

**COMBINED ANNUAL  
FINANCIAL REPORT**

**St. Lucie County, Florida**

**September 30, 2018**

**St. Lucie County, Florida**

**COMBINED ANNUAL  
FINANCIAL REPORT**

**September 30, 2018**

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**ST. LUCIE COUNTY**

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## **FINANCIAL SECTION**



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## REPORT OF INDEPENDENT AUDITORS

The Honorable Board of County Commissioners  
St. Lucie County, Florida

### Report on the Financial Statements

We have audited the accompanying basic financial statements of St. Lucie County, Florida (the "County") as of and for the year ended September 30, 2018, 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 auditor's 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 auditor considers 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Fort Pierce / Stuart

The Honorable Board of County Commissioners  
St. Lucie County, Florida

## **Opinion**

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund and the aggregate fund information of St. Lucie County, Florida as of September 30, 2018, and the respective changes in financial position and the budgetary comparison for the General, Transportation Trust, Fine and Forfeiture, Port, and Erosion Control Funds 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, Schedule of Changes in Total OPEB and Related Ratios, Schedule of the County's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan, Schedule of County Contributions – Florida Retirement System Pension Plan, Schedule of the County's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan, Schedule of County Contributions – Health Insurance Subsidy Pension Plan, and Notes to Required Supplementary Information 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.



The Honorable Board of County Commissioners  
St. Lucie County, Florida

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the basic financial statements of St. Lucie County, Florida. The Non-major Budgetary Comparison Schedules, the Combining and Individual Non-Major Fund Financial Statements, Schedule of Expenditures of Federal Awards and State Projects, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Non-major Budgetary Comparison Schedules, the Combining and Individual Non-Major Fund Financial Statements, Schedule of Expenditures of Federal Awards and State Projects, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Florida Department of Financial Services Projects Compliance Supplement and the other information, such as the introductory and statistical sections are the responsibility of management and was 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 Non-major Budgetary Comparison Schedules, the Combining and Individual Non-Major Fund Financial Statements, Schedule of Expenditures of Federal Awards and State Projects, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, Rules of the Auditor General and the Florida Department of Financial Services Projects Compliance Supplement and the other information, such as the introductory and statistical sections are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated March 25, 2019 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

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 St. Lucie County, Florida's control over financial reporting and compliance.

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

**St. Lucie County, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2018**

St. Lucie County's (the "County") discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activity, (c) identify changes in the County's financial position, (d) identify any material deviations from the financial plan, and (e) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current years activities, resulting changes and currently known facts, please read it in conjunction with the County's financial statements (beginning on page 16).

## **HIGHLIGHTS**

### **Financial Highlights**

- The assets of the County exceeded its liabilities at September 30, 2018 by \$574 million (net position). None of this amount may be used to meet the government's ongoing obligations to citizens and creditors. This is the result of increase in net pension and other post-employment benefits liabilities.
- The County's total net position decreased slightly by \$0.3 million.
- At September 30, 2018, the County's governmental funds reported a combined ending fund balance of \$191.9 million, a decrease of \$15.8 million in comparison with the prior year.
- The County had a \$1.1 million increase in unassigned fund balance in the general fund. The increase is mainly attributed to the decrease in the assigned amount for the projected budget deficit.

## **USING THIS ANNUAL REPORT**

The annual report consists of a series of financial statements. The government-wide financial statements (on pages 16, 17 and 18) provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Fund financial statements begin on page 19. For governmental funds, these statements tell how these services were financed in the short term as well as what remains for future spending. For proprietary funds, these statements provide the same type of information as the government-wide financial statements, only in more detail. The County uses an internal service fund to account for the management of its self-insurance activities. Because the self-insurance fund predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. Fund financial statements also report the County's operations in more detail by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

### **Reporting the County as a Whole**

Our analysis of the County as a whole begins on page 16. The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps to assess the County's financial health. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used in most private-sector companies. All of the current year revenues and expenses are taken into account regardless of when cash is received or paid.

**St. Lucie County, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2018**

These two statements report the County's *net position* and the *changes in net position*. You can think of the County's net position – the difference between assets plus deferred outflows of resources and liabilities plus the deferred inflows of resources – as one way to measure the County's financial health, or *financial position*. Over time, *increases or decreases* in the County's net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the County's property tax base and the condition of the County's roads, to assess the *overall health* of the County.

In the Statement of Net Position and the Statement of Activities, we divide the County into two kinds of activities:

- Governmental activities – Most of the County's basic services are reported here, including the public safety, public works, parks and recreation, and general administration. Taxes, franchise taxes, charges for services, grants, and interest earnings finance most of these activities.
- Business-type activities – The County charges a fee to customers to help it cover all or most of the cost of certain services it provides. The County's Bailing & Recycling Facility, Water and Sewer District, Golf Course, and Building Code operations are reported here.

### **Fund Financial Statements**

Our analysis of the County's major funds begins on page 19. The fund financial statements provide detailed information about the most significant funds – not the County as a whole. Some funds are required to be established by State law and by bond covenants. However, the County establishes many other funds to help it control and manage money and to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies such as fines and forfeitures.

### **Governmental Funds**

Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Those funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations presented on page 21 and page 24.

The County maintains sixty-two 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, Transportation Trust Fund, Fine and Forfeiture Fund, Port Fund, Erosion Control Fund, Impact Fee Fund and Sports Complex Capital Projects Fund, all of which are considered to be major funds. Data from the other fifty-five governmental funds are combined into a single, aggregated presentation as "other governmental funds".

Annual budgets are adopted for all governmental funds. The budgetary comparison statements have been provided for all governmental funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 19-33 of this report.

**St. Lucie County, Florida  
Management's Discussion and Analysis  
September 30, 2018**

**Proprietary Funds**

When the County charges customers for the services it provides – whether to outside customers or to other units of the County – these services are generally reported in proprietary funds. The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Bailing & Recycling, Golf Course, Water & Sewer and Building Code operations. The Internal Service Fund is an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses its Internal Service Fund to account for its insurance programs. Because these insurance programs predominantly benefit governmental functions, it has been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 30 to 32 of this report.

**Fiduciary Funds**

The County holds assets for various individuals and businesses in a trustee or agency capacity. These assets are accounted for in an Agency fund, where assets equal liabilities. These assets cannot be used to support the County's operations. The basic fiduciary fund financial statement can be found on page 33 of this report.

**Notes to 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 financial statements can be found on pages 34 to 98 of this report.

**Required Supplementary information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information highlighting the changes in total other post-employment benefits liabilities and related rates, the County's Proportionate Share of Net Pension Liability and the County's statutorily required contributions. The required supplementary information can be found on pages 99 to 101 of this report.

**THE COUNTY AS A WHOLE**

**Financial Analysis of the County as a Whole**

Over time, net position may serve as a useful indicator of a government's financial position. As of September 30, 2018, the assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$574 million. Our analysis focuses on net position (Table 1) and changes in net position (Table 2) of the County's governmental and business-type activities.

**St. Lucie County, Florida  
Management's Discussion and Analysis  
September 30, 2018**

**GOVERNMENT-WIDE STATEMENTS**

The following table reflects the condensed Statement of Net Position:

**Table 1  
Statement of Net Position  
As of September 30, 2017 and 2018  
(in millions)**

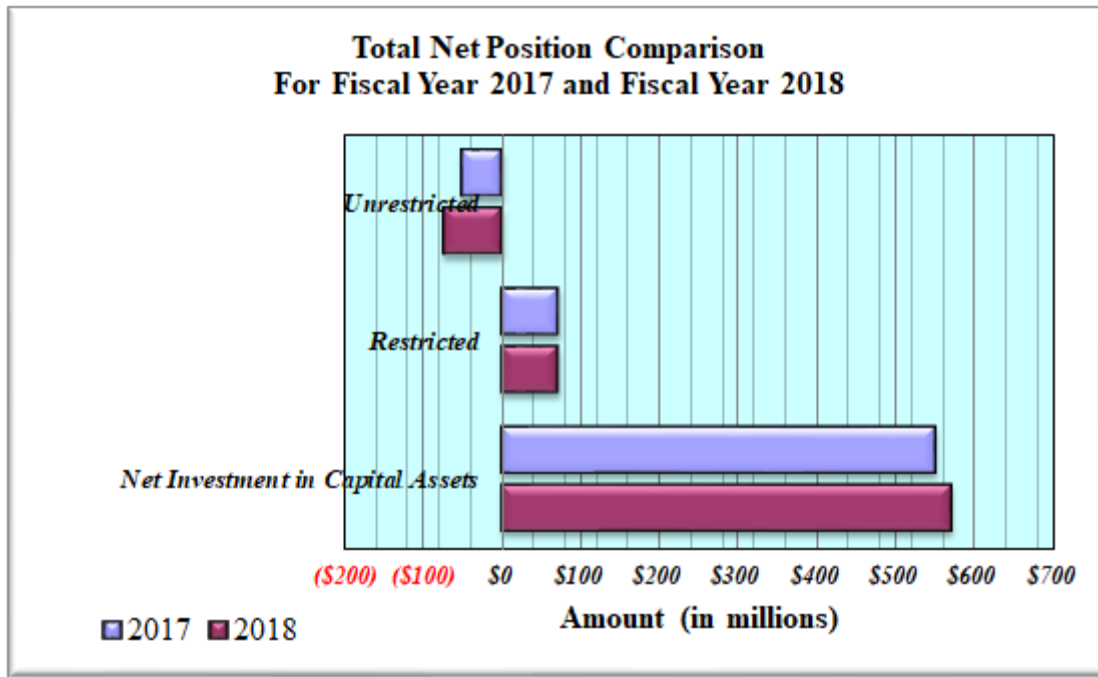
	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2017	2018	2017	2018	2017	2018	
Current and other assets	\$ 258.5	\$ 250.8	\$ 32.7	\$ 27.1	\$ 291.2	\$ 277.9	-4.6%
Capital assets	607.0	647.4	75.3	82.5	682.3	729.9	7.0%
Total assets	<u>865.5</u>	<u>898.2</u>	<u>108.0</u>	<u>109.6</u>	<u>973.5</u>	<u>1,007.8</u>	<u>3.4%</u>
Total deferred outflows of resources	<u>59.0</u> *	<u>60.9</u>	<u>3.2</u> *	<u>3.3</u>	<u>62.2</u> *	<u>64.2</u>	<u>3.2%</u>
Current liabilities	50.4	53.3	5.1	6.8	55.5	60.1	8.3%
Non-current liabilities	351.9 *	375.8	46.7 *	45.4	398.6 *	421.2	5.7%
Total liabilities	<u>402.3</u> *	<u>429.1</u>	<u>51.8</u> *	<u>52.2</u>	<u>454.1</u> *	<u>481.3</u>	<u>6.0%</u>
Total deferred inflows of resources	<u>6.9</u>	<u>16.0</u>	<u>0.3</u>	<u>0.7</u>	<u>7.2</u>	<u>16.7</u>	<u>131.9%</u>
Net position:							
Net investment in capital assets	495.5	509.6	54.8	62.6	550.3	572.2	4.0%
Restricted	71.9	72.5	1.5	0.7	73.4	73.2	-0.3%
Unrestricted	<u>(52.1)</u> *	<u>(68.1)</u>	<u>2.8</u> *	<u>(3.3)</u>	<u>(49.3)</u> *	<u>(71.4)</u>	<u>44.8%</u>
Total net position	<u>\$ 515.3</u>	<u>\$ 514.0</u>	<u>\$ 59.1</u>	<u>\$ 60.0</u>	<u>\$ 574.4</u>	<u>\$ 574.0</u>	<u>-0.1%</u>

\*Restated

The largest portion (99.69%) of the County's net position reflects its investment in capital assets (i.e. land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the County's net position (12.75%) represents resources restricted for purposes other than operations such as debt service and other legally restricted purposes. The total change in net position was a \$0.4 million decrease. More detailed information concerning the County's net position is presented on page 16 of the government-wide financial statements.

**St. Lucie County, Florida  
Management's Discussion and Analysis  
September 30, 2018**



Major changes in the statement of net position are as follows:

- Current and other assets decreased by \$13.3 million. This is mainly attributed to the increase in capital expenses.
- Capital assets increased by \$47.6 million. Refer to the subsequent section on Capital assets for additional detail.
- Total deferred outflows of resources increased by \$2 million (\$1.9 million for governmental activities and \$0.1 million for business-type activities). This is mainly attributed to pension liability adjustments for pension assumptions, pension experience and the change of the County's proportionate share of the net pension liability.
- Total liabilities increased \$27.2 million (\$26.8 million increase for governmental activities and \$0.4 million increase for business-type activities). This is attributed to the issuance of the Taxable Non-Ad Valorem Revenue Bonds, Series 2017A and the increase in pension and OPEB liabilities.
- The deferred inflows of resources increased by \$9.5 million (\$9.1 million for governmental activities and \$0.4 million for business-type activities). This is mainly attributed to other post-employment benefits liability adjustment and pension liability adjustments for pension assumption, pension experience, pension investment and the change of the County's proportionate share of the net pension liability.

**St. Lucie County, Florida  
Management's Discussion and Analysis  
September 30, 2018**

The following table shows the revenues and expenses of the total primary government:

**Table 2  
Changes in Net Position  
For the Fiscal Years Ended September 30, 2017 and 2018  
(in millions)**

	Governmental Activities		Business-Type Activities		Total Primary Government		Total Percent Change
	2017	2018	2017	2018	2017	2018	
<b>REVENUES</b>							
Program revenues:							
Charges for services	\$ 21.9	\$ 21.7	\$ 29.9	\$ 32.2	\$ 51.8	\$ 53.9	4.1%
Operating grants and contributions	15.0	16.3	-	-	15.0	16.3	8.7%
Capital grants and contributions	21.8	26.5	0.4	0.1	22.2	26.6	19.8%
General revenues:							
Property taxes	145.3	162.1	-	-	145.3	162.1	11.6%
Other taxes	8.6	9.2	-	-	8.6	9.2	7.0%
Intergovernmental	18.5	20.5	-	-	18.5	20.5	10.8%
Other	11.6	18.3	1.7	1.0	13.3	19.3	45.1%
Total revenues	<u>242.7</u>	<u>274.6</u>	<u>32.0</u>	<u>33.3</u>	<u>274.7</u>	<u>307.9</u>	<u>12.1%</u>
<b>EXPENSES</b>							
General government	49.1	51.4	-	-	49.1	51.4	4.7%
Public safety	100.8	113.7	-	-	100.8	113.7	12.8%
Physical environment	15.2	9.1	-	-	15.2	9.1	-40.1%
Transportation	25.9	27.3	-	-	25.9	27.3	5.4%
Economic environment	7.2	7.4	-	-	7.2	7.4	2.8%
Human services	15.2	17.7	-	-	15.2	17.7	16.4%
Court related	21.5	19.6	-	-	21.5	19.6	-8.8%
Culture and recreation	19.1	23.4	-	-	19.1	23.4	22.5%
Bailing & recycling	-	-	20.5	18.0	20.5	18.0	-12.2%
Water and sewer	-	-	10.3	10.0	10.3	10.0	-2.9%
Golf Course	-	-	1.5	1.5	1.5	1.5	0.0%
Building code	-	-	2.0	2.1	2.0	2.1	5.0%
Interest and fiscal charges	5.1	7.1	-	-	5.1	7.1	39.2%
Total expenses	<u>259.1</u>	<u>276.7</u>	<u>34.3</u>	<u>31.6</u>	<u>293.4</u>	<u>308.3</u>	<u>5.1%</u>
Change in net position before transfers & advance forgiveness	(16.4)	(2.1)	(2.3)	1.7	(18.7)	(0.4)	-97.9%
Transfers	0.6	0.9	(0.6)	(0.9)	-	-	0.0%
Advance forgiveness	(5.9)	(0.1)	5.9	0.1	-	-	0.0%
Change in net position	<u>(21.7)</u>	<u>(1.3)</u>	<u>3.0</u>	<u>0.9</u>	<u>(18.7)</u>	<u>(0.4)</u>	<u>-97.9%</u>
Net position - Beginning	537.0 *	515.3 *	56.1 *	59.1 *	593.1 *	574.4 *	-3.2%
Net position - Ending	<u>\$ 515.3 *</u>	<u>\$ 514.0</u>	<u>\$ 59.1 *</u>	<u>\$ 60.0</u>	<u>\$ 574.4</u>	<u>\$ 574.0</u>	<u>-0.1%</u>

\*Restated

Overall the total expenses exceeded revenues by \$0.4 million. Program revenues are specific to the functions of the primary government such as fees and charges for services, grants and capital contributions. The expenses of the primary government were \$308.3 million with public safety operations comprising the largest expense category at 36.9% or \$113.7 million. Public safety activities include law enforcement, a correction/detention facility, and emergency management.

**St. Lucie County, Florida  
Management's Discussion and Analysis  
September 30, 2018**

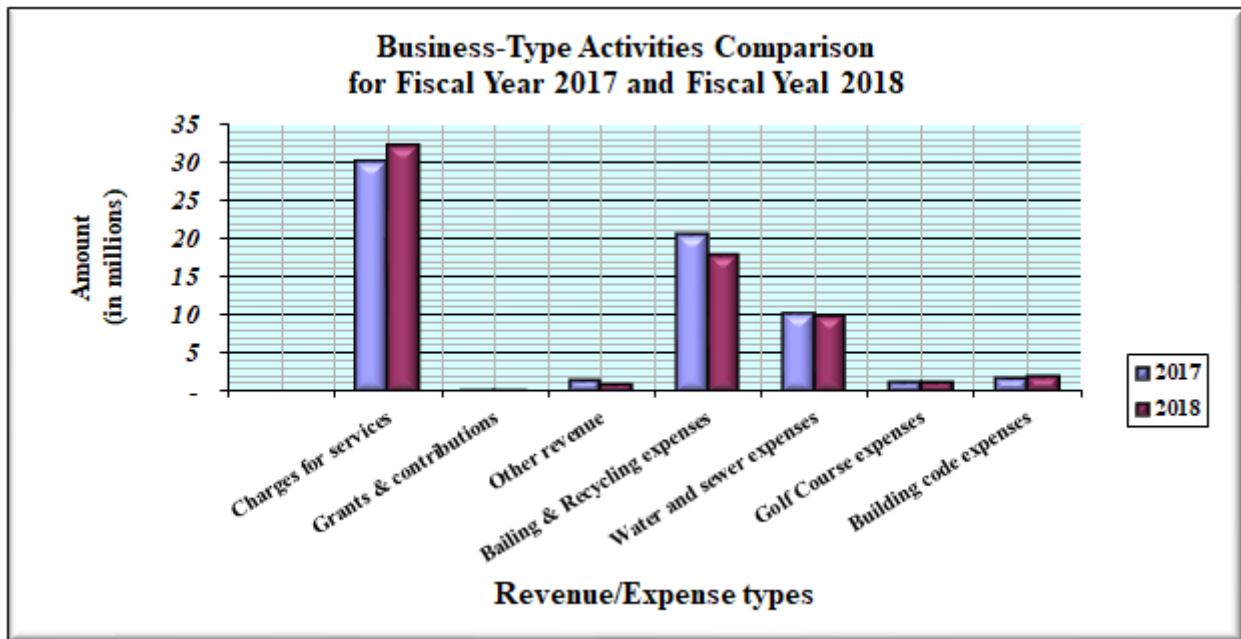
The County's primary government total revenues increased by \$33.3 million from FY 2017. The total revenues increase was primarily due to the increase in property tax, sales tax and grants and contributions categories. Total expenses increased by \$14.9 million. The largest expense occurred in public safety. The \$12.9 million increase was mainly due to increases in pension cost in FY 2018. Physical environment saw a reduction of \$6.1 million, mainly due to a decrease in capital expenditures in FY 2018.

Our analysis below separately considers the operations of governmental and business-type activities.

**Governmental Activities**

Governmental activities expenses, transfers and advance forgiveness exceeded revenues and transfers by \$1.3 million. Total revenues increased about \$31.9 million from the previous year. This was mainly due to increases in property tax revenues and grants and contributions. Total expenses increased \$17.6 million from the previous year. The increase was mainly due to the increase in pension and OPEB liabilities. The advance forgiveness has a decrease of \$5.8 million, which represents the difference between the two fiscal year of advance write off for the golf course's airport lease. The amount was not reasonably expected to be repaid by the Golf Course Fund due to its financial position.

The following is a graphic illustration of the comparison for governmental activities revenues and expenses.



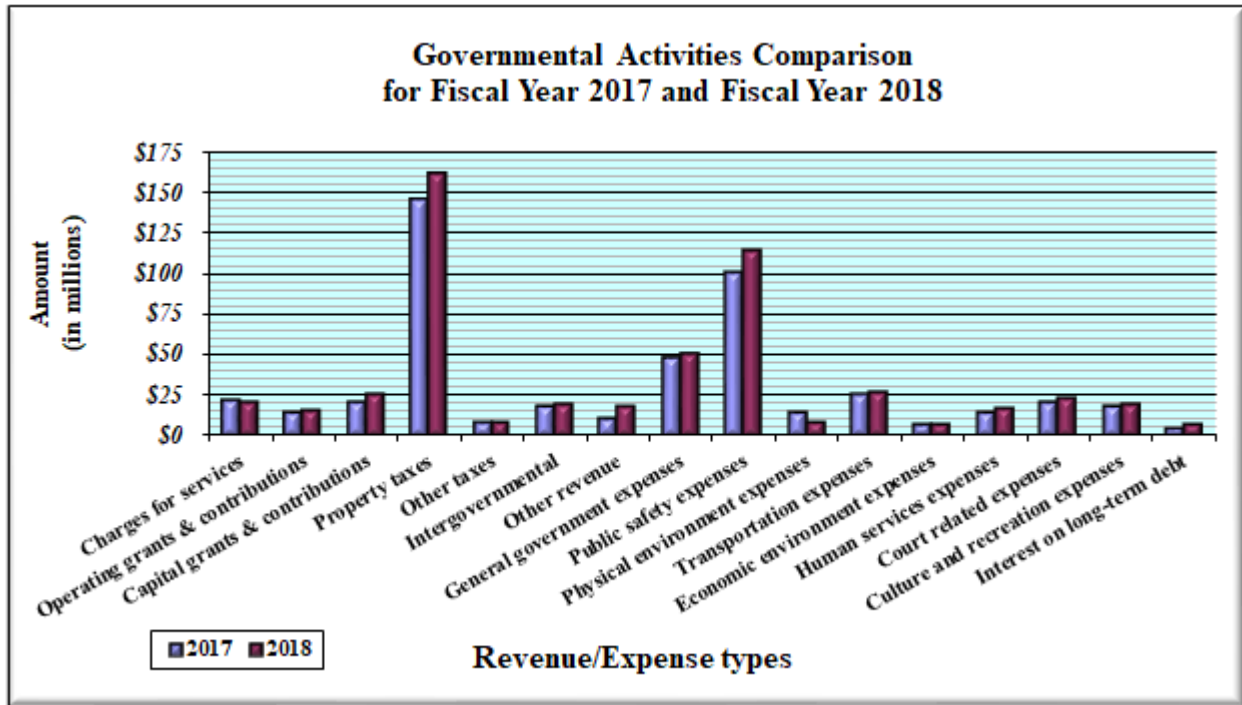
**Business-type Activities**

Revenues of the County's business-type activities (see Table 2) increased by \$1.3 million and expenses reflect a decrease of \$2.7 million. The increase in revenues was mainly due to increases in charges for services. The decrease in expenses was primarily due to a reduction of the landfill closure cost estimate.



**St. Lucie County, Florida  
Management's Discussion and Analysis  
September 30, 2018**

Following is a graphic comparison of the County's business-type activities.



**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As the County completed the fiscal year, its governmental funds (as presented in the balance sheet on pages 19 to 20) reported a combined fund balance of \$191.9 million, which is a decrease of \$15.8 million over the prior year of \$207.7 million. The fund balance section is presented in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. As of September 30, 2018, the County had fund balance in 1) a nonspendable category for inventory and prepaid items (\$0.7 million), 2) a restricted category for resources that are either restricted externally by creditors, grantors, contributors, or law or regulations of other government or imposed by law through constitutional provisions or enabling legislation (\$131.6 million), 3) a committed category for contractual obligations that the County has allocated funding (\$10.5 million), 4) an assigned category for constraints by the County's intent to use the balance for specific purposes (\$38.3 million), and 5) an unassigned category is available for spending at the County's discretion. As of September 30, 2018, the County has \$10.8 million in the unassigned category.

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The **General Fund** is the chief operating fund of the County. At the end of the fiscal year, the total fund balance was \$49.4 million, while the unassigned fund balance was \$11 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 6.45% of total general fund expenditures, while total fund balance represents 29.02% of that same amount. The **General Fund** had a \$0.9 million decrease in total fund balance and a \$1.1 million increase in unassigned fund balance during the current fiscal year. The decrease in total fund balance is caused by planned expenditures. The increase in unassigned fund balance was caused by a decrease in the amount assigned for the projected budget deficit.

The **Transportation Trust Fund** fund balance reflects a \$0.5 million decrease from the prior fiscal year. The total fund balance was \$5.5 million, of which, \$0.2 million is nonspendable and \$5.3 million is restricted. The decrease of the total fund balance from the prior year is mainly due to an increase in road project expenditures.

The **Fine and Forfeiture Fund** fund balance reflects a \$3.5 million decrease from the prior fiscal year. The total fund balance was \$5.4 million, most of which is restricted for the law enforcement and court related functions. The decrease of the total fund balance from the prior year is due to the increases in interfund transfers out.

The **Port Fund** accounts for special assessments, Federal and State grants used for Port development. It has a total fund balance of \$0.9 million, all of which is restricted for Port development. The total fund balance reflects a \$0.5 million decrease from the prior fiscal year. The decrease is due to an increase in capital expenditures.

The **Erosion Control Fund** accounts for Ad Valorem taxes restricted to erosion control operations, maintenance and construction. It has a total fund balance of \$5.5 million, all of which is restricted for erosion control expenditures. The total fund balance reflects a \$0.3 million increase from the prior fiscal year. The increase is mainly due to a decrease in planned expenditures.

The **Impact Fee Fund** accounts for the impact fees used for parks, libraries, public buildings and correctional facilities. It has a total fund balance of \$29 million, all of which is restricted for capital projects. The total fund balance reflects a \$4.8 million increase from the prior fiscal year. The increase is due to an increase in impact fee revenue.

The **Sports Complex Capital Project Fund** accounts for the debt proceeds used to acquire and construct the improvements to the St. Lucie County Sports Complex. It has a total fund balance of \$51.8 million, all of which is restricted for capital projects. The total fund balance reflects a \$2.2 million decrease from the prior fiscal year. The decrease is due to the current year capital outlay for planned capital improvements.

### **Proprietary Funds**

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The total net position of the **Bailing & Recycling Facility Fund** at the end of the fiscal year totaled \$25.8 million, while the total unrestricted net position was negative \$14.9 million. Compared to the prior year, the total net position had an increase of \$0.8 million while the unrestricted net position had a decrease of \$5.8 million. This is mainly due to an increase in landfill expenses.

The total net position of the **Water and Sewer District Fund** at the end of the fiscal year totaled \$29.5 million, while the unrestricted net position amounted to \$8.3 million. In comparison to the prior year, the total net position had a decrease of \$1.1 million. This is attributed to a decrease in capital contributions and a loss on disposal of capital assets.

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Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

**General Fund Budgetary Highlights**

**Variance between Original Budget and Final Amended Budget**

The General Fund includes activities of the Board of County Commissioners as well as all of the Constitutional Offices. After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, corrections of errors, new bond or loan proceeds, new grant awards, and other revenues. During fiscal year 2018, the budget for the general fund, which consists of the total expenditures, the transfers out, advance forgiveness, and the ending fund balance, was amended from its original budget of \$219.7 million to its final budget of \$229.9 million.

The original budget for revenue and other financing sources; which consists of the total revenues, transfers in, lease purchase proceeds, and proceeds from sale of capital assets; was \$172.2 million. Throughout the year, changes were made that increased the total revenues by \$11.3 million to \$180.1 million.

The budget for expenditures and financing uses was originally adopted at \$178.9 million. The final amended budget was \$193.8 million, which was a \$18.3 million increase. The final amended budget for the General Fund's beginning fund balance increased by \$2.3 million compared to the original budget.

**Variance Between Final Amended Budget and Actual**

The actual revenues and other financing sources came in under the final amended budget by \$0.4 million due to transfers in and intergovernmental revenues coming in under the budgeted amount. Timing of grant revenues caused the intergovernmental revenue variance. Many of the grants the County received were paid on a reimbursement basis. Because not all of the grant projects had been completed by year-end, the associated revenues were not received during the fiscal year. It is anticipated that these grant revenues will be received in future periods.

The actual expenditures and other financing uses came in under the final amended budget by \$13.3 million. General government expenditures came in \$6.8 million below the final amended budget. This was due to the timing of the Veterans' Nursing Home project funds carry forward, funds being carried forward related to Information Technology equipment and software purchases, and variances in operating budgets. Public Safety came in \$3.0 million less than the final amended budget due to the timing of expenses for the Sheriff's Office. Economic environment came in \$1.2 million less than the final amended budget primarily due to the timing of grant projects and the County's job incentive program. Human Services came in \$0.6 million less than the final amended budget. This was mainly due to timing of grant projects. Culture and Recreation came in \$0.9 million less than the final amended budget. This was caused by variances in operating budgets. Capital Outlay expenditures were \$2.3 million less than the final amended budget primarily due to the timing of capital projects.

Operating transfers out came in \$1.5 million above the amended budget level, while operating transfers in came in under the final amended budget by \$1.9 million. The actual net change in fund balances was a \$0.9 million reduction.

**St. Lucie County, Florida  
Management's Discussion and Analysis  
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**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2018, the County had \$729.9 million invested in a broad range of capital assets, including land, law enforcement and public works equipment, buildings, park facilities, roads, bridges, and stormwater drainage structures. This amount represents a net increase (including additions and deductions) of \$47.6 million, or 7%, over the prior year. The following table illustrates the changes in capital assets. See pages 56 to 58 in the notes to financial statements for detailed changes in capital assets.

**Capital Assets  
(net of depreciation, in millions)**

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2017	2018	2017	2018	2017	2018	
Land	\$ 161.7	\$ 188.0	\$ 10.4	\$ 10.4	\$ 172.1	\$ 198.4	15.3%
Buildings and improvements, net of accumulated depreciation	393.0	388.3	52.0	59.2	445.0	447.5	0.6%
Equipment, net of accumulated depreciation	27.4	28.9	10.2	10.0	37.6	38.9	3.5%
Construction in progress	24.9	42.2	2.7	2.9	27.6	45.1	63.4%
<b>Total</b>	<b>\$ 607.0</b>	<b>\$ 647.4</b>	<b>\$ 75.3</b>	<b>\$ 82.5</b>	<b>\$ 682.3</b>	<b>\$ 729.9</b>	<b>7.0%</b>

Governmental activities had a major increase in the land and construction in progress category mainly due to the purchase of the Port property and an increase in planned capital project expenditures.

Business-type activities had a major increase in the improvements category mainly due to the completion of the Solid Waste Phase IV A cell and landfill closure phase IIIB projects.

**Debt**

On September 30, 2018, the County had \$197.1 million in bonds, notes and capital leases outstanding versus \$179.5 million on September 30, 2017 – an increase of 9.8% – as shown in Table 4:

The increase in debt is the net result of the issuance of new debt and scheduled principal payments on long-term debt. See pages 66 to 74 in the notes to financial statements for detailed changes in long-term debt.

**Table 4**

	Governmental Activities		Business-Type Activities		Totals		Total Percent Change
	2017	2018	2017	2018	2017	2018	
Revenue bonds	\$ 100,318,087	\$ 122,201,491	\$ -	\$ -	\$ 100,318,087	\$ 122,201,491	21.8%
Revenue notes	36,249,288	31,249,246	-	-	36,249,288	31,249,246	-13.8%
Special assessment bonds	3,707,094	3,153,223	-	-	3,707,094	3,153,223	-14.9%
Notes payable	1,902,552	3,264,372	-	-	1,902,552	3,264,372	100.0%
Capital leases	17,948,645	18,458,422	-	-	17,948,645	18,458,422	2.8%
Water & sewer debt	-	-	19,410,000	18,810,000	19,410,000	18,810,000	-3.1%
<b>Totals</b>	<b>\$ 160,125,666</b>	<b>\$ 178,326,754</b>	<b>\$ 19,410,000</b>	<b>\$ 18,810,000</b>	<b>\$ 179,535,666</b>	<b>\$ 197,136,754</b>	<b>9.8%</b>

Additional information on the County's long-term debt can be found on pages 66 to 74 in the notes to financial statements.

**St. Lucie County, Florida  
Management's Discussion and Analysis  
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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The County's elected officials considered many factors when setting the fiscal year 2019 budget, tax rates, and fees. One of those factors is the economy. St. Lucie County's local economy consists of services, tourism, agriculture, construction and light manufacturing industries. Employment, income and housing are the three broad indicators that provide the best picture of economic development.

In 2018, St Lucie County's unemployment rate continued its post-recession decline, reaching 4.4%, lower than the 4.9% in the previous year. Actually the 2018 rate is the lowest point for the past 20 years. This decline is consistent with the rest of the US economy.

Personal income is another good indicator of the local economy. In 2017, St Lucie County personal income increased 5.5% compared to the State of Florida's 5% increase.

New construction in the unincorporated area decreased from 908 new homes in 2004 to 407 in 2018. In comparison to 2017, the 2018 figure reflects a 45.4% increase. Total single-family home sales decreased slightly 0.6% from 5,551 in 2017 to 5,517 in 2018, while the State is experiencing a 2.2% increase. The median sale price for an existing single-family home in the area was \$220,000, which reflects an increase of 7.3% from 2017. The State median sale price reflects a 7.2% increase.

These indicators were taken into account when adopting the county's budget for fiscal year 2018. The past fiscal year has seen solid economic growth across the County, with unemployment rate at near record lows and job creation at a record high. The adopted budget was established on a combined total operating millage rate of 7.5615 mills (one mill = \$1 per \$1,000 of assessed property value) to support the County's operating budget and dependent districts. The rate is the same as the prior year. The utilization of reserves remains a budget balancing factor for the general fund. Amounts available for appropriation in the Board of County Commissioners' General Fund budget in 2019 are \$146.7 million, an increase of 3.53% from the original fiscal year 2018 budget of \$141.7 million and a decrease of 1.28% from the final fiscal year 2018 budget of \$148.6 million.

**REQUEST FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional information, contact the County's Finance Department, 2300 Virginia Avenue, Fort Pierce, Florida 34982.

## **BASIC FINANCIAL STATEMENTS**

**St. Lucie County, Florida**  
**Statement of Net Position**  
**September 30, 2018**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 225,215,235	\$ 21,969,618	\$ 247,184,853
Restricted assets:			
Cash and investments—customer deposits	1,242,350	457,787	1,700,137
Accounts receivable, net	2,953,188	1,599,896	4,553,084
Assessments receivable	3,616,993	-	3,616,993
Interest receivable	627,257	96,842	724,099
Due from other governments	16,235,468	38,620	16,274,088
Inventories	430,564	267,201	697,765
Prepaid items	465,822	-	465,822
Total current assets	<u>250,786,877</u>	<u>24,429,964</u>	<u>275,216,841</u>
Non-current assets:			
Restricted assets:			
Cash and investments—landfill closure	-	1,974,608	1,974,608
Cash and investments—renewal and replacement	-	772,438	772,438
Capital assets, not being depreciated:			
Land	187,938,490	10,356,397	198,294,887
Construction in progress	42,205,417	2,915,375	45,120,792
Capital assets, being depreciated:			
Buildings and improvements	631,576,423	122,296,939	753,873,362
Machinery and equipment	104,441,092	21,066,382	125,507,474
Accumulated depreciation	(318,755,811)	(74,116,250)	(392,872,061)
Total non-current assets	<u>647,405,611</u>	<u>85,265,889</u>	<u>732,671,500</u>
Total assets	<u>898,192,488</u>	<u>109,695,853</u>	<u>1,007,888,341</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on refunding	2,489,081	215,328	2,704,409
Deferred outflows related to pension plan	56,452,810	2,969,906	59,422,716
Deferred outflows related to OPEB	1,971,745	121,475	2,093,220
Total deferred outflows of resources	<u>60,913,636</u>	<u>3,306,709</u>	<u>64,220,345</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	20,775,551	4,104,214	24,879,765
Matured bonds payable	5,226,343	600,000	5,826,343
Matured interest payable	1,299,592	462,325	1,761,917
Claims payable	562,000	-	562,000
Deposits payable from restricted assets	1,242,350	457,787	1,700,137
Accrued interest	1,002,911	-	1,002,911
Due to other governments	3,032,106	17,474	3,049,580
Bonds and notes payable - net	10,732,362	795,000	11,527,362
Special assessment debt - government commitment	339,569	-	339,569
Capital leases payable	1,605,856	-	1,605,856
Accrued compensated absences	7,141,947	335,111	7,477,058
Unearned revenues	372,934	13,635	386,569
Total current liabilities	<u>53,333,521</u>	<u>6,785,546</u>	<u>60,119,067</u>
Non-current liabilities:			
Liabilities payable from restricted assets	-	1,974,608	1,974,608
Bonds and notes payable - net	157,260,909	18,665,937	175,926,846
Special assessment debt - government commitment, net	2,813,654	-	2,813,654
Capital leases payable - net	16,852,566	-	16,852,566
Accrued compensated absences - net	9,542,396	324,242	9,866,638
Landfill long-term maintenance liabilities	-	15,349,882	15,349,882
OPEB liability	60,715,687	2,564,262	63,279,949
Net pension liability	128,641,081	6,546,451	135,187,532
Total non-current liabilities	<u>375,826,293</u>	<u>45,425,382</u>	<u>421,251,675</u>
Total liabilities	<u>429,159,814</u>	<u>52,210,928</u>	<u>481,370,742</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues - grants	726,039	9,705	735,744
Deferred inflows related to pension plan	12,191,463	540,855	12,732,318
Deferred inflows related to OPEB	3,104,740	158,769	3,263,509
Total deferred inflows of resources	<u>16,022,242</u>	<u>709,329</u>	<u>16,731,571</u>
<b>NET POSITION</b>			
Net investment in capital assets	509,596,020	62,653,249	572,249,269
Restricted for:			
Transportation	8,479,161	-	8,479,161
Physical environment	5,493,320	-	5,493,320
Environmental land acquisition	517,559	-	517,559
Debt service	14,787,494	-	14,787,494
Renewal and replacement	-	772,438	772,438
Capital projects	39,799,385	-	39,799,385
Other purposes	3,408,829	-	3,408,829
Unrestricted	(68,157,700)	(3,343,382)	(71,501,082)
Total net position	<u>\$ 513,924,068</u>	<u>\$ 60,082,305</u>	<u>\$ 574,006,373</u>

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

**St. Lucie County, Florida**  
**Statement of Activities**  
**For the Year Ended September 30, 2018**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental activities:				
General government	\$ 51,411,595	\$ 8,061,555	\$ 1,938,020	\$ 1,159,701
Public safety	113,748,921	2,624,711	5,061,527	1,750,359
Physical environment	9,499,586	-	785,284	815,219
Transportation	26,874,732	565,879	5,086,541	18,438,584
Economic environment	7,365,902	-	1,348,584	266,689
Human services	17,725,073	-	338,537	346,750
Culture and recreation	23,378,049	1,144,845	110,584	3,731,769
Court related	19,628,112	9,309,899	1,595,137	-
Interest on long-term debt	7,096,691	-	-	-
Total governmental activities	<u>276,728,661</u>	<u>21,706,889</u>	<u>16,264,214</u>	<u>26,509,071</u>
Business-type activities:				
Bailing & recycling	17,994,963	18,975,201	-	-
Golf course	1,496,062	1,412,816	77	-
Water & sewer	10,030,286	8,568,491	-	108,355
Building code	2,113,991	3,275,298	-	-
Total business-type activities	<u>31,635,302</u>	<u>32,231,806</u>	<u>77</u>	<u>108,355</u>
Total primary government	<u>\$308,363,963</u>	<u>\$53,938,695</u>	<u>\$16,264,291</u>	<u>\$ 26,617,426</u>

General revenues:

Taxes:

Property taxes, levied for general purposes

Sales taxes

Franchise taxes

State shared revenues

Investment income

Miscellaneous

Total general revenues

Transfers

Advance forgiveness

Total general revenues, transfers and advance forgiveness

Change in net position

Net position - beginning of year

Net position - end of year

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



**Net (Expense) Revenue and  
Changes in Net Position**

**Primary Government**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (40,252,319)	\$ -	\$ (40,252,319)
(104,312,324)	-	(104,312,324)
(7,899,083)	-	(7,899,083)
(2,783,728)	-	(2,783,728)
(5,750,629)	-	(5,750,629)
(17,039,786)	-	(17,039,786)
(18,390,851)	-	(18,390,851)
(8,723,076)	-	(8,723,076)
(7,096,691)	-	(7,096,691)
<u>(212,248,487)</u>	<u>-</u>	<u>(212,248,487)</u>
-	980,238	980,238
-	(83,169)	(83,169)
-	(1,353,440)	(1,353,440)
-	1,161,307	1,161,307
<u>-</u>	<u>704,936</u>	<u>704,936</u>
(212,248,487)	704,936	(211,543,551)
162,131,840	-	162,131,840
4,226,041	-	4,226,041
4,980,552	-	4,980,552
20,460,550	-	20,460,550
3,740,350	354,715	4,095,065
14,590,719	735,518	15,326,237
<u>210,130,052</u>	<u>1,090,233</u>	<u>211,220,285</u>
875,907	(875,907)	-
(82,500)	82,500	-
<u>210,923,459</u>	<u>296,826</u>	<u>211,220,285</u>
(1,325,028)	1,001,762	(323,266)
515,249,096	59,080,543	574,329,639
<u>\$513,924,068</u>	<u>\$60,082,305</u>	<u>\$ 574,006,373</u>

**St. Lucie County, Florida**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2018**

	<u>General</u>	<u>Transportation Trust Fund</u>	<u>Fine and Forfeiture</u>	<u>Port Fund</u>
<b>ASSETS</b>				
Cash and investments	\$ 57,612,950	\$ 5,234,176	\$ 5,309,973	\$ 891,888
Accounts receivable	621,075	40,688	20,648	9,209
Assessments receivable	5,053	-	-	-
Interest receivable	195,210	18,987	22,261	4,333
Due from other funds	2,221,057	826	696,237	115
Due from other governments	2,416,790	732,775	441,764	908,438
Inventories	-	194,111	-	-
Prepaid items	57,546	-	-	328
Total assets	<u>63,129,681</u>	<u>6,221,563</u>	<u>6,490,883</u>	<u>1,814,311</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	7,997,941	565,819	1,052,963	214,519
Matured bonds payable	-	107,805	-	-
Matured interest payable	-	2,128	-	-
Deposits payable	1,229,832	-	-	-
Due to other funds	1,189,777	-	-	-
Due to other governments	2,174,557	-	3,137	-
Unearned revenues - other	419	-	23,035	7,488
Total liabilities	<u>12,592,526</u>	<u>675,752</u>	<u>1,079,135</u>	<u>222,007</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	1,094,032	-	-	733,108
Total deferred inflows of resources	<u>1,094,032</u>	<u>-</u>	<u>-</u>	<u>733,108</u>
<b>FUND BALANCES</b>				
<b>Nonspendable:</b>				
Inventories of supplies	-	194,111	-	-
Prepaid items	57,546	-	-	328
<b>Restricted:</b>				
Port development	-	-	-	858,868
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	-
Court related	-	-	383,748	-
Court Administrator, mediation	-	-	-	-
Transportation	-	5,351,700	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Law enforcement	-	-	5,028,000	-
Court moderniza ion	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	-	-	-
<b>Committed to:</b>				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated services	-	-	-	-
Law enforcement	-	-	-	-
Other purposes	102,744	-	-	-
<b>Assigned to:</b>				
Emergency reserves	36,500,000	-	-	-
Projected budget deficit for fiscal year 2019	1,800,000	-	-	-
<b>Unassigned</b>	<u>10,982,833</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>49,443,123</u>	<u>5,545,811</u>	<u>5,411,748</u>	<u>859,196</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 63,129,681</u>	<u>\$ 6,221,563</u>	<u>\$ 6,490,883</u>	<u>\$ 1,814,311</u>

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

<b>Erosion Control Fund</b>	<b>Impact Fee</b>	<b>Sports Complex Capital Project</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 5,413,051	\$ 28,972,083	\$ 52,071,885	\$ 55,060,787	\$ 210,566,793
145,774	730,406	-	1,163,380	2,731,180
-	-	-	3,611,940	3,616,993
20,639	118,188	-	195,696	575,314
13,199	-	-	763,732	3,695,166
367,283	4,229,345	-	6,991,192	16,087,587
-	-	-	161,951	356,062
-	-	-	238,564	296,438
<u>5,959,946</u>	<u>34,050,022</u>	<u>52,071,885</u>	<u>68,187,242</u>	<u>237,925,533</u>
196,972	1,693,497	267,135	5,628,678	17,617,524
-	-	-	5,118,538	5,226,343
-	-	-	1,297,464	1,299,592
-	-	-	12,518	1,242,350
-	-	-	2,505,389	3,695,166
-	-	-	854,292	3,031,986
-	-	-	341,992	372,934
<u>196,972</u>	<u>1,693,497</u>	<u>267,135</u>	<u>15,758,871</u>	<u>32,485,895</u>
-	-	-	3,611,940	3,611,940
269,654	3,389,989	-	4,392,421	9,879,204
<u>269,654</u>	<u>3,389,989</u>	<u>-</u>	<u>8,004,361</u>	<u>13,491,144</u>
-	-	-	161,951	356,062
-	-	-	238,564	296,438
-	-	-	-	858,868
5,493,320	-	-	-	5,493,320
-	-	-	1,288,218	1,288,218
-	-	-	-	383,748
-	-	-	2,184,811	2,184,811
-	-	-	2,110,213	7,461,913
-	-	-	6,717,715	6,717,715
-	-	-	517,559	517,559
-	-	-	825,521	5,853,521
-	-	-	576,581	576,581
-	-	-	1,323,696	1,323,696
-	-	-	153,649	153,649
-	-	-	301,784	301,784
-	-	-	988,053	988,053
-	-	-	122,791	122,791
-	28,966,536	51,804,750	12,572,633	93,343,919
-	-	-	4,121,530	4,121,530
-	-	-	236,712	236,712
-	-	-	7,808,041	7,808,041
-	-	-	360,060	360,060
-	-	-	1,994,601	2,097,345
-	-	-	-	36,500,000
-	-	-	-	1,800,000
-	-	-	(180,673)	10,802,160
<u>5,493,320</u>	<u>28,966,536</u>	<u>51,804,750</u>	<u>44,424,010</u>	<u>191,948,494</u>
<u>\$ 5,959,946</u>	<u>\$ 34,050,022</u>	<u>\$ 52,071,885</u>	<u>\$ 68,187,242</u>	<u>\$ 237,925,533</u>

**St. Lucie County, Florida**  
**Reconciliation of Total Governmental Fund Balances**  
**to Net Position of Governmental Activities**  
**September 30, 2018**

Total governmental fund balances	\$ 191,948,494
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	647,059,761
Accrued other post employment benefits and net pension liability are not financial uses, and therefore, are not reported in the funds.	(189,024,633)
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.	(195,002,160)
Bonds premiums are not financial resources, and therefore, are not reported in the funds.	(11,278,162)
Deferred charges on refunding are not financial uses, and therefore, are not reported in the funds.	2,489,081
Accrued long term debt interest expenses is not a current use of resources, and therefore, is not reported in governmental funds.	(1,002,911)
Special assessment receivables are not financial resources in the current period, and therefore, are reported as deferred inflows in the funds.	3,611,940
Grant revenues are not recognized in the funds statement because the resources are not available; however, these amounts are reflected as revenues at the government-wide level, and therefore, deferred inflows are no longer applicable.	9,153,165
Internal service funds are used by management to charge the costs of insurance activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	12,919,388
Deferred outflows and deferred inflows related to the pension plan and other post employment benefits are not financial resources or financial uses, and therefore, are not reported at the fund level.	43,050,105
Net position of governmental activities	\$ 513,924,068

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

**St. Lucie County, Florida**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended September 30, 2018**

	<u>General</u>	<u>Transportation Trust Fund</u>	<u>Fine and Forfeiture</u>	<u>Port Fund</u>
<b>REVENUES</b>				
Taxes:				
Property	\$ 74,755,560	\$ -	\$ 62,874,945	\$ -
Tourist	-	-	-	-
Motor fuel	-	3,292,293	-	-
Local communication	-	834,509	-	-
Local business	26,042	-	-	-
Licenses and permits	1,000	350	-	-
Franchise fees	4,146,043	-	-	-
Impact fees	-	20,015	-	-
Special assessments	-	-	-	20,820
Intergovernmental	13,261,013	4,704,904	2,140,509	929,043
Charges for services	13,352,208	-	1,427,217	64,518
Fines and forfeitures	1,614,237	-	307,400	-
Investment income	1,110,242	64,110	203,267	17,709
Contributions from property owners	63,408	-	-	-
Miscellaneous	7,384,924	195,268	1,174,225	194,660
Total revenues	<u>115,714,677</u>	<u>9,111,449</u>	<u>68,127,563</u>	<u>1,226,750</u>
<b>EXPENDITURES</b>				
Current:				
General government	40,718,014	750,484	3,007,154	102
Public safety	82,595,233	-	10,011,160	-
Physical environment	3,551,834	-	-	-
Transportation	301,965	8,681,359	-	449,773
Economic environment	3,878,448	-	2,042,068	-
Human services	8,041,031	-	25,000	-
Culture and recreation	13,243,736	-	-	-
Court-related	11,262,262	-	4,443,264	-
Capital outlay	5,942,237	1,505,123	431,017	27,207,497
Debt service:				
Principal	883,160	214,910	-	30,549
Interest	93,665	4,956	-	24,808
Other	-	28,985	-	-
Total expenditures	<u>170,511,585</u>	<u>11,185,817</u>	<u>19,959,663</u>	<u>27,712,729</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,796,908)</u>	<u>(2,074,368)</u>	<u>48,167,900</u>	<u>(26,485,979)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	61,477,633	497,990	7,388,512	542,298
Transfers out	(10,011,840)	(119,764)	(59,091,873)	(301)
Capital lease	299,947	1,230,188	-	-
Issuance of long-term debt	2,177,863	-	-	25,430,415
Advance forgiveness	(82,500)	-	-	-
Total other financing sources (uses)	<u>53,861,103</u>	<u>1,608,414</u>	<u>(51,703,361)</u>	<u>25,972,412</u>
Net change in fund balances	(935,805)	(465,954)	(3,535,461)	(513,567)
Fund balances - beginning	50,378,928	6,060,774	8,947,209	1,372,763
Changes in inventories of supplies	-	(49,009)	-	-
Fund balances - ending	<u>\$ 49,443,123</u>	<u>\$ 5,545,811</u>	<u>\$ 5,411,748</u>	<u>\$ 859,196</u>

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

<u>Erosion Control Fund</u>	<u>Impact Fee</u>	<u>Sports Complex Capital Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,684,038	\$ -	\$ -	\$ 22,817,297	\$ 162,131,840
-	-	-	4,226,041	4,226,041
-	-	-	1,192,435	4,484,728
-	-	-	-	834,509
-	-	-	60,765	86,807
-	-	-	201,273	202,623
-	-	-	-	4,146,043
-	12,196,539	-	-	12,216,554
-	-	-	850,053	870,873
505,517	1,391,998	-	15,232,773	38,165,757
-	-	-	4,162,306	19,006,249
-	-	-	679,110	2,600,747
73,770	364,141	937,233	799,917	3,570,389
1,050	-	-	1,935,557	2,000,015
-	350,297	-	5,088,840	14,388,214
<u>2,264,375</u>	<u>14,302,975</u>	<u>937,233</u>	<u>57,246,367</u>	<u>268,931,389</u>
76,905	-	-	2,776,003	47,328,662
-	437,036	-	7,639,315	100,682,744
1,512,711	-	-	2,356,199	7,420,744
193,350	-	-	10,906,304	20,532,751
-	-	-	1,341,059	7,261,575
-	-	-	7,268,515	15,334,546
-	346,711	-	5,432,951	19,023,398
-	-	-	1,745,511	17,451,037
-	8,073,475	2,942,796	15,134,397	61,236,542
-	-	-	10,850,806	11,979,425
-	-	-	6,881,129	7,004,558
-	-	-	284,590	313,575
<u>1,782,966</u>	<u>8,857,222</u>	<u>2,942,796</u>	<u>72,616,779</u>	<u>315,569,557</u>
<u>481,409</u>	<u>5,445,753</u>	<u>(2,005,563)</u>	<u>(15,370,412)</u>	<u>(46,638,168)</u>
50,000	-	-	12,784,402	82,740,835
(252,417)	(689,152)	(160,432)	(11,539,149)	(81,864,928)
-	-	-	-	1,530,135
-	-	-	1,042,100	28,650,378
-	-	-	-	(82,500)
<u>(202,417)</u>	<u>(689,152)</u>	<u>(160,432)</u>	<u>2,287,353</u>	<u>30,973,920</u>
278,992	4,756,601	(2,165,995)	(13,083,059)	(15,664,248)
5,214,328	24,209,935	53,970,745	57,554,638	207,709,320
-	-	-	(47,569)	(96,578)
<u>\$ 5,493,320</u>	<u>\$ 28,966,536</u>	<u>\$ 51,804,750</u>	<u>\$ 44,424,010</u>	<u>\$ 191,948,494</u>

**St. Lucie County, 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, 2018**

Net change in fund balances - total governmental funds		\$ (15,664,248)
Amount reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation.		
Expenditures for capital assets	\$ 61,236,542	
Less current year depreciation	<u>(22,033,539)</u>	39,203,003
Capital asset contributions from private sources		1,022,352
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale or transfer. In the statement of activities, a gain or loss is reported for each disposal.		
		90,023
Debt proceeds provide current financial resources to governmental funds, but debt increases long-term liabilities in the statement of net position.		
Debt proceeds		(30,180,513)
Repayment of bond principal, notes principal, and capital lease principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bond principal payment	\$ 5,142,982	
Notes payable principal payment	5,816,085	
Capital lease principal payment	<u>1,020,358</u>	11,979,425
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 governmental funds.		
Change in accrued interest expense	\$ (139,809)	
Amortization of bond premium	623,173	
Amortization of deferred amount on refunding	(261,723)	
Change in compensated absences	(1,414,977)	
Change in other post employment benefits	(2,798,291)	
Change in net pension expense	<u>(10,189,759)</u>	(14,181,386)
Governmental funds report non-exchange transactions when the applicable eligibility requirements have been met and resources are available. However, in the statement of activities, non-exchange transactions are recognized when the eligibility requirements are met.		
		6,284,205
Some revenues (special assessments) reported in the governmental funds have been recognized as revenues in the prior fiscal year in the statement of activities.		
		(676,361)
Change in inventories is reflected as an deduction in fund balance; however, on the statement of activities, it is recorded as an increase in expense.		
		(96,578)
Internal service funds are used by management to charge the costs of insurance services to individual funds. The change in net position is reported with governmental activities on the statement of activities.		
		895,050
Change in net position of governmental activities		<u><u>\$ (1,325,028)</u></u>

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

**St. Lucie County, Florida**  
**Statement of Revenues, Expenditures, and**  
**Changes in the Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended September 30, 2018**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 72,770,500	\$ 72,770,500	\$ 74,755,560	\$ 1,985,060
Local business	25,000	25,000	26,042	1,042
Licenses and permits	-	-	1,000	1,000
Franchise fees	3,988,464	3,988,464	4,146,043	157,579
Intergovernmental	12,781,512	15,217,907	13,261,013	(1,956,894)
Charges for services	13,621,409	13,950,591	13,352,208	(598,383)
Fines and forfeitures	1,517,579	1,610,887	1,614,237	3,350
Investment income	768,987	817,021	1,110,242	293,221
Contributions from property owners	80,300	92,684	63,408	(29,276)
Miscellaneous	4,604,093	5,709,939	7,384,924	1,674,985
Total revenues	<u>110,157,844</u>	<u>114,182,993</u>	<u>115,714,677</u>	<u>1,531,684</u>
<b>EXPENDITURES</b>				
Current:				
General government	47,239,242	47,516,153	40,718,014	6,798,139
Public safety	82,281,178	85,585,393	82,595,233	2,990,160
Physical environment	2,558,329	3,253,179	3,551,834	(298,655)
Transportation	280,000	430,100	301,965	128,135
Economic environment	4,212,355	5,109,575	3,878,448	1,231,127
Human services	7,633,818	8,687,732	8,041,031	646,701
Culture and recreation	13,907,074	14,109,033	13,243,736	865,297
Court-related	11,705,522	11,524,015	11,262,262	261,753
Capital outlay	2,692,170	8,286,254	5,942,237	2,344,017
Debt service:				
Principal	1,006,090	794,229	883,160	(88,931)
Interest	-	776	93,665	(92,889)
Total expenditures	<u>173,515,778</u>	<u>185,296,439</u>	<u>170,511,585</u>	<u>14,784,854</u>
Excess of revenues over (under) expenditures	<u>(63,357,934)</u>	<u>(71,113,446)</u>	<u>(54,796,908)</u>	<u>16,316,538</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	62,042,301	63,420,781	61,477,633	(1,943,148)
Transfers out	(5,424,966)	(8,538,445)	(10,011,840)	(1,473,395)
Capital lease	-	299,948	299,947	(1)
Sale of capital assets	23,175	23,175	-	(23,175)
Issuance of long-term debt	-	2,177,633	2,177,863	230
Advance forgiveness	-	-	(82,500)	(82,500)
Total other financing sources (uses)	<u>56,640,510</u>	<u>57,383,092</u>	<u>53,861,103</u>	<u>(3,521,989)</u>
Net change in fund balances	(6,717,424)	(13,730,354)	(935,805)	12,794,549
Fund balances - beginning	<u>47,464,951</u>	<u>49,759,228</u>	<u>50,378,928</u>	<u>619,700</u>
Fund balances - ending	<u>\$ 40,747,527</u>	<u>\$ 36,028,874</u>	<u>\$ 49,443,123</u>	<u>\$ 13,414,249</u>

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



**St. Lucie County, Florida**  
**Statement of Revenues, Expenditures, and**  
**Changes in the Fund Balances - Budget and Actual**  
**Transportation Trust**  
**For the Year Ended September 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Motor fuel	\$ 2,630,963	\$ 2,630,963	\$ 3,292,293	\$ 661,330
Local communication	807,484	807,484	834,509	27,025
Licenses and permits	-	-	350	350
Impact fees	-	-	20,015	20,015
Intergovernmental	4,180,000	4,180,000	4,704,904	524,904
Investment income	37,737	37,737	64,110	26,373
Miscellaneous	84,004	84,004	195,268	111,264
Total revenues	<u>7,740,188</u>	<u>7,740,188</u>	<u>9,111,449</u>	<u>1,371,261</u>
<b>EXPENDITURES</b>				
Current:				
General government	751,912	751,911	750,484	1,427
Transportation	10,440,099	10,755,476	8,681,359	2,074,117
Capital outlay	306,377	2,675,710	1,505,123	1,170,587
Debt service:				
Principal retirement	214,910	214,910	214,910	-
Interest	4,955	4,956	4,956	-
Other	-	28,985	28,985	-
Total expenditures	<u>11,718,253</u>	<u>14,431,948</u>	<u>11,185,817</u>	<u>3,246,131</u>
Excess of revenues under expenditures	<u>(3,978,065)</u>	<u>(6,691,760)</u>	<u>(2,074,368)</u>	<u>4,617,392</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	79,008	577,000	497,990	(79,010)
Transfers out	(207,806)	(207,806)	(119,764)	88,042
Capital Lease	-	-	1,230,188	1,230,188
Issuance of long-term debt	-	2,070,295	-	(2,070,295)
Total other financing sources (uses)	<u>(128,798)</u>	<u>2,439,489</u>	<u>1,608,414</u>	<u>(831,075)</u>
Net change in funds balances	(4,106,863)	(4,252,271)	(465,954)	3,786,317
Fund balances - beginning	4,680,252	5,886,115	6,060,774	174,659
Change in inventories of supplies	-	-	(49,009)	(49,009)
Fund balances - ending	<u>\$ 573,389</u>	<u>\$ 1,633,844</u>	<u>\$ 5,545,811</u>	<u>\$ 3,911,967</u>

