a pledge of the stormwater revenues derived from the operation of the stormwater utility system, the franchise revenues derived from the electric franchise fees collected from Florida Power & Light Company, and income earned on bond related investment accounts.

\$36,000,000 Stormwater Utility Revenue Bonds, Taxable Series 2010 A & B - comprised of the Taxable Series 2010A (Build America Bonds - Direct Payment) for \$26,895,000 and the Taxable Series 2010B (Recovery Zone Economic Development Bonds) - due in annual principal and sinking fund installments of \$1,285,000 to \$3,630,000, plus interest of 7.376% on Series A subject to a 35% subsidy and 6.516% and 7.176% on Series B subject to a 45% subsidy. Principal payments begin May 2024.

\$11,325,000 Stormwater Utility Refunding Revenue Bonds, Series 2011 - due in annual principal installments of \$320,000 to \$1,325,000, plus interest ranging from 2% - 5% through May 2023. The proceeds of this issue were used to advance refund \$11,610,000 of the outstanding balance of the Series 2002 Stormwater Bonds, which were issued to provide funds for the payment of a lawsuit relating to the City's stormwater collection and drainage system.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

The Utility System Revenue Bonds are payable solely from and secured by a lien upon and pledge of the net revenues derived from the operation of the water and sewer system and the Capital Facilities Charges (limited to the debt service component) of the Utility System.

\$119,445,000 Utility System Refunding Revenue Bonds, Series 2007 - due in annual principal installments of \$670,000 to \$10,675,000 plus interest semiannually ranging from 4.0% to 5.25% through September 2027.

\$21,375,000 Utility System Refunding Revenue Bonds, Series 2012 - due in annual principal installments beginning in 2016, ranging from \$770,000 to \$3,300,000 plus interest semiannually ranging from 3.75% to 5.00% through September 2029.

\$29,585,000 Utility System Refunding Revenue Bonds, Series 2014 - due in annual principal installments beginning in 2020, ranging from \$1,265,000 to \$5,155,000 plus interest semiannually of 5.00% through September 2023. The Series 2014 Bonds were issued in November 2014 to refund \$7,190,000 of Series 2003 Bonds, \$12,260,000 of Series 2004 Bonds and \$16,460,000 of Series 2006 Bonds.

\$206,970,000 Utility System Refunding Revenue Bonds, Series 2016 - due in annual principal installments ranging from \$205,000 to \$27,070,000 plus interest semiannually ranging from 3.0% to 5.0% through September 2036. The Series 2016 Bonds were issued in August 2016 to refund all of the \$51,645,000 Series 2004A Bonds, refund the \$52,270,000 outstanding balance of the \$78,435,000 Series 2006 Bonds, refund the \$33,507,230 outstanding balance of the \$35,197,230 Series 2006A Bonds, and advance refund \$88,075,000 of the \$110,200,000 Series 2009 Bonds. The refunding resulted in a future cash flow savings of \$58,757,788 and a net present value savings of \$43,528,370. The economic loss of \$18,895,088 will be amortized over 20 years.

\$8,305,000 Utility System Refunding Revenue Bond, Series 2018 - due in annual principal installments of \$260,000 and \$1,475,000 beginning in 2019 plus interest semiannually ranging from 2.25% to 5.00% through September 2035. The Series 2018 Bonds were issued in May 2018 to refund all of the Series 2009 Bonds. The refunding resulted in a future cash flow savings of \$4,395,964 and a net present value savings of \$2,899,018. The economic loss of \$1,039,035 will be amortized over 18 years.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Long-term debt service requirements for each of the years subsequent to September 30, 2019 are:

	Business-Type Activities		
<u>September 30,</u>	Principal	Interest	Total
2020	\$ 12,865,000	\$ 17,737,737	\$ 30,602,737
2021	13,510,000	17,094,787	30,604,787
2022	15,630,000	16,424,262	32,054,262
2023	16,430,000	15,629,799	32,059,799
2024	17,170,000	14,799,812	31,969,812
2025	18,065,000	13,898,943	31,963,943
2026	19,010,000	12,950,837	31,960,837
2027	20,000,000	11,960,354	31,960,354
2028	21,060,000	10,899,938	31,959,938
2029	22,150,000	9,810,708	31,960,708
2030	23,255,000	8,705,725	31,960,725
2031	24,310,000	7,656,894	31,966,894
2032	25,410,000	6,558,267	31,968,267
2033	26,520,000	5,446,126	31,966,126
2034	27,675,000	4,287,765	31,962,765
2035	28,895,000	3,063,764	31,958,764
2036	30,000,000	2,047,950	32,047,950
2037	3,145,000	749,033	3,894,033
2038	3,380,000	517,058	3,897,058
2039	3,630,000	267,749	3,897,749
Total	<u>\$ 372,110,000</u>	<u>\$ 180,507,508</u>	<u>\$ 552,617,508</u>

Utility System Fund

A summary of significant bond ordinance terms and covenants for the Utility System Revenue Bonds are as follows:

1. Principal and interest are payable from and secured by a pledge of the net revenues from the operation of the system. Pledged revenues may include ad valorem taxes, special assessments, capital facilities charges, and certain investment earnings thereon, or any combination thereof. Currently, ad valorem taxes and special assessments are not pledged as a Pledged Revenue for the bonds. The bonds do not constitute a lien on the system.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

2. The Utility System is required to maintain certain depository accounts, such as a Sinking Fund for annual debt service, Reserve Account for the maximum annual debt service requirement, Capital Facilities Charges Account for the deposit of connection fees and a Renewal and Replacement Account to fund replacement of System capital assets.

3. The City has covenanted to establish and maintain rates at a level sufficient to provide net revenues from operation of the System equal to 100% of the current debt service requirement plus the required deposits into the Reserve account and the Renewal and Replacement Fund. Rates also must be sufficient to equal 110% of the current debt service requirement and the required deposits, including the investment income from the Project Fund, a calculated percentage of the capital facilities charges, and any transfers from the Rate Stabilization fund.

Stormwater Utility Fund

A summary of significant bond ordinance terms and covenants for the Stormwater Utility Revenue Bonds are as follows:

1. Principal and interest are payable from and secured by a pledge of the gross revenues from the operation of the stormwater utility. Additionally, electric franchise fees can be used to ensure there will be sufficient amounts on hand to pay the debt service requirement.

2. The Utility is required to maintain certain depository accounts, such as a Sinking Fund for annual debt service and a Renewal and replacement Fund for replacement of capital assets.

3. Extraordinary Option Redemption - The Series 2010 A & B bonds are subject to redemption on any date prior to maturity at the option of the City upon the occurrence of an extraordinary event which is when a material adverse change has occurred to the applicable Section of the Internal Revenue Code pertaining to the "Build America Bonds" and the "Recovery Zone Economic Development Bonds" pursuant to which the City's subsidy payment is reduced or eliminated.

H. DEFEASED DEBT

Defeased Debt:

Refunding provides for an irrevocable deposit with an escrow agent of sufficient funds to pay principal and interest, when due, on the refunded bonds to the earliest call date. These obligations are no longer considered a liability of the City. The City has the following defeased refunded debt issues:

Issue	Series	Date Refunded	Outstanding as of	
			Refund Date	9/30/2019
Research Facilities Revenue Bonds	2010	November 14, 2018	\$ 54,085,000	\$ 53,785,000

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 3. NOTE 3. DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. CRA TRUST FUND

The Community Redevelopment Agency has responsibility for the tax increment districts. Pursuant to Section 163.387, Florida Statutes, a Redevelopment Trust Fund serves to process the transactions relating to the tax increment district. The following schedule shows the amount and source of funds and the amount and use of funds for the trust fund during the fiscal year ended September 30, 2019, as well as principal and interest paid during the year on the debt which is pledged with tax increment revenues. The balance of the debt remaining is presented as part of governmental activities debt.

Source of Funds	Date	Amount
City of Port St. Lucie	Various	\$ 1,328,097
St. Lucie County	12/28/18	1,793,667
Sale of Capital Assets	Various	1,600,000
City of Port St. Lucie Utility Department	Monthly	20,064
Interest Earnings	Monthly	12,042
Total Deposits		<u>\$ 4,753,870</u>

Use of Funds	Date	Amount
Debt Service - Principal	1/2/19	\$ 2,720,000
Debt Service - Interest	Semi-annual	1,593,150
Stormwater Utility Payment	4/19/19	8,962
CRA Operating Expenses	Various	409,342
City of Port St. Lucie - Indirect Costs	Various	47,740
Total Withdrawals		<u>\$ 4,779,194</u>

Principal and interest on indebtedness	Principal	Interest	Total
Series 2016 bonds	<u>\$ 30,775,000</u>	<u>\$ 6,031,625</u>	<u>\$ 36,806,625</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and third parties, and natural disasters. The City is a member of the Treasure Coast Risk Management Program (TRICO, a cooperative of local governments created under Florida Statute 163). As a participant in the risk pool, the City may be assessed for any deficits of the pool, which would be required to be funded. Presently, an actuarially projected amount is being assessed to the members of the pool on an annual basis.

The City has commercial property, automobile physical damage, flood, equipment breakdown, auto/ general/ cyber/ law enforcement liability, public officials and employment practices liability, crime, terrorism and active shooter, and statutory accidental death and dismemberment coverage through TRICO which also carries various excess and reinsurance policies through different carriers. The property coverage is subject to a \$100,000 deductible per occurrence except wind, flood and earthquake. The equipment breakdown coverage is subject to a \$10,000 deductible per occurrence. The City is a qualified self-insurer in the State of Florida and granted sovereign immunity under Florida Statute 768.28. Liability is limited to \$200,000 per claimant/\$300,000 per occurrence. An excess general liability, law enforcement and automobile liability policy is in force with policy limits of \$1,000,000 per occurrence/\$2,000,000 annual aggregate which is subject to \$1,000,000 self-insured retention and tracks Florida Statute 768.28. A Cyber liability policy is in force providing \$5,000,000/incident/\$10,000,000 combined policy aggregate. Crime coverage is subject to \$2,000,000 limit for employee theft and \$5,000,000 for computer & funds transfer fraud, subject to a \$25,000 per occurrence deductible. Terrorism coverage is subject to \$75,000,000 limit and a \$100,000 deductible. Active shooter/workplace violence coverage is \$1,000,000 aggregate per member. The Workers Compensation liability policy is statutory per Florida Statute 440, including employer's liability of \$1,000,000 occurrence, and is subject to a self-insured retention of \$1,000,000. The limits for Public Officials and Employment Practices Liability are \$1,000,000 per claim/per member/\$1,000,000 aggregate per member, subject to a TRICO pool aggregate limit of \$4,000,000, with a \$250,000 self-insured retention, except for sexual molestation which is \$225,000. The accidental death and dismemberment coverage tracks Florida Statute 112.18, 112.181, 112.1815, 112.19 and 112.191 as respects benefits payable.

The City is self-insured for health benefits provided to employees. The various departments fund the Medical Insurance Fund (Internal Service Fund) based on the experience rate of the prior year on a per employee basis for total claims and expenses paid. The City has contracted with Florida Blue to provide administration services for the plan. Administrative fees are based upon a flat rate per employee per month and are paid out of this fund. The City purchased stop-loss insurance from Symetra Life Insurance Company. The individual stop-loss limit is \$250,000 with an additional aggregate deductible of \$168,000 and a maximum stop loss limit of \$19,358,180 in paid claims. Stop-loss payments for the past year were \$0.

The following claims incurred but not reported (IBNR) liability, was estimated based on actuarial valuation, IBNR as of September 30, 2019 is reflected below:

Balance at September 30 2018	\$ 650,512
Current Year Claims	16,276,925
Current Year Payments	(16,190,046)
Balance at September 30, 2019	<u>\$ 737,391</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

B. EMPLOYEE RETIREMENT SYSTEMS

The City has one single employer defined pension plan and is a participant in one multi-employer defined pension plan, Florida Retirement System (FRS).

The City accounts for single employer plan as pension trust funds; which is substantially in the same manner as proprietary funds with economic resources measurement focus and the accrual basis of accounting. Plan member contributions, employer contributions, and contributions from other entities, including rollovers by participants from other plans, are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due in accordance with terms of the plans. Plan assets are valued at fair value for financial statement purposes, as reported by the custodial agents.

The City has three Defined Contribution Plans: General Employees Plan, Police Officers 401A Plan, and the Employees 401A Plan. Ordinance (77-25), as amended by subsequent City Ordinances, established Defined Contribution Plans for City employees. Currently the Defined Contribution Plan for General Employees 401A Plan is 10.9%, and the Police Officers 401A Plan is 10.5%. Vesting allows 100% after five (5) years or when reaching 55 years of age.

Both the City's defined pension plans are presented in accordance with GASB Statement No. 67, "Financial Reporting for Pension Plans" and GASB Statement No. 18, "Accounting and Financial Reporting for Pensions. These statements replace GASB Statement No. 27 "Accounting for Pensions by State and Local Governmental Employers", and GASB Statement No. 50, "Pension Disclosures". GASB 68, enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI).

Current Membership of Pension Plans:

Current membership, as of September 30, 2019 in the Florida Retirement System (FRS) and the Municipal Police Officers' Retirement Trust Fund were as follows:

	Municipal Police Officers' Retirement Trust Fund	Florida Retirement System
Inactive plan members of beneficiaries currently receiving benefits	77	
Inactive plan members entitled to but not yet receiving benefits	8	
Active plan members	215	5
	<u>300</u>	<u>5</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

B. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The following summarizes the pension related amounts for the City as of the indicated measurement dates:

	Measurement Date	Net Pension (Asset) Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Police Pension	9/30/2019	\$ 25,543,255	\$ 10,770,419	\$ 446,488	\$ 6,930,564
FRS	6/30/2019	758,172	307,316	116,046	235,168
HIS	6/30/2019	59,930	10,910	11,797	3,868
		<u>\$ 26,361,357</u>	<u>\$ 11,088,645</u>	<u>\$ 574,331</u>	<u>\$ 7,169,600</u>

Defined Benefit Pension Plan - Municipal Police Officers' Retirement Trust Fund

Plan Description

The Municipal Police Officers' Retirement Trust Fund (plan), which is a single-employer defined benefit public employee's retirement system (PERS), was established under the provisions of Chapter 185 of the Statutes of the State of Florida, and is accounted for in the Municipal Police Officers' Retirement Trust Fund. The plan is managed and administered by the five-member Retirement Board, which includes two Council appointees, two members of the department elected by the membership, and a fifth member elected by the other four and appointed by the Council.

Plan Membership as of October 1, 2019

Inactive plan members of beneficiaries currently receiving benefits	77
Inactive plan members entitled to but not yet receiving benefits	8
Active plan members	<u>215</u>
	<u>300</u>

Benefits Provided

The plan provides for normal retirement at age 55 with 10 years of service or age 52 with 25 years of service. Normal retirement benefits are calculated at 3.27% per service year based on the participant's compensation of the highest 5 years during the past 10 years of employment. Early retirement is provided for members age 50 with 10 years of credited service, reduced by 3.00% per year. Under the provisions of the plan, pension benefits vest fully after 5 years of full-time employment as a sworn police officer; however, if an employee terminates with the City, funds must remain in the plan until normal retirement age to realize that vesting.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

B. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Contributions

Plan Members contribute 9.0% of pensionable wages and the City contributes 10.5% of total pay contributed for each member plus any remaining amount necessary for payment of normal (current year's) cost. For the year ending September 30, 2019, the City contributed 36.12% of covered payroll. Additionally, the State collects a 0.85% tax on premiums for casualty insurance and remits those collections to the City annually. The state contributions are recorded as revenue and personnel fringe benefit expenditures in the City's general fund before being recorded as a contribution to the plan.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of October 1, 2019.

The components of the Net Pension Liability of the City on September 30, 2019 were as follows:

Total pension liability	\$ 138,812,309
Plan fiduciary net position	<u>(113,269,054)</u>
Sponsor's net pension liability	<u>\$ 25,543,255</u>
Plan fiduciary net position as a percentage of total pension liability	81.60%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2018, updated to September 30, 2019, using the following actuarial assumptions:

Inflation	2.50%
Salary increases	Service based
Discount rate	7.30%
Investment rate of return	7.30%

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

Mortality Rate Healthy Active Lives:

Female: RP-2000 Generational, 100% Combined Healthy White collar, Scale BB.

Male: RP2000 Generational, 10% Combined Healthy White Collar / 90% Combine Healthy Blue Collar, Scale BB.

Mortality Rate Disabled Lives:

Female: 60% RP2000 Disabled set forward two years/40% Annuitant White Collar with no setback, no projection scale.

Male: 60% RP2000 Disabled set back four years/40% Annuitant White Collar/ with no setback, no projection scale.

The actuarial assumptions used in the October 1, 2019 valuation were based on the results of an actuarial experience study dated July 10, 2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class. For 2019 the inflation rate assumption of the investment advisor was 2.50%. These ranges are combined to produce the long-range expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019 are summarized as follows:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
All cap value equity	22.50%	7.50%
Broad growth equity	22.50%	7.50%
Index Core	5.00%	7.50%
International Equity	15.00%	8.50%
Fixed Income (Core)	20.00%	2.50%
Global Bond	5.00%	3.50%
Real Estate	10.00%	4.50%
Total	100%	

The discount rate used to measure the total pension liability was 7.30%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the City's contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Changes in Net Pension Liability			
Balances at beginning of year	\$ 126,278,033	\$ 107,870,004	\$ 18,408,029
Charges for the year			
Service cost	4,163,067	-	4,163,067
Interest	9,528,114	-	9,528,114
Differences between expected and actual experience	2,237,596	-	2,237,596
Changes in assumptions	3,301,642	-	3,301,642
Contributions - employer	-	5,282,573	(5,282,573)
Contributions - state	-	1,569,087	(1,569,087)
Contributions - employee	-	1,716,997	(1,716,997)
Contributions - buy back	103,010	103,010	-
Net investment income	-	3,744,171	(3,744,171)
Benefit payments, including refunds of employee contributions	(6,799,153)	(6,799,153)	-
Administrative expenses	-	(217,635)	217,635
Net change	12,534,276	5,399,050	7,135,226
Balances at end of year	\$ 138,812,309	\$ 113,269,054	\$ 25,543,255

Sensitivity of the net pension liability to changes in the discount rate:

	1% Decrease (6.30%)	Current Discount Rate (7.30%)	1% Increase (8.30%)
City's net pension liability	\$ 44,018,618	\$ 25,543,255	\$ 10,167,548

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in a separately issued plan financial report. That report may be obtained by contacting the Financial Management Department at the City of Port St. Lucie, 121 S.W. Port St. Lucie Blvd, Port St. Lucie, FL 34984.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2019, the City recognized a pension expense of \$6,930,564. On September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,958,117	\$ 446,488
Changes of assumptions	6,929,035	-
Net difference between Projected and Actual Earnings on Pension Plan Investments	883,267	-
Total	<u>\$ 10,770,419</u>	<u>\$ 446,488</u>

The following table represents amounts recognized in Deferred Inflows of Resources and Outflows of Resources related to pension expense.

Year Ending September 30,	
2021	\$ 1,723,245
2022	2,002,194
2023	2,421,568
2024	2,442,105
2025	943,499
Thereafter	\$ 791,320

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

C. FLORIDA RETIREMENT SYSTEM

Defined Benefit Plan - Florida Retirement System

The City participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees and surviving beneficiaries of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

a. Benefits Provided

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

b. Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2019, were as follows:

	FRS	HIS
Regular class	6.81%	1.66%
Special risk class	23.82%	1.66%
Senior management service class	23.75%	1.66%
Elected officials	47.16%	1.66%
DROP	12.94%	1.66%

The employer's contributions for the year ended September 30, 2019, were \$68,263 to the FRS Pension Plan and \$2,974 to the HIS Program.

c. Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2019, the City reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2019. The City's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net Pension Liability	\$ 758,172	\$ 59,930
Proportion at:		
Current measurement date	0.0022%	0.0005%
Prior measurement date	0.0026%	0.0006%
Pension expense (benefit)	\$ 235,168	\$ 3,868

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

d. Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 44,969	\$ 471	\$ 728	\$ 73
Change of assumptions	194,731	-	6,939	4,898
Net difference between projected and actual earnings on pension plan investments	-	41,946	39	-
Changes in proportion and differences between City pension plan contributions and proportionate share of contributions	48,623	73,629	2,402	6,826
City pension plan contribution subsequent to the measurement date	18,993	-	802	-
Total	<u>\$ 307,316</u>	<u>\$ 116,046</u>	<u>\$ 10,910</u>	<u>\$ 11,797</u>

e. Deferred Outflows/Inflows of Resources Related to Pensions

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2020. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending September 30:	FRS	HIS
2020	\$ 88,412	\$ 447
2021	15,528	111
2022	40,596	(149)
2023	29,787	(1,207)
2024	(1,063)	(490)
Thereafter	(983)	(401)
Total	<u>\$ 172,277</u>	<u>\$ (1,689)</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

f. Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2019. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2019. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2018 and using standard actuarial rolled-forward to develop the liability at June 30, 2019. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.60%	2.60%
Salary increase	3.25%	3.25%
Investment rate of return	6.90%	N/A
Discount rate	6.90%	3.50%

Mortality assumptions for the FRS Pension Plan were based on PUB2010 base tables projected generationally with Scale MP-2018. Mortality assumptions for the HIS Program were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2019:

FRS: The long-term expected rate of return and the discount rate used to determine the total pension liability decreased from 7.00% to 6.90%.

HIS: The municipal bond index rate and the discount rate used to determine the total pension liability increased from 3.87% to 3.50%.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

	Target Allocation (1)	Annual Arithmetic Return	Compound Annual Geometric Return
Cash	1%	3.3%	3.3%
Fixed income	18%	4.1%	4.1%
Global equity	54%	8.0%	6.8%
Real estate	10%	6.7%	6.1%
Private equity	11%	11.2%	8.4%
Strategic investments	6%	5.9%	5.7%
	<u>100%</u>		

g. Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.90%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.50% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

h. Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	1% Decrease	Current Discount Rate	1% Increase	1% Decrease	Current Discount Rate	1% Increase
	(5.90%)	(6.90%)	(7.90%)	(2.50%)	(3.50%)	(4.50%)
City's proportionate share of the net pension liability	\$ 1,310,627	\$ 758,172	\$ 296,779	\$ 68,413	\$ 59,930	\$ 52,864

Pension Plans' Fiduciary net Position detailed information about the pension plans' fiduciary net position is available in the state's separately issued financial reports.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

i. Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

j. Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2019, totaled .

Plan Description

Section 112.0801, Florida Statutes, requires all public employers to allow their retirees to participate in the same health group plan offered to their active employees. The City operates a self-funded plan for health, dental, vision and life insurance benefits. All financial activities of the self-funded plan are recorded in the Internal Service Fund. Substantially all the City's full-time employees may become eligible for those benefits if they reach normal retirement age while working for the City. The City recognizes the costs associated with providing these benefits as claims are paid. Funding of the plan is from various funds of the City that incur payroll related expenses, such as the General Fund, Road & Bridge Fund and Utility System Fund. These funds have also expended money in the past to liquidate the other post-employment benefit (OPEB) net OPEB liability.

The Other Post Employment Benefit plan is a single-employer benefit plan administered by the City. Retirees' are charged the same rate by the City as active employees. Premiums charged by the City are a blended rate based on the experience of younger active employees and older retired employees. Since retirees have higher costs yet pay the same rate as younger active employees, the blended rate creates an implicit rate subsidy for retirees.

The City offers a Health Insurance Premium Subsidy to select retirees. The Health Insurance Subsidy is not contingent on continuing medical coverage through the City. The Subsidy is equivalent to a portion of the cost of single medical coverage through the City. The portion payable at retirement is 5% per each year of service up to a maximum of 80%. The portion payable for total and permanent disability incurred in the line of work is 100%. To be eligible for the Premium Subsidy a participant must meet the following qualifications:

- a) be an eligible employee as of the inception of the policy on 10/1/2005 and hired prior to 10/25/2010, and
- b) retire:
 - 1) at age 55 with 10 years of service for general employees, or
 - 2) at age 52 with 10 years of covered service for sworn officers.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

OPEB Trust Account

In March 2010, City Council adopted Resolution 10-R11 establishing a retiree health savings plan (the Plan) for employees' health needs during retirement. An irrevocable trust was established with ICMA Retirement Corporation and is 100% funded by city contributions. The assets of the Plan are held in trust, with the City Manager, or his/her designee, and the City Finance Director, or his/her designee, as trustee for the exclusive benefit of the Plan participants. Each year the City contributes to the Other Postemployment Plan Trust Account an amount based on the actuarially determined contribution. For the year ended September 30, 2019, the City contributed \$1,739,000. The City's contributions to the Trust Account and the earnings of the Trust Account are dedicated to providing benefits for eligible retirees. An actuarial valuation of the OPEB obligation is prepared each year to determine the annual contribution to the Trust Account.

