

**COMBINED ANNUAL
FINANCIAL REPORT**

St. Lucie County, Florida

September 30, 2019

St. Lucie County, Florida

**COMBINED ANNUAL
FINANCIAL REPORT**

September 30, 2019

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ST. LUCIE COUNTY

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FINANCIAL SECTION



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

REPORT OF INDEPENDENT AUDITORS

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

Report on the Financial Statements

We have audited the accompanying financial statements of St. Lucie County, Florida (the "County") as of and for the year ended, September 30, 2019 and the related notes to financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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

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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, 2019, and the respective changes in financial position and the budgetary comparison for the General, Transportation Trust, Fine and Forfeiture 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 Liability 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements of St. Lucie County, Florida. The 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*, the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General.

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

The Schedule of Expenditures of Federal Programs 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*, the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General, 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 Schedule of Expenditures of Federal Programs 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*, the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General is 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 27, 2020 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

March 27, 2020

St. Lucie County, Florida
Management's Discussion and Analysis
September 30, 2019

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 year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page v) and the County's financial statements (beginning on page 16).

HIGHLIGHTS

Financial Highlights

- Total assets and deferred outflows of resources of the County exceeded its total liabilities and deferred inflows of resources at September 30, 2019 by \$578.8 million (net position). 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 increased by \$4.8 million.
- At September 30, 2019, the County's governmental funds reported a combined ending fund balance of \$208.2 million, an increase of \$16.2 million in comparison with the prior year.
- The County had a \$2.8 million increase in unassigned fund balance in the general fund. The increase is mainly attributed to the elimination of 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 provide 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, 2019

These two statements provide 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 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. These 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 and liabilities that are paid from readily available assets. 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-three 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, Impact Fee Fund, Sport Complex Capital Projects Fund, all of which are considered to be major funds. Data from the other fifty-eight 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 19-31 of this report.

**St. Lucie County, Florida
Management's Discussion and Analysis
September 30, 2019**

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 28 to 30 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 31 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 32 to 96 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 97 to 99 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, 2019, the assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$578.8 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, 2019**

GOVERNMENT-WIDE STATEMENTS

The following table reflects the condensed Statement of Net Position:

**Table 1
Statement of Net Position
As of September 30, 2018 and 2019
(in millions)**

	Governmental Activities		Business-Type Activities		Total		Total Percent Change
	2018	2019	2018	2019	2018	2019	
Current and other assets	\$ 250.8	\$ 265.6 *	\$ 27.1	\$ 30.8	\$ 227.9	\$ 296.4 *	6.7%
Capital assets	647.4	656.5	82.5	78.9	729.9	735.4	0.8%
Total assets	<u>898.2</u>	<u>922.1</u>	<u>109.6</u>	<u>109.7</u>	<u>957.8</u>	<u>1,031.8</u>	<u>2.4%</u>
Total deferred outflows of resources	<u>60.9 *</u>	<u>59.6</u>	<u>3.3 *</u>	<u>3.2</u>	<u>64.2 *</u>	<u>62.8</u>	<u>-2.2%</u>
Current liabilities	53.3	56.3	6.8	6.1	60.1	62.4	3.8%
Non-current liabilities	375.8 *	385.4	45.4 *	47.2	421.2 *	432.6	2.7%
Total liabilities	<u>429.1 *</u>	<u>441.7</u>	<u>52.2 *</u>	<u>53.3</u>	<u>481.3 *</u>	<u>495.0</u>	<u>2.8%</u>
Total deferred inflows of resources	<u>16.0</u>	<u>19.7</u>	<u>0.7</u>	<u>1.1</u>	<u>16.7</u>	<u>20.8</u>	<u>24.6%</u>
Net position:							
Net investment in capital assets	509.6	516.9	62.6	59.9	572.2	576.8	0.8%
Restricted	72.5	80.3	0.7	0.4	73.2	80.7	10.2%
Unrestricted	<u>(68.1) *</u>	<u>(76.9) *</u>	<u>(3.3) *</u>	<u>(1.8)</u>	<u>(71.4) *</u>	<u>(78.7) *</u>	<u>10.2%</u>
Total net position	<u>\$ 514.0 *</u>	<u>\$ 520.3 *</u>	<u>\$ 60.0 *</u>	<u>\$ 58.5</u>	<u>\$ 574.0 *</u>	<u>\$ 578.8 *</u>	<u>0.8%</u>

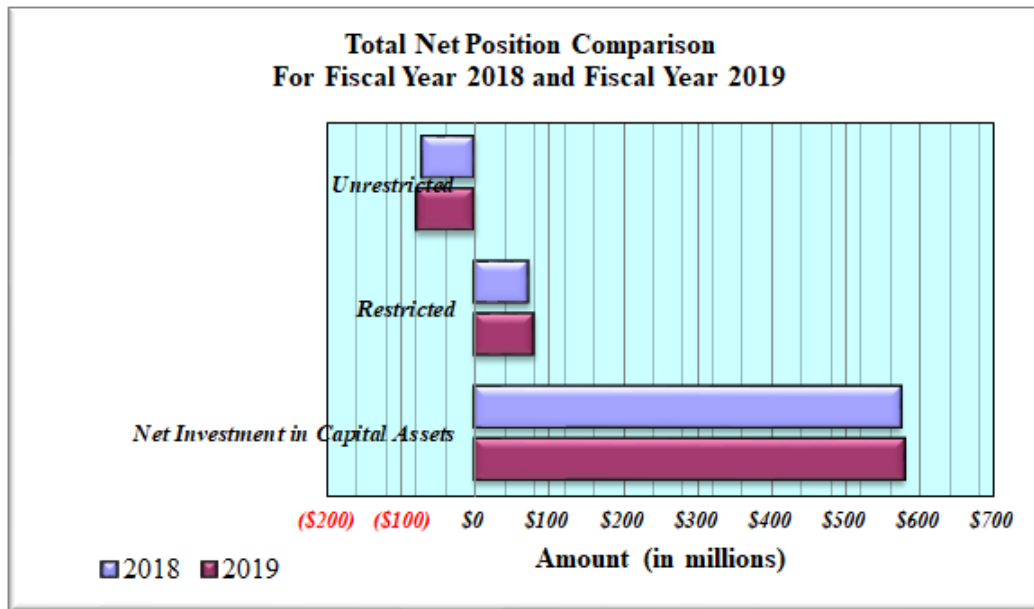
*Restated

The largest portion (99.66%) 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 (13.95%) 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 \$4.8 million increase. More detailed information concerning the County's net position is presented on page 16 of the government-wide financial statements.

The unrestricted portion of the County's net position represents resources available and may be used to meet the County's ongoing obligations to citizens and creditors. Of the unrestricted net position for fiscal year 2019, governmental activities has a negative amount of \$76.9 million and business-type activities has a negative amount of \$1.8 million. The negative amounts are mainly attributed to pension cost and other post-employment benefits recognition.

**St. Lucie County, Florida
Management's Discussion and Analysis
September 30, 2019**



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

- Current and other assets increased by \$18.5 million. This is mainly attributed to the increase in tax revenues.
- Capital assets increased by \$5.5 million. Refer to the subsequent section on Capital assets for additional detail.
- Total deferred outflows of resources decreased by \$1.4 million (\$1.3 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 \$13.7 million (\$12.6 million increase for governmental activities and \$1.1 million increase for business-type activities). This is attributed to the Capital Improvement Revenue Bonds, Series 2016A and the increase in pension liabilities.
- The deferred inflows of resources increased by \$4.1 million (\$3.7 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, 2019**

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, 2018 and 2019
(in millions)**

	Governmental Activities		Business-Type Activities		Total Primary Government		Total Percent Change
	2018	2019	2018	2019	2018	2019	
REVENUES							
Program revenues:							
Charges for services	\$ 21.7	\$ 23.6	\$ 32.2	\$ 30.8	\$ 53.9	\$ 54.4	0.9%
Operating grants and contributions	16.3	21.5	-	-	16.3	21.5	31.9%
Capital grants and contributions	26.5	31.9	0.1	1.3	26.6	33.2	24.8%
General revenues:							
Property taxes	162.1	175.3	-	-	162.1	175.3	8.1%
Other taxes	9.2	14.8	-	-	9.2	14.8	60.9%
Intergovernmental	20.5	21.6	-	-	20.5	21.6	5.4%
Other	18.3	23.8	1.0	3.1	19.3	26.9	39.4%
Total revenues	<u>274.6</u>	<u>312.5</u>	<u>33.3</u>	<u>35.2</u>	<u>307.9</u>	<u>347.7</u>	<u>12.9%</u>
EXPENSES							
General government	51.4	57.7	-	-	51.4	57.7	12.3%
Public safety	113.7	127.4	-	-	113.7	127.4	12.0%
Physical environment	9.5	8.3	-	-	9.5	8.3	-12.6%
Transportation	26.9	37.1	-	-	26.9	37.1	37.9%
Economic environment	7.4	8.8	-	-	7.4	8.8	18.9%
Human services	17.7	14.5	-	-	17.7	14.5	-18.1%
Court related	19.6	21.2	-	-	19.6	21.2	8.2%
Culture and recreation	23.4	25.0	-	-	23.4	25.0	6.8%
Bailing & recycling	-	-	18.0	22.4	18.0	22.4	24.4%
Water and sewer	-	-	10.0	9.5	10.0	9.5	-5.0%
Golf Course	-	-	1.5	1.6	1.5	1.6	6.7%
Building code	-	-	2.1	2.6	2.1	2.6	23.8%
Interest and fiscal charges	7.1	6.8	-	-	7.1	6.8	-4.2%
Total expenses	<u>276.7</u>	<u>306.8</u>	<u>31.6</u>	<u>36.1</u>	<u>308.3</u>	<u>342.9</u>	<u>11.2%</u>
Change in net position before transfers & advance forgiveness	(2.1)	5.7	1.7	(0.9)	(0.4)	4.8	-1300.0%
Transfers	0.9	0.6	(0.9)	(0.6)	-	-	0.0%
Advance forgiveness	(0.1)	-	0.1	-	-	-	0.0%
Change in net position	<u>(1.3)</u>	<u>6.3</u>	<u>0.9</u>	<u>(1.5)</u>	<u>(0.4)</u>	<u>4.8</u>	<u>-1300.0%</u>
Net position - Beginning	<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>
Net position - Ending	<u>\$ 514.0</u> *	<u>\$ 520.3</u>	<u>\$ 60.0</u> *	<u>\$ 58.5</u>	<u>\$ 574.0</u> *	<u>\$ 578.8</u>	<u>0.8%</u>

*Restated

Overall the total revenues exceeded expenses by \$4.8 million. Program revenues are specific to the functions of the primary government such as fees, charges for services, grants and capital contributions. The expenses of the primary government were \$342.9 million with public safety operations comprising the largest expense category at 37.16% or \$127.4 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, 2019**

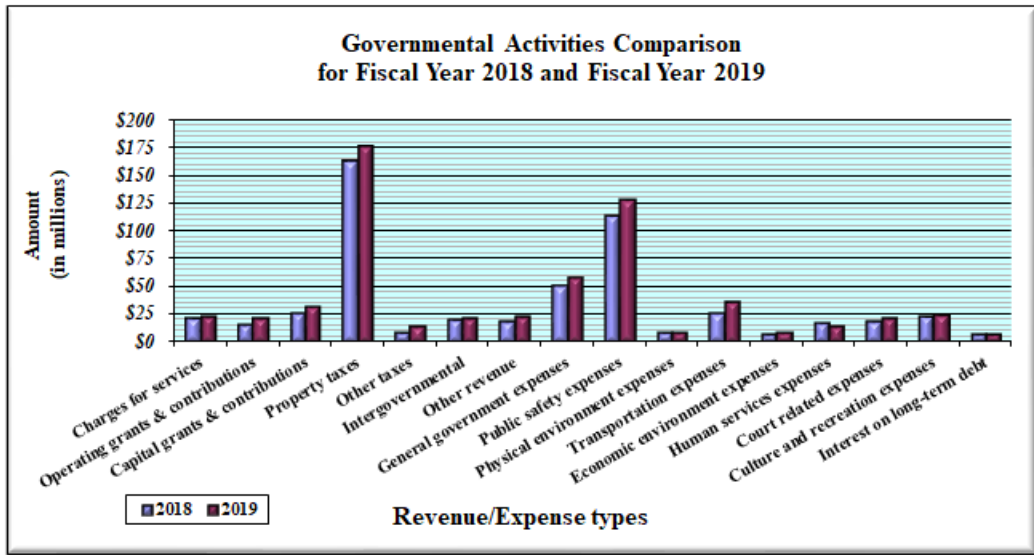
The County's primary government total revenues increased by \$39.8 million from the previous year. The total revenues increase was primarily due to the increase in property tax, sales tax and grants and contributions categories. The County passed the referendum for the collecting of 1/2 cent infrastructure surtax in November 2018. The collections started on January 1, 2019. Total expenses increased by \$34.6 million. The increase was mainly due to an increases in pension cost in FY 2019. The largest expense increase occurred in public safety due to increases in pension cost and operating expenses of the Sheriff. Human services saw a reduction of \$3.2 million, mainly due to a decrease in grants and aids expenditures in FY 2019.

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

Governmental Activities

Governmental revenues and transfers in exceeded expenses and transfers out by \$6.3 million. Total revenues increased \$37.9 million from the previous year. This was mainly due to increases in property tax, sales tax and grants and contributions. Total expenses increased \$30.1 million from the previous year. The increase was mainly due to the increase in pension liabilities.

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

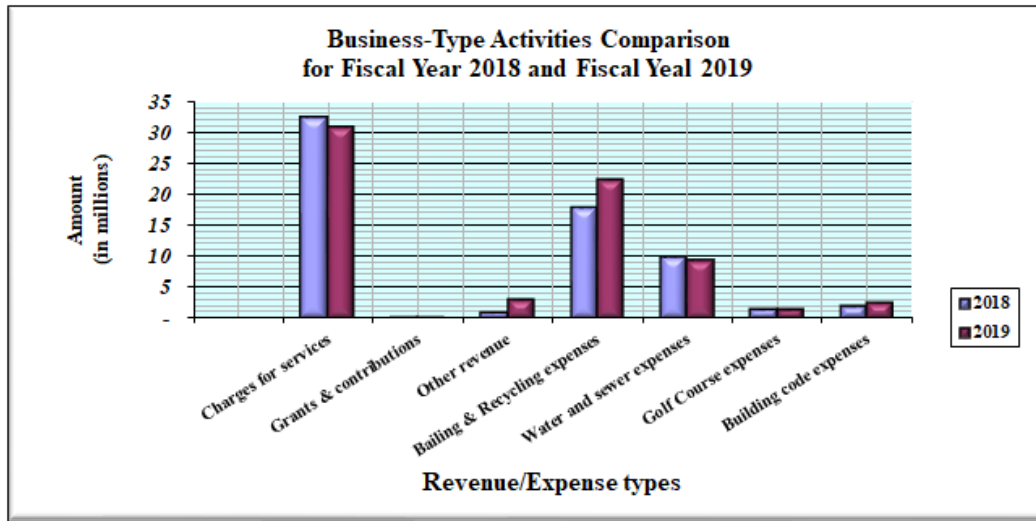


Business-type Activities

Revenues of the County's business-type activities (see Table 2) increased by \$1.9 million and expenses reflect an increase of \$4.5 million. The increase in revenues was mainly due to increases in interest earnings and miscellaneous revenues. The increase in expenses was primarily due to increases in the landfill closure cost estimate and pension liabilities.

**St. Lucie County, Florida
Management's Discussion and Analysis
September 30, 2019**

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 \$208.2 million, which is an increase of \$16.3 million over the prior year of \$191.9 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, 2019, the County had fund balance in 1) a nonspendable category for inventory and prepaid items (\$0.75 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 (\$147.45 million), 3) a committed category for contractual obligations that the County has allocated funding (\$9.8 million), 4) an assigned category for constraints by the County's intent to use the balance for specific purposes (\$36.5 million), and 5) an unassigned category is available for spending at the County's discretion. As of September 30, 2019, the County has \$13.7 million in the unassigned category.