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

**St. Lucie County, Florida**  
**Statement of Revenues, Expenditures, and**  
**Changes in the Fund Balances - Budget and Actual**  
**Fine and Forfeiture**  
**For the Year Ended September 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 61,650,787	\$ 61,650,787	\$ 62,874,945	\$ 1,224,158
Intergovernmental	2,285,626	2,359,124	2,140,509	(218,615)
Charges for services	1,255,000	1,255,000	1,427,217	172,217
Fines and forfeitures	311,067	330,174	307,400	(22,774)
Investment income	109,200	167,228	203,267	36,039
Miscellaneous	1,067,500	1,064,469	1,174,225	109,756
Total revenues	<u>66,679,180</u>	<u>66,826,782</u>	<u>68,127,563</u>	<u>1,300,781</u>
<b>EXPENDITURES</b>				
Current:				
General government	3,212,644	3,076,548	3,007,154	69,394
Public safety	10,013,416	10,617,586	10,011,160	606,426
Economic environment	1,959,981	2,042,068	2,042,068	-
Human services	25,000	25,000	25,000	-
Court-related	4,240,844	4,803,021	4,443,264	359,757
Capital outlay	874,011	591,213	431,017	160,196
Debt service:				
Principal	22,260	22,260	-	22,260
Total expenditures	<u>20,348,156</u>	<u>21,177,696</u>	<u>19,959,663</u>	<u>1,218,033</u>
Excess of revenues under expenditures	<u>46,331,024</u>	<u>45,649,086</u>	<u>48,167,900</u>	<u>2,518,814</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	7,604,431	8,085,799	7,388,512	(697,287)
Transfers out	(59,952,112)	(62,111,809)	(59,091,873)	3,019,936
Capital lease	-	2,177,663	-	(2,177,663)
Total other financing sources (uses)	<u>(52,347,681)</u>	<u>(51,848,347)</u>	<u>(51,703,361)</u>	<u>144,986</u>
Net change in funds balances	(6,016,657)	(6,199,261)	(3,535,461)	2,663,800
Fund balances - beginning	<u>8,450,588</u>	<u>8,898,125</u>	<u>8,947,209</u>	<u>49,084</u>
Fund balances - ending	<u>\$ 2,433,931</u>	<u>\$ 2,698,864</u>	<u>\$ 5,411,748</u>	<u>\$ 2,712,884</u>

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

**St. Lucie County, Florida**  
**Statement of Revenues, Expenditures, and**  
**Changes in the Fund Balances - Budget and Actual**  
**Port Fund**  
**For the Year Ended September 30, 2018**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Special assessments	\$ 13,496	\$ 13,496	\$ 20,820	\$ 7,324
Intergovernmental	2,077,153	1,811,327	929,043	(882,284)
Charges for services	-	-	64,518	64,518
Investment income	3,500	10,276	17,709	7,433
Miscellaneous	28,177	138,968	194,660	55,692
Total revenues	<u>2,122,326</u>	<u>1,974,067</u>	<u>1,226,750</u>	<u>(747,317)</u>
<b>EXPENDITURES</b>				
Current:				
General government	102	102	102	-
Transporation	287,528	623,825	449,773	174,052
Capital outlay	4,076,869	29,049,069	27,207,497	1,841,572
Debt service:				
Principal	30,549	30,549	30,549	-
Interest	24,808	24,808	24,808	-
Total expenditures	<u>4,419,856</u>	<u>29,728,353</u>	<u>27,712,729</u>	<u>2,015,624</u>
Excess of revenues under expenditures	<u>(2,297,530)</u>	<u>(27,754,286)</u>	<u>(26,485,979)</u>	<u>1,268,307</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	42,298	542,298	542,298	-
Transfers out	(805)	(805)	(301)	504
Issuance of long-term debt	-	25,470,320	25,430,415	(39,905)
Total other financing sources (uses)	<u>41,493</u>	<u>26,011,813</u>	<u>25,972,412</u>	<u>(39,401)</u>
Net change in funds balances	(2,256,037)	(1,742,473)	(513,567)	1,228,906
Fund balances - beginning	<u>3,335,046</u>	<u>2,264,592</u>	<u>1,372,763</u>	<u>(891,829)</u>
Fund balances - ending	<u>\$ 1,079,009</u>	<u>\$ 522,119</u>	<u>\$ 859,196</u>	<u>\$ 337,077</u>

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

**St. Lucie County, Florida**  
**Statement of Revenues, Expenditures, and**  
**Changes in the Fund Balances - Budget and Actual**  
**Erosion Control Fund**  
**For the Year Ended September 30, 2018**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 1,653,325	\$ 1,653,325	\$ 1,684,038	\$ 30,713
Intergovernmental	2,472,567	4,169,591	505,517	(3,664,074)
Investment income	7,000	7,000	73,770	66,770
Contributions from property owners	-	1,050	1,050	-
Total revenues	<u>4,132,892</u>	<u>5,830,966</u>	<u>2,264,375</u>	<u>(3,566,591)</u>
<b>EXPENDITURES</b>				
Current:				
General government	76,905	76,905	76,905	-
Physical environment	7,035,717	8,402,714	1,512,711	6,890,003
Transportation	350,595	351,645	193,350	158,295
Total expenditures	<u>7,463,217</u>	<u>8,831,264</u>	<u>1,782,966</u>	<u>7,048,298</u>
Excess of revenues under expenditures	<u>(3,330,325)</u>	<u>(3,000,298)</u>	<u>481,409</u>	<u>3,481,707</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	226,579	226,579	50,000	(176,579)
Transfers out	(439,748)	(439,748)	(252,417)	187,331
Total other financing sources (uses)	<u>(213,169)</u>	<u>(213,169)</u>	<u>(202,417)</u>	<u>10,752</u>
Net change in funds balances	(3,543,494)	(3,213,467)	278,992	3,492,459
Fund balances - beginning	<u>6,362,659</u>	<u>5,503,414</u>	<u>5,214,328</u>	<u>(289,086)</u>
Fund balances - ending	<u>\$ 2,819,165</u>	<u>\$ 2,289,947</u>	<u>\$ 5,493,320</u>	<u>\$ 3,203,373</u>

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

**St. Lucie County, Florida**  
**Statement of Fund Net Position**  
**Proprietary Funds**  
**September 30, 2018**

	<b>Business Type Activities</b>				<b>Governmental Activities</b>
	<b>Bailing &amp; Recycling Facility</b>	<b>Water &amp; Sewer District</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 5,334,447	\$ 10,598,080	\$ 6,037,091	\$ 21,969,618	\$ 15,890,792
Restricted assets:					
Cash and investments--customer deposits	209,850	245,937	2,000	457,787	-
Accounts receivable, net	929,083	669,963	850	1,599,896	222,008
Interest receivable	29,823	44,238	22,781	96,842	51,943
Due from other governments	36,345	-	2,275	38,620	147,881
Inventories	224,512	-	42,689	267,201	74,502
Prepaid items	-	-	-	-	169,384
Total current assets	<u>6,764,060</u>	<u>11,558,218</u>	<u>6,107,686</u>	<u>24,429,964</u>	<u>16,556,510</u>
Non-current assets:					
Restricted assets:					
Cash and investments--landfill closure	1,974,608	-	-	1,974,608	-
Cash and investments--renewal and replacement	-	772,438	-	772,438	-
Land	4,905,601	4,182,746	1,268,050	10,356,397	-
Buildings and improvements	49,824,291	68,892,351	3,580,297	122,296,939	216,388
Machinery and equipment	19,947,744	510,239	608,399	21,066,382	279,764
Accumulated depreciation	(33,955,643)	(36,285,447)	(3,875,160)	(74,116,250)	(150,302)
Construction in progress	-	2,915,375	-	2,915,375	-
Total non-current assets	<u>42,696,601</u>	<u>40,987,702</u>	<u>1,581,586</u>	<u>85,265,889</u>	<u>345,850</u>
Total assets	<u>49,460,661</u>	<u>52,545,920</u>	<u>7,689,272</u>	<u>109,695,853</u>	<u>16,902,360</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred amount on refunding	-	215,328	-	215,328	-
Deferred outflows related to pensions	1,667,744	349,249	952,913	2,969,906	117,288
Deferred outflows related to OPEB	68,119	10,408	42,948	121,475	2,886
Total deferred outflows of resources	<u>1,735,863</u>	<u>574,985</u>	<u>995,861</u>	<u>3,306,709</u>	<u>120,174</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and other current liabilities	2,283,205	1,693,785	127,224	4,104,214	3,158,027
Matured bonds payable	-	600,000	-	600,000	-
Matured interest payable	-	462,325	-	462,325	-
Claims and judgements payable	-	-	-	-	562,000
Deposits payable from restricted assets	209,850	245,937	2,000	457,787	-
Due to other governments	238	-	17,236	17,474	120
Bonds and notes payable, net	-	795,000	-	795,000	-
Accrued compensated absences	173,671	28,464	132,976	335,111	5,189
Unearned revenues	-	-	13,635	13,635	-
Total current liabilities	<u>2,666,964</u>	<u>3,825,511</u>	<u>293,071</u>	<u>6,785,546</u>	<u>3,725,336</u>
Non-current liabilities:					
Liabilities payable from restricted assets	1,974,608	-	-	1,974,608	-
Bonds and notes payable, net	-	18,665,937	-	18,665,937	-
Accrued compensated absences, net	139,380	43,336	141,526	324,242	3,748
Landfill long-term care liabilities	15,349,882	-	-	15,349,882	-
OPEB liability	1,274,520	235,486	1,054,256	2,564,262	69,901
Net pension liability	3,638,348	791,612	2,116,491	6,546,451	262,234
Total non-current liabilities	<u>22,376,738</u>	<u>19,736,371</u>	<u>3,312,273</u>	<u>45,425,382</u>	<u>335,883</u>
Total liabilities	<u>25,043,702</u>	<u>23,561,882</u>	<u>3,605,344</u>	<u>52,210,928</u>	<u>4,061,219</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to pensions	262,338	68,939	209,578	540,855	37,773
Deferred inflows related to OPEB	86,769	12,132	59,868	158,769	4,154
Deferred inflows related to grants	9,705	-	-	9,705	-
Total deferred inflows of resources	<u>358,812</u>	<u>81,071</u>	<u>269,446</u>	<u>709,329</u>	<u>41,927</u>
<b>NET POSITION</b>					
Net investment in capital assets	40,721,993	20,369,655	1,561,601	62,653,249	345,850
Restricted for:					
Renewal and replacement	-	772,438	-	772,438	-
Unrestricted	(14,927,983)	8,335,859	3,248,742	(3,343,382)	12,573,538
Total net position	<u>\$25,794,010</u>	<u>\$29,477,952</u>	<u>\$ 4,810,343</u>	<u>\$60,082,305</u>	<u>\$ 12,919,388</u>

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

**St. Lucie County, Florida**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended September 30, 2018**

	<u>Business Type Activities</u>			<u>Total</u>	<u>Governmental</u>
	<u>Bailing &amp; Recycling Facility</u>	<u>Water &amp; Sewer District</u>	<u>Nonmajor Enterprise Funds</u>		<u>Internal Service Funds</u>
<b>Operating Revenues:</b>					
Charges for services	\$ 18,975,201	\$ -	\$ 4,688,114	\$ 23,663,315	\$ 16,289,806
Charges for services, pledged for revenue bonds	-	8,568,491	-	8,568,491	-
Miscellaneous	545,634	-	105,312	650,946	964,291
Miscellaneous, pledged for revenue bonds	-	84,572	-	84,572	-
Total operating revenues	<u>19,520,835</u>	<u>8,653,063</u>	<u>4,793,426</u>	<u>32,967,324</u>	<u>17,254,097</u>
<b>Operating expenses:</b>					
Salaries, wages and employee benefits	3,763,991	703,249	2,616,450	7,083,690	11,257,176
Contractual services, materials and supplies	11,878,315	6,404,865	939,385	19,222,565	5,248,069
Depreciation	2,352,657	2,081,833	54,218	4,488,708	23,763
Total operating expenses	<u>17,994,963</u>	<u>9,189,947</u>	<u>3,610,053</u>	<u>30,794,963</u>	<u>16,529,008</u>
Operating income (loss)	<u>1,525,872</u>	<u>(536,884)</u>	<u>1,183,373</u>	<u>2,172,361</u>	<u>725,089</u>
<b>Nonoperating revenues (expenses):</b>					
Investment income	128,387	-	71,234	199,621	169,961
Investment income, pledged for revenue bonds	-	155,094	-	155,094	-
Interest expense	-	(840,339)	-	(840,339)	-
Intergovernmental	-	-	77	77	-
Total nonoperating revenues (expenses)	<u>128,387</u>	<u>(685,245)</u>	<u>71,311</u>	<u>(485,547)</u>	<u>169,961</u>
Income (loss) before contributions and transfers	<u>1,654,259</u>	<u>(1,222,129)</u>	<u>1,254,684</u>	<u>1,686,814</u>	<u>895,050</u>
Capital contributions	-	108,355	-	108,355	-
Transfers out	(875,907)	-	-	(875,907)	-
Total capital contributions and transfers	<u>(875,907)</u>	<u>108,355</u>	<u>-</u>	<u>(767,552)</u>	<u>-</u>
<b>Others</b>					
Advance forgiveness	-	-	82,500	82,500	-
Total others	<u>-</u>	<u>-</u>	<u>82,500</u>	<u>82,500</u>	<u>-</u>
Change in net position	778,352	(1,113,774)	1,337,184	1,001,762	895,050
Net position - beginning	25,015,658	30,591,726	3,473,159	59,080,543	12,024,338
Net position - ending	<u>\$ 25,794,010</u>	<u>\$ 29,477,952</u>	<u>\$ 4,810,343</u>	<u>\$ 60,082,305</u>	<u>\$ 12,919,388</u>

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

**St. Lucie County, Florida**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended September 30, 2018**

	Business Type Activities			Total	Governmental Activities
	Bailing & Recycling Facility	Water & Sewer District	Nonmajor Enterprise Funds		Internal Service Funds
<b>Cash flows from operating activities</b>					
Cash received from customers	\$ 19,098,305	\$ 8,483,526	\$ 4,688,937	\$ 32,270,768	\$ 16,269,135
Cash paid to suppliers	(12,153,098)	(6,404,865)	(956,203)	(19,514,166)	(4,858,757)
Cash paid for employee services	(3,362,306)	193,624	(2,316,321)	(5,485,003)	(10,427,768)
Other receipts	545,634	84,572	105,312	735,518	964,291
Net cash provided by (used for) operating activities	<u>4,128,535</u>	<u>2,356,857</u>	<u>1,521,725</u>	<u>8,007,117</u>	<u>1,946,901</u>
<b>Cash flows from noncapital financing activities</b>					
Proceeds from Federal/State awards	-	-	538	538	-
Transfers out	(875,907)	-	-	(875,907)	-
Net cash provided by/(used for) noncapital financing activities	<u>(875,907)</u>	<u>-</u>	<u>538</u>	<u>(875,369)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>					
Capital contributions	-	108,355	-	108,355	-
Principal paid on capital debt	-	(520,550)	-	(520,550)	-
Interest paid on capital debt	-	(929,400)	-	(929,400)	-
Purchases of capital assets	(9,364,853)	(2,375,652)	(19,985)	(11,760,490)	(75,286)
Net cash used for capital and related financing activities	<u>(9,364,853)</u>	<u>(3,717,247)</u>	<u>(19,985)</u>	<u>(13,102,085)</u>	<u>(75,286)</u>
<b>Cash flows from investing activities</b>					
Interest on investments	140,362	150,045	62,398	352,805	155,555
Net increase (decrease) in cash and investments	(5,971,863)	(1,210,345)	1,564,676	(5,617,532)	2,027,170
Cash and investments at beginning of year	13,490,768	12,826,800	4,474,415	30,791,983	13,863,622
<b>Cash and investments at end of year</b>	<u>7,518,905</u>	<u>11,616,455</u>	<u>6,039,091</u>	<u>25,174,451</u>	<u>15,890,792</u>
Cash and investments classified as:					
Current assets	5,334,447	10,598,080	6,037,091	21,969,618	15,890,792
Restricted assets	2,184,458	1,018,375	2,000	3,204,833	-
<b>Total cash and investments at end of year</b>	<u>\$ 7,518,905</u>	<u>\$ 11,616,455</u>	<u>\$ 6,039,091</u>	<u>\$ 25,174,451</u>	<u>\$ 15,890,792</u>
<b>Reconciliation of net operating income (loss) to net cash provided by (used for) operating activities</b>					
Operating income (loss)	\$ 1,525,872	\$ (536,884)	\$ 1,183,373	\$ 2,172,361	\$ 725,089
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	2,352,657	2,081,833	54,218	4,488,708	23,763
Landfill closure expense	(730,745)	-	-	(730,745)	-
Changes in assets and liabilities:					
Accounts receivable	130,574	(64,074)	(184)	66,316	127,210
Due from other governments	(8,470)	-	(2,275)	(10,745)	(147,881)
Inventories	(18,469)	-	926	(17,543)	(38,438)
Prepaid Items	-	-	370	370	(56,627)
Accounts payable and accrued liabilities	557,399	842,388	12,572	1,412,359	1,321,411
Claims payable	-	-	-	-	(53,806)
Accrued compensated absences	11,350	(5,070)	36,837	43,117	4
Deposits payable	1,000	(20,891)	-	(19,891)	-
Unearned revenues	-	-	1,007	1,007	-
OPEB liability	(25,172)	(3,520)	(17,368)	(46,060)	(1,205)
Pension liability	332,539	63,075	252,249	647,863	47,381
<b>Net cash provided by (used for) operating activities</b>	<u>\$ 4,128,535</u>	<u>\$ 2,356,857</u>	<u>\$ 1,521,725</u>	<u>\$ 8,007,117</u>	<u>\$ 1,946,901</u>
<b>Noncash financing activities:</b>					
Advance forgiveness from General Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,500</u>	<u>\$ 82,500</u>	<u>\$ -</u>

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

**St. Lucie County, Florida**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**September 30, 2018**

	<b>Agency</b>
<b>ASSETS</b>	
Cash and investments	\$ 24,098,427
Accounts receivable	4,888
Due from other governments	276,704
Interest receivable	16,973
Total assets	\$ 24,396,992
 <b>LIABILITIES</b>	
Accounts payable and other current liabilities	\$ 356,076
Deposits payable	421,371
Due to other governments	4,237,887
Agency funds on hand	19,381,658
Total liabilities	\$ 24,396,992

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



**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

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**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

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**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the County have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards that which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

**A. Reporting Entity**

St. Lucie County, Florida (the “County”), is a non-charter government pursuant to Article VIII, Section (1)(f), of the Constitution of the State of Florida. The County financial statements contained herein include and combine the operations of the Board of County Commissioners (the “Board”) and the Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector (the “Constitutional Officers”).

The Clerk of the Circuit Court serves as ex-officio Clerk of the Board in accordance with Article VIII, Section (1)(d), of the Constitution of the State of Florida, and Section 125.17, Florida Statutes.

In evaluating the County as a reporting entity, management has addressed all potential component units. To be includable within the County’s financial statements, the component unit must be financially accountable or the exclusion of the nature and significance of their relationship with the County would cause the financial statements to be misleading or incomplete. Blended component units must be financially accountable to the County; there must be a financial burden/benefit relationship and the entity, although legally separate, must operate like a fund or department of the County.

Based on applying the above criteria, the County included the following component units in the financial statements as blended component units.

1. St. Lucie County Mosquito Control District – The District was created by Chapter 29502, Laws of Florida, Acts of 1953. The District controls mosquitoes and other arthropods of public health importance for the County and is governed by a Board comprised of the County’s elected Commissioners. The Board establishes the ad valorem millage for the District. The District is reported as a special revenue fund and does not issue separate financial statements.
2. Erosion Control District – The District was created by Chapter 67-2001, Laws of Florida. The District re-nourishes critically-eroded beaches impacted by inlet management and natural processes in order to protect coastal resources, public and private properties and public infrastructures and is governed by a Board comprised of the County’s elected Commissioners. The Board establishes the ad valorem millage for the District. The District is reported as a special revenue fund and does not issue separate financial statements.
3. St. Lucie County Water and Sewer District – The District was created by Section 153.53, Florida Statutes. The District provides water, wastewater and reclaimed water service to customers within the unincorporated areas of the County and is governed by a Board comprised of the County’s elected Commissioners. The rates for user charges and bond issuance authorizations are approved by the Board and the County is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The District is reported as an enterprise fund and does not issue separate financial statements.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting Entity (Continued)**

4. St. Lucie County Housing Finance Authority – The Authority was created by Section 159.601, Florida Statutes. The Authority provides administrative services for housing assistance within the County. The main revenue source is the residual funds from loan programs. The Board of County Commissioners appoints a majority of the Authority's Board. The Board of County Commissioners has the operational responsibility for the Authority. The Authority is reported as a special revenue fund and does not issue separate financial statements.
5. Central Florida Foreign-Trade Zone, Inc. (the "Trade Zone") – The Trade Zone was created by Sections 288.35 through 288.38, Florida Statutes in 1997 to facilitate the economic development of the County. The Board of County Commissioners appoints a majority of the Trade Zone's Board. The Board funds the operation of the Trade Zone as part of the general fund. The Trade Zone does not issue separate financial statements.
6. St. Lucie County Sustainability District – The District was created by Article VII, Section 10 of the Florida Constitution, Chapter 125, Florida Statutes and Chapter 189, Florida Statutes for the purpose of encouraging, accommodating, and financing energy efficiency and renewable energy improvements on residential and commercial properties in the County through non-ad valorem assessments. The District is governed by a Board comprised of the County's elected Commissioners. The Board has operational responsibility for the District. The District is reported as a special revenue fund and does not issue separate financial statements.
7. Treasure Coast Education Research and Development Authority – The Authority was created by Section 159.703, Florida Statutes to foster economic development and broaden the economic base of St. Lucie County. The Board of County Commissioners appoints a majority of the Authority's Board. The Board of County Commissioners funds the operation of the Authority as part of the general fund. The Authority does not issue separate financial statements.

**Other Entities**

St. Lucie, Indian River, Martin and Okeechobee counties jointly fund the Office of the Medical Examiner, 19th Judicial Circuit. The County partially funds the Indian River Crime Laboratory, which is supported by various local law enforcement agencies. Books and records are maintained by the Sheriff. The Governor of the State of Florida appoints the Medical Examiner. The County's only financial responsibility for the Medical Examiner is to fund its required percentage of the operating costs of that office out of the General Fund. The other counties participate in funding the Medical Examiner's office in the same manner. Indian River State College maintains the accounting records for the Medical Examiner's office. Effective October 1, 2018, St. Lucie County, BOCC began maintaining the Medical Examiner's accounting records.

**B. Measurement Focus and Bases of Accounting**

The basic financial statements of the County are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus and Bases of Accounting (Continued)**

**1. Government-wide Financial Statements**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. This means that revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

In applying the “susceptible to accrual” concept to intergovernmental revenues pursuant to GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions as amended by GASB Statement No. 36, Recipient Reporting of Certain Shared Nonexchange Revenues (the County may act as either provider or recipient), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues 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 revenues by the recipient.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Business-type activities distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The government-wide financial statements do not include the fiduciary funds of the County.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus and Bases of Accounting (Continued)**

**2. Fund Financial Statements**

The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (or expenses), as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the constraints placed by the revenue sources.

Fund financial statements for the primary government's governmental and proprietary funds display information about major funds individually and nonmajor funds in the aggregate. The fiduciary statement includes financial information for the agency fund, which represents assets held by the County in a custodial capacity for other individuals or governments.

**Governmental Funds**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay current period liabilities.

For this purpose, the County considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be accrual items and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when the County receives cash.

Under the current financial resources measurement focus (modified accrual basis), only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

The non-current portion of long-term receivables (special assessments) due to governmental funds are reported on their balance sheets because of their spending measurement focus. The non-current portions of other long-term receivables are offset by fund balance reserve accounts. Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are not recorded as fund assets; they are recorded as expenditures in the fund financial statements. The proceeds of long-term debt are recorded as an "other financing source". Debt service, compensated absences, and claims and judgments expenditures are recorded when the payment is made.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus and Bases of Accounting (Continued)**

**2. Fund Financial Statements (Continued)**

**a) Fund Balance Category**

GASB Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. There are five categories of fund balance for governmental funds under Statement 54:

**Nonspendable Fund Balance** – This category includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

**Restricted Fund Balance** – This category includes amounts that have externally imposed restrictions or restrictions imposed by laws.

**Committed Fund Balance** – This category usually includes the amount that can only be used for specific purposes adopted by the Board of County Commissioners with an ordinance. This category also includes contractual obligations which require a formal approval from the Board of County Commissioners or a Constitutional Officer and the funding has been set aside for the purpose. This type of fund balance can only be removed by the Board of County Commissioners or a Constitutional Officer through the same approval process.

**Assigned Fund Balance** – This category usually consists of the Board of County Commissioners' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the County Administrator pursuant to Board action. For fund balance reserve assignments, see the fund balance policy below. Other assigned fund balances are approved by the Board as part of the budget approval process through budget resolutions.

**Unassigned Fund Balance** – Residual amounts in the general fund that do not meet any of the other fund balance classifications.

**b) Fund Balance Policy**

The County has a fund balance and reserve policy that set forth the following reserves of fund balance:

**Reserve Policy** – The County's financial policy requires the Board of County Commissioners to establish an emergency reserve in the general fund in the amount of \$36.5 million. The amount can only be utilized for storm events and emergencies/issues that are not anticipated in normal budget development. The amount is presented as an assigned fund balance of the general fund.

**Budget Deficit Reserve Policy** - The Board of County Commissioners established a budget deficit reserve policy during fiscal year 2010. The intent of the reserve is to assign the needed amount from unassigned fund balance for the following year's budget purposes. The amount may be adjusted by the County Administrator and can only be utilized for budget balancing needs. The amount is presented as an assigned fund balance of the general fund.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus and Bases of Accounting (Continued)**

**2. Fund Financial Statements (Continued)**

**c) Fund Balance Spending Hierarchy**

For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances. Qualified expenditures reduce the appropriate fund balances when the expenditure is incurred.

For special revenue funds, when restricted and committed fund balances are combined in a special revenue fund, expenditures are paid first from committed fund balance, as appropriate, then restricted fund balances.

**Proprietary Funds**

The County's enterprise funds and internal service fund are proprietary funds and are presented using the economic resources measurement focus (accrual basis of accounting). Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. All current and non-current assets and liabilities are included on the Statement of Net Position. Revenues represent increases and expenses represent decreases in total net position on the Statement of Revenues, Expenses, and Changes in Net Position.

Proprietary fund operating revenues, such as charges for services, and operating expenses, such as salaries, supplies, and contracted services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes, and investment earnings, and non-operating expenses, such as interest expense, loss on sale of assets, and arbitrage expense, result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are recorded in the fund as assets. The proceeds of long-term debt are recorded as a fund liability. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities.

**a) Net Position Spending Hierarchy**

For all proprietary funds, when restricted, and unrestricted net positions are combined in a fund, qualified expenses are paid first from restricted, as appropriate, and then unrestricted net positions. Qualified expenses reduce the appropriate net positions when the expenses are incurred.

**Fiduciary Fund**

The agency fund reports only assets and liabilities; therefore, it does not have a measurement focus. However, it uses the accrual basis of accounting to recognize receivables and payables.



**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Bases of Presentation**

GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category and the governmental and proprietary combined) for the determination of major funds. The County has elected to use GASB 34 minimum criteria for major fund determination.

The nonmajor funds are combined in a column titled, Other Governmental Funds. The details of the nonmajor funds are listed in the combining section under supplemental information.

**1. Governmental Major Funds**

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial activity not accounted for in another fund.

Transportation Trust Fund – The Transportation Trust Fund accounts for the operations of the road and bridge and engineering departments. Financing is provided primarily by gas taxes. The Transportation Trust Fund did not meet the GASB 34 minimum criteria for major fund determination for fiscal year 2018. However, the County elected this fund to be a major fund to enhance consistency from the prior fiscal year.

Fine and Forfeiture Fund – The Fine and Forfeiture Fund accounts for law enforcement and court-related projects that are funded by ad valorem taxes, fines, filing fees, and proceeds from confiscated property.

Port Fund – The Port Fund is used to account for Special Assessments, Federal and State grants used for Port development.

Erosion Control Fund – The Erosion Control Fund is used to account for ad valorem taxes restricted to erosion control operations, maintenance and construction. The Erosion Control Fund did not meet the GASB 34 minimum criteria for major fund determination for fiscal year 2018. However, the County elected this fund to be a major fund.

Impact Fee Fund – The Impact Fee Fund is used to account for impact fees used for parks, libraries, public buildings and correctional buildings.

Sports Complex Capital Projects Fund – The Sports Complex Capital Projects Fund accounts for debt proceeds used to acquire and construct the improvements to the St. Lucie County Sports Complex.

**2. Proprietary Major Funds**

Bailing & Recycling Facility Fund – The Bailing & Recycling Facility Fund provides funding to operate the County's landfills, a recycling division and the hazardous waste division. In addition, estimated costs of closure and long-term care of the landfill operations are included in this fund.

Water & Sewer District Fund – The Water & Sewer District Fund accounts for the operation of a water and sewer facility for certain residents in various sections of the County.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Bases of Presentation (Continued)**

**3. Other Fund Types**

Internal Service Fund – The Internal Service Fund accounts for the payment of countywide health and property and casualty liability insurances. Funding is provided by user charges to the various departments of the Board and Constitutional Officers (except the Sheriff).

Fiduciary Funds – The Agency Funds are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as Constitutional Officer investments, public law library funds, certain sales tax revenues, various Municipal Service Benefit Units (MSBU), cash bonds, traffic fines, motor vehicle fees, ad valorem taxes, delinquent taxes, and process serving within the County.

**4. Non-current Governmental Assets/Liabilities**

GASB Statement 34 requires non-current governmental assets (such as land, buildings, and improvements) and non-current governmental liabilities (such as general obligation bonds and capital leases) to be reported in the governmental activities column in the government-wide Statement of Net Position.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

**1. Cash and Investments**

The County maintains a cash and investment pool that is available for use by all funds. Earnings from the pooled investments are allocated to the respective funds based on applicable cash participation by each fund. The investment pool is managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts. Therefore, all balances representing participants' equity in the investment pool are classified as cash and investments for financial statement purposes. For the statement of cash flows, the County considers cash and investments to include the Local Government Surplus Funds Trust Fund (Florida State Board of Administration) and the Florida Local Government Investment Trust Fund.

In accordance with Sections 125.31 and 218.415, Florida Statutes, and the Board's investment policy, the Board is authorized to invest in negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, obligations of US corporations, commercial papers, the State Investment Pool, Florida Local Government Investment Trust, nonnegotiable interest-bearing time certificates of deposit, money market accounts, repurchase agreements, equities and mutual funds. All investments are reported at fair value.

**2. Restricted Assets**

Certain assets of the County are classified as restricted assets on the Statement of Net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors, or laws or regulations of other governments.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)**

**3. Interfund Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”. Long term lending/borrowing arrangements between funds are classified as advances. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

**4. Inventories**

Inventories of supplies in the special revenue funds are recognized as expenditures at the time of purchase. Inventories on hand are recorded at cost on a first in-first out or weighted average basis. In addition, a corresponding entry is made for a non-spendable fund balance. Inventories in the proprietary fund types are recorded at cost using the weighted average method and recognized as expenses as they are consumed.

**5. Prepaid Insurance**

Normal operating prepaid insurance is expensed when paid. Prepaid bond insurance is capitalized as prepaid insurance and amortized over the life of the bonds.

**6. Capital Assets**

Capital assets, which include land, buildings, improvements, equipment and construction in progress, are reported in the applicable governmental or business-type activities column.

The County defines software and equipment as capital assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. In addition, the County defines land, building, infrastructure, and improvements other than buildings as capital assets with an initial cost of \$25,000 or more and an estimated useful life in excess of one year. The valuation basis for all assets is historical cost.

Donated capital assets are recorded at acquisition value at the date of the donation. The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend its useful life, are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of assets constructed.

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 7-39 years; improvements, 5-50 years; and equipment, 2-10 years.

The County holds legal title to the capital assets (except the equipment of the Sheriff) used in the operation of the Board, Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector, and is accountable for them under Florida Law. The Sheriff holds legal title to the equipment used in its operations and is accountable for them under Florida law.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)**

**7. Pensions**

In the government-wide statement of net position, liabilities are recognized for the County's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and the HIS fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, defined benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

**8. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represent a consumption of net position/fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred amount on refunding and deferred outflows related to the pension plan and other post-employment benefits (OPEB) are reported on the Statement of Net Position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows related to the pension plan represents the County's share of the FRS (Florida Retirement System) and HIS (Health Insurance subsidy) pension liabilities. Deferred outflows related to OPEB represent the County's liability for OPEB to be recognized in future years.

Deferred inflows of resources represent an acquisition of net position/fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The unavailable revenues are reported only in the governmental funds balance sheet. The sources of the unavailable revenues are special assessments on road paving, utility projects and grant reimbursements. This amount is deferred and recognized as revenues in the period the amounts become available. The deferred inflows related to the pension plan represents the County's share of the FRS and HIS pension inflows of resources to be recognized in future years. Deferred inflows related to OPEB represent the County's OPEB inflows of resources to be recognized in future years.

**9. Unamortized Bond Discounts and Premiums**

Proprietary fund revenue bond discounts and premiums are presented on the government-wide and fund financial statements. The costs are amortized over the life of the bonds using the appropriate method of accounting. For financial reporting, the unamortized bond discounts and premiums are netted against the applicable long-term debt. The governmental fund bond discounts and premiums are presented on the government-wide financial statements. The costs are amortized over the life of the bonds using the appropriate method of accounting. For financial reporting, the unamortized bond discounts and premiums are netted against the applicable long-term debt.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (Continued)**

**10. Unearned Revenues**

Unearned revenues reported in government-wide financial statements will be recognized as revenues in the fiscal year they are earned in accordance with the accrual basis of accounting.

**11. Accrued Compensated Absences**

The County accrues unused portions of vacation pay and comp time in the period the fund liability is incurred. As permitted by Governmental Accounting Standards Board Statement No. 16, the vesting method is used to accrue the sick leave liability. The liability is based on the sick leave accumulated at year-end by those employees who are currently eligible to receive termination payments as well as other employees who are expected to become eligible to receive such payments.

Even though the County has appropriated, accumulated and earmarked expendable available fund resources for these amounts, the portion not normally expected to be liquidated with expendable available financial resources is not reported as a fund liability (in accordance with Interpretation No. 6 of the Governmental Accounting Standards Board – Recognition and Measurement of Certain Liabilities and Expenditures) in governmental fund financial statements. The accrued compensated absence liabilities payable from available resources are recognized as expenditures in governmental funds if they have matured.

**12. Obligation for Bond Arbitrage Rebate**

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. This approach treats the rebate as an expense when it is actually payable to the federal government.

**13. Landfill Closure Costs**

Under the terms of current state and federal regulations, the Bailing & Recycling Facility is required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of up to 30 years after closure. The Bailing & Recycling Facility recognizes these costs of closure and post-closure maintenance over the active life of each landfill area, based on landfill capacity used during the period. Required obligations for closure and post-closure costs are recognized in the Bailing & Recycling Facility Fund.

**14. Indirect Costs**

The County utilizes a pre-determined automatic indirect costs distribution formula to distribute its annual indirect costs. Certain indirect costs are included in the program expense reported for individual functions and activities.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Budgets**

Pursuant to Section 129.03, Florida Statutes, budgets are prepared and adopted for the Board after public hearings for the governmental funds, in accordance with Section 200.65, Florida Statutes. The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 Florida Statutes. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and Property Appraiser included in the General Fund. The Florida Court Clerk Operations Corporation has the final authority on the court related operating budget for the Clerk of the Circuit Court included in the general fund.

The County utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general, special revenue, debt service and capital projects funds. The legal level of budgetary control is at the fund level. As a result, deficits in the budget columns of the accompanying financial statements may occur in individual expenditure line items.

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position**

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. "Total fund balances" of the County's governmental funds (\$191,948,494) differs from "net position" of governmental activities (\$513,924,068) reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet. The effect of the differences is illustrated below.

Capital related items

When capital assets (land, building and improvements, equipment, and construction in progress) that are to be used in the governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net position included those capital assets among the assets of the County as a whole.

Cost of capital assets	\$	965,665,270
Less: Accumulated depreciation		(318,605,509)
Total		\$ 647,059,761

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)**

**A. Explanation of Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)**

Other post-employment benefits/net pension liability

Accrued other post-employment benefits are not financial uses, and therefore, are not reported in the funds.

Other post-employment benefits	\$ (60,645,786)
Net pension liability	(128,378,847)
Total	\$ (189,024,633)

Long-term debt transactions

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported in the funds. Balances at September 30, 2018 were:

Bonds payable	\$ (122,201,491)
Notes payable	(34,513,618)
Special assessment bonds	(3,153,223)
Capital lease payable	(18,458,422)
Compensated absences	(16,675,406)
Total	\$ (195,002,160)

Bond premiums

Certain premiums are reflected net of accumulated amortization in the notes and bonds payable in the statement of net position.

Bond premiums	\$ (11,901,335)
Less: accumulated amortization expense	623,173
Total	\$ (11,278,162)

Accrued interest

Accrued interest is not a current financial use, and therefore, is not reported in governmental funds.

Bonds interest payable	\$ (503,108)
Notes Payable	(162,526)
Capital leases interest payable	(337,277)
Total	\$ (1,002,911)

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)**

**A. Explanation of Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)**

Deferred inflows of resources

Unavailable revenues:

Governmental fund financial statements report unearned revenues or revenues which are measurable but not available as deferred inflows of resources - unavailable revenues. However, unavailable revenues in governmental funds are susceptible to full accrual on the government-wide financial statements.

Unearned revenues	<u>\$ 3,611,940</u>
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Deferred inflows related to the pension:

This represents the County's share of the FRS and HIS pension liabilities. It is an acquisition of net position by the County that is applicable to a future reporting period, and therefore, is not reported in governmental funds.

Deferred inflows related to pension plan	<u>\$ (12,153,690)</u>
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Deferred inflows related to other post-employment benefits:

This represents the County's other post-employment benefits liabilities that is applicable to a future reporting period, and therefore, is not reported in governmental funds.

Deferred inflows related to other post-employment benefits	<u>\$ (3,100,586)</u>
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Deferred outflows of resources

Deferred outflows related to the pension:

This represents the County's share of the FRS and HIS pension liabilities. It is a consumption of net position by the County that is applicable to a future reporting period and therefore, is not reported in governmental funds.

Deferred outflows related to the pension plan	<u>\$ 56,335,522</u>
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Deferred outflows related to other post-employment benefits:

This represents the County's post-employment benefits liabilities. It is a consumption of net position by the County that is applicable to a future reporting period and therefore, is not reported in governmental funds.

Deferred outflows related to other post-employment benefits	<u>\$ 1,968,859</u>
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**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)**

**A. Explanation of Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position (Continued)**

Deferred amount on refunding:

The deferred amount on refunding of bonds, net of accumulated amortization, is reflected in the deferred outflows of resources in the statement of net position.

Deferred amount on refunding	\$	2,750,804
Less: Accumulated amortization expense		<u>(261,723)</u>
Total	\$	<u>2,489,081</u>

Accrued grant revenues

Some grant revenues are not recognized in the current period because the resources are not available; however, these amounts are reflected as revenues at the government-wide level, and therefore, deferred inflows are no longer applicable.

Accrued grant revenues	\$	<u>9,153,165</u>
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Internal service fund

Management uses the internal service fund to charge the costs of insurance activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position because they serve the governmental activities of the County.

Internal service fund net position	\$	<u>12,919,388</u>
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Elimination of interfund receivable/payable

Interfund receivables and payables in the amount of \$3,695,166 between governmental activities have been eliminated for the statement of net position.

**B. Explanation of Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities**

The “net change in fund balances” for governmental funds (a decrease of \$15,664,248) differs from the “change in net position” for governmental activities (a decrease of \$1,325,028) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)**

**B. Explanation of Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)**

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decrease by the amount of depreciation charged for the year.

Capital outlay	\$ 61,236,542
Depreciation	<u>(22,033,539)</u>
Difference	<u>\$ 39,203,003</u>

In the statement of activities, the gain and loss on the disposal of capital assets are reported. However, in the governmental funds, only the proceeds from those sales increase financial resources.

Net gain on disposal of capital assets	<u>\$ 90,023</u>
----------------------------------------	------------------

In the statement of activities, the capital assets contributions are reported as program revenues. However, in the governmental funds, this type of activity is not reported because of the current financial resources focus.

Capital asset contribution from private sources	<u>\$ 1,022,352</u>
-------------------------------------------------	---------------------

Long-term debt transactions

Debt proceeds provide current financial resources to governmental funds, but debt increases long-term liabilities in the statement of net position.

Issuance of long-term debt	<u>\$ (30,180,513)</u>
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Repayments of bond principal, note principal, and capital lease principal are reported as expenditures in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. However, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities.

Bond principal payments made	\$ 5,142,982
Note principal payments made	5,816,085
Capital lease principal payments made	<u>1,020,358</u>
Total	<u>\$ 11,979,425</u>

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)**

**B. Explanation of Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)**

Some expenses reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Net change in compensated absences	\$ (1,414,977)
Net change in accrued interest expense	(139,809)
Amortization of bond premiums	623,173
Amortization of deferred amount on refunding	(261,723)
Net change in other post-employment benefits	(2,798,291)
Net change in net pension liability	<u>(10,189,759)</u>
Net adjustment	<u>\$ (14,181,386)</u>

Accrued grant revenues

Some grant revenues are not recognized in the current period because the resources are not available; therefore, these revenues are not reported in the fund financial statements. The amount listed below is the net of the prior and current fiscal years and is included in the statement of activities.

Net change in accrued grant revenues	<u>\$ 6,284,205</u>
--------------------------------------	---------------------

Assessment revenues

Governmental funds report initial special assessments as unearned revenues. Revenues are recognized when they are collected. However, in the statement of activities, initial special assessments are set up as receivables and recognized as program revenues. This is the net amount collected in fiscal year 2018.

Assessment revenues	<u>\$ 104,965</u>
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Assessment receivable write off

Governmental funds assessment receivable write off requires a reduction in assessment receivable and a reduction in unearned revenues. However, in the statement of activities, the entire write off amount is expensed.

Assessment revenues	<u>\$ (781,326)</u>
---------------------	---------------------

Change in inventories

The change in inventories is reflected as a reduction to fund balance at the fund level. However, in the statement of activities, it is recognized as an expense.

Change in inventories	<u>\$ (96,578)</u>
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**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(CONTINUED)**

**B. Explanation of Differences Between the Governmental Fund Statement of Revenues,  
Expenditures, and Changes in Fund Balances and the Government-wide Statement of  
Activities (Continued)**

Internal service fund change in net position

The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position because they primarily serve governmental activities of the County. The change in net position is reported with governmental activities on the statement of activities.

Internal service fund change in net position	\$	<u>895,050</u>
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Reclassification and eliminations

Transfers in and transfers out in the amount of \$81,864,928 between governmental activities are eliminated in the government-wide financial statements.

**NOTE 3 – CASH AND INVESTMENTS**

The County maintains a cash and investment pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions.

**A. Deposits**

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments. The carrying amount of these deposits at September 30, 2018 was \$21,040,450 and the bank balance was \$25,670,190. All the deposits were covered by the Federal Deposit Insurance Corporation (FDIC) or collateralized in accordance with the "Florida Security for Public Deposits Act". Under the Act, every qualified public depository shall deposit with the State Treasurer eligible collateral having a market value equal to a percentage of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. The collateral percentage ranges from 25% to 200%, depending on the credibility of the qualified public depository.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**B. Investments**

Section 218.415, Florida Statutes, the County's Investment Policy, and various bond covenants authorize permitted investments, asset allocation limits and issuer limits, credit ratings requirements and maturity limits to protect the County's cash and investment assets. The permitted investments include the following:

- Certificates of deposit
- Money market accounts
- Savings accounts
- 2 year Repurchase agreements
- Intergovernmental Investment Pool rated "AAAm" by Standard & Poor's or the equivalent by another nationally recognized self-regulatory organization for a stable Net Asset Value (NAV) fund.
- Obligations of the U.S. Government
- Obligations of government agencies unconditionally guaranteed by the U.S. Government
- Obligations of the Federal Farm Credit Banks
- Obligations of the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates
- Obligations of the Federal Home Loan Bank
- Obligations of the Government National Mortgage Association
- Obligations of the Federal National Mortgage Association
- Obligations or Notes of U.S. corporations with at least two of the following three minimum ratings: A- by Standard and Poor's, A3 by Moody's, or A- by Fitch
- Commercial paper of any United States company that is rated, at the time of purchase, Prime-1 by Moody's and A-1 by Standard & Poor's (prime commercial paper). If the commercial paper is backed by a letter of credit (LOC), the long-term debt of the LOC provider must be rated A or better by at least two nationally recognized rating agencies
- Securities of any management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss.80a-1 et seq., provided the portfolio is limited to U.S. Government obligations and to repurchase agreements fully collateralized by U.S. Government obligations
- Supranational Agencies issued by multilateral organization of governments of which the U.S. is a shareholder and voting member, and are denominated in U.S. dollars
- Asset-Backed Securities (ABS) that is rated, at the time of purchase, AAA by at least two nationally recognized rating agencies. ABS is limited to auto loans, auto leases, credit cards, rate reduction bonds, equipment trusts, and cell phone receivables.
- Equities, shares in open-end and no-load equity and/or fixed-income mutual funds and exchange-traded funds (ETFs)

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

At September 30, 2018, the County had the following investments and effective duration presented in terms of years:

Investment Type	Fair Value	Investment Maturity (Year)		
		Less Than 1	From 1-3	From 4-6
United States Treasuries	\$ 62,491,448	\$ 1,239,400	\$45,728,493	\$ 15,523,555
United States Agencies	36,635,307	7,701,504	21,096,442	7,837,361
Supranational Agencies	14,143,265	2,656,022	6,699,403	4,787,840
Corporate Obligations	36,689,804	4,361,523	20,426,203	11,902,078
Asset-Backed Securities	4,707,270	1,112,341	1,825,663	1,769,266
Equities	10,761,989	10,761,989	-	-
Exchange Traded Funds	2,095,530	2,095,530	-	-
Florida Trust Day to Day Fund	3,104,627	3,104,627	-	-
Florida Class - General	17,607,626	17,607,626	-	-
Florida Class - Non-Ad Valorem Revenue Bonds, Series 2017, Sports Complex Project Reserve	52,071,885	52,071,885	-	-
Florida Prime	2,761,121	2,761,121	-	-
Florida Fixed Income Trust Cash Pool	10,256,377	10,256,377	-	-
Mutual Fund Money Market	1,265,621	1,265,621	-	-
Bank Owned Money Market	31,505	31,505	-	-
Total	<u>\$254,623,375</u>	<u>\$117,027,071</u>	<u>\$95,776,204</u>	<u>\$41,820,100</u>

Investment holdings consist of \$62,491,448 in direct obligations of the United States Treasury Securities, \$36,635,307 in direct debt issued by agencies of the U.S. Government which are backed by the full faith and credit of the United States, \$14,143,265 in debt issued by multilateral organization of governments of which the U.S is a shareholder, \$36,689,804 in Corporate Obligations, \$4,707,207 in Asset Backed Securities, and \$12,857,519 in equities and ETFs. These types of investment are reported at fair value in accordance with GASB Statement No.31 “Accounting and Financial Reporting for certain Investments and for External Investment Pools”. These investments are held in trust by US Bank, a depository, in the County’s name.

Investments are reported at fair value based on the average price obtained from an independent source.

The County categorizes its fair value measurements within the fair value hierarchy established by the GASB Statement 72 - Fair Value Measurement and Application. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The County uses a market approach in measuring fair value that uses process and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining prices for identical or similar assets or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that uses the best information available under the circumstances. Based on the criteria in the preceding paragraph, the investments listed above are all Level 1 assets except the Florida Trust, Florida Class, Florida Prime, Florida Fixed Income Trust and certificate of deposits. Florida Trust, Florida Class, Florida Prime and Florida Fixed Income Trust are 2a7-like external investment pools. They are measured at the net asset value per share determined by the pool. Certificate of deposits are interest bearing investment contracts with banking institutions and secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes.

Interest receivable on the County's investment portfolios amounted to \$741,072 as of September 30, 2018. The amount recorded in the Statement of Net Position was \$724,099 and \$16,973 was recorded in the Agency Fund.

**1. Interest Rate Risk**

The County's investment policy limits interest rate risk by attempting to match investment maturities with known cash needs and anticipated cash flow requirements. In an effort to minimize interest rate risk, the County's investment policy requires that no individual security can have a maturity greater than five and one-half years.

**2. Credit Risk**

Authorized investments include only those securities with the highest credit ratings. The money market funds are rated AAAM by Standard & Poors. The Florida Trust Day to Day Fund, Florida Class and Florida Prime have an investment rating of AAAM by Standard & Poors. The Florida Fixed Income Trust Cash has an investment rating of AAf/S1. The U.S. Treasuries and the Agencies are rated AA+ by Standard & Poor's and Aaa by Moody's Investor Services. Two exceptions are Corporate Obligations and Commercial Papers. Corporate Obligations are rated with at least two of the following three minimum ratings: A- by Standard and Poor's, A3 by Moody's, or A- by Fitch at the time of purchase. Commercial Papers are rated with A-1 by Standard and Poor's or Prime-1 by Moody's at the time of purchase.

**3. Custodial Credit Risk**

The County's investment policy pursuant to Section 218.415(18), Florida Statutes requires that securities, with the exception of certificates of deposits, Florida Trust, Florida Prime and money market accounts shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the Board should be properly designated as an asset of the Board. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States, which is authorized to accept and execute trusts and which is doing business in the State of Florida.

As of September 30, 2018, the County's investments were held with a third-party custodian as required by the County's investment policy.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

**4. Concentration of Credit risk**

The County's investment policy has established asset allocation and issuer limits on the investments, which are designed to reduce concentration of credit risk of the County's investment portfolio.

Authorized Investment - Sector Type	Maximum Allocation	Individual Issuer Limit	Maximum Length to Maturity
Intergovernmental Investment Pool	40%	25%	N/A
Certificates of Deposit	40%	10%	2 years
Treasuries	75%	N/A	5.5 years
United States Government Agencies	50%	25%	5.5 years
Federal Instrumentalities (United States Government Sponsored Agencies)	50%	25%	5.5 years
Repurchase Agreement	10%	10%	1 year
Money Market Funds	80%	25%	N/A
Corporate Obligations or Corporate Notes	25%	5%	5 years
Commercial Paper	25%	5%	270 days
Supranational Agencies	25%	10%	5.5 years
Asset-Backed Securities	10%	3%	5.5 years
Equities and ETFs	10%	N/A	N/A

As of September 30, 2018, all the County's investments were below the maximum allowed limits and the County had the following issuer concentrations based on fair value:

Issuer	Amounty	Percentage of Portfolio
United States Treasuries	\$ 62,491,448	24.54%
United States Agencies	36,635,307	14.39%
Supranational Agencies	14,143,265	5.55%
Corporate Obligations	36,689,804	14.41%
Asset-Backed Securities	4,707,270	1.85%
Equities	10,761,989	4.23%
Exchange Traded Funds	2,095,530	0.82%
Florida Trust Day to Day Fund	3,104,627	1.22%
Florida Class - General Operating	17,607,626	6.92%
Florida Class - Non-Ad Valorem Revenue Bonds, Series 2017, Sports Complex Project Reserve	52,071,885	20.45%
Florida Prime	2,761,121	1.08%
Florida Fixed Income Trust Cash Pool	10,256,377	4.03%
Mutual Fund Money Market	1,265,621	0.50%
Bank Owned Money Market	31,505	0.01%
Total	<u>\$ 254,623,375</u>	<u>100.00%</u>



**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 4 – PROPERTY TAX REVENUES**

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2017-2018 fiscal year were levied in October 2017. All taxes are due and payable on November 1 or as soon as the assessments roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year end.

**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2018, was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases &amp; Transfers In</u>	<u>Decreases &amp; Transfers Out</u>	<u>Ending Balance</u>
<b><u>Governmental fund:</u></b>				
Capital assets, not depreciated:				
Land	\$ 161,686,276	\$ 26,252,214	\$ -	\$ 187,938,490
Construction in progress	24,848,036	22,134,667	(4,777,286)	42,205,417
Total capital assets, not depreciated	<u>186,534,312</u>	<u>48,386,881</u>	<u>(4,777,286)</u>	<u>230,143,907</u>
Capital assets, depreciated:				
Buildings	221,343,039	5,406,995	-	226,750,034
Improvements	399,704,468	4,905,533	-	404,610,001
Equipment	98,484,303	8,511,857	(2,834,832)	104,161,328
Total capital assets, depreciated	<u>719,531,810</u>	<u>18,824,385</u>	<u>(2,834,832)</u>	<u>735,521,363</u>
Less accumulated depreciation for:				
Buildings	(96,589,523)	(5,781,009)	-	(102,370,532)
Improvements	(131,629,090)	(9,173,149)	-	(140,802,239)
Equipment	(71,103,325)	(7,079,381)	2,749,968	(75,432,738)
Total accumulated depreciation	<u>(299,321,938)</u>	<u>(22,033,539)</u>	<u>2,749,968</u>	<u>(318,605,509)</u>
Total capital assets depreciated, net	<u>420,209,872</u>	<u>(3,209,154)</u>	<u>(84,864)</u>	<u>416,915,854</u>
Government Activities capital assets, net	<u>\$ 606,744,184</u>	<u>\$ 45,177,727</u>	<u>\$ (4,862,150)</u>	<u>\$ 647,059,761</u>
<b><u>Internal service fund:</u></b>				
Capital assets, depreciated:				
Buildings	\$ 216,388	\$ -	\$ -	\$ 216,388
Equipment	207,661	75,287	(3,184)	279,764
Total capital assets, depreciated	<u>424,049</u>	<u>75,287</u>	<u>(3,184)</u>	<u>496,152</u>
Less accumulated depreciation for:				
Buildings	(33,290)	(5,549)	-	(38,839)
Equipment	(96,432)	(18,215)	3,184	(111,463)
Total accumulated depreciation	<u>(129,722)</u>	<u>(23,764)</u>	<u>3,184</u>	<u>(150,302)</u>
Total capital assets depreciated, net	<u>294,327</u>	<u>51,523</u>	<u>-</u>	<u>345,850</u>
Internal service fund capital assets, net	<u>\$ 294,327</u>	<u>\$ 51,523</u>	<u>\$ -</u>	<u>\$ 345,850</u>

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 5 – CAPITAL ASSETS (CONTINUED)**

Depreciation was charged to the following functions:

Governmental Activities:	
General Government	\$ 3,798,882
Public Safety	4,675,112
Physical Environment	996,163
Transportation	5,680,360
Human Services	1,850,842
Culture/Recreation	3,368,843
Court Related	1,663,337
Total Governmental Activities Depreciation Expense	<u>\$ 22,033,539</u>

	<u>Beginning Balance</u>	<u>Increases &amp; Transfers In</u>	<u>Decreases &amp; Transfers Out</u>	<u>Ending Balance</u>
<b><u>Business-Type Activities:</u></b>				
Capital assets, not depreciated:				
Land	\$ 10,356,397	\$ -	\$ -	\$ 10,356,397
Construction in progress	2,710,657	2,255,704	(2,050,986)	2,915,375
Total capital assets, not depreciated	<u>13,067,054</u>	<u>2,255,704</u>	<u>(2,050,986)</u>	<u>13,271,772</u>
Capital assets, depreciated:				
Buildings	41,126,703	-	-	41,126,703
Improvements	70,831,996	10,338,240	-	81,170,236
Equipment	20,158,239	1,217,533	(309,390)	21,066,382
Total capital assets, depreciated	<u>132,116,938</u>	<u>11,555,773</u>	<u>(309,390)</u>	<u>143,363,321</u>
Less accumulated depreciation for:				
Buildings	(23,448,019)	(1,299,905)	-	(24,747,924)
Improvements	(36,530,415)	(1,803,509)	-	(38,333,924)
Equipment	(9,958,496)	(1,385,296)	309,390	(11,034,402)
Total accumulated depreciation	<u>(69,936,930)</u>	<u>(4,488,710)</u>	<u>309,390</u>	<u>(74,116,250)</u>
Total capital assets depreciated, net	<u>62,180,008</u>	<u>7,067,063</u>	<u>-</u>	<u>69,247,071</u>
Business-Type activities capital assets, net	<u>\$ 75,247,062</u>	<u>\$ 9,322,767</u>	<u>\$ (2,050,986)</u>	<u>\$ 82,518,843</u>

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 5 – CAPITAL ASSETS (CONTINUED)**

Depreciation was charged to the following functions:

<u>Business-Type Activities:</u>	
Bailing & Recycling Facility	\$2,352,657
Water and Sewer	2,081,833
Golf Course	54,218
Total Business-Type Activities Depreciation Expense	<u>\$4,488,708</u>

**NOTE 6 – RESTRICTED CASH AND INVESTMENTS**

Various bond covenants, resolutions and state regulations require that the County restrict cash and investments. Restricted cash and investments are as follows:

<u>Assets</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>			<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Bailing &amp; Recycling Facility</u>	<u>Water &amp; Sewer District</u>	<u>Nonmajor Enterprise Funds</u>	
Landfill closing costs	\$ -	\$ -	\$1,971,633	\$ -	\$ -	\$1,971,633
C&D Processing Facility	-	-	2,975	-	-	2,975
Customer deposits	1,229,832	12,518	209,850	245,937	2,000	1,700,137
Renewal and replacement	-	-	-	772,438	-	772,438
Total	<u>\$1,229,832</u>	<u>\$ 12,518</u>	<u>\$2,184,458</u>	<u>\$1,018,375</u>	<u>\$ 2,000</u>	<u>\$4,447,183</u>

Liabilities payable from restricted assets are as follows:

<u>Assets</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>			<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Bailing &amp; Recycling Facility</u>	<u>Water &amp; Sewer District</u>	<u>Nonmajor Enterprise Funds</u>	
Landfill closing costs	\$ -	\$ -	\$1,971,633	\$ -	\$ -	\$1,971,633
C&D Processing Facility	-	-	2,975	-	-	2,975
Customer deposits	1,229,832	12,518	209,850	245,937	2,000	1,700,137
Total	<u>\$1,229,832</u>	<u>\$ 12,518</u>	<u>\$2,184,458</u>	<u>\$ 245,937</u>	<u>\$ 2,000</u>	<u>\$3,674,745</u>

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 7 – INTERFUND BALANCES**

Interfund balances at September 30, 2018, consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>		<u>Total</u>
	General Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 2,221,057	\$2,221,057
Transportation Trust Fund	826	-	826
Fine and Forfeiture Fund	696,237	-	696,237
Port Fund	115	-	115
Erosion Control Fund	13,199	-	13,199
Nonmajor Governmental Funds	479,400	284,332	763,732
Total	<u>\$1,189,777</u>	<u>\$ 2,505,389</u>	<u>\$3,695,166</u>

The General Fund due to other funds total balance represents the excess fees from the Property Appraiser, Tax Collector and Sheriff to special revenue funds, which are expected to be paid within 31 days after the fiscal year end as required by Florida Statutes. The General Fund due from the nonmajor governmental funds represents temporary cash flow loans, which are expected to be repaid within 45 days after the fiscal year end.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 8 – INTERFUND TRANSFERS**

Interfund transfers for the year ended September 30, 2018, consisted of the following:

	Transfers In:						Total
	General Fund	Transportation Trust Fund	Fine and Forfeiture Fund	Port Fund	Erosion Control Fund	Nonmajor Governmental Funds	
<b>Transfers Out:</b>							
General Fund	\$ -	\$ 456,490	\$ 200,000	\$ 542,298	\$ 50,000	\$ 8,763,052	\$10,011,840
Transportation Trust Fund	536	-	-	-	-	119,228	119,764
Fine and Forfeiture Fund	57,935,962	-	-	-	-	1,155,911	59,091,873
Port Fund	301	-	-	-	-	-	301
Erosion Fund	252,417	-	-	-	-	-	252,417
Impact Fees Fund	-	-	-	-	-	689,152	689,152
Sports Complex Capital Projects Fund	-	-	-	-	-	160,432	160,432
Nonmajor Governmental Funds	2,672,510	41,500	6,928,512	-	-	1,896,627	11,539,149
Bailing & Recycling Facility Fund	615,907	-	260,000	-	-	-	875,907
<b>Total</b>	<u>\$61,477,633</u>	<u>\$ 497,990</u>	<u>\$ 7,388,512</u>	<u>\$ 542,298</u>	<u>\$ 50,000</u>	<u>\$12,784,402</u>	<u>\$82,740,835</u>

Transfers are used to 1) move revenues from the fund that is required to collect them by Florida Statutes and/or budgetary requirements to the fund that is required to expend them by those requirements, including amounts provided as matching funds for various programs, and 2) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 9 – RECEIVABLES, PAYABLES, AND ADVANCES**

**A. Accounts Receivable**

Accounts receivable at September 30, 2018, were as follows:

<b><u>Governmental Funds:</u></b>	<b><u>Customer</u></b>	<b><u>Miscellaneous</u></b>	<b><u>Total</u></b>
General Fund	\$ 447,292	\$ 173,783	\$ 621,075
Transportation Trust Fund	40,688	-	40,688
Fine and Forfeiture Fund	20,648	-	20,648
Port Fund	9,209	-	9,209
Erosion Control Fund	145,774	-	145,774
Impact Fee Fund	-	730,406	730,406
Other governmental funds	12,505	1,150,875	1,163,380
Total governmental funds	<u>\$ 676,116</u>	<u>\$ 2,055,064</u>	<u>\$ 2,731,180</u>
<b><u>Proprietary Funds:</u></b>	<b><u>Customer</u></b>	<b><u>Miscellaneous</u></b>	<b><u>Total</u></b>
Bailing & Recycling Facility Fund	\$ 929,083	\$ -	\$ 929,083
Water & Sewer District Fund	669,963	-	669,963
Nonmajor enterprise funds	850	-	850
Total enterprise funds	<u>\$ 1,599,896</u>	<u>\$ -</u>	<u>\$ 1,599,896</u>
Internal Service Fund	222,008	-	222,008
Total proprietary funds	<u>\$ 1,821,904</u>	<u>\$ -</u>	<u>\$ 1,821,904</u>
<b><u>Fiduciary Funds:</u></b>			
Agency fund	<u>\$ -</u>	<u>\$ 4,888</u>	<u>\$ 4,888</u>

**B. Special Assessments Receivable**

Special assessments receivable at September 30, 2018 were as follows:

General Fund - Special Lighting District	\$ 5,053
Nonmajor governmental funds	3,611,940
Total	<u>\$ 3,616,993</u>

The receivables for the non major funds (SLC Sustainability District and North Lennard Road) have been reported as Deferred Inflows (Unavailable Revenues) on the Governmental Funds Balance Sheet.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 9 – RECEIVABLES, PAYABLES, AND ADVANCES (CONTINUED)**

**C. Payables**

Payables at September 30, 2018, were as follows:

	<b>Accounts Payable and Other Current Liabilities</b>			
	<b>Vendors</b>	<b>Retainage</b>	<b>Accrued Salaries and Benefits</b>	<b>Total</b>
<b><u>Governmental funds:</u></b>				
General Fund	\$ 5,125,880	\$ 140,768	\$ 2,731,293	\$ 7,997,941
Transportation Trust Fund	419,292	-	146,527	565,819
Fine and Forfeiture Fund	829,940	-	223,023	1,052,963
Port Fund	57,952	149,132	7,435	214,519
Erosion Control Fund	187,792	-	9,180	196,972
Impact Fee Fund	660,695	1,032,802	-	1,693,497
Sports Complex Capital Projects Fund	267,135	-	-	267,135
Other governmental funds	4,546,118	859,314	223,246	5,628,678
Total governmental funds	<u>\$12,094,804</u>	<u>\$2,182,016</u>	<u>\$ 3,340,704</u>	<u>\$17,617,524</u>
<b><u>Proprietary funds:</u></b>				
Enterprise funds	<b>Vendors</b>	<b>Retainage</b>	<b>Accrued Salaries and Benefits</b>	<b>Total</b>
Bailing & Recycling Facility Fund	\$ 1,876,101	\$ 315,286	\$ 91,818	\$ 2,283,205
Water & Sewer District Fund	1,460,737	215,430	17,618	1,693,785
Nonmajor enterprise funds	54,607	-	72,617	127,224
Total enterprise funds	<u>\$ 3,391,445</u>	<u>\$ 530,716</u>	<u>\$ 182,053</u>	<u>\$ 4,104,214</u>
Internal Service Fund	3,149,942	-	8,085	3,158,027
Total proprietary funds	<u>\$ 6,541,387</u>	<u>\$ 530,716</u>	<u>\$ 190,138</u>	<u>\$ 7,262,241</u>
<b><u>Fiduciary Funds:</u></b>				
Agency fund	<u>\$ 356,076</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 356,076</u>

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 9 – RECEIVABLES, PAYABLES, AND ADVANCES (CONTINUED)**

**D. Deposits Payable**

Deposits payable at September 30, 2018, were as follows:

	Rental Deposits	Vendor Security Deposits	Customer Deposits	Total Deposits
<b><u>Governmental Funds:</u></b>				
General Fund	\$ 1,199,507	\$ 25,500	\$ 4,825	\$ 1,229,832
Other governmental funds	12,518	-	-	12,518
Total governmental funds	<u>\$ 1,212,025</u>	<u>\$ 25,500</u>	<u>\$ 4,825</u>	<u>\$ 1,242,350</u>
<b><u>Proprietary Funds:</u></b>				
Bailing & Recycling Facility Fund	\$ -	\$ -	\$ 209,850	\$ 209,850
Water & Sewer District Fund	-	-	245,937	245,937
Nonmajor enterprise funds	2,000	-	-	2,000
Total proprietary funds	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 455,787</u>	<u>\$ 457,787</u>
<b><u>Fiduciary Funds:</u></b>				
Agency fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 421,371</u>	<u>\$ 421,371</u>

**E. Claims Payable**

Claims payable, \$562,000, represents actuarially determined health insurance claims incurred but not yet reported at year end in the Internal Service Fund and are expected to be paid within one year.