OPEB Trust Fund

The City established an OPEB Trust Fund to account for the costs of retiree health insurance, the resources required to pay retiree health insurance benefits and the accumulation of funds in the OPEB Trust Account. Separate financial statements for the OPEB Trust Fund are not available. A Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position are included in the City's Comprehensive Annual Financial Report. Since the City self-funds health insurance for active and retired employees, costs of retiree health insurance and amounts to be contributed by retirees are calculated annually based on recommendations provided by the City's health insurance consultant. Contributions by retirees to the OPEB Trust Fund for the fiscal year ending September 30, 2019 were \$2,848,960.

Plan Membership as of September 30, 2019

Inactive plan members currently receiving benefits	107
Active plan members with coverage	951
Active plan members without coverage	60
	<u>1,118</u>

Investments

Resolution 10-R11 required all Plan assets to be invested in the ICMA Retirement Corporation's VantageCare Retirement Health Savings Plan (RHS Plan). Investment options in the RHS Plan include:

- Cash Management Fund
- Bond funds
- Balanced/Asset allocation funds
- U.S. stock funds
- International/Global funds

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

As authorized by the resolution, the City Manager and City Finance Director have directed ICMA Retirement Corporation to invest the Plan assets in a Broad U.S. Stock Market Index Fund (Stock Fund) and a Core U.S. Bond Index Fund (Bond Fund). Plan assets are allocated as follows:

<u>Asset Class</u>	<u>Target Allocation</u>
Stock Fund	60%
Bond Fund	40%

For the year ended September 30, 2019, the annual money-weighted rate of return on the investments, net of investment expense, was 3.36%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the City

The components of the net OPEB liability of the City at September 30, 2019, were as follows:

Total OPEB liability	\$ 35,505,674
Plan fiduciary net position	<u>(18,468,918)</u>
Net OPEB liability	<u>\$ 17,036,756</u>

Plan fiduciary net position as % of total OPEB liability 52.00%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of September 30, 2019, using the following assumptions.

Discount Rate

7.00%

Payroll Growth

Payroll growth includes general inflation of 3.25% plus merit/productivity increases based on the FRS valuation as of July 1, 2019. General employees are assumed to follow the Regular table while Police employees are assumed to follow the Special Risk table.

Inflation Rate Components

General inflation: 2.60% per year

Real wage inflation: 0.65%

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

Cost Method

Entry Age Normal Level

Health Care Coverage Election Rate

Disability

Sample rates of disability are as shown below:

Age	General		Police
	Male	Female	Unisex
20	0.002%	0.001%	0.03%
30	0.003%	0.001%	0.04%
40	0.009%	0.005%	0.07%
50	0.022%	0.010%	0.18%
60	0.048%	0.022%	0.90%

Turnover Rate

Assumption used to project terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. The rates represent the probability of termination in the next 12 months. Sample annual turnover rates are shown below:

Age	General						Police
	Male			Female			All YOS
	0 YOS	5 YOS	10+ YOS	0 YOS	5 YOS	10+ YOS	
20	32.85%	11.69%	9.77%	30.27%	13.47%	11.55%	12.00%
30	25.85%	8.83%	4.71%	25.39%	9.42%	5.37%	10.00%
40	24.38%	7.37%	2.97%	24.40%	7.02%	3.33%	5.20%
50	23.45%	6.03%	2.95%	23.21%	6.16%	2.95%	1.60%
60	27.37%	6.76%	5.31%	23.21%	6.06%	2.95%	
56+	N/A	N/A	N/A	N/A	N/A	N/A	0.40%
62+	27.37%	6.76%	3.68%	23.21%	6.06%	2.95%	

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

Retirement Rate

Assumed annual rates of retirement are as shown below. DROP participants are assumed to be retired as of the measurement date.

General		Police		
Age	All YOS	Age	10-24 YOS	25+ YOS
55-61	2%	50	5%	5%
62	25%	51	5%	5%
63-64	10%	52	5%	100%
65-69	20%	53	5%	100%
70+	100%	54	5%	100%
		55	100%	100%

Mortality

RPH-2017 Total data set Mortality Table fully generational using Scale MP-2019 for health retirees

RHP-2017 Disabled Retiree Mortality Table fully generational using Scale MP-2019 for disabled retirees

Health Care Trend Rates -8.5% decreasing to 4.5%

The initial trend rate was based on a combination of employer history, national trend surveys, and professional judgment. The ultimate trend rate was selected based on historical medical CPI information.

HIS Trend Rates -7.8% decreasing to 4.45%

HIS trend rates are based on (1) health care trend rates shown above and; (2) assumed dental / vision trend rates which begin at an initial 4.5% and decrease to 3.5% by FYE 2022 by 0.25% steps each year.

Retiree Contributions

Retiree contributions are assumed to increase according to health care trend rates.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

Investment Returns

The long-term expected rate of return on OPEB plan investments is 7.00% based on the City's OPEB Trust Account expected targets. This was validated using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.25%). The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan's target asset allocation as of June 30, 2019 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Rate of Return</u>
U.S. Stock	60%	4.55%
U.S. Bond	40%	1.57%
Total	100%	6.12%

The City's funding policy is to pay the pay-go costs out of the City's Operating Funds and to partially pre-fund the Actuarially Determined Contribution. The final single equivalent discount rate used for this year's valuation is 7.00% as of September 30, 2019 with the assumption that the City will eventually pay the pay-go costs out of the OPEB Trust Account at the time when the OPEB Trust Account is expected to be sufficient to finance all future benefit payments.

Changes in Net OPEB Liability	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Beginning balances	\$ 28,273,495	\$ 15,738,100	\$ 12,535,395
Changes for the year:			
Service cost	511,755	-	511,755
Interest	1,976,780	-	1,976,780
Changes in assumptions	(1,155,879)	-	(1,155,879)
Differences between expected and actual experience	7,009,368	-	7,009,368
Contributions - employer	-	2,848,960	(2,848,960)
Net investment income	-	991,703	(991,703)
Benefit payments	(1,109,845)	(1,109,845)	-
Net changes	7,232,179	2,730,818	4,501,361
Ending balance	\$ 35,505,674	\$ 18,468,918	\$ 17,036,756

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage point higher (8.0 percent) than the current discount rate:

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Net OPEB liability (asset)	\$ 21,447,505	\$ 17,036,756	\$ 13,366,684

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7% percent decreasing to 3.5% percent) or 1-percentage-point higher (9 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease(7% decreasing to 3.5%)	Healthcare Cost Trend Rates (8% decreasing to 4.5%)	1% Increase (9% decreasing to 5.5%)
Net OPEB liability (asset)	\$ 13,199,853	\$ 17,036,756	\$ 21,655,786

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued SCERS financial report.

OPEB Expense and Deferred Outflows/Inflows of Resources

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

For the year ended September 30, 2019, the City recognized OPEB expense of \$785,360. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,133,197	\$ 12,020,404
Changes of assumptions	5,175,938	1,011,394
Net difference between projected and actual earnings on OPEB plan investments	135,843	402,922
Total	<u>\$ 11,444,978</u>	<u>\$ 13,434,720</u>

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB are recognized in OPEB expenses as follows:

Year ended:

2020	\$ (541,668)
2021	(541,666)
2022	(444,882)
2023	(375,099)
2024	(409,059)
Thereafter	\$ 322,626

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

Fiduciary Net Pension Activity:

	Municipal Police Officers	Other Post Employment Benefits	Total
Assets			
Cash and equivalents	\$ -	\$ 523	\$ 523
Fixed investment	5,041,137	-	5,041,137
Corporate stocks	26,348,838	-	26,348,838
Corporate bonds	6,865,762	-	6,865,762
US Government obligations	635,133	-	635,133
Federal agencies	9,490,297	-	9,490,297
Municipal obligation	1,134,136	-	1,134,136
Real estate investments	12,524,756	-	12,524,756
Mutual funds	51,024,798	18,468,918	69,493,716
Accrued investment income	281,057	-	281,057
Prepaid expenses	1,418	-	1,418
Total assets	<u>113,347,332</u>	<u>18,469,441</u>	<u>131,816,773</u>
Liabilities and net position			
Liabilities			
Broker deals	84,296	-	84,296
Accounts payable	111,784	-	111,784
Total liabilities	<u>196,080</u>	<u>-</u>	<u>196,080</u>
Net position			
Restricted for employees retirement	<u>113,151,252</u>	<u>18,469,441</u>	<u>131,620,693</u>
Total net position	<u>113,151,252</u>	<u>18,469,441</u>	<u>131,620,693</u>
Total liabilities and net position	<u>\$ 113,347,332</u>	<u>\$ 18,469,441</u>	<u>\$ 131,816,773</u>

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

	Municipal Police Officers	Other Post Employment Benefits	Total
Additions			
Contributions			
City	\$ 5,282,572	\$ 2,848,960	\$ 8,131,532
State	1,569,087	-	1,569,087
Employee	1,805,061	-	1,805,061
Total Contributions	8,656,720	2,848,960	11,505,680
Investment Income			
Net Increase in Fair Value of Investments	1,194,285	992,077	2,186,362
Interest and Dividends	2,627,832	-	2,627,832
Total Investment Income	3,822,117	992,077	4,814,194
Investment Expense	(269,005)	-	(269,005)
Net Investment Income	3,553,112	992,077	4,545,189
Total Additions	12,209,832	3,841,037	16,050,869
Deductions			
Benefit Payments	6,450,253	1,109,845	7,560,098
Administrative Costs and Charges	222,178	-	222,178
Refunds	197,975	-	197,975
Total Deductions	6,870,406	1,109,845	7,980,251
Net Increase in Net Pension	5,339,426	2,731,192	8,070,618
Total Net Position - beginning	107,811,826	15,738,249	123,550,075
Total Net Position - ending	\$ 113,151,252	\$ 18,469,441	\$ 131,620,693

D. CONTINGENCIES

The City is a defendant in various lawsuits arising in the normal course of business, including claims for property damages, personal injuries, and personnel practices. In the opinion of management, the ultimate outcome of these lawsuits, some of which are covered by insurance, will not have a material adverse effect on the City's financial position.

City of Port St. Lucie, Florida
Notes to the Financial Statements
For the Year Ended September 30, 2019

NOTE 4. NOTE 4. OTHER INFORMATION (CONTINUED)

E. SUBSEQUENT EVENTS

On February 13, 2020 the City issued \$30,145,000 City of Port St Lucie, Stormwater Utility Refunding Revenue Bonds, Series 2020. The Series 2020 Bonds were issued to provide funds, together with other legally available funds to refund the City's Stormwater utility revenue Bonds, Taxable Series 2010A (Build America Bonds - Direct Payment) and the Stormwater utility Revenue Bonds, Taxable Series 2010B (Recovery Zone Economic Development Bonds). The proceeds of the Series 2010 Bonds were used by the City to (i) finance the cost of acquisition, construction and equipping of capital improvements to the System, (ii) purchase a reserve fund financial guaranty policy in the amount of the Reserve Account Requirement of the Series 2010 Bonds for deposit to the Series 2010 Bonds Reserve Subaccount in the Reserve Account, and (iii) pay costs of issuance associated with the Series 2010 Bonds including the cost of the financial guaranty policy.

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) is a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the City. The occurrence and extent of such an impact will depend on future developments, including: (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.



"A City for All Ages"

Required Supplementary Information

City of Port St. Lucie, Florida

**Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended September 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 64,635,497	\$ 64,898,030	\$ 65,737,912	\$ 839,882
Licenses and permits	10,889,474	10,889,474	11,006,849	117,375
Intergovernmental	13,077,992	13,226,677	14,479,012	1,252,335
Charges for services	3,384,266	3,485,266	3,939,322	454,056
Fines and forfeitures	1,013,449	1,119,073	1,191,992	72,919
Interest income	408,005	408,005	1,084,983	676,978
Impact fees	475,000	475,000	970,583	495,583
Other	1,514,195	6,447,754	1,768,239	(4,679,515)
Total revenues	<u>95,397,878</u>	<u>100,949,279</u>	<u>100,178,892</u>	<u>(770,387)</u>
Expenditures				
General government	22,383,814	22,464,635	21,470,489	994,146
Public safety	46,643,005	50,346,378	48,452,947	1,893,431
Physical environment	484,364	484,364	363,145	121,219
Transportation	106,443	123,443	114,750	8,693
Economic environment	5,687,039	5,669,216	2,587,629	3,081,587
Human services	1,574,519	1,596,417	1,458,061	138,356
Culture and recreation	16,774,153	16,935,456	14,883,437	2,052,019
Principal	-	302,000	745,000	(443,000)
Interest	1,318,844	2,437,320	4,409,864	(1,972,544)
Total expenditures	<u>94,972,181</u>	<u>100,359,229</u>	<u>94,485,322</u>	<u>5,873,907</u>
Excess (deficiency) of revenues over (under) expenditures	<u>425,697</u>	<u>590,050</u>	<u>5,693,570</u>	<u>5,103,520</u>
Transfers in	9,207,475	9,207,475	9,202,280	(5,195)
Transfers out	(9,759,006)	(10,573,084)	(10,519,040)	54,044
Proceeds from issuance of debt	-	-	54,360,024	54,360,024
Payment to escrow agent	-	-	(53,955,165)	(53,955,165)
Total other financing sources (uses)	<u>(551,531)</u>	<u>(1,365,609)</u>	<u>(911,901)</u>	<u>453,708</u>
Net change in fund balance	<u>\$ (125,834)</u>	<u>\$ (775,559)</u>	<u>4,781,669</u>	<u>\$ 5,557,228</u>
Fund balance, beginning of year			<u>29,777,785</u>	
Fund balance, end of year			<u>\$ 34,559,454</u>	

City of Port St. Lucie, Florida

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - SW Annexation District 1 Collection Fund
For the Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	\$ 7,005,000	\$ 7,005,000	\$ 6,979,785	\$ (25,215)
Interest income	55,500	55,500	335,548	280,048
Total revenues	<u>7,060,500</u>	<u>7,060,500</u>	<u>7,315,333</u>	<u>254,833</u>
Expenditures				
Physical environment	164,000	164,000	112,239	51,761
Principal	2,350,000	2,350,000	3,085,000	(735,000)
Interest	<u>4,440,000</u>	<u>4,440,000</u>	<u>3,705,744</u>	<u>734,256</u>
Total expenditures	<u>6,954,000</u>	<u>6,954,000</u>	<u>6,902,983</u>	<u>51,017</u>
Excess (deficiency) of revenues over (under) expenditures	106,500	106,500	412,350	305,850
Transfers out	<u>(1,073)</u>	<u>(1,073)</u>	<u>(1,073)</u>	<u>-</u>
Net change in fund balance	<u>\$ 105,427</u>	<u>\$ 105,427</u>	411,277	<u>\$ 305,850</u>
Fund balance, beginning of year			<u>10,194,044</u>	
Fund balance, end of year			<u>\$ 10,605,321</u>	

City of Port St. Lucie, Florida

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Community Redevelopment Agency Fund
For the Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues				
Intergovernmental	\$ 1,697,028	\$ 1,756,970	\$ 1,793,667	\$ 36,697
Interest income	1,025	1,025	12,041	11,016
Other	20,600	20,600	20,064	(536)
Total revenues	<u>1,718,653</u>	<u>1,778,595</u>	<u>1,825,772</u>	<u>47,177</u>
Expenditures				
Economic environment	542,949	631,949	418,303	213,646
Principal	2,614,800	2,614,800	2,720,000	(105,200)
Interest	1,698,350	1,698,350	1,593,150	105,200
Total expenditures	<u>4,856,099</u>	<u>4,945,099</u>	<u>4,731,453</u>	<u>213,646</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,137,446)</u>	<u>(3,166,504)</u>	<u>(2,905,681)</u>	<u>260,823</u>
Transfers in	1,362,752	1,387,522	1,328,097	(59,425)
Transfers out	(47,740)	(47,740)	(47,740)	-
Proceeds from sale of assets	1,600,000	1,600,000	1,600,000	-
Total other financing sources (uses)	<u>2,915,012</u>	<u>2,939,782</u>	<u>2,880,357</u>	<u>(59,425)</u>
Net change in fund balance	<u>\$ (222,434)</u>	<u>\$ (226,722)</u>	<u>(25,324)</u>	<u>\$ 201,398</u>
Fund balance, beginning of year			<u>248,475</u>	
Fund balance, end of year			<u>\$ 223,151</u>	

City of Port St. Lucie, Florida

**Notes to Schedules of Revenues and Expenditures Budget and Actual
General Fund and Major Special Revenue Funds
For the Year Ended September 30, 2019**

The City's Office of Management and Budget prepares an annual operating budget for all governmental funds except Capital Project Funds which are subject to budgetary control on a project basis. The level of budgetary control is the department. The City Manager is authorized to transfer budgeted amounts within departments of any fund. Revisions that alter the budgeted totals of any department require approval of the City Council. Unencumbered appropriations lapse at year-end.

Budgets for general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles, except encumbrances are presented as expenditures.

Encumbrances – under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation in the governmental funds. Encumbrances outstanding at year-end are reported as fund balance - committed and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year when the corresponding expenditure will be recorded as paid.



"A City for All Ages"

City of Port St. Lucie, Florida

**Municipal Police Officers' Retirement Trust Fund
Schedule of Changes in Net Pension Liability and Related Ratios**

	2019	2018	2017	2016
Total Pension Liability				
Service cost	\$ 4,163,067	\$ 3,909,651	\$ 3,558,152	\$ 3,431,980
Interest	9,317,565	8,831,558	8,161,944	5,860,296
Change in excess state money	-	-	-	(1,508,953)
Changes of benefit terms	-	-	-	2,751,119
Differences between expected and actual experience	2,237,596	1,065,253	488,739	660,201
Change of assumptions	3,301,642	-	3,830,114	2,757,260
Contributions - buy back	103,010	63,446	246,153	362,053
Benefit payments, including refunds of employee contributions	(6,648,228)	(2,841,518)	(3,707,511)	(2,505,630)
Net change in total pension liability	<u>12,474,652</u>	<u>11,028,390</u>	<u>12,577,591</u>	<u>11,808,326</u>
Total pension liability - beginning	<u>126,219,855</u>	<u>115,191,465</u>	<u>102,613,874</u>	<u>90,805,548</u>
Total pension liability - ending (a)	<u>\$ 138,694,507</u>	<u>\$ 126,219,855</u>	<u>\$ 115,191,465</u>	<u>\$ 102,613,874</u>
Plan Fiduciary Net Pension				
Contributions - city	\$ 5,282,572	\$ 4,015,851	\$ 4,018,282	\$ 3,781,111
Contributions - state	1,569,087	1,439,785	1,296,741	1,247,468
Contributions - employees	1,702,051	1,661,523	1,559,054	1,489,224
Contributions - buy back	103,010	63,446	246,153	362,053
Net investment income	3,553,112	8,873,271	10,004,086	6,951,772
Benefit payments, including refunds of employee contributions	(6,648,228)	(2,841,518)	(3,707,511)	(2,505,630)
Administrative expense	(222,178)	(190,294)	(167,554)	(173,825)
Net change in plan fiduciary net position	<u>5,339,426</u>	<u>13,022,064</u>	<u>13,249,251</u>	<u>11,152,173</u>
Plan fiduciary net position - beginning	<u>107,811,826</u>	<u>94,789,762</u>	<u>81,540,511</u>	<u>70,388,338</u>
Plan fiduciary net position - ending (b)	<u>\$ 113,151,252</u>	<u>\$ 107,811,826</u>	<u>\$ 94,789,762</u>	<u>\$ 81,540,511</u>
Net pension liability - ending (a) - (b)	<u>\$ 25,543,255</u>	<u>\$ 18,408,029</u>	<u>\$ 20,401,703</u>	<u>\$ 21,073,363</u>
Plan fiduciary net position as a % of the total pension liability	81.60 %	85.42 %	82.29 %	79.46 %
Covered payroll *	\$ 18,967,279	\$ 18,475,097	\$ 17,322,812	\$ 16,546,924
Net pension liability as a % of covered payroll	134.67 %	99.64 %	117.77 %	127.36 %

* The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll

City of Port St. Lucie, Florida

**Municipal Police Officers' Retirement Trust Fund
Schedule of Changes in Net Pension Liability and Related Ratios**

	2015	2014	2013
Total Pension Liability			
Service cost	\$ 3,098,598	\$ 2,960,477	\$ 2,741,182
Interest	6,533,502	5,664,535	5,237,834
Change in excess state money	364,937	309,802	-
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(572,414)	-	-
Change of assumptions	2,550,583	-	-
Contributions - buy back	20,069	4,436,554	-
Benefit payments, including refunds of employee contributions	<u>(2,572,372)</u>	<u>(2,465,108)</u>	<u>(2,273,086)</u>
Net change in total pension liability	<u>9,422,903</u>	<u>10,906,260</u>	<u>5,705,930</u>
Total pension liability - beginning	<u>81,314,693</u>	<u>70,408,433</u>	<u>64,702,503</u>
Total pension liability - ending (a)	<u><u>\$ 90,737,596</u></u>	<u><u>\$ 81,314,693</u></u>	<u><u>\$ 70,408,433</u></u>
Plan Fiduciary Net Pension			
Contributions - city	\$ 3,291,256	\$ 3,226,099	\$ 3,085,280
Contributions - state	1,082,037	1,026,902	972,480
Contributions - employees	1,407,055	1,407,206	1,238,897
Contributions - buy back	20,069	4,436,554	-
Net investment income	(308,449)	4,908,147	6,621,223
Benefit payments, including refunds of employee contributions	<u>(2,572,372)</u>	<u>(2,465,108)</u>	<u>(2,273,086)</u>
Administrative expense	<u>(185,455)</u>	<u>(147,333)</u>	<u>(93,764)</u>
Net change in plan fiduciary net position	<u>2,734,141</u>	<u>12,392,467</u>	<u>9,551,030</u>
Plan fiduciary net position - beginning	<u>67,654,197</u>	<u>55,261,730</u>	<u>45,710,700</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 70,388,338</u></u>	<u><u>\$ 67,654,197</u></u>	<u><u>\$ 55,261,730</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 20,349,258</u></u>	<u><u>\$ 13,660,496</u></u>	<u><u>\$ 15,146,703</u></u>
Plan fiduciary net position as a % of the total pension liability	77.57 %	83.20 %	78.69 %
Covered payroll *	\$ 16,788,921	\$ 15,644,848	\$ 13,765,222
Net pension liability as a % of covered payroll	121.21 %	87.32 %	109.00 %

* The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll

City of Port St. Lucie, Florida

**Municipal Police Officers' Retirement Trust Fund
Schedule of Changes in Net Pension Liability and Related Ratios**

Notes to Schedule:

Changes of assumptions:

For measurement date 09/30/2019, amounts reported as changes of assumptions resulted from lowering the invested rate of return from 7.5% to 7.3%

For measurement date 09/30/2017, as result of the Experience Study dated July 20, 2017, the Board has adopted changes to:

- Payroll growth
- Salary increases
- Investment return
- Mortality rates
- Normal and early retirement rates
- Withdrawal rates

Mortality rates were changed to the assumptions used by the Florida Retirement System for special risk employees.

mortality were changed to the assumptions used by the Florida Retirement System for special risk employees.

The inflation assumption was lowered from 3.0% to 2.5%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

For measurement date 09/30/2015, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 8.0% to 7.75%.

City of Port St. Lucie, Florida

**Municipal Police Officers' Retirement Trust Fund
Schedule of Contributions**

	2019	2018	2017	2016
Actuarially determined contribution	\$ 6,794,017	\$ 5,793,686	\$ 5,100,319	\$ 4,498,211
Contributions in relation to the actuarially determined contributions	6,851,660	5,455,636	5,315,023	5,028,579
Contribution deficiency (excess)	<u>\$ (57,643)</u>	<u>\$ 338,050</u>	<u>\$ (214,704)</u>	<u>\$ (530,368)</u>
Covered payroll *	\$ 18,967,279	\$ 18,475,097	\$ 17,322,812	\$ 16,546,924
Contributions as a percentage of covered payroll	36.12 %	29.53 %	30.68 %	30.39 %

* The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.

	2015	2014	2013
Actuarially determined contribution	\$ 4,007,828	\$ 3,944,168	\$ 3,802,380
Contributions in relation to the actuarially determined contributions	4,007,828	3,944,168	3,802,380
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll *	\$ 16,788,921	\$ 15,644,848	\$ 13,765,522
Contributions as a percentage of covered payroll	23.87 %	25.21 %	27.62 %

* The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.

City of Port St. Lucie, Florida

Municipal Police Officers' Retirement Trust Fund
Notes to Schedule of Contributions

Notes to Schedule

Valuation Date: 10/1/2017

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Mortality Rates: *Healthy Inactive Lives:*

Female: RP 2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: RP 2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB.

Healthy Active Lives:

Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB.