St. Lucie County, Florida
Management's Discussion and Analysis
September 30, 2019

The **General Fund** is the chief operating fund of the County. At the end of the fiscal year, the total fund balance was \$50.6 million, while the unassigned fund balance was \$13.7 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 7.76% of total general fund expenditures, while total fund balance represents 28.57% of that same amount. The **General Fund** had a \$1.2 million increase in total fund balance and a \$3.9 million increase in unassigned fund balance during the current fiscal year. The increase in total fund balance is due to an increase in tax revenues. The increase in unassigned fund balance was caused by the elimination of the amount assigned for the projected budget deficit.

The **Transportation Trust Fund** fund balance reflects a \$0.3 million decrease from the prior fiscal year. The total fund balance was \$5.2 million, of which, \$0.2 million is nonspendable and \$5 million is restricted. The decrease of the total fund balance from the prior year is mainly due to a capital lease issued in the prior fiscal year.

The **Fine and Forfeiture Fund** fund balance reflects a \$1.2 million increase from the prior fiscal year. The total fund balance was \$6.6 million, most of which is restricted for the law enforcement and court related functions. The increase of the total fund balance from the prior year is due to the increases in tax revenues.

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 \$42 million, all of which is restricted for capital projects. The total fund balance reflects a \$13.1 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 \$38 million, all of which is restricted for capital projects. The total fund balance reflects a \$13.8 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 \$21.8 million, while the total unrestricted net position was negative \$16.5 million. Compared to the prior year, the total net position had a decrease of \$4 million while the unrestricted net position had a decrease of \$1.6 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 \$31.3 million, while the unrestricted net position amounted to \$10.8 million. In comparison to the prior year, the total net position had an increase of \$1.8 million. This is attributed to increases in charges for services and investment income.

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

**St. Lucie County, Florida
Management's Discussion and Analysis
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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 2019, the budget for the general fund was amended from its original budget; which consists of the total expenditures, the transfers out, and the ending fund balance; of \$226.3 million to its final amended budget of \$237.2 million.

The original budget for revenues and other financing sources; which consists of total revenue, transfers in, lease purchase proceeds, and proceeds from the sale of capital assets; was \$183.7 million. Throughout the year, changes were made that increased the total revenues by \$4.6 million to \$188.3 million.

The budget for expenditures and financing uses was originally adopted at \$190.6 million. The final amended budget was \$200.6 million, which was a \$10.1 million increase. As revenues are amended, so are the expenditures. The final amended budget for the General Fund's beginning fund balance increased by \$6.2 million compared to the original budget. This is due to the original budgeted fund balance being an estimate and is amended to reflect the actual fund balance during the year.

Variance Between Final Amended Budget and Actual

The actual revenue and other financing sources came in over the final amended budget by \$1.8 million primarily due to investment income coming in higher than anticipated.

The actual expenditures and other financing uses came in under the final amended budget by \$11.7 million. General government expenditures came in \$6.4 million below the final amended budget. This was due to the timing of the Veterans' Nursing Home project funds carry forward, and variances in operating budgets. Public Safety came in \$0.8 million more than the final amended budget, while Court related came in \$0.8 million less than the final amended budget. This was due to the actual expenditures for the Sheriff's Office. Economic environment came in \$1.8 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 \$0.8 million less than the final amended budget. This was mainly due to timing of grant projects. Capital Outlay expenditures were \$1.3 million less than the final amended budget primarily due to the timing of capital projects.

Operating transfers out came in \$0.7 million under the amended budget level, while operating transfers in came in under the final amended budget by \$1.3 million. The actual net change in fund balances was a \$1.2 million increase.

**St. Lucie County, Florida
Management's Discussion and Analysis
September 30, 2019**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2019, the County had \$735.4 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 \$5.5 million, or 0.8%, over the prior year. The following table illustrates the changes in capital assets. See pages 55 to 57 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
	2018	2019	2018	2019	2018	2019	
Land	\$ 188.0	\$ 188.0	\$ 10.4	\$ 10.4	\$ 198.4	\$ 198.4	0.0%
Buildings and improvements, net of accumulated depreciation	388.3	408.8	59.2	59.0	447.5	467.8	4.5%
Equipment, net of accumulated depreciation	28.9	27.4	10.0	8.9	38.9	36.3	-6.7%
Construction in progress	42.2	32.3	2.9	0.6	45.1	32.9	-27.1%
Total	\$ 647.4	\$ 656.5	\$ 82.5	\$ 78.9	\$ 729.9	\$ 735.4	0.8

Governmental activities had a major increase in the buildings and improvements category mainly due to the completion of the Tax Collector building and Kings Highway projects.

Business-type activities had an overall decrease of \$3.6 million mainly due to the assets depreciation and disposal of heavy equipment.

Debt

On September 30, 2019, the County had \$187.1 million in bonds, notes and capital leases outstanding versus \$197.1 million on September 30, 2018 – a decrease of 5.08% – as shown in Table 4.

The decrease in debt is the net result of the issuance of new debt and scheduled principal payments on long-term debt.

Table 4

	Governmental Activities		Business-Type Activities		Totals		Total Percent Change
	2018	2019	2018	2019	2018	2019	
Revenue bonds	\$ 115,910,000	\$ 112,110,000	\$ -	\$ -	\$ 115,910,000	\$ 112,110,000	-3.3%
Revenue notes from direct borrowings	37,540,737	34,522,288	-	-	37,540,737	34,522,288	-8.0%
Special assessment from direct borrowings	3,153,223	2,929,578	-	-	3,153,223	2,929,578	-7.1%
Notes payable from direct borrowings	3,264,372	2,448,329	-	-	3,264,372	2,448,329	100.0%
Capital leases	18,458,422	17,093,677	-	-	18,458,422	17,093,677	-7.4%
Water & sewer debt	-	-	18,810,000	18,015,000	18,810,000	18,015,000	-4.2%
Totals	\$ 178,326,754	\$ 169,103,872	\$ 18,810,000	\$ 18,015,000	\$ 197,136,754	\$ 187,118,872	-5.1%

**St. Lucie County, Florida
Management's Discussion and Analysis
September 30, 2019**

Additional information on the County's long-term debt can be found on pages 63 to 73 in the notes to financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's elected officials considered many factors when setting the fiscal year 2020 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 2019, St Lucie County's unemployment rate continued its post-recession decline, reaching 3.9% yearly average, lower than the 4.4% in the previous year. Actually the 2019 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 2018, St Lucie County personal income increased 3.7% compared to the State of Florida's 4.6% increase.

New construction in the unincorporated area decreased from 407 new homes in 2018 to 337 in 2019, while the City of Port Saint Lucie experienced an increase from 2,351 in 2018 to 2,837 in 2019. Total single-family home sales increased 6.7% from 5,517 in 2018 to 5,886 in 2019, while the State is experiencing a 5.6% increase. The median sale price for an existing single-family home in the area was \$233,000, which reflects an increase of 5.9% from 2018. The State median sale price reflects a 3.9% increase.

These indicators were taken into account when adopting the county's budget for fiscal year 2020. The past fiscal year has seen solid economic growth across the County, with the 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 7.8704 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. Amounts available for appropriation in the Board of County Commissioners' General Fund budget in 2020 are \$162 million, an increase of 10.21% from the original fiscal year 2019 budget of \$147 million and an increase of 3.2% from the final fiscal year 2019 budget of \$157 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, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 243,633,091	\$ 25,823,410	\$ 269,456,501
Restricted assets:			
Cash and investments—customer deposits	1,319,785	470,008	1,789,793
Accounts receivable, net	2,375,241	1,512,173	3,887,414
Assessments receivable	3,371,103	-	3,371,103
Interest receivable	520,701	77,895	598,596
Due from other governments	13,508,780	30,862	13,539,642
Inventories	423,956	211,116	635,072
Prepaid items	455,127	1,515	456,642
Total current assets	<u>265,607,784</u>	<u>28,126,979</u>	<u>293,734,763</u>
Non-current assets:			
Restricted assets:			
Cash and investments—landfill closure	-	2,292,734	2,292,734
Cash and investments—renewal and replacement	-	421,672	421,672
Capital assets, not being depreciated:			
Land	187,972,934	10,356,397	198,329,331
Construction in progress	32,271,975	595,485	32,867,460
Capital assets, being depreciated:			
Buildings and improvements	667,559,529	125,498,639	793,058,168
Machinery and equipment	100,927,881	20,428,927	121,356,808
Accumulated depreciation	<u>(332,224,564)</u>	<u>(77,990,613)</u>	<u>(410,215,177)</u>
Total non-current assets	<u>656,507,755</u>	<u>81,603,241</u>	<u>738,110,996</u>
Total assets	<u>922,115,539</u>	<u>109,730,220</u>	<u>1,031,845,759</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	2,227,358	173,651	2,401,009
Deferred outflows related to pension plan	55,323,136	2,912,424	58,235,560
Deferred outflows related to OPEB	2,011,782	116,874	2,128,656
Total deferred outflows of resources	<u>59,562,276</u>	<u>3,202,949</u>	<u>62,765,225</u>
LIABILITIES			
Current liabilities:			
Accounts payable	23,926,974	3,182,052	27,109,026
Matured bonds payable	5,433,493	795,000	6,228,493
Matured interest payable	1,231,754	450,325	1,682,079
Claims payable	594,000	-	594,000
Deposits payable from restricted assets	1,319,785	470,008	1,789,793
Accrued interest	968,573	-	968,573
Due to other governments	2,668,195	62,351	2,730,546
Bonds and notes payable - net	10,174,686	895,000	11,069,686
Special assessment debt - government commitment	366,481	-	366,481
Capital leases payable	1,546,832	-	1,546,832
Accrued compensated absences	7,545,214	185,459	7,730,673
Unearned revenues	532,744	14,889	547,633
Total current liabilities	<u>56,308,731</u>	<u>6,055,084</u>	<u>62,363,815</u>
Non-current liabilities:			
Liabilities payable from restricted assets	-	2,292,734	2,292,734
Bonds and notes payable - net	149,560,920	17,644,949	167,205,869
Special assessment debt - government commitment, net	2,563,097	-	2,563,097
Capital leases payable - net	15,546,845	-	15,546,845
Accrued compensated absences - net	10,144,993	519,138	10,664,131
Landfill long-term maintenance liabilities	-	17,000,213	17,000,213
OPEB liability	56,547,980	2,061,647	58,609,627
Net pension liability	151,046,020	7,686,499	158,732,519
Total non-current liabilities	<u>385,409,855</u>	<u>47,205,180</u>	<u>432,615,035</u>
Total liabilities	<u>441,718,586</u>	<u>53,260,264</u>	<u>494,978,850</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - grants	246,471	9,706	256,177
Deferred inflows related to pension plan	10,290,015	444,101	10,734,116
Deferred inflows related to OPEB	9,115,335	681,685	9,797,020
Total deferred inflows of resources	<u>19,651,821</u>	<u>1,135,492</u>	<u>20,787,313</u>
NET POSITION			
Net investment in capital assets	516,883,454	59,878,754	576,762,208
Restricted for:			
Transportation	30,518,969	-	30,518,969
Physical environment	7,043,211	-	7,043,211
Human services	3,726,029	-	3,726,029
Environmental land acquisition	588,865	-	588,865
Debt service	16,547,991	-	16,547,991
Renewal and replacement	-	421,672	421,672
Capital projects	18,986,086	-	18,986,086
Other purposes	2,900,714	-	2,900,714
Unrestricted	<u>(76,887,911)</u>	<u>(1,763,013)</u>	<u>(78,650,924)</u>
Total net position	<u>\$ 520,307,408</u>	<u>\$ 58,537,413</u>	<u>\$ 578,844,821</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, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 57,745,667	\$ 9,246,575	\$ 652,190	\$ 232,168
Public safety	127,432,899	3,620,107	7,236,665	2,535,771
Physical environment	8,258,373	3,249	2,741,153	3,095,594
Transportation	37,091,579	674,565	5,769,197	20,179,795
Economic environment	8,840,612	-	2,502,442	212,305
Human services	14,469,729	-	916,196	-
Culture and recreation	24,962,741	1,274,019	121,955	5,726,585
Court related	21,226,302	8,854,039	1,568,536	3,441
Interest on long-term debt	6,766,224	-	-	-
Total governmental activities	<u>306,794,126</u>	<u>23,672,554</u>	<u>21,508,334</u>	<u>31,985,659</u>
Business-type activities:				
Bailing & recycling	22,449,597	16,689,341	-	283,835
Golf course	1,579,001	1,491,784	-	-
Water & sewer	9,567,600	9,735,000	-	1,004,170
Building code	2,570,206	2,914,230	-	-
Total business-type activities	<u>36,166,404</u>	<u>30,830,355</u>	<u>-</u>	<u>1,288,005</u>
Total primary government	<u>342,960,530</u>	<u>54,502,909</u>	<u>21,508,334</u>	<u>33,273,664</u>

General revenues:

Taxes:

Property taxes, levied for general purposes

Sales taxes

Franchise taxes

State shared revenues

Investment income

Miscellaneous

Total general revenues

Transfers

Total general revenues and transfers

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

Governmental Activities	Business-type Activities	Total
\$ (47,614,734)	\$ -	\$ (47,614,734)
(114,040,356)	-	(114,040,356)
(2,418,377)	-	(2,418,377)
(10,468,022)	-	(10,468,022)
(6,125,865)	-	(6,125,865)
(13,553,533)	-	(13,553,533)
(17,840,182)	-	(17,840,182)
(10,800,286)	-	(10,800,286)
(6,766,224)	-	(6,766,224)
<u>(229,627,579)</u>	<u>-</u>	<u>(229,627,579)</u>
-	(5,476,421)	(5,476,421)
-	(87,217)	(87,217)
-	1,171,570	1,171,570
-	344,024	344,024
<u>-</u>	<u>(4,048,044)</u>	<u>(4,048,044)</u>
<u>(229,627,579)</u>	<u>(4,048,044)</u>	<u>(233,675,623)</u>
175,283,557	-	175,283,557
10,100,739	-	10,100,739
4,709,784	-	4,709,784
21,553,086	-	21,553,086
9,582,069	1,094,384	10,676,453
14,200,931	1,984,675	16,185,606
<u>235,430,166</u>	<u>3,079,059</u>	<u>238,509,225</u>
575,907	(575,907)	-
<u>236,006,073</u>	<u>2,503,152</u>	<u>238,509,225</u>
6,378,494	(1,544,892)	4,833,602
513,928,914	60,082,305	574,011,219
<u>\$520,307,408</u>	<u>\$58,537,413</u>	<u>\$ 578,844,821</u>

**St. Lucie County, Florida
Balance Sheet
Governmental Funds
September 30, 2019**

	<u>General</u>	<u>Transportation Trust Fund</u>	<u>Fine and Forfeiture</u>	<u>Impact Fee</u>
ASSETS				
Cash and investments	\$ 59,142,217	\$ 4,815,850	\$ 6,855,094	\$ 43,440,599
Accounts receivable	595,578	4,627	61,524	381,370
Assessments receivable	5,053	-	-	-
Interest receivable	143,512	12,216	19,167	119,009
Due from other governments	2,272,215	878,254	695,215	2,873,520
Due from other funds	2,845,138	105	624,141	-
Inventories	-	172,918	-	-
Prepaid items	71,290	-	489	-
Total assets	<u>65,075,003</u>	<u>5,883,970</u>	<u>8,255,630</u>	<u>46,814,498</u>
LIABILITIES				
Accounts payable and other current liabilities	9,642,573	540,493	1,236,882	2,098,856
Matured bonds payable	-	109,219	-	-
Matured interest payable	-	714	-	-
Deposits payable	1,307,267	-	-	-
Due to other governments	1,351,655	745	280,283	267,264
Due to other funds	1,152,195	-	-	-
Unearned revenues - other	17,465	-	87,431	-
Total liabilities	<u>13,471,155</u>	<u>651,171</u>	<u>1,604,596</u>	<u>2,366,120</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	970,828	-	67,174	2,402,017
Total deferred inflows of resources	<u>970,828</u>	<u>-</u>	<u>67,174</u>	<u>2,402,017</u>
FUND BALANCES				
Nonspendable:				
Inventories of supplies	-	172,918	-	-
Prepaid items	71,290	-	489	-
Restricted:				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	11,157,394
Court related	-	-	71,522	-
Court Administrator, mediation	-	-	-	-
Transportation	-	5,059,881	-	24,968,246
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Law enforcement	-	-	6,511,849	2,488,179
Court modernization	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	3,432,542
Other purposes	-	-	-	-
Committed to:				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated services	-	-	-	-
Law enforcement	-	-	-	-
Other purposes	322,478	-	-	-
Assigned to:				
Emergency reserves	36,500,000	-	-	-
Unassigned	<u>13,739,252</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>50,633,020</u>	<u>5,232,799</u>	<u>6,583,860</u>	<u>42,046,361</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 65,075,003</u>	<u>\$ 5,883,970</u>	<u>\$ 8,255,630</u>	<u>\$ 46,814,498</u>