**F. Advances**

In 2018, the County approved a write off of an advance from the General Fund to the Golf Course Fund of \$82,500. The amount had accumulated over the past year and was not reasonably expected to be repaid by the Golf Course Fund due to its financial position.



**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES**

**A. Schedules of Changes in Long-Term Debt**

Long-term liability activity for the year ended September 30, 2018, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental Activities:</u>					
<u>Governmental Funds:</u>					
Bonds and notes payable:					
Revenue bonds	\$ 100,318,087	\$ 26,038,404	\$ (4,155,000)	\$ 122,201,491	\$ 4,181,491
Revenue notes	36,249,288	-	(5,000,042)	31,249,246	5,111,655
Special assessment bonds	3,707,094	434,111	(987,982)	3,153,223	339,569
Notes payable	1,902,552	2,177,863	(816,043)	3,264,372	816,043
Plus issuance premiums	11,901,335	-	(623,173)	11,278,162	623,173
Total bonds and notes payable, net	<u>154,078,356</u>	<u>28,650,378</u>	<u>(11,582,240)</u>	<u>171,146,494</u>	<u>11,071,931</u>
Capital leases	17,948,645	1,530,135	(1,020,358)	18,458,422	1,605,856
Compensated absences	15,260,429	9,248,496	(7,833,519)	16,675,406	7,136,758
Governmental funds liabilities	<u>\$ 187,287,430</u>	<u>\$ 39,429,009</u>	<u>\$ (20,436,117)</u>	<u>\$ 206,280,322</u>	<u>\$ 19,814,545</u>
 <u>Internal Service Fund:</u>					
Compensated absences	\$ 8,933	\$ 6,737	\$ (6,733)	\$ 8,937	\$ 5,189
Internal Service Fund liabilities	<u>\$ 8,933</u>	<u>\$ 6,737</u>	<u>\$ (6,733)</u>	<u>\$ 8,937</u>	<u>\$ 5,189</u>
 <u>Business-type Activities:</u>					
Bonds and notes payable:					
Water and sewer revenue bonds/notes	\$ 19,410,000	\$ -	\$ (600,000)	\$ 18,810,000	\$ 795,000
Plus issuance premiums	776,925	-	(125,988)	650,937	125,988
Total bonds and notes payable, net	<u>20,186,925</u>	<u>-</u>	<u>(725,988)</u>	<u>19,460,937</u>	<u>920,988</u>
Compensated absences	616,237	212,282	(169,166)	659,353	335,111
Landfill long-term care liability	14,430,473	919,409	-	15,349,882	-
Business-type activities liabilities	<u>\$ 35,233,635</u>	<u>\$ 1,131,691</u>	<u>\$ (895,154)</u>	<u>\$ 35,470,172</u>	<u>\$ 1,256,099</u>

For governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund.

The County has revenue, and special assessment bonds, revenue notes and notes payable outstanding at year end. Payments on the revenue bonds are made by the debt service funds. Revenue notes such as: South County Regional Stadium, Tourist Development Tax Revenue, Rock Road Jail Security, and both special assessment bonds are also paid from debt service funds. The Parks Referendum line of credit, Port Deepening, MSBU interim line of credit and the Energy Efficiency Revenue Note, all part of the revenue notes, are paid from special revenue funds. The Sheriff promissory note is paid from the general fund. In addition, four capital leases are paid from special revenue funds and one capital lease is paid from the general fund.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**A. Schedules of Changes in Long-Term Debt (Continued)**

The following debts were issued in FY 2018:

1. On January 18, 2018, the County issued Taxable Non-Ad Valorem Revenue Bonds, Series 2017A in the amount of \$25,730,000. The proceeds were used to acquire real property and existing infrastructure within the Port of Fort Pierce and acquire a 10% interest in real property located on or near the waterfront. The bonds have a final maturity of November 1, 2047.
2. On June 15, 2018, the County entered into Master Lease Purchase Agreement in the amount not to exceed \$3,000,000 with TD Equipment Finance, Inc. The Lease Purchase Agreement is being issued as a "draw-down" loan. As of September 30, 2018, the amount borrowed is \$1,230,188 leaving \$1,769,812 in available proceeds. The proceeds will be used to purchase heavy equipment and vehicles for the Road & Bridge department.
3. On February 22, 2018, the County entered into a Capital Lease Agreement of \$299,947 with Compuquip Technologies, Inc. The lease is for the purchase of hardware and software for the Information Technology department.
4. A not to exceed \$1,000,000 Taxable Special Assessment Bond, Series 2014 was issued in FY 2014. The Bond is a non-revolving line of credit to pay the costs of certain solar and energy improvements for qualified borrowers (home or business owners of St Lucie County). The loan is paid back by the borrowers through a special assessment program. The total amount disbursed to borrowers was \$434,111 in FY 2018. The total amount disbursed to borrowers since inception is \$869,242 leaving \$130,758 still available. The bonds have a final maturity of May 1, 2039.
5. In Fiscal Year 2017, the Sheriff entered into a promissory note (draw down loan) in the amount of \$4,080,215 for the purchase of new vehicles. The loan bears interest at 3.25% and matures on December 1, 2021. As of September 30, 2018, the entire loan amount has been used to purchase vehicles.

The following debts were paid off in FY 2018:

1. On May 1, 2018, the County elected to payoff the Special Assessment Bonds, Series 2010B for North Lennard Road 2 with the excess funds available in the debt service fund for this debt.
2. On May 1, 2018, the County elected to payoff the Special Assessment Bonds, Series 2010C for North Lennard Road 3 with the excess funds available in the debt service fund for this debt.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**B. Schedule of Outstanding Debt**

The following is a schedule of bonds outstanding at September 30, 2018:

	<u>Purpose of Issue</u>	<u>Issued</u>	<u>Outstanding</u>	<u>Rates</u>
<b>Governmental Funds:</b>				
<u>Revenue Bonds:</u>				
Sales Tax Revenue Refunding Bonds, Series 2013A	County projects	\$ 47,285,000	\$ 37,060,000	2.00%-5.00%
Sales Tax Revenue Refunding Bonds, Series 2013B	County projects	9,405,000	7,380,000	2.00%-5.00%
Capital Improvement Revenue Bonds, Series 2015	Tax Collector building project	7,000,000	6,200,000	2.74%
Capital Improvement Revenue Bond, Series 2016A	Airport MRO Hangar	3,000,000	91,491	2.18%
Non-Ad Valorem Revenue Bonds, Series 2017	Sports Complex	46,865,000	45,740,000	4.99%
Taxable Non-Ad Valorem Revenue Bonds, Series 2017A	Port Property	25,730,000	<u>25,730,000</u>	3.94%
Total Revenue Bonds			122,201,491	
Plus: Net Premiums			<u>11,278,162</u>	
<b>Net Revenue Bonds</b>			<b><u>133,479,653</u></b>	
<u>Revenue Notes:</u>				
Army Corps of Engineers, Series 1997	Port deepening	797,960	374,486	6.125% (1)
Florida Power and Light, Series 2001	S. County Regional Stadium lighting system	134,966	33,486	8.82%
Special Assessment Improvement Note, Series 2006	Interim financing of construction costs for various MSBU projects	10,000,000	-	variable (2)
Public Improvement Revenue Bond, Note, Series 2008A	South county regional	1,700,000	710,000	4.88%
Capital Improvement Revenue Refunding Note, Series 2011	Parks referendum MSTU	10,330,000	4,980,000	2.17%
Capital Improvement Revenue Note, Series 2007	\$10 Million Cap Imp Note	10,000,000	994,274	2.13%
Capital Improvement Revenue Refunding Note, Series 2016B (Taxable)	Refunding Tourist Development Tax Revenue Bond Series 2011A&B	6,225,000	4,182,000	2.37%
Transportation Revenue Refunding Bond, Series 2015	Partially refunding Transportation Revenue Bond, Series 2007	11,390,000	10,105,000	2.29%
Capital Improvement Refunding Bond, Series 2014	Refunding Public Improvement Revenue Note, Series 2004A and State Revenue Sharing Improvement Revenue Bond, Series 2005	10,495,000	7,060,000	2.41%
Capital Improvement Refunding Bond, Series 2016	Jail Security Upgrade	3,320,000	2,810,000	2.60%
<b>Total Revenue Notes</b>			<b><u>31,249,246</u></b>	

(1) The Army Corps of Engineers, Series 1997 was issued with a variable rate. The initial rate was 6.125% and the interest rate is subject to change once every five (5) years. The interest rate has not been changed since issuance.

(2) The Special Assessment Improvement Note, Series 2006 was issued as a line of credit. The interest rate is determined at the time of each draw.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**B. Schedule of Outstanding Debt (Continued)**

	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rates</u>
<b>Governmental Funds (continued):</b>				
<u>Special Assessment Bonds:</u>				
Series 2010A	Lennard Rd 1	4,355,000	2,330,000	3.70%
Series 2014 (Taxable)	Sustainability District	1,000,000	<u>823,223</u>	variable (1)
<b>Total Special Assessment Bonds</b>			<b><u>3,153,223</u></b>	

(1) The Sustainability District Taxable Special Assessment Bond, Series 2014 was issued as a line of credit. The interest rate is determined at the time of each draw.

**Notes Payable:**

Sheriff Promissory Note 2017	4,080,215	<u>3,264,372</u>	3.25%
Total Notes Payable		<b><u>3,264,372</u></b>	

**Capital Leases:**

Master Equipment Lease	Heavy Road & Bridge Equipment	1,062,889	217,728	1.03%
FPL Equipment Lease/Purchase Agreement	Energy Efficient Equipment	9,305,379	7,862,245	2.37%
Motorola Lease/Purchase Agreement (1)	Communication Equipment	8,967,201	8,915,431	3.55%
Master Equipment Lease	Heavy Road & Bridge Equipment	3,000,000	1,230,188	variable (1)
Compuquip Equipment Lease	I/T Equipment	299,947	<u>232,830</u>	2.55%
<b>Total Capital Leases</b>			<b><u>18,458,422</u></b>	

**Total Outstanding Debt – Governmental Funds**

**\$ 189,604,916**

(1) The Master Equipment Lease was issued as a "draw-down" loan. The interest rate is 2.552% on the initial draw and any draws thereafter shall be subject to the agreement of TDEF and the County.

**Proprietary Funds:**

**Revenue Bonds:**

Utility System Improvement and Refunding	Acquiring plant and plant expansion	\$ 21,105,000	\$ 18,810,000	2.0%-5.25%
Revenue Bonds, Series 2013				
Plus: Premiums			<u>650,937</u>	
<b>Net Revenue Bonds</b>			<b><u>19,460,937</u></b>	

**Total Outstanding Debt – Proprietary Funds**

**\$ 19,460,937**

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**B. Schedule of Outstanding Debt (Continued)**

The revenue bonds, revenue notes, and special assessment bonds noted above are all secured by pledged revenues. The pledged revenues include special assessments, sales tax, state revenue sharing, transportation gas tax, tourist development tax, impact fees, charges for services, and other special taxes. The revenues are pledged through various commitments through 2048. The pledged revenues are the full amounts of the required annual debt payments. The pledged revenue coverage for Sales Tax Bonds was 207%, Utility Bonds was 112% and Special Assessment Bonds was 48%. The Special Assessment Bonds lower than 100% coverage is caused by the paid off of the entire Lennard Road 2 Special Assessment Bonds, Series 2010B remaining balance and the entire Lennard Road 3 Special Assessment Bonds, Series 2010C remaining balance.

Business-type activities interest expense totaling \$840,339 was expensed in the current year.

**C. Deferred Amount on Refunding**

In accordance with GASB Statement No. 63 - Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, GASB Statement No. 65 - Item Previously Reported as Assets and Liabilities, the deferred charge on refunding is presented as deferred outflows of resources on the statement of net position.

The following is a schedule of the deferred amount on refunding outstanding at September 30, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Funds	\$ 2,750,804	\$ -	\$ (261,723)	\$ 2,489,081	\$ 259,930
Proprietary Funds	257,005	-	(41,677)	215,328	41,677
Total	<u>\$ 3,007,809</u>	<u>\$ -</u>	<u>\$ (303,400)</u>	<u>\$ 2,704,409</u>	<u>\$ 301,607</u>

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**D. Debt Service Requirements**

The following schedule shows debt service requirements to maturity for the County's governmental activities obligations:

Fiscal Year	Revenue Bonds		Revenue Notes/ Notes Payable		Special Assessment District Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 4,181,491	\$ 5,511,372	\$ 5,927,702	\$ 866,818	\$ 339,569	\$ 162,296
2020	4,270,000	5,331,945	5,029,513	706,889	354,534	148,941
2021	5,040,000	5,117,918	5,130,014	570,596	367,802	131,892
2022	5,265,000	4,885,558	5,077,793	432,255	381,307	114,159
2023	5,505,000	4,641,389	4,197,123	316,833	400,072	95,737
2024-2028	27,665,000	19,284,044	8,621,473	544,053	986,499	226,877
2029-2033	31,475,000	12,929,541	530,000	20,800	152,713	102,407
2034-2038	17,710,000	6,977,110	-	-	165,185	42,347
2039-2043	14,285,000	3,083,984	-	-	5,542	430
2044-2048	6,805,000	714,211	-	-	-	-
<b>Total</b>	<b>\$122,201,491</b>	<b>\$ 68,477,072</b>	<b>\$ 34,513,618</b>	<b>\$ 3,458,244</b>	<b>\$ 3,153,223</b>	<b>\$ 1,025,086</b>

Fiscal Year	Capital Leases		Total	
	Principal	Interest	Principal	Interest
2019	\$ 1,605,856	\$ 531,924	\$ 12,054,618	\$ 7,072,410
2020	1,447,327	499,920	11,101,374	6,687,695
2021	1,497,241	460,060	12,035,057	6,280,466
2022	1,548,943	418,843	12,273,043	5,850,815
2023	1,540,526	376,222	11,642,721	5,430,181
2024-2028	6,283,647	1,331,253	43,556,419	21,386,227
2029-2033	4,534,882	287,482	36,692,595	13,340,230
2034-2038	-	-	17,875,185	7,019,457
2039-2043	-	-	14,290,542	3,084,414
2044-2048	-	-	6,805,000	714,211
<b>Total</b>	<b>\$ 18,458,422</b>	<b>\$ 3,905,704</b>	<b>\$178,326,554</b>	<b>\$ 76,866,106</b>

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**D. Debt Service Requirements (Continued)**

The following schedule shows debt service requirements to maturity for the County’s business-type activities obligations:

Fiscal Year	Water and Sewer Revenue Bonds	
	Principal	Interest
2019	\$ 795,000	\$ 900,650
2020	895,000	860,900
2021	980,000	825,100
2022	1,030,000	776,100
2023	1,080,000	724,600
2024-2028	6,240,000	2,794,350
2029-2033	7,790,000	1,240,763
<b>Total</b>	<b>\$ 18,810,000</b>	<b>\$ 8,122,463</b>

**E. Bond Covenants**

Water & Sewer District

The Utility System Improvement and Refunding Revenue Bonds, Series 2013 requires that monies on hand in the revenue fund be applied on a monthly basis; first to pay operating expenses and next to deposit into the sinking fund one-sixth of the interest and one-twelfth of the principal accruing on the next payment dates. Money must next be deposited into the renewal and replacement fund equal to one-twelfth of the renewal and replacement requirement. The balance of any money remaining shall be deposited in to the surplus fund and may be used for any lawful purposes of the District.

The County has agreed on the above bonds to establish and maintain rates that will provide net revenues in each fiscal year equal to one hundred ten percent 110% of the debt service requirement. The net revenues after payment of the debt service requirement should equal to one hundred percent (100%) of the reserve fund and the renewal and replacement fund requirements during the year

The following table indicates the degree of compliance with the bond resolution covenants in the Water & Sewer District at September 30, 2018.

Gross revenues available for compliance	\$ 8,808,157
Operating and maintenance expenses (does not include depreciation, amortization, and debt payments)	7,108,114
Amount of revenues over direct operating expenses	\$ 1,700,043
Debt service requirement	\$ 1,524,650
Percent coverage for the year ended September 30, 2018	112%

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**F. Summary of Defeased Debt Outstanding**

In prior years, the County defeased certain debt, the proceeds of which were placed in an irrevocable trust to provide for all future debt service payments on the defeased bonds. As such, the trust assets and related liability are not included in the accompanying financial statements.

Following is a schedule of defeased debt at September 30, 2018:

<b>Bond Issue</b>	<b>Balance</b>
Utility Series 1990	\$ 14,345,000
Utility Series 1993	5,000,000
Total defeased debt	\$ 19,345,000

**G. Special Assessment Debt**

The County is acting as the agent for the property owners in several municipal service benefit units located within the County. The County is not liable for the repayment of the debt and is only collecting the assessments and forwarding the collections to the paying agent. As such, the debt related to these bond issues is not reflected in the accompanying financial statements.

The amount of the debt outstanding at September 30, 2018, is as follows:

<b>Description</b>	<b>Amount</b>
Special Assessment Improvement Bond, Series 2007A, \$16,000,000 (Indian River Estates MSBU)	\$ 5,660,179
Special Assessment Improvement Bond, Series 2008A, \$150,000 (Lake Drive MSBU)	55,808
Special Assessment Improvement Bond, Series 2009B, \$3,130,000 (Sunland Gardens Phase II MSBU)	1,204,764
Special Assessment Improvement Bond, Series 2016, \$339,000 (Parkland MSBU)	304,000
Special Assessment Improvement Bond, Series 2017, \$242,000 (Fra Mar/Wagner MSBU)	221,000
Erosion District Special Assessment Revenue Bond, Series 2012 (South Hutchinson Island Beach and Dune Restoration Project)	1,150,000
Special Assessment Revenue Bond, Series 2018 (Iroquois/Navajo MSBU Project)	354,000
Total	\$ 8,949,751



**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**H. Capital Leases**

1. The County entered into a lease/purchase agreement as a lessee with the Banc of America Corp. to acquire certain road & bridge heavy equipment in fiscal year 2015. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date.

The property being leased has a cost of \$1,062,889 and a carrying value of \$578,263. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2018 were as follows:

<b>Year Ending September 30,</b>	<b>Governmental Activities</b>
2019	\$ 219,865
Total minimum lease payment	219,865
Less: amount representing interest	(2,137)
Present value of minimum lease payment	\$ 217,728

2. The County entered into a lease/purchase agreement as a lessee in the amount of \$9,305,379, with the Banc of America Corp. to construct certain energy savings improvements to County facilities in fiscal year 2015. The energy saving improvements were placed in service on September 30, 2017. The property being leased has a cost of \$9,305,379 and a carrying value of \$8,841,160. The future minimum lease obligation and the net present value of the minimum lease payments as of September 30, 2018 were as follows:

<b>Year Ending September 30,</b>	<b>Governmental Activities</b>
2019	\$ 902,758
2020	916,756
2021	931,175
2022	946,025
2023	961,322
2024-2028	2,718,973
2029-2031	1,674,807
Total minimum lease payments	9,051,816
Less: amount representing interest	(1,189,572)
Present value of minimum lease payments	\$ 7,862,244

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**H. Capital Leases (Continued)**

3. The County entered into a lease/purchase agreement as a lessee in the amount of \$8,967,201, with Motorola Solutions Inc. to construct certain communication equipment for the County in fiscal year 2016. The communication equipment was placed into service on September 30, 2017. The property being leased has a cost of \$8,967,201 and a carrying value of \$8,826,487. The future minimum lease obligation and the net present value of the minimum lease payments as of September 30, 2018 were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>
2019	\$ 699,185
2020	699,185
2021	699,185
2022	699,185
2023	699,185
2024-2028	4,895,927
2029-2031	<u>3,147,556</u>
Total minimum lease payments	11,539,408
Less: amount representing interest	<u>(2,623,980)</u>
Present value of minimum lease payments	<u>\$ 8,915,428</u>

4. The County entered into a lease/purchase agreement as a lessee in the amount not to exceed \$3,000,000, with TD Equipment Finance to acquire certain road & bridge heavy equipment in fiscal year 2018. The heavy equipment was placed into service on September 30, 2018. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. The property being leased has a cost of \$1,230,188 and a carrying value of \$1,230,188. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2018 were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Funds</u>
2019	\$ 254,004
2020	269,336
2021	264,972
2022	260,606
2023	<u>256,240</u>
Total minimum lease payments	1,305,158
Less: amount representing interest	<u>(74,970)</u>
Present value of minimum lease payments	<u>\$ 1,230,188</u>

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)**

**H. Capital Leases (Continued)**

5. The County entered into a lease/purchase agreement as a lessee in the amount of \$299,947 with Compuquip Technologies, Inc. for certain Information Technology department software and hardware equipment in fiscal year 2018. The software and hardware equipment was placed into service on September 30, 2018. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of inception date. The property being leased has a cost of \$299,947 and a carrying value of \$299,947. The future minimum lease obligation and the net present value of these lease payments as of September 30, 2018 were as follows:

<b>Year Ending September 30,</b>	<b>Governmental Funds</b>
2019	\$ 61,968
2020	61,968
2021	61,968
2022	61,968
Total minimum lease payments	247,872
Less: amount representing interest	(15,042)
Present value of minimum lease payments	\$ 232,830

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 11 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS**

Federal and state laws and regulations require the County to incur various estimated costs of closing landfill sites and to provide for the long-term care and maintenance of the landfill sites for up to 30 years after closure.

The amounts amortized are placed in interest bearing accounts in accordance with state regulations. The County utilized the landfill capacity used method to determine the amortization expense and accumulated amortization of these estimated costs. As of the balance sheet date, the estimated capacity used was 61.56% for the existing construction debris (C&D) landfill and 82.26% for the Class I Phase IIIB site, which began accepting waste in March 2010.

All capacity has been used for the Class I Phase I site, Class 1 Phase II site, Class 1 Phase IIIA site, and C&D Processing Facility. The Class 1 Phase 1, Phase II, and Phase IIIA are permanently closed.

The County is required by state and federal laws and regulations to fund the liabilities associated with the estimated costs of closure and long-term care and maintenance of its landfill sites.

The County has restricted cash in an amount equal to the liability from the restricted assets below. The federal and state regulations also require the County to provide for the estimated long-term care and maintenance costs for the next year at the Class I Phase I, Phase II, and IIIA sites.

The remaining estimated costs at the existing landfills, which total \$1,688,967, will be recognized in future years as the remaining estimated capacity is filled. The amounts are based on the cost estimates for closure and postclosure care as of the balance sheet date.

The liabilities included in the balance sheet for these estimated costs at September 30, 2018, are as follows:

	<b>Liability From Restricted Assets</b>	<b>Other Non-Current Liabilities</b>	<b>Total</b>
Existing landfill sites:			
C&D closure costs	\$ 1,622,604	\$ 1,481	\$ 1,624,085
C&D Processing Facility closure costs	2,975	-	2,975
C&D long-term maintenance	-	231,964	231,964
Class I Phase IIIB closure costs	349,029	440,477	789,506
Class I Phase IIIB long-term maintenance	-	1,668,055	1,668,055
Total existing landfill sites	1,974,608	2,341,977	4,316,585
Previous landfill sites:			
Class I Phase I long-term maintenance	-	6,428,227	6,428,227
Class I Phase II long-term maintenance	-	4,610,388	4,610,388
Class I Phase IIIA long-term maintenance	-	1,969,290	1,969,290
Total previous landfill sites	-	13,007,905	13,007,905
Total liabilities	\$ 1,974,608	\$ 15,349,882	\$ 17,324,490

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 11 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS (CONTINUED)**

The County currently expects to close the existing C&D site in 2053 and the existing Class 1 Phase IIIB site in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County has established liabilities for the estimated postclosure care and maintenance on the closed landfill sites. The estimated costs for the postclosure care and maintenance of these sites are reflected as landfill closure liabilities in the accompanying balance sheet.

**NOTE 12 – DEFINED BENEFIT PENSION PLANS**

Florida Retirement System:

General Information – Practically all of the County’s employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”) and the Retiree Health Insurance Subsidy (“HIS Plan”). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (“Investment Plan”) alternative to the FRS Pension Plan, which is administered by the State Board of Administration (“SBA”). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:

[www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

The County’s pension expense totaled \$22,463,250 for the fiscal year ended September 30, 2018.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Pension Plan**

Plan Description – The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees.

Benefits Provided – Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers’ class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers’ class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants. The net pension liability does not include amounts for DROP participants as these members are considered retired and are not accruing additional pension benefits.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Pension Plan (Continued)**

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018, respectively, were as follows: Regular - 7.92% and 8.26%; Special Risk Administrative Support - 34.63% and 34.98%; Special Risk - 23.27% and 24.50%; Senior Management Service - 22.71% and 24.06%; Elected Officers' - 45.50% and 48.70%; and DROP participants - 13.26% and 14.03%. These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018, respectively.

The County's contributions, including employee contributions, to the Pension Plan totaled \$10,051,604 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2018, the County reported a liability of \$105,063,513 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County's proportionate share of the net pension liability was based on the County's 2017-18 fiscal year contributions relative to the 2017-18 fiscal year contributions of all participating members. At June 30, 2018, the County's proportionate share was 0.348810442 percent, which was an increase of 4.74 percent from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the County recognized pension expense of \$10,678,384. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 8,900,459	\$ (323,045)
Change of assumptions	34,329,647	-
Net difference between projected and actual earnings on Pension Plan investments	-	(8,117,437)
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	7,044,910	(728,526)
County Pension Plan contributions subsequent to the measurement date	2,620,265	-
<b>Total</b>	<b>\$ 52,895,281</b>	<b>\$ (9,169,008)</b>

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Pension Plan (Continued)**

The deferred outflows of resources related to the Pension Plan, totaling \$2,620,265 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2019	\$ 15,269,411
2020	10,789,856
2021	2,619,396
2022	7,022,782
2023	4,620,477
Thereafter	784,086
Total	<u>\$ 41,106,008</u>

Actuarial Assumptions – The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.



**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Pension Plan (Continued)**

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	2.9%	2.9%	1.8%
Fixed Income	18%	4.4%	4.3%	4.2%
Global Equities	54%	7.6%	6.3%	17.0%
Real Estate	11%	6.6%	6.0%	11.3%
Private Equities	10%	10.7%	7.8%	26.5%
Strategic Investments	6%	6.0%	5.7%	8.6%
Total	<u>100%</u>			
Assumed Inflation - Mean			2.6%	1.9%

(1) As outlined in the Pension Plan's investment policy

**Discount Rate** – The discount rate used to measure the total pension liability was 7.0%. The Pension Plan's 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.

**Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate** – The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County's proportionate share of the net pension liability	\$ 191,745,318	\$ 105,063,513	\$ 33,069,150

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Pension Plan (Continued)**

Pension Plan Fiduciary Net Position – Detailed information regarding the Pension Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan – At September 30, 2018, the County reported a payable in the amount of \$702,304 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2018.

**HIS Plan**

Plan Description – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2018, the HIS contribution for the period October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018 was 1.66% and 1.66%, respectively. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contribution are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County’s contributions to the HIS Plan totaled \$1,370,828 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2018, the County reported a liability of \$30,124,019 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County’s proportionate share of the net pension liability was based on the County’s 2017-18 fiscal year contributions relative to the 2017-18 fiscal year contributions of all participating members. At June 30, 2018, the County’s proportionate share was 0.284615452 percent, which was an increase of 4.41 percent from its proportionate share measured as of June 30, 2017.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**HIS Plan (Continued)**

For the fiscal year ended September 30, 2018, the County recognized pension expense of \$1,096,540. In addition the County reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 461,185	\$ (51,180)
Change of assumptions	3,350,163	(3,184,963)
Net difference between projected and actual earnings on Pension Plan investments	18,184	-
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	2,324,375	(327,169)
County Pension Plan contributions subsequent to the measurement date	373,527	-
<b>Total</b>	<b>\$ 6,527,434</b>	<b>\$ (3,563,312)</b>

The deferred outflows of resources related to the HIS Plan, totaling \$373,527 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount</u>
2019	\$ 827,375
2020	825,842
2021	671,426
2022	389,641
2023	(154,460)
Thereafter	30,771
<b>Total</b>	<b>\$ 2,590,595</b>

Actuarial Assumptions – The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Municipal bond rate	3.87%

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**HIS Plan (Continued)**

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate – The discount rate used to measure the total pension liability was 3.87%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 3.87%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.87%) or one percentage point higher (4.87%) than the current rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
County's proportionate share of the net pension liability	\$34,309,492	\$30,124,019	\$26,635,184

HIS Pension Plan Fiduciary Net Position – Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the HIS Pension Plan – At September 30, 2018, the County reported a payable in the amount of \$111,344 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2018.

**Investment Plan**

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided by Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Investment Plan (Continued)**

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2017-18 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and County Elected Officers class 11.34%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The County's contributions, including employee contributions, to the Investment Plan totaled \$5,301,074 for the fiscal year ended September 30, 2018. The County's Investment Plan pension expense totaled \$4,363,724 for the fiscal year ended September 30, 2018, which is included in the pension plan expense.

Payable to the Investment Plan – At September 30, 2018, the County reported a payable in the amount of \$371,827 for outstanding contributions to the Investment Plan required for the fiscal year ended September 30, 2018.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 13 – OPERATING LEASES**

**A. Operating Leases – Governmental Activities**

The County has entered into various operating leases both as lessor and lessee. Lease revenues totaled \$3,334,034 and lease expenditures totaled \$1,961,974 for the current fiscal year.

The following is a schedule, by year, of the future minimum lease receipts and payments of the various non-cancelable operating leases in which the County is involved:

<u>Year Ending September 30,</u>	<u>Receipts</u>	<u>Payments</u>
2019	\$ 542,440	\$ 1,141,465
2020	532,081	1,027,324
2021	530,338	761,905
2022	480,338	520,076
2023	415,338	313,011
2024 - 2028	1,926,814	115,696
2029 - 2033	1,739,888	13,875
2034 - 2038	1,704,514	13,275
2039 - 2043	1,704,514	12,375
2044 - 2048	1,653,681	7,875
2049 - 2053	1,552,016	4,650
2054 - 2058	1,448,548	4,500
2059- 2063	-	3,000
2064 - 2068	-	2,100
2069 - 2070	-	300
Total	<u>\$ 14,230,510</u>	<u>\$ 3,941,427</u>

Most leases provide for future increases based upon the consumer price index. Those increases are not reflected in the computation of future lease receipts. The property being leased included in the Statement of Net Position has a cost of \$6,248,916 and a carrying value \$2,082,158. For fiscal year 2018, total depreciation for depreciable property being leased is \$141,975.

**B. Operating Leases – Business-type Activities**

The County is obligated under various operating leases for the proprietary funds. The leases do not give rise to property rights or lease obligations. Total costs for such leases were \$223,954 for fiscal year 2018.

The following is a schedule by year of the future minimum lease payments of the operating leases in which the County is involved:

<u>Year Ending September 30,</u>	<u>Golf Carts</u>	<u>Dump Truck</u>	<u>Office Equipment</u>
2019	\$ 180,480	\$ 140,141	\$ 13,992
2020	-	23,357	5,918
2021	-	-	4,541
2022	-	-	69
Total	<u>\$ 180,480</u>	<u>\$ 163,498</u>	<u>\$ 24,520</u>

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 14 – CONDUIT DEBT**

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The County has also participated with other counties in the issuance of Housing Authority Bonds to provide down payment and other financial assistance to low and moderate income individuals and families. The bonds are secured by the property financed and are payable solely from payments received on the underlying debt. Upon repayment of the bonds, ownership of the required facilities transfers to the private-sector entity, or individuals, served by the bond issuance.

Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2018 there were two Industrial Revenue Bonds Series outstanding. The aggregate outstanding principal amount for these series as of September 30, 2018, was \$320,995,000.

The St. Lucie County Housing Finance Authority has participated with other authorities on four Housing Finance Authority bonds. The aggregate outstanding principal amount for these series as of September 30, 2018, was \$25,930,572.

The Reserve Community Development District outstanding conduit debt totaled \$1,995,000.

The Reserve Community Development District II outstanding conduit debt was \$1,495,000.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 15 – FUND BALANCES**

**A. Restricted Fund Balances for Other Capital Projects**

The following nonmajor governmental funds have restricted fund balances in the restricted fund balances for other capital projects category as of September 30, 2018:

County Capital Fund - Various county capital projects	\$ 4,627,366
County Capital State Revenue Share Bond Fund - Various county capital projects	2,386,252
County Capital Transportation Bond Fund - Road projects	1,415,064
Jail Security Upgrade Fund	14,584
Capital Improvement Revenue Bonds 2015 Fund - Tax Collector building	1,410,675
Energy Efficiency FPL 2015 Fund - Restricted for debt payment	308
Sports Complex Improvements Fund	468,723
Environmental Land Capital Fund	396,126
MSBU Internal Financed Projects Fund	665,010
MSBU External Financed Projects Fund	1,188,525
Total Nonmajor Governmental Funds	<u>\$ 12,572,633</u>

**B. Restricted Fund Balances for Other Purposes**

The following nonmajor governmental funds have restricted fund balances in the restricted fund balances for other purposes category as of September 30, 2018:

Grants and Donation Fund	\$ 247,340
Library Special Fund	324
Drug Abuse Fund	191,046
Plan Maintenance RAD Fund - Radiological emergency planning	32,973
Tourist Development 1st, 2nd, 3rd & 5th Cent Fund - Sports Complex	2,468,570
SLC Housing Finance Authority Fund	103,344
Bluefield Ranch Improvements Fund	139,790
Florida Housing Grant Fund	175,755
Sports Complex Fund	483,694
SLC Sustainability District Fund	25,238
Supervisor of Elections	253,456
Total Nonmajor Governmental Funds	<u>\$ 4,121,530</u>



**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 15 – FUND BALANCES (CONTINUED)**

**C. Committed Fund Balances for Other Purposes**

The following nonmajor governmental funds have fund balances committed to other purposes category as of September 30, 2018:

Law Enforcement MSTU Fund	\$ 1,876,734
Impact Fee Collections Fund	96,110
Law Enforcement Fund	1,895
SLC Economic Development Fund	19,862
Total Nonmajor Governmental Funds	\$ 1,994,601

**NOTE 16 – FUND BALANCE AND NET POSITION RESTATEMENT**

**A. Fund Level Fund Balance/Net Position Restatement:**

Bailing & Recycling Facility Fund – the beginning net position is restated as a result of the implementation of GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions).

Beginning Net Position	\$ 25,378,119
Decrease	(362,461)
Restated Beginning Net Position	\$ 25,015,658

Golf Course Fund – the beginning net position is restated as a result of the implementation of GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions).

Beginning Net Position	\$ 919,080
Decrease	(87,595)
Restated Beginning Net Position	\$ 831,485

Water & Sewer District Fund – the beginning net position is restated as a result of the implementation of GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions).

Beginning Net Position	\$ 30,647,102
Decrease	(55,376)
Restated Beginning Net Position	\$ 30,591,726

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 16 – FUND BALANCE AND NET POSITION RESTATEMENT (CONTINUED)**

**A. Fund Level Fund Balance/Net Position Restatement (Continued):**

Building Code Fund – the beginning net position is restated as a result of the implementation of GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions).

Beginning Net Position	\$	2,782,631
Decrease		(140,957)
Restated Beginning Net Position	\$	<u>2,641,674</u>

Health Insurance Fund – the beginning net position is restated as a result of the implementation of GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions).

Beginning Net Position	\$	12,039,692
Decrease		(15,354)
Restated Beginning Net Position	\$	<u>12,024,338</u>

Impact Fee Fund – the beginning fund balance is restated as a result of a writeoff for prior year unbillable grant amount.

Beginning Fund Balance	\$	24,209,936
Decrease		(1)
Restated Beginning Fund Balance	\$	<u>24,209,935</u>

**B. Primary Government Net Position Restatement:**

The primary government has a net position restatement as a result of the implementation of GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions) and restatement of fund balance for the Impact Fee Fund at the fund level.

<u>Primary Government</u>	<u>Beginning Net Position Balance</u>	<u>Decrease</u>	<u>Restated Beginning Net Position Balance</u>
Governmental Activities	\$ 535,256,387	\$ (20,007,291)	\$ 515,249,096
Business-type Activities	59,726,932	(646,389)	59,080,543
Total Primary Government	<u>\$ 594,983,319</u>	<u>\$ (20,653,680)</u>	<u>\$ 574,329,639</u>

**8t. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 17 – FUND BALANCE DEFICIT**

The Capital Improvement Revenue Bond 2016A Construction Fund has a deficit balance of \$180,673 as of September 30, 2018 because of a delay in the final long term debt draw-down in the beginning of Fiscal Year 2019. (See Note 22 (1)).

**NOTE 18 – RISK MANAGEMENT**

**General Liability, Property and Worker’s Compensation**

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors or omissions, injuries to employees, and natural disasters. The Board and other Constitutional Officers (other than the Sheriff) comprising the primary government, participate in a public entity risk pool – Treasure Coast Risk Management Program (TRICO) for the purpose of obtaining various insurance coverage other than health and life insurance. Other members of the pool consist of Martin County, Florida, City of Port St. Lucie, Florida and City of Stuart, Florida. The pool was created by an interlocal agreement under the provisions of Section 163.01, Florida Statutes. The governing Board of Directors of the pool, which is comprised of representatives of each of the members, has the authority to contract for claims servicing and risk management and loss prevention services. The Board and other Constitutional Officers (other than the Sheriff) pay their share of contributions into the pool based on the value of covered property, prior claims experience, and allocated expenses. Required contributions are considered expenditures when the liability is incurred. Members of the pool are responsible for deficiencies arising from specific claims if claims are in excess of reinsurance limits. The County has no other costs, other than deductible amounts, in connection with the risk pool.

TRICO issues a publicly available financial report that includes financial statements and required supplementary information for the program. That report may be obtained by writing to the Employers Mutual Inc., 700 Central Parkway, Stuart, Florida 34994.

The County is self insured for group health insurance covering employees and their eligible dependents. As required by Section 112.081, Florida Statutes, retirees and their eligible dependents are provided the same health care coverage as is offered to active employees; however, the retirees are responsible for payment of the premiums. Medical claims are paid from premiums contributed by employees, retirees, and the County. Premiums and contributions are determined by projected claims based on historical and actuarial experience. The self insurance plan assumes all risk for claims up to \$135,000 per individual, per year, and has purchased a reinsurance policy to cover claims in excess of this amount. There were six claims in excess of the limit for fiscal year 2018, six claims in excess of the limit for fiscal year 2017, and eight claims in fiscal year 2016.

The IBNR (incurred but not reported) claims liability of \$562,000, reported at September 30, 2018, is based on the requirements of generally accepted governmental accounting standards, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. Estimates for claims incurred but not reported are actuarially determined and recorded and are generally payable within the next year. Nonincremental claims and adjustment expenses have been included as part of the claims liability.

**8t. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 18 – RISK MANAGEMENT (CONTINUED)**

**General Liability, Property and Worker’s Compensation (Continued)**

<b>Fiscal Year</b>	<b>Beginning Balance</b>	<b>Changes in Estimates and Claims Incurred</b>	<b>Claim Payments</b>	<b>Ending Balance</b>
2015-2016	\$ 866,000	\$ 10,530,228	\$ 10,736,990	\$ 659,238
2016-2017	\$ 659,238	\$ 11,156,936	\$ 11,200,368	\$ 615,806
2017-2018	\$ 615,806	\$ 9,460,432	\$ 9,514,238	\$ 562,000

The Sheriff joined with other Sheriffs in the State to form the Florida Sheriff Self Insurance Fund, a public entity risk pool, under the provision of state statutes. The Sheriff pays its share of contributions into the pool based on the value of the property covered, prior claims experience and allocation of experience. These contributions are considered expenditures when the liability is incurred. The Sheriff has no other costs other than deductible amounts in connection with the risk pool.

The Sheriff also participated in a group health insurance risk pool and a workman’s compensation risk pool together with other sheriffs in the state. These plans are administered by the Florida Sheriff’s Association Multiple Employer Trust and the Florida Sheriff’s Association respectively. An expenditure is recognized for contributions made by the Sheriff into the pools based on historical claims information.

The Sheriff also continues to carry commercial insurance for the risk of loss on watercraft and aviation equipment.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 19 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**A. General Information about the OPEB Plan**

The County has two single employer defined benefit healthcare plans, the County Plan and the Sheriff Plan.

The County Plan allows its employees and their beneficiaries to continue obtaining health, dental, and other insurance benefits upon retirement. The County amended its policy effective October 1, 2004, for employee retirements after that date, to provide for the payment of the monthly single premium for the employee, if covered at the time of retirement, for employees who meet all the following eligibility requirements:

- Active full time employees with 10 years of continuous service with the Board covered by the health plan at the time of retirement.
- Either 30 years of service under the Florida Retirement System (FRS), or vested under the FRS and have reached normal retirement age (currently 62 for employees hired before July 1, 2011 and 65 for employees hired on or after July 1, 2011).
- Monthly single premiums will be paid until the retiree becomes Medicare/Medicaid eligible.

The County further amended its policy in fiscal year 2014 to limit the above post-employment benefit to employees hired before October 1, 2013.

The Sheriff Plan provides postemployment health insurance benefits for employees and sworn officers upon retirement and subsidizes a portion of the premiums. Retirees with at least 25 years or more of services under the Sheriff are offered free retiree health coverage until they attain eligibility for Medicare benefits. The provisions of the plan for the St. Lucie Sheriff Office may be amended through negotiations between the St. Lucie Sheriff and its employee bargaining units.

The benefits of both the County Plan and the Sheriff Plan conform to Florida Statutes, which are the legal authority for the plans.

Both plans have no assets and do not issue separate financial reports.

At the date of the last actuarial valuation, plan participation consisted of:

Valuation Date	County Plan October 1, 2016	Sheriff Plan September 30, 2017
Active employees	976	643
Retirees and spouses	84	200
Total participants	1060	843

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 19 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

**B. Total OPEB Liability**

The County Plan's total OPEB liability of \$28,491,924 was measured as of October 1, 2017, and was determined by an actuarial valuation as of October 1, 2016.

The Sheriff Plan's total OPEB liability of \$34,788,023 was measured as of September 30, 2017, and was determined by an actuarial valuation as of September 30, 2017.

Actuarial assumptions and other inputs - The total OPEB liability in the October 1, 2016 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	County Plan	Sheriff Plan
Valuation Date	October 1, 2016	September 30, 2017
Measurement Date	October 1, 2017	September 30, 2017
Inflation	2.60%	2.50%
Salary increases	3.7% to 7.8%	3.7% to 7.8%
Discount rate	3.50%	3.50%
Healthcare cost trend rates	6.5% gradually decreasing to an ultimate rate of 4.4% in 2040	7.0% for the 2019 fiscal year, followed by 6.75% for the 2020 fiscal year, gradually decreasing to an ultimate rate of 4.24%
Retirees' share of benefit-related costs	For employee only coverage, the employee portion of the monthly single (employee only) premium. If option other than employee only, difference in full premium and the employer portion of the employee only coverage. 100% of premium after Medicare-eligible or if eligible under another Employer's Group Health Plan or if early retirement.	For employee only coverage, retirees with 25 years or more service, 100% paid by the plan. Beginning in October, 2015, the subsidy is limited to the premium rates applicable to the "Staying Healthy" plan option. 100% of premium after Medicare-eligible.

For both plans, the discount rates were based on the Fidelity 20-year Municipal GO AA Index. Mortality rates were based on various RP-2000 mortality tables with varying Collar adjustments and generational mortality improvements with Scale BB. Disabled Employees based on RP-2000 Disabled mortality tables setback 4 years for males and set forward 2 years for females and no projected improvements. The actuarial assumptions used in the two actuarial valuations are based on results of experience studies conducted by the Florida Retirement System as of July 1, 2014.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 19 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

**B. Total OPEB Liability (Continued)**

**Changes in the Total Liability:**

	County Plan	Sheriff Plan
Service Cost	\$ 1,498,209	\$ 1,794,483
Interest	927,463	1,127,206
Benefit changes	-	-
Difference between actual and expected experience	-	-
Assumption changes	(1,810,164)	(1,860,061)
Benefit payments	(1,078,863)	(1,681,196)
Net change in Total OPEB Liability	\$ (463,355)	\$ (619,568)
Total OPEB Liability (TOL) - (beginning)	28,955,279	35,407,591
Total OPEB Liability (TOL) - (ending)	<u>\$ 28,491,924</u>	<u>\$ 34,788,023</u>

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the County Plan, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5 percent) or 1-percentage-point higher (4.5 percent) than the current discount rate:

	Measurement Date: October 1, 2017		
	Current		
	1% Decrease	Discount Rate	1% Increase
Discount rate	2.50%	3.50%	4.50%
Total OPEB liability	\$ 33,344,857	\$ 28,491,924	\$ 24,608,163

The following presents the total OPEB liability of the Sheriff Plan, as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5 percent) or 1-percentage-point higher (4.5 percent) than the current discount rate:

	Measurement Date : September 30, 2017		
	Current		
	1% Decrease	Discount Rate	1% Increase
Discount rate	2.50%	3.50%	4.50%
Total OPEB liability	\$ 39,677,924	\$ 34,788,023	\$ 30,642,818

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 19 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

**B. Total OPEB Liability (Continued)**

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates:

The following presents the total OPEB liability of the County Plan, as well as what the Plan's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5 percent decreasing to 3.4 percent) or 1-percentage-point higher (7.5 percent decreasing to 5.4 percent) than the current healthcare cost trend rates:

	Measurement date: October 1, 2017		
	Current		
	1% Decrease	Discount Rate	1% Increase
Trend rates	5.5% to 3.4%	6.5% to 4.4%	7.5% to 5.4%
Total OPEB liability	\$ 25,251,142	\$ 28,491,924	\$ 32,707,090

The following presents the total OPEB liability of the Sheriff Plan, as well as what the Plan's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6 percent decreasing to 3.24 percent) or 1-percentage-point higher (8 percent decreasing to 5.24 percent) than the current healthcare cost trend rates:

	Measurement date: September 30, 2017		
	Current		
	1% Decrease	Discount Rate	1% Increase
Trend rates	6% to 3.24%	7% to 4.24%	8% to 5.24%
Total OPEB liability	\$ 29,411,629	\$ 34,788,023	\$ 41,785,388

**C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended September 30, 2018, the County Plan recognized OPEB expense of \$2,279,409. At September 30, 2018, the Plan 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 actual and expected experience	\$ -	\$ -
Changes of assumptions or other inputs	-	1,597,204
Benefits paid after the measurement date	1,143,857	-
Total	\$ 1,143,857	\$ 1,597,204



**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 19 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

**C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

Projected deferred outflow of resources paid by the County Plan for the OPEB benefits and administrative expenses after the measurement date to be recognized in OPEB expense for fiscal year 2019 is \$1,143,857.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30,	Amount
2019	\$ (212,960)
2020	(212,960)
2021	(212,960)
2022	(212,960)
2023	(212,960)
2024	(212,960)
2025	(212,960)
2026	(106,484)
Thereafter	-

For the year ended September 30, 2018, the Sheriff Plan recognized OPEB expense of \$2,727,933. At September 30, 2018, the Plan 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
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions and other inputs	-	1,666,305
Benefits paid after the measurement date	949,362	-
<b>Total</b>	<b>\$ 949,362</b>	<b>\$ 1,666,305</b>

Projected deferred outflow of resources paid by the Sheriff Plan for the OPEB benefits after the measurement date to be recognized in OPEB expense for fiscal year 2019 is \$949,362.

**St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 19 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)**

**C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2019	\$ (193,756)
2020	(193,756)
2021	(193,756)
2022	(193,756)
2023	(193,756)
Thereafter	(697,525)

**NOTE 20 – TAX ABATEMENT**

The County enters into property tax abatement agreements with local businesses under the Economic Development Ad Valorem Tax Exemption as set forth in Section 196.1995, Florida Statutes and Section 42-48, St Lucie County Code of Ordinances, the County may grant property tax abatements of up to 100 percent of a business' property tax bill for the purpose of attracting or retaining businesses within its jurisdictions. The abatements may be granted to any business located within or promising to relocate to the County.

For the fiscal year ended September 30, 2018, the County abated property taxes totaling \$172,746 under this program, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A 25 percent property tax abatement to Investment Casting Specialist of Florida, LLC to encourage economic development in the County. The abatement amounted to \$1,826.
- A 90 percent property tax abatement to Expert ShutterServices, Inc. for expansion of an existing business. The abatement amounted to \$9,479.
- An 60 percent property tax abatement to Allied New Technology for expansion of an existing business. The abatement amounted to \$161,441.

The County is not subject to tax abatements granted by other local government taxing authorities as of September 30, 2018.

**St. Lucie County, Florida**  
**Notes to Financial Statements**  
**Year Ended September 30, 2018**

**NOTE 21 – COMMITMENTS AND CONTINGENCIES**

**A. Litigation**

Various suits and claims arising in the ordinary course of County operations are pending. The County is a party to litigation under which in the opinion of the County Attorney the potential amount of the County's liability will not be material to the financial statements. Accordingly, no provision has been made in the financial statements for these contingencies.

**B. Construction Contracts**

At September 30, 2018, the County has various contracts for engineering and construction projects in process totaling \$5,415,130 for which goods and services have not been received. Following is a schedule of outstanding construction contracts:

<b><u>Governmental Funds:</u></b>	
General Fund	\$ 102,744
Fine and Forfeiture Fund	16,800
Impact Fee Fund	881,000
Other governmental funds	4,044,012
Total governmental funds	<u>\$ 5,044,556</u>
<b><u>Proprietary Funds:</u></b>	
Bailing & Recycling Facility Fund	\$ 91
Water & Sewer District Fund	370,483
Total proprietary fund	<u>\$ 370,574</u>

**C. Grants**

Amounts received, or receivable, from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditure is disallowed as a result of these audits the claims for reimbursement to the grantor agency would become a liability of the County. In the opinion of management, any such adjustment would not be significant.

**NOTE 22 – SUBSEQUENT EVENTS**

1. On November 21, 2018, the County completed the final draw of debt proceeds in the amount of \$2,558,378 for the Capital Improvement Revenue Bond, Series 2016A. The original bond was issued on November 22, 2016. The proceeds from this bond are used for the construction of a MRO hangar at the Treasure Coast International Airport.

2. On December 18, 2018, the County entered into a Master Lease Agreement with Insight Global Finance in the amount of \$304,432 for software and hardware equipment. The lease ends in November of 2021.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**ST. LUCIE COUNTY, FLORIDA**  
**OTHER POSTEMPLOYMENT BENEFITS**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**For the Fiscal Year Ended September 30, 2018**

		<u>2018</u>
<b><u>County Plan</u></b>		
Valuation Date		October 1, 2016
Measurement Date		October 1, 2017
<b><u>A. Total OPEB Liability (TOL)</u></b>		
Service cost	\$	1,498,209
Interest		927,463
Benefit changes		-
Difference between actual and expected experience		-
Assumption changes		(1,810,164)
Benefit payments		(1,078,863)
Net change in total OPEB liability	\$	(463,355)
Total OPEB Liability(TOL) - Beginning		28,955,279
Total OPEB Liability(TOL) - Ending	\$	28,491,924
B. Covered Payroll	\$	46,136,891
C. TOL as a percentage of covered payroll: (A)/(B)		61.76%
<b><u>Sheriff Plan</u></b>		
Valuation Date		September 30, 2017
Measurement Date		September 30, 2017
<b><u>A. Total OPEB Liability (TOL)</u></b>		
Service cost	\$	1,794,483
Interest		1,127,206
Benefit changes		-
Difference between actual and expected experience		-
Assumption changes		(1,860,061)
Benefit payments		(1,681,196)
Net change in total OPEB liability	\$	(619,568)
Total OPEB Liability (TOL) - beginning		35,407,591
Total OPEB Liability (TOL) - ending	\$	34,788,023
B. Covered Payroll	\$	41,276,616
C. TOL as a percentage of covered payroll: (A)/(B)		84.28%

Note: This table will be built out to include a ten-year history.

**ST. LUCIE COUNTY, FLORIDA**  
**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
**Florida Retirement System**  
**Last 10 Fiscal Years\* (1)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
County's proportion of the net pension liability	0.286699638 %	0.296434600 %	0.324220168 %	0.333040592 %	0.348810442 %
County's proportionate share of the net pension liability	\$ 17,492,894	\$ 38,288,504	\$ 81,865,847	\$ 98,511,173	\$105,063,513
County's covered payroll	\$ 76,135,364	\$ 77,028,679	\$ 82,847,038	\$ 86,933,073	\$ 93,161,887
County's proportionate share of the net pension liability as a percentage of its covered payroll	22.98 %	49.71 %	98.82 %	113.32 %	112.78 %
Plan fiduciary net position as a percentage of the total pension liability (2)	96.09 %	92.00 %	84.88 %	83.89 %	84.26 %

\* The amounts presented for each fiscal year were determined as of June 30.

(1) - GASB 68 requires information for 10 years. However, FY 2009 through FY 2013 information is not available.

(2) - Information came from FRS Pension Plan and Other State Administered Systems CAFR for each respected year.

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
**Health Insurance Subsidy Program**  
**Last 10 Fiscal Years\*(1)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
County's proportion of the net pension liability	0.256877781 %	0.261850034 %	0.267925759 %	0.272599282 %	0.284615452 %
County's proportionate share of the net pension liability	\$ 24,018,699	\$ 26,704,585	\$ 31,225,637	\$ 29,147,568	\$ 30,124,019
County's covered payroll	\$ 76,135,364	\$ 77,028,679	\$ 82,847,038	\$ 86,933,073	\$ 93,161,887
County's proportionate share of the net pension liability as a percentage of its covered payroll	31.55 %	34.67 %	37.69 %	33.53 %	32.34 %
Plan fiduciary net position as a percentage of the total pension liability (2)	0.99 %	0.50 %	0.97 %	1.64 %	2.15 %

\* The amounts presented for each fiscal year were determined as of June 30.

(1) - GASB 68 requires information for 10 years. However, FY 2009 through FY 2013 information is not available.

(2) - Information came from FRS Pension Plan and Other State Administered Systems CAFR for each respected year.

**ST. LUCIE COUNTY, FLORIDA**  
**SCHEDULE OF CONTRIBUTIONS**  
**Florida Retirement System**  
**Last 10 Fiscal Years\* (1)**

	2014	2015	2016	2017	2018
Contractually required contribution	\$ 8,493,239	\$ 9,358,753	\$ 10,063,078	\$ 11,135,500	\$ 12,682,358
Contributions in relation to the contractually required contribution	8,493,239	9,358,753	10,063,078	11,135,500	12,682,358
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 74,229,560	\$ 80,243,983	\$ 83,487,575	\$ 87,413,507	\$ 93,161,887
Contributions as a percentage of covered-employee payroll	11.44%	11.66%	12.06%	12.74%	13.62%

\* The amounts presented for each fiscal year were determined as of September 30.

(1) - GASB 68 requires information for 10 years. However, FY 2009 through FY 2013 information is not available.

**SCHEDULE OF CONTRIBUTIONS**  
**Health Insurance Subsidy Program**  
**Last 10 Fiscal Years\* (1)**

	2014	2015	2016	2017	2018
Contractually required contribution	\$ 903,402	\$ 1,093,673	\$ 1,376,328	\$ 1,302,149	\$ 1,370,828
Contributions in relation to the contractually required contribution	903,402	1,093,673	1,376,328	1,302,149	1,370,828
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 74,229,560	\$ 80,243,983	\$ 83,487,575	\$ 87,413,507	\$ 93,161,887
Contributions as a percentage of covered-employee payroll	1.22%	1.36%	1.65%	1.49%	1.48%

\* The amounts presented for each fiscal year were determined as of September 30.

(1) - GASB 68 requires information for 10 years. However, FY 2009 through FY 2013 information is not available.

## **COMPLIANCE SECTION**





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**INDEPENDENT AUDITOR'S 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**

The Honorable Board of County Commissioners  
St. Lucie County, Florida

We have audited, in accordance with the 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 St. Lucie County, Florida, as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated March 25, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered St. Lucie County, Florida's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Lucie County, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Lucie County, Florida's internal control over financial reporting.

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 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. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Honorable Board of County Commissioners  
St. Lucie County, Florida

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether St. Lucie County, Florida's financial statements are free of 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.

*Berger Toombs Elam  
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants  
Fort Pierce, Florida

March 25, 2019



Berger, Toombs, Elam,  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550 RULES OF THE  
AUDITOR GENERAL**

The Honorable Board of County Commissioners  
St. Lucie County, Florida

***Report on Compliance for Each Major Federal Program and State Project***

We have audited St. Lucie County, Florida's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the Florida Department of Financial Services Projects Compliance Supplement that could have a direct and material effect on each of St. Lucie County, Florida's major federal programs and state projects for the year ended September 30, 2018. St. Lucie County, Florida's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs and state projects.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of St. Lucie County, Florida's major federal programs and state projects 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General. Those standards, the Uniform Guidance, and the Florida Department of Financial Services Projects Compliance Supplement 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 or state project occurred. An audit includes examining, on a test basis, evidence about St. Lucie County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Fort Pierce / Stuart

The Honorable Board of County Commissioners  
St. Lucie County, Florida

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of St. Lucie County, Florida's compliance.