Male: RP2000 Generational, 10% Combined Healthy White Collar / 90% Combined Healthy Blue Collar, Scale BB.

Disabled Lives:

Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale.

Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.

The above assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2016 FRS valuation report for special risk participants. We feel this assumption sufficiently accommodates future mortality improvements.

Interest Rate: 7.50% per year compounded annually, net of investment-related expenses. This assumption is supported by the Plan's current asset allocation and long-term expected returns by asset class.

Payroll Increases: 3.00%, in compliance with Chapter 112, Florida Statutes. This assumption is reasonable, given that it is based on the Plan's actual ten-year payroll growth average. No payroll growth assumption is utilized for UAAL bases developed on and after October 1, 2017.

Early Retirement:

Age	Probability of Retirement
50	0%
51	4%
52	17%
53	5%
54	13%

The above rates were developed and adopted as a result of our July 10, 2017 experience study.

City of Port St. Lucie, Florida

**Municipal Police Officers' Retirement Trust Fund
Notes to Schedule of Contributions**

Normal Retirement: Less than 25 years of Credited Service

Age	Probability of Retirement
55	50%
56	10%
57	25%
58	33%
59	60%
60+	100%

25 or more years of Credited Service

Age	Probability of Retirement
52	60%
53	0%
54	50%
55+	100%

The above rates were developed and adopted as a result of our July 10, 2017 experience study.

Salary Increases:	Years of Service	Increase in Compensation
	0	19.00%
	1	8.40%
	2	6.50%
	3 or more	5.00%

The above rates were developed and adopted as a result of our July 10, 2017 experience study.

Final Salary Load:	<u>Credited Service on 10/01/2012</u>	<u>Load Assumption</u>
	10 or more years	20.00%
	Between 5 and 10 years	15.00%
	Less than 5 years	0.00%

Funding Method: Entry Age Normal Actuarial Cost Method. The following loads are applied for determination of the Sponsor funding requirement:
Interest – A half year, based on the current 7.50% assumption.
Salary – A full year, based on the current average assumption of 5.82%.

Disability Rate: See table below for sample rates. It is assumed that 75% of disablements and active member deaths are service-related.

Age	% Becoming Disabled During the Year
20	0.03%
30	0.04%
40	0.07%
50	0.18%

City of Port St. Lucie, Florida

Municipal Police Officers' Retirement Trust Fund
Notes to Schedule of Contributions

Termination Rate:

<u>Credited Service</u>	<u>Probability of Withdrawal</u>
0-2	17%
3-4	7%
5-14	3%
15+	2%

The above rates were developed and adopted as a result of our July 10, 2017 experience study.

Asset Valuation:

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

City of Port St. Lucie, Florida

**Municipal Police Officers' Retirement Trust Fund
Schedule of Investment Returns**

	2019	2018	2017	2016	2015	2014	2013
Annual money-weighted rate of return, net of investment expense	3.47 %	9.21 %	12.08 %	9.79 %	(0.44)%	8.27 %	14.40 %

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, Pension plans should present information for those years for which information is available.

City of Port St. Lucie, Florida

**Florida Retirement System
Schedule of Proportionate Share in Net Pension Liability and Related Ratios**

Florida Retirement System (FRS)	2019	2018	2017	2016	2015	2014
City's portion of the net pension liability	0.0022 %	0.0025 %	0.0026 %	0.0025 %	0.0025 %	0.0025 %
City's proportionate share of the net pension liability	\$ 758,172	\$ 781,013	\$ 729,960	\$ 644,865	\$ 326,606	\$ 119,960
City's covered payroll	\$ 190,283	\$ 184,009	\$ 179,734	\$ 177,642	\$ 175,422	\$ 169,287
City's proportionate share of the net pension liability as a percentage of its covered payroll	395.56 %	424.44 %	406.13 %	363.01 %	186.18 %	70.86 %
Plan fiduciary net position as a percentage of the total pension liability	82.61 %	84.26 %	83.89 %	84.88 %	92.00 %	96.00 %
Health Insurance Subsidy (HIS)	2019	2018	2017	2016	2015	2014
City's portion of the net pension liability	0.0005 %	0.0006 %	0.0006 %	0.0005 %	0.0005 %	0.0005 %
City's proportionate share of the net pension liability	\$ 59,930	\$ 62,168	\$ 60,654	\$ 69,615	\$ 58,983	\$ 55,582
City's covered payroll	\$ 190,283	\$ 184,009	\$ 179,734	\$ 177,642	\$ 175,422	\$ 169,287
City's proportionate share of the net pension liability as a percentage of its covered payroll	31.50 %	33.79 %	33.75 %	39.19 %	33.62 %	32.83 %
Plan fiduciary net position as a percentage of the total pension liability	2.63 %	2.15 %	1.64 %	0.97 %	0.50 %	0.99 %

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only the years for which information is available.

Note 2: The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 3K of the Plan's Comprehensive Annual Financial Report.

Note 3: amounts presented for each fiscal year were determined as of 6/30.

City of Port St. Lucie, Florida

**Florida Retirement System
Schedule of Contributions and Related Ratios**

Florida Retirement System (FRS)	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 68,263	\$ 73,897	\$ 64,243	\$ 62,281	\$ 61,650	\$ 60,418
Contributions in relation to the contractually required contributions	(68,263)	(73,897)	(64,243)	(62,281)	(61,650)	(60,418)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 191,673	\$ 185,367	\$ 181,076	\$ 178,967	\$ 176,701	\$ 170,566
Contributions as a percentage of covered payroll	35.61 %	39.87 %	35.48 %	34.80 %	34.89 %	35.42 %

Health Insurance Subsidy (HIS)	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 2,974	\$ 3,185	\$ 3,002	\$ 3,062	\$ 2,210	\$ 2,314
Contributions in relation to the contractually required contributions	(2,974)	(3,185)	(3,002)	(3,062)	(2,210)	(2,314)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 191,673	\$ 185,367	\$ 181,076	\$ 178,967	\$ 176,701	\$ 170,566
Contributions as a percentage of covered payroll	1.55 %	1.72 %	1.66 %	1.71 %	1.25 %	1.36 %

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only the years for which information is available.

City of Port St. Lucie, Florida

**Other Post Employment Benefits Trust Fund
Schedule of Changes in Net OPEB Liability and Related Ratios**

	2019	2018	2017
Total OPEB Liability			
Service cost	\$ 511,755	\$ 500,907	\$ 971,028
Interest	1,976,780	2,007,817	2,366,665
Change in assumptions	(1,155,879)	-	7,763,903
Changes of benefit terms	-	-	-
Differences between expected and actual experience	7,009,368	(1,943,901)	(15,843,718)
Benefit payments, including refunds of employee contributions	(1,109,845)	(931,283)	(840,620)
Net change in total OPEB liability	<u>7,232,179</u>	<u>(366,460)</u>	<u>(5,582,742)</u>
 Total OPEB liability - beginning	 <u>28,273,495</u>	 <u>28,639,955</u>	 <u>34,222,697</u>
Total OPEB liability - ending (a)	<u><u>\$ 35,505,674</u></u>	<u><u>\$ 28,273,495</u></u>	<u><u>\$ 28,639,955</u></u>
 Plan Fiduciary Net Pension			
Contributions - city	\$ 2,848,960	\$ 1,651,283	\$ 1,600,620
Contributions - employee	-	-	-
Net investment income	991,703	1,331,739	1,322,358
Benefit payments, including refunds of employee contributions	(1,109,845)	(931,283)	(840,620)
Net change in plan fiduciary net position	<u>2,730,818</u>	<u>2,051,739</u>	<u>2,082,358</u>
 Plan fiduciary net position - beginning	 <u>15,738,100</u>	 <u>13,686,361</u>	 <u>11,604,003</u>
Plan fiduciary net position - ending (b)	<u><u>18,468,918</u></u>	<u><u>15,738,100</u></u>	<u><u>13,686,361</u></u>
 Net OPEB liability - ending (a) - (b)	 <u><u>\$ 17,036,756</u></u>	 <u><u>\$ 12,535,395</u></u>	 <u><u>\$ 14,953,594</u></u>
 Plan fiduciary net position as a % of the total OPEB liability	 52.02 %	 55.66 %	 47.79 %
Covered payroll	60,185,939	54,739,433	53,016,400
Net pension liability as a % of covered payroll	28.31 %	22.90 %	28.21 %

Notes to Schedule:

Changes of assumptions in 2017:

Actuarial cost method updated from Projected Unit Credit to Entry Age Normal. Payroll growth updated to most recent FRS actuarial valuation of June 30, 2016. Mortality table updated from RP-2000 Combined Mortality Table to SOA RPH-2-014 Total dataset Mortality Table. Percentage of retirees that are assumed to elect spousal coverage at retirement updated from 50% to 10%. Health Insurance Subsidy election rate for future retirees updated from 35% to 40% before age 65 and from 17.5% to 20% after age 65.

Changes in assumptions in 2018:

Health care trend rates updated to an initial rate of 8.5% decreasing by 0.5% annually to an ultimate rate of 5.0%. Dental and vision trend rates updated to an initial rate of 4.25% decreasing by 0.25% annually to an ultimate rate of 3.5%.

Changes of assumptions in 2019:

Health care trend rates updated to an initial rate of 8.0% decreasing to an ultimate rate of 4.5%.

City of Port St. Lucie, Florida

**Other Post Employment Benefits Trust Fund
Schedule of Required Contributions**

	2019	2018	2017	2016
Actuarially determined contribution (ADC)	\$ 1,557,761	\$ 1,741,027	\$ 2,261,886	\$ 2,687,958
Contributions in relation to the ADC	2,848,960	1,651,283	1,600,620	2,086,609
Contribution deficiency (excess)	<u>\$ (1,291,199)</u>	<u>\$ 89,744</u>	<u>\$ 661,266</u>	<u>\$ 601,349</u>
Covered payroll	60,185,939	54,739,433	53,016,400	49,992,602
Contributions as a percentage of covered payroll	4.73 %	3.02 %	3.02 %	4.17 %

Note: information prior to fiscal year 2014 is not available.

City of Port St. Lucie, Florida

Other Post Employment Benefits Trust Fund
Schedule of Required Contributions

	2015	2014
Actuarially determined contribution (ADC)	\$ 1,541,210	\$ 1,538,791
Contributions in relation to the ADC	1,617,361	1,767,900
Contribution deficiency (excess)	<u>\$ (76,151)</u>	<u>\$ (229,109)</u>
Covered payroll	47,880,443	46,524,996
Contributions as a percentage of covered payroll	3.38 %	3.80 %

City of Port St. Lucie, Florida

**Other Post Employment Benefits Trust Fund
Schedule of Investment Returns**

	2019	2018	2017	2016	2015	2014	2013	2012
Annual money-weighted rate of return, net of investment expense	3.36 %	9.05 %	10.63 %	10.31 %	0.61 %	11.68 %	13.08 %	18.83 %



"A City for All Ages"

Combining Statements and Schedules

NonMajor Governmental Funds

NONMAJOR GOVERNMENT FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The City maintains the following Special Revenue Funds:

Road and Bridge Fund – to account for expenditures associated with the maintenance and repair of the City's roads, bridges and right of way. Revenues are provided by gas taxes, an assignment of ad valorem taxes, charges for services and interfund transfers.

Street Lighting Fund – to account for expenditures of residential street lighting districts. Revenues are provided by assessments on all benefiting properties as authorized by Ordinance 09-64.

Law Enforcement Impact Fee Fund – to account for the receipt of law enforcement impact fees authorized by Ordinance 89-134 (as amended by Ordinance 13-27). Proceeds must be used for expenditures associated with law enforcement capital improvements and capital needs of new police officers required as a result of community growth.

Governmental Finance Corporation Fund – to account for lease payments from the City and public building impact fees authorized by Ordinance 06-64 (as amended by Ordinance 13-24) which are used to pay the principal and interest on the Certificates of Participation issued by the Governmental Finance Corporation.

Building Department Fund – Section 553.80(7), Florida Statutes, requires all revenues and expenditures associated with the protective inspections provided by the building department to be accounted for in a separate fund.

Water & Sewer Assessment Collection Fund – SAD I, Phase I – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of water and sewer extensions and improvements in Special Assessment District I, Phase I.

Water & Sewer Assessment Collection Fund – SAD I, Phase II – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of water and sewer extensions and improvements in Special Assessment District I, Phase II.

Water & Sewer Assessment Collection Fund – USA 3-4 – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of water and sewer extensions and improvements in Special Assessment District 3-4.

Water & Sewer Assessment Collection Fund – USA 5-6-7A – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of water and sewer extensions and improvements in Special Assessment District 5-6-7A.

Water & Sewer Assessment Collection Fund – USA 9 – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of water and sewer extensions and improvements in Special Assessment District USA 9.

Neighborhood Services Fund – to account for general capital and non-capital improvements in specific areas of the city. Funding is provided by recycling revenues and rebates received from the city's waste disposal contractor.

South Lennard Road Special Assessment District Collection Fund – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of roadway, drainage and water and sewer extensions and improvements in the South Lennard Road project.

River Point Special Assessment District Collection Fund – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the River Point Special Assessment District project.

Tesoro Special Assessment District Collection Fund – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of financing roadways, drainage facilities, communications, public safety, re-use irrigation and water and sewer extensions and improvements within the Tesoro Special Assessment District project.

Glassman Special Assessment District Collection Fund - to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the Glassman Special Assessment District project.

East Lake Village Special Assessment District Collection Fund - to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the East Lake Village Special Assessment District project.

St. Lucie Land Holding Special Assessment District Collection Fund – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the St. Lucie Land Holding Special Assessment District project.

City Center Special Assessment District Collection Fund – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the City Center Special Assessment District project.

Peacock and Lowry Combined Special Assessment District Collection Fund – to account for the annual assessment collections and payment of principal and interest on the Special Assessments Bonds. Proceeds of the Bonds were used to pay the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the Peacock and Lowry Combined Special Assessment District project.

Economic Development Fund – to account for developer contributions dedicated to expenditures associated with development that stimulates the economy.

Wyndcrest DDMG Fund – to account for the lease payments from Digital Domain Media Group pledged for the payment of principal and interest on the 2010 Lease Revenue Bonds.

Community Development Block Grant (CDBG) Entitlement Fund – to account for the revenues and expenditures of the Federal Community Development Block Grant Funds which are used for the purpose of financing services and improvements beneficial to the moderate-to-low income earners of the community.

Local Housing Assistance Trust Fund – to account for the proceeds and expenditures of the funds provided by the State of Florida under the State Housing Initiative Partnership (SHIP) program. The source of these funds is from the documentary stamp tax and is used to provide financing for affordable housing to individuals in certain income ranges to assist in making repairs to their homes or in purchasing a new or existing home.

Neighborhood Stabilization Program NSP I and NSP III Grant Funds – to account for Federal Grant program revenues and expenditures to acquire, rehabilitate, demolish and redevelop foreclosed and abandoned residential properties in order to help stabilize neighborhoods.

National Pollution NPDES Fund – to account for the revenues and expenditures to comply with the state and federal regulation placed upon the City by EPA with the clean water act.

Law Enforcement Trust Fund – to account for revenues from confiscated property in accordance with the "Florida Contraband Forfeiture Act" and expenditures for the support of special crime fighting activities.

Conservation Trust Fund – to account for revenues from developers as required by Ordinance 92- 30 (as amended by Ordinance 96-90) and interest income used for conservation programs of the City.

Solid Waste Fund - to account for annual special assessments imposed on all residential properties in the City. Solid waste special assessment revenues are used to pay the costs of waste collection for all residential properties in the City and the costs related to administration of the assessment program.

DEBT SERVICE FUND

The Debt Service Fund is used to account for and report the accumulation of resources that are restricted, committed, or assigned for, and the payment of general long-term debt principal and interest.

The City maintains the following Debt Service Fund:

General Obligation Debt Service Fund - to account for the revenues derived from the voter-approved ad valorem tax levy for the payment of principal and interest on the General Obligation Bonds, Series 2005, 2006 and 2014. Proceeds of the Bonds were used to construct the Crosstown Parkway, a six-lane east-west corridor in the City.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

The City maintains the following Capital Projects Funds:

Parks Capital Improvement Fund – to account for the receipt of parks and recreation impact fees authorized by Ordinance 05-86 (as amended by Ordinance 13-25). Proceeds must be used for the acquisition of land and construction of major capital parks improvements.

Capital Improvement Fund – to account for the revenues and expenditures associated with general major capital improvements and acquisitions. The funding resources include general tax revenue, interest income, bond proceeds, and transfers from other funds.

Road and Bridge Capital Improvement Fund – to account for revenues and expenditures associated with major road and culvert improvements, including the annual street resurfacing program. The funding resources include general tax revenues, road impact fees authorized by Ordinance 05-87 (as amended by Ordinance 13-26), interest income, and transfers from other funds.

Parks MSTU Capital Improvement Fund – to account for the use of specific voter approved ad- valorem taxes and expenditures associated with the Parks and Recreation improvement projects.

Half-Cent Sales Tax Capital Improvement Fund – to account for the use of specific voter approved sales taxes and expenditures associated with street, repaving, and sidewalk improvement projects.



"A City for All Ages"

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City of Port St. Lucie, Florida

**Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Assets				
Equity in pooled cash and investments	\$ 67,826,701	\$ 4,490,998	\$ 18,769,258	\$ 91,086,957
Receivables	51,857,047	-	-	51,857,047
Due from other governments	1,673,662	584	3,251,602	4,925,848
Prepaid items	34,040	-	-	34,040
Inventories	31,492,817	-	-	31,492,817
Restricted Assets	4,901,532	-	2,759,673	7,661,205
Total assets	<u>\$ 157,785,799</u>	<u>\$ 4,491,582</u>	<u>\$ 24,780,533</u>	<u>\$ 187,057,914</u>
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Accounts payable	\$ 3,607,398	\$ -	\$ 1,132,612	\$ 4,740,010
Accrued salaries and wages	396,446	-	-	396,446
Due to other governments	46,463	-	-	46,463
Unearned revenue	100,025	-	376	100,401
Deposits payable	961,402	-	-	961,402
Retainage payable	17,246	-	298,158	315,404
Total liabilities	<u>5,128,980</u>	<u>-</u>	<u>1,431,146</u>	<u>6,560,126</u>
Deferred Inflows				
Unavailable revenue	51,325,551	-	-	51,325,551
Total deferred inflows	<u>51,325,551</u>	<u>-</u>	<u>-</u>	<u>51,325,551</u>
Fund Balances				
Nonspendable	31,526,857	-	-	31,526,857
Restricted	49,720,622	4,491,582	17,452,886	71,665,090
Committed	20,083,789	-	5,896,501	25,980,290
Total fund balances	<u>101,331,268</u>	<u>4,491,582</u>	<u>23,349,387</u>	<u>129,172,237</u>
Total liabilities, deferred inflows, and fund balances	<u><u>\$ 157,785,799</u></u>	<u><u>\$ 4,491,582</u></u>	<u><u>\$ 24,780,533</u></u>	<u><u>\$ 187,057,914</u></u>

City of Port St. Lucie, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2019**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 3,368,352	\$ 11,368,733	\$ -	\$ 14,737,085
Licenses and permits	9,902,198	-	-	9,902,198
Intergovernmental	9,079,149	-	16,145,660	25,224,809
Charges for services	29,233,074	-	-	29,233,074
Fines and forfeitures	597,259	-	-	597,259
Interest income	2,175,472	192,745	465,747	2,833,964
Impact fees	7,252,395	-	4,984,451	12,236,846
Other	4,374,092	-	-	4,374,092
Total revenues	<u>65,981,991</u>	<u>11,561,478</u>	<u>21,595,858</u>	<u>99,139,327</u>
Current				
Current				
Public safety	8,733,138	-	-	8,733,138
Physical environment	18,233,830	-	-	18,233,830
Transportation	10,750,884	1,537	12,880,650	23,633,071
Economic environment	5,224,323	-	-	5,224,323
Human services	2,532,282	-	-	2,532,282
Culture and recreation	89,206	-	3,259,428	3,348,634
Debt Service				
Principal	8,606,768	3,715,000	-	12,321,768
Interest	3,194,743	4,459,606	-	7,654,349
Total current	<u>57,365,174</u>	<u>8,176,143</u>	<u>16,140,078</u>	<u>81,681,395</u>
Excess (deficiency) of revenues over expenditures	<u>8,616,817</u>	<u>3,385,335</u>	<u>5,455,780</u>	<u>17,457,932</u>
Other financing sources (uses)				
Transfers in	9,205,865	-	3,964,874	13,170,739
Transfers out	(9,636,214)	(1,599,643)	(2,010,986)	(13,246,843)
Proceeds from sale of assets	380,695	-	-	380,695
Total other financing sources (uses)	<u>(49,654)</u>	<u>(1,599,643)</u>	<u>1,953,888</u>	<u>304,591</u>
Net change in fund balances	<u>8,567,163</u>	<u>1,785,692</u>	<u>7,409,668</u>	<u>17,762,523</u>
Fund balances, beginning of year	<u>92,764,105</u>	<u>2,705,890</u>	<u>15,939,719</u>	<u>111,409,714</u>
Fund balances, end of year	<u>\$ 101,331,268</u>	<u>\$ 4,491,582</u>	<u>\$ 23,349,387</u>	<u>\$ 129,172,237</u>

City of Port St. Lucie, Florida

Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2019

	Road and Bridge Fund	Street Lighting Fund	Law Enforcement Impact Fee Fund	Governmental Finance Corporation Fund
Assets				
Equity in pooled cash and investments	\$ 5,946,447	\$ 108,393	\$ 1,182,469	\$ 7,295,565
Receivables	-	-	-	7,205
Due from other governments	1,145,156	1,916	-	-
Prepaid items	11,762	-	-	-
Inventories	-	-	-	31,492,817
Restricted Assets	3,009,913	-	-	-
Total assets	<u>\$ 10,113,278</u>	<u>\$ 110,309</u>	<u>\$ 1,182,469</u>	<u>\$ 38,795,587</u>
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Accounts payable	\$ 823,617	\$ 30,363	\$ 15,519	\$ 8,997
Accrued salaries and wages	160,943	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Deposits payable	164,146	-	-	763,966
Retainage payable	-	-	-	-
Total liabilities	<u>1,148,706</u>	<u>30,363</u>	<u>15,519</u>	<u>772,963</u>
Deferred Inflows				
Unavailable revenue	-	-	-	-
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	11,761	-	-	31,492,817
Restricted	-	-	1,101,306	-
Committed	8,952,811	79,946	65,644	6,529,807
Total fund balances	<u>8,964,572</u>	<u>79,946</u>	<u>1,166,950</u>	<u>38,022,624</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 10,113,278</u>	<u>\$ 110,309</u>	<u>\$ 1,182,469</u>	<u>\$ 38,795,587</u>

Building Department		Phase I		Phase II		USA 3 and 4		USA 5 6 7A		USA 9		Neighborhood Services Fund	
Fund													
\$	18,218,357	\$	231,532	\$	446,061	\$	12,633,006	\$	1,020,073	\$	406,948	\$	1,338,947
-		-		15,422		70,292		5,317,783		1,528,424		-	
-		-		18		31		18,444		2,936		-	
2,504		-		-		-		-		-		129	
-		-		-		-		-		-		-	
-		-		-		-		-		-		-	
\$	18,220,861	\$	231,532	\$	461,501	\$	12,703,329	\$	6,356,300	\$	1,938,308	\$	1,339,076
\$	2,015,248	\$	-	\$	-	\$	-	\$	-	\$	-	\$	53,122
212,908		-		-		-		-		-		5,093	
46,463		-		-		-		-		-		-	
100,025		-		-		-		-		-		-	
63		-		-		-		-		-		-	
12,387		-		-		-		-		-		-	
2,387,094		-		-		-		-		-		58,215	
-		-		15,423		70,292		5,317,783		1,528,424		-	
-		-		15,423		70,292		5,317,783		1,528,424		-	
2,504		-		-		-		-		-		129	
15,831,263		231,532		446,078		12,633,037		1,038,517		409,884		-	
-		-		-		-		-		-		1,280,732	
15,833,767		231,532		446,078		12,633,037		1,038,517		409,884		1,280,861	
\$	18,220,861	\$	231,532	\$	461,501	\$	12,703,329	\$	6,356,300	\$	1,938,308	\$	1,339,076