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

Sports Complex Capital Project	Other Governmental Funds	Total Governmental Funds
\$ 42,120,657	\$ 74,540,190	\$ 230,914,607
-	866,971	1,910,070
-	3,366,050	3,371,103
145	192,889	486,938
-	6,736,849	13,456,053
-	527,949	3,997,333
-	184,983	357,901
-	219,639	291,418
<u>42,120,802</u>	<u>86,635,520</u>	<u>254,785,423</u>
4,118,418	4,042,353	21,679,575
-	5,324,274	5,433,493
-	1,231,040	1,231,754
-	12,518	1,319,785
-	747,885	2,647,832
-	2,845,138	3,997,333
-	276,231	381,127
<u>4,118,418</u>	<u>14,479,439</u>	<u>36,690,899</u>
-	3,366,050	3,366,050
-	3,131,727	6,571,746
-	<u>6,497,777</u>	<u>9,937,796</u>
-	184,983	357,901
-	219,639	291,418
-	1,017,736	1,017,736
-	7,043,211	7,043,211
38,002,384	2,496,994	51,656,772
-	-	71,522
-	2,349,825	2,349,825
-	3,519,132	33,547,259
-	8,500,439	8,500,439
-	588,865	588,865
-	424,508	9,424,536
-	635,862	635,862
-	5,840,298	5,840,298
-	368,487	368,487
-	366,987	366,987
-	1,065,965	1,065,965
-	127,618	127,618
-	17,891,406	21,323,948
-	3,537,792	3,537,792
-	230,771	230,771
-	7,341,917	7,341,917
-	202,356	202,356
-	1,703,513	2,025,991
-	-	36,500,000
-	-	13,739,252
<u>38,002,384</u>	<u>65,658,304</u>	<u>208,156,728</u>
<u>\$ 42,120,802</u>	<u>\$ 86,635,520</u>	<u>\$ 254,785,423</u>

St. Lucie County, Florida
Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
September 30, 2019

Total governmental fund balances	\$ 208,156,728
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.	656,182,890
Accrued other post employment benefits and net pension liability are not financial uses, and therefore, are not reported in the funds.	(207,225,127)
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.	(186,777,163)
Bonds premiums are not financial resources, and therefore, are not reported in the funds.	(10,654,989)
Deferred charges on refunding are not financial uses, and therefore, are not reported in the funds.	2,227,358
Accrued long term debt interest expense is not a current use of resources, and therefore, is not reported in governmental funds.	(968,573)
Special assessment receivables are not financial resources in the current period, and therefore, are reported as deferred inflows at the fund level.	3,366,050
Grant revenues are not recognized in the fund level statements 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.	6,325,275
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.	11,811,234
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.	<u>37,863,725</u>
Net position of governmental activities	<u><u>\$ 520,307,408</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 Fund Balances
Governmental Funds
For the year ended September 30, 2019

	<u>General</u>	<u>Transportation Trust Fund</u>	<u>Fine and Forfeiture</u>	<u>Impact Fee</u>
REVENUES				
Taxes:				
Property	\$ 80,874,637	\$ -	\$ 68,019,219	\$ -
Tourist	-	-	-	-
Motor fuel	-	3,446,845	-	-
Discretionary sales surtaxes	-	-	-	-
Local communication	-	788,494	-	-
Local business	25,427	-	-	-
Licenses and permits	2,000	2,530	-	-
Franchise fees	3,921,290	-	-	-
Impact fees	-	47,030	-	16,571,151
Special assessments	-	-	-	-
Intergovernmental	16,830,586	4,821,664	2,617,569	4,267,041
Charges for services	14,502,701	-	1,364,377	-
Fines and forfeitures	1,677,343	-	311,105	-
Investment income	2,721,196	183,265	495,704	1,613,118
Contributions from property owners	94,889	8,601	-	-
Miscellaneous	7,174,814	351,700	1,222,243	12,194
Total revenues	<u>127,824,883</u>	<u>9,650,129</u>	<u>74,030,217</u>	<u>22,463,504</u>
EXPENDITURES				
Current:				
General government	43,715,181	747,420	2,774,127	-
Public safety	86,564,553	-	11,232,618	167
Physical environment	3,364,117	-	-	-
Transportation	134,888	8,730,575	-	-
Economic environment	4,681,329	-	2,281,695	-
Human services	8,662,712	-	15,000	-
Culture and recreation	13,811,837	-	61	323,836
Court-related	11,790,919	-	4,484,774	-
Capital outlay	3,459,841	1,245,590	362,017	8,130,254
Debt service:				
Principal	935,389	450,453	-	-
Interest	101,572	23,417	-	-
Other	-	-	-	-
Total expenditures	<u>177,222,338</u>	<u>11,197,455</u>	<u>21,150,292</u>	<u>8,454,257</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(49,397,455)</u>	<u>(1,547,326)</u>	<u>52,879,925</u>	<u>14,009,247</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	61,871,437	527,215	8,277,262	-
Transfers out	(11,698,946)	(90)	(59,985,450)	(929,422)
Inception of capital lease	304,432	-	-	-
Sale of capital assets	114,325	723,550	375	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>50,591,248</u>	<u>1,250,675</u>	<u>(51,707,813)</u>	<u>(929,422)</u>
Net change in fund balances	1,193,793	(296,651)	1,172,112	13,079,825
Fund balances - beginning	49,439,227	5,550,643	5,411,748	28,966,536
Changes in inventories of supplies	-	(21,193)	-	-
Fund balances - ending	<u>\$ 50,633,020</u>	<u>\$ 5,232,799</u>	<u>\$ 6,583,860</u>	<u>\$ 42,046,361</u>

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

<u>Sports Complex Capital Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 26,389,701	\$ 175,283,557
-	4,150,965	4,150,965
-	1,250,877	4,697,722
-	5,949,774	5,949,774
-	-	788,494
-	59,329	84,756
-	216,269	220,799
-	-	3,921,290
-	-	16,618,181
-	859,834	859,834
-	27,163,193	55,700,053
-	4,528,302	20,395,380
-	706,895	2,695,343
1,261,656	2,876,709	9,151,648
-	2,079,990	2,183,480
-	3,770,072	12,531,023
<u>1,261,656</u>	<u>80,001,910</u>	<u>315,232,299</u>
-	2,620,481	49,857,209
-	10,238,107	108,035,445
-	3,224,248	6,588,365
-	13,438,682	22,304,145
-	1,648,821	8,611,845
-	3,580,141	12,257,853
-	5,286,294	19,422,028
-	1,631,093	17,906,786
15,064,022	11,109,738	39,371,462
-	10,932,135	12,317,977
-	7,013,965	7,138,954
-	23,058	23,058
<u>15,064,022</u>	<u>70,746,763</u>	<u>303,835,127</u>
<u>(13,802,366)</u>	<u>9,255,147</u>	<u>11,397,172</u>
-	14,154,959	84,830,873
-	(11,641,058)	(84,254,966)
-	-	304,432
-	295,125	1,133,375
-	2,790,663	2,790,663
<u>-</u>	<u>5,599,689</u>	<u>4,804,377</u>
(13,802,366)	14,854,836	16,201,549
51,804,750	50,780,436	191,953,340
-	23,032	1,839
<u>\$ 38,002,384</u>	<u>\$ 65,658,304</u>	<u>\$ 208,156,728</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, 2019

Net change in fund balances - total governmental funds		\$ 16,201,549
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	\$ 39,371,462	
Less current year depreciation	<u>(23,561,475)</u>	15,809,987
Capital asset contributions from private sources and to outside government agencies.		(6,543,725)
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.		
		(143,133)
Debt proceeds provide current financial resources to governmental funds, but debt increases long-term liabilities in the statement of net position.		
Debt proceeds		(3,095,095)
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 payments	\$ 4,721,098	
Notes payable principal payments	5,927,702	
Capital lease principal payments	<u>1,669,177</u>	12,317,977
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	\$ 34,338	
Amortization of bond premium	623,173	
Amortization of deferred amount on refunding	(261,723)	
Change in compensated absences	(997,885)	
Change in other post employment benefits	(1,802,184)	
Change in net pension expense	<u>(21,584,690)</u>	(23,988,971)
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.		
		(2,827,890)
Some revenues (special assessments) reported in the governmental funds have been recognized as revenues in the prior fiscal year in the statement of activities.		
		(245,890)
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.		
		1,839
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.		
		<u>(1,108,154)</u>
Change in net position of governmental activities		<u><u>\$ 6,378,494</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, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property	\$ 78,933,357	\$ 78,933,357	\$ 80,874,637	\$ 1,941,280
Local business	25,000	25,000	25,427	427
Licenses and permits	-	-	2,000	2,000
Franchise fees	4,029,146	4,029,146	3,921,290	(107,856)
Intergovernmental	16,187,004	17,266,400	16,830,586	(435,814)
Charges for services	14,336,853	14,456,386	14,502,701	46,315
Fines and forfeitures	1,489,597	1,644,479	1,677,343	32,864
Investment income	866,314	929,090	2,721,196	1,792,106
Contributions from property owners	93,572	114,416	94,889	(19,527)
Miscellaneous	4,736,683	7,295,110	7,174,814	(120,296)
Total revenues	<u>120,697,526</u>	<u>124,693,384</u>	<u>127,824,883</u>	<u>3,131,499</u>
EXPENDITURES				
Current:				
General government	48,521,458	50,098,927	43,715,181	6,383,746
Public safety	82,647,855	85,717,431	86,564,553	(847,122)
Physical environment	2,505,727	3,389,583	3,364,117	25,466
Transportation	-	362,225	134,888	227,337
Economic environment	5,922,776	6,467,355	4,681,329	1,786,026
Human services	8,992,579	9,484,837	8,662,712	822,125
Culture and recreation	14,306,838	14,377,132	13,811,837	565,295
Court-related	12,390,078	12,616,100	11,790,919	825,181
Capital outlay	3,641,568	4,741,656	3,459,841	1,281,815
Debt service:				
Principal	873,576	1,009,148	935,389	73,759
Interest	-	18,479	101,572	(83,093)
Total expenditures	<u>179,802,455</u>	<u>188,282,873</u>	<u>177,222,338</u>	<u>11,060,535</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(59,104,929)</u>	<u>(63,589,489)</u>	<u>(49,397,455)</u>	<u>14,192,034</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	62,961,972	63,176,282	61,871,437	(1,304,845)
Transfers out	(10,781,031)	(12,357,525)	(11,698,946)	658,579
Inception of capital lease	-	331,379	304,432	(26,947)
Sale of capital assets	8,774	114,325	114,325	-
Total other financing sources (uses)	<u>52,189,715</u>	<u>51,264,461</u>	<u>50,591,248</u>	<u>(673,213)</u>
Net change in fund balances	(6,915,214)	(12,325,028)	1,193,793	13,518,821
Fund balances - beginning	<u>42,675,971</u>	<u>48,858,484</u>	<u>49,439,227</u>	<u>580,743</u>
Fund balances - ending	<u>\$ 35,760,757</u>	<u>\$ 36,533,456</u>	<u>\$ 50,633,020</u>	<u>\$ 14,099,564</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, 2019

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Motor fuel	\$ 2,583,786	\$ 2,583,786	\$ 3,446,845	\$ 863,059
Local communication	815,720	815,720	788,494	(27,226)
Licenses and permits	-	-	2,530	2,530
Impact fees	-	-	47,030	47,030
Intergovernmental	4,139,701	4,139,701	4,821,664	681,963
Investment income	37,737	37,737	183,265	145,528
Contributions from property owners	-	-	8,601	8,601
Miscellaneous	84,004	183,004	351,700	168,696
Total revenues	<u>7,660,948</u>	<u>7,759,948</u>	<u>9,650,129</u>	<u>1,890,181</u>
EXPENDITURES				
Current:				
General government	751,912	751,912	747,420	4,492
Transportation	9,287,299	9,684,684	8,730,575	954,109
Capital outlay	531,601	1,319,663	1,245,590	74,073
Debt service:				
Principal	656,479	656,479	450,453	206,026
Interest	63,388	63,388	23,417	39,971
Total expenditures	<u>11,290,679</u>	<u>12,476,126</u>	<u>11,197,455</u>	<u>1,278,671</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,629,731)</u>	<u>(4,716,178)</u>	<u>(1,547,326)</u>	<u>3,168,852</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	579,008	606,177	527,215	(78,962)
Transfers out	(88,578)	(88,578)	(90)	88,488
Sale of capital assets	-	723,550	723,550	-
Total other financing sources (uses)	<u>490,430</u>	<u>1,241,149</u>	<u>1,250,675</u>	<u>9,526</u>
Net change in funds balances	(3,139,301)	(3,475,029)	(296,651)	3,178,378
Fund balances - beginning	3,679,798	5,351,699	5,550,643	198,944
Change in inventories of supplies	-	-	(21,193)	(21,193)
Fund balances - ending	<u>\$ 540,497</u>	<u>\$ 1,876,670</u>	<u>\$ 5,232,799</u>	<u>\$ 3,356,129</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, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property	\$ 66,864,816	\$ 66,864,816	\$ 68,019,219	\$ 1,154,403
Intergovernmental	2,519,514	2,758,806	2,617,569	(141,237)
Charges for services	1,325,000	1,325,000	1,364,377	39,377
Fines and forfeitures	273,517	273,517	311,105	37,588
Investment income	109,200	109,200	495,704	386,504
Miscellaneous	1,089,984	1,089,984	1,222,243	132,259
Total revenues	<u>72,182,031</u>	<u>72,421,323</u>	<u>74,030,217</u>	<u>1,608,894</u>
EXPENDITURES				
Current:				
General government	3,154,943	2,973,443	2,774,127	199,316
Public safety	10,494,074	10,671,961	11,232,618	(560,657)
Economic environment	2,338,871	2,338,871	2,281,695	57,176
Human services	15,000	15,000	15,000	-
Culture and recreation	-	-	61	(61)
Court-related	4,500,885	4,679,359	4,484,774	194,585
Capital outlay	362,000	411,279	362,017	49,262
Total expenditures	<u>20,865,773</u>	<u>21,089,913</u>	<u>21,150,292</u>	<u>(60,379)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>51,316,258</u>	<u>51,331,410</u>	<u>52,879,925</u>	<u>1,548,515</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,943,991	9,052,554	8,277,262	(775,292)
Transfers out	(62,078,524)	(62,054,910)	(59,985,450)	2,069,460
Sale of capital lease	-	375	375	-
Total other financing sources (uses)	<u>(53,134,533)</u>	<u>(53,001,981)</u>	<u>(51,707,813)</u>	<u>1,294,168</u>
Net change in funds balances	(1,818,275)	(1,670,571)	1,172,112	2,842,683
Fund balances - beginning	4,702,712	5,411,748	5,411,748	-
Fund balances - ending	<u>\$ 2,884,437</u>	<u>\$ 3,741,177</u>	<u>\$ 6,583,860</u>	<u>\$ 2,842,683</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, 2019**