### ***Opinion on Each Major Federal Program and State Project***

In our opinion, St. Lucie County, 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 projects for the year ended September 30, 2018.

### ***Report on Internal Control Over Compliance***

Management of St. Lucie County, Florida 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 St. Lucie County, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project 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 and the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General, 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 St. Lucie County, Florida'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 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 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Honorable Board of County Commissioners  
St. Lucie County, Florida

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 and the Florida Department of Financial Services Projects Compliance Supplement. Accordingly, this report is not suitable for any other purpose.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

March 25, 2019

**St. Lucie County, Florida**  
**Schedule of Expenditures of Federal Awards and State Projects**  
**For the Fiscal Year Ended September 30, 2018**

Federal/State Agency Pass-through Entity Federal Program/State Project	CFDA CSFA No.	Contract/Grant Number	Pass Through Entity Identifying Number	Expenditures	Transfers to Subrecipients
<b>FEDERAL AWARDS:</b>					
<b>US Department of Agriculture</b>					
Direct Programs:					
Rural Business Development Grant (RBDG)	10.351	#461036748		\$ 129,753	
Rural Housing Preservation Grant (HPG)	10.433	HPG		<u>1,353</u>	
<b>Total US Department of Agriculture</b>				<u>131,106</u>	
<b>US Department of Commerce</b>					
Direct Programs:					
Economic Development Clusters					
Investments for Public Works and Economic Development Facilities	11.300	04-01-07042		<u>725,636</u>	
Total Economic Development Clusters:				<u>725,636</u>	
<b>Total US Department of Commerce</b>				<u>725,636</u>	
<b>US Department of Health and Human Services</b>					
Indirect Programs:					
Passed Through the Florida Department of Economic Opportunity					
Community Services Block Grant	93.569	17SB-0D-12-00-01-023	O72215403	<u>338,334</u>	
Total Program				<u>338,334</u>	
Passed Through the Florida Department of Revenue					
Child Support Enforcement	93.563	COC56	36991959	<u>392,108</u>	
<b>Total US Department of Health and Human Services</b>				<u>730,442</u>	
<b>US Department of Homeland Security</b>					
Indirect Programs:					
Passed Through the Florida Division of Emergency Management					
Emergency Management Performance Grants	97.042	18-FG-7A-10-66-01-109	O72215403	96,483	
		19-FG-AF-10-66-01-107	O72215403	<u>24,271</u>	
Total Program				<u>120,754</u>	
Passed Through the Florida Division of Emergency Management					
Homeland Security Grant Program	97.067	17-DS-V4-10-66-01-379	O72215403	18,229	
		18-DS-X1-10-66-01-330	O72215403	<u>58</u>	
Passed Through Volunteer Florida					
Homeland Security Grant Program	97.067	CERT 2017-2018	O72215403	<u>6,799</u>	
Total Program				<u>25,086</u>	
<b>Total US Department of Homeland Security</b>				<u>145,840</u>	
<b>US Department of Housing and Urban Development</b>					
Direct Programs:					
Continuum of Care Program					
	14.267	FL0419L4H091601		69,225	
		FL0397L4H091606		123,939	
		FL0310L4H091608		118,510	
		FL0419L48091702		14,497	
		FL0419L4H091702		24,824	
		FL0310L4H091709		<u>27,017</u>	
Total Program:				<u>378,012</u>	
Home Investment Partnerships Program					
	14.239	M14-DC-120234		16,592	
		M15-DC-120234		103,258	
		M16-DC-120234		158,496	
		M17-DC-120234		<u>19,640</u>	
Total Program:				<u>297,986</u>	
Indirect Programs:					
Passed Through Florida Department of Economic Opportunity					
Community Development Block Grants/State's Program	14.228	18DB-OM-10-66-01-H 01	O72215403	<u>10,783</u>	
<b>Total US Department of Housing and Urban Development</b>				<u>686,781</u>	

**St. Lucie County, Florida**  
**Schedule of Expenditures of Federal Awards and State Projects**  
**For the Fiscal Year Ended September 30, 2018**

Federal/State Agency Pass-through Entity Federal Program/State Project	CFDA CSFA No.	Contract/Grant Number	Pass Through Entity Identifying Number	Expenditures	Transfers to Subrecipients
<b>US Department of the Interior - Fish and Wildlife</b>					
Indirect Programs:					
Passed Through Florida Department of Environmental Protection					
Outdoor Recreation-Acquisition, Development and Planning	15.916	WCF#12-00618	CMM60	62,551	
<b>Total US Department of the Interior - Fish and Wildlife</b>				<u>62,551</u>	
<b>US Department of Justice</b>					
Direct Programs:					
Victims of Crimes Act	16.575	VOCA-2017-SLSO-00300		55,942	
State Criminal Alien Assistance Program	16.606	2016-AP-BX-0450		55,364	55,364
DNA Backlog Reduction Program	16.741	2016-DN-BX-0065		198,841	
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	2016-CD-BX-0030 2017-CD-BX-0010		6,309 11,938	
Total Program				<u>18,247</u>	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0606	O72215403	29,875	29,875
Indirect Programs:					
Passed Through Florida Department of Law Enforcement					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0743	O72215403	27,112	27,112
<b>Total US Department of Justice</b>				<u>385,381</u>	<u>112,351</u>
<b>US Department of Transportation</b>					
Direct Programs:					
Federal Transit Cluster					
Federal Transit Capital Investment Grants	20.500	FL-04-0176-00		17,459	17,459
Federal Transit - Formula Grants	20.507	FL-90-X765-00 FL-90-X793-00 FL-90-X846-00 FL-90-X866-00 FL-2017-012-00 FL-2018-010-00 FL-2018-054-00		6,240 2,774 85,900 90,630 911,016 483,071 134,502	2,774 1,685 42,827 860,686 309,442 134,502
Total Program:				<u>1,714,133</u>	<u>1,351,916</u>
Bus and Facilities Formula Program	20.526	FL-2017-043-00		4,095	
Total Federal Transit Cluster:				<u>1,735,687</u>	<u>1,369,375</u>
Federal Aviation Administration					
Airport Improvement Program	20.106	3-12-0023-035-2016		373,828	
Transit Services Programs Cluster:					
New Freedom Program	20.521	FL-57-X046-00		5,737	
Indirect Programs:					
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	G0N76 FL2016-064-0	O72215403	74,973	
Total Transit Services Programs Cluster:				<u>80,710</u>	

**St. Lucie County, Florida**  
**Schedule of Expenditures of Federal Awards and State Projects**  
**For the Fiscal Year Ended September 30, 2018**

Federal/State Agency Pass-through Entity Federal Program/State Project	CFDA CSFA No.	Contract/Grant Number	Pass Through Entity Identifying Number	Expenditures	Transfers to Subrecipients
Indirect Programs:					
Highway Planning and Construction Cluster:					
Passed through the Florida Department of Transportation					
Highway Planning and Construction	20.205	GOC98 PL-0311(54)	O72215403	594,595	
Total Highway Planning and Construction Cluster:				<u>594,595</u>	
Passed through the Florida Department of Transportation					
Non-metropolitan Planning and Research	20.505	GO358	O72215403	108,048	
Formula Grants for Rural Areas	20.509	ARR39	O72215403	61,886	61,886
<b>Total US Department of Transportation</b>				<u>2,954,754</u>	<u>1,431,261</u>
<b>US Department of Veterans Affairs</b>					
Indirect Programs:					
Passed Through Treasure Coast Homeless Services					
VA Supportive Services for Veteran Families Program	64.033	14-FL-322 2017-2018	C16-12-636	66,083	
<b>Total US Department of Veterans Affairs</b>				<u>66,083</u>	
<b>US Election Assistance Commission</b>					
Indirect Programs:					
Passed Through Florida Department of State					
Help America Vote Act Requirements Payments	90.401	2015-2016-0001-STL	Unable to Locate	74,819	
<b>Total US Election Assistance Commission</b>				<u>74,819</u>	
<b>US Environmental Protection Agency</b>					
Indirect Programs:					
Passed Through the Indian River Lagoon Council					
National Estuary Program	66.456	01-1871 IRL2016-014	GL01-1814 GL01-1814	56,617 200,000	
Total Program:				<u>256,617</u>	
<b>Total US Environmental Protection Agency</b>				<u>256,617</u>	
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<u><b>\$ 6,220,010</b></u>	<u><b>\$ 1,543,612</b></u>



**St. Lucie County, Florida**  
**Schedule of Expenditures of Federal Awards and State Projects**  
**For the Fiscal Year Ended September 30, 2018**

Federal/State Agency Pass-through Entity Federal Program/State Project	CFDA CSFA No.	Contract/Grant Number	Pass Through Entity Identifying Number	Expenditures	Transfers to Subrecipients
<b>STATE PROJECTS:</b>					
<b>Florida Department of Environmental Protection</b>					
Direct Programs:					
Beach Management Funding Assistance Program	37.003	15SL3		24,040	
		16SL1		163,930	
		13SL2		5,156	
		16SL3		145,291	
		17SL1		<u>65,573</u>	
Total Program:				403,990	
Florida Recreation Development Assistance Program	37.017	A7053		1,728	
Statewide Surface Water Restoration and Wastewater Projects	37.039	LP56020		<u>156,417</u>	
<b>Total Florida Department of Environmental Protection</b>				<u>562,135</u>	
<b>Florida Department of Health - Bureau of EMS</b>					
Direct Programs:					
County Grant Awards	64.005	C6059		<u>48,223</u>	<u>48,223</u>
<b>Total Florida Department of Health - Bureau of EMS</b>				<u>48,223</u>	<u>48,223</u>
<b>Florida Department of Law Enforcement</b>					
Direct Programs:					
Statewide Criminal Analysis Laboratory System	71.002	CL001		<u>171,940</u>	
<b>Total Florida Department of Law Enforcement</b>				<u>171,940</u>	
<b>Florida Department of State and Secretary of State</b>					
Direct Programs:					
State Aid to Libraries	45.030	17-ST-73 18-ST-73		3,690	
				<u>105,166</u>	
Total Program:				<u>108,856</u>	
<b>Total Florida Department of State and Secretary of State</b>				<u>108,856</u>	
<b>Florida Department of Transportation</b>					
Direct Programs:					
Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program	55.001	G0M93 G0N91 G0Y42 G0X62		554,262	
				75,282	
				5,017	
				<u>174,590</u>	
Total Program:				809,151	
Commission for the Transportation Disadvantaged (CTD)Planning Grant Program	55.002	G0N97		19,587	
Aviation Development Grants	55.004	AR084 AQW02 AR132 ARV04 G0415 G0150 G0807 G0E93 G0B99 ARY08 G0328 G0L69		414,821	
				118,427	
				60,884	
				375,446	
				224,318	
				170,870	
				19,583	
				209,247	
				150,000	
				19,440	
				3,352	
				<u>32,000</u>	
Total Program:				1,798,388	
Seaport Grants	55.005	G0678 G0O34 G0O35		16,777	
				22,426	
				<u>21,264</u>	
Total Program:				60,467	

**St. Lucie County, Florida**  
**Schedule of Expenditures of Federal Awards and State Projects**  
**For the Fiscal Year Ended September 30, 2018**

Federal/State Agency Pass-through Entity Federal Program/State Project	CFDA CSFA No.	Contract/Grant Number	Pass Through Entity Identifying Number	Expenditures	Transfers to Subrecipients
County Incentive Grant Programs	55.008	G0C99		1,897,931	
Public Transit Block Grant Program	55.010	ARR44		543,838	543,838
Public Transit Service Development Program	55.012	APR83 ARZ25 G0089		74,746 338 139,000	74,746  139,000
Total Program:				214,084	213,746
Intermodal Development Program	55.014	AQK84		834,284	
Transportation Regional Incentive Program	55.026	G0C99		1,897,931	
<b>Total Florida Department of Transportation</b>				<b>8,075,662</b>	<b>757,584</b>
<b>Florida Executive Office of the Governor</b>					
Direct Programs:					
Emergency Management Programs	31.063	18-BG-W9-10-66-01-110 19-BG-21-10-66-01-117		102,860 29,022	
Total Program:				131,882	
Hurricane Loss Mitigation Program	31.066	18HL-AG-10-66-01-006		215,713	
<b>Total Florida Executive Office of the Governor</b>				<b>347,595</b>	
<b>Florida Fish and Wildlife Conservation Commission</b>					
Direct Programs:					
Artificial Reef Grants Program	77.007	FWC-16145 FWC-17019		37,052 30,000	
Total Program:				67,052	
<b>Total Florida Fish and Wildlife Conservation Commission</b>				<b>67,052</b>	
<b>Florida Housing Finance Corporation</b>					
Direct Programs:					
State Housing Initiative Partnership (SHIP) Program	40.901	SHIP FY 2016/2017 SHIP FY 2017/2018		141,873 54,142	
Total Program:				196,015	
<b>Total Florida Housing Finance Corporation</b>				<b>196,015</b>	
<b>TOTAL EXPENDITURES OF STATE PROJECTS</b>				<b>\$ 9,577,478</b>	<b>\$ 805,807</b>

**St. Lucie County, Florida**  
**Notes to Schedule of Expenditures of Federal Awards and State Projects**  
**Year Ended September 30, 2018**

**1. Bases of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and State Projects (the "Schedule") includes the federal award and state project activity of St. Lucie County, Florida under programs of the federal government for the year ended September 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of St. Lucie County, Florida, it is not intended to and does not present the financial position, changes in net position, or cash flows of St. Lucie County, Florida.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when they become measurable and available as net current assets and expenditures when the related fund liability is incurred. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

St. Lucie County, Florida has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**3. Program Clusters**

The Uniform Guidance defines a cluster of programs as a grouping of closely related programs that share common compliance requirements. According to this definition, similar programs deemed to be a cluster of programs are tested accordingly.

**4. Contingency**

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of St. Lucie County, Florida. 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.

**St. Lucie County, Florida**  
**Notes to Schedule of Expenditures of Federal Awards and State Projects**  
**Year Ended September 30, 2018**

**5. Program Income**

The federal expenditures presented in the Schedule of Expenditures of Federal Awards (SEFA) for St. Lucie County, Florida, do not include expenditures funded by program income. The following schedule shows total grant-related expenditures and their funding source (federal, program income, or general fund match) for HUD grants, as these are the only grants with program income:

<u>Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>	<u>Total Expenditures</u>
Community Development Block Grants/Entitlement Grants - Neighborhood Stabilization Program			
Federal Expenditures reported on SEFA	14.228	\$ 10,783	10,783
Plus Expenditures funded by Program Income			86,725
Total Grant-Related Expenditures			<u>\$ 97,508</u>
Home Investment Partnership Program			
Federal Expenditures reported on SEFA			
Plus Expenditures funded by Program Income	14.239	\$ 297,986	297,986
Total Grant-Related Expenditures			58,072
			<u>\$ 356,058</u>
<u>Program or Cluster Title</u>	<u>STATE CSFA Number</u>	<u>State Expenditures</u>	<u>Total Expenditures</u>
State Housing Initiative (SHIP) Program			
State Expenditures reported on SEFA	40.901	\$ 196,015	196,015
Plus Expenditures funded by Program Income			24,118
Total Grant Related Expenditures			<u>\$ 220,133</u>

**St. Lucie County, Florida**  
**Schedule of Findings and Questioned Cost –**  
**Federal Awards and State Projects**  
Fiscal Year Ended September 30, 2018

**Section I – Summary of Auditor’s Results**

Financial Statements

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	_____ Yes <u>  X  </u> No
Significant deficiency(ies) identified not considered to be material weakness(es)?	_____ Yes <u>  X  </u> None Reported
Noncompliance material to financial statements noted?	_____ Yes <u>  X  </u> No

Federal Awards and State Projects

Internal control over major program/project:	
Material weakness(es) identified?	_____ Yes <u>  X  </u> No
Significant deficiency(ies) identified not considered to be material weakness(es)?	_____ Yes <u>  X  </u> None Reported
Type of auditor’s report issued on compliance for major federal programs and state projects	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) or Chapter 10.557?	_____ Yes <u>  X  </u> No

Identification of major programs/projects:

CFDA

<u>Number</u>	<u>Name of Federal Program or Cluster</u>
20.500	Federal Transit – Capital Investment Grants
20.507	Federal Transit – Formula Grants
20.526	Bus and Bus Facilities Formula Program

CFSA

<u>Number</u>	<u>Name of State Projects</u>
31.063	Emergency Management Programs
45.030	State Aid to Libraries
55.001	Disadvantaged (CTD) Trip and Equipment Grant Program
55.008	County Incentive Grant Program
55.010	Public Transit Block Grant Program
55.026	Transportation Regional Incentive Program

Dollar threshold used to distinguish between Type A and B Federal Programs	\$750,000
Dollar threshold used to distinguish between Type A and B State Projects	\$300,000

**St. Lucie County, Florida**  
**Schedule of Findings and Questioned Cost –**  
**Federal Awards and State Projects**  
Fiscal Year Ended September 30, 2018

**Section I – Summary of Auditor’s Results (Continued)**

Auditee qualifies as low-risk auditee,  
pursuant to the Uniform Guidance   X   Yes        No

**Section II – Financial Statement Findings**

There were no material weaknesses, significant deficiencies or instances of noncompliance related to the financial statements.

**Section III – Major Federal Programs Findings and Questioned Cost**

There were no audit findings related to federal programs required to be reported by, Section 2 CFR 200.516(a), Uniform Guidance.

**Section IV – Major State Projects Findings and Questioned Cost**

There were no audit findings related to state projects required to be reported by Chapter 10.550, Rules of the Auditor General.

**Section V – Summary of Prior Audit Findings**

There is no Summary of Prior Audit Findings or Corrective Action Plan required to be reported under Federal or Florida Single Audit Acts, as there were no prior year findings.

# **MANAGEMENT LETTER**

**St. Lucie County, Florida**

**September 30, 2018**



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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## MANAGEMENT LETTER

To the Honorable Board of County Commissioners  
St. Lucie County,

### Report on the Financial Statements

We have audited the financial statements of St. Lucie County, Florida (the "County") as of and for the year ended September 30, 2018, and have issued our report thereon dated March 25, 2019.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of the Title 2 U.S. "Code of Federal Regulations" Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and Chapter 10.550, Rules of the *Florida Auditor General*.

### Other Reporting Requirements

We have issued our Independent Auditor's 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*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 25, 2019, should be considered in conjunction with this Management Letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The finding noted in the preceding financial audit report, Finding 17-01, was corrected during the current fiscal year.



To the Honorable Board of County Commissioners  
St. Lucie County,

### **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires that we apply appropriate procedures and report the results of our determination as to whether or not St. Lucie County, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the St. Lucie County, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the St. Lucie County, Florida's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connections with our audit, we did not have any such recommendations.

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Purpose of this Letter**

Our Management Letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of County Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

March 25, 2019

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES**

**St. Lucie County, Florida**

**September 30, 2018**



Berger, Toombs, Elam,  
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Certified Public Accountants PL

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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES**

The Honorable Board of County Commissioners  
St. Lucie County, Florida

We have examined St. Lucie County, Florida compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for St. Lucie County's compliance with those requirements. Our responsibility is to express an opinion on St. Lucie County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about St. Lucie County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on St. Lucie County's compliance with the specified requirements.

In our opinion, St. Lucie County, Florida complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

March 25, 2019

**SECTION II**

**BOARD OF COUNTY COMMISSIONERS**

**Board of County Commissioners  
St. Lucie County  
Annual Financial Report  
September 30, 2018**

**Principal Officers**

Board of County Commissioners:

District 1	Chris Dzadoovsky
District 2	Anthony Bonna
District 3	Linda Bartz
District 4	Frannie Hutchinson
District 5	Cathy Townsend

**Board of County Commissioners  
St. Lucie County, Florida**

**Fiscal Year Ended September 30, 2018**

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**Board of County Commissioners  
St. Lucie County, Florida**

**Fiscal Year Ended September 30, 2018**

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## **Report on Special Purpose Financial Statements Prepared in Compliance With a Regulatory Provision That Results in an Incomplete Presentation But One That Is Otherwise in Conformity With Generally Accepted Accounting Principles**

### **REPORT OF INDEPENDENT AUDITORS**

The Honorable Board of County Commissioners  
St. Lucie County, Florida

We have audited the accompanying fund financial statements of the Board of County Commissioners, St. Lucie County, Florida ("Board"), as of and for the year ended September 30, 2018 and the related notes to financial statements, which collectively comprise the Board's 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 fund 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.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these fund financial statements based on our audit. 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 fund financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the fund financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Fort Pierce / Stuart



The Honorable Board of County Commissioners  
St. Lucie County, Florida

### ***Opinion***

In our opinion, the fund financial statements referred to above present fairly, in all material respects, the respective fund financial position of the Board of County Commissioners, St. Lucie County, Florida, as of September 30, 2018, and the respective changes in fund financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

#### *Basis of Presentation*

As described in Note 1, the accompanying special-purpose fund financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, and are not intended to be a complete presentation of the financial position and changes in financial position of the Board of County Commissioners, St. Lucie County, Florida. Additionally, the special-purpose fund financial statements present only the Board of County Commissioners, St. Lucie County, Florida and are not intended to present the financial position and changes in financial position of St. Lucie County, Florida, taken as a whole. Our opinion is not modified with respect to these matters.

### ***Other Matters***

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board's fund financial statements. The accompanying combining and individual nonmajor fund statement and budgetary comparison schedules for nonmajor governmental funds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The statement combining and individual nonmajor fund statement and budgetary comparison schedules for nonmajor governmental funds is the responsibility of management and was 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 statement of changes in assets and liabilities is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable Board of County Commissioners  
St. Lucie County, Florida

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2019 on our consideration of the Board'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 Board's internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, FL

February 28, 2019

# **FINANCIAL SECTION**

**Board of County Commissioners  
St. Lucie County, Florida  
Balance Sheet  
Governmental Funds  
September 30, 2018**

	General	Transportation Trust Fund	Fine and Forfeiture Fund	Port Fund	Erosion Control Fund
<b>ASSETS</b>					
Cash and investments	\$ 49,595,068	\$ 5,234,176	\$ 5,309,973	\$ 891,888	\$ 5,413,051
Accounts receivable	587,850	40,688	20,648	9,209	145,774
Assessments receivable	5,053	-	-	-	-
Interest receivable	195,210	18,987	22,261	4,333	20,639
Due from other governments	5,099,434	733,601	1,138,001	908,553	9,907,858
Due from other funds	-	-	-	-	-
Inventories	-	194,111	-	-	-
Prepaid items	56,545	-	-	328	-
Total Assets	<u>\$ 55,539,160</u>	<u>\$ 6,221,563</u>	<u>\$ 6,490,883</u>	<u>\$ 1,814,311</u>	<u>\$ 15,487,322</u>
<b>LIABILITIES</b>					
Accounts payable and other current liabilities	4,651,731	565,819	1,052,963	214,519	196,972
Matured bonds payable	-	107,805	-	-	-
Matured interest payable	-	2,128	-	-	-
Deposits payable	62,988	-	-	-	-
Due to other governments	286,867	-	3,137	-	-
Due to other funds	-	-	-	-	-
Unearned revenues - other	419	-	23,035	7,488	9,527,376
Total Liabilities	<u>5,002,005</u>	<u>675,752</u>	<u>1,079,135</u>	<u>222,007</u>	<u>9,724,348</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues - special assessments	-	-	-	-	-
Unavailable revenues - grants	1,094,032	-	-	733,108	269,654
Total deferred inflows of resources	<u>1,094,032</u>	<u>-</u>	<u>-</u>	<u>733,108</u>	<u>269,654</u>
<b>FUND BALANCES</b>					
<b>Nonspendable:</b>					
Inventories of supplies	-	194,111	-	-	-
Prepaid items	56,545	-	-	328	-
<b>Restricted:</b>					
Port development	-	-	-	858,868	-
Erosion Control District	-	-	-	-	5,493,320
Parks improvements	-	-	-	-	-
Court related	-	-	383,748	-	-
Court Administrator, mediation	-	-	-	-	-
Transportation	-	5,351,700	-	-	-
Debt service	-	-	-	-	-
Environmental land acquisition	-	-	-	-	-
Law enforcement	-	-	5,028,000	-	-
Mosquito Control District	-	-	-	-	-
Judicial expenditures	-	-	-	-	-
Housing assistance program	-	-	-	-	-
Boating related projects	-	-	-	-	-
Art in public places	-	-	-	-	-
Other capital projects	-	-	-	-	-
Other purposes	-	-	-	-	-
<b>Committed:</b>					
Street lights, roads, drainage imp. to special district	-	-	-	-	-
Unincorporated services	-	-	-	-	-
Other purposes	102,744	-	-	-	-
<b>Assigned:</b>					
Emergency reserves	36,500,000	-	-	-	-
Projected budget deficit for fiscal year 2018	1,800,000	-	-	-	-
<b>Unassigned</b>	10,983,834	-	-	-	-
Total fund balances	<u>49,443,123</u>	<u>5,545,811</u>	<u>5,411,748</u>	<u>859,196</u>	<u>5,493,320</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 55,539,160</u>	<u>\$ 6,221,563</u>	<u>\$ 6,490,883</u>	<u>\$ 1,814,311</u>	<u>\$ 15,487,322</u>

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

<u>Impact Fee</u>	<u>Sports Complex Capital Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 28,972,083	\$ 52,071,885	\$ 50,797,247	\$ 198,285,371
730,406	-	889,130	2,423,705
-	-	3,611,940	3,616,993
118,188	-	195,696	575,314
4,229,345	-	6,209,791	28,226,583
-	-	284,332	284,332
-	-	161,951	356,062
-	-	238,410	295,283
<u>\$ 34,050,022</u>	<u>\$ 52,071,885</u>	<u>\$ 62,388,497</u>	<u>\$ 234,063,643</u>
1,693,497	267,135	5,464,564	14,107,200
-	-	5,118,538	5,226,343
-	-	1,297,464	1,299,592
-	-	12,518	75,506
-	-	193,222	483,226
-	-	284,332	284,332
-	-	341,992	9,900,310
<u>1,693,497</u>	<u>267,135</u>	<u>12,712,630</u>	<u>31,376,509</u>
-	-	3,611,940	3,611,940
<u>3,389,989</u>	<u>-</u>	<u>3,655,689</u>	<u>9,142,472</u>
<u>3,389,989</u>	<u>-</u>	<u>7,267,629</u>	<u>12,754,412</u>
-	-	161,951	356,062
-	-	238,410	295,283
-	-	-	858,868
-	-	-	5,493,320
-	-	1,288,218	1,288,218
-	-	-	383,748
-	-	2,184,811	2,184,811
-	-	2,110,213	7,461,913
-	-	6,717,715	6,717,715
-	-	517,559	517,559
-	-	-	5,028,000
-	-	1,323,696	1,323,696
-	-	153,649	153,649
-	-	301,784	301,784
-	-	988,053	988,053
-	-	122,791	122,791
28,966,536	51,804,750	12,572,633	93,343,919
-	-	3,868,074	3,868,074
-	-	236,712	236,712
-	-	7,808,041	7,808,041
-	-	1,994,601	2,097,345
-	-	-	36,500,000
-	-	-	1,800,000
-	-	(180,673)	10,803,161
<u>28,966,536</u>	<u>51,804,750</u>	<u>42,408,238</u>	<u>189,932,722</u>
<u>\$ 34,050,022</u>	<u>\$ 52,071,885</u>	<u>\$ 62,388,497</u>	<u>\$ 234,063,643</u>

**Board of County Commissioners**  
**St. Lucie County, Florida**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended September 30, 2018**

	<b>General</b>	<b>Transportation Trust</b>	<b>Fine and Forfeiture</b>	<b>Port Fund</b>	<b>Erosion Control Fund</b>
<b>REVENUES</b>					
Taxes:					
Property	\$ 74,755,560	\$ -	\$ 62,874,945	\$ -	\$ 1,684,038
Tourist	-	-	-	-	-
Motor fuel	-	3,292,293	-	-	-
Local communication	-	834,509	-	-	-
Local business	26,042	-	-	-	-
Licenses and permits	1,000	350	-	-	-
Franchise fees	4,146,043	-	-	-	-
Impact fees	-	20,015	-	-	-
Special assessments	-	-	-	20,820	-
Intergovernmental	12,856,479	4,704,904	2,140,509	929,043	505,517
Charges for services	1,538,458	-	1,427,217	64,518	-
Fines and forfeitures	96,650	-	307,400	-	-
Investment income	779,090	64,110	203,267	17,709	73,770
Contributions from property owners	63,408	-	-	-	1,050
Miscellaneous	5,162,340	195,268	1,174,225	194,660	-
Total Revenues	<u>99,425,070</u>	<u>9,111,449</u>	<u>68,127,563</u>	<u>1,226,750</u>	<u>2,264,375</u>
<b>EXPENDITURES</b>					
Current:					
General government	18,811,530	750,484	3,007,154	102	76,905
Public safety	8,404,534	-	10,011,160	-	-
Physical environment	3,551,834	-	-	-	1,512,711
Transportation	301,965	8,681,359	-	449,773	193,350
Economic environment	3,878,448	-	2,042,068	-	-
Human services	8,041,031	-	25,000	-	-
Culture and recreation	13,243,736	-	-	-	-
Court-related	-	-	4,443,264	-	-
Capital outlay	2,681,861	1,505,123	431,017	27,207,497	-
Debt service:					
Principal	67,117	214,910	-	30,549	-
Interest	776	4,956	-	24,808	-
Other	-	28,985	-	-	-
Total expenditures	<u>58,982,832</u>	<u>11,185,817</u>	<u>19,959,663</u>	<u>27,712,729</u>	<u>1,782,966</u>
Excess (deficiency) of revenues over (under) expenditures	<u>40,442,238</u>	<u>(2,074,368)</u>	<u>48,167,900</u>	<u>(26,485,979)</u>	<u>481,409</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	929,407	497,990	7,388,512	542,298	50,000
Transfers out	(42,509,720)	(119,764)	(59,091,873)	(301)	(252,417)
Capital lease	299,947	1,230,188	-	-	-
Issuance of long-term debt	-	-	-	25,430,415	-
Advance forgiveness	(82,500)	-	-	-	-
Total other financing sources (uses)	<u>(41,362,866)</u>	<u>1,608,414</u>	<u>(51,703,361)</u>	<u>25,972,412</u>	<u>(202,417)</u>
Net change in fund balances	(920,628)	(465,954)	(3,535,461)	(513,567)	278,992
Fund balances - beginning	50,363,751	6,060,774	8,947,209	1,372,763	5,214,328
Change in inventories of supplies	-	(49,009)	-	-	-
Fund balances - ending	<u>\$ 49,443,123</u>	<u>\$ 5,545,811</u>	<u>\$ 5,411,748</u>	<u>\$ 859,196</u>	<u>\$ 5,493,320</u>

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

<u>Impact Fee</u>	<u>Sports complex Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ 22,817,297	\$ 162,131,840
-	-	4,226,041	4,226,041
-	-	1,192,435	4,484,728
-	-	-	834,509
-	-	60,765	86,807
-	-	201,273	202,623
-	-	-	4,146,043
12,196,539	-	-	12,216,554
-	-	850,053	870,873
1,391,998	-	12,687,380	35,215,830
-	-	1,377,220	4,407,413
-	-	679,110	1,083,160
364,141	937,233	776,880	3,216,200
-	-	1,238,715	1,303,173
350,297	-	5,763,788	12,840,578
<u>14,302,975</u>	<u>937,233</u>	<u>51,870,957</u>	<u>247,266,372</u>
-	-	2,707,026	25,353,201
437,036	-	1,260,404	20,113,134
-	-	2,356,199	7,420,744
-	-	10,906,304	20,532,751
-	-	1,341,059	7,261,575
-	-	7,268,515	15,334,546
346,711	-	5,432,951	19,023,398
-	-	952,573	5,395,837
8,073,475	2,942,796	14,614,107	57,455,876
-	-	10,850,806	11,163,382
-	-	6,881,129	6,911,669
-	-	284,590	313,575
<u>8,857,222</u>	<u>2,942,796</u>	<u>64,855,663</u>	<u>196,279,688</u>
<u>5,445,753</u>	<u>(2,005,563)</u>	<u>(12,984,706)</u>	<u>50,986,684</u>
-	-	9,731,949	19,140,156
(689,152)	(160,432)	(10,179,149)	(113,002,808)
-	-	742,515	2,272,650
-	-	299,585	25,730,000
-	-	-	(82,500)
<u>(689,152)</u>	<u>(160,432)</u>	<u>594,900</u>	<u>(65,942,502)</u>
4,756,601	(2,165,995)	(12,389,806)	(14,955,818)
24,209,935	53,970,745	54,845,613	204,985,118
-	-	(47,569)	(96,578)
<u>\$ 28,966,536</u>	<u>\$ 51,804,750</u>	<u>\$ 42,408,238</u>	<u>\$ 189,932,722</u>

**Board of County Commissioners  
St. Lucie County, Florida  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended September 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 72,770,500	\$ 72,770,500	\$ 74,755,560	\$ 1,985,060
Local business	25,000	25,000	26,042	1,042
Licenses and permits	-	-	1,000	1,000
Franchise fees	3,988,464	3,988,464	4,146,043	157,579
Intergovernmental	11,632,057	14,813,373	12,856,479	(1,956,894)
Charges for services	1,491,743	1,501,468	1,538,458	36,990
Fines and forfeitures	53,300	93,300	96,650	3,350
Investment income	502,716	502,716	779,090	276,374
Contributions from property owners	80,300	92,684	63,408	(29,276)
Miscellaneous	3,410,986	3,719,893	5,162,340	1,442,447
Total revenues	<u>93,955,066</u>	<u>97,507,398</u>	<u>99,425,070</u>	<u>1,917,672</u>
<b>EXPENDITURES</b>				
Current:				
General government	23,658,910	23,899,708	18,811,530	5,088,178
Public safety	4,899,150	8,203,365	8,404,534	(201,169)
Physical environment	2,558,329	3,253,179	3,551,834	(298,655)
Transportation	280,000	430,100	301,965	128,135
Economic environment	4,212,355	5,109,575	3,878,448	1,231,127
Human services	7,633,818	8,687,732	8,041,031	646,701
Culture and recreation	13,907,074	14,109,033	13,243,736	865,297
Capital outlay	1,735,951	4,893,082	2,681,861	2,211,221
Debt Service:				
Principal	1,006,090	794,229	67,117	727,112
Interest	-	776	776	-
Total expenditures	<u>59,891,677</u>	<u>69,380,779</u>	<u>58,982,832</u>	<u>10,397,947</u>
Excess (deficiency) of revenues over (under) expenditures	<u>34,063,389</u>	<u>28,126,619</u>	<u>40,442,238</u>	<u>12,315,619</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	904,272	1,011,907	929,407	(82,500)
Transfers out	(41,708,260)	(43,176,826)	(42,509,720)	667,106
Capital lease	-	299,948	299,947	(1)
Sale of capital assets	23,175	23,175	-	(23,175)
Advance forgiveness	-	-	(82,500)	(82,500)
Total other financing sources (uses)	<u>(40,780,813)</u>	<u>(41,841,796)</u>	<u>(41,362,866)</u>	<u>478,930</u>
Net change in fund balances	(6,717,424)	(13,715,177)	(920,628)	12,794,549
Fund balances - beginning	47,464,951	49,744,051	50,363,751	619,700
Fund balances - ending	<u>\$ 40,747,527</u>	<u>\$ 36,028,874</u>	<u>\$ 49,443,123</u>	<u>\$ 13,414,249</u>

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



**Board of County Commissioners  
St. Lucie County, Florida  
Statement of Revenues, Expenditures and  
Changes in Fund Balances-Budget and Actual  
Transportation Trust Fund  
For the Year Ended September 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Motor fuel	\$ 2,630,963	\$ 2,630,963	\$ 3,292,293	\$ 661,330
Local communication	807,484	807,484	834,509	27,025
Licenses and permits	-	-	350	350
Impact fees	-	-	20,015	20,015
Intergovernmental	4,180,000	4,180,000	4,704,904	524,904
Investment income	37,737	37,737	64,110	26,373
Miscellaneous	84,004	84,004	195,268	111,264
Total revenues	<u>7,740,188</u>	<u>7,740,188</u>	<u>9,111,449</u>	<u>1,371,261</u>
<b>EXPENDITURES</b>				
Current:				
General government	751,912	751,911	750,484	1,427
Transportation	10,440,099	10,755,476	8,681,359	2,074,117
Capital outlay	306,377	2,675,710	1,505,123	1,170,587
Debt service:				
Principal	214,910	214,910	214,910	-
Interest	4,955	4,956	4,956	-
Other	-	28,985	28,985	-
Total expenditures	<u>11,718,253</u>	<u>14,431,948</u>	<u>11,185,817</u>	<u>3,246,131</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,978,065)</u>	<u>(6,691,760)</u>	<u>(2,074,368)</u>	<u>4,617,392</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	79,008	577,000	497,990	(79,010)
Transfers out	(207,806)	(207,806)	(119,764)	88,042
Capital lease	-	2,070,295	1,230,188	(840,107)
Total other financing sources (uses)	<u>(128,798)</u>	<u>2,439,489</u>	<u>1,608,414</u>	<u>(831,075)</u>
Net change in fund balances	(4,106,863)	(4,252,271)	(465,954)	3,786,317
Fund balances - beginning	4,680,252	5,886,115	6,060,774	174,659
Change in inventories of supplies	-	-	(49,009)	(49,009)
Fund balances - ending	<u>\$ 573,389</u>	<u>\$ 1,633,844</u>	<u>\$ 5,545,811</u>	<u>\$ 3,911,967</u>

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

**Board of County Commissioners  
St. Lucie County, Florida  
Statement of Revenues, Expenditures and  
Changes in Fund Balances-Budget and Actual  
Fine and Forfeiture Fund  
For the Year Ended September 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 61,650,787	\$ 61,650,787	\$ 62,874,945	\$ 1,224,158
Intergovernmental	2,285,626	2,359,124	2,140,509	(218,615)
Charges for services	1,255,000	1,255,000	1,427,217	172,217
Fines and forfeitures	311,067	330,174	307,400	(22,774)
Investment income	109,200	167,228	203,267	36,039
Miscellaneous	1,067,500	1,064,469	1,174,225	109,756
Total revenues	<u>66,679,180</u>	<u>66,826,782</u>	<u>68,127,563</u>	<u>1,300,781</u>
<b>EXPENDITURES</b>				
Current:				
General government	3,212,644	3,076,548	3,007,154	69,394
Public safety	10,013,416	10,617,586	10,011,160	606,426
Economic environment	1,959,981	2,042,068	2,042,068	-
Human services	25,000	25,000	25,000	-
Court-related	4,240,844	4,803,021	4,443,264	359,757
Capital outlay	874,011	591,213	431,017	160,196
Debt service:				
Principal	22,260	22,260	-	22,260
Total expenditures	<u>20,348,156</u>	<u>21,177,696</u>	<u>19,959,663</u>	<u>1,218,033</u>
Excess (deficiency) of revenues over (under) expenditures	<u>46,331,024</u>	<u>45,649,086</u>	<u>48,167,900</u>	<u>2,518,814</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	7,604,431	8,085,799	7,388,512	(697,287)
Transfers out	(59,952,112)	(62,111,809)	(59,091,873)	3,019,936
Capital lease	-	2,177,663	-	(2,177,663)
Total other financing sources (uses)	<u>(52,347,681)</u>	<u>(51,848,347)</u>	<u>(51,703,361)</u>	<u>144,986</u>
Net change in fund balances	(6,016,657)	(6,199,261)	(3,535,461)	2,663,800
Fund balances - beginning	8,450,588	8,898,125	8,947,209	49,084
Fund balances - ending	<u>\$ 2,433,931</u>	<u>\$ 2,698,864</u>	<u>\$ 5,411,748</u>	<u>\$ 2,712,884</u>

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

**Board of County Commissioners  
St. Lucie County, Florida  
Statement of Revenues, Expenditures and  
Changes in Fund Balances-Budget and Actual  
Port Fund  
For the Year Ended September 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Special assessments	\$ 13,496	\$ 13,496	\$ 20,820	\$ 7,324
Intergovernmental	2,077,153	1,811,327	929,043	(882,284)
Charges for services	-	-	64,518	64,518
Investment income	3,500	10,276	17,709	7,433
Miscellaneous	28,177	138,968	194,660	55,692
Total revenues	<u>2,122,326</u>	<u>1,974,067</u>	<u>1,226,750</u>	<u>(747,317)</u>
<b>EXPENDITURES</b>				
Current:				
General government	102	102	102	-
Transportation	287,528	623,825	449,773	174,052
Capital outlay	4,076,869	29,049,069	27,207,497	1,841,572
Debt service:				
Principal	30,549	30,549	30,549	-
Interest	24,808	24,808	24,808	-
Total expenditures	<u>4,419,856</u>	<u>29,728,353</u>	<u>27,712,729</u>	<u>2,015,624</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,297,530)</u>	<u>(27,754,286)</u>	<u>(26,485,979)</u>	<u>1,268,307</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	42,298	542,298	542,298	-
Transfers out	(805)	(805)	(301)	504
Issuance of long-term debt	-	25,470,320	25,430,415	(39,905)
Total other financing sources (uses)	<u>41,493</u>	<u>26,011,813</u>	<u>25,972,412</u>	<u>(39,401)</u>
Net change in fund balances	<u>(2,256,037)</u>	<u>(1,742,473)</u>	<u>(513,567)</u>	<u>1,228,906</u>
Fund balances - beginning	3,335,046	2,264,592	1,372,763	(891,829)
Fund balances - ending	<u>\$ 1,079,009</u>	<u>\$ 522,119</u>	<u>\$ 859,196</u>	<u>\$ 337,077</u>

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

**Board of County Commissioners  
St. Lucie County, Florida  
Statement of Revenues, Expenditures and  
Changes in Fund Balances-Budget and Actual  
Erosion Control Fund  
For the Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Property	\$ 1,653,325	\$ 1,653,325	\$ 1,684,038	\$ 30,713
Intergovernmental	2,472,567	4,169,591	505,517	(3,664,074)
Investment income	7,000	7,000	73,770	66,770
Contributions from property owners	-	1,050	1,050	-
Total revenues	<u>4,132,892</u>	<u>5,830,966</u>	<u>2,264,375</u>	<u>(3,566,591)</u>
<b>EXPENDITURES</b>				
Current:				
General government	76,905	76,905	76,905	-
Physical environment	7,035,717	8,402,714	1,512,711	6,890,003
Transportation	350,595	351,645	193,350	158,295
Total expenditures	<u>7,463,217</u>	<u>8,831,264</u>	<u>1,782,966</u>	<u>7,048,298</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,330,325)</u>	<u>(3,000,298)</u>	<u>481,409</u>	<u>3,481,707</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	226,579	226,579	50,000	(176,579)
Transfers out	(439,748)	(439,748)	(252,417)	187,331
Total other financing sources (uses)	<u>(213,169)</u>	<u>(213,169)</u>	<u>(202,417)</u>	<u>10,752</u>
Net change in fund balances	<u>(3,543,494)</u>	<u>(3,213,467)</u>	<u>278,992</u>	<u>3,492,459</u>
Fund balances - beginning	6,362,659	5,503,414	5,214,328	(289,086)
Fund balances - ending	<u>\$ 2,819,165</u>	<u>\$ 2,289,947</u>	<u>\$ 5,493,320</u>	<u>\$ 3,203,373</u>

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

**Board of County Commissioners  
St. Lucie County, Florida  
Statement of Fund Net Position  
Proprietary Funds  
September 30, 2018**

	<b>Business Type Activities</b>			<b>Total</b>	<b>Governmental Activities</b>
	<b>Bailing &amp; Recycling Facility</b>	<b>Water &amp; Sewer District</b>	<b>Nonmajor Enterprise Funds</b>		<b>Internal Service Funds</b>
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 5,334,447	\$ 10,598,080	\$ 6,037,091	\$ 21,969,618	\$ 15,890,792
Restricted assets:					
Cash and investments--customer deposits	209,850	245,937	2,000	457,787	-
Accounts receivable, net	929,083	669,963	850	1,599,896	222,008
Interest receivable	29,823	44,238	22,781	96,842	51,943
Due from other governments	36,345	-	2,275	38,620	147,881
Inventories	224,512	-	42,689	267,201	74,502
Prepaid items	-	-	-	-	169,384
Total current assets	<u>6,764,060</u>	<u>11,558,218</u>	<u>6,107,686</u>	<u>24,429,964</u>	<u>16,556,510</u>
Non-current assets:					
Restricted assets:					
Cash and investments--landfill closure	1,974,608	-	-	1,974,608	-
Cash and investments--renewal and replacement	-	772,438	-	772,438	-
Land	4,905,601	4,182,746	1,268,050	10,356,397	-
Buildings and improvements	49,824,291	68,892,351	3,580,297	122,296,939	216,388
Machinery and equipment	19,947,744	510,239	608,399	21,066,382	279,764
Accumulated depreciation	(33,955,643)	(36,285,447)	(3,875,160)	(74,116,250)	(150,302)
Construction in progress	-	2,915,375	-	2,915,375	-
Total non-current assets	<u>42,696,601</u>	<u>40,987,702</u>	<u>1,581,586</u>	<u>85,265,889</u>	<u>345,850</u>
Total assets	<u>49,460,661</u>	<u>52,545,920</u>	<u>7,689,272</u>	<u>109,695,853</u>	<u>16,902,360</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred amount on refunding	-	215,328	-	215,328	-
Deferred outflows related to pension	1,667,744	349,249	952,913	2,969,906	117,288
Deferred outflows related to OPEB	68,119	10,408	42,948	121,475	2,886
Total deferred outflows of resources	<u>1,735,863</u>	<u>574,985</u>	<u>995,861</u>	<u>3,306,709</u>	<u>120,174</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and other current liabilities	2,283,205	1,693,785	127,224	4,104,214	3,158,027
Matured bonds payable	-	600,000	-	600,000	-
Matured interest payable	-	462,325	-	462,325	-
Claims and judgements payable	-	-	-	-	562,000
Deposits payable from restricted assets	209,850	245,937	2,000	457,787	-
Due to other governments	238	-	17,236	17,474	120
Bonds and notes payable, net	-	795,000	-	795,000	-
Accrued compensated absences	173,671	28,464	132,976	335,111	5,189
Unearned revenues	-	-	13,635	13,635	-
Total current liabilities	<u>2,666,964</u>	<u>3,825,511</u>	<u>293,071</u>	<u>6,785,546</u>	<u>3,725,336</u>
Non-current liabilities:					
Liabilities payable from restricted assets	1,974,608	-	-	1,974,608	-
Bonds and notes payable, net	-	18,665,937	-	18,665,937	-
Accrued compensated absences, net	139,380	43,336	141,526	324,242	3,748
Landfill long-term care liabilities	15,349,882	-	-	15,349,882	-
OPEB liability	1,274,520	235,486	1,054,256	2,564,262	69,901
Net pension liability	3,638,348	791,612	2,116,491	6,546,451	262,234
Total non-current liabilities	<u>22,376,738</u>	<u>19,736,371</u>	<u>3,312,273</u>	<u>45,425,382</u>	<u>335,883</u>
Total liabilities	<u>25,043,702</u>	<u>23,561,882</u>	<u>3,605,344</u>	<u>52,210,928</u>	<u>4,061,219</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to pension	262,338	68,939	209,578	540,855	37,773
Deferred inflows related to OPEB	86,769	12,132	59,868	158,769	4,154
Deferred inflows related to grants	9,705	-	-	9,705	-
Total deferred inflows of resources	<u>358,812</u>	<u>81,071</u>	<u>269,446</u>	<u>709,329</u>	<u>41,927</u>
<b>NET POSITION</b>					
Net investment in capital assets	40,721,993	20,369,655	1,561,601	62,653,249	345,850
Restricted for:					
Renewal and replacement	-	772,438	-	772,438	-
Unrestricted	(14,927,983)	8,335,859	3,248,742	(3,343,382)	12,573,538
Total Net Position	<u>\$ 25,794,010</u>	<u>\$ 29,477,952</u>	<u>\$ 4,810,343</u>	<u>\$ 60,082,305</u>	<u>\$ 12,919,388</u>

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

**Board of County Commissioners  
St. Lucie County, Florida  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended September 30, 2018**

	<u>Business Type Activities</u>			<u>Total</u>	<u>Governmental Activities</u>
	<u>Bailing &amp; Recycling Facility</u>	<u>Water &amp; Sewer District</u>	<u>Nonmajor Enterprise Funds</u>		<u>Internal Service Funds</u>
<b>Operating revenues:</b>					
Charges for services	\$ 18,975,201	\$ -	\$ 4,688,114	\$ 23,663,315	\$ 16,289,806
Charges for services, pledged for revenue bonds	-	8,568,491	-	8,568,491	-
Miscellaneous	545,634	-	105,312	650,946	964,291
Miscellaneous, pledged for revenue bonds	-	84,572	-	84,572	-
Total operating revenues	<u>19,520,835</u>	<u>8,653,063</u>	<u>4,793,426</u>	<u>32,967,324</u>	<u>17,254,097</u>
<b>Operating expenses:</b>					
Salaries, wages and employee benefits	3,763,991	703,249	2,616,450	7,083,690	11,257,176
Contractual services, materials and supplies	11,878,315	6,404,865	939,385	19,222,565	5,248,069
Depreciation	2,352,657	2,081,833	54,218	4,488,708	23,763
Total operating expenses	<u>17,994,963</u>	<u>9,189,947</u>	<u>3,610,053</u>	<u>30,794,963</u>	<u>16,529,008</u>
Operating income (loss)	<u>1,525,872</u>	<u>(536,884)</u>	<u>1,183,373</u>	<u>2,172,361</u>	<u>725,089</u>
<b>Nonoperating revenues (expenses):</b>					
Investment income	128,387	-	71,234	199,621	169,961
Investment income, pledged for revenue bonds	-	155,094	-	155,094	-
Interest expense	-	(840,339)	-	(840,339)	-
Intergovernmental	-	-	77	77	-
Total nonoperating revenues (expenses)	<u>128,387</u>	<u>(685,245)</u>	<u>71,311</u>	<u>(485,547)</u>	<u>169,961</u>
Income (loss) before contributions and transfers	1,654,259	(1,222,129)	1,254,684	1,686,814	895,050
Capital contributions	-	108,355	-	108,355	-
Transfers out	(875,907)	-	-	(875,907)	-
Total capital contributions and transfers	<u>(875,907)</u>	<u>108,355</u>	<u>-</u>	<u>(767,552)</u>	<u>-</u>
<b>Other:</b>					
Advance forgiveness	-	-	82,500	82,500	-
Change in net position	778,352	(1,113,774)	1,337,184	1,001,762	895,050
Net position - beginning	25,015,658	30,591,726	3,473,159	59,080,543	12,024,338
Net position - ending	<u>\$ 25,794,010</u>	<u>\$ 29,477,952</u>	<u>\$ 4,810,343</u>	<u>\$ 60,082,305</u>	<u>\$ 12,919,388</u>

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

**Board of County Commissioners  
St. Lucie County, Florida  
Statement of Cash Flows  
Proprietary Funds  
For the year ended September 30, 2018**

	<b>Business Type Activities</b>			<b>Governmental Activities</b>	
	<b>Bailing &amp; Recycling Facility</b>	<b>Water &amp; Sewer District</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>Cash flows from operating activities</b>					
Cash received from customers	\$ 19,098,305	\$ 8,483,526	\$ 4,688,937	\$ 32,270,768	\$ 16,269,135
Cash paid to suppliers	(12,153,098)	(6,404,865)	(956,203)	(19,514,166)	(4,858,757)
Cash paid for employee services	(3,362,306)	193,624	(2,316,321)	(5,485,003)	(10,427,768)
Other receipts	545,634	84,572	105,312	735,518	964,291
Net cash provided by operating activities	<u>4,128,535</u>	<u>2,356,857</u>	<u>1,521,725</u>	<u>8,007,117</u>	<u>1,946,901</u>
<b>Cash flows from noncapital financing activities</b>					
Proceeds from Federal/State awards	-	-	538	538	-
Transfers out	(875,907)	-	-	(875,907)	-
Net cash (used for) noncapital financing activities	<u>(875,907)</u>	<u>-</u>	<u>538</u>	<u>(875,369)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>					
Capital contributions	-	108,355	-	108,355	-
Principal paid on capital debt	-	(520,550)	-	(520,550)	-
Interest paid on capital debt	-	(929,400)	-	(929,400)	-
Purchases of capital assets	(9,364,853)	(2,375,652)	(19,985)	(11,760,490)	(72,286)
Net cash provided by (used for) capital and related financing activities	<u>(9,364,853)</u>	<u>(3,717,247)</u>	<u>(19,985)</u>	<u>(13,102,085)</u>	<u>(72,286)</u>
<b>Cash flows from investing activities</b>					
Interest on investments	140,362	150,045	62,398	352,805	155,555
Net increase (decrease) in cash and investments	(5,971,863)	(1,210,345)	1,564,676	(5,617,532)	2,027,170
Cash and investments at beginning of year	13,490,768	12,826,800	4,474,415	30,791,983	13,863,622
<b>Cash and investments at end of year</b>	<u>\$ 7,518,905</u>	<u>\$ 11,616,455</u>	<u>\$ 6,039,091</u>	<u>\$ 25,174,451</u>	<u>\$ 15,890,792</u>
Cash and investments classified as:					
Current assets	\$ 5,334,447	\$ 10,598,080	\$ 6,037,091	\$ 21,969,618	\$ 15,890,792
Restricted assets	2,184,458	1,018,375	2,000	3,204,833	-
<b>Total cash and investments at end of year</b>	<u>\$ 7,518,905</u>	<u>\$ 11,616,455</u>	<u>\$ 6,039,091</u>	<u>\$ 25,174,451</u>	<u>\$ 15,890,792</u>
<b>Reconciliation of net operating income (loss) to net cash provided by (used for) operating activities</b>					
Operating income (loss)	\$ 1,525,872	\$ (536,884)	\$ 1,183,373	\$ 2,172,361	725,089
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	2,352,657	2,081,833	54,218	4,488,708	23,763
Landfill closure expense	(730,745)	-	-	(730,745)	-
Changes in assets and liabilities:					
Accounts receivable	130,574	(64,074)	(184)	66,316	127,210
Due from other governments	(8,470)	-	(2,275)	(10,745)	(147,881)
Inventories	(18,469)	-	926	(17,543)	(38,438)
Prepaid Items	-	-	370	370	(56,627)
Accounts payable and accrued liabilities	557,399	842,388	12,572	1,412,359	1,321,411
Claims payable	-	-	-	-	(53,806)
Accrued compensated absences	11,350	(5,070)	36,837	43,117	4
Deposits payable	1,000	(20,891)	-	(19,891)	-
Unearned revenues	-	-	1,007	1,007	-
OPEB liability	(25,172)	(3,520)	(17,368)	(46,060)	(1,205)
Pension liability	332,539	63,075	252,249	647,863	47,381
<b>Net cash provided by (used for) operating activities</b>	<u>\$ 4,128,535</u>	<u>\$ 2,356,857</u>	<u>\$ 1,521,725</u>	<u>\$ 8,007,117</u>	<u>\$ 1,946,901</u>
<b>Noncash financing activities</b>					
Advance forgiveness from General Fund	\$ -	\$ -	\$ 82,500	\$ 82,500	\$ -

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

**Board of County Commissioners  
St. Lucie County, Florida  
Statement of Fiduciary Fund Net Position  
Agency Funds  
September 30, 2018**

**Assets**

Cash and investments	\$ 6,753,144
Accounts receivable	798
Due from other governments	32,354
Interest receivable	16,973
Total assets	<u>\$ 6,803,269</u>

**Liabilities**

Accounts payable and other current liabilities	\$ 345,824
Deposits payable	421,371
Due to other governments	379,278
Agency funds on hand	5,656,796
Total liabilities	<u>\$ 6,803,269</u>

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



**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

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**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

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**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Board of County Commissioners (The “Board”), is a five-member board elected at large from the five districts within St. Lucie County, Florida (the “County”). The Board operates as a noncharter government pursuant to Article VIII, Section (1)(f), of the Constitution of the State of Florida.

The financial statements of the Board are prepared in accordance with special purpose fund financial statements presentation requirements of GASB Statement No. 34 and Chapter 10.500, Rules of the Auditor General. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards that which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

The Board is a county agency and a local governmental entity pursuant to the provisions of Section 7.59, Florida Statutes. For financial statement and reporting purposes, county agencies do not meet the definition of a legally separate organization and are not considered to be component units. The Board is considered to be part of the primary government of the County. The financial statements contained herein represent the financial transactions of the Board, and are not combined with the financial transactions of the Tax Collector, Property Appraiser, Supervisor of Elections, Clerk of the Circuit Court, and Sheriff (collectively, the Constitutional Officers) in order to present the financial position, results of operations, and cash flows of the proprietary fund types, of St. Lucie County (the primary government) in conformity with accounting principles generally accepted in the United States.

The payments by the Board to fund the operations of the Constitutional Officers are recorded as operating transfers out on the financial statements of the Board and as operating transfers in on the financial statements of the Constitutional Officers. Constitutional Officer excess fees to the Board are recorded as operating transfers out on the financial statements of the Constitutional Officers and as operating transfers in on the financial statements of the Board.

The Clerk of the Circuit Court serves as ex-officio Clerk of the Board in accordance with Article VIII, Section (1)(d), of the Constitution of the State of Florida, and Section 125.17, Florida Statutes.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting Entity (Continued)**

In evaluating the Board of County Commissioners as a reporting entity, management has addressed all potential component units. To be includable within the Board's financial statements, the component unit must be financially accountable or the exclusion of the nature and significance of their relationship with the County would cause the financial statements to be misleading or incomplete. Blended component units must be financially accountable to the County; there must be a financial burden/benefit relationship and the entity, although legally separate, must operate like a fund or department of the Board.

Based on applying the above criteria, the Board included the following component units in the financial statements as blended component units.

1. St. Lucie County Mosquito Control District – The District was created by Chapter 29502, Laws of Florida, Acts of 1953. The District controls mosquitoes and other arthropods of public health importance for the County and is governed by a Board comprised of the County's elected Commissioners. The Board establishes the ad valorem millage for the District. The District is reported as a special revenue fund and does not issue separate financial statements.
2. Erosion Control District – The District was created by Chapter 67-2001, Laws of Florida. The District re-nourishes critically-eroded beaches impacted by inlet management and natural processes in order to protect coastal resources, public and private properties and public infrastructures and is governed by a Board comprised of the County's elected Commissioners. The Board establishes the ad valorem millage for the District. The District is reported as a special revenue fund and does not issue separate financial statements.
3. St. Lucie County Water and Sewer District – The District was created by Section 153.53, Florida Statutes. The District provides water, wastewater and reclaimed water service to customers within the unincorporated areas of the County and is governed by a Board comprised of the County's elected Commissioners. The rates for user charges and bond issuance authorizations are approved by the Board and the County is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The District is reported as an enterprise fund and does not issue separate financial statements.
4. St. Lucie County Housing Finance Authority – The Authority was created by Section 159.601, Florida Statutes. The Authority provides administrative services for housing assistance within the County. The main revenue source is the residual funds from loan programs. The Board of County Commissioners appoints a majority of the Authority's Board. The Board has the operational responsibility for the Authority. The Authority is reported as a special revenue fund and does not issue separate financial statements.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting Entity (Continued)**

5. Central Florida Foreign-Trade Zone, Inc. (the "Trade Zone") – The Trade Zone was created by Sections 288.35 through 288.38, Florida Statutes in 1997 to facilitate the economic development of the County. The Board of County Commissioners appoints a majority of the Trade Zone's Board. The Board funds the operation of the Trade Zone as part of the general fund. The Trade Zone does not issue separate financial statements.
6. St. Lucie County Sustainability District - The District was created by Article VII, Section 10 of the Florida Constitution, Chapter 125, Florida Statutes and Chapter 189, Florida Statutes for the purpose of encouraging, accommodating, and financing energy efficiency and renewable energy improvements on residential and commercial properties in the County through non-ad valorem assessments. The District is governed by a Board comprised of the County's elected Commissioners. The Board has operational responsibility for the District. The District is reported as a special revenue fund and does not issue separate financial statements.
7. Treasure Coast Education Research and Development Authority – The Authority was created by Section 159.703, Florida Statutes to foster economic development and broaden the economic base of St. Lucie County. The Board of County Commissioners appoints a majority of the Authority's Board. The Board funds the operation of the Authority as part of the general fund. The Authority does not issue separate financial statements.

**Other Entities**

St. Lucie, Indian River, Martin and Okeechobee counties jointly fund the Office of the Medical Examiner, 19th Judicial District. The Governor of the State of Florida appoints the Medical Examiner. The Board's only financial responsibility for the Medical Examiner is to fund its required percentage of the operating costs of that office out of the General Fund. The other counties participate in funding the Medical Examiner's office in the same manner. Indian River State College maintains the accounting records for the Medical Examiner's office. Effective October 1, 2018, the Board of County Commissioners, St. Lucie County began maintaining the Medical Examiner's accounting records.

**B. Measurement Focus and Bases of Accounting**

**Fund Financial Statements**

The underlying accounting system of the Board is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues and expenditures (or expenses), as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the constraints placed by the revenue sources.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus and Bases of Accounting (Continued)**

**Fund Financial Statements (Continued)**

Fund financial statements for the primary government's governmental and proprietary funds display information about major funds individually and nonmajor funds in the aggregate. The fiduciary statement includes financial information for the agency fund, which represents assets held by the Board in a custodial capacity for other individuals or governments and is accounted for on the accrual basis of accounting.