City of Port St. Lucie, Florida

Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2019

	S Lennard Rd	Riverpoint	Tesoro	Glassman
Assets				
Equity in pooled cash and investments	\$ 323,825	\$ 1,617,736	\$ 6,171,094	\$ 1,010,342
Receivables	453,948	2,521,747	4,519,836	3,765,905
Due from other governments	1,050	5,711	32,235	3,626
Prepaid items	-	-	-	-
Inventories	-	-	-	-
Restricted Assets	-	-	-	-
Total assets	<u>\$ 778,823</u>	<u>\$ 4,145,194</u>	<u>\$ 10,723,165</u>	<u>\$ 4,779,873</u>
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 500	\$ -
Accrued salaries and wages	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Deposits payable	-	-	-	-
Retainage payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>500</u>	<u>-</u>
Deferred Inflows				
Unavailable revenue	<u>453,948</u>	<u>2,521,747</u>	<u>4,519,836</u>	<u>3,765,905</u>
Total deferred inflows	<u>453,948</u>	<u>2,521,747</u>	<u>4,519,836</u>	<u>3,765,905</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	324,875	1,623,447	6,202,829	1,013,968
Committed	-	-	-	-
Total fund balances	<u>324,875</u>	<u>1,623,447</u>	<u>6,202,829</u>	<u>1,013,968</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 778,823</u>	<u>\$ 4,145,194</u>	<u>\$ 10,723,165</u>	<u>\$ 4,779,873</u>

East Lake Village Fund	St Lucie Land Holding	City Center Fund	Peacock and Lowry Combined Fund	Economic Development Fund	Wyndcrest DDMG Fund	CDBG Entitlement Fund
\$ 1,554,901	\$ 2,515,427	\$ 19,528	\$ 371,159	\$ 1,868,999	\$ 535,997	\$ -
2,330,431	10,798,418	18,014,251	1,989,094	-	-	-
31,461	9,779	79	1,280	-	-	337,817
-	-	-	-	-	-	19,645
-	-	-	-	-	-	-
-	-	-	-	-	1,323,194	457,070
<u>\$ 3,916,793</u>	<u>\$ 13,323,624</u>	<u>\$ 18,033,858</u>	<u>\$ 2,361,533</u>	<u>\$ 1,868,999</u>	<u>\$ 1,859,191</u>	<u>\$ 814,532</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 372,859
-	-	-	-	-	-	7,640
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	4,859
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>385,358</u>
2,330,431	10,798,418	18,014,251	1,989,094	-	-	-
<u>2,330,431</u>	<u>10,798,418</u>	<u>18,014,251</u>	<u>1,989,094</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	19,645
1,586,362	2,525,206	19,607	372,439	-	1,859,191	409,529
-	-	-	-	1,868,999	-	-
<u>1,586,362</u>	<u>2,525,206</u>	<u>19,607</u>	<u>372,439</u>	<u>1,868,999</u>	<u>1,859,191</u>	<u>429,174</u>
<u>\$ 3,916,793</u>	<u>\$ 13,323,624</u>	<u>\$ 18,033,858</u>	<u>\$ 2,361,533</u>	<u>\$ 1,868,999</u>	<u>\$ 1,859,191</u>	<u>\$ 814,532</u>

City of Port St. Lucie, Florida

Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2019

	Local Housing Assistance Trust Fund	Neighborhood Stabilization Program Funds	National Pollution NPDES Fund	Law Enforcement Trust Fund
Assets				
Equity in pooled cash and investments	\$ 1,330,439	\$ 174,280	\$ 147,655	\$ 224,904
Receivables	-	507,841	-	-
Due from other governments	-	5,275	-	-
Prepaid items	-	-	-	-
Inventories	-	-	-	-
Restricted Assets	-	-	-	-
Total assets	<u>\$ 1,330,439</u>	<u>\$ 687,396</u>	<u>\$ 147,655</u>	<u>\$ 224,904</u>
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Accounts payable	\$ 215,257	\$ 371	\$ 4,892	\$ 38,270
Accrued salaries and wages	-	2,185	4,641	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Deposits payable	12,326	-	-	20,901
Retainage payable	-	-	-	-
Total liabilities	<u>227,583</u>	<u>2,556</u>	<u>9,533</u>	<u>59,171</u>
Deferred Inflows				
Unavailable revenue	-	-	-	-
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	1,102,856	684,840	138,122	165,733
Committed	-	-	-	-
Total fund balances	<u>1,102,856</u>	<u>684,840</u>	<u>138,122</u>	<u>165,733</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 1,330,439</u>	<u>\$ 687,396</u>	<u>\$ 147,655</u>	<u>\$ 224,904</u>

Conservation Trust Fund	Solid Waste Fund	Total Nonmajor Special Revenue Funds
\$ 1,132,617	\$ -	\$ 67,826,701
-	16,450	51,857,047
-	76,848	1,673,662
-	-	34,040
-	-	31,492,817
-	111,355	4,901,532
<u>\$ 1,132,617</u>	<u>\$ 204,653</u>	<u>\$ 157,785,799</u>

\$ 19,842	\$ 8,543	\$ 3,607,398
-	3,036	396,446
-	-	46,463
-	-	100,025
-	-	961,402
-	-	17,246
<u>19,842</u>	<u>11,579</u>	<u>5,128,980</u>
-	-	51,325,551
<u>-</u>	<u>-</u>	<u>51,325,551</u>
-	-	31,526,857
-	-	49,720,622
<u>1,112,775</u>	<u>193,074</u>	<u>20,083,789</u>
<u>1,112,775</u>	<u>193,074</u>	<u>101,331,268</u>
<u>\$ 1,132,617</u>	<u>\$ 204,653</u>	<u>\$ 157,785,799</u>

City of Port St. Lucie, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2019**

	Road and Bridge Fund	Street Lighting Fund	Law Enforcement Impact Fee Fund	Governmental Finance Corporation Fund
Revenues				
Taxes	\$ 3,368,352	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	7,777,232	-	-	-
Charges for services	426,293	450,255	-	-
Fines and forfeitures	-	-	-	-
Interest income	239,866	7,664	25,215	155,635
Impact fees	-	-	733,285	6,195,589
Other	3,211,829	-	-	10,020
Total revenues	<u>15,023,572</u>	<u>457,919</u>	<u>758,500</u>	<u>6,361,244</u>
Expenditures				
Current				
Public safety	-	-	84,999	-
Physical environment	-	-	-	1,239
Transportation	10,161,085	422,949	-	-
Economic environment	-	-	-	5,008,140
Human services	-	-	45	-
Culture and recreation	-	-	-	-
Debt Service				
Principal	1,705,000	-	246,768	2,365,000
Interest	470,500	-	25,683	1,305,000
Total expenditures	<u>12,336,585</u>	<u>422,949</u>	<u>357,495</u>	<u>8,679,379</u>
Excess (deficiency) of revenues over expenditures	<u>2,686,987</u>	<u>34,970</u>	<u>401,005</u>	<u>(2,318,135)</u>
Other financing sources (uses)				
Transfers in	1,327,599	-	-	5,732,549
Transfers out	(975,988)	(150,630)	-	-
Proceeds from sale of assets	-	-	-	380,695
Total other financing sources (uses)	<u>351,611</u>	<u>(150,630)</u>	<u>-</u>	<u>6,113,244</u>
Net change in fund balances	<u>3,038,598</u>	<u>(115,660)</u>	<u>401,005</u>	<u>3,795,109</u>
Fund balances, beginning of year	<u>5,925,974</u>	<u>195,606</u>	<u>765,945</u>	<u>34,227,515</u>
Fund balances, end of year	<u>\$ 8,964,572</u>	<u>\$ 79,946</u>	<u>\$ 1,166,950</u>	<u>\$ 38,022,624</u>

Building Department Fund	Phase I	Phase II	USA 3 and 4	USA 5 6 7A	USA 9	Neighborhood Services Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9,902,198	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	909	21,941	2,898,374	314,873	320,000
243,027	-	-	-	-	-	-
510,378	24,036	36,844	396,111	61,773	8,800	37,683
323,520	-	-	-	-	-	-
378,463	-	-	-	-	-	290,772
11,357,586	24,036	37,753	418,052	2,960,147	323,673	648,455
8,321,715	-	-	-	-	-	-
-	-	14	78	45,504	5,527	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	364,937
-	-	-	-	-	-	-
-	-	-	-	2,720,000	-	-
-	-	-	-	87,913	30,375	-
8,321,715	-	14	78	2,853,417	35,902	364,937
3,035,871	24,036	37,739	417,974	106,730	287,771	283,518
-	-	-	-	-	-	-
(800,913)	(650,000)	(1,295,158)	(2,268,148)	(13,052)	(3,929)	(281,282)
-	-	-	-	-	-	-
(800,913)	(650,000)	(1,295,158)	(2,268,148)	(13,052)	(3,929)	(281,282)
2,234,958	(625,964)	(1,257,419)	(1,850,174)	93,678	283,842	2,236
13,598,809	857,496	1,703,497	14,483,211	944,839	126,042	1,278,625
\$ 15,833,767	\$ 231,532	\$ 446,078	\$ 12,633,037	\$ 1,038,517	\$ 409,884	\$ 1,280,861

City of Port St. Lucie, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2019**

	S Lennard Rd	Riverpoint	Tesoro	Glassman
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	246,761	748,944	1,891,342	745,821
Fines and forfeitures	-	-	-	-
Interest income	11,736	48,608	161,385	36,875
Impact fees	-	-	-	-
Other	-	-	-	-
Total revenues	<u>258,497</u>	<u>797,552</u>	<u>2,052,727</u>	<u>782,696</u>
Expenditures				
Current				
Public safety	-	-	-	-
Physical environment	3,909	12,839	30,431	12,514
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>3,909</u>	<u>12,839</u>	<u>30,431</u>	<u>12,514</u>
Excess (deficiency) of revenues over expenditures	<u>254,588</u>	<u>784,713</u>	<u>2,022,296</u>	<u>770,182</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(246,892)	(597,611)	(761,671)	(807,458)
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	<u>(246,892)</u>	<u>(597,611)</u>	<u>(761,671)</u>	<u>(807,458)</u>
Net change in fund balances	<u>7,696</u>	<u>187,102</u>	<u>1,260,625</u>	<u>(37,276)</u>
Fund balances, beginning of year	<u>317,179</u>	<u>1,436,345</u>	<u>4,942,204</u>	<u>1,051,244</u>
Fund balances, end of year	<u>\$ 324,875</u>	<u>\$ 1,623,447</u>	<u>\$ 6,202,829</u>	<u>\$ 1,013,968</u>

East Lake Village Fund	St Lucie Land Holding	City Center Fund	Peacock and Lowry Combined Fund	Economic Development Fund	Wyndcrest DDMG Fund	CDBG Entitlement Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	40,000	-	919,274
810,872	1,661,569	18,656	300,904	-	-	-
-	-	-	-	-	-	-
47,141	57,935	909	11,692	52,464	50,804	-
-	-	-	-	-	-	-
-	-	-	-	-	-	71,779
858,013	1,719,504	19,565	312,596	92,464	50,804	991,053
-	-	-	-	-	-	-
14,632	26,861	902	7,143	-	-	-
-	-	-	-	-	-	-
-	-	-	-	216,182	-	-
-	-	-	-	-	-	1,056,882
-	-	-	-	-	-	-
645,000	-	925,000	-	-	-	-
163,725	361,669	749,879	-	-	-	-
823,357	388,530	1,675,781	7,143	216,182	-	1,056,882
34,656	1,330,974	(1,656,216)	305,453	(123,718)	50,804	(65,829)
-	-	1,674,879	-	-	-	470,838
(4,612)	(6,845)	(64,694)	(203,616)	-	-	-
-	-	-	-	-	-	-
(4,612)	(6,845)	1,610,185	(203,616)	-	-	470,838
30,044	1,324,129	(46,031)	101,837	(123,718)	50,804	405,009
1,556,318	1,201,077	65,638	270,602	1,992,717	1,808,387	24,165
\$ 1,586,362	\$ 2,525,206	\$ 19,607	\$ 372,439	\$ 1,868,999	\$ 1,859,191	\$ 429,174

City of Port St. Lucie, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2019**

	Local Housing Assistance Trust Fund	Neighborhood Stabilization Program Funds	National Pollution NPDES Fund	Law Enforcement Trust Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	305,233	37,410	-	-
Charges for services	-	-	136,265	-
Fines and forfeitures	-	-	-	354,232
Interest income	43,887	5,957	4,599	5,714
Impact fees	-	-	-	-
Other	383,934	-	-	27,294
Total revenues	<u>733,054</u>	<u>43,367</u>	<u>140,864</u>	<u>387,240</u>
Expenditures				
Current				
Public safety	-	-	-	326,424
Physical environment	-	-	-	-
Transportation	-	-	166,850	-
Economic environment	-	-	-	-
Human services	1,152,821	(42,403)	-	-
Culture and recreation	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,152,821</u>	<u>(42,403)</u>	<u>166,850</u>	<u>326,424</u>
Excess (deficiency) of revenues over expenditures	<u>(419,767)</u>	<u>85,770</u>	<u>(25,986)</u>	<u>60,816</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(470,838)	(22,877)	(10,000)
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(470,838)</u>	<u>(22,877)</u>	<u>(10,000)</u>
Net change in fund balances	<u>(419,767)</u>	<u>(385,068)</u>	<u>(48,863)</u>	<u>50,816</u>
Fund balances, beginning of year	<u>1,522,623</u>	<u>1,069,908</u>	<u>186,985</u>	<u>114,917</u>
Fund balances, end of year	<u><u>\$ 1,102,856</u></u>	<u><u>\$ 684,840</u></u>	<u><u>\$ 138,122</u></u>	<u><u>\$ 165,733</u></u>

Conservation Trust Fund	Solid Waste Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 3,368,352
-	-	9,902,198
-	-	9,079,149
73,820	18,165,475	29,233,074
-	-	597,259
30,992	100,769	2,175,472
-	-	7,252,395
-	-	4,374,092
<u>104,812</u>	<u>18,266,244</u>	<u>65,981,991</u>
-	-	8,733,138
-	18,072,238	18,233,830
-	-	10,750,884
-	-	5,224,323
-	-	2,532,282
89,206	-	89,206
-	-	8,606,768
-	-	3,194,743
<u>89,206</u>	<u>18,072,238</u>	<u>57,365,174</u>
<u>15,606</u>	<u>194,006</u>	<u>8,616,817</u>
-	-	9,205,865
-	-	(9,636,214)
-	-	380,695
-	-	(49,654)
15,606	194,006	8,567,163
1,097,169	(932)	92,764,105
<u>\$ 1,112,775</u>	<u>\$ 193,074</u>	<u>\$ 101,331,268</u>

City of Port St. Lucie, Florida

Balance Sheet
Nonmajor Debt Service Fund
September 30, 2019

	Debt Service Fund
Assets	
Equity in pooled cash and investments	\$ 4,490,998
Due from other governments	584
Total assets	<u>\$ 4,491,582</u>
Liabilities, Deferred Inflows, and Fund Balances	
Liabilities	
Deferred Inflows	
Total deferred inflows	<u>-</u>
Fund Balances	
Restricted	<u>4,491,582</u>
Total fund balances	<u>4,491,582</u>
Total liabilities, deferred inflows, and fund balances	<u><u>\$ 4,491,582</u></u>

City of Port St. Lucie, Florida

Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Fund
For the Year Ended September 30, 2019

	Debt Service Fund
Revenues	
Taxes	\$ 11,368,733
Interest income	192,745
Other	-
Total revenues	<u>11,561,478</u>
Current	
Current	
Transportation	1,537
Culture and recreation	-
Debt Service	
Principal	3,715,000
Interest	<u>4,459,606</u>
Total current	<u>8,176,143</u>
Excess (deficiency) of revenues over expenditures	<u>3,385,335</u>
Other financing sources (uses)	
Transfers out	<u>(1,599,643)</u>
Net change in fund balances	1,785,692
Fund balances, beginning of year	<u>2,705,890</u>
Fund balances, end of year	<u>\$ 4,491,582</u>

City of Port St. Lucie, Florida

Combining Balance Sheet
Nonmajor Capital Project Funds
September 30, 2019

	Parks Capital Improvement Fund	Capital Improvement Fund	Road and Bridge Capital Improvement Fund	Parks MSTU Capital Improvement Fund	Half Cent Sales Tax	Total Nonmajor Capital Project Funds
Assets						
Equity in pooled cash and investments	\$ 4,065,057	\$ 5,921,535	\$ 7,852,593	\$ 930,073	\$ -	\$ 18,769,258
Due from other governments	-	-	1,815,767	107,640	1,328,195	3,251,602
Restricted equity in pooled cash and investments	-	-	-	-	2,759,673	2,759,673
Total assets	<u>\$ 4,065,057</u>	<u>\$ 5,921,535</u>	<u>\$ 9,668,360</u>	<u>\$ 1,037,713</u>	<u>\$ 4,087,868</u>	<u>\$ 24,780,533</u>
Liabilities, Deferred Inflows, and Fund Balances						
Liabilities						
Accounts payable	\$ 2,346	\$ 25,034	\$ 843,389	\$ -	\$ 261,843	\$ 1,132,612
Unearned revenue	-	-	376	-	-	376
Retainage payable	3,907	-	292,312	-	1,939	298,158
Total liabilities	<u>6,253</u>	<u>25,034</u>	<u>1,136,077</u>	<u>-</u>	<u>263,782</u>	<u>1,431,146</u>
Deferred Inflows						
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances						
Restricted	4,058,804	-	8,532,283	1,037,713	3,824,086	17,452,886
Committed	-	5,896,501	-	-	-	5,896,501
Total fund balances	<u>4,058,804</u>	<u>5,896,501</u>	<u>8,532,283</u>	<u>1,037,713</u>	<u>3,824,086</u>	<u>23,349,387</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 4,065,057</u>	<u>\$ 5,921,535</u>	<u>\$ 9,668,360</u>	<u>\$ 1,037,713</u>	<u>\$ 4,087,868</u>	<u>\$ 24,780,533</u>

City of Port St. Lucie, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ended September 30, 2019**

	Parks Capital Improvement Fund	Capital Improvement Fund	Road and Bridge Capital Improvement Fund	Parks MSTU Capital Improvement Fund	Half Cent Sales Tax	Total Nonmajor Capital Project Funds
Revenues						
Intergovernmental	\$ -	\$ 419,702	\$ 7,992,639	\$ 2,064,790	\$ 5,668,529	\$ 16,145,660
Interest income	109,449	103,023	213,326	16,362	23,587	465,747
Impact fees	2,246,583	-	2,737,868	-	-	4,984,451
Total revenues	<u>2,356,032</u>	<u>522,725</u>	<u>10,943,833</u>	<u>2,081,152</u>	<u>5,692,116</u>	<u>21,595,858</u>
Expenditures						
Current						
Transportation	-	-	11,012,620	-	1,868,030	12,880,650
Culture and recreation	587,789	1,071,640	-	1,599,999	-	3,259,428
Total expenditures	<u>587,789</u>	<u>1,071,640</u>	<u>11,012,620</u>	<u>1,599,999</u>	<u>1,868,030</u>	<u>16,140,078</u>
Excess (deficiency) of revenues over expenditures	<u>1,768,243</u>	<u>(548,915)</u>	<u>(68,787)</u>	<u>481,153</u>	<u>3,824,086</u>	<u>5,455,780</u>
Other financing sources (uses)						
Transfers in	-	3,033,022	931,852	-	-	3,964,874
Transfers out	(763,290)	-	(1,247,696)	-	-	(2,010,986)
Total other financing sources (uses)	<u>(763,290)</u>	<u>3,033,022</u>	<u>(315,844)</u>	<u>-</u>	<u>-</u>	<u>1,953,888</u>
Net change in fund balances	<u>1,004,953</u>	<u>2,484,107</u>	<u>(384,631)</u>	<u>481,153</u>	<u>3,824,086</u>	<u>7,409,668</u>
Fund balances, beginning of year	<u>3,053,851</u>	<u>3,412,394</u>	<u>8,916,914</u>	<u>556,560</u>	<u>-</u>	<u>15,939,719</u>
Fund balances, end of year	<u>\$ 4,058,804</u>	<u>\$ 5,896,501</u>	<u>\$ 8,532,283</u>	<u>\$ 1,037,713</u>	<u>\$ 3,824,086</u>	<u>\$ 23,349,387</u>

City of Port St. Lucie, Florida

Nonmajor Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Taxes	\$ 11,372,590	\$ 11,368,733	\$ (3,857)
Interest income	90,000	192,745	102,745
Total revenues	11,462,590	11,561,478	98,888
Expenditures			
Transportation	5,000	1,537	3,463
Principal	4,983,794	3,715,000	1,268,794
Interest	3,190,813	4,459,606	(1,268,793)
Total expenditures	8,179,607	8,176,143	3,464
Excess (deficiency) of revenues over (under) expenditures	3,282,983	3,385,335	102,352
Transfers out	(1,599,643)	(1,599,643)	-
Net change in budgetary fund balances	<u>\$ 1,683,340</u>	<u>\$ 1,785,692</u>	<u>\$ 102,352</u>

City of Port St. Lucie, Florida

Road and Bridge Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Taxes	\$ 3,372,696	\$ 3,368,352	\$ (4,344)
Intergovernmental	7,084,005	7,777,232	693,227
Charges for services	469,669	426,293	(43,376)
Interest income	83,594	239,864	156,270
Other	147,000	3,211,829	3,064,829
Total revenues	<u>11,156,964</u>	<u>15,023,570</u>	<u>3,866,606</u>
Expenditures			
Transportation	10,545,084	10,161,083	384,001
Principal	470,500	1,705,000	(1,234,500)
Interest	1,705,000	470,500	1,234,500
Total expenditures	<u>12,720,584</u>	<u>12,336,583</u>	<u>384,001</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,563,620)</u>	<u>2,686,987</u>	<u>4,250,607</u>
Transfers in	1,327,599	1,327,599	-
Transfers out	(976,067)	(975,988)	79
Total other financing sources (uses)	<u>351,532</u>	<u>351,611</u>	<u>79</u>
Net change in budgetary fund balances	<u>\$ (1,212,088)</u>	<u>\$ 3,038,598</u>	<u>\$ 4,250,686</u>

City of Port St. Lucie, Florida

Street Lighting Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 450,000	\$ 450,255	\$ 255
Interest income	4,148	7,664	3,516
Total revenues	<u>454,148</u>	<u>457,919</u>	<u>3,771</u>
Expenditures			
Transportation	436,000	422,949	13,051
Total expenditures	<u>436,000</u>	<u>422,949</u>	<u>13,051</u>
Excess (deficiency) of revenues over (under) expenditures	18,148	34,970	16,822
Transfers out	<u>(150,630)</u>	<u>(150,630)</u>	<u>-</u>
Net change in budgetary fund balances	<u><u>\$ (132,482)</u></u>	<u><u>\$ (115,660)</u></u>	<u><u>\$ 16,822</u></u>

City of Port St. Lucie, Florida

Law Enforcement Impact Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Interest income	\$ 6,848	\$ 25,215	\$ 18,367
Impact fees	414,194	733,285	319,091
Total revenues	421,042	758,500	337,458
Expenditures			
Public safety	201,987	84,999	116,988
Human services	45	45	-
Principal	246,768	246,768	-
Interest	25,684	25,683	1
Total expenditures	474,484	357,495	116,989
Excess (deficiency) of revenues over (under) expenditures	(53,442)	401,005	454,447
Net change in budgetary fund balances	<u><u>\$ (53,442)</u></u>	<u><u>\$ 401,005</u></u>	<u><u>\$ 454,447</u></u>

City of Port St. Lucie, Florida

Governmental Finance Corporation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Interest income	\$ 32,260	\$ 155,635	\$ 123,375
Impact fees	5,000,000	6,195,589	1,195,589
Other	-	10,020	10,020
Total revenues	<u>5,032,260</u>	<u>6,361,244</u>	<u>1,328,984</u>
Expenditures			
Physical environment	25,000	1,239	23,761
Economic environment	-	5,008,140	(5,008,140)
Principal	7,732,809	2,365,000	5,367,809
Interest	<u>1,670,000</u>	<u>1,305,000</u>	<u>365,000</u>
Total expenditures	<u>9,427,809</u>	<u>8,679,379</u>	<u>748,430</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,395,549)</u>	<u>(2,318,135)</u>	<u>2,077,414</u>
Transfers in	5,732,549	5,732,549	-
Proceeds from sale of assets	<u>-</u>	<u>380,695</u>	<u>380,695</u>
Total other financing sources (uses)	<u>5,732,549</u>	<u>6,113,244</u>	<u>380,695</u>
Net change in budgetary fund balances	<u><u>\$ 1,337,000</u></u>	<u><u>\$ 3,795,109</u></u>	<u><u>\$ 2,458,109</u></u>

City of Port St. Lucie, Florida

Building Department Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Licenses and permits	\$ 6,537,417	\$ 9,902,198	\$ 3,364,781
Fines and forfeitures	178,700	243,027	64,327
Interest income	160,000	510,378	350,378
Impact fees	186,775	323,520	136,745
Other	447,411	378,463	(68,948)
Total revenues	<u>7,510,303</u>	<u>11,357,586</u>	<u>3,847,283</u>
Expenditures			
Public safety	<u>8,705,087</u>	<u>8,321,715</u>	<u>383,372</u>
Total expenditures	<u>8,705,087</u>	<u>8,321,715</u>	<u>383,372</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,194,784)</u>	<u>3,035,871</u>	<u>4,230,655</u>
Transfers out	<u>(797,342)</u>	<u>(800,913)</u>	<u>(3,571)</u>
Net change in budgetary fund balances	<u><u>\$ (1,992,126)</u></u>	<u><u>\$ 2,234,958</u></u>	<u><u>\$ 4,227,084</u></u>