	Business Type Activities			Governmental Activities	
	Bailing & Recycling Facility	Water & Sewer District	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS					
Current assets:					
Cash and investments	\$ 5,420,938	\$13,231,195	\$ 7,171,277	\$25,823,410	\$ 14,038,269
Restricted assets:					
Cash and investments--customer deposits	207,850	262,158	-	470,008	-
Accounts receivable, net	938,693	573,080	400	1,512,173	465,171
Interest receivable	21,269	37,579	19,047	77,895	33,763
Due from other governments	30,862	-	-	30,862	52,727
Inventories	144,361	-	66,755	211,116	66,055
Prepaid items	418	-	1,097	1,515	163,709
Total current assets	<u>6,764,391</u>	<u>14,104,012</u>	<u>7,258,576</u>	<u>28,126,979</u>	<u>14,819,694</u>
Non-current assets:					
Restricted assets:					
Cash and investments--landfill closure	2,292,734	-	-	2,292,734	-
Cash and investments--renewal and replacement	-	421,672	-	421,672	-
Land	4,905,601	4,182,746	1,268,050	10,356,397	-
Construction in progress	-	595,485	-	595,485	3,540
Buildings and improvements	49,854,461	72,063,881	3,580,297	125,498,639	216,388
Machinery and equipment	19,416,278	582,500	430,149	20,428,927	283,741
Accumulated depreciation	<u>(35,884,484)</u>	<u>(38,366,487)</u>	<u>(3,739,642)</u>	<u>(77,990,613)</u>	<u>(178,804)</u>
Total non-current assets	<u>40,584,590</u>	<u>39,479,797</u>	<u>1,538,854</u>	<u>81,603,241</u>	<u>324,865</u>
Total assets	<u>47,348,981</u>	<u>53,583,809</u>	<u>8,797,430</u>	<u>109,730,220</u>	<u>15,144,559</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refunding	-	173,651	-	173,651	-
Deferred outflows related to pensions	1,637,254	343,798	931,372	2,912,424	114,757
Deferred outflows related to OPEB	65,896	10,048	40,930	116,874	2,763
Total deferred outflows of resources	<u>1,703,150</u>	<u>527,497</u>	<u>972,302</u>	<u>3,202,949</u>	<u>117,520</u>
LIABILITIES					
Current liabilities:					
Accounts payable and other current liabilities	1,519,368	1,502,390	160,294	3,182,052	2,247,399
Matured bonds payable	-	795,000	-	795,000	-
Matured interest payable	-	450,325	-	450,325	-
Claims and judgements payable	-	-	-	-	594,000
Deposits payable from restricted assets	207,850	262,158	-	470,008	-
Due to other governments	47,533	190	14,628	62,351	20,363
Bonds and notes payable, net	-	895,000	-	895,000	-
Accrued compensated absences	35,354	39,182	110,923	185,459	12,276
Unearned revenues	-	-	14,889	14,889	151,617
Total current liabilities	<u>1,810,105</u>	<u>3,944,245</u>	<u>300,734</u>	<u>6,055,084</u>	<u>3,025,655</u>
Non-current liabilities:					
Liabilities payable from restricted assets	2,292,734	-	-	2,292,734	-
Bonds and notes payable, net	-	17,644,949	-	17,644,949	-
Accrued compensated absences, net	326,663	42,814	149,661	519,138	4,640
Landfill long-term care liabilities	17,000,213	-	-	17,000,213	-
OPEB liability	1,031,699	196,156	833,792	2,061,647	56,435
Net pension liability	4,243,054	899,712	2,543,733	7,686,499	312,438
Total non-current liabilities	<u>24,894,363</u>	<u>18,783,631</u>	<u>3,527,186</u>	<u>47,205,180</u>	<u>373,513</u>
Total liabilities	<u>26,704,468</u>	<u>22,727,876</u>	<u>3,827,920</u>	<u>53,260,264</u>	<u>3,399,168</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	211,016	59,765	173,320	444,101	33,513
Deferred inflows related to OPEB	339,398	53,051	289,236	681,685	18,164
Deferred inflows related to grants	9,706	-	-	9,706	-
Total deferred inflows of resources	<u>560,120</u>	<u>112,816</u>	<u>462,556</u>	<u>1,135,492</u>	<u>51,677</u>
NET POSITION					
Net investment in capital assets	38,291,856	20,068,114	1,518,784	59,878,754	322,010
Restricted for:					
Renewal and replacement	-	421,672	-	421,672	-
Unrestricted	<u>(16,504,313)</u>	<u>10,780,828</u>	<u>3,960,472</u>	<u>(1,763,013)</u>	<u>11,489,224</u>
Total net position	<u>\$21,787,543</u>	<u>\$31,270,614</u>	<u>\$ 5,479,256</u>	<u>\$58,537,413</u>	<u>\$ 11,811,234</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, 2019

	<u>Business Type Activities</u>			<u>Total</u>	<u>Governmental</u>
	<u>Bailing & Recycling Facility</u>	<u>Water & Sewer District</u>	<u>Nonmajor Enterprise Funds</u>		<u>Internal Service Funds</u>
Operating Revenues:					
Charges for services	\$ 16,689,341	\$ -	\$ 4,406,014	\$ 21,095,355	\$ 17,205,740
Charges for services, pledged for revenue bonds	-	9,735,000	-	9,735,000	-
Miscellaneous	1,619,431	-	122,729	1,742,160	890,598
Miscellaneous, pledged for revenue bonds	-	108,192	-	108,192	-
Total operating revenues	<u>18,308,772</u>	<u>9,843,192</u>	<u>4,528,743</u>	<u>32,680,707</u>	<u>18,096,338</u>
Operating expenses:					
Salaries, wages and employee benefits	4,416,384	764,854	2,977,469	8,158,707	13,452,433
Contractual services, materials and supplies	15,380,126	5,893,467	1,122,116	22,395,709	6,212,275
Depreciation	2,653,087	2,092,940	49,622	4,795,649	32,765
Total operating expenses	<u>22,449,597</u>	<u>8,751,261</u>	<u>4,149,207</u>	<u>35,350,065</u>	<u>19,697,473</u>
Operating income (loss)	<u>(4,140,825)</u>	<u>1,091,931</u>	<u>379,536</u>	<u>(2,669,358)</u>	<u>(1,601,135)</u>
Nonoperating revenues (expenses):					
Investment income	314,032	-	267,852	581,884	492,981
Investment income, pledged for revenue bonds	-	512,500	-	512,500	-
Gain on disposal of capital assets	112,398	400	21,525	134,323	-
Interest expense	-	(816,339)	-	(816,339)	-
Intergovernmental	283,835	83,518	-	367,353	-
Total nonoperating revenues (expenses)	<u>710,265</u>	<u>(219,921)</u>	<u>289,377</u>	<u>779,721</u>	<u>492,981</u>
Income (loss) before contributions and transfers	<u>(3,430,560)</u>	<u>872,010</u>	<u>668,913</u>	<u>(1,889,637)</u>	<u>(1,108,154)</u>
Capital contributions	-	920,652	-	920,652	-
Transfers out	(575,907)	-	-	(575,907)	-
Total capital contributions and transfers	<u>(575,907)</u>	<u>920,652</u>	<u>-</u>	<u>344,745</u>	<u>-</u>
Change in net position	<u>(4,006,467)</u>	<u>1,792,662</u>	<u>668,913</u>	<u>(1,544,892)</u>	<u>(1,108,154)</u>
Net position - beginning	<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>
Net position - ending	<u>\$21,787,543</u>	<u>\$31,270,614</u>	<u>\$ 5,479,256</u>	<u>\$58,537,413</u>	<u>\$ 11,811,234</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, 2019

	Business Type Activities				Governmental Activities
	Bailing & Recycling Facility	Water & Sewer District	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities					
Cash received from customers	\$ 16,683,214	\$ 9,848,104	\$ 4,405,718	\$ 30,937,036	\$ 17,209,348
Cash paid to suppliers	(12,810,080)	(5,893,277)	(1,172,820)	(19,876,177)	(5,607,847)
Cash paid for employee services	(5,009,910)	(839,727)	(2,509,662)	(8,359,299)	(14,844,003)
Other receipts	1,619,431	108,192	122,729	1,850,352	890,598
Net cash provided by (used for) operating activities	<u>482,655</u>	<u>3,223,292</u>	<u>845,965</u>	<u>4,551,912</u>	<u>(2,351,904)</u>
Cash flows from noncapital financing activities					
Proceeds from Federal/State awards	283,835	83,518	-	367,353	-
Transfers out	(575,907)	-	-	(575,907)	-
Net cash provided by/(used for) noncapital financing activities	<u>(292,072)</u>	<u>83,518</u>	<u>-</u>	<u>(208,554)</u>	<u>-</u>
Cash flows from capital and related financing activities					
Proceeds from sale of assets	112,398	400	21,524	134,322	-
Capital contributions	-	920,652	-	-	-
Principal paid on capital debt	-	(605,550)	-	(605,550)	-
Interest paid on capital debt	-	(907,100)	-	(907,100)	-
Purchases of capital assets	(222,950)	(935,801)	(6,889)	(1,165,640)	(11,780)
Net cash used for capital and related financing activities	<u>(110,552)</u>	<u>(1,527,399)</u>	<u>14,635</u>	<u>(2,543,968)</u>	<u>(11,780)</u>
Cash flows from investing activities					
Interest on investments	322,586	519,159	271,586	1,113,331	511,161
Net increase (decrease) in cash and investments	402,617	2,298,570	1,132,186	3,833,373	(1,852,523)
Cash and investments at beginning of year	7,518,905	11,616,455	6,039,091	25,174,451	15,890,792
Cash and investments at end of year	<u>7,921,522</u>	<u>13,915,025</u>	<u>7,171,277</u>	<u>29,007,824</u>	<u>14,038,269</u>
Cash and investments classified as:					
Current assets	5,420,938	13,231,195	7,171,277	25,823,410	14,038,269
Restricted assets	2,500,584	683,830	-	3,184,414	-
Total cash and investments at end of year	<u>\$ 7,921,522</u>	<u>\$ 13,915,025</u>	<u>\$ 7,171,277</u>	<u>\$ 29,007,824</u>	<u>\$ 14,038,269</u>
Reconciliation of net operating income (loss) to net cash provided by (used for) operating activities					
Operating income (loss)	\$ (4,140,825)	\$ 1,091,931	\$ 379,536	\$ (2,669,358)	\$ (1,601,135)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	2,653,087	2,092,940	49,622	4,795,649	32,765
Landfill closure expense	1,968,457	-	-	1,968,457	-
Changes in assets and liabilities:					
Accounts receivable	(9,610)	96,883	450	87,723	(168,959)
Due from other governments	5,483	-	2,275	7,758	20,950
Inventories	80,151	-	(24,066)	56,085	8,447
Prepaid Items	(418)	-	(1,097)	(1,515)	5,675
Accounts payable and accrued liabilities	(716,542)	(191,395)	30,462	(877,475)	(890,385)
Claims payable	-	-	-	-	32,000
Due to other governments	-	190	-	190	32,000
Accrued compensated absences	48,966	10,196	(13,918)	45,244	7,979
Deposits payable	(2,000)	16,221	(2,000)	12,221	-
Unearned revenues	-	-	1,254	1,254	151,617
OPEB liability	(242,821)	(39,330)	(220,464)	(502,615)	(13,466)
Pension liability	838,727	145,656	643,911	1,628,294	62,608
Net cash provided by (used for) operating activities	<u>\$ 482,655</u>	<u>\$ 3,223,292</u>	<u>\$ 845,965</u>	<u>\$ 4,551,912</u>	<u>\$ (2,319,904)</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, 2019

	Agency
ASSETS	
Cash and investments	\$ 26,973,309
Accounts receivable	34,729
Due from other governments	369,787
Interest receivable	17,202
Total assets	\$ 27,395,027
 LIABILITIES	
Accounts payable and other current liabilities	\$ 112,612
Due to other governments	6,951,931
Deposits payable	525,371
Agency funds on hand	19,805,113
Total liabilities	\$ 27,395,027

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, 2019

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St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

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St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

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.

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity’s financial statements should allow users to distinguish between the primary government (the County) and its component units. However, some component units, because of the closeness of their relationships with the County, should be blended as though they are part of the County. As required by generally accepted accounting principles, the financial reporting entity consists of: (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The County is financially accountable if it appoints a voting majority of the organization’s governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County.

The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board.

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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

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 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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

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 maintains the accounting records for the Medical Examiner's office. 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.

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

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 County chooses to eliminate the indirect costs between governmental activities to avoid a "doubling up" effect. However, interfund services provided and used, such as the sale of gas and diesel from Facilities Department to the government, are not eliminated in the statement of activities.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus and Bases of Accounting (Continued)

1. Government-wide Financial Statements (Continued)

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.

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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus and Bases of Accounting (Continued)

Governmental Funds (Continued)

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.

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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus and Bases of Accounting (Continued)

Governmental Funds (Continued)

a) Fund Balance Category (Continued)

Assigned Fund Balance – This category usually consists of the County's 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. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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 County 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.

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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus and Bases of Accounting (Continued)

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.

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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Bases of Presentation (Continued)

1. Governmental Major Funds (Continued)

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 2019. 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.

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.

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).

3. Other Fund Types

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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

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 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 County'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. 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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

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

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.

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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

11. Accrued Compensated Absences (Continued)

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.

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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

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 (\$208,156,728) differs from “net position” of governmental activities (\$520,307,408) 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		\$ 988,228,650
Less: Accumulated depreciation		<u>(332,045,760)</u>
Total		<u>\$ 656,182,890</u>

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		\$ (56,491,545)
Net pension liability		<u>(150,733,582)</u>
Total		<u>\$ (207,225,127)</u>

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, 2019 were:

Bonds payable		\$ (120,494,701)
Notes payable		(28,585,916)
Special assessment bonds		(2,929,578)
Capital lease payable		(17,093,677)
Compensated absences		<u>(17,673,291)</u>
Total		<u>\$ (186,777,163)</u>

Bond premiums

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

Bond premiums		\$ (13,663,688)
Less: Accumulated amortization expense		<u>3,008,699</u>
Total		<u>\$ (10,654,989)</u>

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

**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)

Accrued interest

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

Bonds interest payable	\$	(507,688)
Notes interest payable		(138,596)
Capital lease interest payable		(322,289)
Total	\$	<u>(968,573)</u>

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>3,366,050</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 the pension plan	\$	<u>(10,256,502)</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>(9,097,171)</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>55,208,379</u>
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St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

**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 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>2,009,019</u>
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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	\$ 3,842,541
Less: Accumulated amortization expense	(1,615,177)
Total	\$ 2,227,364

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>6,325,275</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>11,811,234</u>
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Elimination of interfund receivable/payable

Interfund receivables and payables in the amount of \$3,997,333 between governmental activities have been eliminated for the statement of net position.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

**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

The “net change in fund balances” for governmental funds (an increase of \$16,201,549) differs from the “change in net position” for governmental activities (an increase of \$6,378,494) 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.

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	\$	39,371,462
Depreciation		(23,561,475)
		15,809,987
Difference	\$	15,809,987

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	\$	(143,133)
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In the statement of activities, the capital assets contributions from private sources and to external entities are reported as program revenues and operating expenses. However, in the governmental funds, these type of activities are not reported because of the current financial resources focus.

Capital asset contributions from private courses and to external entities	\$	(6,543,725)
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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	\$	(3,095,095)
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**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

**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)

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	\$ 4,721,098
Note principal payments made	5,927,702
Capital lease principal payments made	1,669,177
Total	<u>\$ 12,317,977</u>

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	\$ (997,885)
Net change in accrued interest expense	34,338
Amortization of bond premiums	623,173
Amortization of deferred amount on refunding	(261,723)
Net change in other post-employment benefits	(1,802,184)
Net change in net pension liability	(21,584,690)
Difference	<u>\$ (23,988,971)</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>\$ (2,827,890)</u>
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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 2019.