**1. Governmental Funds**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay current period liabilities.

For this purpose, the Board considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be accrual items and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when the Board receives cash. Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. The non-current portion of note receivables is offset by unearned revenues and by a fund balance reserve account. The non-current portion of advances to other fund is only offset by a fund balance reserve account.

Amounts expended to acquire capital assets are not recorded as fund assets; they are recorded as expenditures in the fund financial statements. The proceeds of long-term debt are recorded as an "other financing source". Debt service, compensated absences, and claims and judgments expenditures are generally recorded when payment is made.

The GASB Statement 54 – Fund Balance Reporting and Governmental Fund Type definitions requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The Board has various policies governing the fund balance classifications.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus and Bases of Accounting (Continued)**

**Fund Financial Statements (Continued)**

**1. Governmental Funds (Continued)**

**Nonspendable Fund Balance** – This category includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

**Restricted Fund Balance** – This category includes amounts that have externally imposed restrictions or restrictions imposed by laws.

**Committed Fund Balance** – This category usually includes the amount that can only be used for specific purposes adopted by the Board of County Commissioners with an ordinance. This category also includes contractual obligations which require a formal approval from the Board of County Commissioners and the funding has been set aside for the purpose. This type of fund balance can only be removed by the Board of County Commissioners through the same approval process.

**Assigned Fund Balance** – This category usually consists of the Board of County Commissioners' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the County Administrator pursuant to Board action. For fund balance reserve assignments, see the fund balance policy below. Other assigned fund balances are approved by the Board as part of the budget approval process through budget resolutions.

**Unassigned Fund Balance** – Residual amounts in the general fund that do not meet any of the other fund balance classifications.

**Reserve Policy** – The County's financial policy requires the Board of County Commissioners to establish an emergency reserve in the general fund in the amount of \$36.5 million. The amount can only be utilized for storm events and emergencies/issues that are not anticipated in normal budget development. The amount is presented as an assigned fund balance of the general fund.

**Budget Deficit Reserve Policy** – The Board of County Commissioners established a budget deficit reserve policy during fiscal year 2010. The intent of the reserve is to assign the needed amount from unassigned fund balance for future years budgeting purposes. The amount may be adjusted by the County Administrator and can only be utilized for budget balancing needs. The amount is presented as an assigned fund balance of the general fund.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus and Bases of Accounting (Continued)**

**Fund Financial Statements (Continued)**

**1. Governmental Funds (Continued)**

**Fund Balance Spending Hierarchy** – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances. Qualified expenditures reduce the appropriate fund balances when the expenditure is incurred.

For special revenue funds, when restricted and committed fund balances are combined in a special revenue fund, expenditures are paid first from committed fund balance, as appropriate, then restricted fund balances.

**2. Proprietary Funds**

In the fund financial statements, the proprietary funds are presented using the economic resources measurement focus (accrual basis of accounting). Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. All current and non-current assets and liabilities are included on the Statement of Net Position. Revenues represent increases and expenses represent decreases in total net position on the Statement of Revenue, Expenses and Changes in Net Position.

Proprietary fund operating revenues, such as charges for services, and operating expenses, such as salaries, supplies, and contracted services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes, and investment earnings, and non-operating expenses, such as interest expense, loss on sale of assets, and arbitrage expense, result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are recorded in the fund as assets. The proceeds of long-term debt are recorded as a fund liability. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities.

**3. Fiduciary Fund**

The agency fund reports only assets and liabilities; therefore, it does not have a measurement focus. However, it uses the accrual basis of accounting to recognize receivables and payables.

**C. Bases of Presentation**

The Board has elected to use the GASB 34 minimum criteria for major funds determination. In the fund financial statements, the nonmajor funds are combined in a column titled “Other Governmental Funds.” The details of the nonmajor funds are listed in the combining section of the supplemental information.



**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Bases of Presentation (Continued)**

**1. Governmental Major Funds**

General Fund – The General Fund is the general operating fund of the Board. It is used to account for all financial activity not accounted for in another fund.

Transportation Trust Fund – The Transportation Trust Fund accounts for the operations of the road and bridge and engineering departments. Financing is provided primarily by gas taxes. The Transportation Trust Fund did not meet the GASB 34 minimum criteria for major fund determination for fiscal year 2018. However, the Board elected this fund to be a major fund to enhance consistency from the prior fiscal year.

Fine and Forfeiture Fund – The Fine and Forfeiture Fund accounts for law enforcement and court-related projects that are funded by ad valorem taxes, fines, filing fees, and proceeds from confiscated property.

Port Fund – The Port Fund is used to account for Special Assessments, Federal and State grants used for Port development.

Erosion Control Fund – The Erosion Control Fund is used to account for ad valorem taxes restricted to erosion control operations, maintenance and construction. The Erosion Control Fund did not meet the GASB 34 minimum criteria for major fund determination for fiscal year 2018. However, the Board elected this fund to be a major fund.

Impact Fee Fund – The Impact Fee Fund is used to account for Impact fees used for parks, libraries, public buildings and correctional buildings.

Sports Complex Capital Projects Fund – The Sports Complex Capital Projects Fund accounts for debt proceeds used to construct the improvements to the St. Lucie County Sports Complex.

**2. Proprietary Major Funds**

Bailing & Recycling Facility Fund – The Bailing & Recycling Facility Fund provides funding to operate the County's landfills, a recycling division and the hazardous waste division. In addition, estimated costs of closure and long-term care of the landfill operations are included in this fund.

Water & Sewer District Fund – The Water & Sewer District Fund accounts for the operation of a water and sewer facility for certain residents in various sections of the County.

**3. Other Fund Types**

Internal Service Fund – The Internal Service Fund accounts for the payment of countywide insurance. Funding is provided by user charges to the various departments of the Board and Constitutional Officers (except the Sheriff).

Fiduciary Fund – The Agency Fund is used to account for the collection and disbursement of monies by the Board on behalf of other governments and individuals, such as impact fees, various Municipal Service Benefit Units within the County, tax deed overbids, and public law library funds.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Cash and Investments**

The Board maintains a cash and investment pool that is available for use by all funds. Earnings from the pooled investments are allocated to the respective funds based on applicable cash participation by each fund. The investment pool is managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts. Therefore, all balances representing participants' equity in the investment pool are classified as cash and investments for financial statement purposes.

In accordance with Sections 125.31 and 218.415, Florida Statutes, and the Board's investment policy, the Board is authorized to invest in negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, obligations of US corporations, commercial papers, the State Investment Pool, Florida Local Government Investment Trust, nonnegotiable interest-bearing time certificates of deposit, money market accounts, repurchase agreements, equities and mutual funds. All investments are reported at fair value.

**2. Restricted Assets**

Certain assets of the County are classified as restricted assets on the Statement of Net Position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors, or laws or regulations of other governments.

**3. Interfund Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Long term lending/borrowing arrangements between funds are classified as advances.

**4. Inventories**

Inventories on hand are recorded at cost on a first-in, first-out or weighted average basis. Inventories of supplies in the special revenue funds are recognized as expenditures at the time of purchase. In addition, a corresponding entry is made for a non-spendable fund balance. Inventories in the proprietary fund types are recorded at cost using the weighted average method and recognized as expenses as they are consumed.

**5. Prepaid Insurance**

Normal operating prepaid insurance is expensed when paid. Prepaid bond insurance is capitalized as prepaid insurance and amortized over the life of the bonds.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**6. Capital Assets for Proprietary Funds**

Capital assets, which include land, buildings, improvements, equipment, and construction in progress, are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

The Board defines software and equipment as capital assets with an initial, individual cost of \$1,000 or more and an estimated useful life more than one year. In addition, the Board defines land, building, infrastructure, and improvements other than buildings as capital assets with an initial cost of \$25,000 or more and an estimated useful life more than one year. The valuation basis for all assets is historical cost. Donated capital assets are recorded at estimated fair market value at the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend its useful life, are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of proprietary funds is included as part of the capitalized value of assets constructed.

Depreciation of proprietary fund capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 7-39 years; improvements, 5-50 years; and equipment, 2-10 years.

The Board holds legal title to the capital assets (except the equipment of the Sheriff) used in the operation of the Board, Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector, and is accountable for them under Florida Law.

**7. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represent a consumption of net position/fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred amount on refunding is reported on the Statement of Net Position for the proprietary funds. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows related to pension plan represent the Board's share of the Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) pension liabilities. Deferred outflows related to other post-employment benefits (OPEB) represent the Board's liability for other post-employment benefits to be recognized in future years.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**7. Deferred Outflows/Inflows of Resources (Continued)**

Deferred inflows of resources represent an acquisition of net position/fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. Unavailable revenues are reported only in the governmental funds balance sheet. The sources of the unavailable revenues are special assessments on road paving, utility projects and grant reimbursements. This amount is deferred and recognized as revenues in the period the amounts become available. The deferred inflows related to the pension plan represents the Board's share of the Florida Retirement System and Health Insurance Subsidy pension inflows of resources to be recognized in future years. Deferred inflows related to other post-employment benefits (OPEB) represent the Board's OPEB inflows of resources to be recognized in future years.

**8. Unamortized Bond Discounts and Premiums**

Proprietary fund revenue bond discounts and premiums are presented on the fund financial statements. The costs are amortized over the life of the bonds using appropriate method of accounting. For financial reporting, the unamortized bond discounts and premiums are netted against the applicable long-term debt. The unamortized bond discounts and premiums associated with the issuance of governmental activities bonds are presented on the government-wide financial statements and amortized over the life of the bonds using appropriate methods of accounting.

**9. Unearned Revenues - Other**

Unearned revenues represent revenues which are available but not earned.

**10. Accrued Compensated Absences**

The Board accrues unused portions of vacation pay in the period the fund liability is incurred. As permitted by Governmental Accounting Standards Board Statement No. 16, the vesting method is used to accrue the sick leave liability. The liability is based on the sick leave accumulated at year-end by those employees who are currently eligible to receive termination payments as well as other employees who are expected to become eligible to receive such payments.

Even though the Board has appropriated, accumulated and earmarked expendable available fund resources for these amounts, the portion not normally expected to be liquidated with expendable available financial resources is not reported as a fund liability (in accordance with Interpretation No. 6 of the Governmental Accounting Standards Board – Recognition and Measurement of Certain Liabilities and Expenditures) in governmental fund financial statements, but is recognized in proprietary funds statements. Compensated absences are only reported in governmental funds if they have matured.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**11. Obligation for Bond Arbitrage Rebate**

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the Board must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. This approach treats the rebate as an expense when it is actually payable to the federal government.

**12. Landfill Closure Costs**

Under the terms of current state and federal regulations, the Bailing & Recycling Facility is required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of up to 30 years after closure. The Bailing & Recycling Facility recognizes these costs of closure and post-closure maintenance over the active life of each landfill area, based on landfill capacity used during the period. Required obligations for closure and post-closure costs are recognized in the Bailing & Recycling Facility Fund.

**13. Indirect Costs**

The County utilizes a pre-determined automatic indirect costs distribution formula to distribute its annual indirect costs. Certain indirect costs are included in the program expense reported for individual functions and activities.

**E. Budgets**

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Section 129.03, Florida Statutes. The Board utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general, special revenue, debt service and capital projects funds. The legal level of budgetary control is at the fund level. As a result, deficits in the budget columns of the accompanying financial statements may occur in individual expenditure line items.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – CASH AND INVESTMENTS**

The Board maintains a cash and investment pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions. These balances are reflected in the financial statements as “cash and investments” or “restricted assets” as appropriate. Earnings are allocated monthly to each fund based on average monthly balances of cash and investments.

**A. Deposits**

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments. The carrying amount of these deposits at September 30, 2018 was \$4,488,577 and the bank balance was \$6,243,787. All the deposits were covered by the Federal Deposit Insurance Corporation (FDIC) or collateralized in accordance with the “Florida Security for Public Deposits Act”. Under the Act, every qualified public depository shall deposit with the State Treasurer eligible collateral having a market value equal to a percentage of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. The collateral percentage ranges from 25% to 200%, depending on the credibility of the qualified public depository.

**B. Investments**

Section 218.415, Florida Statutes, the Board’s Investment Policy, and various bond covenants authorize permitted investments, asset allocation limits and issuer limits, credit ratings requirements and maturity limits to protect the Board’s cash and investment assets. The permitted investments include the following:

- Certificates of deposit
- Money market accounts
- Savings accounts
- 2 year Repurchase agreements
- Intergovernmental Investment Pool rated "AAAm" by Standard & Poor's or the equivalent by another nationally recognized self-regulatory organization for a stable Net Asset Value (NAV) fund. For a floating NAV fund, the minimum rating will be AAf/S1 or the equivalent by a nationally recognized rating agency.
- Obligations of the U.S. Government
- Obligations of government agencies unconditionally guaranteed by the U.S. Government
- Obligations of the Federal Farm Credit Banks
- Obligations of the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates
- Obligations of the Federal Home Loan Bank
- Obligations of the Government National Mortgage Association
- Obligations of the Federal National Mortgage Association
- Obligations or Notes of U.S. corporations with at least two of the following three minimum ratings: A- by Standard and Poor’s, A3 by Moody’s, or A- by Fitch

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – CASH AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

- Commercial paper of any United States company that is rated, at the time of purchase, Prime-1 by Moody's and A-1 by Standard & Poor's (prime commercial paper). If the commercial paper is backed by a letter of credit (LOC), the long-term debt of the LOC provider must be rated A or better by at least two nationally recognized rating agencies
- Securities of any management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss.80a-1 et seq., provided the portfolio is limited to U.S. Government obligations and to repurchase agreements fully collateralized by U.S. Government obligations
- Supranational Agencies issued by multilateral organization of governments of which the U.S. is a shareholder and voting member, and are denominated in U.S. dollars
- Asset-Backed Securities (ABS) that is rated, at the time of purchase, AAA by at least two nationally recognized rating agencies. ABS is limited to auto loans, auto leases, credit cards, rate reduction bonds, equipment trusts, and cell phone receivables.
- Equities, shares in open-end and no-load equity and/or fixed-income mutual funds and exchange-traded funds (ETFs)

At September 30, 2018, the Board had the following investments and effective duration presented in terms of years:

Investment Type	Fair Value	Investment Maturity (Year)		
		Less Than 1	From 1-3	From 4-6
United States Treasuries	\$ 62,491,448	\$ 1,239,400	\$ 45,728,493	\$ 15,523,555
United States Agencies	36,635,307	7,701,504	21,096,442	7,837,361
Supranational Agencies	14,143,265	2,656,022	6,699,403	4,787,840
Corporate Obligations	36,689,804	4,361,523	20,426,203	11,902,078
Asset-Backed-Securities	4,707,270	1,112,341	1,825,663	1,769,266
Equities	10,761,989	10,761,989	-	-
Exchange Traded Funds	2,095,530	2,095,530	-	-
Florida Trust	3,104,627	3,104,627	-	-
Florida Class - General	17,607,626	17,607,626	-	-
Florida Class - Bond proceeds	52,071,885	52,071,885	-	-
Mutual Fund Money Market	1,265,621	1,265,621	-	-
Bank Owned Money Market	31,505	31,505	-	-
<b>Total</b>	<b>\$ 241,605,877</b>	<b>\$ 104,009,573</b>	<b>\$ 95,776,204</b>	<b>\$ 41,820,100</b>

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – CASH AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Investment holdings consist of \$62,491,448 in direct obligations of the United States Treasury Securities, \$36,635,307 in direct debt issued by agencies of the U.S. Government which are backed by the full faith and credit of the United States, \$14,143,265 in debt issued by multilateral organization of governments of which the U.S. is a shareholder, \$36,689,804 in Corporate Obligations, \$4,707,270 in Asset Backed Securities, and \$12,857,519 in equities and ETFs. These types of investment are reported at fair value in accordance with GASB Statement No.31 “Accounting and Financial Reporting for certain Investments and for External Investment Pools”. These investments are held in trust by US Bank, a depository, in the Board’s name.

Investments are reported at fair value based on the average price obtained from independent sources.

The Board categorizes its fair value measurements within the fair value hierarchy established by the GASB Statement 72 - Fair Value Measurement and Application. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The Board uses a market approach in measuring fair value that uses process and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted prices for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining prices for identical or similar assets or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances.

Based on the criteria in the preceding paragraph, the investments listed above are all Level 1 assets except the Florida Trust, Florida Class, and bank owned money market fund. Florida Trust and Florida Class are 2a7-like external investment pools. They are measured at the net asset value per share determined by the pool. Bank owned money market account is an interest-bearing investment contracts with banking institutions and secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes.

Interest receivable on the Board’s investment portfolios amounted to \$741,072 as of September 30, 2018.

**1. Interest Rate Risk**

The Board’s investment policy limits interest rate risk by attempting to match investment maturities with known cash needs and anticipated cash flow requirements. In an effort to minimize interest rate risk, the Board’s investment policy requires that no individual security can have a maturity greater than five and one-half years.



**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – CASH AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

**2. Credit Risk**

Authorized investments include only those securities with the highest credit ratings. The money market funds are rated AAAM by Standard & Poors. The Florida Trust and the Florida Class both have an investment rating of AAAF by Standard & Poors. The U.S. Treasuries and the Agencies are rated AA+ by Standard & Poor's and Aaa by Moody's Investor Services. The Asset-Backed Securities are rated AAA by at least two of the nationally recognized agencies. Two exceptions are Corporate Obligations and equities/ETFs. Corporate Obligations are rated with at least two of the following three minimum ratings: A- by Standard and Poor's, A3 by Moody's, or A- by Fitch. Equities/ETFs are not rated.

**3. Custodial Credit Risk**

The Board's investment policy pursuant to Section 218.415(18), Florida Statutes requires that securities, with the exception of certificates of deposits, Florida Trust, Florida Prime and mutual fund accounts shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the Board should be properly designated as an asset of the Board. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States, which is authorized to accept and execute trusts and which is doing business in the State of Florida.

As of September 30, 2018, the Board's investments were held with a third-party custodian as required by the Board's investment policy.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – CASH AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

**4. Concentration of Credit Risk**

The Board's investment policy has established asset allocation and issuer limits on the investments, which are designed to reduce concentration of credit risk of the Board's investment portfolio.

<b>Authorized Investment- Sector Type</b>	<b>Maximum Allocation</b>	<b>Individual Issuer Limit</b>	<b>Maximum Length to Maturity</b>
Intergovernmental Investment Pool	40%	25%	N/A
Certificates of Deposit	40%	10%	2 years
Treasuries	75%	N/A	5.5 years
United States Government Agencies	50%	25%	5.5 years
Federal Instrumentalities (United States Government Sponsored Agencies)	50%	25%	5.5 years
Repurchase Agreement	10%	10%	1 year
Money Market Funds	80%	25%	N/A
Corporate Obligations or Corporate Notes	25%	5%	5 years
Commercial Paper	25%	5%	270 days
Supranational Agencies	25%	10%	5.5 years
Asset Backed Securities	10%	3%	5.5 years
Equities and ETFs	10%	N/A	N/A

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 2 – CASH AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

As of September 30, 2018, all the Board's investments were below the maximum allocation limits and the Board had the following issuer concentrations based on fair value:

<u>Issuer</u>	<u>Amount</u>	<u>Percentage of Portfolio</u>
United States Treasuries	\$ 62,491,448	25.88%
United States Agencies	36,635,307	15.16%
Supranational Agencies	14,143,265	5.85%
Corporate Obligations	36,689,804	15.19%
Asset-Backed-Securities	4,707,270	1.95%
Equities	10,761,989	4.45%
Exchange Traded Funds	2,095,530	0.87%
Florida Trust	3,104,627	1.28%
Florida Class - General	17,607,626	7.29%
Florida Class - Bond proceeds	52,071,885	21.55%
Mutual Fund Money Market	1,265,621	0.52%
Bank Owned Money Market	31,505	0.01%
Total	<u>\$ 241,605,877</u>	<u>100.00%</u>

**NOTE 3 – PROPERTY TAX REVENUES**

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2017-2018 fiscal year were levied in October 2017. All taxes are due and payable on November 1 or as soon as the assessments roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

All unpaid taxes become delinquent as of April 1. Most unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year-end.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2018, was as follows:

	<u>Beginning Balance</u>	<u>Increases &amp; Transfer in</u>	<u>Decreases &amp; Transfer out</u>	<u>Ending Balance</u>
<b><u>Governmental Funds:</u></b>				
Capital assets				
Land	\$ 161,686,276	\$ 26,252,214	\$ -	\$ 187,938,490
Construction in progress	24,848,036	22,134,667	(4,777,286)	42,205,417
Buildings	221,343,039	5,406,995	-	226,750,034
Improvements	399,704,468	4,905,533	-	404,610,001
Equipment	74,198,426	5,389,201	(1,619,922)	77,967,705
Total capital assets	<u>\$ 881,780,245</u>	<u>\$ 64,088,610</u>	<u>\$ (6,397,208)</u>	<u>\$ 939,471,647</u>
<b><u>Proprietary Funds:</u></b>				
<b><u>Enterprise Funds</u></b>				
Capital assets, not depreciated:				
Land	\$ 10,356,397	\$ -	\$ -	\$ 10,356,397
Construction in progress	2,710,657	2,255,703	(2,050,986)	2,915,374
Total capital assets, not depreciated	<u>13,067,054</u>	<u>2,255,703</u>	<u>(2,050,986)</u>	<u>13,271,771</u>
Capital assets, depreciated:				
Buildings	41,126,703	-	-	41,126,703
Improvements	70,831,995	10,338,240	-	81,170,235
Equipment	20,158,238	1,217,532	(309,390)	21,066,380
Total capital assets, depreciated	<u>132,116,936</u>	<u>11,555,772</u>	<u>(309,390)</u>	<u>143,363,318</u>
Less accumulated depreciation for:				
Buildings	(23,448,019)	(1,299,905)	-	(24,747,924)
Improvements	(36,530,415)	(1,803,509)	-	(38,333,924)
Equipment	(9,958,496)	(1,385,295)	309,390	(11,034,401)
Total accumulated depreciation	<u>(69,936,930)</u>	<u>(4,488,709)</u>	<u>309,390</u>	<u>(74,116,249)</u>
Total capital assets depreciated, net	<u>62,180,006</u>	<u>7,067,063</u>	<u>-</u>	<u>69,247,069</u>
Enterprise funds capital assets, net	<u>\$ 75,247,060</u>	<u>\$ 9,322,766</u>	<u>\$ (2,050,986)</u>	<u>\$ 82,518,840</u>
	<u>Beginning Balance</u>	<u>Increases &amp; Transfer in</u>	<u>Decreases &amp; Transfer out</u>	<u>Ending Balance</u>
<b><u>Internal Service Fund</u></b>				
Buildings	\$ 216,388	\$ -	\$ -	\$ 216,388
Improvements	-	-	-	-
Equipment	207,661	75,287	(3,184)	279,764
Construction in progress	-	-	-	-
Accumulated depreciation	(129,722)	(23,764)	3,184	(150,302)
Internal service fund capital assets, net	<u>\$ 294,327</u>	<u>\$ 51,523</u>	<u>\$ -</u>	<u>\$ 345,850</u>

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 5 – RESTRICTED CASH AND INVESTMENTS**

Various bond covenants, resolutions and state regulations require that the Board restrict cash and investments within the proprietary funds. Restricted cash and investments are as follows:

<u>Assets</u>	<u>Bailing &amp; Recycling Facility</u>	<u>Water &amp; Sewer District</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>
Landfill closing costs	\$1,971,633	\$ -	\$ -	\$1,971,633
C&D processing facility	2,975	-	-	2,975
Customer deposits	209,850	245,937	2,000	457,787
Renewal and replacement	-	772,438	-	772,438
Total	<u>\$2,184,458</u>	<u>\$1,018,375</u>	<u>\$ 2,000</u>	<u>\$3,204,833</u>

Liabilities payable from restricted assets of the Board's proprietary funds are as follows:

<u>Liabilities</u>	<u>Bailing &amp; Recycling Facility</u>	<u>Water &amp; Sewer District</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>
Landfill closing costs	\$1,971,633	\$ -	\$ -	\$1,971,633
Landfill postclosure	-	-	-	-
C&D processing facility	2,975	-	-	2,975
Customer deposits	209,850	245,937	2,000	457,787
Total	<u>\$2,184,458</u>	<u>\$ 245,937</u>	<u>\$ 2,000</u>	<u>\$2,432,395</u>

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 6 – INTERFUND TRANSFERS**

Interfund transfers for the year ended September 30, 2018, consisted of the following:

	<b>Transfers In:</b>							<b>Total</b>
	General Fund	Transportation Trust Fund	Fine and Forfeiture Fund	Port Fund	Erosion Control Fund	Nonmajor Governmental Funds	Constitutional Officers	
<b>Transfers Out:</b>								
General Fund	\$ -	\$ 456,490	\$ 200,000	\$ 542,298	\$ 50,000	\$ 5,371,597	\$ 35,889,335	\$ 42,509,720
Transportation Trust Fund	-	-	-	-	-	119,228	536	119,764
Fine and Forfeiture Fund	-	-	-	-	-	1,155,911	57,935,962	59,091,873
Port Fund	-	-	-	-	-	-	301	301
Erosion Control Fund	205,865	-	-	-	-	-	46,552	252,417
Impact Fee Fund	-	-	-	-	-	689,152	-	689,152
Sports Complex Capital Project Fund	-	-	-	-	-	160,432	-	160,432
Nonmajor Governmental Funds	107,635	41,500	6,928,512	-	-	2,235,629	865,873	10,179,149
Bailing & Recycling Facility Fund	615,907	-	260,000	-	-	-	-	875,907
<b>Total</b>	<b>\$ 929,407</b>	<b>\$ 497,990</b>	<b>\$ 7,388,512</b>	<b>\$ 542,298</b>	<b>\$ 50,000</b>	<b>\$ 9,731,949</b>	<b>\$ 94,738,559</b>	<b>\$ 113,878,715</b>

Transfers are used to 1) move revenues from the fund that is required to collect them by Florida Statutes and/or budgetary requirements to the fund that is required to expend them by those requirements, including amounts provided as matching funds for various programs, and 2) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due.

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 7 – RECEIVABLE, PAYABLE, INTERFUND AND ADVANCE BALANCES**

**A. Accounts Receivable**

Accounts receivable at September 30, 2018, were as follows:

<u>Governmental Funds:</u>	<u>Customer</u>	<u>Miscellaneous</u>	<u>Total Accounts Receivable</u>
General Fund	\$ 447,292	\$ 140,558	\$ 587,850
Transportation Trust Fund	40,688	-	40,688
Fine and Forfeiture Fund	20,648	-	20,648
Port Fund	9,209	-	9,209
Erosion Control Fund	145,774	-	145,774
Impact Fee Fund	-	730,406	730,406
Other governmental funds	12,505	876,625	889,130
Total governmental funds	<u>\$ 676,116</u>	<u>\$1,747,589</u>	<u>\$2,423,705</u>
<b><u>Proprietary Funds:</u></b>			
Bailing & Recycling Facility Fund	\$ 929,083	\$ -	\$ 929,083
Water & Sewer District Fund	669,963	-	669,963
Nonmajor enterprise funds	850	-	850
Total enterprise funds	<u>1,599,896</u>	<u>-</u>	<u>1,599,896</u>
Internal Service Fund	222,008	-	222,008
Total proprietary funds	<u>\$1,821,904</u>	<u>\$ -</u>	<u>\$1,821,904</u>

**B. Special Assessments Receivable**

Special assessments receivable at September 30, 2018 were as follows:

General Fund - Special Lighting District	\$ 5,053
Other governmental funds	3,611,940
Total	<u>\$3,616,993</u>

**Board of County Commissioners  
St. Lucie County, Florida  
Notes to Financial Statements  
Year Ended September 30, 2018**

**NOTE 7 – RECEIVABLE, PAYABLE, INTERFUND AND ADVANCE BALANCES (CONTINUED)**

**C. Interfund Balances**

Interfund balances at September 30, 2018 consisted of the following.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Airport Fund	Cap Imp Rev Bond, 2016A Construction	\$ 284,332

The total balance represents a temporary cash flow loan, which was repaid within 45 days after the year end.

**D. Payables**

Payables at September 30, 2018, were as follows:

	<u>Accounts Payable and Other Current Liabilities</u>			
	<u>Vendors</u>	<u>Retainage</u>	<u>Accrued Salaries and Benefits</u>	<u>Total</u>
<b><u>Governmental Funds:</u></b>				
General Fund	\$ 3,784,589	\$ 140,768	\$ 726,374	\$ 4,651,731
Transportation Trust Fund	419,292	-	146,527	565,819
Fine and Forfeiture Fund	829,940	-	223,023	1,052,963
Port Fund	57,952	149,132	7,435	214,519
Erosion Control Fund	187,792	-	9,180	196,972
Impact Fee Fund	660,695	1,032,802	-	1,693,497
Sports Complex Capital Project Fund	267,135	-	-	267,135
Nonmajor governmental funds	4,382,004	859,314	223,246	5,464,564
Total governmental funds	\$ 10,589,399	\$ 2,182,016	\$ 1,335,785	\$ 14,107,200
<b><u>Proprietary Funds:</u></b>				
Enterprise funds				
Bailing & Recycling Facility Fund	\$ 1,876,101	\$ 315,286	\$ 91,818	\$ 2,283,205
Water & Sewer District Fund	1,460,737	215,430	17,618	1,693,785
Nonmajor enterprise funds	54,607	-	72,617	127,224
Total enterprise funds	3,391,445	530,716	182,053	4,104,214
Internal Service Fund	3,149,942	-	8,085	3,158,027
Total proprietary funds	\$ 6,541,387	\$ 530,716	\$ 190,138	\$ 7,262,241
<b><u>Fiduciary Funds:</u></b>				
Agency fund	\$ 345,824	\$ -	\$ -	\$ 345,824



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**NOTE 7 – RECEIVABLE, PAYABLE, INTERFUND AND ADVANCE BALANCES (CONTINUED)**

**E. Deposits Payable**

Deposits payable at September 30, 2018, were as follows:

	<u>Rental Deposits</u>	<u>Vendor Security Deposits</u>	<u>Customer Deposits</u>	<u>Total Deposits</u>
<b><u>Governmental Funds:</u></b>				
General Fund	\$32,663	\$25,500	\$ 4,825	\$ 62,988
Nonmajor governmental funds	12,518	-	-	12,518
Total governmental funds	<u>\$45,181</u>	<u>\$25,500</u>	<u>\$ 4,825</u>	<u>\$ 75,506</u>
<b><u>Proprietary Funds:</u></b>				
Bailing & Recycling Facility Fund	\$ -	\$ -	\$209,850	\$209,850
Water & Sewer District Fund	-	-	245,937	245,937
Nonmajor enterprise funds	2,000	-	-	2,000
Total proprietary funds	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$455,787</u>	<u>\$457,787</u>
<b><u>Fiduciary Funds:</u></b>				
Agency fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$421,371</u>	<u>\$421,371</u>

**F. Claims Payable**

Claims payable of \$562,000 represent health insurance claims incurred but not yet reported at year end in the Internal Service Fund.

**G. Advances**

In 2018, the Board approved a write off of an advance from the General Fund to the Golf Course Fund of \$82,500. The amount had accumulated over the past year and was not reasonably expected to be repaid by the Golf Course Fund due to its financial position.

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**NOTE 8 – LONG-TERM LIABILITIES**

**A. Schedules of Changes in Long-Term Debt**

Long-term liability activity for the year ended September 30, 2018, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
<u>Governmental Funds:</u>					
Bonds and notes payable:					
Revenue bonds	\$ 100,318,087	\$ 26,038,404	\$ (4,155,000)	\$ 122,201,491	\$ 4,181,491
Revenue notes	36,249,288	-	(5,000,042)	31,249,246	5,111,655
Special assessment bonds	3,707,094	434,111	(987,982)	3,153,223	339,569
Plus issuance premiums	11,901,335	-	(623,173)	11,278,162	623,173
Total bonds and notes payable, net	<u>152,175,804</u>	<u>26,472,515</u>	<u>(10,766,197)</u>	<u>167,882,122</u>	<u>10,255,888</u>
Capital leases	17,948,645	1,530,135	(1,020,358)	18,458,422	1,605,856
Compensated absences	4,743,380	2,753,684	(2,342,078)	5,154,986	2,015,871
Governmental funds liabilities	<u>\$ 174,867,829</u>	<u>\$ 30,756,334</u>	<u>\$ (14,128,633)</u>	<u>\$ 191,495,530</u>	<u>\$ 13,877,615</u>
<u>Proprietary Funds:</u>					
<u>Enterprise Funds</u>					
Bonds and notes payable:					
Water and sewer revenue bonds/notes	\$ 19,410,000	\$ -	\$ (600,000)	\$ 18,810,000	\$ 795,000
Plus issuance premiums	776,925	-	(125,988)	650,937	125,988
Total bonds and notes payable, net	<u>20,186,925</u>	<u>-</u>	<u>(725,988)</u>	<u>19,460,937</u>	<u>920,988</u>
Compensated absences	616,237	212,282	(169,166)	659,353	335,111
Landfill long-term care liability	14,430,473	919,409	-	15,349,882	-
Proprietary funds liabilities	<u>\$ 35,233,635</u>	<u>\$ 1,131,691</u>	<u>\$ 1,895,154</u>	<u>\$ 35,470,172</u>	<u>\$ 1,256,099</u>
<u>Internal Service Fund:</u>					
Compensated absences	\$ 8,933	\$ 6,737	\$ (6,733)	\$ 8,937	\$ 5,189
Internal Service Fund liabilities	<u>\$ 8,933</u>	<u>\$ 6,737</u>	<u>\$ (6,733)</u>	<u>\$ 8,937</u>	<u>\$ 5,189</u>

The Board has revenue, special assessment bonds and revenue notes outstanding at year end. Payments on the revenue bonds are made by the debt service funds. Revenue notes such as: South County Regional Stadium, Tourist Development Tax Revenue, Rock Road Jail Security, and special assessment bonds are also paid from debt service funds. The Parks Referendum line of credit, Port Deepening, MSBU interim line of credit, and the Energy Efficiency Revenue Note all part of the revenue notes, are paid from special revenue funds. In addition, three capital leases are paid from the special revenue funds.

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**NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)**

**A. Schedules of Changes in Long-Term Debt (Continued)**

The following debts were issued in FY 2018:

1. On January 18, 2018, the Board issued Taxable Non-Ad Valorem Revenue Bonds, Series 2017A in the amount of \$25,730,000. The proceeds were used to acquire real property and existing infrastructure within the Port of Fort Pierce and acquire a 10% interest in real property located on or near the waterfront. The bonds have a final maturity of November 1, 2047.
2. On June 15, 2018, the Board entered into Master Lease Purchase Agreement in an amount not to exceed \$3,000,000 with TD Equipment Finance, Inc. This Lease Purchase Agreement is being issued as a "draw-down" loan. As of September 30, 2018 the amount that has been drawn down is \$1,230,188. The proceeds will be used to purchase heavy equipment and vehicles for the Road & Bridge department.
3. On February 22, 2018, the Board entered into a Capital Lease Agreement in the amount of \$299,947 with Compuquip Technologies, Inc. This lease is for the purchase of hardware and software for the Information Technology department.
4. A not to exceed \$1,000,000 Taxable Special Assessment Bond, Series 2014 was issued in fiscal year 2014. The Bond is a non-revolving line of credit to pay the costs of certain solar and energy improvements for qualified borrowers (home or business owners of St Lucie County). The loan is paid back by the borrowers through a special assessment program. The total amount disbursed to the borrowers is \$434,111 in fiscal year 2018. The total amount disbursed to borrowers since inception is \$869,242.

The following debts were paid off in FY 2018:

1. On May 1, 2018, the Board elected to payoff the Special Assessment Bonds, Series 2010B for North Lennard Road 2 with the excess funds available in the debt service fund for this debt.
2. On May 1, 2018, the Board elected to payoff the Special Assessment Bonds, Series 2010C for North Lennard Road 3 with the excess funds available in the debt service fund for this debt.

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**NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)**

**B. Schedule of Outstanding Debt**

The following is a schedule of bonds outstanding at September 30, 2018:

	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rates</u>
<b>Governmental Funds:</b>				
<u>Revenue Bonds:</u>				
Sales Tax Revenue Refunding Bonds, Series 2013A	County projects	\$ 47,285,000	\$ 37,060,000	2.00%-5.00%
Sales Tax Revenue Refunding Bonds, Series 2013B	County projects	9,405,000	7,380,000	2.00%-5.00%
Capital Improvement Revenue Bond, Series 2015	Tax Collector building project	7,000,000	6,200,000	2.74%
Capital Improvement Revenue Bond, Series 2016A	Airport MRO Hangar	3,000,000	91,491	2.18%
Non-Ad Valorem Revenue Bond, Series 2017	Sports Complex	46,865,000	45,740,000	4.99%
Taxable Non-Ad Valorem Revenue Bond, Series 2017A	Port Property	25,730,000	25,730,000	3.94%
<b>Total Revenue Bonds</b>			<b>\$ 122,201,491</b>	
<b>Plus: Net Premiums</b>			<b>11,278,162</b>	
<b>Net Revenue Bonds</b>			<b>\$ 133,479,653</b>	
<u>Revenue Notes:</u>				
Army Corps of Engineers, Series 1997	Port deepening	\$ 797,960	\$ 374,486	6.125% (1)
Florida Power and Light, Series 2001	S. County Regional Stadium lighting system	134,966	33,486	8.82%
Special Assessment Improvement Note, Series 2006	Interim financing of construction costs for various MSBU projects	10,000,000	-	variable (2)
Public Improvement Revenue Bond, Note, Series 2008A	South county regional	1,700,000	710,000	4.88%
Capital Improvement Revenue Refunding Note, Series 2011	Parks referendum MSTU	10,330,000	4,980,000	2.17%
Capital Improvement Revenue Note, Series 2007	\$10 Million Cap Imp Note	10,000,000	994,274	2.13%
Capital Improvement Revenue Refunding Note, Series 2016B (Taxable)	Refunding Tourist Development Tax Revenue Bond Series 2011A&B	4,832,000	4,182,000	3.03%
Transportation Revenue Refunding Bond, Series 2015	Partially refunding Transportation Revenue Bond, Series 2007	11,390,000	10,105,000	2.29%
Capital Improvement Refunding Bond, Series 2014	Refunding Public Improvement Revenue Refunding Bonds, Series 2004 and State Revenue Sharing Improvement Revenue Bond, Series 2005	10,495,000	7,060,000	2.41%
Capital Improvement Revenue Bonds, Series 2016	Jail Security Upgrade	3,320,000	2,810,000	2.60%
<b>Total Revenue Notes</b>			<b>\$ 31,249,246</b>	

(1) The Army Corps of Engineers, Series 1997 was issued with a variable rate. The initial rate was 6.125% and the interest rate is subject to change once every five (5) years. The interest rate has not been changed since the issuance.

(2) The Special Assessment Improvement Note, Series 2006 was issued as a line of credit. The interest rate is determined at the time of each draw.

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**NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)**

**B. Schedule of Outstanding Debt (Continued)**

	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rates</u>
<b>Governmental Funds (continued):</b>				
<u>Special Assessment Bonds:</u>				
Series 2010A	Lennard Rd 1	\$ 4,355,000	\$ 2,330,000	3.70%
Series 2014 (Taxable)	Sustainability District	1,000,000	<u>823,223</u>	variable (1)
<b>Total Special Assessment Bonds</b>			<b><u>3,153,223</u></b>	

(1) The Sustainability District Taxable Special Assessment Bond, Series 2014 was issued as a line of credit. The interest rate is determined at the time of each draw.

Capital Leases:

Master Equipment Lease	Heavy Road & Bridge Equipment	\$ 1,062,889	\$ 217,728	1.03%
Equipment Lease/Purchase Agreement	FPL Equipment	9,305,379	7,862,245	2.37%
Motorola Lease/Purchase Agreement*	Motorola Equipment	8,967,201	8,915,431	3.55%
Master Equipment Lease	Heavy Road & Bridge Equipment	3,000,000	1,230,188	variable (1)
Compuquip Equipment Lease	IT Equipment Lease	299,947	<u>232,830</u>	2.552%
<b>Total Capital Leases</b>			<b><u>\$ 18,458,422</u></b>	

(1) The Master Equipment Lease was issued as a "draw-down" loan. The interest rate was 2.552% on the initial draw and any draws thereafter shall be subject to the agreement of TDEF and the County.

**Total Outstanding Debt – Governmental Funds**

**\$186,340,544**

**Proprietary Funds:**

Revenue Bonds:

Utility System Improvement and Refunding Revenue Bonds, Series 2013	Acquiring plant and plant expansion	\$21,105,000	\$ 18,810,000	2.0%-5.25%
<b>Total Revenue Bonds</b>			<b><u>18,810,000</u></b>	
<b>Plus: Premiums</b>			<b><u>650,937</u></b>	
<b>Net Revenue Bonds</b>			<b><u>19,460,937</u></b>	

**Total Outstanding Debt – Proprietary Funds**

**\$ 19,460,937**

Business –type activity interest expense totaling \$840,339 was expensed in the current year.

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**NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)**

**C. Deferred Amount on Refunding**

In accordance with GASB Statement No. 63 – Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, GASB Statement No. 65 - Item Previously Reported as Assets and Liabilities, the deferred charges on refunding is presented as deferred outflows of resources on the statement of net position. The following is a schedule of the deferred amount on refunding outstanding at September 30, 2018:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental Funds	\$2,750,804	\$ -	\$(261,723)	\$2,489,081	\$ 259,930
Proprietary Funds	257,005	-	(41,677)	215,328	41,677
Total	<u>\$3,007,809</u>	<u>\$ -</u>	<u>\$(303,400)</u>	<u>\$2,704,409</u>	<u>\$ 301,607</u>

**D. Debt Service Requirements**

The following schedule shows debt service requirements to maturity for the Board’s governmental funds obligations:

**Governmental Funds:**

<u>Fiscal Year</u>	<u>Revenue Bonds</u>		<u>Revenue Notes</u>		<u>Special Assessment District Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 4,181,491	\$ 5,511,372	\$ 5,111,659	\$ 782,834	\$ 339,569	\$ 162,296
2020	4,270,000	5,331,945	4,213,470	649,426	354,534	148,941
2021	5,040,000	5,117,918	4,313,970	539,654	367,802	131,892
2022	5,265,000	4,885,558	4,261,750	427,836	381,307	114,159
2023	5,505,000	4,641,389	4,197,123	316,833	400,072	95,737
2024-2028	27,665,000	19,284,044	8,621,274	544,054	986,499	226,877
2029-2033	31,475,000	12,929,541	530,000	20,800	152,713	102,407
2034-2038	17,710,000	6,977,110	-	-	165,185	42,347
2039-2043	14,285,000	3,083,984	-	-	5,542	430
2044-2048	6,805,000	714,211	-	-	-	-
<b>Total</b>	<u>\$122,201,491</u>	<u>\$68,477,072</u>	<u>\$31,249,246</u>	<u>\$3,281,437</u>	<u>\$3,153,223</u>	<u>\$1,025,086</u>

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**NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)**

**D. Debt Service Requirements (Continued)**

<u>Fiscal Year</u>	<u>Capital Leases</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 1,605,856	\$ 531,924	\$ 11,238,575	\$ 6,988,426
2020	1,447,327	499,920	10,285,331	6,630,232
2021	1,497,241	460,060	11,219,013	6,249,524
2022	1,548,943	418,843	11,457,000	5,846,396
2023	1,540,526	376,222	11,642,721	5,430,181
2024-2028	6,283,647	1,331,253	43,556,420	21,386,228
2029-2033	4,534,882	287,482	36,692,595	13,340,230
2034-2038	-	-	17,875,185	7,019,457
2039-2043	-	-	14,290,542	3,084,414
2044-2048	-	-	6,805,000	714,211
<b>Total</b>	<b><u>\$ 18,458,422</u></b>	<b><u>\$ 3,905,704</u></b>	<b><u>\$ 175,062,382</u></b>	<b><u>\$ 76,689,299</u></b>

The following schedule shows debt service requirements to maturity for the Board's proprietary funds obligations:

<u>Fiscal Year</u>	<u>Water and Sewer Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$ 795,000	\$ 900,650
2020	895,000	860,900
2021	980,000	825,100
2022	1,030,000	776,100
2023	1,080,000	724,600
2024-2028	6,240,000	2,794,350
2029-2033	7,790,000	1,240,763
<b>Total</b>	<b><u>\$ 18,810,000</u></b>	<b><u>\$ 8,122,463</u></b>

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**NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)**

**E. Bond Covenants**

Water & Sewer District

The Utility System Improvement and Refunding Revenue Bonds, Series 2013 require that monies on hand in the revenue fund be applied on a monthly basis; first to pay operating expenses and next to deposit into the sinking fund one-sixth of the interest and one-twelfth of the principal accruing on the next payment dates. Money must next be deposited into the renewal and replacement fund equal to one-twelfth of the renewal and replacement requirement. The balance of any money remaining shall be deposited in to the surplus fund and may be used for any lawful purposes of the District.

The Board has agreed on the above bonds to establish and maintain rates that will provide net revenues in each fiscal year equal to one hundred ten percent 110% of the debt service requirement. The net revenues after payment of the debt service requirement should equal to one hundred percent (100%) of the reserve fund and the renewal and replacement fund requirements during the year.

The following table indicates the degree of compliance with the bond resolution covenants in the Water & Sewer District at September 30, 2018.

Gross revenues available for compliance	\$ 8,808,157
Operating and maintenance expenses (does not include depreciation, amortization, and debt payments)	7,108,114
Amount of revenues over direct operating expenses	\$ 1,700,043
Debt service requirement	\$ 1,524,650
Percent coverage for the year ended September 30, 2018	112%

**F. Summary of Defeased Debt Outstanding**

In prior years, the Board defeased certain debt, the proceeds of which were placed in an irrevocable trust to provide for all future debt service payments on the defeased bonds. As such, the trust assets and related liability are not included in the accompanying financial statements.

The following is a schedule of defeased debt at September 30, 2018:

<b>Bond Issue</b>	<b>Balance</b>
Utility Series 1990	\$ 14,345,000
Utility Series 1993	5,000,000
Total defeased debt	\$ 19,345,000



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**NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)**

**G. Special Assessment Debt**

The Board is acting as the agent for the property owners in several municipal service benefit units located within the County. The Board is not liable for the repayment of the debt and is only collecting the assessments and forwarding the collections to the paying agent. As such, the debt related to these bond issues is not reflected in the accompanying financial statements.

The amount of the debt outstanding at September 30, 2018, is as follows:

<u>Fund #</u>	<u>Description</u>	<u>Amount</u>
667	Special Assessment Improvement Bond, Series 2017, \$242,000 (Fra Mar/Wagner MSBU)	\$ 221,000
687	Special Assessment Improvement Bond, Series 2007A, \$16,000,000 (Indian River Estates MSBU)	5,660,179
669	Special Assessment Improvement Bond, Series 2008A, \$150,000 (Lake Drive MSBU)	55,808
684	Special Assessment Improvement Bond, Series 2009B, \$3,130,000 (Sunland Gardens Phase II MSBU)	1,204,764
680	Special Assessment Improvement Bond, Series 2016, \$339,000 (Parkland MSBU)	304,000
39012	SHI 2012 Beach and Dune Rest	1,150,000
39015	Iroquois/Navajo MSBU	354,000
	Total	<u>\$ 8,949,751</u>

**H. Capital Leases – Governmental Funds**

1. The Board entered into a lease/purchase agreement as a lessee with the Banc of America Corp. to acquire certain road & bridge heavy equipment in FY 2015. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date.

The property being leased has a cost of \$1,062,889 and a carrying value of \$578,263. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2018 were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Funds</u>
2019	\$ 219,865
Less: amount representing interest	(2,137)
Present value of minimum lease payments	<u>\$ 217,728</u>

**Board of County Commissioners  
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**NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)**

**H. Capital Leases – Governmental Funds (Continued)**

2. The Board entered into a lease/purchase agreement as a lessee in the amount of \$9,305,379, with the Banc of America Corp. to construct certain energy savings improvements to County facilities in fiscal year 2015. The energy saving improvements were placed into service on September 30, 2017. The property being leased has a cost of \$9,305,379 and a carrying value of \$8,841,160. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2018 were as follows:

<b>Year Ending September 30,</b>	<b>Governmental Funds</b>
2019	\$ 902,758
2020	916,756
2021	931,175
2022	946,025
2023	961,322
2024-2028	2,718,973
2029-2031	1,674,807
Total minimum lease payments	9,051,816
Less: amount representing interest	(1,189,572)
Present value of minimum lease payments	\$ 7,862,244

3. The Board entered into a lease/purchase agreement as a lessee in the amount of \$8,967,201, with Motorola Solutions Inc. to construct certain communication equipment for the Board in fiscal year 2016. The communication equipment was placed into service on September 30, 2017. The property being leased has a cost of \$8,967,201 and a carrying value of \$8,826,487. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2018 were as follows:

<b>Year Ending September 30,</b>	<b>Governmental Funds</b>
2019	\$ 699,185
2020	699,185
2021	699,185
2022	699,185
2023	699,185
2024-2028	4,895,927
2029-2031	3,147,556
Total minimum lease payments	11,539,408
Less: amount representing interest	(2,623,980)
Present value of minimum lease payments	\$ 8,915,428

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**NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)**

**H. Capital Leases – Governmental Funds (Continued)**

4. The Board entered into a lease/purchase agreement as a lessee in an amount not to exceed \$3,000,000, with TD Equipment Finance to acquire certain road & bridge heavy equipment in fiscal year 2018. As of September 30, 2018, the Board has drawn \$1,230,188 from the lease agreement. The heavy equipment was placed into service on September 30, 2018. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. The property being leased has a cost of \$1,230,188 and a carrying value of \$1,230,188. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2018 were as follows:

<b>Year Ending September 30,</b>	<b>Governmental Funds</b>
2019	\$ 254,004
2020	269,336
2021	264,972
2022	260,606
2023	256,240
Total minimum lease payments	1,305,158
Less: amount representing interest	(74,970)
Present value of minimum lease payments	\$ 1,230,188

5. The Board entered into a lease/purchase agreement as a lessee in the amount of \$299,947, with Compuquip Technologies, Inc. for certain information technology department software and hardware equipment in fiscal year 2018. The software and hardware equipment was placed into service on September 30, 2018. The lease agreement qualifies as a capital lease for accounting purposes and, therefore has been recorded at the present value of its future minimum lease payments as of inception date. The property being leased has a cost of \$299,947 and a carrying value of \$299,947. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2018 were as follows:

<b>Year Ending September 30,</b>	<b>Governmental Funds</b>
2019	\$ 61,968
2020	61,968
2021	61,968
2022	61,968
Total minimum lease payments	247,872
Less: amount representing interest	(15,042)
Present value of minimum lease payments	\$ 232,830

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**NOTE 9 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS**

Federal and state laws and regulations require the Board to incur various estimated costs of closing landfill sites and to provide for the long-term care and maintenance of the landfill sites for up to 30 years after closure.

The amounts amortized are placed in interest bearing accounts in accordance with state regulations. The Board utilized the landfill capacity used method to determine the amortization expense and accumulated amortization of these estimated costs. As of the balance sheet date, the estimated capacity used was 61.56% for the existing construction debris (C&D) landfill and 82.26% for the Class I Phase IIIB site, which began accepting waste in March 2010.

All capacity has been used for the Class I Phase I site, Class 1 Phase II site, Class 1 Phase IIIA site, and C&D Processing Facility. The Class 1 Phase 1, Phase II, and Phase IIIA are permanently closed.

The Board is required by state and federal laws and regulations to fund the liabilities associated with the estimated costs of closure and long-term care and maintenance of its landfill sites.

The Board has restricted cash in an amount equal to the liability from restricted assets below. The federal and state regulations also require the Board to provide for the estimated long-term care and maintenance costs for the next year at the Class I Phase I, Phase II, and IIIA sites. The remaining estimated costs at the existing landfills, which total \$1,688,967, will be recognized in future years as the remaining estimated capacity is filled. The amounts are based on the cost estimates for closure and postclosure care as of the balance sheet date.

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**NOTE 9 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS (CONTINUED)**

The liabilities included in the balance sheet for these estimated costs at September 30, 2018, are as follows:

	<u>Liability From Restricted Assets</u>	<u>Other Non-Current Liabilities</u>	<u>Total</u>
Existing landfill sites:			
C&D closure costs	\$ 1,622,604	\$ 1,481	\$ 1,624,085
C&D Processing Facility closure costs	2,975	-	2,975
C&D long-term maintenance	-	231,964	231,964
Class I Phase IIIB closure costs	349,029	440,477	789,506
Class I Phase IIIB long-term maintenance	-	1,668,055	1,668,055
Total existing landfill sites	<u>1,974,608</u>	<u>2,341,977</u>	<u>4,316,585</u>
Previous landfill sites:			
Class I Phase I long-term maintenance	-	6,428,227	6,428,227
Class I Phase II long-term maintenance	-	4,610,388	4,610,388
Class I Phase IIIA long-term maintenance	-	1,969,290	1,969,290
Total previous landfill sites	<u>-</u>	<u>13,007,905</u>	<u>13,007,905</u>
Total liabilities	<u>\$ 1,974,608</u>	<u>\$ 15,349,882</u>	<u>\$ 17,324,490</u>

The Board currently expects to close the existing C&D site in 2053 and the existing Class 1 Phase IIIB site in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The Board has established liabilities for the estimated postclosure care and maintenance on the closed landfill sites. The estimated costs for the postclosure care and maintenance of these sites are reflected as landfill closure liabilities in the accompanying balance sheet.

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**NOTE 10 – DEFINED BENEFIT PENSION PLANS**

All the Board's qualified employees participate in the Florida Retirement System ("FRS"), which is administered by the State of Florida Department of Management Services. Employees elect participation in either the defined benefit plan ("Pension Plan"), a multiple-employer cost sharing defined benefit retirement plan, or the defined contribution plan ("Investment Plan") under the FRS. After making the initial Florida Retirement System (FRS) retirement plan selection, employees can change plans one time during their FRS working career.

As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Retirement System was established in 1970 by Chapter 121, Florida Statutes. Rules governing the operation and administration may be found in Chapter 60S of the Florida Administrative Code. Changes to the System can only be made by an act of the Florida Legislature.

Effective July 1, 2011, a 3% contribution from employees became mandatory under the provisions of Section 121.71(3), Florida Statutes. This 3% employee contribution requirement applies to both Pension Plan and Investment Plan members, except those in DROP (Deferred Retirement Option Program), on a pretax basis. This Statutory provision also affects the DROP annual interest rate, vesting period for all membership categories (excluding DROP), and the benefit calculation based on the effective employment date.

Table A - employment effective date before July 1, 2011 and Table B - employment effective date on or after July 1, 2011 on the following pages summarize the membership categories, benefit, vesting period, and contribution rates. Benefits and contribution rates are determined by category and length of service

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**NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Table A – employment effective date before July 1, 2011**

<u>Membership Category</u>	<u>Benefit</u>	<u>Vesting</u>	<u>July 1, 2017 Employee/ Employer Contribution Rate</u>	<u>July 1, 2018 Employee/ Employer Contribution Rate</u>
Regular	1.6% times years of service times average compensation (5 highest years) if age 62 or 30 years of service at any age	After 6 years of creditable service	3% / 7.92%	3% / 8.26%
Senior management	2.0% times years of service times average compensation (5 highest years) if age 62 or 30 years of service at any age	After 6 years of creditable service	3% / 22.71%	3% / 24.06%
Elected State Officers (including County Officials)	3% times years of service times average compensation (5 highest years) with 6 years of ESOC service and age 62 or 6 years any service and age 62 or 30 years of service regardless of age	After 6 years of creditable service	3% / 45.50%	3% / 48.70%
Deferred Retirement Option Program (DROP) from FRS	Accumulated FRS benefits earn 6.5% effective annual rate of interest, compounded monthly for a period up to 60 months after becoming vested, having reached normal retirement date and remaining employed.	Subject to normal system vesting provisions for membership category	Not required / 13.26%	Not required / 14.03%

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**NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Table B – employment effective date on or after July 1, 2011**

<u>Membership Category</u>	<u>Benefit</u>	<u>Vesting</u>	<u>July 1, 2017 Employee/ Employer Contribution Rate</u>	<u>July 1, 2018 Employee/ Employer Contribution Rate</u>
Regular	1.6% times years of service times average compensation (8 highest years) if age 65 or 33 years of service at any age	After 8 years of creditable service	3% / 7.92%	3% / 8.26%
Senior management	2.0% times years of service times average compensation (8 highest years) if age 65 or 33 years of service at any age	After 8 years of creditable service	3% / 22.71%	3% / 24.06%
Elected State Officers (including County Officials)	3% times years of service times average compensation (8 highest years) with 8 years of ESOC service and age 65 or 8 years any service and age 65 or 33 years of service regardless of age	After 8 years of creditable service	3% / 45.50%	3% / 48.70%
Deferred Retirement Option Program (DROP) from FRS	Accumulated FRS benefits earn 1.3% effective annual rate of interest, compounded monthly for a period up to 60 months after becoming vested, having reached normal retirement date and remaining employed.	Subject to normal system vesting provisions for membership category	Not required /13.26%	Not required /14.03%



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**NOTE 10 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

For those employees who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration.

Participating employer contributions are based upon actuarially determined state-wide rates established by the State of Florida, that are expressed as percentages of annual covered payroll, adequate to accumulate sufficient assets to pay benefits when due. The contribution requirement for the years ended September 30, 2018, 2017, and 2016 were \$3,125,595, \$3,356,053, and \$2,953,759 respectively, which equals to the required contribution for each year. The employee contribution portions for the years ended September 30, 2018, 2017, and 2016 were \$949,240, \$880,392, and \$854,896 respectively.

The Florida Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the Division of Retirement, 1317 Winewood Blvd, Building 8, Tallahassee, Florida 32399-1560 or by calling 850-488-5540.

**NOTE 11 – OPERATING LEASES**

**A. Operating Leases – Governmental Funds**

The Board has entered into various operating leases both as lessor and lessee. Lease revenues totaled \$3,334,034 and lease expenditures totaled \$1,635,541 for the current fiscal year.

The following is a schedule, by year, of the future minimum lease receipts and payments of the various non-cancelable operating leases in which the Board is involved:

<u>Year Ending September 30,</u>	<u>Receipts</u>	<u>Payments</u>
2019	\$ 542,440	\$ 833,752
2020	532,081	767,894
2021	530,338	651,744
2022	480,338	436,714
2023	415,338	251,924
2024 - 2028	1,926,814	115,696
2029 - 2033	1,739,888	13,875
2034 - 2038	1,704,514	13,275
2039 - 2043	1,704,514	12,375
2044 - 2048	1,653,681	7,875
2049 - 2053	1,552,016	4,650
2054 - 2058	1,448,548	4,500
2059 - 2063	-	3,000
2064 - 2068	-	2,100
2069 - 2070	-	300
Total	<u>\$ 14,230,510</u>	<u>\$ 3,119,674</u>

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**NOTE 11 – OPERATING LEASES (CONTINUED)**

**A. Operating Leases – Governmental Funds (Continued)**

Most leases provide for future increases based upon the consumer price index. Those increases are not reflected in the computation of future lease receipts. The property being leased included in the Statement of Net Position has a cost of \$6,248,916 and a carrying value \$2,082,158. For fiscal year 2018, total depreciation for depreciable property being leased is \$141,975.

**B. Operating Leases – Proprietary Funds**

The Board is obligated under various operating leases for the proprietary funds. The leases do not give rise to property rights or lease obligations. Total costs for such leases were \$223,954 for fiscal year 2018.

The following is a schedule by year of the future minimum lease payments of the operating leases in which the Board is involved:

<u>Year Ending September 30,</u>	<u>Golf Carts</u>	<u>Dump Truck</u>	<u>Office Equipment</u>
2019	\$ 180,480	\$ 140,141	\$ 13,992
2020	-	23,357	5,918
2021	-	-	4,541
2022	-	-	69
Total	<u>\$ 180,480</u>	<u>\$ 163,498</u>	<u>\$ 24,520</u>

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**NOTE 12 – CONDUIT DEBT**

From time to time, the Board has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The Board has also participated with other counties in the issuance of Housing Authority Bonds to provide down payment and other financial assistance to low and moderate income individuals and families. The bonds are secured by the property financed and are payable solely from payments received on the underlying debt. Upon repayment of the bonds, ownership of the required facilities transfers to the private-sector entity, or individuals, served by the bond issuance.

Neither the Board, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2018 there were two Industrial Revenue Bonds Series outstanding. The aggregate outstanding principal amount for these series as of September 30, 2018, was \$320,995,000.

The St. Lucie County Housing Finance Authority has participated with other authorities on three Housing Finance Authority bonds. The aggregate outstanding principal amount for these series as of September 30, 2018 was \$25,930,572.

The Reserve Community Development District outstanding conduit debt was \$1,995,000.

The Reserve Community Development District II outstanding conduit debt was \$1,495,000.