City of Port St. Lucie, Florida

Phase I

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 10,000	\$ -	\$ (10,000)
Interest income	12,000	24,036	12,036
Total revenues	22,000	24,036	2,036
Expenditures			
Excess (deficiency) of revenues over (under) expenditures	22,000	24,036	2,036
Transfers out	(650,000)	(650,000)	-
Net change in budgetary fund balances	<u>\$ (628,000)</u>	<u>\$ (625,964)</u>	<u>\$ 2,036</u>

City of Port St. Lucie, Florida

Phase II

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ -	\$ 909	\$ 909
Interest income	20,000	36,844	16,844
Total revenues	20,000	37,753	17,753
Expenditures			
Physical environment	500	14	486
Total expenditures	500	14	486
Excess (deficiency) of revenues over (under) expenditures	19,500	37,739	18,239
Transfers out	(1,287,001)	(1,295,158)	(8,157)
Net change in budgetary fund balances	<u>\$ (1,267,501)</u>	<u>\$ (1,257,419)</u>	<u>\$ 10,082</u>

City of Port St. Lucie, Florida

USA 3 and 4

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 1,418,331	\$ 21,941	\$ (1,396,390)
Interest income	174,000	396,111	222,111
Total revenues	1,592,331	418,052	(1,174,279)
Expenditures			
Physical environment	85,000	78	84,922
Total expenditures	85,000	78	84,922
Excess (deficiency) of revenues over (under) expenditures	1,507,331	417,974	(1,089,357)
Transfers out	(2,260,311)	(2,268,148)	(7,837)
Net change in budgetary fund balances	<u>\$ (752,980)</u>	<u>\$ (1,850,174)</u>	<u>\$ (1,097,194)</u>

City of Port St. Lucie, Florida

USA 5 6 7A

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 3,000,000	\$ 2,898,374	\$ (101,626)
Interest income	14,000	61,773	47,773
Total revenues	<u>3,014,000</u>	<u>2,960,147</u>	<u>(53,853)</u>
Expenditures			
Physical environment	60,000	45,504	14,496
Principal	3,000,000	2,720,000	280,000
Interest	90,000	87,913	2,087
Total expenditures	<u>3,150,000</u>	<u>2,853,417</u>	<u>296,583</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(136,000)</u>	<u>106,730</u>	<u>242,730</u>
Transfers out	<u>(13,052)</u>	<u>(13,052)</u>	<u>-</u>
Net change in budgetary fund balances	<u>\$ (149,052)</u>	<u>\$ 93,678</u>	<u>\$ 242,730</u>

City of Port St. Lucie, Florida

USA 9

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 335,000	\$ 314,873	\$ (20,127)
Interest income	1,000	8,800	7,800
Total revenues	336,000	323,673	(12,327)
Expenditures			
Physical environment	325,106	5,527	319,579
Principal	41,094	-	41,094
Interest	-	30,375	(30,375)
Total expenditures	366,200	35,902	330,298
Excess (deficiency) of revenues over (under) expenditures	(30,200)	287,771	317,971
Transfers out	(3,929)	(3,929)	-
Net change in budgetary fund balances	<u><u>\$ (34,129)</u></u>	<u><u>\$ 283,842</u></u>	<u><u>\$ 317,971</u></u>

City of Port St. Lucie, Florida

Neighborhood Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 264,000	\$ 320,000	\$ 56,000
Interest income	15,214	37,683	22,469
Other	450,000	290,772	(159,228)
Total revenues	<u>729,214</u>	<u>648,455</u>	<u>(80,759)</u>
Expenditures			
Human services	466,430	364,937	101,493
Total expenditures	<u>466,430</u>	<u>364,937</u>	<u>101,493</u>
Excess (deficiency) of revenues over (under) expenditures	<u>262,784</u>	<u>283,518</u>	<u>20,734</u>
Transfers out	(281,282)	(281,282)	-
Net change in budgetary fund balances	<u><u>\$ (18,498)</u></u>	<u><u>\$ 2,236</u></u>	<u><u>\$ 20,734</u></u>

City of Port St. Lucie, Florida

S Lennard Rd

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 246,500	\$ 246,761	\$ 261
Interest income	5,392	11,736	6,344
Total revenues	251,892	258,497	6,605
Expenditures			
Physical environment	5,000	3,909	1,091
Total expenditures	5,000	3,909	1,091
Excess (deficiency) of revenues over (under) expenditures	246,892	254,588	7,696
Transfers out	(246,892)	(246,892)	-
Net change in budgetary fund balances	\$ -	\$ 7,696	\$ 7,696

City of Port St. Lucie, Florida

Riverpoint

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 685,000	\$ 748,944	\$ 63,944
Interest income	11,000	48,608	37,608
Total revenues	<u>696,000</u>	<u>797,552</u>	<u>101,552</u>
Expenditures			
Physical environment	<u>20,000</u>	<u>12,839</u>	<u>7,161</u>
Total expenditures	<u>20,000</u>	<u>12,839</u>	<u>7,161</u>
Excess (deficiency) of revenues over (under) expenditures	<u>676,000</u>	<u>784,713</u>	<u>108,713</u>
Transfers out	<u>(597,611)</u>	<u>(597,611)</u>	<u>-</u>
Net change in budgetary fund balances	<u>\$ 78,389</u>	<u>\$ 187,102</u>	<u>\$ 108,713</u>

City of Port St. Lucie, Florida

Tesoro

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 1,200,000	\$ 1,891,342	\$ 691,342
Interest income	10,000	161,385	151,385
Total revenues	1,210,000	2,052,727	842,727
Expenditures			
Physical environment	65,000	30,431	34,569
Total expenditures	65,000	30,431	34,569
Excess (deficiency) of revenues over (under) expenditures	1,145,000	2,022,296	877,296
Transfers out	(761,671)	(761,671)	-
Net change in budgetary fund balances	\$ 383,329	\$ 1,260,625	\$ 877,296

City of Port St. Lucie, Florida

Glassman

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 832,300	\$ 745,821	\$ (86,479)
Interest income	5,000	36,875	31,875
Total revenues	<u>837,300</u>	<u>782,696</u>	<u>(54,604)</u>
Expenditures			
Physical environment	<u>20,000</u>	<u>12,514</u>	<u>7,486</u>
Total expenditures	<u>20,000</u>	<u>12,514</u>	<u>7,486</u>
Excess (deficiency) of revenues over (under) expenditures	<u>817,300</u>	<u>770,182</u>	<u>(47,118)</u>
Transfers out	<u>(807,458)</u>	<u>(807,458)</u>	<u>-</u>
Net change in budgetary fund balances	<u>\$ 9,842</u>	<u>\$ (37,276)</u>	<u>\$ (47,118)</u>

City of Port St. Lucie, Florida

East Lake Village Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 875,000	\$ 810,872	\$ (64,128)
Interest income	8,000	47,141	39,141
Total revenues	883,000	858,013	(24,987)
Expenditures			
Physical environment	18,000	14,632	3,368
Principal	645,000	645,000	-
Interest	163,725	163,725	-
Total expenditures	826,725	823,357	3,368
Excess (deficiency) of revenues over (under) expenditures	56,275	34,656	(21,619)
Transfers out	(4,612)	(4,612)	-
Net change in budgetary fund balances	<u>\$ 51,663</u>	<u>\$ 30,044</u>	<u>\$ (21,619)</u>

City of Port St. Lucie, Florida

St Lucie Land Holding
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 1,650,000	\$ 1,661,569	\$ 11,569
Interest income	8,000	57,935	49,935
Total revenues	<u>1,658,000</u>	<u>1,719,504</u>	<u>61,504</u>
Expenditures			
Physical environment	35,000	26,861	8,139
Principal	1,061,689	-	1,061,689
Interest	400,000	361,669	38,331
Total expenditures	<u>1,496,689</u>	<u>388,530</u>	<u>1,108,159</u>
Excess (deficiency) of revenues over (under) expenditures	<u>161,311</u>	<u>1,330,974</u>	<u>1,169,663</u>
Transfers out	<u>(6,845)</u>	<u>(6,845)</u>	<u>-</u>
Net change in budgetary fund balances	<u>\$ 154,466</u>	<u>\$ 1,324,129</u>	<u>\$ 1,169,663</u>

City of Port St. Lucie, Florida

City Center Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 19,500	\$ 18,656	\$ (844)
Interest income	7,000	909	(6,091)
Total revenues	<u>26,500</u>	<u>19,565</u>	<u>(6,935)</u>
Expenditures			
Physical environment	1,500	902	598
Principal	848,879	925,000	(76,121)
Interest	826,000	749,879	76,121
Total expenditures	<u>1,676,379</u>	<u>1,675,781</u>	<u>598</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,649,879)</u>	<u>(1,656,216)</u>	<u>(6,337)</u>
Transfers in	1,674,879	1,674,879	-
Transfers out	<u>(64,694)</u>	<u>(64,694)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,610,185</u>	<u>1,610,185</u>	<u>-</u>
Net change in budgetary fund balances	<u><u>\$ (39,694)</u></u>	<u><u>\$ (46,031)</u></u>	<u><u>\$ (6,337)</u></u>

City of Port St. Lucie, Florida

Peacock and Lowry Combined Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 310,860	\$ 300,904	\$ (9,956)
Interest income	2,000	11,692	9,692
Total revenues	312,860	312,596	(264)
Expenditures			
Physical environment	11,000	7,143	3,857
Total expenditures	11,000	7,143	3,857
Excess (deficiency) of revenues over (under) expenditures	301,860	305,453	3,593
Transfers out	(203,616)	(203,616)	-
Net change in budgetary fund balances	<u>\$ 98,244</u>	<u>\$ 101,837</u>	<u>\$ 3,593</u>

City of Port St. Lucie, Florida

Economic Development Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ -	\$ 40,000	\$ 40,000
Interest income	-	52,464	52,464
Total revenues	-	92,464	92,464
Expenditures			
Economic environment	281,182	216,182	65,000
Total expenditures	281,182	216,182	65,000
Excess (deficiency) of revenues over (under) expenditures	(281,182)	(123,718)	157,464
Net change in budgetary fund balances	<u>\$ (281,182)</u>	<u>\$ (123,718)</u>	<u>\$ 157,464</u>

City of Port St. Lucie, Florida

Wyndcrest DDMG Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Interest income	\$ -	\$ 50,804	\$ 50,804
Total revenues	-	50,804	50,804
Expenditures			
Excess (deficiency) of revenues over (under) expenditures	-	50,804	50,804
Net change in budgetary fund balances	\$ -	\$ 50,804	\$ 50,804

City of Port St. Lucie, Florida

CDBG Entitlement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 1,168,625	\$ 919,274	\$ (249,351)
Other	49,185	71,779	22,594
Total revenues	1,217,810	991,053	(226,757)
Expenditures			
Human services	2,339,222	1,056,882	1,282,340
Total expenditures	2,339,222	1,056,882	1,282,340
Excess (deficiency) of revenues over (under) expenditures	(1,121,412)	(65,829)	1,055,583
Transfers in	470,839	470,838	(1)
Net change in budgetary fund balances	<u>\$ (650,573)</u>	<u>\$ 405,009</u>	<u>\$ 1,055,582</u>

City of Port St. Lucie, Florida

Local Housing Assistance Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 305,233	\$ 305,233	\$ -
Interest income	16,000	43,887	27,887
Other	-	383,934	383,934
Total revenues	<u>321,233</u>	<u>733,054</u>	<u>411,821</u>
Expenditures			
Human services	<u>1,815,071</u>	<u>1,152,821</u>	<u>662,250</u>
Total expenditures	<u>1,815,071</u>	<u>1,152,821</u>	<u>662,250</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,493,838)</u>	<u>(419,767)</u>	<u>1,074,071</u>
Net change in budgetary fund balances	<u>\$ (1,493,838)</u>	<u>\$ (419,767)</u>	<u>\$ 1,074,071</u>

City of Port St. Lucie, Florida

Neighborhood Stabilization Program Funds
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 1,463,013	\$ 37,410	\$ (1,425,603)
Interest income	-	5,957	5,957
Other	119,733	-	(119,733)
Total revenues	<u>1,582,746</u>	<u>43,367</u>	<u>(1,539,379)</u>
Expenditures			
Human services	1,540,079	(42,403)	1,582,482
Total expenditures	<u>1,540,079</u>	<u>(42,403)</u>	<u>1,582,482</u>
Excess (deficiency) of revenues over (under) expenditures	<u>42,667</u>	<u>85,770</u>	<u>43,103</u>
Transfers out	(470,839)	(470,838)	1
Net change in budgetary fund balances	<u>\$ (428,172)</u>	<u>\$ (385,068)</u>	<u>\$ 43,104</u>

City of Port St. Lucie, Florida

National Pollution NPDES Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 105,000	\$ 136,265	\$ 31,265
Interest income	1,200	4,599	3,399
Total revenues	106,200	140,864	34,664
Expenditures			
Transportation	178,736	166,850	11,886
Total expenditures	178,736	166,850	11,886
Excess (deficiency) of revenues over (under) expenditures	(72,536)	(25,986)	46,550
Transfers out	(22,877)	(22,877)	-
Net change in budgetary fund balances	<u>\$ (95,413)</u>	<u>\$ (48,863)</u>	<u>\$ 46,550</u>

City of Port St. Lucie, Florida

Law Enforcement Trust Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Fines and forfeitures	\$ 336,425	\$ 354,232	\$ 17,807
Interest income	-	5,714	5,714
Other	-	27,294	27,294
Total revenues	<u>336,425</u>	<u>387,240</u>	<u>50,815</u>
Expenditures			
Public safety	<u>326,425</u>	<u>326,424</u>	<u>1</u>
Total expenditures	<u>326,425</u>	<u>326,424</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,000</u>	<u>60,816</u>	<u>50,816</u>
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
Net change in budgetary fund balances	<u>\$ -</u>	<u>\$ 50,816</u>	<u>\$ 50,816</u>

City of Port St. Lucie, Florida

Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 161,500	\$ 73,820	\$ (87,680)
Interest income	8,500	30,992	22,492
Total revenues	170,000	104,812	(65,188)
Expenditures			
Culture and recreation	170,000	89,206	80,794
Total expenditures	170,000	89,206	80,794
Excess (deficiency) of revenues over (under) expenditures	-	15,606	15,606
Net change in budgetary fund balances	\$ -	\$ 15,606	\$ 15,606

City of Port St. Lucie, Florida

Solid Waste Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the Year Ended September 30, 2019

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues			
Charges for services	\$ 17,925,274	\$ 18,165,475	\$ 240,201
Interest income	40,000	100,769	60,769
Total revenues	17,965,274	18,266,244	300,970
Expenditures			
Physical environment	18,024,374	18,072,238	(47,864)
Total expenditures	18,024,374	18,072,238	(47,864)
Excess (deficiency) of revenues over (under) expenditures	(59,100)	194,006	253,106
Net change in budgetary fund balances	<u>\$ (59,100)</u>	<u>\$ 194,006</u>	<u>\$ 253,106</u>

Fiduciary Funds

City of Port St. Lucie, Florida

Combining Statement of Fiduciary Net Position
Retirement Trust Funds
September 30, 2019

	Municipal Police Officers	Other Post Employment Benefits	Total Retirement Trust Funds
Assets			
Cash and cash equivalents	\$ -	\$ 523	\$ 523
Fixed investments	5,041,137	-	5,041,137
Corporate stocks	26,348,838	-	26,348,838
Corporate bonds	6,865,762	-	6,865,762
US Government obligations	635,133	-	635,133
Federal agencies	9,490,297	-	9,490,297
Municipal obligations	1,134,136	-	1,134,136
Real estate investments	12,524,756	-	12,524,756
Mutual funds	51,024,798	18,468,918	69,493,716
Accrued investment income	281,057	-	281,057
Prepaid items	1,418	-	1,418
Total assets	<u>\$ 113,347,332</u>	<u>\$ 18,469,441</u>	<u>\$ 131,816,773</u>
Liabilities and Net Position			
Accounts payable	<u>196,080</u>	<u>-</u>	<u>196,080</u>
Net Position			
Employee retirement	<u>113,151,252</u>	<u>18,469,441</u>	<u>131,620,693</u>
Total net position	<u>113,151,252</u>	<u>18,469,441</u>	<u>131,620,693</u>
Total liabilities and net position and net position	<u>\$ 113,347,332</u>	<u>\$ 18,469,441</u>	<u>\$ 131,816,773</u>

City of Port St. Lucie, Florida

**Combining Statement of Changes in Fiduciary Net Position
Retirement Trust Funds
For the Year Ended September 30, 2019**

	Municipal Police Officers	Other Post Employment Benefits	Total
Additions			
Contributions			
City	\$ 5,282,572	\$ 2,848,960	\$ 8,131,532
State	1,569,087	-	1,569,087
Employee	1,805,061	-	1,805,061
Total contributions	8,656,720	2,848,960	11,505,680
Investment Income			
Net increase in fair value of investments	1,194,285	992,077	2,186,362
Interest and dividends	2,627,832	-	2,627,832
Total investment income	3,822,117	992,077	4,814,194
Investment expense	(269,005)	-	(269,005)
Total additions	12,209,832	3,841,037	16,050,869
Deductions			
Benefit payments	6,450,253	1,109,845	7,560,098
Administrative costs and charges	222,178	-	222,178
Refunds	197,975	-	197,975
Total deductions	6,870,406	1,109,845	7,980,251
Change in net position	5,339,426	2,731,192	8,070,618
Net position, beginning of year	107,811,826	15,738,249	123,550,075
Net position, end of year	\$ 113,151,252	\$ 18,469,441	\$ 131,620,693



"A City for All Ages"

Statistical Section

Statistical Section

This part of the City of Port St Lucie comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City of Port St Lucie provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.

City of Port St. Lucie, Florida

**Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)**

	2019	2018	2017	2016	2015
Governmental activities					
Net investment in capital assets	\$ 371,420,795	\$ 352,634,371	\$ 322,655,075	\$ 281,318,910	\$ 255,743,942
Restricted					
Debt services	189,334,752	205,921,841	214,708,990	259,381,015	295,775,596
Capital projects	32,114,578	49,029,018	56,562,714	54,426,329	38,043,669
Transportation	19,412,067	-	6,318,018	6,289,563	5,960,239
Protective inspections	15,831,263	13,597,411	10,388,946	9,181,046	6,240,371
Housing assistance	2,197,225	2,616,696	2,778,561	3,177,525	2,532,547
Economic development	-	1,992,717	15,030,993	3,000,830	2,981,962
Other purposes	1,405,161	14,239,439	6,262,671	5,363,746	5,608,957
Unrestricted	55,015,466	(2,170,593)	(68,213,156)	(46,619,467)	(47,491,125)
Total governmental activities net position	<u>\$ 686,731,307</u>	<u>\$ 637,860,900</u>	<u>\$ 566,492,812</u>	<u>\$ 575,519,497</u>	<u>\$ 565,396,158</u>
Business-type activities					
Net investment in capital assets	\$ 246,423,971	\$ 225,938,288	\$ 233,881,814	\$ 235,995,905	\$ 242,874,624
Restricted					
Debt Service	10,344,970	11,144,892	6,483,080	6,411,390	11,643,043
Capital Projects	27,364,080	33,124,890	21,430,984	18,742,470	13,064,965
Claims	92,234	92,234	92,234	92,234	92,234
Unrestricted	70,528,649	51,124,277	48,442,302	49,680,890	40,384,501
Total business-type activities net position	<u>\$ 354,753,904</u>	<u>\$ 321,424,581</u>	<u>\$ 310,330,414</u>	<u>\$ 310,922,889</u>	<u>\$ 308,059,367</u>
Primary government					
Net investment in capital assets	\$ 617,844,766	\$ 578,572,659	\$ 556,536,889	\$ 517,314,815	\$ 498,618,566
Restricted					
Debt services	199,679,722	217,066,733	221,192,070	265,792,405	307,418,639
Capital projects	59,478,658	82,153,908	77,993,698	73,168,799	51,108,634
Transportation	19,412,067	-	6,318,018	6,289,563	5,960,239
Protective inspections	15,831,263	13,597,411	10,388,946	9,181,046	6,240,371
Housing assistance	2,197,225	2,616,696	2,778,561	3,177,525	2,532,547
Economic development	-	1,992,717	15,030,993	3,000,830	2,981,962
Other purposes	1,405,161	14,239,439	6,262,671	5,363,746	5,608,957
Claims	92,234	92,234	92,234	92,234	92,234
Unrestricted	125,544,115	48,953,684	(19,770,854)	3,061,423	(7,106,624)
Total governmental activities program revenues	<u>\$ 1,041,485,211</u>	<u>\$ 959,285,481</u>	<u>\$ 876,823,226</u>	<u>\$ 886,442,386</u>	<u>\$ 873,455,525</u>

NOTE: Starting with the 2015 CAFR, all prior years Net Investment In Capital Assets lines have been adjusted to eliminate the inclusion of accreted interest.