Assessment revenues	<u>\$ (245,890)</u>
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**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

**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)

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>1,839</u>
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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>(1,108,154)</u>
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Reclassification and eliminations

Transfers in and transfers out in the amount of \$84,297,967 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, 2019 was \$20,890,636 and the bank balance was \$26,990,358. 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, 2019

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. 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
- 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, 2019

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

At September 30, 2019, 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	\$ 59,740,263	\$ 639,347	\$ 34,559,885	\$ 24,541,031
United States Agencies	24,973,183	3,705,972	12,823,591	8,443,620
Supranational Agencies	12,080,225	2,561,384	9,257,493	261,348
Corporate Obligations	28,537,502	7,217,022	13,018,366	8,302,114
Asset-Backed Securities	6,085,670	472,478	1,413,930	4,199,262
Equities	11,390,561	11,390,561	-	-
Exchange Traded Funds	2,025,614	2,025,614	-	-
Florida Trust Day to Day Fund	35,833,160	35,833,160	-	-
Florida Class - General	24,707,889	24,707,889	-	-
Florida Class - Non-Ad Valorem Revenue				
Bonds, Series 2017, Sports Complex				
Project Reserve	42,014,414	42,014,414	-	-
Florida Palm	20,334,421	20,334,421	-	-
Florida Prime	2,578,486	2,578,486	-	-
Florida Fixed Income Trust Cash Pool	8,491,548	8,491,548	-	-
Mutual Fund Money Market	1,007,208	1,007,208	-	-
Bank Owned Money Market	182,318	182,318	-	-
Total	\$ 279,982,462	\$ 163,161,822	\$ 71,073,265	\$ 45,747,375

Investment holdings consist of \$59,740,263 in direct obligations of the United States Treasury Securities, \$24,973,183 in direct debt issued by agencies of the U.S. Government which are backed by the full faith and credit of the United States, \$12,080,225 in debt issued by multilateral organization of governments of which the U.S is a shareholder, \$28,537,502 in Corporate Obligations, \$6,085,670 in Asset Backed Securities, and \$13,416,175 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, 2019

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, the Florida Class, the Florida Palm, the Florida Prime, the Florida Fixed Income Trust, and the bank owned money market account. The Florida Trust, the Florida Class, the Florida Palm, the Florida Prime, and the Florida Fixed Income Trust are 2a7-like external investment pools. They are measured at the net asset value per share determined by the pool. The 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 County's investment portfolios amounted to \$615,798 as of September 30, 2019. The amount recorded in the Statement of Net Position was \$598,596 and \$17,202 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. Florida Trust Day to Day Fund, Florida Class, Florida Palm, Florida Prime, and Florida Fixed Income Trust have an investment rating of AAAM by Standard & Poors. The Asset-Backed Securities are rated AAA by at least two of the nationally recognized agencies. 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. Equities/ETFs are not rated.

3. Custodial Credit Risk

The County's investment policy pursuant to Section 218.415(18), Florida Statutes requires that securities, with the exception of Florida Trust, Florida Class, Florida Palm, Florida Prime, Florida Fixed Income Trust, and money market accounts shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by the County should be properly designated as an asset of the County. 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, 2019, 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, 2019

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, 2019, all the County's investments were below the maximum allowed limits except the intergovernmental investment pool. This is caused by a delay in the spend-down of the Non-Ad Valorem Revenue Bonds, Series 2017 debt proceeds.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

4. Concentration of Credit Risk (Continued)

At September 30, 2019, the County had the following issuer concentrations based on fair value:

Issuer	Amount	Percentage of Portfolio
United States Treasuries	\$ 59,740,263	21.35%
United States Agencies	24,973,183	8.92%
Supranational Agencies	12,080,225	4.31%
Corporate Obligations	28,537,502	10.19%
Asset-Backed Securities	6,085,670	2.17%
Equities	11,390,561	4.07%
Exchange Traded Funds	2,025,614	0.72%
Florida Trust Day to Day Fund	35,833,160	12.80%
Florida Class - General Operating	24,707,889	8.82%
Florida Class - Non-Ad Valorem Revenue Bonds, Series 2017, Sports Complex Project Reserve	42,014,414	15.01%
Florida Palm	20,334,421	7.26%
Florida Prime	2,578,486	0.92%
Florida Fixed Income Trust Cash Pool	8,491,548	3.03%
Mutual Fund Money Market	1,007,208	0.36%
Bank Owned Money Market	182,318	0.07%
Total	<u>\$ 279,982,462</u>	<u>100.00%</u>

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 2018-2019 fiscal year were levied in October 2018. 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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 5 – CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increases & Transfers In	Decreases & Transfers Out	Ending Balance
<u>Governmental fund:</u>				
Capital assets, not depreciated:				
Land	\$ 187,938,490	\$ 34,444	\$ -	\$ 187,972,934
Construction in progress	42,205,417	31,463,483	(41,400,465)	32,268,435
Total capital assets, not depreciated	<u>230,143,907</u>	<u>31,497,927</u>	<u>(41,400,465)</u>	<u>220,241,369</u>
Capital assets, depreciated:				
Buildings	226,750,034	7,720,941	-	234,470,975
Improvements	404,610,001	28,262,165	-	432,872,166
Equipment	104,161,328	6,641,407	(10,158,595)	100,644,140
Total capital assets, depreciated	<u>735,521,363</u>	<u>42,624,513</u>	<u>(10,158,595)</u>	<u>767,987,281</u>
Less accumulated depreciation for:				
Buildings	(102,370,532)	(5,773,268)	-	(108,143,800)
Improvements	(140,802,239)	(9,669,456)	-	(150,471,695)
Equipment	(75,432,738)	(8,118,751)	10,121,224	(73,430,265)
Total accumulated depreciation	<u>(318,605,509)</u>	<u>(23,561,475)</u>	<u>10,121,224</u>	<u>(332,045,760)</u>
Total capital assets depreciated, net	416,915,854	19,063,038	(37,371)	435,941,521
Government Activities capital assets, net	<u>\$ 647,059,761</u>	<u>\$ 50,560,965</u>	<u>\$ (41,437,836)</u>	<u>\$ 656,182,890</u>
<u>Internal service fund:</u>				
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ 3,540	\$ -	\$ 3,540
Capital assets, depreciated:				
Buildings	216,388	-	-	216,388
Equipment	279,764	8,240	(4,263)	283,741
Total capital assets, depreciated	<u>496,152</u>	<u>8,240</u>	<u>(4,263)</u>	<u>500,129</u>
Less accumulated depreciation for:				
Buildings	(38,839)	(5,548)	-	(44,387)
Equipment	(111,463)	(27,217)	4,263	(134,417)
Total accumulated depreciation	<u>(150,302)</u>	<u>(32,765)</u>	<u>4,263</u>	<u>(178,804)</u>
Total capital assets depreciated, net	345,850	(24,525)	-	321,325
Internal service fund capital assets, net	<u>\$ 345,850</u>	<u>\$ (20,985)</u>	<u>\$ -</u>	<u>\$ 324,865</u>

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 5 – CAPITAL ASSETS (CONTINUED)

Depreciation was charged to the following functions:

Governmental Activities:	
General Government	\$ 4,022,808
Public Safety	5,219,752
Physical Environment	1,125,241
Transportation	6,376,664
Human Services	1,741,183
Culture/Recreation	3,391,939
Court Related	1,683,888
Total Governmental Activities Depreciation	<u>\$ 23,561,475</u>

	<u>Beginning Balance</u>	<u>Increases & Transfers In</u>	<u>Decreases & Transfers Out</u>	<u>Ending Balance</u>
<u>Business-Type Activities:</u>				
Capital assets, not depreciated:				
Land	\$ 10,356,397	\$ -	\$ -	\$ 10,356,397
Construction in progress	2,915,375	441,480	(2,761,370)	595,485
Total capital assets, not depreciated	<u>13,271,772</u>	<u>441,480</u>	<u>(2,761,370)</u>	<u>10,951,882</u>
Capital assets, depreciated:				
Buildings	41,126,703	-	-	41,126,703
Improvements	81,170,236	3,201,700	-	84,371,936
Equipment	21,066,382	299,700	(937,155)	20,428,927
Total capital assets, depreciated	<u>143,363,321</u>	<u>3,501,400</u>	<u>(937,155)</u>	<u>145,927,566</u>
Less accumulated depreciation for:				
Buildings	(24,747,924)	(1,294,120)	-	(26,042,044)
Improvements	(38,333,924)	(2,129,332)	-	(40,463,256)
Equipment	(11,034,402)	(1,372,197)	921,286	(11,485,313)
Total accumulated depreciation	<u>(74,116,250)</u>	<u>(4,795,649)</u>	<u>921,286</u>	<u>(77,990,613)</u>
Total capital assets depreciated, net	<u>69,247,071</u>	<u>(1,294,249)</u>	<u>(15,869)</u>	<u>67,936,953</u>
Business-Type activities capital assets, net	<u>\$ 82,518,843</u>	<u>\$ (852,769)</u>	<u>\$ (2,777,239)</u>	<u>\$ 78,888,835</u>

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 5 – CAPITAL ASSETS (CONTINUED)

Depreciation was charged to the following functions:

Business-Type Activities	
Bailing & Recycling Facility	\$ 2,653,087
Water & Sewer	2,092,940
Golf Course	46,767
Building & Code	2,855
Total Business-Type Activities Depreciation Expense	<u>\$ 4,795,649</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 & Recycling Facility</u>	<u>Water & Sewer District</u>	
Landfill closing costs	\$ -	\$ -	\$ 2,288,914	\$ -	\$ 2,288,914
C&D Processing Facility	-	-	3,820	-	3,820
Customer deposits	1,307,267	12,518	207,850	262,158	1,789,793
Renewal and replacement	-	-	-	421,672	421,672
Total	<u>\$ 1,307,267</u>	<u>\$ 12,518</u>	<u>\$ 2,500,584</u>	<u>\$ 683,830</u>	<u>\$ 4,504,199</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 & Recycling Facility</u>	<u>Water & Sewer District</u>	
Landfill closing costs	\$ -	\$ -	\$ 2,288,914	\$ -	\$ 2,288,914
C&D Processing Facility	-	-	3,820	-	3,820
Customer deposits	1,307,267	12,518	207,850	262,158	1,789,793
Total	<u>\$ 1,307,267</u>	<u>\$ 12,518</u>	<u>\$ 2,500,584</u>	<u>\$ 262,158</u>	<u>\$ 4,082,527</u>

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 7 – INTERFUND BALANCES

Interfund balances at September 30, 2019, consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>		<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	
General Fund	\$ -	\$ 2,845,138	\$ 2,845,138
Transportation Trust Fund	105	-	105
Fine and Forfeiture Fund	624,141	-	624,141
Nonmajor Governmental Funds	527,949	-	527,949
Total	<u>\$ 1,152,195</u>	<u>\$ 2,845,138</u>	<u>\$ 3,997,333</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, 2019**

NOTE 8 – INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2019, consisted of the following:

Transfers Out:	Transfers In:				Total
	General Fund	Transportation Trust Fund	Fine and Forfeiture Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 500,000	\$ 200,000	\$ 10,998,946	\$ 11,698,946
Transportation Trust Fund	90	-	-	-	90
Fine and Forfeiture Fund	58,932,766	-	-	1,052,684	59,985,450
Impact Fees Fund	267,264	-	-	662,158	929,422
Nonmajor Governmental Funds	2,355,410	27,215	7,817,262	1,441,171	11,641,058
Bailing & Recycling Facility Fund	315,907	-	260,000	-	575,907
Total	<u>\$ 61,871,437</u>	<u>\$ 527,215</u>	<u>\$ 8,277,262</u>	<u>\$ 14,154,959</u>	<u>\$ 84,830,873</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, 2019**

NOTE 9 – RECEIVABLES, PAYABLES, AND ADVANCES

A. Accounts Receivable

Accounts receivable at September 30, 2019, were as follows:

	<u>Customer</u>	<u>Miscellaneous</u>	<u>Total</u>
<u>Governmental Funds:</u>			
General Fund	\$ 190,490	\$ 405,088	\$ 595,578
Transportation Trust Fund	4,627	-	4,627
Fine and Forfeiture Fund	61,524	-	61,524
Impact Fee Fund	-	381,370	381,370
Other governmental funds	118,254	748,717	866,971
Total governmental funds	<u>\$ 374,895</u>	<u>\$ 1,535,175</u>	<u>\$ 1,910,070</u>
<u>Proprietary Funds:</u>			
Bailing & Recycling Facility Fund	\$ 938,693	\$ -	\$ 938,693
Water & Sewer District Fund	573,080	-	573,080
Nonmajor enterprise funds	400	-	400
Total enterprise funds	<u>1,512,173</u>	<u>-</u>	<u>1,512,173</u>
Internal Service Fund	465,171	-	465,171
Total proprietary funds	<u>\$ 1,977,344</u>	<u>\$ -</u>	<u>\$ 1,977,344</u>
<u>Fiduciary Funds:</u>			
Agency fund	<u>\$ -</u>	<u>\$ 34,729</u>	<u>\$ 34,729</u>

B. Special Assessments Receivable

Special assessments receivable at September 30, 2019 were as follows:

General Fund - Special Lighting District	\$ 5,053
Nonmajor governmental funds	<u>3,366,050</u>
Total	<u>\$ 3,371,103</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, 2019

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

C. Payables

Payables at September 30, 2019, were as follows:

	Accounts Payable and Other Current Liabilities			
	Vendors	Retainage	Accrued Salaries and Benefits	Total
<u>Governmental Funds:</u>				
General Fund	\$ 6,852,154	\$ 1,941	\$ 2,788,478	\$ 9,642,573
Transportation Trust Fund	370,004	-	170,489	540,493
Fine and Forfeiture Fund	977,833	-	259,049	1,236,882
Impact Fee Fund	1,340,490	758,366	-	2,098,856
Sports complex Capital Projects Fund	4,114,568	3,850	-	4,118,418
Other governmental funds	3,547,687	222,101	272,565	4,042,353
Total governmental funds	<u>\$ 17,202,736</u>	<u>\$ 986,258</u>	<u>\$ 3,490,581</u>	<u>\$ 21,679,575</u>
<u>Proprietary Funds:</u>				
Enterprise Funds				
Bailing & Recycling Facility Fund	\$ 1,399,867	\$ -	\$ 119,501	\$ 1,519,368
Water & Sewer District Fund	1,482,045	-	20,345	1,502,390
Nonmajor enterprise funds	67,682	-	92,612	160,294
Total enterprise funds	<u>2,949,594</u>	<u>-</u>	<u>232,458</u>	<u>3,182,052</u>
Internal Service Fund	2,237,937	-	9,462	2,247,399
Total proprietary funds	<u>\$ 5,187,531</u>	<u>\$ -</u>	<u>\$ 241,920</u>	<u>\$ 5,429,451</u>
<u>Fiduciary Funds:</u>				
Agency fund	<u>\$ 112,612</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,612</u>

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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

D. Deposits Payable

Deposits payable at September 30, 2019, were as follows:

	<u>Rental Deposits</u>	<u>Vendor Security Deposits</u>	<u>Customer Deposits</u>	<u>Total Deposits</u>
<u>Governmental Funds:</u>				
General Fund	\$ 74,531	\$ 34,320	\$ 1,198,416	\$ 1,307,267
Other governmental funds	12,518	-	-	12,518
Total governmental funds	<u>\$ 87,049</u>	<u>\$ 34,320</u>	<u>\$ 1,198,416</u>	<u>\$ 1,319,785</u>
<u>Proprietary Funds:</u>				
Bailing & Recycling Facility Fund	\$ -	\$ -	\$ 207,850	\$ 207,850
Water & Sewer District Fund	-	-	262,158	262,158
Total proprietary funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 470,008</u>	<u>\$ 470,008</u>
<u>Fiduciary Funds:</u>				
Agency fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 525,371</u>	<u>\$ 525,371</u>

E. Claims Payable

Claims payable, \$594,000, 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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 10 – LONG-TERM LIABILITIES

A. Schedules of Changes in Long-Term Debt

Long-term liability activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental Activities:</u>					
<u>Governmental Funds:</u>					
Bonds and notes payable:					
Revenue bonds	\$ 115,910,000	\$ -	\$ (3,800,000)	\$ 112,110,000	\$ 3,970,000
Revenue notes from direct borrowings	37,540,737	2,628,210	(5,646,659)	34,522,288	4,765,470
Special assessment from direct borrowings	3,153,223	162,453	(386,098)	2,929,578	366,481
Notes payable from direct borrowings	3,264,372	-	(816,043)	2,448,329	816,043
Plus issuance premiums	11,278,162	-	(623,173)	10,654,989	623,173
Total bonds and notes payable, net	<u>171,146,494</u>	<u>2,790,663</u>	<u>(11,271,973)</u>	<u>162,665,184</u>	<u>10,541,167</u>
Capital leases	18,458,422	304,432	(1,669,177)	17,093,677	1,546,832
Compensated absences	16,675,406	10,051,586	(9,053,701)	17,673,291	7,532,938
Governmental funds liabilities	<u>\$ 206,280,322</u>	<u>\$ 13,146,681</u>	<u>\$ (21,994,851)</u>	<u>\$ 197,432,152</u>	<u>\$ 19,620,937</u>
<u>Internal Service Fund:</u>					
Compensated absences	\$ 8,937	\$ 21,668	\$ (13,689)	\$ 16,916	\$ 12,276
Internal Service Fund liabilities	<u>\$ 8,937</u>	<u>\$ 21,668</u>	<u>\$ (13,689)</u>	<u>\$ 16,916</u>	<u>\$ 12,276</u>
<u>Business-type Activities:</u>					
Bonds and notes payable:					
Water and sewer revenue bonds/notes	\$ 18,810,000	\$ -	\$ (795,000)	\$ 18,015,000	\$ 895,000
Plus issuance premiums	650,937	-	(125,988)	524,949	125,988
Total bonds and notes payable, net	<u>19,460,937</u>	<u>-</u>	<u>(920,988)</u>	<u>18,539,949</u>	<u>1,020,988</u>
Compensated absences	659,353	345,341	(300,097)	704,597	185,459
Landfill long-term care liability	15,349,882	1,650,331	-	17,000,213	-
Business-type activities liabilities	<u>\$ 35,470,172</u>	<u>\$ 1,995,672</u>	<u>\$ (1,221,085)</u>	<u>\$ 36,244,759</u>	<u>\$ 1,206,447</u>

The County has notes from direct borrowings in the amount of \$36,949,096 related to governmental activities with a provision that in the event of default, all outstanding amounts become immediately due if the County is unable to make a scheduled payment. In addition, the County has a note from direct borrowings in the amount of \$21,521 with a provision that electric service will cease if the County is unable to make a scheduled payment.