**NOTE 13 – FUND BALANCE**

**A. Restricted Fund Balances for Other Capital Projects**

The following nonmajor governmental funds have restricted fund balances in the restricted fund balances for other capital projects category as of September 30, 2018:

County Capital Fund - Various county capital projects	\$ 4,627,366
County Capital State Revenue Share Bond Fund - Various county capital projects	2,386,252
County Capital Transportation Bond Fund - Road projects	1,415,064
Jail Security Upgrade Fund	14,584
Capital Improvement Revenue Bonds 2015 Fund - Tax Collector Building	1,410,675
Energry Efficiency FPL 2015 Fund - Restricted for debt payment	308
Sports Complex Improvements Fund	468,723
Environmental Land Capital Fund	396,126
MSBU Internal Financed Projects Fund	665,010
MSBU External Financed Projects Fund	1,188,525
Total Nonmajor Governmental Funds	<u>\$ 12,572,633</u>

**Board of County Commissioners  
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**NOTE 13 – FUND BALANCE (CONTINUED)**

**B. Restricted Fund Balances for Other Purposes**

The following nonmajor governmental funds have restricted fund balances in the restricted fund balances for other purposes category as of September 30, 2018:

Grants and Donation Fund	\$ 247,340
Library Special Fund	324
Drug Abuse Fund	191,046
Plan Maintenance RAD Fund - Radiological emergency planning	32,973
Tourist Development 1st, 2nd, 3rd & 5th Cent Fund - Sports Complex	2,468,570
SLC Housing Finance Authority Fund	103,344
Bluefield Ranch Improvements Fund	139,790
Florida Housing Grant	175,755
Sports Complex Fund	483,694
SLC Sustainability District Fund	25,238
Total Nonmajor Governmental Funds	<u>\$ 3,868,074</u>

**C. Committed Fund Balances for Other Purposes**

The following nonmajor governmental funds have committed fund balances in the committed fund balances for other purposes category as of September 30, 2018:

Law Enforcement MSTU Fund	\$ 1,876,734
Impact Fee Collections Fund	96,110
Law Enforcement Fund	1,895
SLC Economic Development Fund	19,862
Total Nonmajor Governmental Funds	<u>\$ 1,994,601</u>

**Board of County Commissioners  
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**NOTE 14 – FUND BALANCE RESTATEMENT**

**A. Restatement of Beginning Fund Balance/Net Position**

The Bailing & Recycling Facility Fund – the beginning net position is restated as a result of the implementation of GASB Statement 75.

Beginning Fund Balance	\$ 25,378,119
Decrease	<u>(362,461)</u>
Restated Beginning Fund Balance	<u>\$ 25,015,658</u>

The Golf Course Fund – the beginning net position is restated as a result of the implementation of GASB Statement 75.

Beginning Fund Balance	\$ 919,080
Decrease	<u>(87,595)</u>
Restated Beginning Fund Balance	<u>\$ 831,485</u>

The Water & Sewer District Fund – the beginning net position is restated as a result of the implementation of GASB Statement 75.

Beginning Fund Balance	\$ 30,647,102
Decrease	<u>(55,376)</u>
Restated Beginning Fund Balance	<u>\$ 30,591,726</u>

The Building Code Fund – the beginning net position is restated as a result of the implementation of GASB Statement 75.

Beginning Fund Balance	\$ 2,782,631
Decrease	<u>(140,957)</u>
Restated Beginning Fund Balance	<u>\$ 2,641,674</u>

The Health Insurance Fund – the beginning net position is restated as a result of the implementation of GASB Statement 75.

Beginning Fund Balance	\$ 12,039,692
Decrease	<u>(15,354)</u>
Restated Beginning Fund Balance	<u>\$ 12,024,338</u>

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**NOTE 14 – FUND BALANCE RESTATEMENT (CONTINUED)**

The Impact Fee Fund - the beginning fund balance is restated as a result of a writeoff for prior year unbillable Grant amount.

Beginning Fund Balance	\$ 24,209,936
Decrease	(1)
Restated Beginning Fund Balance	<u>\$ 24,209,935</u>

**NOTE 15 – FUND BALANCE DEFICIT**

The Cap Imp Rev Bond 2016A Construction Fund has a deficit balance of \$180,673 as of September 30, 2018 because of a delay in the final long term debt draw-down in the beginning of Fiscal Year 2019. (See Note 19 D. 1.)

**NOTE 16 – RISK MANAGEMENT**

**A. General Liability, Property and Worker’s Compensation**

The Board is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors or omissions, injuries to employees, and natural disasters. The Board and other Constitutional Officers (other than the Sheriff) comprising the primary government, participate in a public entity risk pool for the purpose of obtaining various insurance coverage other than health and life insurance. Other members of the pool consist of two municipalities and a county. The pool was created by an interlocal agreement under the provisions of Section 163.01, Florida Statutes. The governing Board of Directors of the pool, which is comprised of representatives of each of the members, has the authority to contract for claims servicing and risk management and loss prevention services. The Board pays its share of contributions into the pool based on the value of covered property, prior claims experience, and allocated expenses.

Required contributions are considered expenditures when the liability is incurred. Members of the pool are responsible for deficiencies arising from specific claims if claims are in excess of reinsurance limits. The Board has no other costs, other than deductible amounts, in connection with the risk pool.

**B. Group Health Insurance**

The Board is self-insured for group health insurance covering employees and their eligible dependents. As required by Section 112.081, Florida Statutes, retirees and their eligible dependents are provided the same health care coverage as is offered to active employees; however, the retirees are responsible for payment of the premiums. Medical claims are paid from premiums contributed by employees, retirees, and the Board. Premiums and contributions are determined by projected claims based on historical and actuarial experience. The self insurance plan assumes all risk for claims up to \$135,000 per individual, per year, and has purchased a reinsurance policy to cover claims in excess of this amount. There were six claims in excess of the limit for fiscal year 2018, six claims in excess of the limit for fiscal year 2017, and eight claims in fiscal year 2016.

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**NOTE 16 – RISK MANAGEMENT (CONTINUED)**

**B. Group Health Insurance (Continued)**

The IBNR (incurred but not reported) claims liability of \$562,000, reported at September 30, 2018, is based on the requirements of generally accepted accounting principles, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. Estimates for claims incurred but not reported are actuarially determined and recorded and are generally payable within the next year. Nonincremental claims and adjustment expenses have been included as part of the claims liability.

The IBNR claims liability for the past three fiscal years are as follows:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Changes in Estimates and Claims Incurred</u>	<u>Claim Payments</u>	<u>Ending Balance</u>
2015-2016	\$ 866,000	\$ 10,530,228	\$ 10,736,990	\$ 659,238
2016-2017	\$ 659,238	\$ 11,156,936	\$ 11,200,368	\$ 615,806
2017-2018	\$ 615,806	\$ 9,460,432	\$ 9,514,238	\$ 562,000

**NOTE 17 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**A. General Information about the OPEB Plan**

The Board offers a single employer cost sharing defined benefit plan (OPEB plan) that subsidizes the cost of health care for its qualified retirees and eligible dependents. Pursuant to Section 112.0801, Florida Statutes, the Board is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. The Board, by policy, has elected to provide qualified retirees with a subsidy.

All retired Board employees are eligible to continue coverage with the County's health insurance plan for a monthly premium. The Board amended its policy effective October 1, 2004, for employee retirements after that date, to provide for payment of the monthly single premium for the employee if covered at the time of retirement, for employees who meet all the following eligibility requirements:

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**NOTE 17 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
(CONTINUED)**

**A. General Information about the OPEB Plan (Continued)**

- Active full time employees with 10 years of continuous service with the Board covered by the health plan at the time of retirement.
- Either 30 years of service under the Florida Retirement System (FRS), or vested under the FRS and have reached normal retirement age (currently 62 for employees hired before July 1, 2011 and 65 for employees hired on or after July 1, 2011).
- Monthly single premiums will be paid until the retiree becomes Medicare/Medicaid eligible.

The Board further amended its policy in fiscal year 2014 to limit the above post-employment benefit to employees hired before October 1, 2013.

At October 1, 2016, the date of the last actuarial valuation, plan participation consisted of:

Active Employees	976
Retirees and spouses	84
Total participants	1060

**B. Total OPEB Liability**

The Board's total OPEB liability of \$28,491,924 was measured as of October 1, 2017, and was determined by an actuarial valuation as of October 1, 2016.

Actuarial assumptions and other inputs - The total OPEB liability in the October 1, 2016 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%	
Salary increases	3.7% to 7.8%	
Discount rate	3.50%	
Healthcare cost trend rates	6.5% gradually decreasing to an ultimate rate of 4.4% in 2040	

Retirees' share of benefit-related costs		<p>For employee only coverage, the employee portion of the monthly single (employee only) premium. If option other than employee only, difference in full premium and the employer portion of the employee only coverage. 100% of premium after Medicare-eligible or if eligible under another Employer's Group Health Plan or if early retirement. 100% of premiums for life insurance.</p>
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**NOTE 17 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
(CONTINUED)**

**B. Total OPEB Liability (Continued)**

The discount rate was based on the Fidelity 20-year Municipal GO AA Index.

Mortality rates were based on various RP-2000 mortality tables with varying Collar adjustments and generational mortality improvements with Scale BB. Disabled Employees based on RP-2000 Disabled mortality tables setback 4 years for males and set forward 2 years for females and no projected improvements.

The actuarial assumptions used in the October 1, 2016 actuarial valuation are based on results of experience studies conducted by the Florida Retirement System as of July 1, 2014.

**Changes in the Total Liability:**

Service Cost	\$ 1,498,209
Interest	927,463
Benefit changes	-
Difference between actual and expected experience	-
Assumption changes	(1,810,164)
Benefit payments	(1,078,863)
Net change in Total OPEB Liability	<u>\$ (463,355)</u>
Total OPEB Liability (TOL) - (beginning)	\$ 28,955,279
Total OPEB Liability (TOL) - (ending)	\$ 28,491,924

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the Board, as well as what the Board's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5 percent) or 1-percentage-point higher (4.5 percent) than the current discount rate:

	Measurement Date: October 1, 2017		
		Current	
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Discount rate	2.50%	3.50%	4.50%
Total OPEB liability	\$ 33,344,857	\$ 28,491,924	\$ 24,608,163

**Board of County Commissioners  
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**NOTE 17 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
(CONTINUED)**

**B. Total OPEB Liability (Continued)**

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates:

The following presents the total OPEB liability of the Board, as well as what the Board's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5 percent decreasing to 3.4 percent) or 1-percentage-point higher (7.5 percent decreasing to 5.4 percent) than the current healthcare cost trend rates:

	Measurement date: October 1, 2017		
	1% Decrease	Current Discount Rate	1% Increase
Trend rates	5.5% to 3.4%	6.5% to 4.4%	7.5% to 5.4%
Total OPEB liability	\$ 25,251,142	\$ 28,491,924	\$ 32,707,090

**C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended September 30, 2018, the Board recognized OPEB expense of \$2,279,409. At September 30, 2018, the Board 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 actual and expected experience	\$ -	\$ -
Changes of assumptions or other inputs	-	1,597,204
Benefits paid after the measurement date	1,143,857	-
Total	<u>\$ 1,143,857</u>	<u>\$ 1,597,204</u>

Projected deferred outflow of resources paid by the Board for the OPEB benefits and administrative expenses after the measurement date to be recognized in OPEB expense for fiscal year 2019 is \$1,143,857.

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**NOTE 17 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)  
(CONTINUED)**

**C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2019	\$ (212,960)
2020	(212,960)
2021	(212,960)
2022	(212,960)
2023	(212,960)
2024	(212,960)
2025	(212,960)
2026	(106,484)
Thereafter	-

**NOTE 18 – TAX ABATEMENT**

The Board enters into property tax abatement agreements with local businesses under the Economic Development Ad Valorem Tax Exemption as set forth in Section 196.1995, Florida Statutes and Section 42-48, St Lucie County Code of Ordinances, the Board may grant property tax abatements of up to 100 percent of a business' property tax bill for the purpose of attracting or retaining businesses within its jurisdictions. The abatements may be granted to any business located within or promising to relocate to the County.

For the fiscal year ended September 30, 2018, the Board abated property taxes totaling \$172,746 under this program, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A 25 percent property tax abatement to Investment Casting Specialist of Florida, LLC to encourage economic development in the County. The abatement amounted to \$1,826.
- A 90 percent property tax abatement to Expert Shutter Services, Inc. for expansion of an existing business. The abatement amounted to \$9,479.
- A 60 percent property tax abatement to Allied New Technology for expansion of an existing business. The abatement amounted to \$161,441.

The Board is not subject to tax abatements granted by other local government taxing authorities as of September 30, 2018.

**Board of County Commissioners  
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**NOTE 19 – COMMITMENTS AND CONTINGENCIES**

**A. Litigation**

The Board has pending suits and claims arising in the ordinary course of Board operations. The Board is a party to litigation under which in the opinion of the County Attorney the potential amount of the Board's liability will not be material to the financial statements. Accordingly, no provision has been made in the financial statements for these contingencies.

**B. Construction Contracts**

At September 30, 2018, the Board has various contracts for engineering and construction projects in progress totaling \$5,415,130 for which goods and services have not been received.

**Governmental Funds:**

General Fund	\$ 102,744
Fine & Forfeiture Fund	16,800
Impact Fee Fund	88,100
Other governmental funds	4,044,012
Total governmental funds	<u>\$ 5,044,556</u>

**Proprietary Fund:**

Bailing & Recycling Facility Fund	\$ 91
Water & Sewer District Fund	370,483
Total proprietary fund	<u>\$ 370,574</u>

**C. Grants**

Amounts received, or receivable, from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditures are disallowed as a result of these audits the claims for reimbursement to the grantor agency would become a liability of the Board. In the opinion of management, any such adjustment would not be significant.

**D. Subsequent Events**

1. On November 21, 2018, the Board completed the final draw of debt proceeds in the amount of \$2,558,378 for the Capital Improvement Revenue Bond, Series 2016A. The original bond was issued on November 22, 2016. The proceeds from this bond is used for the construction of a MRO hangar at the Treasure Coast International Airport.

2. On December 18, 2018, the Board entered into a Master Lease Agreement with Insight Global Finance in the amount of \$304,432 for software and hardware equipment. The lease ends in November of 2021.

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS**

**Board of County Commissioners  
St. Lucie County, Florida  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2018**

	<u>Special Revenue</u>			
	<u>Unincorporated Services</u>	<u>Law Enforcement MSTU</u>	<u>Grants and Donations</u>	<u>Library Special</u>
<b>ASSETS</b>				
Cash and investments	\$ 8,383,682	\$ 1,821,082	\$ 244,346	\$ 6,882
Accounts receivable	272,869	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	33,496	7,835	899	8
Due from other governments	244,862	47,817	2,587	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid items	1,465	-	-	-
Total assets	<u>\$ 8,936,374</u>	<u>\$ 1,876,734</u>	<u>\$ 247,832</u>	<u>\$ 6,890</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ 926,868	\$ -	\$ 492	\$ -
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues - other	-	-	-	6,566
Total liabilities	<u>926,868</u>	<u>-</u>	<u>492</u>	<u>6,566</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	200,000	-	-	-
Total deferred inflows of resources	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>				
<b>Nonspendable:</b>				
Inventories of supplies	-	-	-	-
Nonspendable prepaids	1,465	-	-	-
<b>Restricted:</b>				
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	-	247,340	324
<b>Committed:</b>				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	7,808,041	-	-	-
Committed other purposes	-	1,876,734	-	-
Unassigned	-	-	-	-
Total fund balances	<u>7,809,506</u>	<u>1,876,734</u>	<u>247,340</u>	<u>324</u>
Total liabilities and fund balances	<u>\$ 8,936,374</u>	<u>\$ 1,876,734</u>	<u>\$ 247,832</u>	<u>\$ 6,890</u>

**Special Revenue**

<b>Drug Abuse</b>	<b>Special Assessment District</b>	<b>Parks MSTU</b>	<b>SLC Public Transit MSTU</b>	<b>Airport</b>	<b>Mosquito Control</b>
\$ 183,137	\$ 242,178	\$ 1,467,541	\$ 1,155,750	\$ 1,388,617	\$ 1,524,037
-	-	-	26,327	95,909	-
-	-	-	-	-	-
683	936	6,022	4,667	3,060	6,441
7,226	1,182	208,197	1,499,912	797,174	1,660,411
-	-	-	-	284,332	-
-	-	-	-	-	161,951
-	-	-	1,550	-	275
<u>\$ 191,046</u>	<u>\$ 244,296</u>	<u>\$ 1,681,760</u>	<u>\$ 2,688,206</u>	<u>\$ 2,569,092</u>	<u>\$ 3,353,115</u>
\$ -	\$ 7,584	\$ 222,578	\$ 452,570	\$ 1,011,561	\$ 237,239
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	12,518	-
-	-	108,413	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>7,584</u>	<u>330,991</u>	<u>452,570</u>	<u>1,024,079</u>	<u>237,239</u>
-	-	-	-	-	-
-	-	62,551	871,712	797,174	1,629,954
-	-	62,551	871,712	797,174	1,629,954
-	-	-	-	-	161,951
-	-	-	1,550	-	275
-	-	1,288,218	-	-	-
-	-	-	-	-	-
-	-	-	1,362,374	747,839	-
-	-	-	-	-	-
-	-	-	-	-	1,323,696
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
191,046	-	-	-	-	-
-	236,712	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>191,046</u>	<u>236,712</u>	<u>1,288,218</u>	<u>1,363,924</u>	<u>747,839</u>	<u>1,485,922</u>
<u>\$ 191,046</u>	<u>\$ 244,296</u>	<u>\$ 1,681,760</u>	<u>\$ 2,688,206</u>	<u>\$ 2,569,092</u>	<u>\$ 3,353,115</u>

(Continued)

**Board of County Commissioners  
St. Lucie County, Florida  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2018**

	<u>Special Revenue</u>			
	<u>Impact Fee Collections</u>	<u>Plan Maintenance RAD</u>	<u>Tourism Development 1st, 2nd, 3rd &amp; 5th Cent</u>	<u>Court Facility</u>
<b>ASSETS</b>				
Cash and investments	\$ 95,756	\$ 89,507	\$ 2,390,021	\$ 134,420
Accounts receivable	-	19,790	168	-
Assessments receivable	-	-	-	-
Interest receivable	354	548	8,938	400
Due from other governments	-	-	83,892	53,595
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 96,110</u>	<u>\$ 109,845</u>	<u>\$ 2,483,019</u>	<u>\$ 188,415</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ -	\$ 12,275	\$ 14,449	\$ 34,766
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues - other	-	64,597	-	-
Total liabilities	<u>-</u>	<u>76,872</u>	<u>14,449</u>	<u>34,766</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>				
<b>Nonspendable:</b>				
Inventories of supplies	-	-	-	-
Nonspendable prepaids	-	-	-	-
<b>Restricted:</b>				
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	153,649
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	32,973	2,468,570	-
<b>Committed:</b>				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Committed other purposes	96,110	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>96,110</u>	<u>32,973</u>	<u>2,468,570</u>	<u>153,649</u>
Total liabilities and fund balances	<u>\$ 96,110</u>	<u>\$ 109,845</u>	<u>\$ 2,483,019</u>	<u>\$ 188,415</u>



**Special Revenue**

<b>SLC Housing Finance Authority</b>	<b>Environmental Land Acquisitions</b>	<b>Court Administrator</b>	<b>Housing Assistance SHIP</b>	<b>Boating Improvement Projects</b>	<b>Bluefield Ranch Improvements</b>
\$ 101,739	\$ 513,132	\$ 2,204,665	\$ 570,760	\$ 887,888	\$ 139,267
1,223	2,658	-	-	-	-
-	-	-	-	-	-
382	1,927	7,270	2,333	3,338	523
-	-	6,650	-	105,796	-
-	-	-	-	-	-
-	-	-	-	-	-
500	-	213	-	-	-
<u>\$ 103,844</u>	<u>\$ 517,717</u>	<u>\$ 2,218,798</u>	<u>\$ 573,093</u>	<u>\$ 997,022</u>	<u>\$ 139,790</u>
\$ -	\$ 158	\$ 30,693	\$ 1,148	\$ 8,969	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,081	-	-	-
-	-	-	-	-	-
-	-	-	270,161	-	-
-	158	33,774	271,309	8,969	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
500	-	213	-	-	-
-	-	-	-	-	-
-	-	2,184,811	-	-	-
-	-	-	-	-	-
-	517,559	-	-	-	-
-	-	-	-	-	-
-	-	-	301,784	-	-
-	-	-	-	988,053	-
-	-	-	-	-	-
103,344	-	-	-	-	139,790
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
103,844	517,559	2,185,024	301,784	988,053	139,790
<u>\$ 103,844</u>	<u>\$ 517,717</u>	<u>\$ 2,218,798</u>	<u>\$ 573,093</u>	<u>\$ 997,022</u>	<u>\$ 139,790</u>

(Continued)

**Board of County Commissioners  
St. Lucie County, Florida  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2018**

	<u>Special Revenue</u>			
	<u>Florida Housing Grant</u>	<u>Sports Complex</u>	<u>SLC Sustainability District</u>	<u>Law Enforcement</u>
<b>ASSETS</b>				
Cash and investments	\$ 162,681	\$ 635,977	\$ 93,907	\$ 80,592
Accounts receivable	10,753	-	-	-
Assessments receivable	-	-	823,223	-
Interest receivable	340	3,158	323	303
Due from other governments	16,366	-	243	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 190,140</u>	<u>\$ 639,135</u>	<u>\$ 917,696</u>	<u>\$ 80,895</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ 13,717	\$ 152,713	\$ 69,235	\$ -
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	2,728	-	79,000
Due to other funds	-	-	-	-
Unearned revenues - other	668	-	-	-
Total liabilities	<u>14,385</u>	<u>155,441</u>	<u>69,235</u>	<u>79,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	-	-	823,223	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>823,223</u>	<u>-</u>
<b>FUND BALANCE</b>				
<b>    Nonspendable:</b>				
Inventories of supplies	-	-	-	-
Nonspendable prepaids	-	-	-	-
<b>    Restricted:</b>				
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	175,755	483,694	25,238	-
<b>Committed:</b>				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Committed other purposes	-	-	-	1,895
Unassigned	-	-	-	-
Total fund balances	<u>175,755</u>	<u>483,694</u>	<u>25,238</u>	<u>1,895</u>
Total liabilities and fund balances	<u>\$ 190,140</u>	<u>\$ 639,135</u>	<u>\$ 917,696</u>	<u>\$ 80,895</u>

Special Revenue		Debt Service			
SLC Art in Public Places	SLC Economic Development	Impact Fees I & S	Sales Tax Revenue Bonds I & S	County Capital I & S	Transportation I & S
\$ 122,332	\$ 19,575	\$ 171,269	\$ 4,359,765	\$1,503,858	\$ 60,258
-	-	-	-	-	-
-	-	-	-	-	-
459	37	-	16,374	5,651	224
-	14,092	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	234,407	-	-
<u>\$ 122,791</u>	<u>\$ 33,704</u>	<u>\$ 171,269</u>	<u>\$ 4,610,546</u>	<u>\$1,509,509</u>	<u>\$ 60,482</u>
\$ -	\$ 13,842	\$ -	\$ -	\$ -	\$ -
-	-	125,000	2,515,000	973,538	-
-	-	24,762	1,107,300	25,908	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	13,842	149,762	3,622,300	999,446	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	234,407	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	21,507	753,839	510,063	60,482
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
122,791	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	19,862	-	-	-	-
-	-	-	-	-	-
122,791	19,862	21,507	988,246	510,063	60,482
<u>\$ 122,791</u>	<u>\$ 33,704</u>	<u>\$ 171,269</u>	<u>\$ 4,610,546</u>	<u>\$1,509,509</u>	<u>\$ 60,482</u>

(Continued)

**Board of County Commissioners  
St. Lucie County, Florida  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2018**

<b>Debt Service</b>					
	<b>Capital Revenue Refunding 2014</b>	<b>Cap Impr Rev Bds Series Jail</b>	<b>Capital Imp Rev Bonds 2015</b>	<b>Lease Purchase FPL 2015</b>	<b>Lease Purchase Motorola</b>
<b>ASSETS</b>					
Cash and investments	\$ 1,209,267	\$ 285,545	\$ 5,236	\$ 161,481	\$ 60,495
Accounts receivable	-	-	-	-	-
Assessments receivable	-	-	-	-	-
Interest receivable	4,493	1,073	20	606	227
Due from other governments	22,883	-	-	-	-
Due from other funds	-	-	-	-	-
Inventories	-	-	-	-	-
Prepaid items	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,236,643</b>	<b>\$ 286,618</b>	<b>\$ 5,256</b>	<b>\$ 162,087</b>	<b>\$ 60,722</b>
<b>LIABILITIES</b>					
Accounts payable and other current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Matured bonds payable	1,080,000	195,000	-	-	-
Matured interest payable	98,087	39,065	-	-	-
Deposits payable	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenues - other	-	-	-	-	-
<b>Total liabilities</b>	<b>1,178,087</b>	<b>234,065</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues - special assessments	-	-	-	-	-
Unavailable revenues - grants	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE</b>					
<b>    Nonspendable:</b>					
Inventories of supplies	-	-	-	-	-
Nonspendable prepaids	-	-	-	-	-
<b>    Restricted:</b>					
Parks improvements	-	-	-	-	-
Court Administrator, mediation	-	-	-	-	-
Transportation	-	-	-	-	-
Debt service	58,556	52,553	5,256	162,087	60,722
Environmental land acquisition	-	-	-	-	-
Mosquito Control District	-	-	-	-	-
Judicial expenditures	-	-	-	-	-
Housing assistance program	-	-	-	-	-
Boating related projects	-	-	-	-	-
Art in public places	-	-	-	-	-
Other capital projects	-	-	-	-	-
Other purposes	-	-	-	-	-
<b>    Committed:</b>					
Street lights, roads, drainage imp. to special district	-	-	-	-	-
Unincorporated Services	-	-	-	-	-
Committed other purposes	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<b>58,556</b>	<b>52,553</b>	<b>5,256</b>	<b>162,087</b>	<b>60,722</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,236,643</b>	<b>\$ 286,618</b>	<b>\$ 5,256</b>	<b>\$ 162,087</b>	<b>\$ 60,722</b>

**Debt Service**

<b>Capital Imp Rev Bond 2016A</b>	<b>Port Taxable Non-Ad Valorem Bond 2017A</b>	<b>Capital Projects I &amp; S</b>	<b>Sports Complex Debt</b>	<b>Non-Ad Valorem Bonds Series 2017</b>
\$ 277,169	\$ 52,247	\$ 27,067	\$ 657,878	\$ 2,004,076
-	-	-	-	-
-	-	-	-	-
1,041	98	102	2,472	11,268
-	-	-	-	391,260
-	-	-	-	-
-	-	-	-	-
<u>\$ 278,210</u>	<u>\$ 52,345</u>	<u>\$ 27,169</u>	<u>\$ 660,350</u>	<u>\$ 2,406,604</u>
\$ -	\$ -	\$ -	\$ -	\$ -
230,000	-	-	-	-
2,342	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>232,342</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
45,868	52,345	27,169	660,350	2,406,604
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>45,868</u>	<u>52,345</u>	<u>27,169</u>	<u>660,350</u>	<u>2,406,604</u>
<u>\$ 278,210</u>	<u>\$ 52,345</u>	<u>\$ 27,169</u>	<u>\$ 660,350</u>	<u>\$ 2,406,604</u>

(Continued)

**Board of County Commissioners  
St. Lucie County, Florida  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2018**

	Debt Service	Capital Projects		
	N Lennard Road Bonds I & S	County Capital	County Capital State Share Bond	County Capital Transportation Bond
<b>ASSETS</b>				
Cash and investments	\$ 1,832,121	\$ 4,680,848	\$ 2,377,323	\$ 1,463,347
Accounts receivable	-	307,249	-	-
Assessments receivable	2,788,717	-	-	-
Interest receivable	5,426	18,743	8,929	5,575
Due from other governments	2,767	763,604	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 4,629,031</u>	<u>\$ 5,770,444</u>	<u>\$ 2,386,252</u>	<u>\$ 1,468,922</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	\$ -	\$ 1,143,078	\$ -	\$ 53,858
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues - other	-	-	-	-
Total liabilities	<u>-</u>	<u>1,143,078</u>	<u>-</u>	<u>53,858</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - special assessments	2,788,717	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflows of resources	<u>2,788,717</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>				
<b>Nonspendable:</b>				
Inventories of supplies	-	-	-	-
Nonspendable prepaids	-	-	-	-
<b>Restricted:</b>				
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	1,840,314	-	-	-
Environmental land acquisition	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	4,627,366	2,386,252	1,415,064
Other purposes	-	-	-	-
<b>Committed:</b>				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Committed other purposes	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>1,840,314</u>	<u>4,627,366</u>	<u>2,386,252</u>	<u>1,415,064</u>
Total liabilities and fund balances	<u>\$ 4,629,031</u>	<u>\$ 5,770,444</u>	<u>\$ 2,386,252</u>	<u>\$ 1,468,922</u>

**Capital Projects**

<b>Jail Security Upgrade</b>	<b>Capital Improvement Revenue Bonds 2015</b>	<b>Energy Efficiency FPL 2015</b>	<b>Camp Imp Rev Bond 2016A Construction</b>	<b>Sports Complex Improvements</b>	<b>Environmental Land Capital</b>
\$ 49,326	\$ 2,176,793	\$ 780	\$ -	\$ 525,868	\$ 394,238
-	-	-	151,721	-	463
-	-	-	-	-	-
186	9,196	3	-	1,620	1,480
-	-	-	208,013	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 49,512</u>	<u>\$ 2,185,989</u>	<u>\$ 783</u>	<u>\$ 359,734</u>	<u>\$ 527,488</u>	<u>\$ 396,181</u>
\$ 34,928	\$ 775,314	\$ 475	\$ 161,777	\$ 58,765	\$ 55
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	284,332	-	-
-	-	-	-	-	-
<u>34,928</u>	<u>775,314</u>	<u>475</u>	<u>446,109</u>	<u>58,765</u>	<u>55</u>
-	-	-	-	-	-
-	-	-	94,298	-	-
-	-	-	<u>94,298</u>	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14,584	1,410,675	308	-	468,723	396,126
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(180,673)	-	-
14,584	1,410,675	308	<u>(180,673)</u>	468,723	396,126
<u>\$ 49,512</u>	<u>\$ 2,185,989</u>	<u>\$ 783</u>	<u>\$ 359,734</u>	<u>\$ 527,488</u>	<u>\$ 396,181</u>

(Continued)

**Board of County Commissioners  
St. Lucie County, Florida  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2018**

	<u>Capital Projects</u>		
	<u>MSBU Internal Financed Projects</u>	<u>MSBU External Financed Projects</u>	<u>Total Nonmajor Governmental</u>
<b>ASSETS</b>			
Cash and investments	\$ 662,415	\$1,139,106	\$ 50,797,247
Accounts receivable	-	-	889,130
Assessments receivable	-	-	3,611,940
Interest receivable	2,488	3,721	195,696
Due from other governments	107	71,155	6,209,791
Due from other funds	-	-	284,332
Inventories	-	-	161,951
Prepaid items	-	-	238,410
Total assets	<u>\$ 665,010</u>	<u>\$1,213,982</u>	<u>\$ 62,388,497</u>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	\$ -	\$ 25,457	\$ 5,464,564
Matured bonds payable	-	-	5,118,538
Matured interest payable	-	-	1,297,464
Deposits payable	-	-	12,518
Due to other governments	-	-	193,222
Due to other funds	-	-	284,332
Unearned revenues - other	-	-	341,992
Total liabilities	<u>-</u>	<u>25,457</u>	<u>12,712,630</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues - special assessments	-	-	3,611,940
Unavailable revenues - grants	-	-	3,655,689
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>7,267,629</u>
<b>FUND BALANCE</b>			
<b>Nonspendable:</b>			
Inventories of supplies	-	-	161,951
Nonspendable prepaids	-	-	238,410
<b>Restricted:</b>			
Parks improvements	-	-	1,288,218
Court Administrator, mediation	-	-	2,184,811
Transportation	-	-	2,110,213
Debt service	-	-	6,717,715
Environmental land acquisition	-	-	517,559
Mosquito Control District	-	-	1,323,696
Judicial expenditures	-	-	153,649
Housing assistance program	-	-	301,784
Boating related projects	-	-	988,053
Art in public places	-	-	122,791
Other capital projects	665,010	1,188,525	12,572,633
Other purposes	-	-	3,868,074
<b>Committed:</b>			
Street lights, roads, drainage imp. to special district	-	-	236,712
Unincorporated Services	-	-	7,808,041
Committed other purposes	-	-	1,994,601
Unassigned	-	-	(180,673)
Total fund balances	<u>665,010</u>	<u>1,188,525</u>	<u>42,408,238</u>
Total liabilities and fund balances	<u>\$ 665,010</u>	<u>\$1,213,982</u>	<u>\$ 62,388,497</u>



**St. Lucie County, Florida**  
**Board of County Commissioners**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2018**

	<b>Special Revenue</b>			
	<b>Unincorporated Services</b>	<b>Law Enforcement MSTU</b>	<b>Grants and Donations</b>	<b>Library Special</b>
<b>REVENUES</b>				
Taxes				
Property	\$ 5,548,192	\$ 6,881,850	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	-	-
Local business	-	-	-	-
Licenses and permits	92,326	-	-	-
Special assessments	7,537	-	-	-
Intergovernmental	353,068	15,017	48,223	108,856
Charges for services	148,512	-	-	-
Fines and forfeitures	182,461	-	98,963	-
Investment income	125,512	41,212	3,355	40
Contributions from property owners	-	-	-	-
Miscellaneous	1,667,461	-	-	-
Total revenues	<u>8,125,069</u>	<u>6,938,079</u>	<u>150,541</u>	<u>108,896</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,752,313	673	-	-
Public safety	796,425	-	48,223	-
Physical environment	1,909,424	-	-	-
Transportation	596,652	-	-	-
Economic environment	-	-	-	-
Human services	477,973	-	5,304	-
Culture and recreation	25,954	-	540	103,559
Court-related	-	-	-	-
Capital outlay	2,410,102	-	-	5,337
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Total expenditures	<u>7,968,843</u>	<u>673</u>	<u>54,067</u>	<u>108,896</u>
Excess of revenues over (under) expenditures	156,226	6,937,406	96,474	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	43,510	-	-	-
Transfers out	(548,677)	(6,539,849)	(80,000)	-
Capital lease	-	-	-	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>(505,167)</u>	<u>(6,539,849)</u>	<u>(80,000)</u>	<u>-</u>
Net changes in fund balances	(348,941)	397,557	16,474	-
Fund balances - beginning	8,158,447	1,479,177	230,866	324
Change in inventories of supplies	-	-	-	-
Fund balances - ending	<u>\$ 7,809,506</u>	<u>\$ 1,876,734</u>	<u>\$ 247,340</u>	<u>\$ 324</u>

**Special Revenue**

<b>Drug Abuse</b>	<b>Special Assessment District</b>	<b>Parks MSTU</b>	<b>SLC Public Transit MSTU</b>	<b>Airport</b>	<b>Mosquito Control</b>
\$ -	\$ -	\$ 4,214,983	\$ 2,309,954	\$ -	\$ 3,862,318
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	209,736	-	-	-	-
-	-	6,807	2,577,379	1,352,374	28,837
-	-	-	53,982	447,379	-
99,053	-	-	-	-	-
2,113	3,527	29,517	18,911	14,619	34,407
-	-	-	15,750	-	-
-	-	283,270	3,276	497	17,330
<u>101,166</u>	<u>213,263</u>	<u>4,534,577</u>	<u>4,979,252</u>	<u>1,814,869</u>	<u>3,942,892</u>
-	-	-	-	-	364,097
-	-	-	-	-	-
-	-	-	-	-	-
-	202,715	-	6,333,824	2,304,362	-
-	-	-	-	-	-
-	-	-	-	-	6,785,238
-	-	2,545,117	-	-	-
-	-	-	-	-	-
-	-	698,847	207,781	1,681,857	187,570
-	-	935,000	-	-	-
-	-	118,047	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>202,715</u>	<u>4,297,011</u>	<u>6,541,605</u>	<u>3,986,219</u>	<u>7,336,905</u>
101,166	10,548	237,566	(1,562,353)	(2,171,350)	(3,394,013)
-	-	-	-	1,048,531	-
(60,000)	(5,078)	(316,560)	(63,862)	-	(106,852)
-	-	-	-	-	-
-	-	-	-	-	-
<u>(60,000)</u>	<u>(5,078)</u>	<u>(316,560)</u>	<u>(63,862)</u>	<u>1,048,531</u>	<u>(106,852)</u>
41,166	5,470	(78,994)	(1,626,215)	(1,122,819)	(3,548,434)
149,880	231,242	1,367,212	2,990,139	1,870,658	5,034,356
-	-	-	-	-	(47,569)
<u>\$ 191,046</u>	<u>\$ 236,712</u>	<u>\$ 1,288,218</u>	<u>\$ 1,363,924</u>	<u>\$ 747,839</u>	<u>\$ 1,485,922</u>

(Continued)

**St. Lucie County, Florida**  
**Board of County Commissioners**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2018**

	<b>Special Revenue</b>			
	<b>Impact Fee Collections</b>	<b>Plan Maintenance RAD</b>	<b>Tourism Development 1st, 2nd, 3rd &amp; 5th Cent</b>	<b>Court Facility</b>
<b>REVENUES</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	-	1,124,127	-
Motor fuel	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	576,026
Fines and forfeitures	-	-	-	-
Investment income	1,147	1,625	28,607	2,357
Contributions from property owners	-	415,584	-	-
Miscellaneous	35,176	-	16,207	-
Total revenues	<u>36,323</u>	<u>417,209</u>	<u>1,168,941</u>	<u>578,383</u>
<b>EXPENDITURES</b>				
Current:				
General government	27,400	-	61,868	420,000
Public safety	-	415,756	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	760,246	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court-related	-	-	-	-
Capital outlay	-	-	-	492,019
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Total expenditures	<u>27,400</u>	<u>415,756</u>	<u>822,114</u>	<u>912,019</u>
Excess of revenues over (under) expenditures	8,923	1,453	346,827	(333,636)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(23,901)	(515,341)
Capital lease	-	-	-	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(23,901)</u>	<u>(515,341)</u>
Net changes in fund balances	8,923	1,453	322,926	(848,977)
Fund balances - beginning	87,187	31,520	2,145,644	1,002,626
Change in inventories of supplies	-	-	-	-
Fund balances - ending	<u>\$ 96,110</u>	<u>\$ 32,973</u>	<u>\$ 2,468,570</u>	<u>\$ 153,649</u>

**Special Revenue**

<b>SLC Housing Finance Authority</b>	<b>Environmental Land Acquisitions</b>	<b>Court Administrator</b>	<b>Housing Assistance SHIP</b>	<b>Boating Improvement Projects</b>	<b>Bluefield Ranch Improvements</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,151	-	105,796	-
-	-	-	-	-	-
-	-	480,122	196,015	-	-
-	-	114,668	-	-	47
-	-	-	-	-	-
1,272	5,948	23,349	26,363	11,389	1,738
-	-	-	-	-	-
15,893	112,688	-	112,335	-	-
<u>17,165</u>	<u>118,636</u>	<u>621,290</u>	<u>334,713</u>	<u>117,185</u>	<u>1,785</u>
2,652	-	17,732	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	220,133	-	-
-	-	-	-	-	-
-	-	-	-	95,561	-
-	-	952,573	-	-	-
-	-	-	-	7,103	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,652</u>	<u>-</u>	<u>970,305</u>	<u>220,133</u>	<u>102,664</u>	<u>-</u>
14,513	118,636	(349,015)	114,580	14,521	1,785
-	-	450,898	-	-	-
-	-	(81,368)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	<u>369,530</u>	-	-	-
14,513	118,636	20,515	114,580	14,521	1,785
89,331	398,923	2,164,509	187,204	973,532	138,005
-	-	-	-	-	-
<u>\$ 103,844</u>	<u>\$ 517,559</u>	<u>\$ 2,185,024</u>	<u>\$ 301,784</u>	<u>\$ 988,053</u>	<u>\$ 139,790</u>

(Continued)

**St. Lucie County, Florida**  
**Board of County Commissioners**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2018**

	<b>Special Revenue</b>			
	<b>Florida Housing Grant</b>	<b>Sports Complex</b>	<b>SLC Sustainability District</b>	<b>Law Enforcement</b>
<b>REVENUES</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Special assessments	-	-	50,240	-
Intergovernmental	339,300	-	-	-
Charges for services	-	27,924	8,682	-
Fines and forfeitures	-	-	-	65,000
Investment income	571	9,532	1,040	567
Contributions from property owners	-	-	-	-
Miscellaneous	38,132	2,016,444	1,353	-
Total revenues	<u>378,003</u>	<u>2,053,900</u>	<u>61,315</u>	<u>65,567</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	439,383	-
Transportation	-	-	-	-
Economic environment	360,680	-	-	-
Human services	-	-	-	-
Culture and recreation	-	2,512,232	-	-
Court-related	-	-	-	-
Capital outlay	-	171,742	-	-
Debt service:				
Principal	-	-	27,982	-
Interest	-	-	30,901	-
Other	-	-	13,023	-
Total expenditures	<u>360,680</u>	<u>2,683,974</u>	<u>511,289</u>	<u>-</u>
Excess of revenues over (under) expenditures	17,323	(630,074)	(449,974)	65,567
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(637)	(79,000)
Capital lease	-	-	434,111	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>433,474</u>	<u>(79,000)</u>
Net changes in fund balances	17,323	(630,074)	(16,500)	(13,433)
Fund balances - beginning	158,432	1,113,768	41,738	15,328
Change in inventories of supplies	-	-	-	-
Fund balances - ending	<u>\$ 175,755</u>	<u>\$ 483,694</u>	<u>\$ 25,238</u>	<u>\$ 1,895</u>

Special Revenue		Debt Service			
SLC Art in Public Places	SLC Economic Development	Impact Fees I & S	Sales Tax Revenue Bonds I & S	County Capital I & S	Transportation I & S
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	60,765	-	-	-	-
-	-	-	-	-	-
-	-	-	3,953,807	-	-
-	-	-	-	-	-
1,396	99	-	56,276	18,806	9,145
-	-	-	-	-	-
47,810	-	-	-	1	-
<u>49,206</u>	<u>60,864</u>	<u>-</u>	<u>4,010,083</u>	<u>18,807</u>	<u>9,145</u>
-	55,366	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	125,000	2,515,000	984,493	1,000,000
-	-	45,136	2,214,600	52,997	254,305
-	-	-	18,325	-	-
-	<u>55,366</u>	<u>170,136</u>	<u>4,747,925</u>	<u>1,037,490</u>	<u>1,254,305</u>
49,206	5,498	(170,136)	(737,842)	(1,018,683)	(1,245,160)
-	-	191,642	865,341	1,155,971	1,169,716
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	<u>191,642</u>	<u>865,341</u>	<u>1,155,971</u>	<u>1,169,716</u>
49,206	5,498	21,506	127,499	137,288	(75,444)
73,585	14,364	1	860,747	372,775	135,926
-	-	-	-	-	-
<u>\$ 122,791</u>	<u>\$ 19,862</u>	<u>\$ 21,507</u>	<u>\$ 988,246</u>	<u>\$ 510,063</u>	<u>\$ 60,482</u>

(Continued)

**St. Lucie County, Florida**  
**Board of County Commissioners**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2018**

	<b>Debt Service</b>			
	<b>Capital Improvement Revenue Refunding 2014</b>	<b>Cap Impr Rev Bds Series 2016 Jail</b>	<b>Capital Imp Rev Bonds 2015</b>	<b>Lease Purchase FPL 2015</b>
<b>REVENUES</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	1,060,661	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	233,633	-	-	-
Investment income	14,566	3,667	134	4,593
Contributions from property owners	-	-	-	-
Miscellaneous	-	-	458,785	-
Total revenues	<u>1,308,860</u>	<u>3,667</u>	<u>458,919</u>	<u>4,593</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,717	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court-related	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	1,080,000	195,000	285,000	686,561
Interest	196,174	78,130	173,785	202,607
Other	-	-	-	-
Total expenditures	<u>1,277,891</u>	<u>273,130</u>	<u>458,785</u>	<u>889,168</u>
Excess of revenues over (under) expenditures	30,969	(269,463)	134	(884,575)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	295,826	-	1,046,661
Transfers out	-	-	-	-
Capital lease	-	-	-	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>295,826</u>	<u>-</u>	<u>1,046,661</u>
Net changes in fund balances	30,969	26,363	134	162,086
Fund balances - beginning	27,587	26,190	5,122	1
Change in inventories of supplies	-	-	-	-
Fund balances - ending	<u>\$ 58,556</u>	<u>\$ 52,553</u>	<u>\$ 5,256</u>	<u>\$ 162,087</u>

**Debt Service**

Lease Purchase Motorola	Capital Imp Rev Bond 2016A	Port Taxable Non-Ad Valroem Bond 2017A	Capital Projects I & S	Sports Complex Debt	Non-Ad Valorem Bonds Series 2017
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	3,101,914
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,152,996
-	-	-	-	-	-
718	2,655	437	338	8,834	37,101
-	-	-	-	-	-
-	-	-	-	696,842	-
<u>718</u>	<u>2,655</u>	<u>437</u>	<u>338</u>	<u>705,676</u>	<u>4,292,011</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
51,770	230,000	-	-	650,000	1,125,000
647,415	2,696	278,979	-	136,562	2,309,150
-	1,187	247,677	-	1,384	2,994
<u>699,185</u>	<u>233,883</u>	<u>526,656</u>	<u>-</u>	<u>787,946</u>	<u>3,437,144</u>
(698,467)	(231,228)	(526,219)	338	(82,270)	854,867
759,187	275,329	278,979	-	-	1,127,980
-	-	-	-	(1,127,980)	(65,950)
-	-	-	-	-	-
-	-	299,585	-	-	-
<u>759,187</u>	<u>275,329</u>	<u>578,564</u>	<u>-</u>	<u>(1,127,980)</u>	<u>1,062,030</u>
60,720	44,101	52,345	338	(1,210,250)	1,916,897
2	1,767	-	26,831	1,870,600	489,707
-	-	-	-	-	-
<u>\$ 60,722</u>	<u>\$ 45,868</u>	<u>\$ 52,345</u>	<u>\$ 27,169</u>	<u>\$ 660,350</u>	<u>\$ 2,406,604</u>

(Continued)



**St. Lucie County, Florida**  
**Board of County Commissioners**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2018**

	Debt Service		Capital Projects	
	N Lennard Road Bonds I & S	County Capital	County Capital State Revenue Share Bond	County Capital Transportation Bond
<b>REVENUES</b>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	1,192,435	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Special assessments	582,540	-	-	-
Intergovernmental	-	740,590	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	23,150	69,226	29,665	20,387
Contributions from property owners	-	-	-	-
Miscellaneous	-	129,507	-	-
Total revenues	605,690	2,131,758	29,665	20,387
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	7,392	-	-
Transportation	-	1,022,546	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court-related	-	-	-	-
Capital outlay	-	2,586,359	-	507,205
Debt service:				
Principal	960,000	-	-	-
Interest	129,351	-	-	-
Other	-	-	-	-
Total expenditures	1,089,351	3,616,297	-	507,205
Excess of revenues over (under) expenditures	(483,661)	(1,484,539)	29,665	(486,818)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	661,946	-	-
Transfers out	(50,384)	(507,635)	-	-
Capital lease	-	-	-	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	(50,384)	154,311	-	-
Net changes in fund balances	(534,045)	(1,330,228)	29,665	(486,818)
Fund balances - beginning	2,374,359	5,957,594	2,356,587	1,901,882
Change in inventories of supplies	-	-	-	-
Fund balances - ending	\$ 1,840,314	\$4,627,366	\$ 2,386,252	\$ 1,415,064

**Capital Projects**

<b>Jail Security Upgrade</b>	<b>Capital Improvement Revenue Bonds</b>	<b>Energy Efficiency FPL 2015</b>	<b>Cap Imp Rev Bond 2016A Construction</b>	<b>Sports Complex Improvements</b>	<b>Environmental Land Capital</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	273,328	-	-
-	-	-	-	-	-
825	46,925	45	10	4,971	4,886
-	-	-	-	75,000	-
-	-	-	-	-	7,835
<u>825</u>	<u>46,925</u>	<u>45</u>	<u>273,338</u>	<u>79,971</u>	<u>12,721</u>
-	-	-	-	2,555	653
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	28,353	-	-
-	-	-	-	-	-
-	-	-	-	149,988	-
-	-	-	-	-	-
39,390	4,793,466	5,780	734,142	85,407	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>39,390</u>	<u>4,793,466</u>	<u>5,780</u>	<u>762,495</u>	<u>237,950</u>	<u>653</u>
(38,565)	(4,746,541)	(5,735)	(489,157)	(157,979)	12,068
-	-	-	-	360,432	-
-	-	-	-	-	-
-	-	-	308,404	-	-
-	-	-	-	-	-
-	-	-	<u>308,404</u>	<u>360,432</u>	-
(38,565)	(4,746,541)	(5,735)	(180,753)	202,453	12,068
53,149	6,157,216	6,043	80	266,270	384,058
-	-	-	-	-	-
<u>\$ 14,584</u>	<u>\$ 1,410,675</u>	<u>\$ 308</u>	<u>\$ (180,673)</u>	<u>\$ 468,723</u>	<u>\$ 396,126</u>

(Continued)

**St. Lucie County, Florida**  
**Board of County Commissioners**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2018**

	<b>Capital Projects</b>		<b>Total Nonmajor Governmental Funds</b>
	<b>MSBU Internal Financed Projects</b>	<b>MSBU External Financed Projects</b>	
<b>REVENUES</b>			
Taxes			
Property	\$ -	\$ -	\$ 22,817,297
Tourist	-	-	4,226,041
Motor fuel	-	-	1,192,435
Local business	-	-	60,765
Licenses and permits	-	-	201,273
Special assessments	-	-	850,053
Intergovernmental	-	-	12,687,380
Charges for services	-	-	1,377,220
Fines and forfeitures	-	-	679,110
Investment income	18,537	10,770	776,880
Contributions from property owners	20,963	711,418	1,238,715
Miscellaneous	-	102,946	5,763,788
Total revenues	<u>39,500</u>	<u>825,134</u>	<u>51,870,957</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	2,707,026
Public safety	-	-	1,260,404
Physical environment	-	-	2,356,199
Transportation	-	417,852	10,906,304
Economic environment	-	-	1,341,059
Human services	-	-	7,268,515
Culture and recreation	-	-	5,432,951
Court-related	-	-	952,573
Capital outlay	-	-	14,614,107
Debt service:			
Principal	-	-	10,850,806
Interest	10,294	-	6,881,129
Other	-	-	284,590
Total expenditures	<u>10,294</u>	<u>417,852</u>	<u>64,855,663</u>
Excess of revenues over (under) expenditures	29,206	407,282	(12,984,706)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	9,731,949
Transfers out	(312)	(5,763)	(10,179,149)
Capital lease	-	-	742,515
Issuance of long-term debt	-	-	299,585
Total other financing sources (uses)	<u>(312)</u>	<u>(5,763)</u>	<u>594,900</u>
Net changes in fund balances	28,894	401,519	(12,437,375)
Fund balances - beginning	636,116	787,006	54,845,613
Change in inventories of supplies	-	-	(47,569)
Fund balances - ending	<u>\$ 665,010</u>	<u>\$ 1,188,525</u>	<u>\$ 42,408,238</u>

**Board of County Commissioners  
St. Lucie County Florida  
Budgetary Comparison Schedules  
Governmental Funds  
For the year ended September 30, 2018**

	<b>Unincorporated Services</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ 5,442,857	\$ 5,548,192	\$ 105,335
Licenses and permits	59,585	92,326	32,741
Special assessments	-	7,537	7,537
Intergovernmental	564,451	353,068	(211,383)
Charges for services	94,674	148,512	53,838
Fines and forfeitures	112,350	182,461	70,111
Investment income	50,000	125,512	75,512
Miscellaneous	1,276,381	1,667,461	391,080
Total revenues	<u>7,600,298</u>	<u>8,125,069</u>	<u>524,771</u>
<b>EXPENDITURES</b>			
Current:			
General government	2,418,286	1,752,313	665,973
Public safety	1,163,269	796,425	366,844
Physical environment	2,219,172	1,909,424	309,748
Transportation	976,316	596,652	379,664
Human services	598,742	477,973	120,769
Culture and recreation	35,910	25,954	9,956
Capital outlay	6,494,256	2,410,102	4,084,154
Total expenditures	<u>13,905,951</u>	<u>7,968,843</u>	<u>5,937,108</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,305,653)</u>	<u>156,226</u>	<u>6,461,879</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	43,510	43,510	-
Transfers out	(590,477)	(548,677)	41,800
Total other financing sources (uses)	<u>(546,967)</u>	<u>(505,167)</u>	<u>41,800</u>
Net change in fund balances	<u>(6,852,620)</u>	<u>(348,941)</u>	<u>6,503,679</u>
Fund balances - beginning	7,663,783	8,158,447	494,664
Change in inventories of supplies	-	-	-
Fund balances - ending	<u>\$ 811,163</u>	<u>\$ 7,809,506</u>	<u>\$ 6,998,343</u>

**Board of County Commissioners  
St. Lucie County Florida  
Budgetary Comparison Schedules  
Governmental Funds  
For the year ended September 30, 2018**

	<u>Library Special</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Special assessments	-	-	-
Intergovernmental	350,926	108,856	(242,070)
Fines and forfeitures	-	-	-
Investment income	-	40	40
	<u>-</u>	<u>40</u>	<u>40</u>
Total revenues	<u>350,926</u>	<u>108,896</u>	<u>(242,030)</u>
<b>EXPENDITURES</b>			
Current:			
Transportation	-	-	-
Culture and recreation	213,775	103,559	110,216
Capital outlay	5,337	5,337	-
	<u>-</u>	<u>5,337</u>	<u>-</u>
Total expenditures	<u>219,112</u>	<u>108,896</u>	<u>110,216</u>
Excess (deficiency) of revenues over (under) expenditures	<u>131,814</u>	<u>-</u>	<u>(131,814)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	131,814	-	(131,814)
Fund balances - beginning	253	324	71
Change in inventories of supplies	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 132,067</u>	<u>\$ 324</u>	<u>\$ (131,743)</u>

<b>Drug Abuse</b>			<b>Special Assessment District</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	251,807	209,736	(42,071)
-	-	-	-	-	-
48,001	99,053	51,052	-	-	-
-	2,113	2,113	4,759	3,527	(1,232)
<u>48,001</u>	<u>101,166</u>	<u>53,165</u>	<u>256,566</u>	<u>213,263</u>	<u>(43,303)</u>
-	-	-	269,227	202,715	66,512
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	269,227	202,715	66,512
<u>48,001</u>	<u>101,166</u>	<u>53,165</u>	<u>(12,661)</u>	<u>10,548</u>	<u>23,209</u>
<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>	<u>(9,345)</u>	<u>(5,078)</u>	<u>4,267</u>
<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>	<u>(9,345)</u>	<u>(5,078)</u>	<u>4,267</u>
(11,999)	41,166	53,165	(22,006)	5,470	27,476
149,880	149,880	-	247,733	231,242	(16,491)
-	-	-	-	-	-
<u>\$ 137,881</u>	<u>\$ 191,046</u>	<u>\$ 53,165</u>	<u>\$ 225,727</u>	<u>\$ 236,712</u>	<u>\$ 10,985</u>

**Board of County Commissioners  
St. Lucie County Florida  
Budgetary Comparison Schedules  
Governmental Funds  
For the year ended September 30, 2018**

	<b>Parks MSTU</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ 4,122,242	\$4,214,983	\$ 92,741
Intergovernmental	106,591	6,807	(99,784)
Charges for services	-	-	-
Investment income	50,000	29,517	(20,483)
Contributions from property owners	-	-	-
Miscellaneous	282,956	283,270	314
Total revenues	<u>4,561,789</u>	<u>4,534,577</u>	<u>(27,212)</u>
<b>EXPENDITURES</b>			
Current:			
Transportation	-	-	-
Culture and recreations	2,627,352	2,545,117	82,235
Capital outlay	1,579,620	698,847	880,773
Debt service:			
Principal	935,000	935,000	-
Interest	118,047	118,047	-
Total expenditures	<u>5,260,019</u>	<u>4,297,011</u>	<u>963,008</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(698,230)</u>	<u>237,566</u>	<u>935,796</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	(340,961)	(316,560)	24,401
Total other financing sources (uses)	<u>(340,961)</u>	<u>(316,560)</u>	<u>24,401</u>
Net change in fund balances	(1,039,191)	(78,994)	960,197
Fund balances - beginning	1,367,212	1,367,212	-
Change in inventories of supplies	-	-	-
Fund balances - ending	<u>\$ 328,021</u>	<u>\$1,288,218</u>	<u>\$ 960,197</u>

<b>SLC Public Transit MSTU</b>			<b>Port</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ 2,268,462	\$2,309,954	\$ 41,492	\$ -	\$ -	\$ -
9,519,034	2,577,379	(6,941,655)	5,167,497	1,352,374	(3,815,123)
110,000	53,982	(56,018)	433,211	447,379	14,168
4,000	18,911	14,911	3,000	14,619	11,619
3,750	15,750	12,000	-	-	-
2,500	3,276	776	82,500	497	(82,003)
<u>11,907,746</u>	<u>4,979,252</u>	<u>(6,928,494)</u>	<u>5,686,208</u>	<u>1,814,869</u>	<u>(3,871,339)</u>
12,609,838	6,333,824	6,276,014	2,483,583	2,304,362	179,221
-	-	-	-	-	-
738,014	207,781	530,233	5,203,079	1,681,857	3,521,222
-	-	-	-	-	-
-	-	-	-	-	-
<u>13,347,852</u>	<u>6,541,605</u>	<u>6,806,247</u>	<u>7,686,662</u>	<u>3,986,219</u>	<u>3,700,443</u>
<u>(1,440,106)</u>	<u>(1,562,353)</u>	<u>(122,247)</u>	<u>(2,000,454)</u>	<u>(2,171,350)</u>	<u>(170,896)</u>
-	-	-	1,298,531	1,048,531	(250,000)
(80,211)	(63,862)	16,349	(332,500)	-	332,500
<u>(80,211)</u>	<u>(63,862)</u>	<u>16,349</u>	<u>966,031</u>	<u>1,048,531</u>	<u>82,500</u>
(1,520,317)	(1,626,215)	(105,898)	(1,034,423)	(1,122,819)	(88,396)
1,520,317	2,990,139	1,469,822	1,955,073	1,870,658	(84,415)
-	-	-	-	-	-
<u>\$ -</u>	<u>\$1,363,924</u>	<u>\$ 1,363,924</u>	<u>\$ 920,650</u>	<u>\$ 747,839</u>	<u>\$ (172,811)</u>



**Board of County Commissioners  
St. Lucie County Florida  
Budgetary Comparison Schedules  
Governmental Funds  
For the year ended September 30, 2018**

	<b>Mosquito Control</b>		<b>Variance Positive (Negative)</b>
	<b>Final Budget</b>	<b>Actual</b>	
<b>REVENUES</b>			
Taxes:			
Property	\$ 3,795,767	\$3,862,318	\$ 66,551
Intergovernmental	30,830	28,837	(1,993)
Investment income	38,238	34,407	(3,831)
Contributions from property owners	-	-	-
Miscellaneous	-	17,330	17,330
	<u>3,864,835</u>	<u>3,942,892</u>	<u>78,057</u>
Total revenues			
<b>EXPENDITURES</b>			
Current:			
General government	364,097	364,097	-
Public safety	-	-	-
Human services	6,714,951	6,785,238	(70,287)
Capital outlay	785,712	187,570	598,142
	<u>7,864,760</u>	<u>7,336,905</u>	<u>527,855</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(3,999,925)</u>	<u>(3,394,013)</u>	<u>605,912</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(148,471)</u>	<u>(106,852)</u>	<u>41,619</u>
Total other financing sources (uses)	<u>(148,471)</u>	<u>(106,852)</u>	<u>41,619</u>
Net change in fund balances	(4,148,396)	(3,500,865)	647,531
Fund balances - beginning	4,824,300	5,034,356	210,056
Change in inventories of supplies	-	(47,569)	(47,569)
Fund balances - ending	<u>\$ 675,904</u>	<u>\$1,485,922</u>	<u>\$ 810,018</u>

<u>Impact Fee Collections</u>			<u>Plan Maintenance RAD</u>		
<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	1,147	1,147	-	1,625	1,625
-	-	-	417,960	415,584	(2,376)
<u>1,500</u>	<u>35,176</u>	<u>33,676</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,500</u>	<u>36,323</u>	<u>34,823</u>	<u>417,960</u>	<u>417,209</u>	<u>(751)</u>
40,399	27,400	12,999	-	-	-
-	-	-	442,845	415,756	27,089
-	-	-	-	-	-
-	-	-	-	-	-
<u>40,399</u>	<u>27,400</u>	<u>12,999</u>	<u>442,845</u>	<u>415,756</u>	<u>27,089</u>
<u>(38,899)</u>	<u>8,923</u>	<u>47,822</u>	<u>(24,885)</u>	<u>1,453</u>	<u>26,338</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(38,899)</u>	<u>8,923</u>	<u>47,822</u>	<u>(24,885)</u>	<u>1,453</u>	<u>26,338</u>
87,187	87,187	-	96,355	31,520	(64,835)
-	-	-	-	-	-
<u>\$ 48,288</u>	<u>\$ 96,110</u>	<u>\$ 47,822</u>	<u>\$ 71,470</u>	<u>\$ 32,973</u>	<u>\$ (38,497)</u>