2014	2013	2012	2011	2010
\$ 255,304,871	\$ 230,882,015	\$ 248,106,726	\$ 304,237,769	\$ 304,349,119
305,565,798	331,927,696	340,553,170	33,228,306	32,943,811
13,598,379	18,780,498	21,329,842	15,944,067	69,068,167
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
43,038,297	40,886,609	28,694,820	-	-
21,690,787	20,239,187	18,344,592	5,877,718	(39,034,499)
<u>\$ 639,198,132</u>	<u>\$ 642,716,005</u>	<u>\$ 657,029,150</u>	<u>\$ 359,287,860</u>	<u>\$ 367,326,598</u>
\$ 253,807,847	\$ 225,791,293	\$ 280,156,374	\$ 278,007,614	\$ 256,903,728
1,503,252	16,321,743	14,426,218	30,780,127	30,343,954
16,831,540	9,522,806	18,959,566	42,265,855	59,409,352
92,234	92,234	92,234	92,105	91,989
36,919,201	62,858,499	22,704,138	5,121,249	19,329,541
<u>\$ 309,154,074</u>	<u>\$ 314,586,575</u>	<u>\$ 336,338,530</u>	<u>\$ 356,266,950</u>	<u>\$ 366,078,564</u>
\$ 509,112,718	\$ 456,673,308	\$ 528,263,100	\$ 582,245,383	\$ 561,252,847
307,069,050	348,249,439	354,979,388	64,008,433	63,287,765
30,429,919	28,303,304	40,289,408	58,209,922	128,477,519
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
43,038,297	40,886,609	28,694,820	-	-
92,234	92,234	92,234	92,105	91,989
58,609,988	83,097,686	41,048,730	10,998,967	(19,704,958)
<u>\$ 948,352,206</u>	<u>\$ 957,302,580</u>	<u>\$ 993,367,680</u>	<u>\$ 715,554,810</u>	<u>\$ 733,405,162</u>

City of Port St. Lucie, Florida

**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	2019	2018	2017	2016	2015
Expenditures					
Governmental activities					
General government	\$ 21,901,294	\$ 19,548,119	\$ 19,262,405	\$ 16,729,323	\$ 13,966,787
Public safety	54,881,911	53,318,868	50,403,218	47,096,752	43,376,647
Physical environment	18,792,667	18,941,202	40,848,525	18,128,226	30,514,196
Transportation	25,974,214	33,658,002	32,961,563	37,055,390	29,347,883
Economic environment	9,525,823	8,409,053	14,516,362	12,273,393	66,827,661
Human services	3,962,662	1,248,190	1,156,793	1,085,086	1,182,502
Culture and recreation	18,849,670	17,176,893	14,123,356	12,769,172	11,605,930
Debt service - interest	16,552,602	12,239,304	13,575,313	20,425,051	21,433,349
Total governmental activities	<u>170,440,843</u>	<u>164,539,631</u>	<u>186,847,535</u>	<u>165,562,393</u>	<u>218,254,955</u>
Business-type activities					
Utility system	81,877,917	87,773,899	79,676,615	83,379,982	83,138,529
Stormwater utility	22,770,841	22,370,166	22,313,572	20,161,789	20,615,230
Golf course	1,778,394	1,891,771	1,826,357	1,832,693	1,822,513
Total business-type activities	<u>106,427,152</u>	<u>112,035,836</u>	<u>103,816,544</u>	<u>105,374,464</u>	<u>105,576,272</u>
Total primary government expenditures	<u>\$ 276,867,995</u>	<u>\$ 276,575,467</u>	<u>\$ 290,664,079</u>	<u>\$ 270,936,857</u>	<u>\$ 323,831,227</u>
Program revenues					
Governmental activities					
Charges for services					
General government	\$ 2,734,335	\$ 3,775,680	\$ 2,274,296	\$ 1,884,681	\$ 1,732,289
Public safety	13,010,530	12,412,115	10,192,150	9,918,761	7,980,414
Physical environment	30,806,604	30,632,602	30,624,284	35,593,498	36,877,466
Transportation	3,960,542	4,474,742	3,014,814	4,159,559	4,196,944
Economic enviroment	137,750	209,807	3,484,472	3,505,338	1,626,405
Human services	51,744	51,135	48,870	61,886	78,460
Culture and recreation	4,518,877	4,292,661	3,148,521	3,433,301	3,296,044
Operating grants and contributions	4,957,356	4,251,681	4,182,472	3,786,495	3,451,813
Capital grants, contributions and restricted int	20,618,218	22,999,428	18,981,881	9,851,341	11,135,140
Total governmental activities program revenues	<u>80,795,956</u>	<u>83,099,851</u>	<u>75,951,760</u>	<u>72,194,860</u>	<u>70,374,975</u>
Business-type activities					
Charges for services					
Utility system	77,109,074	72,767,625	70,751,728	69,401,985	66,615,111
Stormwater utility	23,675,557	23,422,661	22,311,000	21,241,907	20,721,062
Golf course	1,527,999	1,525,214	1,592,256	1,614,495	1,711,940
Operating grants and contributions	800,037	13,098	-	15,000	43,674
Capital grants, contributions and restricted int	36,002,447	24,893,487	15,820,783	13,290,354	10,215,344
Total business-type activities program revenues	<u>139,115,114</u>	<u>122,622,085</u>	<u>110,475,767</u>	<u>105,563,741</u>	<u>99,307,131</u>
Total primary government program revenues	<u>\$ 219,911,070</u>	<u>\$ 205,721,936</u>	<u>\$ 186,427,527</u>	<u>\$ 177,758,601</u>	<u>\$ 169,682,106</u>
Net (expenditure)/revenue					
Governmental activities	\$ (89,644,887)	\$ (81,439,779)	\$ (110,895,775)	\$ (93,367,533)	\$ (147,879,980)
Business-type activities	<u>32,687,962</u>	<u>10,586,249</u>	<u>6,659,223</u>	<u>189,277</u>	<u>(6,269,141)</u>
Total primary government net expenditure	<u>\$ (56,956,925)</u>	<u>\$ (70,853,530)</u>	<u>\$ (104,236,552)</u>	<u>\$ (93,178,256)</u>	<u>\$ (154,149,121)</u>

2014	2013	2012	2011	2010
\$ 13,424,100	\$ 19,644,896	\$ 15,739,679	\$ 13,219,799	\$ 11,206,338
41,287,967	36,893,883	36,082,798	37,291,748	40,257,753
1,030,775	2,888,717	1,873,234	2,219,525	3,242,320
29,324,982	30,033,671	29,637,387	37,504,058	32,711,192
6,903,010	12,577,499	15,446,646	9,607,066	20,236,156
1,296,439	1,271,993	1,220,258	1,380,647	1,647,555
10,770,040	10,812,414	12,578,781	10,305,797	10,505,959
22,072,391	23,556,204	24,817,890	27,331,315	26,867,419
<u>126,109,704</u>	<u>137,679,277</u>	<u>137,396,673</u>	<u>138,859,955</u>	<u>146,674,692</u>
83,622,536	85,423,145	82,200,546	83,213,376	85,545,020
19,840,640	19,660,501	20,575,005	19,788,150	17,691,171
1,768,281	1,787,208	1,718,028	1,914,059	1,871,671
<u>105,231,457</u>	<u>106,870,854</u>	<u>104,493,579</u>	<u>104,915,585</u>	<u>105,107,862</u>
<u>\$ 231,341,161</u>	<u>\$ 244,550,131</u>	<u>\$ 241,890,252</u>	<u>\$ 243,775,540</u>	<u>\$ 251,782,554</u>
\$ 1,924,496	\$ 6,285,870	\$ 3,778,020	\$ 3,283,174	\$ 3,818,952
7,695,188	2,354,681	1,288,824	777,330	1,106,384
17,800,074	19,712,162	3,534,670	16,391,563	13,230,372
1,951,179	1,812,992	1,580,211	1,831,410	1,443,788
53,834	1,153,777	3,082,295	5,344	280,580
100,829	109,691	106,485	99,098	115,435
2,097,655	2,070,648	1,941,883	1,748,878	1,619,362
2,864,469	3,742,609	5,087,105	5,972,276	17,251,452
2,501,351	1,652,582	147,960	131,533	6,966,976
<u>36,989,075</u>	<u>38,895,012</u>	<u>20,547,453</u>	<u>30,240,606</u>	<u>45,833,301</u>
64,789,627	61,181,993	58,613,804	56,115,457	52,535,104
20,318,181	20,088,576	19,335,600	19,223,254	19,019,552
1,471,527	1,480,424	1,454,957	1,564,828	1,462,364
3,708,476	738,622	1,560,253	819,547	534,784
6,277,976	3,778,130	4,315,875	13,280,071	12,967,911
<u>96,565,787</u>	<u>87,267,745</u>	<u>85,280,489</u>	<u>91,003,157</u>	<u>86,519,715</u>
<u>\$ 133,554,862</u>	<u>\$ 126,162,757</u>	<u>\$ 105,827,942</u>	<u>\$ 121,243,763</u>	<u>\$ 132,353,016</u>
\$ (89,120,629)	\$ (98,784,265)	\$ (103,003,062)	\$ (108,619,349)	\$ (100,841,391)
(8,665,670)	(19,603,109)	(19,213,090)	(13,912,428)	(18,588,147)
<u>\$ (97,786,299)</u>	<u>\$ (118,387,374)</u>	<u>\$ (122,216,152)</u>	<u>\$ (122,531,777)</u>	<u>\$ (119,429,538)</u>

City of Port St. Lucie, Florida

**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	2019	2018	2017	2016	2015
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 60,801,707	\$ 56,102,941	\$ 51,158,614	\$ 47,389,333	\$ 38,247,228
Franchise and utility taxes	24,320,736	22,978,502	22,223,228	21,339,457	21,054,005
Communications service tax	4,778,502	4,967,361	4,975,531	5,129,850	5,378,563
Local business tax	2,030,504	2,010,299	1,910,943	1,851,734	1,666,789
Sales tax	14,032,808	8,096,469	7,368,151	6,817,675	6,483,062
State revenue sharing - unrestricted	6,040,623	5,684,964	5,389,689	4,837,191	4,586,750
Local option gas tax	10,544,228	10,222,601	9,820,740	9,684,589	9,009,096
Insurance premium tax	1,569,087	1,439,785	1,296,741	1,247,468	1,082,037
Interest	4,557,240	1,276,096	1,546,657	977,119	1,136,378
Gain on sale of capital assets	-	-	-	-	(455,894)
Miscellaneous	6,346,273	39,030,821	17,052,072	5,395,106	4,419,845
Special items	-	-	-	-	-
Transfers	3,493,586	(1,845,056)	(1,521,451)	(1,178,650)	(3,617,260)
Total governmental activities	<u>138,515,294</u>	<u>149,964,783</u>	<u>121,220,915</u>	<u>103,490,872</u>	<u>88,990,599</u>
Business-type activities					
Franchise and utility taxes	-	-	-	-	-
Interest	3,760,370	1,660,439	1,827,095	1,495,595	1,557,174
Swap	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-
Miscellaneous	374,577	173,328	-	-	-
Transfers	(3,493,586)	1,845,056	1,521,451	1,178,650	3,617,260
Total business-type activities	<u>641,361</u>	<u>3,678,823</u>	<u>3,348,546</u>	<u>2,674,245</u>	<u>5,174,434</u>
Total primary government	<u>\$ 139,156,655</u>	<u>\$ 153,643,606</u>	<u>\$ 124,569,461</u>	<u>\$ 106,165,117</u>	<u>\$ 94,165,033</u>
Change in Net Position					
Governmental activities	\$ 48,870,407	\$ 68,525,004	\$ 10,325,140	\$ 10,123,339	\$ (58,889,381)
Business-type activities	33,329,323	14,265,072	10,007,769	2,863,522	(1,094,707)
Total primary government	<u>\$ 82,199,730</u>	<u>\$ 82,790,076</u>	<u>\$ 20,332,909</u>	<u>\$ 12,986,861</u>	<u>\$ (59,984,088)</u>

2014	2013	2012	2011	2010
\$ 36,339,440	\$ 35,744,398	\$ 36,586,795	\$ 37,123,864	\$ 37,220,611
20,287,539	18,407,514	18,175,496	17,252,881	13,451,549
5,407,176	5,972,194	6,004,344	5,997,244	6,152,086
1,571,717	1,518,483	1,498,031	1,560,385	1,514,507
6,039,906	5,510,580	5,245,628	4,928,954	4,729,330
4,003,809	3,493,945	2,763,213	2,485,700	2,296,514
8,471,573	7,864,178	7,820,761	7,614,567	7,602,956
1,026,902	972,481	883,809	826,267	885,563
561,573	722,180	19,352,363	20,967,944	12,689,391
-	(126,605)	213,323	374,823	209,549
3,770,030	10,545,742	5,439,928	1,683,820	1,278,550
-	(9,920,411)	-	-	-
(1,876,909)	3,766,441	(4,162,963)	(235,878)	8,332,288
<u>85,602,756</u>	<u>84,471,120</u>	<u>99,820,728</u>	<u>100,580,571</u>	<u>96,362,894</u>
-	-	162,570	163,729	-
1,356,260	1,617,595	2,196,128	2,518,139	3,422,215
-	-	-	-	10,000
-	-	(882,568)	63,211	377,592
-	-	1,157,549	1,119,857	1,471,226
<u>1,876,909</u>	<u>(3,766,441)</u>	<u>4,162,963</u>	<u>235,878</u>	<u>(8,332,288)</u>
<u>3,233,169</u>	<u>(2,148,846)</u>	<u>6,796,642</u>	<u>4,100,814</u>	<u>(3,051,255)</u>
<u>\$ 88,835,925</u>	<u>\$ 82,322,274</u>	<u>\$ 106,617,370</u>	<u>\$ 104,681,385</u>	<u>\$ 93,311,639</u>
\$ (3,517,873)	\$ (14,313,145)	\$ (3,182,334)	\$ (8,038,778)	\$ (4,478,497)
<u>(5,432,501)</u>	<u>(21,751,955)</u>	<u>(12,416,448)</u>	<u>(9,811,614)</u>	<u>(21,639,402)</u>
<u>\$ (8,950,374)</u>	<u>\$ (36,065,100)</u>	<u>\$ (15,598,782)</u>	<u>\$ (17,850,392)</u>	<u>\$ (26,117,899)</u>

City of Port St. Lucie, Florida

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	2019	2018	2017	2016	2015
General Fund					
Nonspendable	\$ 97,143	\$ 151,128	\$ 218,834	\$ 191,445	\$ 178,607
Committed	2,806,480	1,479,894	2,519,112	187,401	58,312
Assigned	-	-	173,907	117,051	84,721
Unassigned	31,655,831	28,146,763	18,687,358	29,305,353	25,458,921
Total general fund	<u>\$ 34,559,454</u>	<u>\$ 29,777,785</u>	<u>\$ 21,599,211</u>	<u>\$ 29,801,250</u>	<u>\$ 25,780,561</u>
All Other Governmental Funds					
Nonspendable	\$ 31,526,857	\$ 31,584,133	\$ 14,206	\$ 14,345	\$ 11,323
Restricted	88,139,539	82,193,183	76,476,749	72,910,220	78,348,839
Committed	25,980,290	19,178,740	11,935,010	8,909,718	6,821,412
Assigned	-	-	14,953,893	17,330,451	12,071,781
Unassigned	-	(932)	-	(2,730)	(5,127)
Total all other governmental funds	<u>145,646,686</u>	<u>132,955,124</u>	<u>103,379,858</u>	<u>99,162,004</u>	<u>97,248,228</u>
Total governmental funds	<u>\$ 180,206,140</u>	<u>\$ 162,732,909</u>	<u>\$ 124,979,069</u>	<u>\$ 128,963,254</u>	<u>\$ 123,028,789</u>

2014	2013	2012	2011	2010
\$ 166,999	\$ 885,141	\$ 835,559	\$ 826,414	\$ 127,457
42,146	41,707	9,354	29,307	12,707
4,467,046	4,262,951	-	11,120,370	9,641,078
18,187,927	19,075,348	18,613,202	3,084,366	2,792,600
<u>\$ 22,864,118</u>	<u>\$ 24,265,147</u>	<u>\$ 19,458,115</u>	<u>\$ 15,060,457</u>	<u>\$ 12,573,842</u>
\$ 13,077	\$ 121,566	\$ 8,606,852	\$ 175,419	\$ 23,129
76,452,719	59,512,472	4,760,157	12,558,416	11,559,530
5,842,013	7,332,397	2,784,242	6,171,180	9,157,747
11,748,970	8,570,435	62,840,365	70,483,809	113,688,325
-	(1,285,276)	(117,421)	(1,052,783)	(945,600)
<u>94,056,779</u>	<u>74,251,594</u>	<u>78,874,195</u>	<u>88,336,041</u>	<u>133,483,131</u>
<u>\$ 116,920,897</u>	<u>\$ 98,516,741</u>	<u>\$ 98,332,310</u>	<u>\$ 103,396,498</u>	<u>\$ 146,056,973</u>

City of Port St. Lucie, Florida

**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	2019	2018	2017	2016	2015
Revenues					
Taxes	\$ 80,474,997	\$ 75,094,507	\$ 69,728,447	\$ 65,730,532	\$ 56,092,766
Licenses and permits	20,909,047	20,169,455	16,634,939	16,576,124	14,866,090
Intergovernmental	58,264,302	55,965,001	47,107,772	38,874,481	27,552,696
Charges for services	40,152,181	45,210,292	52,598,248	54,419,081	49,109,473
Human services fees	-	51,135	48,870	61,886	78,460
Fines and forfeitures	1,789,251	1,321,259	1,401,918	2,275,034	2,400,496
Interest on Investments	4,504,288	1,276,096	1,546,657	970,966	1,136,378
Interest on special assessments	-	4,592	-	6,153	-
Impact fees	13,207,429	12,377,309	8,323,840	6,955,207	5,140,466
Developers Contributions	-	81,724	124,126	76,828	92,030
Rents	-	-	-	-	-
Other	6,187,995	2,761,931	3,044,655	4,153,471	2,890,988
Total revenues	225,489,490	214,313,301	200,559,472	190,099,763	159,359,843
Expenditures					
Current					
General government	21,470,489	13,966,732	16,130,414	10,911,222	10,179,367
Public safety	57,186,085	54,905,623	55,709,096	45,564,571	43,019,715
Physical environment	18,709,214	18,373,558	18,358,971	18,838,042	17,692,425
Transportation	49,931,569	57,251,395	40,514,133	25,343,943	28,059,537
Economic environment	8,230,255	9,859,368	14,689,586	12,216,119	5,911,487
Human services	3,990,343	1,674,827	1,497,279	1,204,125	1,092,235
Culture and recreation	18,232,071	21,375,515	15,537,534	14,331,630	15,615,951
Capital Outlay	-	-	-	-	-
Intangibles	-	-	-	-	-
Principal	18,871,768	21,486,768	30,285,000	33,105,000	23,895,000
Interest	17,363,107	13,601,496	14,317,617	20,586,274	21,938,411
Total expenditures	213,984,901	212,495,282	207,039,630	182,100,926	167,404,128
Excess (deficiency) of revenue over (under) expenditures	11,504,589	1,818,019	(6,480,158)	7,998,837	(8,044,285)
Other Financing Sources (Uses)					
Transfer In	27,728,204	9,839,084	11,273,555	13,816,227	7,234,069
Transfer Out	(24,170,116)	(11,684,140)	(12,794,496)	(15,994,367)	(10,593,853)
Proceeds from Sale of Assets	2,005,695	1,886,805	1,800,000	6,356,406	17,730,108
Capital Leases	-	-	1,284,187	-	-
Issuance of Debt	54,360,024	-	90,295,000	165,155,000	-
Premium on Issuance of Debt	-	-	6,202,434	8,678,986	-
Discount on Issuance of Debt	-	-	-	-	-
Credit Enhancement Fee	-	-	-	-	-
Inventory Contribution	-	31,766,800	-	-	-
Payments to Escrow Agent	(53,955,165)	-	(95,564,707)	(180,076,624)	(218,147)
Total other financing sources (uses)	5,968,642	31,808,549	2,495,973	(2,064,372)	14,152,177
Net change in fund balances	\$ 17,473,231	\$ 33,626,568	\$ (3,984,185)	\$ 5,934,465	\$ 6,107,892
Debt services as a percentage of non-capital expenditures	21.09 %	22.00 %	25.60 %	35.50 %	33.50 %

	2014		2013		2012		2011		2010
\$	53,676,014	\$	52,554,602	\$	52,664,169	\$	52,516,922	\$	48,481,802
	13,498,879		12,004,191		11,857,491		11,022,562		11,452,024
	25,013,772		23,815,605		24,842,507		26,608,782		32,424,409
	32,573,400		33,852,704		17,463,400		15,917,455		13,282,633
	100,829		109,691		106,485		99,098		115,435
	2,974,283		2,107,086		1,298,268		756,683		1,121,170
	561,573		722,180		1,999,832		2,387,683		3,884,779
	-		-		17,352,531		18,257,389		8,462,472
	4,048,056		3,779,478		3,070,948		2,553,496		3,170,986
	53,388		124,618		237,778		198,230		515,417
	-		9,000		2,739,707		-		-
	2,324,218		4,793,243		1,788,598		2,971,833		2,779,960
	<u>134,824,412</u>		<u>133,872,398</u>		<u>135,421,714</u>		<u>133,290,133</u>		<u>125,691,087</u>
	9,736,915		15,988,836		14,061,451		12,173,872		12,201,341
	41,849,736		36,101,367		34,889,571		34,743,405		39,380,020
	422,095		1,406,047		1,226,884		2,582,236		1,409,355
	19,756,039		15,641,435		16,621,657		12,774,026		11,899,324
	4,692,918		9,528,869		9,259,342		8,989,001		17,129,859
	1,298,293		1,149,142		1,226,221		1,297,163		1,610,095
	16,186,300		10,676,942		9,954,625		9,228,267		9,662,874
	-		-		-		41,935,095		43,983,462
	-		-		-		723,493		14,850
	37,030,000		28,665,000		27,710,000		25,380,000		23,664,213
	22,164,463		23,575,319		26,117,519		27,331,315		26,867,419
	<u>153,136,759</u>		<u>142,732,957</u>		<u>141,067,270</u>		<u>177,157,873</u>		<u>187,822,812</u>
	<u>(18,312,347)</u>		<u>(8,860,559)</u>		<u>(5,645,556)</u>		<u>(43,867,740)</u>		<u>(62,131,725)</u>
	14,792,189		16,833,891		8,748,742		27,405,304		63,544,144
	(16,669,098)		(13,071,350)		(12,911,705)		(27,641,182)		(55,211,856)
	2,726,570		5,051,157		-		-		-
	-		-		-		-		-
	116,701,922		15,124,937		18,509,331		31,575,000		39,900,000
	-		-		-		-		-
	-		-		-		(176,857)		(678,589)
	-		-		-		-		5,000,000
	-		-		-		-		-
	<u>(80,835,080)</u>		<u>(14,893,645)</u>		<u>(13,765,000)</u>		<u>(29,955,000)</u>		<u>-</u>
	<u>36,716,503</u>		<u>9,044,990</u>		<u>581,368</u>		<u>1,207,265</u>		<u>52,553,699</u>
\$	<u>18,404,156</u>	\$	<u>184,431</u>	\$	<u>(5,064,188)</u>	\$	<u>(42,660,475)</u>	\$	<u>(9,578,026)</u>
	43.40 %		38.70 %		40.00 %		36.80 %		34.30 %

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

City of Port St. Lucie, Florida

**Assessed Value of Taxable Property
Last Ten Fiscal Years**

<u>Tax Roll Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Centrally Assessed</u>	<u>Combined(1) Exemptions</u>	<u>Taxable Value</u>	<u>Operating Millage</u>
2009	9,945,285,528	658,937,776	406,311	2,769,978,059	7,834,651,556	4.6866
2010	8,787,692,591	645,199,358	397,988	2,689,788,860	6,743,501,077	5.4723
2011	8,495,592,739	631,827,590	410,912	2,674,949,192	6,452,882,049	5.7289
2012	8,366,988,790	632,742,480	329,021	2,673,400,190	6,326,660,101	5.6289
2013	8,489,832,236	627,492,684	404,336	2,705,162,954	6,412,566,302	5.6289
2014	8,929,641,647	638,864,682	478,743	2,808,893,833	6,760,091,239	5.6289
2015	9,465,555,527	634,834,357	548,029	2,892,728,992	7,208,208,921	6.6289
2016	10,280,445,735	653,064,373	607,353	3,017,622,372	7,916,495,089	6.5000
2017	11,255,095,456	686,254,310	640,823	3,148,250,073	8,793,740,516	6.4000
2018	12,402,566,219	965,229,221	645,964	3,676,944,718	9,691,496,686	6.3000

(1) The Combined Exemptions consists of: a) Renewable Energy Sources, b) Governmental, c) Widows & Widowers, d) Disability, e) Institutional, f) Homestead - regular and additional, g) LOLA, h) Economic Development, and i) Tangible Personal Property Extentions.

SOURCE: St. Lucie County Property Appraiser.

NOTE: Tax Roll Year is January 1 to December 31.
City's Fiscal Year is October 1 to September 30.

City of Port St. Lucie, Florida

Property Tax Rates

Direct and Overlapping Governments

Last Ten Fiscal Years

TAX ROLL YEAR	CITY of PORT ST. LUCIE			ST. LUCIE COUNTY			SCHOOLS			OTHER AGENCIES	TOTAL City-Wide Millage
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Capital Improv. Millage	Total Schools Millage	Operating Millage	
2009	3.6866	1.0000	4.6866	6.6833	0.0613	6.7446	6.4760	1.5000	7.9760	3.4382	22.8454
2010	4.3098	1.1625	5.4723	7.4024	0.0613	7.4637	6.6770	1.5000	8.1770	3.7221	24.8351
2011	4.5096	1.2193	5.7289	7.4538	0.0154	7.4692	6.3780	1.5000	7.8780	3.7005	24.7766
2012	4.4096	1.2193	5.6289	7.4538	0.0154	7.4692	6.2710	1.5000	7.7710	3.6931	24.5622
2013	4.4096	1.2193	5.6289	7.6567	0.0154	7.6721	5.7570	1.5000	7.2570	4.0252	24.5832
2014	4.4096	1.2193	5.6289	7.6567	0.0154	7.6721	5.7410	1.5000	7.2410	3.9877	24.5297
2015	5.4096	1.2193	6.6289	7.9967	0.0154	8.0121	5.7830	1.5000	7.2830	3.9561	25.8801
2016	5.2807	1.2193	6.5000	7.9661	0.0000	7.9661	5.4270	1.5000	6.9270	3.9317	25.3248
2017	5.1807	1.2193	6.4000	8.1361	0.0000	8.1361	5.0740	1.5000	6.5740	3.9110	25.0211
2018	5.0807	1.2193	6.3000	8.1361	0.0000	8.1361	4.8350	1.5000	6.3350	3.8946	24.6657

SOURCE: Typical Tax Bill - St. Lucie County Tax Collector.

NOTES: Rate based on per \$1,000 of taxable property value.

Tax Roll Year is January 1 to December 31.
Municipality's Fiscal Year is October 1 to September 30.

City of Port St. Lucie, Florida

Principal Property Taxpayers Current Year and Ten Years Ago

	2018 Tax Roll			2008 Tax Roll		
	Total Taxable Value (1)	Rank	Percentage of Total Taxable Value	Total Taxable Value (1)	Rank	Percentage of Total Taxable Value
Florida Power & Light Co	\$ 160,912,556	1	1.66%	\$ 68,270,990	3	0.65%
Wal-Mart Sams Club	73,812,552	2	0.76%	84,519,725	2	0.80%
KRG Port St Lucie Landing LLC	55,561,800	3	0.57%			
St Lucie West 2016 LLC	50,119,900	4	0.52%			
HCA	43,075,490	5	0.44%			
Benderson Development Co Inc	41,359,600	6	0.43%			0.00%
Sandpiper Resort Prop Inc Sandpiper Inc	37,027,400	7	0.38%			0.00%
Comcast of FL/GA LLC	26,044,685	8	0.27%			
Florida Gas Transmission Co LLC	24,442,845	9	0.25%			
Wynne Building Corp	22,308,500	10	0.23%			
Ginn-La St Lucie Ltd LLLP				92,767,200	1	0.88%
St Lucie Land Ltd				52,240,900	4	0.50%
HCA & St Lucie Medical Center				43,783,905	5	0.42%
Southern Bell Tel and Tel				40,784,327	6	0.39%
Sandpiper Resort Prop Inc				39,735,497	7	0.38%
Minto Townpark LLC				37,432,625	8	0.35%
Levitt and Sons at Tradition				36,393,100	9	0.35%
Stuart Property Holdings Ltd				34,784,900	10	0.33%
Taxable Value of 10 Largest Taxpayers	534,665,328		5.52%	530,713,169		5.03%
Taxable Value of Other Taxpayers	9,156,831,358		94.48%	10,015,888,837		94.97%
Taxable Value of All Taxpayers	\$ 9,691,496,686.00		100%	\$ 10,546,602,006.00		100%

(1) Includes both Real and Personal Property

NOTE: Tax Roll Year is January 1 to December 31.