The County has a special assessment note from direct borrowings in the amount of \$2,030,000 related to governmental activities with a provision that in the event of default, all outstanding amounts become immediately due if the County is unable to make payment. In addition, the County has a special assessment note from direct borrowings in the amount of \$899,578 with a provision that payments are made solely from pledged revenues.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)

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

The County has revenue, special assessment notes, 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, Mets Stadium improvements, Transportation Revenue Refunding, Capital Improvement Refunding, Rock Road Jail Security, and special assessment notes are also paid from debt service funds. The Parks Referendum line of credit and Port Deepening, all part of the revenue notes, are paid from special revenue funds. The Sheriff promissory note is paid from the general fund. In addition, one capital lease is paid from a special revenue fund, two capital leases are paid from debt service fund, and two capital leases are paid from the general fund.

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

The following debts were issued in FY 2019:

1. On December 18, 2018, the County entered into a Capital Lease Agreement of \$304,432 with Insight Public Sector, Inc. The lease is for the purchase of hardware and software for Information Technology.
2. A not to exceed \$2,000,000 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 \$162,453 in FY 2019. The total amount disbursed to borrowers since inception is \$899,578 leaving \$1,100,422 still available. The bonds have a final maturity of May 1, 2039.
3. The County completed the draw-down on the Capital Improvement Revenue Bonds, Series 2016A in FY2019. The total amount drawn was \$2,628,210.

The following debts were paid off in FY 2019:

1. On September 30, 2019, the Capital Improvement Refunding Revenue Note, Series 2007 was paid off based on the debt amortization schedule.
2. On September 30, 2019, the Master Equipment Lease/Purchase Agreement was paid off based on the debt amortization schedule.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)

B. Schedule of Outstanding Debt

The following is a schedule of debt outstanding at September 30, 2019:

	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rates</u>
Governmental Funds:				
<u>Revenue Bonds:</u>				
Sales Tax Revenue Refunding Bonds, Series 2013A	County projects	\$47,285,000	\$ 35,325,000	2.00%-5.00%
Sales Tax Revenue Refunding Bonds, Series 2013B	County projects	9,405,000	6,475,000	2.00%-5.00%
Non-Ad Valorem Revenue Bonds, Series 2017	Sports Complex	46,865,000	44,580,000	4.99%
Taxable Non-Ad Valorem Revenue Bonds, Series 2017A	Port Property	25,730,000	25,730,000	3.94%
Total Revenue Bonds			<u>\$112,110,000</u>	
Plus: Net Premiums			<u>10,654,989</u>	
Net Revenue Bonds			<u>\$122,764,989</u>	
<u>Revenue Notes From Direct Borrowings:</u>				
Army Corps of Engineers, Series 1997	Port deepening	\$ 797,960	\$ 342,066	6.125% (1)
Florida Power and Light, Series 2001	S. County Regional Stadium lighting system	134,966	21,521	8.82%
Public Improvement Revenue Bond, Note, Series 2008A	South county regional	1,700,000	580,000	4.88%
Capital Improvement Revenue Refunding Note, Series 2011	Parks referendum MSTU	10,330,000	4,025,000	2.17%
Capital Improvement Revenue Refunding Note, Series 2016B (Taxable)	Refunding Tourist Development Tax Revenue Bond Series 2011A&B	4,832,000	3,534,000	3.03%
Transportation Revenue Refunding Bond, Series 2015	Partially refunding Transportation Revenue Bond, Series 2007	11,390,000	9,080,000	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	5,945,000	2.41%
Capital Improvement Revenue Bonds, Series 2015	Tax Collector building project	7,000,000	5,910,000	2.74%
Capital Improvement Revenue Bond, Series 2016A	Airport MRO Hangar	3,000,000	2,474,701	2.18%
Capital Improvement Refunding Bond, Series 2016	Jail Security Upgrade	3,320,000	2,610,000	2.60%
Total Revenue Notes			<u>\$ 34,522,288</u>	

(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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

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>
Governmental Funds:			
<u>Notes Payable From Direct Borrowings:</u>			
Sheriff Promissory Note 2017	4,080,215	2,448,329	3.25%
Total Notes Payable		<u>2,448,329</u>	
<u>Special Assessment Notes From Direct Borrowings:</u>			
Series 2010A	4,355,000	2,030,000	3.70%
Series 2014 (Taxable)	1,000,000	899,578	variable (1)
Total Special Assessment Notes		<u>2,929,578</u>	

(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.

<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rates</u>
Governmental Funds:			
<u>Capital Leases:</u>			
FPL Equipment Lease/Purchase Agreement	9,305,379	7,145,821	2.37%
Motorola Lease/Purchase Agreement	8,967,201	8,532,476	3.55%
Master Equipment Lease	3,000,000	997,464	variable (1)
Compuquip Equipment Lease	299,947	176,804	2.55%
Insight Equipment Lease	304,432	241,112	5.59%
Total Capital Leases		<u>17,093,677</u>	
Total Outstanding Debt – Governmental Funds		<u>\$ 179,758,861</u>	

(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.

<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rates</u>
Proprietary Funds:			
<u>Revenue Bonds:</u>			
Utility System Improvement and Refunding Revenue Bonds, Series 2013	\$ 21,105,000	\$ 18,015,000	2.0%-5.25%
Plus: Premiums		524,949	
Net Revenue Bonds		<u>18,539,949</u>	
Total Outstanding Debt – Proprietary Funds		<u>\$ 18,539,949</u>	

The revenue bonds, revenue notes, and special assessment notes 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 216%, Utility Bonds was 118% and Special Assessment Notes was 109%.

Business-type activities interest expense totaling \$816,339 was expensed in the current year.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 10 – 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 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, 2019:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Funds	\$ 2,489,081	\$ -	\$ (261,723)	\$ 2,227,358	\$ 259,930
Proprietary Funds	215,328	-	(41,677)	173,651	41,677
Total	<u>\$ 2,704,409</u>	<u>\$ -</u>	<u>\$ (303,400)</u>	<u>\$ 2,401,009</u>	<u>\$ 301,607</u>

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 From Direct Borrowings		Special Assessment From Direct Borrowings	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 3,970,000	\$ 5,174,121	\$ 5,581,513	\$ 918,661	\$ 366,481	\$ 161,892
2021	4,730,000	4,968,451	5,697,013	768,518	371,901	139,785
2022	4,950,000	4,744,653	5,655,993	616,012	385,723	121,748
2023	5,180,000	4,509,252	4,791,123	486,088	404,831	102,998
2024	5,430,000	4,261,740	3,628,642	372,895	419,254	83,376
2025-2029	25,880,000	17,522,381	8,826,333	874,462	632,805	203,618
2030-2034	27,295,000	11,359,369	2,340,000	213,479	176,034	108,251
2035-2039	16,635,000	6,157,604	450,000	6,165	172,549	37,513
2040-2044	12,490,000	2,417,879	-	-	-	-
2045-2048	5,550,000	462,848	-	-	-	-
Total	<u>\$ 112,110,000</u>	<u>\$ 61,578,298</u>	<u>\$ 36,970,617</u>	<u>\$ 4,256,280</u>	<u>\$ 2,929,578</u>	<u>\$ 959,181</u>

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)

D. Debt Service Requirements (Continued)

Fiscal Year	Capital Leases		Total	
	Principal	Interest	Principal	Interest
2020	\$ 1,546,832	\$ 510,874	\$ 11,464,826	\$ 6,765,548
2021	1,602,453	465,307	12,401,367	6,342,061
2022	1,585,338	419,268	12,577,054	5,901,681
2023	1,540,526	376,222	11,916,480	5,474,560
2024	902,872	337,140	10,380,768	5,055,151
2025-2029	6,835,265	1,136,154	42,174,403	19,736,615
2030-2034	3,080,391	145,438	32,891,425	11,826,537
2035-2039	-	-	17,257,549	6,201,282
2040-2044	-	-	12,490,000	2,417,879
2045-2048	-	-	5,550,000	462,848
Total	<u>\$ 17,093,677</u>	<u>\$ 3,390,403</u>	<u>\$ 169,103,872</u>	<u>\$ 70,184,162</u>

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
2020	\$ 895,000	\$ 860,900
2021	980,000	825,100
2022	1,030,000	776,100
2023	1,080,000	724,600
2024	1,135,000	670,600
2025-2029	6,515,000	2,518,063
2030-2033	6,380,000	846,450
Total	<u>\$ 18,015,000</u>	<u>\$ 7,221,813</u>

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.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)

E. Bond Covenants (Continued)

The following table indicates the degree of compliance with the bond resolution covenants in the Water & Sewer District at September 30, 2019.

Gross revenues available for compliance	\$ 10,355,692
Operating and maintenance expenses (does not include depreciation, amortization, and debt payments)	<u>6,658,321</u>
Amount of revenues over direct operating expenses	<u>\$ 3,697,371</u>
Debt service requirement	<u>\$ 1,695,650</u>
Percent coverage for the year ended September 30, 2019	218%

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, 2019:

Bond Issue	Balance
Utility Series 1990	\$ 9,840,000
Utility Series 1993	<u>5,000,000</u>
Total defeased debt	<u>\$ 14,840,000</u>

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.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)

G. Special Assessment Debt (Continued)

The amount of the debt outstanding at September 30, 2019, is as follows:

<u>Description</u>	<u>Amount</u>
Special Assessment Improvement Bond, Series 2007A, \$16,000,000 (Indian River Estates MSBU)	\$ 5,219,790
Special Assessment Improvement Bond, Series 2009B, \$3,130,000 (Sunland Gardens Phase II MSBU)	1,049,428
Special Assessment Improvement Bond, Series 2016, \$339,000 (Parkland MSBU)	285,000
Special Assessment Improvement Bond, Series 2017, \$242,000 (Fra Mar/Wagner MSBU)	199,000
Erosion District Special Assessment Revenue Bond, Series 2012 (South Hutchinson Island Beach and Dune Restoration Project)	929,000
Special Assessment Revenue Bond, Series 2018 (Iroquois/Navajo MSBU Project)	335,000
Total	<u>\$ 8,017,218</u>

All of the above special assessment debt is from direct borrowings.

H. Capital Leases

1. 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 \$8,376,941. The future minimum lease obligation and the net present value of the minimum lease payments as of September 30, 2019 were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>
2020	\$ 916,756
2021	931,175
2022	946,025
2023	961,322
2024	540,827
2025-2029	2,725,493
2030-2031	1,127,461
Total minimum lease payments	8,149,059
Less: amount representing interest	(1,003,238)
Present value of minimum lease payments	<u>\$ 7,145,821</u>

The lease agreement has provisions that in the event of default the lessor has the right to take one or any combination of the following remedial steps: (1) All lease payments to the end of the lease are payable immediately, (2) lessor request the return of the equipment to be disposed or leased for County's account. If the County elects not to return equipment, lessor is entitled to payment of unpaid lease payments through date of lessor's request plus applicable prepayment price.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)

H. Capital Leases (Continued)

2. 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 \$8,187,786. The future minimum lease obligation and the net present value of the minimum lease payments as of September 30, 2019 were as follows:

Year Ending September 30,	Governmental Activities
2020	\$ 699,185
2021	699,185
2022	699,185
2023	699,185
2024	699,185
2025-2029	5,245,927
2030-2031	2,098,371
Total minimum lease payments	10,840,223
Less: amount representing interest	(2,307,747)
Present value of minimum lease payments	\$ 8,532,476

The lease agreement has provisions that in the event of default the lessor has the right to take one or any combination of the following remedial steps: (1) All lease payments to the end of the current fiscal year are payable immediately, (2) lessor request the return of the equipment to be disposed or leased for County's account.

3. 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 \$1,073,691. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2019 were as follows:

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 10 – LONG-TERM LIABILITIES (CONTINUED)

H. Capital Leases (Continued)

<u>Year Ending September 30,</u>	<u>Governmental Funds</u>
2020	\$ 269,336
2021	264,972
2022	260,606
2023	256,240
Total minimum lease payments	1,051,154
Less: amount representing interest	(53,690)
Present value of minimum lease payments	<u>\$ 997,464</u>

The lease agreement has provisions that in the event of default the lessor has the right to take one or any combination of the following remedial steps: (1) All lease payments to the end of the current fiscal year are payable immediately, (2) lessor request the return of the equipment to be disposed or leased for County's account.

4. 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 \$199,965. The future minimum lease obligation and the net present value of these lease payments as of September 30, 2019 were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Funds</u>
2020	\$ 61,968
2021	61,968
2022	61,968
Total minimum lease payments	185,904
Less: amount representing interest	(9,100)
Present value of minimum lease payments	<u>\$ 176,804</u>

The lease agreement has a provision that in the event of non-payment of any sum due and owing, the seller shall have the right to suspend or immediately terminate all services without notice and may determine whether or not to reinstate any services upon receipt of payment in full of all sums owed.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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 \$304,432 with Insight Public Sector, Inc. for certain Information Technology department software and hardware equipment in fiscal year 2019. The software and hardware equipment was placed into service on December 18, 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 \$304,432 and a carrying value of \$304,432. The future minimum lease obligation and the net present value of these lease payments as of September 30, 2019 were as follows:

Year Ending September 30,	Governmental Funds
2020	\$ 110,460
2021	110,460
2022	36,820
Total minimum lease payments	257,740
Less: amount representing interest	(16,628)
Present value of minimum lease payments	\$ 241,112

The lease agreement has provisions that in the event of default the lessor has the right to take one or any combination of the following remedial steps: (1) All lease payments to the end of the lease term are payable immediately, (2) lessor request the return of the equipment to be disposed or leased for County's account.