**Board of County Commissioners  
St. Lucie County Florida  
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	<b>Tourism Development 1st, 2nd, 3rd &amp; 5th Cent</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Tourist	818,747	1,124,127	305,380
Charges for services	-	-	-
Investment income	550	28,607	28,057
Miscellaneous	20,000	16,207	(3,793)
<b>Total revenues</b>	<b>839,297</b>	<b>1,168,941</b>	<b>329,644</b>
<b>EXPENDITURES</b>			
Current:			
General government	61,868	61,868	-
Economic environment	822,158	760,246	61,912
Capital outlay	135,000	-	135,000
<b>Total expenditures</b>	<b>1,019,026</b>	<b>822,114</b>	<b>196,912</b>
Excess (deficiency) of revenues over (under) expenditures	(179,729)	346,827	526,556
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(19,773)	(23,901)	(4,128)
<b>Total other financing sources (uses)</b>	<b>(19,773)</b>	<b>(23,901)</b>	<b>(4,128)</b>
<b>Net change in fund balances</b>	<b>(199,502)</b>	<b>322,926</b>	<b>522,428</b>
Fund balances - beginning	2,145,399	2,145,644	245
Change in inventories of supplies	-	-	-
<b>Fund balances - ending</b>	<b>\$1,945,897</b>	<b>\$2,468,570</b>	<b>\$ 522,673</b>

<b>Court Facility</b>			<b>SLC Housing Finance Authority</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
787,950	576,026	(211,924)	-	-	-
11,000	2,357	(8,643)	227	1,272	1,045
-	-	-	4,739	15,893	11,154
<u>798,950</u>	<u>578,383</u>	<u>(220,567)</u>	<u>4,966</u>	<u>17,165</u>	<u>12,199</u>
420,000	420,000	-	14,429	2,652	11,777
-	-	-	-	-	-
<u>770,947</u>	<u>492,019</u>	<u>278,928</u>	-	-	-
<u>1,190,947</u>	<u>912,019</u>	<u>278,928</u>	<u>14,429</u>	<u>2,652</u>	<u>11,777</u>
(391,997)	(333,636)	58,361	(9,463)	14,513	23,976
<u>(518,035)</u>	<u>(515,341)</u>	<u>2,694</u>	-	-	-
<u>(518,035)</u>	<u>(515,341)</u>	<u>2,694</u>	-	-	-
(910,032)	(848,977)	61,055	(9,463)	14,513	23,976
1,090,610	1,002,626	(87,984)	89,331	89,331	-
-	-	-	-	-	-
<u>\$ 180,578</u>	<u>\$ 153,649</u>	<u>\$ (26,929)</u>	<u>\$ 79,868</u>	<u>\$ 103,844</u>	<u>\$ 23,976</u>

**Board of County Commissioners  
St. Lucie County Florida  
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	<u>Environmental Land Acquisitions</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	218,745	-	(218,745)
Charges for services	-	-	-
Investment income	100	5,948	5,848
Miscellaneous	65,000	112,688	47,688
Total revenues	<u>283,845</u>	<u>118,636</u>	<u>(165,209)</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Physical environment	15,000	-	15,000
Economic environment	-	-	-
Court-related	-	-	-
Capital outlay	220,000	-	220,000
Total expenditures	<u>235,000</u>	<u>-</u>	<u>235,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>48,845</u>	<u>118,636</u>	<u>69,791</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	48,845	118,636	69,791
Fund balances - beginning	488,668	398,923	(89,745)
Change in inventories of supplies	-	-	-
Fund balances - ending	<u>\$ 537,513</u>	<u>\$ 517,559</u>	<u>\$ (19,954)</u>

<b>Court Administrator</b>			<b>Housing Assistance SHIP</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	3,151	3,151	-	-	-
474,101	480,122	6,021	1,184,571	196,015	(988,556)
136,718	114,668	(22,050)	-	-	-
6,500	23,349	16,849	-	26,363	26,363
-	-	-	-	112,335	112,335
<u>617,319</u>	<u>621,290</u>	<u>3,971</u>	<u>1,184,571</u>	<u>334,713</u>	<u>(849,858)</u>
17,889	17,732	157	-	-	-
-	-	-	-	-	-
-	-	-	1,071,296	220,133	851,163
1,192,866	952,573	240,293	-	-	-
25,000	-	25,000	-	-	-
<u>1,235,755</u>	<u>970,305</u>	<u>265,450</u>	<u>1,071,296</u>	<u>220,133</u>	<u>851,163</u>
<u>(618,436)</u>	<u>(349,015)</u>	<u>269,421</u>	<u>113,275</u>	<u>114,580</u>	<u>1,305</u>
541,442	450,898	(90,544)	-	-	-
<u>(171,912)</u>	<u>(81,368)</u>	<u>90,544</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>369,530</u>	<u>369,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(248,906)	20,515	269,421	113,275	114,580	1,305
2,164,509	2,164,509	-	-	187,204	187,204
-	-	-	-	-	-
<u>\$1,915,603</u>	<u>\$2,185,024</u>	<u>\$ 269,421</u>	<u>\$ 113,275</u>	<u>\$ 301,784</u>	<u>\$ 188,509</u>

**Board of County Commissioners  
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	<b>Boating Improvement Projects</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Licenses and permits	66,425	105,796	39,371
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment income	1,500	11,389	9,889
Miscellaneous	-	-	-
Total revenues	<u>67,925</u>	<u>117,185</u>	<u>49,260</u>
<b>EXPENDITURES</b>			
Current:			
Physical environment	-	-	-
Economic environment	-	-	-
Culture and recreation	96,904	95,561	1,343
Capital outlay	<u>247,810</u>	<u>7,103</u>	<u>240,707</u>
Total expenditures	<u>344,714</u>	<u>102,664</u>	<u>242,050</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(276,789)</u>	<u>14,521</u>	<u>291,310</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(5,800)</u>	<u>-</u>	<u>5,800</u>
Net change in fund balances	(282,589)	14,521	297,110
Fund balances - beginning	973,532	973,532	-
Change in inventories of supplies	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 690,943</u>	<u>\$ 988,053</u>	<u>\$ 297,110</u>

<u>Bluefield Ranch Improvements</u>			<u>Florida Housing Grant</u>		
<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	1,555,984	339,300	(1,216,684)
33	47	14	-	-	-
1,500	1,738	238	-	571	571
-	-	-	-	38,132	38,132
<u>1,533</u>	<u>1,785</u>	<u>252</u>	<u>1,555,984</u>	<u>378,003</u>	<u>(1,177,981)</u>
1,537	-	1,537	-	-	-
-	-	-	1,555,984	360,680	1,195,304
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,537</u>	<u>-</u>	<u>1,537</u>	<u>1,555,984</u>	<u>360,680</u>	<u>1,195,304</u>
<u>(4)</u>	<u>1,785</u>	<u>1,789</u>	<u>-</u>	<u>17,323</u>	<u>17,323</u>
-	-	-	-	-	-
(4)	1,785	1,789	-	17,323	17,323
138,005	138,005	-	-	158,432	158,432
-	-	-	-	-	-
<u>\$ 138,001</u>	<u>\$ 139,790</u>	<u>\$ 1,789</u>	<u>\$ -</u>	<u>\$ 175,755</u>	<u>\$ 175,755</u>



**Board of County Commissioners  
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	<b>Sports Complex</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Special assessments	-	-	-
Charges for services	-	27,924	27,924
Fines and forfeitures	-	-	-
Investment income	-	9,532	9,532
Miscellaneous	1,900,000	2,016,444	116,444
Total revenues	<u>1,900,000</u>	<u>2,053,900</u>	<u>153,900</u>
<b>EXPENDITURES</b>			
Current:			
Physical safety	-	-	-
Physical environment	-	-	-
Culture and recreation	2,605,159	2,512,232	92,927
Capital outlay	171,742	171,742	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Other	-	-	-
Total expenditures	<u>2,776,901</u>	<u>2,683,974</u>	<u>92,927</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(876,901)</u>	<u>(630,074)</u>	<u>246,827</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Capital lease	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(876,901)	(630,074)	246,827
Fund balances - beginning	<u>1,113,768</u>	<u>1,113,768</u>	<u>-</u>
Fund balances - ending	<u>\$ 236,867</u>	<u>\$ 483,694</u>	<u>\$ 246,827</u>

<b>SLC Sustainability District</b>			<b>Law Enforcement</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20,800	50,240	29,440	-	-	-
-	8,682	8,682	-	-	-
-	-	-	94,975	65,000	(29,975)
-	1,040	1,040	500	567	67
-	1,353	1,353	-	-	-
<u>20,800</u>	<u>61,315</u>	<u>40,515</u>	<u>95,475</u>	<u>65,567</u>	<u>(29,908)</u>
-	-	-	-	-	-
439,794	439,383	411	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
27,982	27,982	-	-	-	-
30,901	30,901	-	-	-	-
13,023	13,023	-	-	-	-
<u>511,700</u>	<u>511,289</u>	<u>411</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(490,900)</u>	<u>(449,974)</u>	<u>40,926</u>	<u>95,475</u>	<u>65,567</u>	<u>(29,908)</u>
-	(637)	(637)	(110,803)	(79,000)	31,803
<u>450,000</u>	<u>434,111</u>	<u>(15,889)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>450,000</u>	<u>433,474</u>	<u>(16,526)</u>	<u>(110,803)</u>	<u>(79,000)</u>	<u>31,803</u>
(40,900)	(16,500)	24,400	(15,328)	(13,433)	1,895
<u>50,000</u>	<u>41,738</u>	<u>(8,262)</u>	<u>15,328</u>	<u>15,328</u>	<u>-</u>
<u>\$ 9,100</u>	<u>\$ 25,238</u>	<u>\$ 16,138</u>	<u>\$ -</u>	<u>\$ 1,895</u>	<u>\$ 1,895</u>

**Board of County Commissioners  
St. Lucie County Florida  
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	<b>SLC Art in Public Places</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Local business	-	-	-
Investment income	47	1,396	1,349
Miscellaneous	47,810	47,810	-
Total revenues	47,857	49,206	1,349
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Culture and recreation	10,047	-	10,047
Total expenditures	10,047	-	10,047
Excess (deficiency) of revenues over (under) expenditures	37,810	49,206	11,396
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	175,128	-	(175,128)
Total other financing sources (uses)	175,128	-	(175,128)
Net change in fund balances	212,938	49,206	(163,732)
Fund balances - beginning	73,585	73,585	-
Change in inventories of supplies	-	-	-
Fund balances - ending	\$ 286,523	\$ 122,791	\$ (163,732)

<b>SLC Economic Development</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -
55,195	60,765	5,570
-	99	99
-	-	-
<u>55,195</u>	<u>60,864</u>	<u>5,669</u>
55,366	55,366	-
-	-	-
<u>55,366</u>	<u>55,366</u>	<u>-</u>
<u>(171)</u>	<u>5,498</u>	<u>5,669</u>
-	-	-
-	-	-
<u>(171)</u>	<u>5,498</u>	<u>5,669</u>
14,364	14,364	-
-	-	-
<u>\$ 14,193</u>	<u>\$ 19,862</u>	<u>\$ 5,669</u>

**St. Lucie County, Florida**  
**Board of County Commissioners**  
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	Impact Fees I & S		
	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
Investment income	-	-	-
Miscellaneous	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Debt service:			
Principal	125,000	125,000	-
Interest	45,137	45,136	1
Other	-	-	-
Total expenditures	170,137	170,136	1
Excess (deficiency) of revenues over (under) expenditures	(170,137)	(170,136)	1
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	170,137	191,642	21,505
Total other financing sources (uses)	170,137	191,642	21,505
Net change in fund balances	-	21,506	21,506
Fund balances - beginning	1	1	-
Fund balances - ending	\$ 1	\$ 21,507	\$ 21,506

<b>Sales Tax Revenue Bonds I &amp; S</b>			<b>County Capital I &amp; S</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ 3,755,787	\$3,953,807	\$ 198,020	\$ -	\$ -	\$ -
6,588	56,276	49,688	14,347	18,806	4,459
-	-	-	1	1	-
<u>3,762,375</u>	<u>4,010,083</u>	<u>247,708</u>	<u>14,348</u>	<u>18,807</u>	<u>4,459</u>
2,515,000	2,515,000	-	984,533	984,493	40
2,214,600	2,214,600	-	52,997	52,997	-
19,824	18,325	1,499	-	-	-
<u>4,749,424</u>	<u>4,747,925</u>	<u>1,499</u>	<u>1,037,530</u>	<u>1,037,490</u>	<u>40</u>
<u>(987,049)</u>	<u>(737,842)</u>	<u>249,207</u>	<u>(1,023,182)</u>	<u>(1,018,683)</u>	<u>4,499</u>
<u>865,341</u>	<u>865,341</u>	<u>-</u>	<u>1,155,971</u>	<u>1,155,971</u>	<u>-</u>
<u>865,341</u>	<u>865,341</u>	<u>-</u>	<u>1,155,971</u>	<u>1,155,971</u>	<u>-</u>
<u>(121,708)</u>	<u>127,499</u>	<u>249,207</u>	<u>132,789</u>	<u>137,288</u>	<u>4,499</u>
<u>608,515</u>	<u>860,747</u>	<u>252,232</u>	<u>372,775</u>	<u>372,775</u>	<u>-</u>
<u>\$ 486,807</u>	<u>\$ 988,246</u>	<u>\$ 501,439</u>	<u>\$ 505,564</u>	<u>\$ 510,063</u>	<u>\$ 4,499</u>

**St. Lucie County, Florida**  
**Board of County Commissioners**  
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	<b>Transportation I &amp; S</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-
Investment income	3,040	9,145	6,105
	<u>3,040</u>	<u>9,145</u>	<u>6,105</u>
Total revenues	<u>3,040</u>	<u>9,145</u>	<u>6,105</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Debt service:			
Principal	1,000,000	1,000,000	-
Interest	254,305	254,305	-
Other	5,000	-	5,000
	<u>1,259,305</u>	<u>1,254,305</u>	<u>5,000</u>
Total expenditures	<u>1,259,305</u>	<u>1,254,305</u>	<u>5,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,256,265)</u>	<u>(1,245,160)</u>	<u>11,105</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,169,716	1,169,716	-
	<u>1,169,716</u>	<u>1,169,716</u>	<u>-</u>
Net change in fund balances	<u>(86,549)</u>	<u>(75,444)</u>	<u>11,105</u>
Fund balances - beginning	135,926	135,926	-
	<u>135,926</u>	<u>135,926</u>	<u>-</u>
Fund balances - ending	<u>\$ 49,377</u>	<u>\$ 60,482</u>	<u>\$ 11,105</u>

<u>Capital Improvement Revenue Refunding 2014</u>			<u>Cap Impr Rev Bds Series 2016 Jail</u>		
<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
\$ 1,060,661	\$ 1,060,661	\$ -	\$ -	\$ -	\$ -
324,809	233,633	(91,176)	-	-	-
-	14,566	14,566	-	3,667	3,667
<u>1,385,470</u>	<u>1,308,860</u>	<u>(76,610)</u>	<u>-</u>	<u>3,667</u>	<u>3,667</u>
1,717	1,717	-	-	-	-
1,080,000	1,080,000	-	190,060	195,000	(4,940)
196,174	196,174	-	83,070	78,130	4,940
2,000	-	2,000	-	-	-
<u>1,279,891</u>	<u>1,277,891</u>	<u>2,000</u>	<u>273,130</u>	<u>273,130</u>	<u>-</u>
105,579	30,969	(74,610)	(273,130)	(269,463)	3,667
-	-	-	295,826	295,826	-
105,579	30,969	(74,610)	22,696	26,363	3,667
27,587	27,587	-	26,190	26,190	-
<u>\$ 133,166</u>	<u>\$ 58,556</u>	<u>\$ (74,610)</u>	<u>\$ 48,886</u>	<u>\$ 52,553</u>	<u>\$ 3,667</u>



**St. Lucie County, Florida  
Board of County Commissioners  
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	<b>Capital Imp Rev Bonds 2015</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Investment income	\$ -	\$ 134	\$ 134
Miscellaneous	480,571	458,785	(21,786)
	480,571	458,919	(21,652)
Total revenues			
<b>EXPENDITURES</b>			
Debt Service:			
Principal	285,000	285,000	-
Interest	173,785	173,785	-
	458,785	458,785	-
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	21,786	134	(21,652)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Net change in fund balances	21,786	134	(21,652)
Fund balances - beginning	1,563	5,122	3,559
Fund balances - ending	\$ 23,349	\$ 5,256	\$ (18,093)

<b>Lease Purchase FPL 2015</b>			<b>Lease Purchase Motorola</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ 4,593	\$ 4,593	\$ -	\$ 718	\$ 718
-	-	-	-	-	-
-	4,593	4,593	-	718	718
686,561	686,561	-	51,771	51,770	1
202,617	202,607	10	647,416	647,415	1
889,178	889,168	10	699,187	699,185	2
(889,178)	(884,575)	4,603	(699,187)	(698,467)	720
1,046,661	1,046,661	-	759,187	759,187	-
157,483	162,086	4,603	60,000	60,720	720
-	1	1	-	2	2
<u>\$ 157,483</u>	<u>\$ 162,087</u>	<u>\$ 4,604</u>	<u>\$ 60,000</u>	<u>\$ 60,722</u>	<u>\$ 722</u>

**St. Lucie County, Florida**  
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	<b>Capital Imp Rev Bond 2016A</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Investment income	\$ -	\$ 2,655	\$ 2,655
Contributions from property owners	-	-	-
Total revenues	<u>-</u>	<u>2,655</u>	<u>2,655</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	190,000	230,000	(40,000)
Interest	63,330	2,696	60,634
Other	1,187	1,187	-
Total expenditures	<u>254,517</u>	<u>233,883</u>	<u>20,634</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(254,517)</u>	<u>(231,228)</u>	<u>23,289</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	275,329	275,329	-
Issuance of long-term debt	-	-	-
Total other financing sources (uses)	<u>275,329</u>	<u>275,329</u>	<u>-</u>
Net change in fund balances	20,812	44,101	23,289
Fund balances - beginning	<u>168</u>	<u>1,767</u>	<u>1,599</u>
Fund balances - ending	<u><u>\$ 20,980</u></u>	<u><u>\$ 45,868</u></u>	<u><u>\$ 24,888</u></u>

<b>Port Taxable Non-Ad Valorem Bond 2017A</b>			<b>Capital Projects I &amp; S</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ 437	\$ 437	\$ 332	\$ 338	\$ 6
-	-	-	1,113	-	(1,113)
-	437	437	1,445	338	(1,107)
-	-	-	-	-	-
278,979	278,979	-	1,312	-	1,312
259,680	247,677	12,003	-	-	-
538,659	526,656	12,003	1,312	-	1,312
(538,659)	(526,219)	12,440	133	338	205
278,979	278,979	-	-	-	-
259,680	299,585	39,905	-	-	-
538,659	578,564	39,905	-	-	-
-	52,345	52,345	133	338	205
-	-	-	26,831	26,831	-
\$ -	\$ 52,345	\$ 52,345	\$ 26,964	\$ 27,169	\$ 205

**St. Lucie County, Florida**  
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	<b>Sports Complex Debt</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Tourist	\$ -	\$ -	\$ -
Special assessments	-	-	-
Intergovernmental	-	-	-
Investment income	-	8,834	8,834
Contributions from property owners	786,562	-	(786,562)
Miscellaneous	-	696,842	696,842
	<u>786,562</u>	<u>705,676</u>	<u>(80,886)</u>
Total revenues			
	<u>786,562</u>	<u>705,676</u>	<u>(80,886)</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	650,000	650,000	-
Interest	136,562	136,562	-
Other	1,385	1,384	1
	<u>787,947</u>	<u>787,946</u>	<u>1</u>
Total expenditures			
	<u>787,947</u>	<u>787,946</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,385)</u>	<u>(82,270)</u>	<u>(80,885)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	(1,127,980)	(1,127,980)	-
	<u>(1,127,980)</u>	<u>(1,127,980)</u>	<u>-</u>
Total other financing sources (uses)			
	<u>(1,127,980)</u>	<u>(1,127,980)</u>	<u>-</u>
Net change in fund balances	(1,129,365)	(1,210,250)	(80,885)
Fund balances - beginning	<u>1,870,600</u>	<u>1,870,600</u>	<u>-</u>
Fund balances - ending	<u>\$ 741,235</u>	<u>\$ 660,350</u>	<u>\$ (80,885)</u>

<b>Non-Ad Valorem Bonds Series 2017</b>			<b>N Lennard Road Bonds I &amp; S</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$2,241,049	\$3,101,914	\$ 860,865	\$ -	\$ -	\$ -
-	-	-	698,279	582,540	(115,739)
1,153,000	1,152,996	(4)	-	-	-
1,875	37,101	35,226	1,913	23,150	21,237
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,395,924</u>	<u>4,292,011</u>	<u>896,087</u>	<u>700,192</u>	<u>605,690</u>	<u>(94,502)</u>
1,125,000	1,125,000	-	960,000	960,000	-
2,309,150	2,309,150	-	133,887	129,351	4,536
2,995	2,994	1	155,674	-	155,674
<u>3,437,145</u>	<u>3,437,144</u>	<u>1</u>	<u>1,249,561</u>	<u>1,089,351</u>	<u>160,210</u>
<u>(41,221)</u>	<u>854,867</u>	<u>896,088</u>	<u>(549,369)</u>	<u>(483,661)</u>	<u>65,708</u>
1,127,980	1,127,980	-	-	-	-
(17,488)	(65,950)	(48,462)	(151,702)	(50,384)	101,318
<u>1,110,492</u>	<u>1,062,030</u>	<u>(48,462)</u>	<u>(151,702)</u>	<u>(50,384)</u>	<u>101,318</u>
1,069,271	1,916,897	847,626	(701,071)	(534,045)	167,026
-	489,707	489,707	1,883,910	2,374,359	490,449
<u>\$1,069,271</u>	<u>\$2,406,604</u>	<u>\$1,337,333</u>	<u>\$1,182,839</u>	<u>\$1,840,314</u>	<u>\$ 657,475</u>

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	<b>Impact Fees</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Impact fees	\$ 3,765,108	\$12,196,539	\$ 8,431,431
Intergovernmental	8,224,007	1,391,998	(6,832,009)
Investment income	175,600	364,141	188,541
Miscellaneous	-	350,297	350,297
	<u>12,164,715</u>	<u>14,302,975</u>	<u>2,138,260</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	437,039	437,036	3
Culture and recreation	1,494,523	346,711	1,147,812
Capital outlay	<u>22,379,417</u>	<u>8,073,475</u>	<u>14,305,942</u>
	<u>24,310,979</u>	<u>8,857,222</u>	<u>15,453,757</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,146,264)</u>	<u>5,445,753</u>	<u>17,592,017</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(667,647)</u>	<u>(689,152)</u>	<u>(21,505)</u>
	<u>(12,813,911)</u>	<u>4,756,601</u>	<u>17,570,512</u>
Fund balances - beginning	<u>26,781,495</u>	<u>24,209,935</u>	<u>(2,571,560)</u>
Fund balances - ending	<u><u>\$13,967,584</u></u>	<u><u>\$28,966,536</u></u>	<u><u>\$ 14,998,952</u></u>

**Sports Complex Capital Project Fund**

<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -
-	-	-
73,460	937,233	863,773
-	-	-
<u>73,460</u>	<u>937,233</u>	<u>863,773</u>
-	-	-
-	-	-
<u>53,883,773</u>	<u>2,942,796</u>	<u>50,940,977</u>
<u>53,883,773</u>	<u>2,942,796</u>	<u>50,940,977</u>
<u>(53,810,313)</u>	<u>(2,005,563)</u>	<u>51,804,750</u>
<u>(160,432)</u>	<u>(160,432)</u>	<u>-</u>
(53,970,745)	(2,165,995)	51,804,750
<u>53,970,745</u>	<u>53,970,745</u>	<u>-</u>
<u>\$ -</u>	<u>\$51,804,750</u>	<u>\$51,804,750</u>



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	<b>County Capital</b>		<b>Variance Positive (Negative)</b>
	<b>Final Budget</b>	<b>Actual</b>	
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Motor fuel	996,500	1,192,435	195,935
Intergovernmental	661,027	740,590	79,563
Investment income	20,000	69,226	49,226
Miscellaneous	129,507	129,507	-
	<u>1,807,034</u>	<u>2,131,758</u>	<u>324,724</u>
Total revenues			
<b>EXPENDITURES</b>			
Current:			
General government	9,786	-	9,786
Physical environment	9,624	7,392	2,232
Transportation	2,386,431	1,022,546	1,363,885
Capital outlay	3,241,252	2,586,359	654,893
	<u>5,647,093</u>	<u>3,616,297</u>	<u>2,030,796</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(3,840,059)</u>	<u>(1,484,539)</u>	<u>2,355,520</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	661,946	661,946	-
Transfers out	(547,205)	(507,635)	39,570
	<u>114,741</u>	<u>154,311</u>	<u>39,570</u>
Total other financing sources (uses)			
Net change in fund balances	(3,725,318)	(1,330,228)	2,395,090
Fund balances - beginning	<u>5,956,942</u>	<u>5,957,594</u>	<u>652</u>
Fund balances - ending	<u>\$2,231,624</u>	<u>\$ 4,627,366</u>	<u>\$ 2,395,742</u>

<u>County Capital State Revenue Share Bond</u>			<u>County Capital Transportation Bond</u>		
<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
200,000	-	(200,000)	-	-	-
14,250	29,665	15,415	28,500	20,387	(8,113)
-	-	-	-	-	-
<u>214,250</u>	<u>29,665</u>	<u>(184,585)</u>	<u>28,500</u>	<u>20,387</u>	<u>(8,113)</u>
-	-	-	-	-	-
200,000	-	200,000	-	-	-
-	-	-	-	-	-
<u>228,350</u>	<u>-</u>	<u>228,350</u>	<u>1,065,853</u>	<u>507,205</u>	<u>558,648</u>
<u>428,350</u>	<u>-</u>	<u>428,350</u>	<u>1,065,853</u>	<u>507,205</u>	<u>558,648</u>
<u>(214,100)</u>	<u>29,665</u>	<u>243,765</u>	<u>(1,037,353)</u>	<u>(486,818)</u>	<u>550,535</u>
-	-	-	-	-	-
-	-	-	<u>(109,421)</u>	-	<u>109,421</u>
-	-	-	<u>(109,421)</u>	-	<u>109,421</u>
<u>(214,100)</u>	<u>29,665</u>	<u>243,765</u>	<u>(1,146,774)</u>	<u>(486,818)</u>	<u>659,956</u>
<u>2,356,587</u>	<u>2,356,587</u>	<u>-</u>	<u>1,901,882</u>	<u>1,901,882</u>	<u>-</u>
<u>\$2,142,487</u>	<u>\$2,386,252</u>	<u>\$ 243,765</u>	<u>\$ 755,108</u>	<u>\$1,415,064</u>	<u>\$ 659,956</u>

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	<b>Jail Security Upgrade</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Investment income	\$ -	\$ 825	\$ 825
Total revenues	-	825	825
<b>EXPENDITURES</b>			
Capital outlay	53,149	39,390	13,759
Total expenditures	53,149	39,390	13,759
Excess (deficiency) of revenues over (under) expenditures	(53,149)	(38,565)	14,584
<b>OTHER FINANCING SOURCES (USES)</b>			
Capital lease	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(53,149)	(38,565)	14,584
Fund balances - beginning	53,149	53,149	-
Fund balances - ending	\$ -	\$ 14,584	\$ 14,584

<u>Capital Improvement Revenue Bonds 2015</u>			<u>Energy Efficiency FPL 2015</u>		
<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
\$ 9,000	\$ 46,925	\$ 37,925	\$ -	\$ 45	\$ 45
9,000	46,925	37,925	-	45	45
6,157,216	4,793,466	1,363,750	6,000	5,780	220
6,157,216	4,793,466	1,363,750	6,000	5,780	220
(6,148,216)	(4,746,541)	1,401,675	(6,000)	(5,735)	265
-	-	-	-	-	-
-	-	-	-	-	-
(6,148,216)	(4,746,541)	1,401,675	(6,000)	(5,735)	265
6,157,216	6,157,216	-	6,043	6,043	-
\$ 9,000	\$1,410,675	\$ 1,401,675	\$ 43	\$ 308	\$ 265

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	<u>Cap Imp Rev Bond 2016A Construction</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Intergovernmental	6,016,386	273,328	(5,743,058)
Investment income	-	10	10
Contributions from property owners	-	-	-
Miscellaneous	-	-	-
	<u>6,016,386</u>	<u>273,338</u>	<u>(5,743,048)</u>
Total revenues			
	<u>6,016,386</u>	<u>273,338</u>	<u>(5,743,048)</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Transportation	28,353	28,353	-
Culture and recreation	-	-	-
Capital outlay	<u>8,843,206</u>	<u>734,142</u>	<u>8,109,064</u>
Total expenditures	<u>8,871,559</u>	<u>762,495</u>	<u>8,109,064</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,855,173)</u>	<u>(489,157)</u>	<u>2,366,016</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Capital lease	<u>2,967,500</u>	<u>308,404</u>	<u>(2,659,096)</u>
Total other financing sources (uses)	<u>2,967,500</u>	<u>308,404</u>	<u>(2,659,096)</u>
Net change in fund balances	112,327	(180,753)	(293,080)
Fund balances - beginning	<u>-</u>	<u>80</u>	<u>80</u>
Fund balances - ending	<u>\$ 112,327</u>	<u>\$(180,673)</u>	<u>\$ (293,000)</u>

Sports Complex Improvements			Environmental Land Capital		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
950	4,971	4,021	-	4,886	4,886
75,000	75,000	-	-	-	-
-	-	-	2,850	7,835	4,985
<u>75,950</u>	<u>79,971</u>	<u>4,021</u>	<u>2,850</u>	<u>12,721</u>	<u>9,871</u>
2,555	2,555	-	653	653	-
-	-	-	-	-	-
149,988	149,988	-	-	-	-
<u>207,202</u>	<u>85,407</u>	<u>121,795</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>359,745</u>	<u>237,950</u>	<u>121,795</u>	<u>653</u>	<u>653</u>	<u>-</u>
<u>(283,795)</u>	<u>(157,979)</u>	<u>125,816</u>	<u>2,197</u>	<u>12,068</u>	<u>9,871</u>
360,432	360,432	-	-	-	-
-	-	-	-	-	-
<u>360,432</u>	<u>360,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
76,637	202,453	125,816	2,197	12,068	9,871
<u>266,270</u>	<u>266,270</u>	<u>-</u>	<u>384,058</u>	<u>384,058</u>	<u>-</u>
<u>\$ 342,907</u>	<u>\$468,723</u>	<u>\$ 125,816</u>	<u>\$386,255</u>	<u>\$396,126</u>	<u>\$ 9,871</u>

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	<b>MSBU Internal Financed Projects</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ -	\$ -	\$ -
Investment income	14,332	18,537	4,205
Contributions from property owners	218,313	20,963	(197,350)
Miscellaneous	-	-	-
Total revenues	<u>232,645</u>	<u>39,500</u>	<u>(193,145)</u>
<b>EXPENDITURES</b>			
Current:			
Transportation	-	-	-
Debt service:			
Principal	-	-	-
Interest	10,295	10,294	1
Other	-	-	-
Total expenditures	<u>10,295</u>	<u>10,294</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>222,350</u>	<u>29,206</u>	<u>(193,144)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(12,181)	(312)	11,869
Capital lease	-	-	-
Total other financing sources (uses)	<u>(12,181)</u>	<u>(312)</u>	<u>11,869</u>
Net change in fund balances	210,169	28,894	(181,275)
Fund balances - beginning	<u>604,695</u>	<u>636,116</u>	<u>31,421</u>
Fund balances - ending	<u><u>\$ 814,864</u></u>	<u><u>\$665,010</u></u>	<u><u>\$ (149,854)</u></u>

<b>MSBU External Financed Projects</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -
3,850	10,770	6,920
25,000	711,418	686,418
-	102,946	102,946
<u>28,850</u>	<u>825,134</u>	<u>796,284</u>
1,036,647	417,852	618,795
217,000	-	217,000
24,037	-	24,037
14,000	-	14,000
<u>1,291,684</u>	<u>417,852</u>	<u>873,832</u>
<u>(1,262,834)</u>	<u>407,282</u>	<u>1,670,116</u>
(34,611)	(5,763)	28,848
614,000	-	(614,000)
<u>579,389</u>	<u>(5,763)</u>	<u>(585,152)</u>
(683,445)	401,519	1,084,964
<u>773,210</u>	<u>787,006</u>	<u>13,796</u>
<u>\$ 89,765</u>	<u>\$1,188,525</u>	<u>\$1,098,760</u>



**Board of County Commissioners  
St. Lucie County, Florida  
Combining Statement of Fund Net Position  
Nonmajor Enterprise Funds  
September 30, 2018**

	<u>Golf Course</u>	<u>Building Code</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 367,027	\$ 5,670,064	\$ 6,037,091
Restricted assets:			
Cash and investments--customer deposits	2,000	-	2,000
Accounts receivable, net	850	-	850
Interest receivable	1,612	21,169	22,781
Due from other governments	-	2,275	2,275
Inventories	42,689	-	42,689
Total current assets	<u>414,178</u>	<u>5,693,508</u>	<u>6,107,686</u>
Non-current assets:			
Restricted assets:			
Land	1,268,050	-	1,268,050
Buildings and improvements	3,580,297	-	3,580,297
Machinery and equipment	385,743	222,656	608,399
Accumulated depreciation	(3,672,489)	(202,671)	(3,875,160)
Total non-current assets	<u>1,561,601</u>	<u>19,985</u>	<u>1,581,586</u>
Total assets	<u>1,975,779</u>	<u>5,713,493</u>	<u>7,689,272</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	334,348	618,565	952,913
Deferred outflows related to OPEB	16,460	26,488	42,948
Total deferred outflows of resources	<u>350,808</u>	<u>645,053</u>	<u>995,861</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and other current liabilities	52,144	75,080	127,224
Deposits payable from restricted assets	2,000	-	2,000
Due to other governments	-	17,236	17,236
Accrued compensated absences	36,954	96,022	132,976
Unearned revenues	13,635	-	13,635
Total current liabilities	<u>104,733</u>	<u>188,338</u>	<u>293,071</u>
Non-current liabilities:			
Noncurrent accrued compensated absences, net	58,509	83,017	141,526
OPEB liability	387,607	666,649	1,054,256
Net pension liability	743,013	1,373,478	2,116,491
Total non-current liabilities	<u>1,189,129</u>	<u>2,123,144</u>	<u>3,312,273</u>
Total liabilities	<u>1,293,862</u>	<u>2,311,482</u>	<u>3,605,344</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	68,100	141,478	209,578
Deferred inflows related to OPEB	22,945	36,923	59,868
Total deferred inflows of resources	<u>91,045</u>	<u>178,401</u>	<u>269,446</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,561,601	-	1,561,601
Unrestricted	(619,921)	3,868,663	3,248,742
Total net position	<u>\$ 941,680</u>	<u>\$ 3,868,663</u>	<u>\$ 4,810,343</u>

**Board of County Commissioners  
St. Lucie County, Florida  
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position  
Nonmajor Enterprise Funds  
For the Year Ended September 30, 2018**

	<u>Golf Course</u>	<u>Building Code</u>	<u>Total</u>
<b>Operating revenues:</b>			
Charges for services	\$1,412,816	\$3,275,298	\$ 4,688,114
Miscellaneous	105,091	221	105,312
Total operating revenues	<u>1,517,907</u>	<u>3,275,519</u>	<u>4,793,426</u>
<b>Operating expenses:</b>			
Salaries, wages and employee benefits	840,772	1,775,678	2,616,450
Contractual services, materials and supplies	601,072	338,313	939,385
Depreciation	54,218	-	54,218
Total operating expenses	<u>1,496,062</u>	<u>2,113,991</u>	<u>3,610,053</u>
Operating income (loss)	<u>21,845</u>	<u>1,161,528</u>	<u>1,183,373</u>
<b>Nonoperating revenues (expenses):</b>			
Investment income	5,773	65,461	71,234
Intergovernmental	77	-	77
Total nonoperating revenues (expenses)	<u>5,850</u>	<u>65,461</u>	<u>71,311</u>
Income (loss) before transfers	27,695	1,226,989	1,254,684
Others:			
Advance forgiveness	82,500	-	82,500
Total others	<u>82,500</u>	<u>-</u>	<u>82,500</u>
Change in net position	110,195	1,226,989	1,337,184
Net position - beginning	831,485	2,641,674	3,473,159
Net position - ending	<u>\$ 941,680</u>	<u>\$3,868,663</u>	<u>\$ 4,810,343</u>

**Board of County Commissioners  
St. Lucie County, Florida  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the year ended September 30, 2018**

	<u>Golf Course</u>	<u>Building Code</u>	<u>Total</u>
<b>Cash flows from operating activities</b>			
Cash received from customers	\$ 1,413,639	\$ 3,275,298	\$ 4,688,937
Cash paid to suppliers	(623,079)	(333,124)	(956,203)
Cash paid for employee services	(743,000)	(1,573,321)	(2,316,321)
Other receipts	105,091	221	105,312
Net cash provided by (used for) operating activities	<u>152,651</u>	<u>1,369,074</u>	<u>1,521,725</u>
<b>Cash flows from noncapital financing activities</b>			
Proceeds from Federal/State awards	538	-	538
Net cash provided by (used for) noncapital financing activities	<u>538</u>	<u>-</u>	<u>538</u>
<b>Cash flows from capital and related financing activities</b>			
Purchases of capital assets	-	(19,985)	(19,985)
Net cash used for capital and related financing activities	<u>-</u>	<u>(19,985)</u>	<u>(19,985)</u>
<b>Cash flows from investing activities</b>			
Interest on investments	5,224	57,174	62,398
Net increase (decrease) in cash and investments	158,413	1,406,263	1,564,676
Cash and investments at beginning of year	210,614	4,263,801	4,474,415
<b>Cash and investments at end of year</b>	<u>\$ 369,027</u>	<u>\$ 5,670,064</u>	<u>\$ 6,039,091</u>
Cash and investments classified as:			
Current assets	\$ 367,027	\$ 5,670,064	\$ 6,037,091
Restricted assets	2,000	-	2,000
<b>Total cash and investments at end of year</b>	<u>\$ 369,027</u>	<u>\$ 5,670,064</u>	<u>\$ 6,039,091</u>
<b>Reconciliation of net operating income (loss) to net cash provided by operating activities</b>			
Operating income (loss)	\$ 21,845	\$ 1,161,528	\$ 1,183,373
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	54,218	-	54,218
Changes in assets and liabilities:			
Accounts receivable	(184)	-	(184)
Due from other governments	-	(2,275)	(2,275)
Inventories	926	-	926
Prepaid items	-	370	370
Accounts payable and accrued liabilities	(3,497)	16,069	12,572
Accrued compensated absences	1,672	35,165	36,837
Unearned revenues	1,007	-	1,007
OPEB liability	(6,657)	(10,711)	(17,368)
Pension liability	83,321	168,928	252,249
<b>Net cash provided by operating activities</b>	<u>\$ 152,651</u>	<u>\$ 1,369,074</u>	<u>\$ 1,521,725</u>
<b>Noncash financing activities</b>			
Advance forgiveness from General Fund	\$ 82,500	\$ -	\$ 82,500

**Board of County Commissioners  
St. Lucie County, Florida  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the year ended September 30, 2018**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Assets</b>				
Cash and investments	\$ 5,996,988	\$ 8,039,786	\$ 7,283,630	\$ 6,753,144
Accounts receivable	798	-	-	798
Due from other governments	11,763	32,662	12,071	32,354
Prepaid Items	10	-	10	-
Interest receivable	17,564	16,976	17,567	16,973
Total assets	<u>\$ 6,027,123</u>	<u>\$ 8,089,424</u>	<u>\$ 7,313,278</u>	<u>\$ 6,803,269</u>
<b>Liabilities</b>				
Accounts payable and other current liabilities	\$ 67,370	\$ 2,483,504	\$ 2,205,050	\$ 345,824
Deposits payable	358,278	486,715	423,622	421,371
Due to other governments	406,605	956,143	983,470	379,278
Agency funds on hand	5,194,870	4,983,948	4,522,022	5,656,796
Total liabilities	<u>\$ 6,027,123</u>	<u>\$ 8,910,310</u>	<u>\$ 8,134,164</u>	<u>\$ 6,803,269</u>

# **COMPLIANCE SECTION**

**INDEPENDENT AUDITOR'S 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***

**Board of County Commissioners  
St. Lucie County, Florida**

**September 30, 2018**



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**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**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Board of County Commissioners  
St. Lucie County, Florida

We have audited, in accordance with the 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 fund financial statements of the Board of County Commissioners, St. Lucie County, Florida (the Board), as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated February 28, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of Board's internal control.

*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. 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.

The Honorable Board of County Commissioners  
St. Lucie County, Florida

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Board's fund 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.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

February 28, 2019



**MANAGEMENT LETTER**

**Board of County Commissioners  
St. Lucie County, Florida**

**September 30, 2018**



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## MANAGEMENT LETTER

The Honorable Board of County Commissioners  
St. Lucie County, Florida

### Report on the Financial Statements

We have audited the fund financial statements of the Board of County Commissioners, St. Lucie County, Florida (the "Board"), as of and for the year ended September 30, 2018, and have issued our report thereon dated February 28, 2019.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's 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* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 28, 2019, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding audit.

### Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Board of County Commissioners, St. Lucie County, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the Board of County Commissioners, St. Lucie County, Florida did not meet any of the conditions described in Section 218.503(1) Florida Statutes.

The Honorable Board of County Commissioners  
St. Lucie County, Florida

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Board of County Commissioners, St. Lucie County, Florida. It is management's responsibility to monitor the Board of County Commissioners, St. Lucie County, Florida's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2018.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

#### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

#### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam  
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

February 28, 2019

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES**

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE  
WITH SECTIONS 365.172 AND 365.173, FLORIDA STATUTES**

**Board of County Commissioners  
St. Lucie County, Florida**

**September 30, 2018**



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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES**

The Honorable Board of County Commissioners  
St. Lucie County, Florida

We have examined St. Lucie County Board of County Commissioner's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for St. Lucie County Board of County Commissioner's compliance with those requirements. Our responsibility is to express an opinion on St. Lucie County Board of County Commissioner's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about St. Lucie County Board of County Commissioner's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on St. Lucie County Board of County Commissioner's compliance with the specified requirements.

In our opinion, St. Lucie County Board of County Commissioners complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

February 28, 2019



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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE  
WITH SECTIONS 365.172 AND 365.173, FLORIDA STATUTES**

The Honorable Board of County Commissioners  
St. Lucie County, Florida

We have examined St. Lucie County Board of County Commissioner's compliance with Sections 365.172 and 365.173, Florida Statutes during the year ended September 30, 2018. Management is responsible for St. Lucie County Board of County Commissioner's compliance with those requirements. Our responsibility is to express an opinion on St. Lucie County Board of County Commissioner's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about St. Lucie County Board of County Commissioner's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on St. Lucie County Board of County Commissioner's compliance with the specified requirements.

In our opinion, St. Lucie County Board of County Commissioners complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

February 28, 2019

**SECTION III**  
**CLERK OF THE CIRCUIT COURT**

## SPECIAL PURPOSE FINANCIAL STATEMENTS

Clerk of the Circuit Court  
St. Lucie County, Florida

September 30, 2018

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## **REPORT OF INDEPENDENT AUDITORS ON SPECIAL PURPOSE FINANCIAL STATEMENTS PREPARED IN COMPLIANCE WITH A REGULATORY PROVISION**

Honorable Joseph E. Smith  
Clerk of the Circuit Court  
St. Lucie County, Florida

We have audited the accompanying special-purpose fund financial statements of the Clerk of the Circuit Court, St. Lucie County, Florida as of and for the year ended September 30, 2018.

### **Management's Responsibility for the Special-Purpose Financial Statements**

Management is responsible for the preparation and fair presentation of these special-purpose 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 the special-purpose financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these special-purpose financial statements based on our audit. 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 special-purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the special-purpose 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 special-purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Honorable Joseph E. Smith  
Clerk of the Circuit Court  
St. Lucie County, Florida

## **Opinion**

In our opinion, the special-purpose fund financial statements referred to above present fairly, in all material respects, the fund financial position of the Clerk of the Circuit Court, St. Lucie County, Florida as of September 30, 2018, and the changes in fund financial position and the budgetary comparison for the General and Special Revenue Funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

### *Basis of Presentation*

As described in Note 1, the accompanying special-purpose fund financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, and are not intended to be a complete presentation of the financial position and changes in financial position of the Clerk of the Circuit Court, St. Lucie County, Florida. Additionally, the special-purpose fund financial statements present only the Clerk of the Circuit Court, St. Lucie County, Florida and are not intended to present the financial position and changes in financial position of St. Lucie County, Florida, taken as a whole. Our opinion is not modified with respect to these matters.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk of the Circuit Court's fund financial statements. The statement of changes in assets and liabilities – agency funds is presented for purposes of additional analysis and is not a required part of the fund financial statements.

The statement of changes in assets and liabilities – agency funds is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the fund financial statements. Such information has been subjected to the auditing procedures applied in the audit of the fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the fund financial statements or to the fund financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement of changes in assets and liabilities is fairly stated, in all material respects, in relation to the fund financial statements as a whole.

Honorable Joseph E. Smith  
Clerk of the Circuit Court  
St. Lucie County, Florida

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated January 31, 2019 on our consideration of the Clerk of the Circuit Court, St. Lucie County, Florida 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 the 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 the Clerk of the Circuit Court, St. Lucie County, Florida internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**Clerk of the Circuit Court  
St. Lucie County, Florida  
BALANCE SHEET –  
GOVERNMENTAL FUNDS  
September 30, 2018**

	<u>General Fund</u>	<u>Public Records Modernization Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and investments	\$ 3,095,969	\$ 603,639	\$ 3,699,608
Accounts receivable	2,318	-	2,318
Due from other governments	50,310	-	50,310
Prepaid expenses	1,001	154	1,155
	<u>1,001</u>	<u>154</u>	<u>1,155</u>
Total Assets	<u>\$ 3,149,598</u>	<u>\$ 603,793</u>	<u>\$ 3,753,391</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 255,403	\$ 4,073	\$ 259,476
Accrued liabilities	307,807	14,957	322,764
Deposits payable	1,166,844	-	1,166,844
Due to other governments	1,419,544	8,028	1,427,572
	<u>1,419,544</u>	<u>8,028</u>	<u>1,427,572</u>
Total Liabilities	<u>3,149,598</u>	<u>27,058</u>	<u>3,176,656</u>
Fund Balances:			
Restricted:			
Court modernization	-	576,735	576,735
	<u>-</u>	<u>576,735</u>	<u>576,735</u>
Total Liabilities and Fund Balances	<u>\$ 3,149,598</u>	<u>\$ 603,793</u>	<u>\$ 3,753,391</u>

See accompanying notes to financial statements.

**Clerk of the Circuit Court  
St. Lucie County, Florida  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
For the Year Ended September 30, 2018**

	General Fund	Public Records Modernization Fund	Total Governmental Funds
<b>Revenues</b>			
Intergovernmental	\$ 404,534	\$ -	\$ 404,534
Charges for services	6,327,417	796,087	7,123,504
Fines and forfeitures	1,517,587	-	1,517,587
Interest	238,325	11,004	249,329
Miscellaneous	57,559	21,894	79,453
<b>Total Revenues</b>	<u>8,545,422</u>	<u>828,985</u>	<u>9,374,407</u>
<b>Expenditures</b>			
General government	3,637,128	-	3,637,128
Court related	6,524,572	792,938	7,317,510
Capital outlay	24,240	280,183	304,423
<b>Total Expenditures</b>	<u>10,185,940</u>	<u>1,073,121</u>	<u>11,259,061</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,640,518)</u>	<u>(244,136)</u>	<u>(1,884,654)</u>
<b>Other financing sources (uses)</b>			
Transfers from Board of County Commissioners	2,000,788	-	2,000,788
Transfers to Board of County Commissioners	(375,447)	-	(375,447)
<b>Total Other Financing Sources (Uses)</b>	<u>1,625,341</u>	<u>-</u>	<u>1,625,341</u>
<b>Net change in fund balance</b>	(15,177)	(244,136)	(259,313)
Fund Balances - October 1, 2017	15,177	820,871	836,048
Fund Balances - September 30, 2018	<u>\$ -</u>	<u>\$ 576,735</u>	<u>\$ 576,735</u>

See accompanying notes to financial statements.

**Clerk of the Circuit Court  
St. Lucie County, Florida  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –  
GENERAL FUND  
For the Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,149,455	\$ 404,534	\$ 404,534	\$ -
Charges for services	6,006,581	6,327,417	6,327,417	-
Fines and forfeitures	1,464,279	1,517,587	1,517,587	-
Interest	200,000	238,325	238,325	-
Miscellaneous	10,500	57,559	57,559	-
Total Revenues	<u>8,830,815</u>	<u>8,545,422</u>	<u>8,545,422</u>	<u>-</u>
Expenditures				
General government	4,125,524	3,637,128	3,637,128	-
Court related	6,706,079	6,524,572	6,524,572	-
Capital outlay	-	24,240	24,240	-
Total Expenditures	<u>10,831,603</u>	<u>10,185,940</u>	<u>10,185,940</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,000,788)</u>	<u>(1,640,518)</u>	<u>(1,640,518)</u>	<u>-</u>
Other financing sources (uses)				
Transfers from Board of County Commissioners	2,000,788	2,000,788	2,000,788	-
Transfers to Board of County Commissioners	-	(375,447)	(375,447)	-
Total Other Financing Sources (Uses)	<u>2,000,788</u>	<u>1,625,341</u>	<u>1,625,341</u>	<u>-</u>
Net change in fund balance	-	(15,177)	(15,177)	-
Fund Balances - October 1, 2017	-	15,177	15,177	-
Fund Balances - September 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**Clerk of the Circuit Court  
St. Lucie County, Florida  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –  
PUBLIC RECORDS MODERNIZATION FUND  
For the Year Ended September 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 740,000	\$ 796,087	\$ 796,087	\$ -
Interest	11,400	11,004	11,004	-
Miscellaneous	10,000	21,894	21,894	-
Total Revenues	<u>761,400</u>	<u>828,985</u>	<u>828,985</u>	<u>-</u>
Expenditures				
Court related	1,590,400	1,377,802	792,938	584,864
Capital outlay	-	280,183	280,183	-
Total Expenditures	<u>1,590,400</u>	<u>1,657,985</u>	<u>1,073,121</u>	<u>584,864</u>
Excess (deficiency) of revenues over (under) expenditures	(829,000)	(829,000)	(244,136)	584,864
Fund Balance - October 1, 2017	<u>829,000</u>	<u>829,000</u>	<u>820,871</u>	<u>(8,129)</u>
Fund Balance - September 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 576,735</u>	<u>\$ 576,735</u>

See accompanying notes to financial statements.

**Clerk of the Circuit Court  
St. Lucie County, Florida  
STATEMENT OF FIDUCIARY NET POSITION – AGENCY FUND  
September 30, 2018**

Assets

Cash and investments	\$ 10,034,173
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Liabilities

Due to other governments	\$ 3,164,824
Agency funds on hand	<u>6,869,349</u>

Total Liabilities	\$ <u>10,034,173</u>
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See accompanying notes to financial statements.



**Clerk of the Circuit Court  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of the Significant Accounting Policies**

The summary of significant accounting policies followed by the Clerk of the Circuit Court, St. Lucie County, Florida, is summarized below.

Reporting Entity

The Clerk of the Circuit Court is a county officer as established by Article VIII, Section(1)(d) of the Constitution of the State of Florida.

For financial statement and reporting purposes, the Clerk of the Circuit Court does not meet the definition of a legally separate organization and is not considered to be a component unit. The Clerk of the Circuit Court is considered to be part of the primary government of St. Lucie County, Florida. The financial statements contained herein represent the financial transactions of the Clerk of Circuit Court only and do not represent the financial transactions of the primary government of St. Lucie County, Florida.

Basis of Presentation

The financial statements have been prepared in accordance with the fund financial statements presentation requirements of GASB Statement No. 34.

Fund Description

The Clerk of the Circuit Court maintains financial records and accounts on the basis of governmental and fiduciary funds.

a. Governmental Funds

General Fund – The General Fund is used to account for the general operations of the Clerk of the Circuit Court.

Special Revenue Fund – The Public Records Modernization Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

b. Fiduciary Fund

Agency Fund – The Agency Fund is used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the Clerk's own programs.

**Clerk of the Circuit Court  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of the Significant Accounting Policies – Continued**

Bases of Accounting, Measurement Focus and Presentation

Governmental fund financial statements report using the current financial resources measurement focus and are maintained on the modified accrual basis. The agency fund reports only assets and liabilities; therefore, it does not have a measurement focus. However, it uses the accrual basis of accounting to recognize receivables and payables. Under the modified accrual basis of accounting revenues are generally recognized when they become measurable and available and expenditures are recognized when incurred. Revenues collected in excess of expenditures are not considered earned and are reflected as liabilities.

Budget

An operating budget for the General Fund is prepared by the Clerk of the Circuit Court and submitted to the Board of County Commissioners for approval and to the Florida Court Clerk Operations Corporation for the court related functions pursuant to State Statutes. The Clerk also prepares a budget for the Public Records Modernization special revenue fund. The budgets are prepared on a basis consistent with generally accepted accounting principles.

Capital Assets

Acquisitions of equipment with a cost of \$1,000 or more are recorded as expenditures at the time of purchase for governmental fund financial statements. The equipment is reported to and capitalized by the Board of County Commissioners pursuant to State Statutes.

Accrued Compensated Absences

Accrued compensated absences reflect the liability of the Clerk of the Circuit Court for the employees' rights to receive future compensation for their accrued annual leave and vested sick leave, since the Clerk of the Circuit Court does not, nor is the Clerk legally required to, accumulate financial resources to liquidate this obligation, the liability for accrued compensated absences is not reported in the governmental fund.

Transfers

All revenues and other sources in excess of expenditures in the General Fund non-court related operations at year-end are owed to the Board of County Commissioners in accordance with State Statutes. The excess fees for the court related function are owed to the Clerk Trust Fund.

**Clerk of the Circuit Court  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of the Significant Accounting Policies – Continued**

Fund Financial Statements

In accordance with Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions, fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The Clerk has various policies governing the fund balance classifications.

**Restricted Fund Balance** – This category includes amounts that have externally imposed restrictions or restrictions imposed by laws.

**Committed Fund Balance** – This category usually consists of contractual obligations which require a formal approval from the Board of County Commissioners. This type of fund balance can only be removed by the Board of County Commissioners through the same approval process. This category also includes an emergency reserve which is established by the Board of County Commissioners. The amount can only be used for natural and manmade disasters.

**Assigned** – This classification includes amounts that are intended by the County to be used for specific purposes, but are neither restricted nor committed. Assignments may be made only by the governing body or official.

**Fund Balance Spending Hierarchy** – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

**Note 2 – Cash and Investments**

**A. Deposits**

As of September 30, 2018, the total carrying amount of the deposits with qualified public depositories for governmental activities was \$3,100,908 and the bank balance was \$3,463,819. The carrying amount for agency funds was \$362,910 and the bank balance was \$807,317. All deposits are insured by federal depository insurance or collateralized under the provisions of Chapter 280, Florida Statutes.

**B. Investments**

The Clerk had \$585,114 in investments in governmental funds and \$9,671,263 invested in agency funds.

**Clerk of the Circuit Court  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 2 – Cash and Investments – Continued**

**B. Investments (Continued)**

As of September 30, 2018, the Clerk of the Circuit Court had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Book Value</u>
Florida Fixed Income Trust	N/A	<u>\$ 10,256,377</u>	<u>\$ 10,256,377</u>

The Clerk of the Circuit Court categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The Clerk of the Circuit Court uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the Clerk of the Circuit Court's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the investment in Florida Fixed Income Trust is a Level 1 asset.

Interest Rate Risk

The Clerk of the Circuit Court's only exposure to interest rate risk is the reduction in the interest earned on his investment.

Credit Risk

As of September 30, 2018, the Clerk of the Circuit Court investment in Florida Fixed Income Trust was rated AA+ by Standard & Poor's.

Concentration of Credit Risk

Section 218.401(17), Florida Statutes, limit the type of investments available to the Clerk of the Circuit Court for investment. The Clerk of the Circuit Court has chosen to invest in an intergovernmental investment pool.

**Clerk of the Circuit Court  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 3 – Pension Plan**

The employees of the Clerk of the Circuit Court participate in the Florida Retirement System, a cost-sharing multiple-employer plan.

The details of the plan, the funding policies and other pension information are defined in the financial statements and notes to financial statements of St. Lucie County, Florida.

Member contribution rates changed effective July 1, 2011. Employee contributions of 3% are now required. Contributions to the plan by the Clerk of the Circuit Court for the fiscal years ended September 30, 2018, 2017, and 2016 were \$573,968, \$524,337, and \$540,072, respectively, which is equal to the required contribution for each year. The employee contribution portion for the year ended September 30, 2018, 2017, and 2016 was \$171,258, \$176,728, and \$175,876 respectively.

For those employees who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration.

**Note 4 – Risk Management**

The Clerk of the Circuit Court participates in a public entity risk pool for the purpose of obtaining various insurance coverage other than health and life insurance. Other members of the pool consist of the Board of County Commissioners and the other elected officials, except the Sheriff, two municipalities and another county.

The operations of this public entity risk pool are outlined in the notes to financial statements of St. Lucie County, Florida.

The Clerk of the Circuit Court along with the Board of County Commissioners, Tax Collector, Supervisor of Elections and Property Appraiser are self-insured for group health. Certain former employees are also eligible and participate in the plan. The financial transactions of this plan are accounted for in an internal service fund of the Board of County Commissioners. The cost to the Clerk of the Circuit Court is based on historical claims and totaled \$2,081,083 for the year ended September 30, 2018. Further details of this self-insurance program are discussed in the notes to financial statements of St. Lucie County, Florida.

**Note 5 – Accrued Compensated Absences**

The accrued amount of annual leave and vested sick leave at September 30, 2018, was \$648,623 as compared to \$622,594, the balance at September 30, 2017.

This liability is not reflected in the financial statements of the Clerk of the Circuit Court since it is not payable from available resources.

## **SUPPLEMENTARY INFORMATION**

**Clerk of the Circuit Court**  
**St. Lucie County, Florida**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES –**  
**AGENCY FUND**  
**September 30, 2018**

	Balance October 1, 2017	Additions	Deletions	Balance September 30, 2018
<b>Assets</b>				
Cash and investments	<u>\$ 10,137,239</u>	<u>\$ 167,313,087</u>	<u>\$ 167,416,153</u>	<u>\$ 10,034,173</u>
<b>Liabilities</b>				
Due to other governments	5,111,247	52,727,741	54,674,164	3,164,824
Agency funds on hand	<u>5,025,992</u>	<u>114,585,346</u>	<u>112,741,989</u>	<u>6,869,349</u>
Total Liabilities	<u>\$ 10,137,239</u>	<u>\$ 167,313,087</u>	<u>\$ 167,416,153</u>	<u>\$ 10,034,173</u>

**INDEPENDENT AUDITOR'S 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***

**Clerk of the Circuit Court  
St. Lucie County, Florida**

**September 30, 2018**





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**INDEPENDENT AUDITOR'S 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 Joseph E. Smith  
Clerk of the Circuit Court  
St. Lucie County, Florida

We have audited, in accordance with the 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 Clerk of the Circuit Court, as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated January 31, 2019.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Clerk of the Circuit Court's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Clerk of the Circuit Court's internal control. Accordingly, we do not express an opinion on the effectiveness of Clerk of the Circuit Court's internal control over financial reporting.

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 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. 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Joseph E. Smith  
Clerk of the Circuit Court  
St. Lucie County, Florida

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Clerk of the Circuit Court's financial statements are free of 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.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants, PL  
Fort Pierce, Florida

January 31, 2019

**MANAGEMENT LETTER**

**Clerk of the Circuit Court  
St. Lucie County, Florida**

**September 30, 2018**



# Berger, Toombs, Elam, Gaines & Frank

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## MANAGEMENT LETTER

Honorable Joseph E. Smith  
Clerk of the Circuit Court  
St Lucie County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Clerk of the Circuit Court as of and for the year ended September 30, 2018, and have issued our report thereon dated January 31, 2019.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's 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* and Independent Auditor's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated January 31, 2019, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations in the preceding annual financial report. There were no findings or recommendations made in the preceding annual financial report.

### Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

### Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Fort Pierce / Stuart

Honorable Joseph E. Smith  
Clerk of the Circuit Court  
St. Lucie County, Florida

**Purpose of this Letter**

Our Management Letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Clerk of the Circuit Court, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam  
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTIONS 28.35 AND 28.36, FLORIDA STATUTES**

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 61.181(1), FLORIDA STATUTES**

**Clerk of the Circuit Court  
St. Lucie County, Florida**

**September 30, 2018**



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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

Honorable Joseph E. Smith  
Clerk of the Circuit Court  
St. Lucie County, Florida

We have examined Clerk of the Circuit Court's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for the Clerk of the Circuit Court's compliance with those requirements. Our responsibility is to express an opinion on the Clerk of the Circuit Court's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk of the Circuit Court's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk of the Circuit Court's compliance with the specified requirements.