SOURCES: St. Lucie County Property Appraiser, St. Lucie County Tax Collector
and City of Port St. Lucie GIS Department

City of Port St. Lucie, Florida

Special Assessment Districts Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Special Assessments Billed</u>	<u>Special Assessments Collected</u>	<u>Delinquent Payments Collected</u>	<u>Prepayments, Partial Payments and Payoffs Collected (1)</u>
2009-10	\$ 17,818,604.8	\$ 16,873,136.6	\$ 129,031.3	\$ 1,226,489.8
2010-11 (1)	\$ 31,619,450.0	\$ 29,216,273.7	\$ (23,730.1)	\$ 719,692.8
2011-12	\$ 31,511,275.0	\$ 28,553,832.0	\$ 636,766.0	\$ 478,509.0
2012-13	\$ 31,426,747.0	\$ 28,593,227.0	\$ 229,240.0	\$ 575,142.0
2013-14	\$ 31,305,097.9	\$ 28,299,745.7	\$ 389,096.0	\$ 450,273.4
2014-15	\$ 30,822,446.3	\$ 27,474,035.4	\$ 113,393.5	\$ 221,152.7
2015-16 (2)	\$ 30,741,967.0	\$ 27,577,254.7	\$ 205,733.2	\$ 4,990,993.9
2016-17 (3)	\$ 24,421,994.3	\$ 21,532,444.2	\$ 229,102.6	\$ 9,127,977.1
2017-18	\$ 22,956,489.0	\$ 20,434,364.0	\$ 949,545.0	\$ 685,320.0
2018-19 (4)	\$ 18,570,020.6	\$ 15,895,254.2	\$ 556,102.4	\$ 143,103.2
Ten Year Totals	<u>\$ 271,194,091.9</u>	<u>\$ 244,449,567.6</u>	<u>\$ 3,414,279.9</u>	<u>\$ 18,618,653.8</u>

(1) The negative delinquent collections is due to a 2006 tax certificate refund.

(2) The increase in the payoff for 15/16 is due to a payoff in the amount of \$4,615,952 for Tesoro SAD

(3) The decrease in the annual billing for 16/17 is due to the SW Annexation District #1 bond refunding which decreased the annual billing by \$4.2 million. Additionally, the number of accounts billed in 16/17 reduced due to the \$4.9 million payoff fiscal year 2016.

(4) The decrease of \$4.3 million in the annual billing for 18/19 is due to the final billing year of USA 3& 4 SAD of \$4.1million and principal payoffs in other SAD's.

The above data is combined for fourteen (14) existing assessment districts.

The 2013 Tax Roll was the final year of billing for SAD 1, Phase 1 SAD .

The 2015 Tax Roll was the final year of billing for SAD 1, Phase II SAD

The 2017 Tax Roll was the final year of billing for USA 3 &4 SAD

Sources: City of Port St. Lucie Finance Department
St. Lucie County Tax Collector

City of Port St. Lucie, Florida

Property Tax Levies and Collections Last Ten Years

Fiscal Year	Tax Roll Year	Total Tax Levy	Current Tax Collections (1)	Percent of Levy Collected	Delinquent Tax Collections (per Collection Year)	Subsequent Year Collections (per Levy Year)	Total Collections to Date (2)	
							Amount	Percent of Levy (2)
09-10	2009	36,841,021	35,107,786	95.3%	304,047	301,486	\$ 35,409,273	96.1%
10-11	2010	37,003,023	35,188,029	95.1%	310,838	125,078	\$ 35,313,107	95.4%
11-12	2011	37,036,486	35,064,715	94.7%	137,607	426,062	\$ 35,490,777	95.8%
12-13	2012	35,683,010	34,057,127	95.4%	325,727	158,625	\$ 34,215,752	95.9%
13-14	2013	36,157,559	34,601,262	95.7%	257,734	64,583	\$ 34,665,845	95.9%
14-15	2014	38,064,819	36,657,166	96.3%	114,893	35,610	\$ 36,692,777	96.4%
15-16	2015	47,796,206	45,796,707	95.8%	68,453	50,151	\$ 45,846,858	95.9%
16-17	2016	51,463,782	49,449,737	96.1%	59,540	12,403	\$ 49,462,141	96.1%
17-18	2017	56,293,719	54,076,777	96.1%	115,890	n/a	\$ 54,076,777	96.1%
18-19	2018	61,070,877	58,686,181	96.1%	50,735	n/a	\$ 58,686,181	96.1%

(1) Current Tax Collections presented herein are through the County Tax Collector's Recapitulation date of June 30th.
 - Includes Operating and Debt Service starting with the 2005 Tax Roll Year.
 - Tax Roll Year is January 1st to December 31st.
 - Municipality's Fiscal Year is October 1st to September 30th.

(2) Does not include Delinquent Tax Collections per Collection Year column.

SOURCE: St. Lucie County Tax Collector Records.



"A City for All Ages"

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Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

City of Port St. Lucie, Florida

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Year	Governmental Activities					
	General Obligation Bonds	Revenue Bonds	Certificate of Participation	Special Assessment District	Tax Increment Financing	Capital Leases
2010	\$ 88,025,000	\$ 75,820,000	\$ 47,180,000	\$ 283,400,000	\$ 55,145,000	\$ -
164,603						
2011	87,075,000	72,205,000	45,475,000	267,230,000	53,825,000	-
166,041						
2012	85,745,000	66,190,000	43,705,000	250,375,000	52,235,000	-
167,252						
2013	86,097,580	61,000,250	41,999,842	229,859,857	51,356,944	-
167,914						
2014	122,334,085	54,165,601	37,937,997	209,101,113	49,143,626	-
169,888						
2015	119,026,232	49,755,832	35,893,855	195,991,443	46,839,299	-
174,132						
2016	115,467,218	34,383,460	32,528,521	188,127,426	44,985,417	-
178,091						
2017	110,710,552	86,802,381	-	148,651,083	41,737,854	1,284,187
181,284						
2018	106,473,315	80,874,887	-	137,873,667	38,150,862	1,037,419
185,843						
2019	101,459,334	128,282,406	-	131,258,071	34,123,708	780,683
191,903						
2019 Governmental Total				\$ 395,933,152		

NOTE: Premiums, discounts, and accreted interest are included in the debt amounts above starting Fiscal Year 2013.

2019 at PAR	97,890,000	124,365,000	-	129,950,000	30,775,000	780,683
(no prem/disc)			2,019	Governmental Total	\$ 383,760,683	

(1) See the Demographic and Economic Statistics worksheet in the Demographic and Economic section of the Statistical Section for Personal Income detail. Prior year detail revised each year by the federal BEA.

Business-type Activities

Stormwater Bonds	Utility Revenue Bonds	Utility Customers	Utility Debt only Per Utility Customer	Total Debt Citywide	Total Debt Per Capita	(1) Total Debt Per Total Personal Income
\$ 47,875,000	\$ 444,871,195	\$ 69,884	\$ 6,366	\$ 1,042,316,195	\$ 6,332	6.31 %
47,600,000	441,645,505	70,164	6,294	1,015,055,505	6,113	5.71 %
47,220,000	435,762,047	70,432	6,187	981,232,047	5,867	5.08 %
47,471,004	439,988,545	70,905	6,205	957,774,022	5,727	5.02 %
46,437,195	427,078,731	71,335	5,987	946,198,348	5,570	4.56 %
45,387,349	413,937,471	71,964	5,752	906,831,481	5,208	4.09 %
44,324,544	400,160,674	73,194	5,467	859,977,260	4,829	3.78 %
43,238,902	386,817,955	74,758	5,174	819,242,914	4,519	3.34 %
42,127,621	373,307,516	76,784	4,862	779,845,287	4,196	2.98 %
40,985,131	357,784,949	79,762	4,486	794,703,232	4,141	
Enterprise Total \$ <u>398,770,080</u>						
40,930,000	331,180,000	79,762	4,152	755,870,683	3,939	
Enterprise Total \$ <u>372,110,000</u>						

City of Port St. Lucie, Florida

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

Year	Population	Taxable Value	General Obligation	G. O. Percentage of Taxable Value	General Obligation Debt Per Capita	Total Voter Approved General Obligation Debt	Total General Obligation Issued	Remaining Approved General Debt
2010	164,603	6,743,501,077	88,025,000	1.31 %	535	165,000,000	93,830,000	71,170,000
2011	166,041	6,452,882,049	87,075,000	1.35 %	524	165,000,000	93,830,000	71,170,000
2012	167,252	6,326,660,101	87,745,000	1.39 %	525	165,000,000	93,830,000	71,170,000
2013	167,914	6,412,566,302	86,097,580	1.34 %	513	165,000,000	93,830,000	71,170,000
2014	169,888	6,760,091,239	122,334,085	1.81 %	720	165,000,000	126,730,000	38,270,000
2015	174,132	7,208,208,921	119,026,232	1.65 %	684	165,000,000	126,730,000	38,270,000
2016	178,091	7,916,495,089	115,467,218	1.46 %	648	165,000,000	126,730,000	38,270,000
2017	181,284	8,793,740,516	110,710,552	1.26 %	611	165,000,000	126,730,000	38,270,000
2018	185,843	9,691,496,686	106,473,315	1.10 %	573	165,000,000	126,730,000	38,270,000
2019	191,903	10,804,731,408	101,459,334	0.94 %	529	165,000,000	126,730,000	38,270,000
		2019 G.O. Debt at PAR	97,890,000	0.91 %	510			

SOURCES: Population figures are from the Florida Office of Economic and Demographic Research. Taxable values are from St. Lucie County.

NOTE: A June 2005 voter referendum was approved at 89% for the issuance of general obligation bonds, not to exceed \$165,000,000 for the construction of an east - west corridor through the City. The first bond series was issued in 2005 (\$50,706,844 w/prem), the second was issued in 2006 (\$45,944,355 w/prem), and the third was issued in 2014 (\$36,280,770 w/prem).

The remaining authorized issuance balance at par is shown above in the last three columns.

City of Port St. Lucie, Florida

**Computation of Direct and Overlapping Bonded Debt
Governmental Bonds
September 30, 2019**

Jurisdiction	Governmental Bonded Debt Outstanding	Percent Applicable to City (1)	Dollar Amount	
			Total Applicable to City	Per Capita Applicable to City (Population = 191,903)
Overlapping Debt				
St. Lucie County	149,561,868	48.86 %	\$ 73,076,193	\$ 381
St. Lucie County District School Board (2)	226,947,000	43.09 %	97,791,581	510
Total	<u>376,508,868</u>		<u>170,867,774</u>	<u>891</u>
Direct Debt				
City of Port St. Lucie	395,152,469	100.00 %	395,152,469	2,059
Total and direct debt	<u>771,661,337</u>		<u>\$ 566,020,243</u>	<u>\$ 2,950</u>

(1) The percent applicable to the City is calculated using property taxable value ratios.

(2) School Board Year End is June 30. Exemptions for Economic Development and Additional Homestead are not included.

Sources: St. Lucie County Clerk of Circuit Court
St. Lucie County School Board
St. Lucie County Property Appraiser
City of Port St. Lucie Finance Department

City of Port St. Lucie, Florida

**Revenue Bond Coverages
For the Years Ended September 30**

Sales Tax Refunding Bonds, Series 2008 and Series 2011			
Fiscal Year Ending	Local Government Half-Cent Sales Tax Revenue	Maximum Annual Debt Service Requirement	Debt Service Coverage
2010	4,729,330	2,223,750	2.13
2011	4,928,954	2,223,750	2.22
2012	5,245,628	2,181,113	2.41
2013	5,510,580	2,181,113	2.53
2014	6,039,906	2,181,113	2.77
2015	6,483,062	2,181,113	2.97
2016	6,817,675	2,181,113	3.13
2017	7,368,151	2,181,113	3.38
2018	8,096,469	2,181,113	3.71
2019	8,364,279	2,175,500	3.84

Public Services Tax Revenue Bonds, Series 2014B			
Fiscal Year Ending	Electric Utility Tax Revenue	Maximum Annual Debt Service Requirement	Debt Service Coverage
2014	10,811,224	2,283,235	4.74
2015	11,193,318	1,323,194	8.46
2016	11,636,322	1,323,194	8.79
2017	12,035,953	1,323,194	9.10
2018	12,484,396	1,323,194	9.44
2019	13,359,987	1,318,844	10.13



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City of Port St. Lucie, Florida

**Revenue Bond Coverage
Stormwater Utility System
For the Years Ended September 30**

	2019	2018	2017	2016	2015
Stormwater revenues	\$ 23,675,557	\$ 23,422,661	\$ 22,305,048	\$ 21,220,834	\$ 20,522,362
Franchise revenues	9,735,609	9,334,125	9,105,721	8,806,371	8,940,735
Total pledged revenues	33,411,166	32,756,786	31,410,769	30,027,205	29,463,097
Less: Operating expenses (1)	18,590,368	18,346,187	18,237,800	15,925,681	16,429,532
Total net pledged revenues	\$ 14,820,798	\$ 14,410,599	\$ 13,172,969	\$ 14,101,524	\$ 13,033,565
Stormwater revenues less operating expenses (1)	\$ 5,085,189	\$ 5,076,474	\$ 4,067,248	\$ 5,295,153	\$ 4,092,830
Annual debt service requirements on Series 2010 A&B and Series 2011 Bonds	\$ 3,965,066	\$ 3,967,462	\$ 3,972,245	\$ 3,985,849	\$ 3,988,449
Debt service coverage based on total pledged revenues	8.43	8.26	7.91	7.53	7.39
Debt service coverage based on total net pledged revenues	3.74	3.63	3.32	3.54	3.27

(1) Excludes depreciation expense

2014	2013	2012	2011	2010
\$ 20,281,050	\$ 20,094,776	\$ 19,315,669	\$ 19,219,609	\$ 19,019,552
8,534,011	7,755,163	8,161,246	7,656,194	7,987,044
28,815,061	27,849,939	27,476,915	26,875,803	27,006,596
15,761,175	15,645,467	18,001,709	15,726,612	14,467,667
<u>\$ 13,053,886</u>	<u>\$ 12,204,472</u>	<u>\$ 9,475,206</u>	<u>\$ 11,149,191</u>	<u>\$ 12,538,929</u>
\$ 4,519,875	\$ 4,449,309	\$ 1,313,960	\$ 3,492,997	\$ 4,551,885
\$ 3,902,319	\$ 3,409,248	\$ 3,988,449	\$ 3,988,449	\$ 4,046,274
7.38	8.17	6.89	6.74	6.67
3.35	3.58	2.38	2.80	3.10

City of Port St. Lucie, Florida

**Revenue Bond Coverage
Water and Sewer Utility System Revenue Bonds
For the Years Ended September 30**

	2019	2018	2017	2016	2015
Operating revenue					
Charges for services	\$ 77,148,876	\$ 72,767,625	\$ 74,648,584	\$ 71,447,324	\$ 66,308,665
Miscellaneous revenues	1,020	111,124	137,346	85,911	100,123
Total operating revenues	77,149,896	72,878,749	74,785,930	71,533,235	66,408,788
Less: Operating expenses (1)	34,902,523	36,932,174	32,841,068	30,306,559	31,105,811
Net operating revenues	42,247,373	35,946,575	41,944,862	41,226,676	35,302,977
Other revenues					
Interest income	\$ 2,294,602	\$ 584,378	\$ 711,999	\$ 456,251	\$ 496,409
Guarantees revenue	\$ 587,353	\$ 227,848	\$ 128,347	\$ 137,440	\$ 213,470
Total other revenues	\$ 2,881,955	\$ 812,226	\$ 840,346	\$ 593,691	\$ 709,879
Total net revenue available	\$ 45,129,328	\$ 36,758,801	\$ 42,785,208	\$ 41,820,367	\$ 36,012,856
Debt service coverage					
Current sub accounts (2)	23,658,217	17,461,648	10,513,349	6,093,873	8,715,238
Debt service requirement	26,614,588	26,699,394	26,698,544	31,199,200	29,981,894
Coverage test (3)					
Test 1a	1.70	1.38	1.60	1.34	1.20
Test 1b	2.58	2.03	2.00	1.54	1.49

Note: (1) Excludes depreciation expense

(2) The Capital Facilities Charge balances in the Capital Facility Fund, maxed at the debt service expansion component.

(3) Per standard Utility bond resolution term, the Utility Bond Coverage Test 1a is Net Revenue / Debt Service and should be 1.00 or greater, or the Utility Bond coverage Test 1b is Net Revenue + either Pledged CFCs or Current Sub Accounts / Debt Service and should be 1.10 or greater.

2014	2013	2012	2011	2010
\$ 64,285,901	\$ 61,237,657	\$ 58,708,951	\$ 56,168,504	\$ 52,535,104
72,193	1,163,867	398,903	2,476,104	2,598,709
64,358,094	62,401,524	59,107,854	58,644,608	55,133,813
29,870,425	28,489,427	28,127,327	29,069,871	31,393,224
34,487,669	33,912,097	30,980,527	29,574,737	23,740,589
\$ 371,284	\$ 425,139	\$ 716,172	\$ 1,133,271	\$ 1,275,227
\$ 478,785	\$ 390,250	\$ 193,163	\$ 264,225	\$ 504,500
\$ 850,069	\$ 815,389	\$ 909,335	\$ 1,397,496	\$ 1,779,727
\$ 35,337,738	\$ 34,727,486	\$ 31,889,862	\$ 30,972,233	\$ 25,520,316
11,745,450	8,584,777	7,678,071	6,670,510	3,959,931
32,709,626	32,917,853	27,150,475	25,307,749	25,129,341
1.08	1.05	1.17	1.22	1.02
1.44	1.32	1.46	1.49	1.17

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

City of Port St. Lucie, Florida

Population Statistics Last Ten Years

Year	City of Port St. Lucie, Florida				County of St. Lucie, Florida				City Population as a Percent of County	
	Population Number	Number Increase (Decrease)	Percent Increase (Decrease)		Population Numbers	Number Increase (Decrease)	Percent Increase (Decrease)			
2010	164,603	9,352	6.0	%	277,789	4,925	1.8	%	59.3	%
2011	166,041	1,438	0.9	%	279,696	1,907	0.7	%	59.4	%
2012	167,252	1,211	0.7	%	280,355	659	0.2	%	59.7	%
2013	167,914	662	0.4	%	281,151	796	0.3	%	59.7	%
2014	169,888	1,974	1.2	%	282,821	1,670	0.6	%	60.1	%
2015	174,132	4,244	2.5	%	287,749	4,928	1.7	%	60.5	%
2016	178,091	3,959	2.3	%	292,826	5,077	1.8	%	60.8	%
2017	181,284	3,193	1.8	%	297,634	4,808	1.6	%	60.9	%
2018	185,843	4,559	2.5	%	302,432	4,798	1.6	%	61.4	%
2019	191,903	6,060	3.3	%	309,359	6,927	2.3	%	62.0	%
City Growth as a Percent of County Growth										
Ten Year Growth		36,652	21.6	%	-	36,495	12.6	%	100.4	%

Sources: Florida Office of Economic and Demographic Research. Population data is estimated as of April 1st for each year listed except for year 2010 which used actual census figures.

City of Port St. Lucie, Florida

**Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	(1) Personal Income	(1) Per Capita Personal Income	(2) Public School Enrollment	(1) Unemployment Percentage
2010	16,414,400,000	38,605	26,352	13.2 %
2011	17,507,000,000	40,870	25,543	11.9 %
2012	19,202,500,000	44,428	25,929	10.1 %
2013	18,870,000,000	43,188	26,045	9.1 %
2014	20,715,000,000	46,672	26,327	7.3 %
2015	22,105,000,000	48,727	26,266	6.0 %
2016	23,614,000,000	50,134	26,299	5.8 %
2017	24,825,600,000	51,824	26,755	4.7 %
2018	26,140,273,000	54,228	26,523	3.9 %
2019	n/a	n/a	26,272	3.5 %

(1) Prior year revisions included per U.S. Department of Labor.

(2) Starting in 2010, includes Savanna Ridge, Renaissance, and Nau Charter schools. Starting in 2011, includes Palm Point Charter.

NOTE: Public school and unemployment figures include Port St. Lucie only. All other figures cover the Port St. Lucie Metropolitan Statistical Area (MSA).

Sources: St. Lucie County Public School System

U.S. Department of Labor

City of Port St. Lucie, Florida

**Principal Employers in St. Lucie County
2019 and 2010**

Employer	2019			2010		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
St. Lucie School Board	5205	1	3.58 %	5350	1	5.04 %
Indian River State College	2265	2	1.56 %	1752	6	1.65 %
Teleperformance	1850	3	1.27 %	0		- %
St. Lucie County	1704	4	1.17 %	1753	5	1.65 %
Publix	1529	5	1.05 %	0		- %
Lawnwood/HCA Medical	1479	6	1.02 %	2710	2	2.55 %
Amazon	1243	7	0.86 %	0		- %
City of Port St. Lucie	1096	8	0.76 %	1206	7	1.13 %
St. Lucie Medical Center	892	9	0.61 %			- %
Walmart Distribution Center	890	10	0.61 %	2482	4	2.34 %
Florida Power and Light Company			- %	1038	9	0.98 %
Liberty Health Group, Inc			- %	2700	3	2.54 %
QVC			- %	1076	8	1.01 %
McDonald's			- %	638	10	0.60 %
Total	18153		12.49 %	20705		19.49 %

Total jobs available

145,243

106,256

Sources:

Economic Development Council (EDC) of St. Lucie County
Florida Department of Economic Opportunity
City of Port St. Lucie Payroll Department
St. Lucie County Consolidated Annual Financial Report

Note:

State and Federal employers not ranked.
Information is for St. Lucie County. Specific City only information not available.
This information uses most recent County and EDC data available.

City of Port St. Lucie, Florida

**Construction Values
Last Ten Fiscal Years**

Year	Residential		Commercial	
	Number of Units	Value	Number of Units	Value
2010	198	15,955,030	322	72,674,854
2011	188	20,315,132	245	52,119,534
2012	162	20,568,540	279	96,402,278
2013	430	50,306,661	292	59,575,324
2014	836	103,680,020	276	21,290,019
2015	928	121,984,614	353	42,343,799
2016	1,165	180,388,212	328	163,062,804
2017	1,492	207,284,671	367	57,745,656
2018	2,677	423,544,740	232	101,604,785
2019	2,546	503,001,543	242	172,844,438
Current Year Increase (Decrease) over Prior Year				
Quantity & Amount	(131)	\$ 79,456,803	10	\$ 71,239,653
Percentage Change	(4.89)%	18.76%	4.31%	70.11%

Source: City of Port St. Lucie Building Department. The construction permit data switched from calendar year (January 1 - December 31) to fiscal year (October - September 30) starting with Year 2011 figures.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City of Port St Lucie provides and the activities it performs.