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 64.75% for the existing construction debris (C&D) landfill and 94.70% 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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

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

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 \$1,329,494, 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, 2019, 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	\$ 1,660,544	\$ 127,084	\$ 1,787,628
C&D Processing Facility closure costs	3,820	-	3,820
C&D long-term maintenance	-	250,762	250,762
Class I Phase IIIB closure costs	628,370	1,289,375	1,917,745
Class I Phase IIIB long-term maintenance	-	2,009,471	2,009,471
Total existing landfill sites	<u>2,292,734</u>	<u>3,676,692</u>	<u>5,969,426</u>
Previous landfill sites:			
Class I Phase I long-term maintenance	-	6,576,423	6,576,423
Class I Phase II long-term maintenance	-	4,750,746	4,750,746
Class I Phase IIIA long-term maintenance	-	1,996,352	1,996,352
Total previous landfill sites	<u>-</u>	<u>13,323,521</u>	<u>13,323,521</u>
Total liabilities	<u>\$ 2,292,734</u>	<u>\$ 17,000,213</u>	<u>\$ 19,292,947</u>

The County currently expects to close the existing C&D site in 2049 and the existing Class 1 Phase IIIB site in 2025. 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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

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.

The County’s pension expense totaled \$36,187,376 for the fiscal year ended September 30, 2019.

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.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Pension Plan (Continued)

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, 2019**

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, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019, respectively, were as follows: Regular - 8.26% and 8.47%; Special Risk Administrative Support - 34.98% and 38.59%; Special Risk - 24.50% and 25.48%; Senior Management Service - 24.06% and 25.41%; Elected Officers' - 48.70% and 48.82%; and DROP participants - 14.03% and 14.60%. These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019, respectively.

The County's contributions, including employee contributions, to the Pension Plan totaled \$11,288,638 for the fiscal year ended September 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the County reported a liability of \$125,806,768 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The County's proportionate share of the net pension liability was based on the County's 2018-19 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the County's proportionate share was 0.365307358 percent, which was an increase of 4.73 percent from its proportionate share measured as of June 30, 2018.

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$21,331,338. 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	\$ 7,461,959	\$ (78,075)
Change of assumptions	32,312,592	-
Net difference between projected and actual earnings on Pension Plan investments	-	(6,960,287)
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	7,973,543	(643,328)
County Pension Plan contributions subsequent to the measurement date	3,071,786	-
Total	<u>\$ 50,819,880</u>	<u>\$ (7,681,690)</u>

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Pension Plan (Continued)

The deferred outflows of resources related to the Pension Plan, totaling \$3,071,786 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, 2020. 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
2020	\$ 13,982,421
2021	5,437,565
2022	10,069,981
2023	7,571,691
2024	2,378,491
Thereafter	626,255
Total	\$ 40,066,404

Actuarial Assumptions – The total pension liability in the June 30, 2019 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	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational PUB 2010 base table varies by member category and sex, projected generationally with Scale MP-2018 detail valuation report.

The actuarial assumptions used in the June 30 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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:

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Pension Plan (Continued)

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1%	3.3%	3.3%	1.2%
Fixed Income	18%	4.1%	4.1%	3.5%
Global Equities	54%	8.0%	6.8%	16.5%
Real Estate	10%	6.7%	6.1%	11.7%
Private Equities	11%	11.2%	8.4%	25.8%
Strategic Investments	6%	5.9%	5.7%	6.7%
Total	100%			
Assumed Inflation - Mean			2.6%	1.7%

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

Discount Rate – The discount rate used to measure the total pension liability was 6.9%. 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 6.9%, 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 (5.9%) or one percentage point higher (7.9%) than the current rate:

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
County's proportionate share of the net pension liability	<u>\$ 217,478,009</u>	<u>\$ 125,806,768</u>	<u>\$ 49,245,776</u>

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, 2019, the County reported a payable in the amount of \$850,927 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2019.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

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, 2019, 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, 2019, the HIS contribution for the period October 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2019 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 \$3,077,353 for the fiscal year ended September 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the County reported a liability of \$32,925,752 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The County's proportionate share of the net pension liability was based on the County's 2018-19 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the County's proportionate share was 0.294268957 percent, which was an increase of 3.39 percent from its proportionate share measured as of June 30, 2018.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

HIS Plan (Continued)

For the fiscal year ended September 30, 2019, the County recognized pension expense of \$1,402,603. 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	\$ 399,920	\$ (40,317)
Change of assumptions	3,812,488	(2,691,083)
Net difference between projected and actual earnings on Pension Plan investments	21,247	-
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	2,767,792	(321,029)
County Pension Plan contributions subsequent to the measurement date	414,232	-
Total	<u>\$ 7,415,679</u>	<u>\$ (3,052,429)</u>

The deferred outflows of resources related to the HIS Plan, totaling \$414,232 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, 2020. 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>
2020	\$ 1,192,258
2021	1,033,648
2022	744,256
2023	184,273
2024	357,958
Thereafter	436,625
Total	<u>\$ 3,949,018</u>

Actuarial Assumptions – The total pension liability in the July 1, 2019, 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	3.50%

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

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

HIS Plan (Continued)

The actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate – The discount rate used to measure the total pension liability was 3.50%. 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 3.5%, 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 (2.50%) or one percentage point higher (4.50%) than the current rate:

	1% Decrease (2.5%)	Current Discount Rate (3.5%)	1% Increase (4.5%)
County's proportionate share of the net pension liability	\$ 37,586,433	\$ 32,925,752	\$ 29,043,931

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, 2019, the County reported a payable in the amount of \$147,214 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2019.

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. 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.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Investment Plan (Continued)

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 2018-19 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, 2019, 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 \$5,775,318 for the fiscal year ended September 30, 2019. The County's Investment Plan pension expense totaled \$4,695,255 for the fiscal year ended September 30, 2019, which is included in the pension plan expense.

Payable to the Investment Plan – At September 30, 2019, the County reported a payable in the amount of \$456,601 for outstanding contributions to the Investment Plan required for the fiscal year ended September 30, 2019.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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 \$3,280,375 and lease expenditures totaled \$2,093,489 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>
2020	\$ 602,043	\$ 1,157,608
2021	591,761	877,554
2022	541,761	529,281
2023	476,761	313,011
2024	458,761	104,596
2025 - 2029	2,066,600	13,875
2030 - 2034	1,865,836	13,875
2035 - 2039	1,841,633	13,275
2040 - 2044	1,841,633	10,875
2045 - 2049	1,760,301	9,675
2050 - 2054	1,689,135	5,400
2055 - 2059	1,238,699	4,500
2060 - 2064	-	3,300
2065 - 2069	-	1,800
Total	<u>\$ 14,974,924</u>	<u>\$ 3,058,625</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 \$1,940,182. For fiscal year 2019, total depreciation for depreciable property being leased is \$141,975.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 13 – OPERATING LEASES (CONTINUED)

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 \$275,497 for fiscal year 2019.

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>
2020	\$ 75,677	\$ 139,575	\$ 5,918
2021	75,677	139,462	4,541
2022	75,677	139,462	69
2023	-	23,244	-
Total	<u>\$ 227,031</u>	<u>\$ 441,743</u>	<u>\$ 10,528</u>

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, 2019 there were two Industrial Revenue Bonds Series outstanding. The aggregate outstanding principal amount for these series as of September 30, 2019, 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, 2019, was \$25,271,744.

The Reserve Community Development District outstanding conduit debt totaled \$1,835,000.

The Reserve Community Development District II outstanding conduit debt was \$1,310,000.

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 15 – FUND BALANCES

A. Restricted Fund Balances for Other Capital Projects

The following governmental funds have restricted fund balances in the restricted fund balances for other capital projects category as of September 30, 2019:

Impact Fee Fund - Various county capital projects	\$ 3,432,542
County Capital Fund - Various county capital projects	4,996,430
County Capital State Revenue Share Bond Fund - Various county capital projects	2,717,645
County Capital Transportation Bond Fund - Road projects	1,100,462
Infrastructure Surtax Capital Fund	3,087,523
Jail Security Upgrade Fund	15,181
Capital Improvement Revenue Bonds 2015 Fund - Tax Collector building	274,042
Cap Imp Rev Bond 2016A Construction Fund - Airport Project	1,504,297
Environmental Land Capital Fund	2,168,875
MSBU Internal Financed Projects Fund	498,878
MSBU External Financed Projects Fund	1,528,073
Total Governmental Funds	<u>\$ 21,323,948</u>

B. Restricted Fund Balances for Other Purposes

The following governmental funds have restricted fund balances in the restricted fund balances for other purposes category as of September 30, 2019:

Grants and Donation Fund	\$ 235,386
Library Special Fund	298
Drug Abuse Fund	224,687
Plan Maintenance RAD Fund - Radiological emergency planning	43,440
Tourist Development 1st, 2nd, 3rd & 5th Cent Fund - Sports Complex	2,731,104
SLC Housing Finance Authority Fund	117,244
Bluefield Ranch Improvements Fund	145,377
Florida Housing Grant Fund	28,795
SLC Sustainability District Fund	11,461
Total Governmental Funds	<u>\$ 3,537,792</u>

C. Committed Fund Balances for Other Purposes

The following governmental funds have fund balances committed to other purposes category as of September 30, 2019:

General Fund	\$ 322,478
Law Enforcement MSTU Fund	1,513,977
Impact Fee Collections Fund	131,375
Law Enforcement Fund	3,038
SLC Economic Development Fund	55,123
Total Governmental Funds	<u>\$ 2,025,991</u>

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 16 – FUND BALANCE AND NET POSITION RESTATEMENT

A. Fund Level Fund Balance Restatement:

General Fund – The beginning fund balance is restated as a result of a grant revenue recognition in the wrong period.

Beginning Fund Balance	\$ 49,443,123
Decrease	<u>(3,896)</u>
Restated Beginning Fund Balance	<u>\$ 49,439,227</u>

Transportation Trust Fund – The beginning fund balance is restated as a result of an overpayment of an invoice in the prior year.

Beginning Fund Balance	\$ 5,545,811
Increase	<u>4,832</u>
Restated Beginning Fund Balance	<u>\$ 5,550,643</u>

Port Fund – The beginning fund balance is restated as a result of a correction for a prior year Grant amount.

Beginning Fund Balance	\$ 859,196
Increase	<u>962</u>
Restated Beginning Fund Balance	<u>\$ 860,158</u>

Plan Maintenance RAD Fund – The beginning fund balance is restated as a result of an invoice for a prior year allocation paid in the current year.

Beginning Fund Balance	\$ 32,973
Increase	<u>174</u>
Restated Beginning Fund Balance	<u>\$ 33,147</u>

County Capital Fund – The beginning fund balance is restated as a result of the closeout of the Sunshine Kitchen grant in the previous fiscal year.

Beginning Fund Balance	\$ 4,627,366
Decrease	<u>(14)</u>
Restated Beginning Fund Balance	<u>\$ 4,627,352</u>

Cap Imp Rev Bond 2016A Construction Fund – The beginning fund balance is restated as a result of a correction for a prior year Grant amount.

Beginning Fund Balance	\$ (180,673)
Increase	<u>2,788</u>
Restated Beginning Fund Balance	<u>\$ (177,885)</u>

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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

B. Primary Government Net Position Restatement:

The primary government has a restatement of net position for the governmental activities.

<u>Primary Government</u>	<u>Beginning Net Position Balance</u>	<u>Decrease</u>	<u>Restated Beginning Net Position Balance</u>
Governmental Activities	\$ 513,924,068	\$ 4,846	\$ 513,928,914
Business-type Activities	60,082,305	-	60,082,305
Total Primary Government	<u>\$ 574,006,373</u>	<u>\$ 4,846</u>	<u>\$ 574,011,219</u>

NOTE 17 – 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.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 17 – RISK MANAGEMENT (CONTINUED)

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 \$150,000 per individual, per year, and has purchased a reinsurance policy to cover claims in excess of this amount. There were nine claims in excess of the limit for fiscal year 2019, six claims in excess of the limit for fiscal year 2018, and six claims in fiscal year 2017.

The IBNR (incurred but not reported) claims liability of \$594,000, reported at September 30, 2019, 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.

Fiscal Year	Beginning Balance	Changes in Estimates and Claims Incurred	Claim Payments	Ending Balance
2016-2017	\$ 659,238	\$ 11,156,936	\$ 11,200,368	\$ 615,806
2017-2018	\$ 615,806	\$ 9,460,432	\$ 9,514,238	\$ 562,000
2018-2019	\$ 562,000	\$ 11,778,484	\$ 11,746,484	\$ 594,000

The Sheriff joined with other Sheriffs in the State to form the Florida Sheriff Self Insurance Fund, a public entity risk pool, under the 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 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, 2019**

NOTE 18 – 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:

	County Plan	Sheriff Plan
Valuation Date	October 1, 2018	September 30, 2017
Active employees	997	643
Retirees and spouses	246	200
Total Participants	1243	843

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 18 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

B. Total OPEB Liability

The County Plan's total OPEB liability of \$23,338,040 was measured as of October 1, 2018, and was determined by an actuarial valuation as of October 1, 2018.

The Sheriff Plan's total OPEB liability of \$35,271,585 was measured as of September 30, 2018, and was determined by an actuarial valuation as of September 30, 2018.

Actuarial assumptions and other inputs – The total OPEB liability in the October 1, 2018 actuarial valuation for the County Plan and in the October 1, 2017 for the Sheriff Plan were 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, 2018	September 30, 2017
Measurement Date	October 1, 2018	September 30, 2018
Inflation	2.60%	2.50%
Salary increases	3.7% to 7.8%	3.7% to 7.8%
Discount rate	3.83%	3.80%
Healthcare cost trend rates	5.9% 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, 2019**

NOTE 18 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

B. Total OPEB Liability (Continued)

Changes in the Total Liability:

	County Plan	Sheriff Plan
Service Cost	\$ 1,353,080	\$ 1,696,533
Interest	1,026,140	1,260,346
Benefit changes	(142,152)	-
Difference between actual and expected experience	(4,511,104)	-
Assumption changes	(1,817,294)	(1,523,955)
Benefit payments	(1,062,554)	(949,362)
Net change in Total OPEB Liability	\$ (5,153,884)	\$ 483,562
Total OPEB Liability (TOL) - (beginning)	28,491,924	34,788,023
Total OPEB Liability (TOL) - (ending)	<u>\$ 23,338,040</u>	<u>\$ 35,271,585</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 (2.83 percent) or 1-percentage-point higher (4.83 percent) than the current discount rate:

	Measurement Date: October 1, 2018		
	1% Decrease	Current Discount Rate	1% Increase
Discount rate	2.83%	3.83%	4.83%
Total OPEB liability	\$ 27,450,552	\$ 23,338,040	\$ 20,069,172

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 (2.83 percent) or 1-percentage-point higher (4.83 percent) than the current discount rate:

	Measurement Date: September 30, 2018		
	1% Decrease	Current Discount Rate	1% Increase
Discount rate	2.83%	3.83%	4.83%
Total OPEB liability	\$ 40,162,395	\$ 35,271,585	\$ 31,135,931

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 18 – 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 (4.9 percent decreasing to 3.4 percent) or 1-percentage-point higher (6.9 percent decreasing to 5.4 percent) than the current healthcare cost trend rates:

Measurement Date: October 1, 2018			
	1% Decrease	Current Discount Rate	1% Increase
Trend rates	4.9% to 3.4%	5.9% to 4.4%	6.9% to 5.4%
Total OPEB liability	\$ 21,219,832	\$ 23,338,040	\$ 26,096,120

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 (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: September 30, 2018			
	1% Decrease	Current Discount Rate	1% Increase
Trend rates	6% to 3.24%	7% to 4.24%	8% to 5.24%
Total OPEB liability	\$ 29,678,671	\$ 35,271,585	\$ 42,547,772

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

For the year ended September 30, 2019, the County Plan recognized OPEB expense of \$1,352,030. At September 30, 2019, 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	\$ -	\$ 3,974,068
Changes of assumptions or other inputs	-	2,985,193
Benefits paid after the measurement date	1,096,684	-
Total	\$ 1,096,684	\$ 6,959,261

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 2020 is \$1,096,684.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 18 – 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>
2020	\$ (966,341)
2021	(966,341)
2022	(966,341)
2023	(966,341)
2024	(966,341)
Thereafter	(2,127,556)

For the year ended September 30, 2019, the Sheriff Plan recognized OPEB expense of \$2,604,378. At September 30, 2019, the Plan 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>
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions and other inputs	-	2,837,759
Benefits paid after the measurement date	1,031,971	-
Total	<u>\$ 1,031,971</u>	<u>\$ 2,837,759</u>

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 2020 is \$1,031,971.