In our opinion, the Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019



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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTIONS 28.35 AND 28.36, FLORIDA STATUTES**

Honorable Joseph E. Smith  
Clerk of the Circuit Court  
St. Lucie County, Florida

We have examined Clerk of the Circuit Court's compliance with Sections 28.35 and 28.36, Florida Statutes during the year ended September 30, 2018. Management is responsible for the Clerk of the Circuit Court's compliance with those requirements. Our responsibility is to express an opinion on the Clerk of the Circuit Court's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk of the Circuit Court's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk of the Circuit Court's compliance with the specified requirements.

In our opinion, the Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019





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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 61.181(1), FLORIDA STATUTES**

Honorable Joseph E. Smith  
Clerk of the Circuit Court  
St. Lucie County, Florida

We have examined the Clerk of the Circuit Court's compliance with Section 61.181(1), Florida Statutes during the year ended September 30, 2018. Management is responsible for the Clerk of the Circuit Court's compliance with those requirements. Our responsibility is to express an opinion on the Clerk of the Circuit Court's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk of the Circuit Court's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk of the Circuit Court's compliance with the specified requirements.

In our opinion, the Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**SECTION IV**  
**PROPERTY APPRAISER**

# SPECIAL PURPOSE FINANCIAL STATEMENTS

Property Appraiser  
St. Lucie County, Florida

September 30, 2018

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## REPORT OF INDEPENDENT AUDITORS ON SPECIAL PURPOSE FINANCIAL STATEMENTS PREPARED IN COMPLIANCE WITH A REGULATORY PROVISION

Honorable Michelle Franklin  
Property Appraiser  
St. Lucie County, Florida

We have audited the accompanying special purpose fund financial statements of the Property Appraiser, St. Lucie County, Florida as of and for the year ended September 30, 2018.

### Management's Responsibility for the Special-Purpose Financial Statements

Management is responsible for the preparation and fair presentation of these special-purpose 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 the special-purpose financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these special-purpose financial statements based on our audit. 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 special-purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the special-purpose 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 special-purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Fort Pierce / Stuart

Honorable Michelle Franklin  
Property Appraiser  
St. Lucie County, Florida

## Opinion

In our opinion, the special-purpose fund financial statements referred to above present fairly, in all material respects, the fund financial position of the Property Appraiser, St. Lucie County, Florida as of September 30, 2018, and the changes in fund financial position and the budgetary comparison for the General Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

### *Basis of Presentation*

As described in Note 1, the accompanying special-purpose fund financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, and are not intended to be a complete presentation of the financial position and changes in financial position of the Property Appraiser, St. Lucie County, Florida. Additionally, the special-purpose fund financial statements present only the Property Appraiser, St. Lucie County, Florida and are not intended to present the financial position and changes in financial position of Property Appraiser, St. Lucie County, Florida, taken as a whole. Our opinion is not modified with respect to these matters.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated January 31, 2019 on our consideration of the Property Appraiser, St. Lucie County, Florida 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 the 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 the Property Appraiser, St. Lucie County, Florida internal control over financial reporting and compliance.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**Property Appraiser  
St. Lucie County, Florida  
BALANCE SHEET - GENERAL FUND  
September 30, 2018**

<b>ASSETS</b>	
Cash and investments	\$ 1,173,320
Due from other governments	<u>124,952</u>
Total Assets	<u><u>\$ 1,298,272</u></u>
<b>LIABILITIES AND FUND BALANCES</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 122,884
Due to other governments	1,017,502
Accrued payroll	<u>157,886</u>
Total Liabilities	1,298,272
Fund Balances	<u>-</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,298,272</u></u>

See accompanying notes to financial statements.

**Property Appraiser  
St. Lucie County, Florida  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND  
For The Year Ended September 30, 2018**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance With Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues				
Charges for services	\$ 1,093,500	\$ 1,093,500	\$ 1,093,500	\$ -
Miscellaneous revenues	-	629,877	642,700	12,823
Unearned revenues - other governments	-	-	(164,210)	(164,210)
Total Revenues	<u>1,093,500</u>	<u>1,723,377</u>	<u>1,571,990</u>	<u>(151,387)</u>
Expenditures				
General government	6,706,881	7,110,375	6,105,900	1,004,475
Capital outlay	60,000	295,080	294,876	204
Total Expenditures	<u>6,766,881</u>	<u>7,405,455</u>	<u>6,400,776</u>	<u>1,004,679</u>
Excess of Revenues over (under) Expenditures	<u>(5,673,381)</u>	<u>(5,682,078)</u>	<u>(4,828,786)</u>	<u>853,292</u>
Other financing sources (uses)				
Transfers in from Board of County Commissioners	5,673,381	5,682,078	5,682,078	-
Transfers out to Board of County Commissioners - Unearned revenues	-	-	(853,292)	(853,292)
Total Other Financing Sources (Uses)	<u>5,673,381</u>	<u>5,682,078</u>	<u>4,828,786</u>	<u>(853,292)</u>
Net change in fund balances	-	-	-	-
Fund Balances- October 1, 2017	-	-	-	-
Fund Balances- September 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**Property Appraiser  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies**

The summary of significant accounting policies followed by the Property Appraiser, St. Lucie County, Florida is summarized below.

Reporting Entity

The Property Appraiser is a county officer as established by Article VIII, Section (1)(d) of the Constitution of the State of Florida.

For financial statement and reporting purposes, the Property Appraiser does not meet the definition of a legally separate organization and is not considered to be a component unit. The Property Appraiser is considered to be part of the primary government of St. Lucie County, Florida. The financial statements contained herein represent the financial transactions of the Property Appraiser only and do not represent the financial transactions of the primary government of St. Lucie County, Florida.

Basis of Presentation

The Property Appraiser financial statements contained herein are special purpose fund financial statements prepared in accordance with the fund financial statement presentation requirements of GASB 34 and Chapter 10.550, Rules of the Auditor General.

Fund Description

The Property Appraiser maintains his financial records and accounts on the basis of one governmental fund:

General Fund – The general fund is used to account for all financial activity of the Property Appraiser.

Basis of Accounting, Measurement Focus and Presentation

Governmental fund financial statements report using the current financial resources measurement focus and are maintained on the modified accrual basis. Under the modified accrual basis of accounting revenues are generally recognized when they become measurable and available and expenditures are recognized when incurred. Revenues collected in excess of expenditures are not considered earned and are reflected as liabilities.



**Property Appraiser  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies - Continued**

Budget

An operating budget for the general fund is prepared by the Property Appraiser and submitted to the Florida Department of Revenue for approval in accordance with state statutes. The budget is prepared on a basis consistent with generally accepted accounting principles.

Capital Assets

Acquisitions of equipment with a cost in excess of \$1,000 are recorded as expenditures in the general fund at the time of purchase for governmental fund financial statements. The equipment is reported to and capitalized by the Board of County Commissioners, St. Lucie County, Florida pursuant to state statutes.

Accrued Compensated Absences

Accrued compensated absences reflect the liability of the Property Appraiser for the employees' rights to receive future compensation for their accrued annual leave and vested sick leave. Since the Property Appraiser does not, nor is he legally required to accumulate financial resources to liquidate this obligation, the liability for accrued compensated absences is not reported in the governmental fund.

Transfers

Monies received from the Board of County Commissioners to fund the operations of the Property Appraiser are reflected in the financial statements as transfers in.

All revenues and other sources in excess of expenditures at year-end are owed to the Board of County Commissioners and other governmental entities in accordance with state statutes.

**Note 2 – Cash and Investment**

The Property Appraiser is required to deposit monies with financial institutions classified as qualified public depositories by Section 136.01, Florida Statutes. Chapter 280, Florida Statutes establishes the criteria for qualified public depositories, which provides for full insurance for public deposits.

**Property Appraiser  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 2 – Cash and Investment - Continued**

The Property Appraiser is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury.
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969.
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories.
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Cash as reported in the accompanying balance sheet includes cash on hand and cash in demand and time deposits.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure the deposits of the Property Appraiser may not be returned. Although there is not a formal deposit policy for custodial credit risk; the Property Appraiser is governed by Section 136.01, Florida Statutes and Chapter 280, Florida Statutes. All funds are deposited in qualified public depositories, which fully insures or collateralizes all monies on deposit. As of September 30, 2018 the carrying value totaled \$1,173,320 and the bank balance was \$1,229,915.

The Property Appraiser categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The Property Appraiser uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the Property Appraiser's own data in measuring unobservable inputs.

As of September 30, 2018, the Property Appraiser did not hold any qualifying investments.

**Property Appraiser  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 2 – Cash and Investment – Continued**

Interest Rate Risk

Currently the Property Appraiser has investments in time deposit accounts and the pooled cash investments of the St. Lucie County Board of County Commissioners (the “Board”). The time deposit account has no exposure to fair value adjustments and the investment policy approved by the Board manages exposure in the pooled cash investments to fair value losses from rising interest rates.

Credit Risk

The Property Appraiser manages credit quality risk through his investment in a money market account.

**Note 3 – Pension Plan**

The employees of the Property Appraiser participate in the Florida Retirement System, a cost-sharing multiple-employer plan.

Effective July 1, 2011, employees were required to contribute 3% and the employer contribution rate was reduced for all membership categories.

The details of the plan, the funding policies and other pension plan information are reported and defined in the financial statements and notes to financial statements of St. Lucie County, Florida.

Contributions to the plan by the Property Appraiser for the fiscal years ended September 30, 2018, 2017, and 2016 were \$354,804, \$322,532, and \$327,342 respectively, which is equal to the required contribution each year. The employee contribution portion for the years ended September 30, 2018, 2017, and 2016 were \$84,941, \$88,785, and \$90,460 respectively.

**Note 4 – Risk Management**

The Property Appraiser participates in a public entity risk pool for the purpose of obtaining various insurance coverage other than health and life insurance. Other members of the pool consist of the Board of County Commissioners and the other elected officials, except the Sheriff, two municipalities and another county.

The operations of this public entity risk pool are outlined in the notes to financial statements of St. Lucie County, Florida.

The Property Appraiser along with the Board of County Commissioners, Clerk of Circuit Court, Supervisor of Elections and Tax Collector are self-insured for group health and life insurance. Certain former employees are also eligible and participate in the plan. The financial transactions of this plan are accounted for in an internal service fund of the Board of County Commissioners.

**Property Appraiser  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 4 – Risk Management – Continued**

The cost to the Property Appraiser is based on historical claims and totaled \$932,148 for the year ended September 30, 2018. Further details of this self-insurance program are discussed in the notes to financial statements of St. Lucie County, Florida.

**Note 5 – Accrued Compensated Absences**

The accrued amount of annual leave and vested sick leave at September 30, 2018 was \$551,889 as compared to \$512,038, the balance at September 30, 2017.

This liability is not reflected in the financial statements of the Property Appraiser since they are not payable from available resources.

**INDEPENDENT AUDITOR'S 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***

**Property Appraiser  
St. Lucie County, Florida**

**September 30, 2018**



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## **INDEPENDENT AUDITOR'S 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 Michelle Franklin  
Property Appraiser  
St. Lucie County, Florida

We have audited, in accordance with the 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 Property Appraiser, St. Lucie County, Florida as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated January 31, 2019.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, of the financial statements we considered the Property Appraiser's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of Property Appraiser's internal control over financial reporting.

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 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. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore; material weakness or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Michelle Franklin  
Property Appraiser

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Property Appraiser's financial statements are free of 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.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants, PL  
Fort Pierce, Florida

January 31, 2019

**MANAGEMENT LETTER**

**Property Appraiser  
St. Lucie County, Florida**

**September 30, 2018**





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## MANAGEMENT LETTER

Honorable Michelle Franklin  
Property Appraiser  
St Lucie County, Florida

### Report on the Financial Statements

We have audited the financial statements of the St. Lucie County Property Appraiser, Florida, as of and for the year ended September 30, 2018, and have issued our report thereon dated January 31, 2019.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's 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* and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated January 31, 2019, should be considered in conjunction with this Management Letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding audit report.

### Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Honorable Michelle Franklin  
Property Appraiser  
St Lucie County, Florida

**Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Property Appraiser, St. Lucie County, Florida, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

**Property Appraiser  
St. Lucie County, Florida**

**September 30, 2018**



Berger, Toombs, Elam,  
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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

Honorable Michelle Franklin  
Property Appraiser  
St. Lucie County, Florida

We have examined St. Lucie County Property Appraiser's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for the St. Lucie County Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the St. Lucie County Property Appraiser's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the St. Lucie County Property Appraiser's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the St. Lucie County Property Appraiser's compliance with the specified requirements.

In our opinion, the St. Lucie County Property Appraiser complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**SECTION V**

**SHERIFF**

**SPECIAL PURPOSE FINANCIAL STATEMENTS**

**Sheriff  
St. Lucie County, Florida**

**September 30, 2018**

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## REPORT OF INDEPENDENT AUDITORS ON SPECIAL PURPOSE FINANCIAL STATEMENTS PREPARED IN COMPLIANCE WITH A REGULATORY PROVISION

Honorable Ken J. Mascara  
St. Lucie County Sheriff  
St. Lucie County, Florida

We have audited the accompanying special purpose fund financial statements of the St. Lucie County Sheriff, St. Lucie County, Florida as of and for the year ended September 30, 2018.

### Management's Responsibility for the Special-Purpose Financial Statements

Management is responsible for the preparation and fair presentation of these special-purpose 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 the special-purpose financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these special-purpose financial statements based on our audit. 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 special-purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the special-purpose 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 special-purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Fort Pierce / Stuart

Honorable Ken J. Mascara  
St. Lucie County Sheriff  
St. Lucie County, Florida

## Opinion

In our opinion, the special-purpose fund financial statements referred to above present fairly, in all material respects, the fund financial position of the St. Lucie County Sheriff, St. Lucie County, Florida as of September 30, 2018, and the changes in fund financial position and the budgetary comparison for the General and Special Revenue Funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

### *Basis of Presentation*

As described in Note 1, the accompanying special-purpose fund financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, and are not intended to be a complete presentation of the financial position and changes in financial position of the St. Lucie County Sheriff, St. Lucie County, Florida. Additionally, the special-purpose fund financial statements present only the St. Lucie County Sheriff, St. Lucie County, Florida and are not intended to present the financial position and changes in financial position of St. Lucie County, Florida, taken as a whole. Our opinion is not modified with respect to these matters.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated January 31, 2019 on our consideration of the St. Lucie County Sheriff, St. Lucie County, Florida 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 the 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 the St. Lucie County Sheriff, St. Lucie County, Florida internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019



**Sheriff**  
**St. Lucie County, Florida**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**September 30, 2018**

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 3,391,445	\$ 3,391,445
Accounts receivable	48,335	274,250	322,585
Due from other funds	2,206,057	263,984	2,470,041
Due from other governments	25,071	996,817	1,021,888
Total Assets	<b>\$ 2,279,463</b>	<b>\$ 4,926,496</b>	<b>\$ 7,205,959</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities			
Vouchers/accounts payable	\$ 807,544	\$ 137,056	\$ 944,600
Due to other funds	263,984	2,206,057	2,470,041
Due to other governments	19,212	661,070	680,282
Accrued payroll	1,188,723	-	1,188,723
Total Liabilities	2,279,463	3,004,183	5,283,646
Deferred Inflows of Resources			
Unavailable grant revenues	-	736,732	736,732
Fund Balances			
Restricted for law enforcement	-	825,521	825,521
Committed for law enforcement	-	360,060	360,060
Total Fund Balances	-	1,185,581	1,185,581
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<b>\$ 2,279,463</b>	<b>\$ 4,926,496</b>	<b>\$ 7,205,959</b>

See accompanying notes to financial statements.

**Sheriff**  
**St. Lucie County, Florida**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2018**

	General Fund	Special Revenue Fund	Governmental Funds
<b>Revenues</b>			
Intergovernmental revenues	\$ -	\$2,827,939	\$ 2,827,939
Charges for services	-	1,988,999	1,988,999
Miscellaneous revenues	574,422	11,672	586,094
Total Revenues	574,422	4,828,610	5,403,032
<b>Expenditures</b>			
Current:			
Public safety	74,190,699	6,378,911	80,569,610
Court related	4,737,690	-	4,737,690
Capital outlay	2,701,915	234,265	2,936,180
Debt service			
Principal	816,043	-	816,043
Interest	92,889	-	92,889
Total Expenditures	82,539,236	6,613,176	89,152,412
Excess of revenues over (under) expenditures	(81,964,814)	(1,784,566)	(83,749,380)
<b>Other financing sources (uses)</b>			
Issuance of long-term note payable	2,177,863	-	2,177,863
Transfers from Board of County Commissioners	80,940,721	-	80,940,721
Transfers in	1,360,000	2,494,558	3,854,558
Transfers out	(2,494,558)	(1,360,000)	(3,854,558)
Transfers to Board of County Commissioners	(19,212)	-	(19,212)
Total Other Financing Sources (Uses)	81,964,814	1,134,558	83,099,372
Net change in fund balances	-	(650,008)	(650,008)
Fund Balances - October 1, 2017	-	1,835,589	1,835,589
Fund Balances - September 30, 2018	\$ -	\$1,185,581	\$ 1,185,581

See accompanying notes to financial statements.

**Sheriff**  
**St. Lucie County, Florida**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND**  
**For the Year Ended September 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Miscellaneous revenues	\$ 540,000	\$ 540,000	\$ 574,422	\$ 34,422
Expenditures				
Current				
Public safety	77,382,028	77,382,028	74,190,699	3,191,329
Court related	4,999,443	4,999,443	4,737,690	261,753
Capital outlay	459,250	2,636,883	2,701,915	(65,032)
Debt Service				
Principal	-	-	816,043	(816,043)
Interest	-	-	92,889	(92,889)
Total Expenditures	<u>82,840,721</u>	<u>85,018,354</u>	<u>82,539,236</u>	<u>2,479,118</u>
Excess of revenues over (under) expenditures	<u>(82,300,721)</u>	<u>(84,478,354)</u>	<u>(81,964,814)</u>	<u>2,513,540</u>
Other financing sources (uses)				
Issuance of long term note payable	-	2,177,633	2,177,863	230
Transfers from Board of County Commissioners	80,940,721	80,940,721	80,940,721	-
Transfers in	1,360,000	1,360,000	1,360,000	-
Transfers out	-	-	(2,494,558)	(2,494,558)
Transfers to Board of County Commissioners	-	-	(19,212)	(19,212)
Total Other Financing Sources (Uses)	<u>82,300,721</u>	<u>84,478,354</u>	<u>81,964,814</u>	<u>(2,513,540)</u>
Net change in fund balances	-	-	-	-
Fund Balances - October 1, 2017	-	-	-	-
Fund Balances - September 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**Sheriff**  
**St. Lucie County, Florida**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND**  
**For the Year Ended September 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental revenues	\$ 2,441,945	\$2,827,939	\$ 2,827,939	\$ -
Charges for services	1,600,000	1,988,999	1,988,999	-
Miscellaneous revenues	-	11,672	11,672	-
Total Revenues	<u>4,041,945</u>	<u>4,828,610</u>	<u>4,828,610</u>	<u>-</u>
Expenditures				
Current:				
Public safety	6,379,464	6,378,911	6,378,911	-
Capital outlay	234,265	234,265	234,265	-
Total Expenditures	<u>6,613,729</u>	<u>6,613,176</u>	<u>6,613,176</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(2,571,784)</u>	<u>(1,784,566)</u>	<u>(1,784,566)</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	2,373,805	2,494,558	2,494,558	-
Transfers out	(1,360,000)	(1,360,000)	(1,360,000)	-
Total Other Financing Sources (Uses)	<u>1,013,805</u>	<u>1,134,558</u>	<u>1,134,558</u>	<u>-</u>
Net change in fund balances	(1,557,979)	(650,008)	(650,008)	-
Fund Balances - October 1, 2017	<u>1,557,979</u>	<u>1,835,589</u>	<u>1,835,589</u>	<u>-</u>
Fund Balances - September 30, 2018	<u>\$ -</u>	<u>\$1,185,581</u>	<u>\$ 1,185,581</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**Sheriff**  
**St. Lucie County, Florida**  
**STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUND**  
**September 30, 2018**

Assets	
Cash and investments	\$ 1,622,960
Due from other governments	<u>226,352</u>
Total Assets	<u><u>\$ 1,849,312</u></u>
Liabilities	
Accounts payable	\$ 10,252
Agency funds on hand	<u>1,839,060</u>
Total Liabilities	<u><u>\$ 1,849,312</u></u>

See accompanying notes to financial statements.

**Sheriff  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies**

The summary of significant accounting policies followed by the Sheriff, St. Lucie County, Florida, is summarized below.

Reporting Entity

The Sheriff is a county officer as established by Article VIII, Section (1)(d) of the Constitution of the State of Florida.

For financial statement and reporting purposes, the Sheriff does not meet the definition of a legally separate organization and is not considered to be a component unit. The Sheriff is considered to be part of the primary government of St. Lucie County, Florida. The financial statements contained herein represent the financial transactions of the Sheriff only and do not represent the financial transactions of the primary government of St. Lucie County, Florida.

Basis of Presentation

The financial statements have been prepared in accordance with the fund financial statement presentation requirements of GASB 34, Section 218.39(2), Florida Statutes and Chapter 10.550, Rules of the Auditor General.

Fund Description

The Sheriff maintains his financial records and accounts on the basis of governmental and fiduciary funds.

a. Governmental Funds

General Fund – The general fund is used to account for the general operations of the Sheriff.

Special Revenue Fund – The special revenue fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

b. Fiduciary Fund

Agency Fund – The agency fund is used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

**Sheriff  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies – Continued**

Basis of Accounting, Measurement Focus and Presentation

Governmental fund financial statements report using the current financial resources measurement focus and are maintained on the modified accrual basis. Under the modified accrual basis of accounting, revenues are generally recognized when they become measurable and available, within 30 days of the end of the fiscal year end, and expenditures are recognized when incurred. In the general fund, revenues collected in excess of expenditures are not considered earned and are reflected as liabilities.

The agency fund reports only assets and liabilities; therefore, it does not have a measurement focus. However, it uses the modified accrual basis of accounting to recognize receivables and payables.

Budget

An operating budget for the general fund is prepared by the Sheriff and submitted to the Board of County Commissioners for approval in accordance with state statutes. The budget is prepared on a basis consistent with generally accepted accounting principles. The Sheriff also prepares a budget for special revenue funds and in accordance with state statutes; it is prepared on a basis consistent with generally accepted accounting principles.

Capital Assets

Acquisitions of equipment with a cost in excess of \$1,000 are recorded as expenditures in the general fund or special revenue fund at the time of purchase for governmental fund financial statements. The equipment is capitalized by the Sheriff at cost or fair value for donated assets, pursuant to state statutes.

Accrued Compensated Absences

Accrued compensated absences reflect the liability of the Sheriff for the employees' rights to receive future compensation for their accrued annual leave, compensation time and vested sick leave, since the Sheriff does not, nor is he legally required to accumulate financial resources to liquidate this obligation, the liability for accrued compensated absences is not reported in the governmental fund.

Deferred Inflows

Deferred inflows of resources represent an acquisition of fund balance that applies to a future period. The source of unavailable grant revenues is a grant. This amount is deferred and will be recognized in the period the amount becomes available.

Transfers

All revenues and other sources in excess of expenditures at year-end are owed to the Board of County Commissioners in accordance with state statutes.

**Sheriff**  
**St. Lucie County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies – Continued**

Fund Financial Statements

In accordance with Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions, fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The Sheriff has various policies governing the fund balance classifications.

**Restricted Fund Balance** – This category includes amounts that have externally imposed restrictions or restrictions imposed by laws.

**Committed Fund Balance** – This category usually consists of contractual obligations which require a formal approval from the Board of County Commissioners. This type of fund balance can only be removed by the Board of County Commissioners through the same approval process. This category also includes an emergency reserve which is established by the Board of County Commissioners. The amount can only be used for natural and manmade disasters.

**Assigned** – This classification includes amounts that are intended by the County to be used for specific purposes, but are neither restricted nor committed. Assignments may be made only by the governing body or official.

**Fund Balance Spending Hierarchy** – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

**Note 2 - Cash and Investments**

The Sheriff is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury.
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969.
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories.
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.



**Sheriff  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 2 – Cash and Investments – Continued**

Custodial Credit Risk – Deposits

At September 30, 2018, the carrying amount of the deposits with qualified public depositories was \$3,382,363 and the bank balance was \$5,336,048. All deposits are insured by the federal depository insurance or collateralized under the provisions of Chapter 280, Florida Statutes. Additionally, the Sheriff had cash on hand in petty cash and change funds of \$9,082.

Agency funds of the Sheriff had deposits with qualified public depositories with a carrying amount of \$1,622,960 and the bank balance was \$1,948,781 at September 30, 2018.

**Note 3 - Capital Assets**

The changes in capital assets during the fiscal year were as follows:

	Balance October 1, 2017	Additions	Deletions	Balance September 30, 2018
Equipment	\$24,262,540	\$3,122,657	\$ 1,214,910	\$ 26,170,287

**Note 4 – Pension Plan**

The employees of the Sheriff participate in the Florida Retirement System, a cost sharing multiple-employer plan.

Effective July 1, 2011, employees were required to contribute 3% and the employer contribution rate was reduced for all membership categories.

The details of the plan, the funding policies and other pension plan information are reported and defined in the financial statements and notes to financial statements of St. Lucie County, Florida.

Contributions to the plan by the Sheriff for the fiscal years ended September 30, 2018, 2017, and 2016 were \$9,315,415, \$8,197,910, and \$7,600,578 respectively, which is equal to the required contribution for each year. The employee contribution portion for the fiscal years ended September 30, 2018, 2017, and 2016 were \$1,296,161, \$1,163,924, and \$1,071,930 respectively.

In addition, the Sherriff has an elective defined contribution plan that qualifies under Section 401(a) of the Internal Revenue Code. Contributions to the plan in the amount of \$103,422 were made, for certain employees of the Sheriff, during the fiscal year ended September 30, 2018.

**Sheriff  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 5 – Note Payable**

In May 2017 the Sheriff entered into a promissory note that will total \$4,080,215 for the purchase of new vehicles. The loan bears interest at 3.25% and matures on December 1, 2021. Payments are interest only monthly beginning June 1, 2017 with principal payments of \$816,043 due on December 1, 2017 and each year thereafter thru December 1, 2021. The balance outstanding at September 30, 2018 was \$3,264,172.

The annual requirements to amortize the principal and interest on the balance outstanding as of September 30, 2018 is as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	816,043	83,984	900,027
2020	816,043	57,463	873,506
2021	816,043	30,942	846,985
2022	816,043	4,420	820,463
Totals	<u>\$ 3,264,172</u>	<u>\$ 176,809</u>	<u>\$ 3,440,981</u>

**Note 6 – Operating Leases**

The Sheriff entered into an operating lease for equipment in a prior year. Lease expenditures during the year totaled \$307,412. The future minimum lease payments as of September 30, 2018 are as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2019	\$ 295,745
2020	251,451
2021	110,161
2022	83,362
2023	61,087
Total	<u>\$ 801,806</u>

**Sheriff**  
**St. Lucie County, Florida**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**Note 7 – Risk Management**

The Sheriff joined with other Sheriffs in the state to form the Florida Sheriff Self Insurance Fund, a public entity risk pool, under the provisions of state statutes. The Sheriff pays its share of contributions into the pool based on the value of the property covered, prior claims experience and allocation of experience. These contributions are considered expenditures when the liability is incurred. The Sheriff has no other costs other than deductible amounts in connection with the risk pool.

The Sheriff also participates in a group health insurance risk pool and a workman's compensation risk pool together with other Sheriffs in the state. These plans are administered by the Florida Sheriff's Association Multiple Employer Trust and the Florida Sheriff's Association respectively. An expenditure is recognized for contributions made by the Sheriff into the pools based on historical claims information.

The Sheriff also continues to carry commercial insurance for the risk of loss on watercraft and aviation equipment.

A Sheriff vehicle was involved in an automobile accident and the Sheriff has been notified of possible legal action. The Sheriff expects any awards to be covered by insurance.

**Note 8 – Accrued Compensated Absences**

The accrued amount of annual leave, compensation time and vested sick leave at September 30, 2018, was \$9,793,615 as compared to \$8,995,561, the balance at September 30, 2017.

This liability is not reflected in the financial statements of the Sheriff since it is not payable from available resources.

**Sheriff  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 9 – Post Employment Benefits**

General Information about the OPEB Plan

The Sheriff offers a defined benefit plan (OPEB Plan) that subsidizes the cost of health care for its retirees and eligible dependents. The Sheriff has the authority to establish and amend the funding policy. There are no plan assets accumulated in a trust that meets the criteria established by generally accepted accounting policies. For further information regarding the implicit rate subsidy, refer to the Actuarial Valuation Report.

Plan Benefits

Retirees with at least 25 years or more of service under the Sheriff are offered free retiree health coverage until they attain eligibility for Medicare benefits. Previous retirees over time are provided various levels of subsidy based upon the costs at the time they retired with certain increases since then. All other employees are only eligible for access to the group plan resulting in the implicit rate subsidy. Part of the Sheriff's Office periodic contribution to the Florida Retirement System (FRS) on behalf of its employees is a contribution toward the Health Insurance Subsidy (HIS) managed by HRS. Currently, HIS provides eligible employees with a lifetime benefit equal to \$5 per month per year of service (up to a maximum of \$150 per month) after they retire, toward the payment of any insurance-related premiums.

At September 30, 2017, the date of the last Actuarial Valuation, OPEB plan participation consisted of:

Active Participants	643
Inactive Participants/Beneficiaries	200
Total Participants	<u>843</u>

Total OPEB Liability

At September 30, 2018, the Sheriff reported a liability of \$34,788,023 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of September 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by actuarial valuation as of that date.

**Sheriff  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 9 – Post Employment Benefits – Continued**

Total OPEB Liability – Continued

*Actuarial Methods and Assumptions*

The total OPEB liability in the September 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age Normal
Inflation	2.5%
Projected annual salaries increase	3.7% to 7.8%
Discount rate	3.5%
Healthcare cost trend rate	7% for the 2019 fiscal year, followed by 6.75% for the 2020 fiscal year, grading to an ultimate rate of 4.24%

The discount rate was based on Fidelity General Obligation AA Index rate as of September 29, 2017, the most recent data available on or before the measurement date.

Mortality rates were based on the RP-2000 Combined Healthy Annuitant Mortality Table for active members and the RP-2000 Mortality Table for Annuitants for non-disabled inactive members, with mortality improvement projected to all future years from the year 2000 using Projection Scale BB.

Retirement rates used were in the July 1, 2016 actuarial valuation of the Florida Retirement System (FRS). They are based on the results of a statewide experience study covering the period 2008 through 2013.

Aging factors are based on the 2013 SOA Study “Health Care Costs – From Birth to Death”.

Administrative expenses are included in the per capital health costs.

**Sheriff  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 9 – Post Employment Benefits – Continued**

*Changes in Total OPEB Liability*

	<b>Total OPEB Liability</b>
<b>Balance at 9/30/2017</b>	<b>\$ 35,407,591</b>
<b>Changes for the year:</b>	
Service cost	1,794,483
Interest on the Total OPEB Liability	1,127,206
Changes of benefit terms	-
Difference between expected and actual experience of the Total OPEB Liability	-
Changes in assumptions and other inputs	(1,860,061)
Benefit payments	(1,681,196)
<b>Net Changes</b>	<b>(619,568)</b>
<b>Balance at 9/30/2018</b>	<b>\$ 34,788,023</b>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.10% as of the beginning of the measurement period to 3.50% as of September 30, 2017.

There were no benefit changes during the year.

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates*

The following presents the plan's total OPEB liability of the Sheriff, using a discount rate of 3.5%, as well as what the plan's total OPEB liability would be if it were calculated using the discount rate that is one percent lower or one percent higher:

<b>1% Decrease 2.50%</b>	<b>Current Discount Rate Assumption 3.50%</b>	<b>1% Increase 4.50%</b>
\$39,677,924	\$34,788,023	\$30,642,818

**Sheriff  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 9 – Post Employment Benefits – Continued**

The following presents the plan's total OPEB liability of the Sheriff, calculated using the assumed healthcare cost trend rates as well as what the plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percent lower or one percent higher:

<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate Assumption</u>	<u>1% Increase</u>
\$29,411,629	\$34,788,023	\$41,785,388

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources to OPEB**

For the year ended September 30, 2018, the Sheriff recognized OPEB expense of \$2,727,933. At September 30, 2018, the Sheriff reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between actual and expected experience	\$ -	\$ -
Changes in assumptions and other inputs	-	1,666,305
Benefits Paid after the Measurement Date	949,362	-
Total	\$ 949,362	\$ 1,666,305

The deferred outflows of resources related to OPEB, totaling \$949,362 resulting from contributions to the Plan subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending September 30</u>	<u>Net Deferred Inflows of Resources</u>
2019	\$ (193,756)
2020	(193,756)
2021	(193,756)
2022	(193,756)
2023	(193,756)
Thereafter	(697,525)
Total	\$ (1,666,305)

**INDEPENDENT AUDITOR'S 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***

**St. Lucie County Sheriff  
St. Lucie County, Florida**

**September 30, 2018**





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**INDEPENDENT AUDITOR'S 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 Ken J. Mascara  
St. Lucie County Sheriff  
St. Lucie County, Florida

We have audited, in accordance with the 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 Sheriff, as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated January 31, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Sheriff's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of Sheriffs' internal control over financial reporting.

*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 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. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Ken J. Mascara  
St. Lucie County Sheriff  
St. Lucie County, Florida

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Sheriff's financial statements are free of 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.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants, PL  
Fort Pierce, Florida

January 31, 2019

**MANAGEMENT LETTER**

**Sheriff  
St. Lucie County, Florida**

**September 30, 2018**



# Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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## MANAGEMENT LETTER

Honorable Ken J. Mascara  
St. Lucie County Sheriff  
St. Lucie County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Sheriff, St. Lucie County, Florida as of and for the year ended September 30, 2018, and have issued our report thereon dated January 31, 2019.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's 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* and Independent Auditor's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated January 31, 2019, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations in the preceding annual financial report. There were no findings or recommendations made in the preceding annual financial report.

### Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Honorable Ken J. Mascara  
St. Lucie County Sheriff  
St. Lucie County, Florida

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, St. Lucie County Sheriff, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam  
(Gaines) + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

**Sheriff  
St. Lucie County, Florida**

**September 30, 2018**



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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

Honorable Ken J. Mascara  
St. Lucie County Sheriff  
St. Lucie County, Florida

We have examined St. Lucie County Sheriff's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for the St. Lucie County Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the St. Lucie County Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the St. Lucie County Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the St. Lucie County Sheriff's compliance with the specified requirements.

In our opinion, the St. Lucie County Sheriff, St. Lucie County, Florida complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**SECTION VI**  
**SUPERVISOR OF ELECTIONS**



**SPECIAL PURPOSE FINANCIAL STATEMENTS**

**Supervisor of Elections**

**St. Lucie County, Florida**

**September 30, 2018**

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## **REPORT OF INDEPENDENT AUDITORS ON SPECIAL PURPOSE FINANCIAL STATEMENTS PREPARED IN COMPLIANCE WITH A REGULATORY PROVISION**

Honorable Gertrude Walker  
Supervisor of Elections  
St. Lucie County, Florida

We have audited the accompanying special purpose fund financial statements of the Supervisor of Elections, St. Lucie County, Florida as of and for the year ended September 30, 2018.

### **Management's Responsibility for the Special-Purpose Financial Statements**

Management is responsible for the preparation and fair presentation of these special-purpose 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 the special-purpose financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these special-purpose financial statements based on our audit. 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 special-purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the special-purpose 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 special-purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Fort Pierce / Stuart

Honorable Gertrude Walker  
Supervisor of Elections  
St. Lucie County, Florida

## Opinion

In our opinion, the special-purpose fund financial statements referred to above present fairly, in all material respects, the fund financial position of the Supervisor of Elections, St. Lucie County, Florida as of September 30, 2018, and the changes in fund financial position and the budgetary comparison for the General and Special Revenue Funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

### *Basis of Presentation*

As described in Note 1, the accompanying special-purpose fund financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, and are not intended to be a complete presentation of the financial position and changes in financial position of the Supervisor of Elections, St. Lucie County, Florida. Additionally, the special-purpose fund financial statements present only the Supervisor of Elections, St. Lucie County, Florida and are not intended to present the financial position and changes in financial position of St. Lucie County, Florida, taken as a whole. Our opinion is not modified with respect to these matters.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated January 31, 2019 on our consideration of the Supervisor of Elections, St. Lucie County, Florida 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 the 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 the Supervisor of Elections, St. Lucie County, Florida internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**Supervisor of Elections  
St. Lucie County, Florida  
BALANCE SHEET –  
GOVERNMENTAL FUNDS  
September 30, 2018**

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
Cash	\$ 113,780	\$ 268,456	\$ 382,236
Due from other funds	15,000	-	15,000
Total Assets	\$ 128,780	\$ 268,456	\$ 397,236
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 72,077	\$ -	\$ 72,077
Due to other funds	-	15,000	15,000
Payroll taxes payable	3,000	-	3,000
Accrued payroll	37,800	-	37,800
Due to other governments	15,903	-	15,903
Total Liabilities	128,780	15,000	143,780
Fund Balances	-	253,456	253,456
Total Liabilities and Fund Balances	\$ 128,780	\$ 268,456	\$ 397,236

See accompanying notes to financial statements.

**Supervisor of Elections  
St. Lucie County, Florida  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
For the Year Ended September 30, 2018**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Revenues			
Intergovernmental	\$ -	\$ 270,817	\$ 270,817
Miscellaneous	134,257	361	134,618
Total Revenues	<u>134,257</u>	<u>271,178</u>	<u>405,435</u>
Expenditures			
General government	3,230,494	68,977	3,299,471
Capital outlay	123,059	5,842	128,901
Total Expenditures	<u>3,353,553</u>	<u>74,819</u>	<u>3,428,372</u>
Excess of revenues over (under) expenditures	<u>(3,219,296)</u>	<u>196,359</u>	<u>(3,022,937)</u>
Other financing sources (uses)			
Transfers from Board of County Commissioners	3,239,731	-	3,239,731
Transfers to Board of County Commissioners	(15,903)	-	(15,903)
Transfers in/out	(4,532)	4,532	-
Total Other Financing Sources (Uses)	<u>3,219,296</u>	<u>4,532</u>	<u>3,223,828</u>
Net change in fund balances	-	200,891	200,891
Fund Balances - October 1, 2017	<u>-</u>	<u>52,565</u>	<u>52,565</u>
Fund Balances - September 30, 2018	<u>\$ -</u>	<u>\$ 253,456</u>	<u>\$ 253,456</u>

See accompanying notes to financial statements.

**Supervisor of Elections  
St. Lucie County, Florida  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –  
GENERAL FUND  
For the Year Ended September 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Miscellaneous	\$ -	\$ 121,015	\$ 134,257	\$ 13,242
Total Revenues	<u>-</u>	<u>121,015</u>	<u>134,257</u>	<u>13,242</u>
Expenditures				
Current				
General government	3,034,446	3,155,461	3,230,494	(75,033)
Capital outlay	<u>205,285</u>	<u>205,285</u>	<u>123,059</u>	<u>82,226</u>
Total Expenditures	<u>3,239,731</u>	<u>3,360,746</u>	<u>3,353,553</u>	<u>7,193</u>
Excess of revenues over (under) expenditures	<u>(3,239,731)</u>	<u>(3,239,731)</u>	<u>(3,219,296)</u>	<u>20,435</u>
Other financing sources (uses)				
Transfers from Board of County Commissioners	3,239,731	3,239,731	3,239,731	-
Transfers to Board of County Commissioners	-	-	(15,903)	(15,903)
Transfers out	-	-	<u>(4,532)</u>	<u>(4,532)</u>
Total Other Financing Sources (Uses)	<u>3,239,731</u>	<u>3,239,731</u>	<u>3,219,296</u>	<u>(20,435)</u>
Net change in fund balances	-	-	-	-
Fund Balances - October 1, 2017	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - September 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**Supervisor of Elections  
St. Lucie County, Florida  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL -  
SPECIAL REVENUE FUND  
For the Year Ended September 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 275,349	\$ 275,349	\$ 270,817	\$ (4,532)
Miscellaneous	-	-	361	361
Total Revenues	<u>275,349</u>	<u>275,349</u>	<u>271,178</u>	<u>(4,171)</u>
Expenditures				
General government	68,977	68,977	68,977	-
Capital outlay	5,842	5,842	5,842	-
Total Expenditures	<u>74,819</u>	<u>74,819</u>	<u>74,819</u>	<u>-</u>
Excess of revenues over (under) expenditures	200,530	200,530	196,359	(4,171)
Other financing sources (uses)				
Transfers In	-	-	4,532	4,532
Net Change in Fund Balances	200,530	200,530	200,891	361
Fund Balances - October 1, 2017	<u>52,565</u>	<u>52,565</u>	<u>52,565</u>	<u>-</u>
Fund Balances - September 30, 2018	<u>\$ 253,095</u>	<u>\$ 253,095</u>	<u>\$ 253,456</u>	<u>\$ 361</u>

See accompanying notes to financial statements.

**Supervisor of Elections  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies**

The summary of significant accounting policies followed by the Supervisor of Elections, St. Lucie County, Florida, is summarized below.

Reporting Entity

The Supervisor of Elections is a county officer as established by Article VIII, Section (1) (d) of the Constitution of the State of Florida.

For financial statement and reporting purposes, the Supervisor of Elections does not meet the definition of a legally separate organization and is not considered to be a component unit. The Supervisor of Elections is considered to be part of the primary government of St. Lucie County, Florida. The financial statements contained herein represent the financial transactions of the Supervisor of Elections only and do not represent the financial transactions of the primary government of St. Lucie County, Florida.

Basis of Presentation

The Supervisor of Elections' financial statements contained herein are special purpose fund financial statements, prepared in accordance with the fund financial statement presentation requirements of GASB 34 and Chapter 10.550, Rules of the Auditor General.

Fund Description

The Supervisor of Elections maintains her financial records and accounts on the basis of two governmental funds:

General Fund

The general fund is used to account for all financial activity of the Supervisor of Elections.

Special Revenue Fund

The special revenue fund is used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes.

Basis of Accounting, Measurement Focus and Presentation

Governmental fund financial statements report using the current financial resources measurement focus and are maintained on the modified accrual basis. Under the modified accrual basis of accounting revenues are generally recognized when they become measurable and available and expenditures are recognized when incurred. Revenues collected in excess of expenditures are not considered earned and are reflected as liabilities.



**Supervisor of Elections  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies – Continued**

Budget

An operating budget for the general fund is prepared by the Supervisor of Elections and submitted to the Board of County Commissioners for approval in accordance with state statutes. The budget is prepared on a basis consistent with generally accepted accounting principles.

The Supervisor of Elections also prepares a budget for the special revenue fund on a basis consistent with generally accepted accounting principles.

Capital Assets

Acquisitions of equipment, with a cost in excess of \$1,000, are recorded as expenditures in the general fund at the time of purchase for governmental fund financial statements. The equipment is reported to and capitalized by the Board of County Commissioners pursuant to state statutes.

Accrued Compensated Absences

Accrued compensated absences reflect the liability of the Supervisor of Elections for the employees' rights to receive future compensation for their accrued annual leave and vested sick leave. Since the Supervisor of Elections does not, nor is she legally required to accumulate financial resources to liquidate this obligation, the liability for accrued compensated absences is not reported in the governmental funds.

Transfers

Monies received from the Board of County Commissioners to fund the operations of the Supervisor of Elections are reflected in the financial statements as transfers in.

All revenues and other sources in excess of expenditures at year-end are owed to the Board of County Commissioners in accordance with state statutes and are reported as transfers out, in the general fund.

**Note 2 – Cash**

Cash, as reported in the accompanying balance sheet, includes cash on hand and cash in demand deposits.

Custodial Credit Risk

Section 136.01, Florida Statutes requires the Supervisor of Elections deposit monies with financial institutions classified as qualified public depositories. Chapter 280, Florida Statutes establishes the criteria for qualified public depositories, which provides for full insurance for public deposits. The carrying amount of deposits totaled \$382,236 at September 30, 2018 and the bank balance was \$476,125.

**Supervisor of Elections  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 2 – Cash – Continued**

The Supervisor of Elections categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The Supervisor of Elections uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the Supervisor of Elections' own data in measuring unobservable inputs.

As of September 30, 2018, the Supervisor of Elections did not hold any qualifying investments.

**Note 3 – Pension Plan**

The employees of the Supervisor of Elections participate in the Florida Retirement System, a cost-sharing multiple-employer plan.

Effective July 1, 2011, employees were required to contribute 3% and the employer contribution rate was reduced for all membership categories.

The details of the plan, the funding policies and other pension plan information are reported and defined in the financial statements and notes to financial statements of St. Lucie County, Florida.

Contributions to the plan by the Supervisor of Elections for the fiscal years ended September 30, 2018, 2017, and 2016 were \$145,058, \$125,096, and \$114,183 respectively, which is equal to the required contribution for each year. The employee contribution for the fiscal years ended September 30, 2018, 2017, and 2016 was \$25,455, \$25,175, and \$24,189.

**Note 4 – Risk Management**

The Supervisor of Elections participates in a public entity risk pool for the purpose of obtaining various insurance coverages other than health and life insurance. Other members of the pool consist of the Board of County Commissioners and the other elected officials (except the Sheriff), two municipalities, and another county.

**Supervisor of Elections  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 4 – Risk Management – Continued**

The operations of this public entity risk pool are outlined in the notes to financial statements of St. Lucie County, Florida.

The Supervisor of Elections along with the Board of County Commissioners, Clerk of Circuit Court, Property Appraiser and Tax Collector are self-insured for group health and life insurance. Certain former employees are also eligible and participate in the plan. The financial transactions of this plan are accounted for in an internal service fund of the Board of County Commissioners. The cost to the Supervisor of Elections is based on historical claims and totaled \$259,510 for the year ended September 30, 2018. Further details of this self-insurance program are discussed in the notes to financial statements of St. Lucie County, Florida.

**Note 5 – Accrued Compensated Absences**

The accrued amount of annual leave and vested sick leave at September 30, 2018 was \$221,541 as compared to \$190,576, the balance at September 30, 2017.

This liability is not reflected in the financial statements of the Supervisor of Elections since they are not payable from available resources.

**Note 6 – Operating Lease**

The Supervisor of Elections has entered into operating leases for office equipment. Lease expenditures totaled \$19,021 for the year ended September 30, 2018. Future minimum lease payments under the operating leases are as follows:

Year ended September 30,	Amount
2019	\$ 11,968
2020	7,979
Total	\$ 19,947

**INDEPENDENT AUDITOR'S 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***

**St. Lucie County Supervisor of Elections  
St. Lucie County, Florida**

**September 30, 2018**



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**INDEPENDENT AUDITOR'S 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 Gertrude Walker  
St. Lucie County Supervisor of Elections  
St. Lucie County, Florida

We have audited, in accordance with the 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 Supervisor of Elections, as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated January 31, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Supervisor of Elections' internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of Supervisor of Elections' internal control over financial reporting.

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 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. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Fort Pierce / Stuart

Honorable Gertrude Walker  
St. Lucie County Supervisor of Elections  
St. Lucie County, Florida

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Supervisor of Elections' financial statements are free of 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.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants, PL  
Fort Pierce, Florida

January 31, 2019

**MANAGEMENT LETTER**

**Supervisor of Elections  
St. Lucie County, Florida**

**September 30, 2018**



# Berger, Toombs, Elam, Gaines & Frank

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## MANAGEMENT LETTER

Honorable Gertrude Walker  
Supervisor of Elections  
St Lucie County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Supervisor of Elections, St. Lucie County, Florida as of and for the year ended September 30, 2018, and have issued our report thereon dated January 31, 2019.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's 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* and Independent Auditor's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 31, 2019, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations in the preceding annual financial report. There were no findings or recommendations made in the preceding annual financial audit report.

### Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.



Honorable Gertrude Walker  
Supervisor of Elections  
St. Lucie County, Florida

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Supervisor of Elections, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

**St. Lucie County Supervisor of Elections  
St. Lucie County, Florida**

**September 30, 2018**



Berger, Toombs, Elam,  
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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

Honorable Gertrude Walker  
St. Lucie County Supervisor of Elections  
St. Lucie County, Florida

We have examined the Supervisor of Elections, St. Lucie County, Florida's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for the St. Lucie County Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the St. Lucie County Supervisor of Elections' compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the St. Lucie County Supervisor of Elections' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the St. Lucie County Supervisor of Elections' compliance with the specified requirements.

In our opinion, the Supervisor of Elections, St. Lucie County, Florida complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**SECTION VII**  
**TAX COLLECTOR**

**SPECIAL PURPOSE FINANCIAL STATEMENTS**

**Tax Collector  
St. Lucie County, Florida**

**September 30, 2018**

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## **REPORT OF INDEPENDENT AUDITORS ON SPECIAL PURPOSE FINANCIAL STATEMENTS PREPARED IN COMPLIANCE WITH A REGULATORY PROVISION**

Honorable Chris Craft  
Tax Collector  
St. Lucie County, Florida

We have audited the accompanying special purpose fund financial statements of the Tax Collector, St. Lucie County, Florida as of and for the year ended September 30, 2018.

### **Management's Responsibility for the Special-Purpose Financial Statements**

Management is responsible for the preparation and fair presentation of these special-purpose 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 the special-purpose financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these special-purpose financial statements based on our audit. 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 special-purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the special-purpose 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 special-purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Fort Pierce / Stuart

Honorable Chris Craft  
Tax Collector  
St. Lucie County, Florida

## Opinion

In our opinion, the special-purpose fund financial statements referred to above present fairly, in all material respects, the fund financial position of the Tax Collector, St. Lucie County, Florida as of September 30, 2018, and the changes in fund financial position and the budgetary comparison for the General Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

## Emphasis of Matter

### *Basis of Presentation*

As described in Note 1, the accompanying special-purpose fund financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, and are not intended to be a complete presentation of the financial position and changes in financial position of the Tax Collector, St. Lucie County, Florida. Additionally, the special-purpose fund financial statements present only the Tax Collector, St. Lucie County, Florida and are not intended to present the financial position and changes in financial position of St. Lucie County, Florida, taken as a whole. Our opinion is not modified with respect to these matters.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated January 31, 2019 on our consideration of the Tax Collector, St. Lucie County, Florida 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 the 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 the Tax Collector, St. Lucie County, Florida internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**Tax Collector**  
**St. Lucie County, Florida**  
**BALANCE SHEET - GENERAL FUND**  
**September 30, 2018**

Assets	
Cash and investments	\$ 3,634,813
Accounts receivable	15,722
	<hr/>
Total Assets	<u>\$ 3,650,535</u>
Liabilities and Fund Balances	
Liabilities	
Accounts payable	\$ 57,114
Accrued payroll and deductions	187,653
Due to other governments	3,405,768
	<hr/>
Total Liabilities	3,650,535
Fund Balances	<hr/> -
	<hr/>
Total Liabilities and Fund Balances	<u>\$ 3,650,535</u>

See accompanying notes to financial statements.



**Tax Collector  
St. Lucie County, Florida  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended September 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 11,055,765	\$ 11,055,765	\$ 11,546,479	\$ 490,714
Miscellaneous revenues	720,000	720,000	908,537	188,537
Unearned revenues – other governments	-	-	(827,954)	(827,954)
Total Revenues	<u>11,775,765</u>	<u>11,775,765</u>	<u>11,627,062</u>	<u>(148,703)</u>
Expenditures				
General government	9,713,481	9,713,481	8,932,962	780,519
Capital outlay	231,684	231,684	116,286	115,398
Total Expenditures	<u>9,945,165</u>	<u>9,945,165</u>	<u>9,049,248</u>	<u>895,917</u>
Excess of revenues over (under) expenditures	1,830,600	1,830,600	2,577,814	747,214
Other financing sources (uses)				
Transfers out to Board of County Commissioners – unearned revenues	<u>(1,830,600)</u>	<u>(1,830,600)</u>	<u>(2,577,814)</u>	<u>(747,214)</u>
Net change in fund balances	-	-	-	-
Fund Balances – October 1, 2017	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances – September 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**Tax Collector**  
**St. Lucie County, Florida**  
**STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS**  
**For the Year Ended September 30, 2018**

Assets

Cash and investments	\$ 5,688,304
Due from other governments	17,998
Accounts receivable	<u>4,090</u>
Total Assets	<u><u>\$ 5,710,392</u></u>

Liabilities

Due to other governments	\$ 693,785
Agency funds on hand	<u>5,016,607</u>
Total Liabilities	<u><u>\$ 5,710,392</u></u>

See accompanying notes to financial statements.

**Tax Collector  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies**

The summary of significant accounting policies followed by the Tax Collector, St. Lucie County, Florida is summarized below.

Reporting Entity

The Tax Collector is a county officer as established by Article VIII, Section (1)(d) of the Constitution of the State of Florida.

For financial statement and reporting purposes, the Tax Collector does not meet the definition of a legally separate organization and is not considered to be a component unit. The Tax Collector is considered to be part of the primary government of St. Lucie County, Florida. The financial statements contained herein represent the financial transactions of the Tax Collector only and do not represent the financial transactions of the primary government of St. Lucie County, Florida.

Basis of Presentation

The Tax Collector financial statements contained herein are special purpose fund financial statements, prepared in accordance with the fund financial statement presentation requirements of GASB 34 and Chapter 10.550, Rules of the Auditor General.

Fund Description

The Tax Collector maintains his financial records and accounts on the basis of a governmental and a fiduciary fund:

a. Governmental Fund

General Fund – The General Fund is used to account for all financial activity of the Tax Collector.

b. Fiduciary Fund

Agency Fund – The Agency Fund is used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the Tax Collector's own programs.

**Tax Collector  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies - Continued**

Basis of Accounting, Measurement Focus and Presentation

Governmental fund financial statements report using the current financial resources measurement focus and are maintained on the modified accrual basis. Agency funds have no measurement focus. Under the modified accrual basis of accounting revenues are generally recognized when they become measurable and available and expenditures are recognized when incurred. Revenues collected in excess of expenditures are not considered earned and are reflected as liabilities.

Cash and Investments

The Tax Collector is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury.
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969.
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories.
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Budget

An operating budget for the general fund is prepared by the Tax Collector and submitted to the Florida Department of Revenue for approval in accordance with state statutes. The budget is prepared on a basis consistent with generally accepted accounting principles.

Capital Assets

Acquisitions of equipment with a cost in excess of \$1,000 are recorded as expenditures in the general fund at the time of purchase for governmental fund financial statements. The equipment is reported to and capitalized by the Board of County Commissioners pursuant to state statutes.

**Tax Collector  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 1 – Summary of Significant Accounting Policies - Continued**

Accrued Compensated Absences

Accrued compensated absences reflect the liability of the Tax Collector for the employees' rights to receive future compensation for their accrued annual leave and vested sick leave. Since the Tax Collector does not, nor is he legally required to accumulate financial resources to liquidate this obligation, the liability for accrued compensated absences is not reported in the governmental fund.

Transfers

All revenues and other sources in excess of expenditures at year-end are owed to the Board of County Commissioners and other governmental entities in accordance with state statutes.

**Note 2 – Cash and Investments**

Custodial Credit Risk - Deposits

At September 30, 2018, the carrying amount of the deposits with qualified public depositories was \$978,792 and the bank balance was \$473,812. All deposits are insured by the federal depository insurance or collateralized under the provisions of Chapter 280, Florida Statutes. Other cash consists of cash in drawers and ATM machines and the balance at September 30, 2018 was \$34,820.

In addition to the above, the Tax Collector had \$2,621,201 invested with Florida PRIME at September 30, 2018.

Agency funds of the Tax Collector had deposits with qualified public depositories with a carrying amount of \$5,548,384 and a bank balance of \$5,690,586 fully insured by federal depository insurance or collateralized under provisions of Chapter 280, Florida Statutes. Agency Funds also had investments with Florida PRIME of \$139,920 at September 30, 2018.

The Tax Collector categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The Tax Collector uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the Tax Collector's own data in measuring unobservable inputs.

**Tax Collector  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 2 – Cash and Investments – Continued**

Custodial Credit Risk – Deposits (Continued)

As of September 30, 2018, the Tax Collector did not hold any qualifying investments as Florida PRIME is exempt from the generally accepted accounting principles' fair value hierarchy.

Interest Rate Risk

The investments of the Fund are managed by the investment policy of the Fund which manages the exposure to fair value losses from rising interest rates. The Tax Collector does not own individual securities of the Fund and his only exposure to fair value adjustments would be a reduction in the interest earned on his investment.

Credit Risk

Section 218.401(17), Florida Statutes limits the type of investments available to the Tax Collector for investment. The Collector has chosen to invest in the Local Government Surplus Funds Trust Fund which has an investment policy that limits the types of investments and their maturities.

Concentration of Credit Risk

The investment policy of the Local Governments Surplus Funds Trust Fund also limits the amount of investments in any one investment type. Therefore, the Tax Collector has limited exposure to concentration of credit risk through his investment in the Fund.

**Note 3 – Pension Plan**

The employees of the Tax Collector participate in the Florida Retirement System, a cost-sharing multiple-employer plan.

The details of the plan and the funding policies are defined in the notes to financial statements of the Tax Collector of St. Lucie County, Florida.

Member contribution rates changed effective July 1, 2011. Employee contributions of 3% are now required. Contributions to the plan by the Tax Collector for the fiscal years ended September 30, 2018, 2017, and 2016, were \$434,251, \$426,936 and \$400,376, respectively, which is equal to the required employer contribution for each year. The employee contribution portion was \$102,513, \$106,225 and \$104,727, for the years ended September 30, 2018, 2017 and 2016, respectively.

**Tax Collector  
St. Lucie County, Florida  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2018**

**Note 4 – Risk Management**

The Tax Collector participates in a public entity risk pool for the purpose of obtaining various insurance coverage plans other than health and life insurance. Other members of the pool consist of the Board of County Commissioners and the other elected officials, except the Sheriff, two municipalities and another county.

The operations of this public entity risk pool are outlined in the notes to financial statements of St. Lucie County, Florida.

The Tax Collector along with the Board of County Commissioners, Clerk of Circuit Court, Supervisor of Elections and Property Appraiser are self-insured for group health and life insurance. Certain former employees are also eligible and participate in the plan. The financial transactions of this plan are accounted for in an internal service fund of the Board of County Commissioners. The cost to the Tax Collector is based on historical claims and totaled \$1,468,772 for the year ended September 30, 2018. Further details of this self-insurance program are discussed in the notes to financial statements of St. Lucie County, Florida.

**Note 5 – Accrued Compensated Absences**

The accrued amount of annual leave and vested sick leave at September 30, 2018 was \$304,753 as compared to \$766,867, the balance at September 30, 2017.

This liability is not reflected in the financial statements of the Tax Collector since it is not payable from available resources.

**INDEPENDENT AUDITOR'S 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***

**Tax Collector  
St. Lucie County, Florida**

**September 30, 2018**





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**INDEPENDENT AUDITOR'S 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 Chris Craft  
Tax Collector  
St. Lucie County, Florida

We have audited, in accordance with the 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 Tax Collector, as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated January 31, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Tax Collector's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of Tax Collector's internal control over financial reporting.

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 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. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Chris Craft  
Tax Collector  
St. Lucie County, Florida

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Tax Collector's financial statements are free of 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.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants, PL  
Fort Pierce, Florida

January 31, 2019

**MANAGEMENT LETTER**

**Tax Collector  
St. Lucie County, Florida**

**September 30, 2018**



# Berger, Toombs, Elam, Gaines & Frank

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## MANAGEMENT LETTER

Honorable Chris Craft  
Tax Collector  
St Lucie County, Florida

### Report on the Financial Statements

We have audited the financial statements of the Tax Collector, St. Lucie County, Florida as of and for the year ended September 30, 2018, and have issued our report thereon dated January 31, 2019.

### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

### Other Reports and Schedule

We have issued our Independent Auditor's 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* and Independent Auditor's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated January 31, 2019, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations in the preceding annual financial report. There were no findings or recommendations made in the preceding annual financial audit report.

### Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Honorable Chris Craft  
Tax Collector  
St. Lucie County, Florida

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Tax Collector, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam  
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019

**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

**Tax Collector  
St. Lucie County, Florida**

**September 30, 2018**



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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE WITH  
SECTION 218.415, FLORIDA STATUTES**

To the Honorable Chris Craft  
St. Lucie County Tax Collector  
St. Lucie County, Florida

We have examined the Tax Collector's, St. Lucie County, Florida compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for the St. Lucie County Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the St. Lucie County Tax Collector's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the St. Lucie County Tax Collector's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the St. Lucie County Tax Collector's compliance with the specified requirements.

In our opinion, the Tax Collector, St. Lucie County, Florida complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

January 31, 2019