City of Port St. Lucie, Florida

**Employees - Full Time Equivalents by Function / Program
Last Ten Fiscal Years**

Function/Program	Budgeted Full-time Equivalent				
	2019	2018	2017	2016	2015
General Government	143.44	132.01	135.16	121.40	115.16
Public Safety	394.02	390.03	373.00	366.13	350.75
Physical Environment	16.00	16.00	14.00	14.00	14.00
Transportation	66.00	54.00	66.00	58.00	51.00
Economic Environment	9.43	13.80	7.86	6.48	7.40
Human Services	12.50	7.30	12.00	11.00	11.00
Culture and Recreation	128.67	128.67	123.05	118.80	117.09
Utility Systems	256.00	253.00	249.00	249.00	244.50
Stormwater Utility	61.00	73.00	61.00	61.00	67.50
Golf Course	9.38	9.38	9.38	9.38	9.38
Total	1,096.44	1,077.19	1,050.45	1,015.19	987.78

Source: Annual Budget

Note: Building Department moved from General Government to Public Safety in FY 2014

Employees per Fiscal Year

2014	2013	2012	2011	2010
107.68	137.22	132.97	127.16	144.26
350.50	312.72	300.72	308.63	364.55
14.00	14.00	14.00	14.00	16.00
51.65	51.65	65.50	68.50	80.00
7.38	6.82	10.04	10.02	9.38
11.00	11.00	13.00	14.00	16.00
115.99	113.79	114.84	112.77	138.25
245.10	249.60	250.10	250.00	272.00
67.50	67.00	61.25	60.50	66.00
9.63	9.33	9.33	17.33	20.33
980.43	973.13	971.75	982.91	1,126.77

City of Port St. Lucie, Florida

**Departmental Operating Indicators
Last Ten Fiscal Years**

Function/Program	2019	2018	2017	2016	2015
City Council (1)					
Council Meetings	48.00	45.00	42.00	46.00	50.00
Boards & Committee Meetings	138.00	124.00	134.00	162.00	121.00
City Clerk					
Records Requested	1,155.00	2,861.00	1,512.00	1,318.00	1,356.00
Ordinances & Resolutions	178.00	158.00	191.00	204.00	250.00
Legal Notices Posted	386.00	290.00	436.00	325.00	275.00
Finance Department (1)					
Accounts Payable Checks	10,000.00	11,904.00	10,627.00	10,350.00	11,165.00
Wire & Electronic Transfers	6,500.00	6,676.00	6,094.00	5,658.00	5,592.00
Journal Entries	9,000.00	9,575.00	11,246.00	11,435.00	12,338.00
Business Tax Applications	7,500.00	7,765.00	7,304.00	8,300.00	9,100.00
Human Resources					
Employment Applications Processed	6,292.00	6,213.00	5,844.00	5,289.00	4,099.00
Neighborhood Services					
Housing Assistance (#of families)	2.00	13.00	36.00	20.00	40.00
Code Cases	8,250.00	13,482.00	7,216.00	7,898.00	8,681.00
Code Board Hearings	1,527.00	3,511.00	499.00	754.00	621.00
Information Technology (1)					
Servers Maintained (incl. virtual)	200.00	145.00	139.00	148.00	145.00
Workstations Maintained	1,525.00	1,621.00	3,136.00	2,686.00	2,328.00
Work Orders Completed	7,700.00	7,685.00	7,376.00	5,828.00	4,976.00
Management & Budget					
Budget Amendments	2.00	2.00	4.00	4.00	3.00
Procurement Management (1)					
Requests for Proposals	142.00	235.00	274.00	205.00	145.00
Contracts Maintained	1,335.00	2,930.00	4,675.00	4,695.00	837.00
Animal Control					
Animal Cases	2,659.00	3,177.00	7,414.00	7,138.00	7,128.00
Animal Licenses	4,284.00	3,373.00	11,374.00	11,672.00	7,010.00
Planning Department					
Plans and Petitions Reviewed	112.00	185.00	99.00	95.00	77.00
Comprehensive Plan Amendments	14.00	7.00	11.00	14.00	5.00

(1) Some previous year's values revised.

Source: Annual Budget

2014	2013	2012	2011	2010
52.00	52.00	40.00	44.00	52.00
185.00	185.00	180.00	180.00	180.00
1,028.00	1,560.00	1,779.00	1,196.00	1,309.00
245.00	203.00	210.00	193.00	249.00
295.00	325.00	330.00	354.00	328.00
15,393.00	15,957.00	14,640.00	11,774.00	12,246.00
535.00	582.00	471.00	586.00	742.00
13,700.00	13,589.00	13,759.00	15,504.00	16,834.00
7,600.00	8,200.00	7,587.00	7,649.00	9,000.00
5,200.00	3,500.00	3,000.00	2,500.00	3,000.00
74.00	96.00	58.00	68.00	34.00
9,582.00	12,946.00	10,000.00	8,499.00	10,182.00
994.00	1,162.00	300.00	213.00	656.00
145.00	62.00	62.00	45.00	45.00
2,373.00	1,017.00	1,092.00	870.00	870.00
4,429.00	4,200.00	4,023.00	2,500.00	2,500.00
3.00	3.00	3.00	3.00	3.00
120.00	30.00	14.00	28.00	45.00
1,700.00	1,680.00	1,500.00	1,140.00	1,152.00
7,496.00	6,776.00	7,529.00	7,528.00	8,231.00
9,811.00	10,626.00	10,301.00	10,027.00	11,996.00
114.00	78.00	87.00	91.00	91.00
9.00	5.00	6.00	7.00	11.00

City of Port St. Lucie, Florida

**Departmental Operating Indicators
Last Ten Fiscal Years**

Function/Program	2019	2018	2017	2016	2015
Police Department (1)					
Arrests	2,013.00	4,483.00	3,887.00	3,893.00	3,948.00
Traffic Citations Issued	21,990.00	6,349.00	11,098.00	4,434.00	9,538.00
Calls for Service	146,498.00	131,782.00	142,023.00	110,647.00	110,013.00
Parking Tickets	198.00	262.00	726.00	211.00	352.00
Municipal Garage					
Vehicle Accidents	140.00	118.00	139.00	81.00	89.00
Parks & Recreation Department					
Parks Maintained	48.00	47.00	47.00	46.00	36.00
Recreation Programs	2,672.00	1,622.00	1,795.00	1,650.00	1,588.00
Acres maintained	4,629.00	4,616.00	4,017.00	4,012.00	3,985.00
Engineering Department (1)					
Residential Plot Plans Reviewed	3,072.00	1,089.00	1,231.00	1,125.00	912.00
Site Plans Reviewed	214.00	198.00	174.00	163.00	222.00
Mark & Locates	3,314.00	3,117.00	3,604.00	2,731.00	3,015.00
Public Works (1)					
Swale Improvements (linear feet)	31,065.00	53,900.00	78,610.00	106,843.00	26,590.00
Canal Drainage Mnt. (miles)	24.00	10.00	24.00	33.00	31.00
Street Paving (overlay miles)	35.00	17.00	16.00	8.00	9.00
Building Department					
Permits Issued	25,865.00	20,265.00	15,269.00	12,675.00	10,609.00
Plans Reviewed & Approved	10,240.00	13,592.00	8,985.00	7,712.00	7,956.00
Total Dwelling Units	2,200.00	1,572.00	900.00	590.00	491.00
Utility Department					
Underground Locates	28,182.00	14,192.00	12,439.00	8,268.00	8,539.00
Water Mains maintained (miles)	1,263.00	1,238.00	1,233.00	1,230.00	1,225.00
Sewer Mains Maintained (miles)	1,072.00	1,053.00	1,048.00	1,045.00	1,038.00
Water Treatment Capacity (mgd)	41.65	41.65	41.65	41.65	41.65
Sewer Treatment Plant Capacity (mgd)	18.00	18.00	16.93	16.93	18.00

(1) Some previous year's values revised.

Source: Annual Budget

2014	2013	2012	2011	2010
3,445.00	3,155.00	2,452.00	4,869.00	4,869.00
10,881.00	10,371.00	8,864.00	20,054.00	20,054.00
113,122.00	108,686.00	154,749.00	151,376.00	151,376.00
399.00	544.00	275.00	1,135.00	1,135.00
83.00	97.00	90.00	136.00	152.00
36.00	34.00	34.00	34.00	34.00
1,588.00	1,812.00	1,051.00	901.00	924.00
885.00	797.00	797.00	797.00	797.00
734.00	359.00	371.00	338.00	369.00
144.00	113.00	132.00	23.00	22.00
3,015.00	1,794.00	1,758.00	2,968.00	3,757.00
126,590.00	149,880.00	151,105.00	126,160.00	159,300.00
31.00	39.00	26.00	27.00	30.00
5.00	17.00	18.00	20.00	21.00
10,609.00	3,753.00	8,112.00	8,138.00	8,241.00
7,956.00	1,429.00	7,449.00	7,150.00	8,241.00
491.00	54.00	188.00	255.00	450.00
6,406.00	6,756.00	7,176.00	10,372.00	11,241.00
1,220.00	1,219.00	1,214.00	1,204.00	1,193.00
1,036.00	975.00	1,035.00	1,023.00	1,021.00
41.65	41.65	41.65	41.65	41.65
18.00	18.00	18.00	16.93	19.07

City of Port St. Lucie, Florida

Capital Asset Statistics Last Ten Fiscal Years

Function/Program	2019	2018	2017	2016	2015
Police Department					
Stations	2	2	2	2	2
Police / Public Safety Vehicles	326	353	362	354	343
Average Total Mileage per Veh.	49,529	58,637	71,485	73,031	73,739
Municipal Garage					
Non-Public Safety Vehicles	430	381	403	386	382
Average Total Mileage per Veh.	65,180	70,007	72,947	71,981	73,606
Parks & Recreation Department					
Parks Maintained	48	47	47	47	46
Acres Maintained	1,529	4,619	4,616	4,017	4,012
Engineering					
Traffic Signals	105	162	162	161	157
Street Lights	3,022	6,601	6,578	6,488	6,387
Public Works					
Paved Streets (miles)	912	917	917	917	917
Utility Department					
Water Mains (miles)	1,263	1,245	1,238	1,233	1,230
Water Treatment Plants	2	2	2	2	2
Water Treatment Capacity (million gallons per day)	42	42	42	42	42
Wastewater Mains (miles)	1,072	1,057	1,053	1,048	1,045
Wastewater Treatment Plants	2	2	2	2	3
Wastewater Treatment Capacity (million gallons per day)	18	18	18	17	17
Golf Course					
Municipal Golf Course	1	1	1	1	1

Source: Annual Budget; Public Works and Financial Management Department

2014	2013	2012	2011	2010
2	2	3	3	3
301	307	290	293	300
76,939	84,482	78,211	68,755	65,452
358	362	374	372	387
74,786	77,591	71,786	65,500	60,474
36	36	34	34	34
3,985	885	797	797	797
158	157	150	146	146
6,228	5,968	5,534	5,185	4,692
888	888	887	887	887
1,225	1,220	1,219	1,214	1,204
2	2	2	2	2
42	42	42	42	42
1,038	1,036	975	1,035	1,023
2	2	2	2	3
18	18	18	18	17
1	1	1	1	1

City of Port St. Lucie, Florida

**Utility System Statistics
Ten Largest Accounts FY 18 - 19**

Customer	Account Type	Water	Sewer	Total	Percentage
1 Tropicana Manufacturing	Industrial	826,098	21,371	847,469	1.16 %
2 Wynne Building Corp.	Residential	288,893	492,582	781,475	1.07 %
3 Allied New Technologies	Industrial	686,729	-	686,729	0.94 %
4 St. Lucie County School Board	Institutional	152,754	453,446	606,200	0.83 %
5 Fl Dept of Corrections	Institutional	447,393	-	447,393	0.61 %
6 Holiday Village of Sandpiper	Residential	164,111	280,990	445,101	0.61 %
7 Creative Choice Homes	Residential	136,152	214,228	350,380	0.48 %
8 Sanctuary at Winterlakes LLC	Residential	121,507	197,737	319,244	0.44 %
9 KMJ Apartments LLC	Residential	108,843	191,068	299,911	0.41 %
10 HCA Health Services of FL LLC	Medical	131,730	119,416	251,146	0.34 %
Total of top ten		<u>\$ 3,064,210</u>	<u>1,970,838</u>	<u>5,035,048</u>	<u>6.89 %</u>
Total of others				<u>67,884,834</u>	<u>93.11 %</u>
Total of all customers				<u>72,919,882</u>	<u>100.00 %</u>

Source: City of Port St. Lucie Utilities for the 12 months ending September 30, 2019.

Compliance Section

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and Members of the City Council
City of Port St. Lucie, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Port St. Lucie, Florida, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Port St. Lucie, Florida's basic financial statements, and have issued our report thereon dated June 24, 2020.

Internal Control over Financial Reporting

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2019-001 and 2018-006 to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompany schedule of findings and questioned costs as item 2019-002 to be a significant deficiency.

Honorable Mayor and Members of the City Council
City of Port St. Lucie, Florida
Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Port St. Lucie, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
June 24, 2020

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE FLORIDA AUDITOR GENERAL

Honorable Mayor and Members of the City Council
City of Port St. Lucie, Florida

Report on Compliance for Each Major Federal Program and State Program

We have audited the City of Port St. Lucie, Florida's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Port St. Lucie, Florida's major federal programs and state programs for the year ended September 30, 2019. The City of Port St. Lucie, Florida's major federal programs and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Port St. Lucie, Florida's major federal programs and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General. Those standards, the Uniform Guidance and Chapter 10.550, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Port St. Lucie, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state program. However, our audit does not provide a legal determination of the City of Port St. Lucie, Florida's compliance.

Opinion on Each Major Federal Program and State Programs

In our opinion, the City of Port St. Lucie, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state programs for the year ended September 30, 2019.

Report on Internal Control over Compliance

Management of the City of Port St. Lucie is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Port St. Lucie's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Port St. Lucie's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2019-003, that we consider to be a significant deficiency.

Honorable Mayor and Members of City Council
City of Port St. Lucie, Florida
Page Three

The City of Port St. Lucie's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Port St. Lucie's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Cam Riggs & Ingram, L.L.C.

Melbourne, Florida
June 24, 2020

CITY OF PORT ST. LUCIE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
For the year ended September 30, 2019

Description	CFDA/ CSFA Number	Contract Grant Number	Expenditures
<u>FEDERAL AWARDS:</u>			
<u>Housing and Urban Development, Department of (HUD)</u>			
Direct Program:			
Community Development Block Grants/Entitlement Cluster			
Community Development Block Grants/Entitlement Grant (15-16)	14.218	B-15-MC-12-0038	\$ 5,382
Community Development Block Grants/Entitlement Grant (16-17)	14.218	B-16-MC-12-0038	62,954
Community Development Block Grants/Entitlement Grant (17-18)	14.218	B-17-MC-12-0038	460,272
Community Development Block Grants/Entitlement Grant (18-19)	14.218	B-18-MC-12-0038	390,665
Community Development Block Grants/Entitlement Grant (NSP-1)	14.218	B-08-MN-12-0025	36,809
Community Development Block Grants/Entitlement Grant (NSP-3)	14.218	B-11-MN-12-0025	31,365
Total CFDA 14.218			<u>987,447</u>
<u>Justice, Department of (DOJ)</u>			
Edward Byrne Justice Assistance Grant (JAG) Program	16.738	2017-DJ-BX-1001	19,537
Edward Byrne Justice Assistance Grant (JAG) Program	16.738	2018-DJ-BX-0493	18,361
Edward Byrne Justice Assistance Grant (JAG) Program	16.738	2019-JAGC-STLU-1-N2-126	32,943
Total CFDA 16.738			<u>70,841</u>
Pass-Through Florida Office of the Attorney General			
Crime Victim Assistance	16.575	VOCA-2017-City of Port St Lucie-00593	20,732
Crime Victim Assistance	16.575	VOCA-2018-City of Port St Lucie-00477	193,160
Total CFDA 16.575			<u>213,892</u>
<u>Transportation, Department (DOT)</u>			
Highway Planing and Construction Cluster			
Pass-Through Florida Department of Transportation			
Highway Planing and Construction	20.205	ARE70	16,776,867
Crosstown Parkway Bridge Construction			
Highway Planing and Construction	20.205	G1440	294,723
Paar Dr. Sidewalk Improvements (LAP)			
Highway Planing and Construction	20.205	G0U28	307,786
PSL Blvd and Gatlin Intersection Improvements (LAP)			
Total CFDA 20.205			<u>17,379,376</u>
<u>Homeland Security, Department of (DHS)</u>			
Disaster Grants-Public Assistance (Presidentially Declared Disaster)			
Passed Through the Florida Division Emergency Management:			
Disaster Grants-Public Assistance (Presidentially Declared Disaster)			
- Hurricane Irma (DR-4337)	97.036	PA-00-10-66-01-370	3,767,633
Total CFDA 97.036			<u>3,767,633</u>
<u>Environmental Protection Agency (EPA)</u>			
Direct Program			
Nonpoint Source Implementation Grants			
McCarty Ranch Extention Water Quality Restoration Area 1	66.460	NF028	587,353
			<u>587,353</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 23,006,542</u></u>

CITY OF PORT ST. LUCIE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
For the year ended September 30, 2019

STATE FINANCIAL ASSISTANCE:

Florida Housing Finance Corporation:

Direct Program			
State Housing Initiatives Partnership Program (SHIP)	40.901	n/a	\$ 1,152,821

Department of Economic Opportunity

Direct Program			
Growth Management Implementation	40.024	P0315	40,000

Passed Through the Florida Department of Transportation			
Economic Development Tax Refund, Tax Credit, and Grant Program	40.043	GOU24	2,938,806

Department of State and Division of Historic Resources

Direct Program			
Acquisition, Restoration of Historic Properties	45.032	SC725	350,000

Florida Department of Transportation

Florida Highway Beautification Grant Program			
Litter Control and Prevention	55.003	GOH21	16,064
Local Agency Participation Agreement (LAP)			

Fish and Wildlife Conservation Commission

Direct Program			
Florida Boating Improvement Program	77.006	14096	26,724

TOTAL STATE FINANCIAL ASSISTANCE

\$ 4,524,415

TOTAL EXPENDITURES OF FEDERAL AWARDS & STATE FINANCIAL ASSISTANCE

\$ 27,530,958

The City of Port St. Lucie did not pass through any funds to subrecipients.

CITY OF PORT ST. LUCIE, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
For the year ended September 30, 2019

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance was prepared to summarize the activity of all federal and state awards of the City of Port St. Lucie, Florida for the year ended September 30, 2019. For purposes of this schedule, federal programs and state financial assistance included all grants entered into directly between the City and agencies and departments of the federal or state government with expenditures during the fiscal year. Federal programs and state financial assistance passed through from other government agencies are also included in the schedule. The schedule also includes reimbursements in the current year if qualifying expenditures were incurred by the City in prior years' but were determined to be qualifying for reimbursement and received in the current year. Additionally, the City did not receive any noncash assistance, federal loans, or federally funded insurance during the year ended September 30, 2019.

NOTE B – PROGRAM INCOME

The federal expenditures presented in the Schedule of Expenditures of Federal Awards and State Financial Assistance for the City of Port St. Lucie, Florida include expenditures funded by program income. The following schedule shows total grant-related expenditures and their funding source for HUD grants, as these are the only grants with program income.

Program Title	Federal CFDA Number	Expenditures
Neighborhood Stabilization Program (NSP 1)	14.218	
Federal expenditures funded by program income		\$ <u>36,809</u>
Total grant-related expenditures reported on SEFA		\$ <u>36,809</u>
Neighborhood Stabilization Program (NSP 3)	14.218	
Federal expenditures funded by program income		\$ <u>31,365</u>
Total grant-related expenditures reported on SEFA		\$ <u>31,365</u>

NOTE C – CONTINGENCY

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by a grantor agency as a result of such audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

NOTE D – INDIRECT COST RATE

The City did not elect to utilize the 10% de minimis indirect cost rate.

THE CITY OF PORT ST. LUCIE, FLORIDA
Schedule of Findings and Questioned Costs
Fiscal Year Ended September 30, 2019

Section I—Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X yes no
- Significant deficiency(ies) identified? X yes none noted

Noncompliance material to financial statements noted? yes X no

Federal Awards and State Programs

Internal control over major federal programs and state programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? X yes none noted

Type of auditors' report issued on compliance for major federal programs and state programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200 of OMB Compliance Supplement and/or Chapter 10.550? X yes none noted

Identification of major federal programs and state programs:

<u>Federal CFDA Numbers</u>	<u>Federal Program or Cluster</u>
20.205	Highway Planning and Construction Cluster
<u>State CSFA Numbers</u>	<u>State Programs</u>
40.043	Economic Development Tax Refund, Tax Credit, and Grant Program
45.032	Acquisition, Restoration of Historic Properties

THE CITY OF PORT ST. LUCIE, FLORIDA
Schedule of Findings and Questioned Costs (Continued)
Fiscal Year Ended September 30, 2019

Section I—Summary of Auditors' Results (Continued)

Dollar threshold used to distinguish between type A and B programs was \$750,000 for major federal programs and major state programs.

Auditee qualified as a low-risk auditee for federal purposes? ☐ yes ☒ no

Section II—Financial Statement Findings

2019-001 Net Position

Criteria: Per GASB Codification Section 2200 *Comprehensive Annual Financial Report*, net investment in capital assets should be calculated as the cost of capital assets net of accumulated depreciation and borrowings associated with the acquisition or construction of those assets.

Condition: The City reduced its net investment in capital asset in its enterprise funds by the amount outstanding for compensated absences.

Cause: The City used the total long term debt amount on the face of the financial statements and did not exclude the amount for compensated absences.

Effect: The net investment in capital assets was understated and unrestricted net assets was overstated by approximately \$2,740,000 for the utility fund, \$1,140,000 for the stormwater fund, and \$100,000 for the golf course fund.

Recommendation: Management needs to review in detail the amounts used in the calculation of net position to ensure only items used in the acquisition or construction of capital assets as unrelated items may be combined on the face of the financial statements.

Management Response: This issue was resolved during the audit. This was a simple classification error which will not be repeated.

2018-006 Fixed Assets

Criteria: Fixed Assets addition listings in governmental funds should reconcile to capital outlay amounts and the reconciliation of the balance sheet of governmental funds to the statement net position. Fixed assets listings in enterprise funds should reconcile to purchases of fixed assets on the statement of cash flows and the total additions in the rollforward in the footnotes.

Condition: The fixed asset rollforward in the footnotes to the financial statements, and fixed asset listings did not reconcile to capital outlay for governmental funds or purchases of fixed assets for the enterprise funds.

Cause: The City did not review the reconciliation of fixed assets.

Effect: Fixed assets are overstated for governmental activities and utilities fund, and understated for the stormwater fund.

Recommendation: We recommend that during the preparation of fixed asset rollforward that additions are reconciled to underlying records.

Management Response: The fixed assets will be reconciled to the financial statements prior to providing draft data to the auditors. This will be accomplished before the end of calendar year 2020 for the FY 2019-20 audit.

2019-002 Evaluate Allowance for Doubtful Accounts

Criteria: Procedures should be established to allow for doubtful accounts that are 7 years and older in the Stormwater fund.

Condition: An analysis is done for the allowance for doubtful accounts for uncollectible accounts and adjustments are made to increase the allowance account. However, management does not record an adjustment for an allowance on accounts that are 7 years or older. The accounts receivable amounts are still included in the fund, but the offsetting allowance is not adjusted for those amounts.

Cause: Accounts receivable is overstated due to management not including an amount in the allowance for those accounts.

Effect: There is potential that as the amounts of uncollectible accounts increase, that the financial statements may be overstated for this fund.

Recommendation: We recommend the City allow for the Stormwater accounts that result from charges from over 7 years ago so as not to overstate the financial statements.

Management Response: The City will establish an allowance for doubtful accounts balance for items in excess of seven years for FY 19-20. The City generally collects a significant portion of these amounts during the first seven years. This will be corrected for the FY 2019-20 audit.

Section III–Federal Award Findings and Questioned Costs

No matters were reported.

Section IV–State Programs Findings and Questioned Costs

2019-003 Review of Reports

Acquisition, Restoration of Historic Properties
CSFA No : 45.032
Department of State
2019

Criteria: Pursuant to Florida Statute 215.97 effective controls need to be in place to submit accurate and complete quarterly reports to the state grant manager, and ensure compliance.

Condition: The quarterly reports during fiscal year 2019 were not being reviewed by someone at the City prior to submission to the state.

Cause: The employees working on the Peacock House Program were not aware that the quarterly reports needed to be reviewed by the department grant manager before being submitted to the state grant manager. The employees thought that the only review required was the review performed by the state grant manager.

Effect: Quarterly reports may not be accurate, complete, or contain the required criteria explained in the grant agreement if they are not reviewed by the department grant manager.

Questioned Costs: None

Prospective: None of the quarterly reports were reviewed.

Recommendation: We recommend someone other than the preparer review the quarterly reports before sending them to the state grant manager.

Management Response: The City is in the process of centralizing the financial reporting for all federal and state grants. This will be aided by the use of the Grants Module for our Enterprise Resource Planning System, Munis. Program reporting will remain decentralized. We will ensure that all financial grant reporting is reviewed by a second person during FY 19-20. We will also strongly encourage the recipients of these grants to ensure that a second person review the program reports.

Section V—Prior Findings and Questioned Costs

	<u>Finding</u>	<u>Status</u>
2018-001	Receivables	Cleared
2018-002	Accounts Payable	Cleared
2018-003	Unbilled Utility Usage	Cleared
2018-004	Capital Lease Accounting	Cleared
2018-005	Net Pension Liability- Florida Retirement System	Cleared
2018-006	Fixed Assets	Revised, Repeated
2018-007	Payroll Allocations	Cleared

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

To the Honorable Mayor and Members of City Council
City of Port St. Lucie, Florida

We have examined the City of Port St. Lucie, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2019. Management is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including as assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2019.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
June 24, 2020



2019

Comprehensive Annual
Financial Report



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