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>
2020	\$ (352,501)
2021	(352,501)
2022	(352,501)
2023	(352,501)
2024	(352,501)
Thereafter	(1,075,254)

St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019

NOTE 19 – 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, 2019, the County abated property taxes totaling \$209,134 under this program, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A 90 percent property tax abatement to Pursuit Boats to encourage economic development in the county. The abatement amounted to \$40,779.
- A 80 percent property tax abatement to Expert Shutter Services, Inc. to encourage economic development in the county. The abatement amounted to \$4,549.
- A 40 percent property tax abatement to Allied New Technology to encourage economic development in the county. The abatement amounted to \$66,066.
- A 100 percent property tax abatement to Maverick to encourage economic development in the county. The abatement amounted to \$76,198.
- A 100 percent tax abatement to Builders First Source to encourage economic development in the county. The abatement amounted to \$21,542.

The County is not subject to tax abatements granted by other local government taxing authorities as of September 30, 2019.

NOTE 20 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The County agreed to a payment settlement of \$850,000 in fiscal year 2019 related to a road and drainage project. 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.

**St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 20 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

B. Construction Contracts

At September 30, 2019, the County has various contracts for engineering and construction projects in process totaling \$44,378,943 for which goods and services have not been received. Following is a schedule of outstanding construction contracts:

<u>Governmental Funds:</u>	
General Fund	\$ 322,478
Impact Fee Fund	2,271,503
Sports Complex Capital Projects Fund	39,175,216
Other governmental funds	2,593,846
Total governmental funds	<u>\$ 44,363,043</u>
<u>Proprietary Funds:</u>	
Water & Sewer District Fund	\$ 15,900
Total proprietary fund	<u>\$ 15,900</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 21 – SUBSEQUENT EVENTS

1. On December 20, 2019, the County issued the Taxable Capital Improvement Revenue Bond, Series 2019 in the amount of \$2,611,000. The proceeds were used to (i) finance the cost of purchasing property located at 1680 SE Lyngate Drive and (ii) pay the costs of issuance related to the Series 2019 Bond. A portion of the property is being utilized by the County for an employee health clinic. The Bond has a final maturity of October 1, 2034.
2. Effective July 1, 2019 Section 553.80(7)(a), Florida Statutes set new requirements for the building code net position. A local government may not carry forward an amount exceeding the average of its operating budget for enforcing the Florida Building Code for the previous four fiscal years. The County is currently analyzing how to comply with the new requirements.
3. Beginning January 1, 2020, the Tax Collector left the health insurance program administered by the County and entered into an independent agreement with a third party provider.

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, 2019

	<u>2018</u>	<u>2019</u>
<u>County Plan</u>		
Valuation Date	October 1, 2016	October 1, 2018
Measurement Date	October 1, 2017	October 1, 2018
A. Total OPEB Liability (TOL)		
Service cost	\$ 1,498,209	\$ 1,353,080
Interest	927,463	1,026,140
Benefit changes	-	(142,152)
Difference between actual and expected experience	-	(4,511,104)
Assumption changes	(1,810,164)	(1,817,294)
Benefit payments	(1,078,863)	(1,062,554)
Net change in total OPEB liability	\$ (463,355)	\$ (5,153,884)
Total OPEB Liability(TOL) - Beginning	28,955,279	28,491,924
Total OPEB Liability(TOL) - Ending	<u>\$ 28,491,924</u>	<u>\$ 23,338,040</u>
B. Covered Payroll	\$ 46,136,891	\$ 49,526,231
C. TOL as a percentage of covered payroll: (A)/(B)	61.76%	47.13%
<u>Sheriff Plan</u>		
Valuation Date	September 30, 2017	September 30, 2017
Measurement Date	September 30, 2017	September 30, 2018
A. Total OPEB Liability (TOL)		
Service cost	\$ 1,794,483	\$ 1,696,533
Interest	1,127,206	1,260,346
Benefit changes	-	-
Difference between actual and expected experience	-	-
Assumption changes	(1,860,061)	(1,523,955)
Benefit payments	(1,681,196)	(949,362)
Net change in total OPEB liability	\$ (619,568)	\$ 483,562
Total OPEB Liability (TOL) - beginning	35,407,591	34,788,023
Total OPEB Liability (TOL) - ending	<u>\$ 34,788,023</u>	<u>\$ 35,271,585</u>
B. Covered Payroll	\$ 41,276,616	\$ 39,490,766
C. TOL as a percentage of covered payroll: (A)/(B)	84.28%	89.32%

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)

	2014	2015	2016	2017	2018	2019
County's proportion of the net pension liability	0.286699638 %	0.296434600 %	0.324220168 %	0.333040592 %	0.348810442 %	0.365307358 %
County's proportionate share of the net pension liability	\$ 17,492,894	\$ 38,288,504	\$ 81,865,847	\$ 98,511,173	\$105,063,513	\$125,806,768
County's covered payroll	\$ 76,135,364	\$ 77,028,679	\$ 82,847,038	\$ 86,933,073	\$ 93,161,887	\$ 98,660,070
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 %	127.52 %
Plan fiduciary net position as a percentage of the total pension liability (2)	96.09 %	92.00 %	84.88 %	83.89 %	84.26 %	82.61 %

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

(1) - GASB 68 requires information for 10 years. However, FY 2010 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)

	2014	2015	2016	2017	2018	2019
County's proportion of the net pension liability	0.256877781 %	0.261850034 %	0.267925759 %	0.272599282 %	0.284615452 %	0.294268957 %
County's proportionate share of the net pension liability	\$ 24,018,699	\$ 26,704,585	\$ 31,225,637	\$ 29,147,568	\$ 30,124,019	\$ 32,925,752
County's covered payroll	\$ 76,135,364	\$ 77,028,679	\$ 82,847,038	\$ 86,933,073	\$ 93,161,887	\$ 98,660,070
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 %	33.38 %
Plan fiduciary net position as a percentage of the total pension liability (2)	0.99 %	0.50 %	0.97 %	1.64 %	2.15 %	2.63 %

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

(1) - GASB 68 requires information for 10 years. However, FY 2010 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	2019
Contractually required contribution	\$ 8,493,239	\$ 9,358,753	\$ 10,063,078	\$ 11,135,500	\$ 12,682,358	\$ 14,194,417
Contributions in relation to the contractually required contribution	8,493,239	9,358,753	10,063,078	11,135,500	12,682,358	14,194,417
Contribution deficiency (excess)	<u>\$ -</u>	<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	\$ 93,972,937	\$101,162,539
Contributions as a percentage of covered-employee payroll	11.44%	11.66%	12.06%	12.74%	13.50%	14.04%

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

(1) - GASB 68 requires information for 10 years. However, FY 2010 through FY 2013 information is not available.

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

	2014	2015	2016	2017	2018	2019
Contractually required contribution	\$ 903,402	\$ 1,093,673	\$ 1,376,328	\$ 1,302,149	\$ 1,370,828	\$ 1,669,489
Contributions in relation to the contractually required contribution	903,402	1,093,673	1,376,328	1,302,149	1,370,828	1,669,489
Contribution deficiency (excess)	<u>\$ -</u>	<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	\$ 93,972,937	\$101,162,539
Contributions as a percentage of covered-employee payroll	1.22%	1.36%	1.65%	1.49%	1.46%	1.65%

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

(1) - GASB 68 requires information for 10 years. However, FY 2010 through FY 2013 information is not available.

COMPLIANCE SECTION



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, and September 30, 2019 the related notes to the financial statements, and have issued our report thereon dated March 27, 2020.

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
Certified Public Accountants
Fort Pierce, Florida

March 27, 2020



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND STATE PROJECT 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, 2019. 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), the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General. Those standards, the Uniform Guidance, the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General, 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.

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, 2019.

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 State project and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 or State project 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 or State project 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 or State project 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 limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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, the Florida Department of Financial Services Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General. 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 27, 2020

St. Lucie County, Florida
Schedule of Expenditures of Federal Programs and State Projects
For the Fiscal Year Ended September 30, 2019

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
FEDERAL PROGRAMS:					
US Department of Agriculture					
Direct Programs:					
Rural Business Development Grant (RBDG)	10.351	#461036748		\$ 4,420	
Emergency Watershed Protection Program	10.923	NR184209XXXXC020		<u>859,398</u>	
Total US Department of Agriculture				<u>863,818</u>	
US Department of Health and Human Services					
Indirect Programs:					
Passed Through the Florida Department of Economic Opportunity					
Community Services Block Grant	93.569	17SB-0D-12-00-01-023	O72215403	331,947	
Passed Through the Florida Department of Revenue					
Child Support Enforcement	93.563	COC56	36991959	<u>449,114</u>	
Total US Department of Health and Human Services				<u>781,061</u>	
US Department of Homeland Security					
Indirect Programs:					
Passed Through the Florida Division of Emergency Management					
Emergency Management Performance Grants Total Program	97.042	19-FG-AF-10-66-01-107	O72215403	<u>72,998</u>	
Passed Through the Florida Division of Emergency Management					
Homeland Security Grant Program	97.067	17-DS-V4-10-66-01-379 18-DS-X1-10-66-01-330	O72215403 O72215403	7,379 <u>16,050</u>	
Total Program				<u>23,429</u>	
Passed Through the Florida Division of Emergency Management					
Public Assistance Disaster Grants	97.036	Z0256-1		718,161 <u>80,113</u>	
Total Program				<u>798,274</u>	
Total US Department of Homeland Security				<u>894,701</u>	
US Department of Housing and Urban Development					
Direct Programs:					
Continuum of Care Program	14.267	FL0419L4H091702 FL0419L4H091702 FL0310L4H091709 FL0310L4H091810 FL0397L4H091808 FL0419L4H091803		79,763 134,728 131,938 24,425 26,390 <u>16,420</u>	
Total Program:				<u>413,664</u>	
Home Investment Partnerships Program	14.239	M15-DC-120234 M16-DC-120234 M17-DC-120234 M18-DC-120234		889 250,141 111,690 <u>83,548</u>	
Total Program:				<u>446,268</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>343,614</u>	
Total US Department of Housing and Urban Development				<u>1,203,546</u>	

St. Lucie County, Florida
Schedule of Expenditures of Federal Programs and State Projects
For the Fiscal Year Ended September 30, 2019

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
US Department of Justice					
Direct Programs:					
Victims of Crimes Act	16.575	VOCA-2018-SLSO-00329		75,469	
State Criminal Alien Assistance Program	16.606	2016-AP-BX-0450 2017-AP-BX-0035		23,035 46,793	
Total Program:				<u>69,828</u>	69,828
DNA Backlog Reduction Program	16.741	2016-DN-BX-0065 2017-DN-BX-0061 2018-DN-BX-0127		33,920 134,174 2,731	
Total Program:				<u>170,825</u>	
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	2018-CD-BX-0017		36,928	
Bulletproof Vest Partnership Grant	16.607	2018-BO-BX-18094730		27,072	27,072
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0844		33,801	33,801
Indirect Programs:					
Passed Through Florida Department of Law Enforcement Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0803 2017-MU-BX-0187	O72215403 O72215403	53,498 28,330	53,498 28,330
Total Program:				<u>81,828</u>	<u>81,828</u>
Passed Through Florida Department of Law Enforcement 2018-2019 Equitable Sharing Funds	16.922	FL0560000		43,133	
Total US Department of Justice				<u>538,884</u>	<u>212,529</u>
US Department of Transportation					
Direct Programs:					
Federal Transit Cluster					
Federal Transit - Formula Grants	20.507	FL-90-X793-00 FL-90-X846-00 FL-90-X866-00 FL-2017-012-00 FL-2018-010-00 FL-2018-054-00 FL-2019-026-00		14,250 49,574 5,119 15,977 1,589,877 769,122 349,746	9,003 3,623 15,977 1,129,390 393,485 349,746
Total Program:				<u>2,793,665</u>	<u>1,901,224</u>
Bus and Facilities Formula Program	20.526	FL-2017-097-00 FL-2018-053-00 FL-2019-023-00		31,591 193,773 6,407	 6,407
Total Federal Transit Cluster:				<u>3,025,436</u>	<u>1,907,631</u>
Indirect Programs:					
Enhanced Mobility of Seniors and Individuals with Disabilities Total Transit Services Programs Cluster:	20.513	435210-4-93-12	72215403	8,807	8,807

St. Lucie County, Florida
Schedule of Expenditures of Federal Programs and State Projects
For the Fiscal Year Ended September 30, 2019

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	GOY83 PL-0311056M	O72215403	510,322	
Total Highway Planning and Construction Cluster:				<u>510,322</u>	
Passed through the Florida Department of Transportation					
Surface Transportation Block Grant	20.505	GOY83	O72215403	203,974	
Section 5305d Grant	20.505	G1477	O72215403	102,747	
Formula Grants for Rural Areas	20.509	ARR39	O72215403	4,979	4,979
		G1478	O72215403	52,861	52,861
Total Program:				<u>57,840</u>	<u>57,840</u>
Total US Department of Transportation				<u>3,909,126</u>	<u>1,965,471</u>
US Department of Veterans Affairs					
Indirect Programs:					
Passed Through Treasure Coast Homeless Services					
VA Supportive Services for Veteran Families Program	64.033	14-FL-322 2017-2018	C18-10-848	15,839	
Total US Department of Veterans Affairs				<u>15,839</u>	
US Election Assistance Commission					
Indirect Programs:					
Passed Through Florida Department of State					
Help America Vote Act Requirements Payments	90.401	2015-2016-0001-STL		253,690	
Total US Election Assistance Commission				<u>253,690</u>	
US Environmental Protection Agency					
Indirect Programs:					
Passed Through the Indian River Lagoon Council					
National Estuary Program	66.456	IRL2018-10	GL01-1971	2,152	
Total US Environmental Protection Agency				<u>2,152</u>	
Corporation For National and Community Services					
Passed Through Volunteer Florida					
Total Corporation For National and Community Services	94.021	SID 2153		15,000	
Total Corporation For National and Community Services				<u>15,000</u>	
TOTAL EXPENDITURES OF FEDERAL PROGRAMS				<u>\$ 8,477,817</u>	<u>\$ 2,178,000</u>

St. Lucie County, Florida
Schedule of Expenditures of Federal Programs and State Projects
For the Fiscal Year Ended September 30, 2019

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
STATE PROJECTS:					
Florida Department of Environmental Protection					
Direct Projects:					
Beach Management Funding Assistance Program	37.003	16SL3		36,648	
		17SL1		18,977	
		18SL1		57,798	
		18SL2		3,796	
		19SL1		64,906	
		19SL2		108,375	
Total Project:				<u>290,500</u>	
Florida Recreation Development Assistance Program	37.017	A7053		525	
Red Tide Management for and within St. Lucie County	37.039	AB0800		81,885	
Total Florida Department of Environmental Protection				<u>372,910</u>	
Florida Department of Health - Bureau of EMS					
Direct Projects:					
County Grant Awards	64.005	C6059		39,231	39,231
Total Florida Department of Health - Bureau of EMS				<u>39,231</u>	<u>39,231</u>
Florida Department of Highway and Motor Vehicles Safety					
Direct Projects:					
Florida Arts License Plates Project	76.041			17,164	17,164
Total Florida Department of Highway and Motor Vehicles Safety				<u>17,164</u>	<u>17,164</u>
Florida Department of Law Enforcement					
Direct Projects:					
Statewide Criminal Analysis Laboratory System	71.002	2019-SFA-CL-56-8A-005		170,601	
Total Florida Department of Law Enforcement				<u>170,601</u>	
Florida Department of Legal Affairs and Attorney General					
Direct Projects:					
Florida Coalition Against Domestic Violence	41.030			65,847	
Total Florida Department of Legal Affairs and Attorney General				<u>65,847</u>	
Florida Department of State and Secretary of State					
Direct Projects:					
State Aid to Libraries	45.030	18-ST-73		6,566	
		19-ST-73		99,559	
Total Project:				<u>106,125</u>	
Library Services Technology Act	45.310	18-LSTA-D-35		2,875	
Direct Projects:					
For the Love of Florida Lecture Series	45.011	CC-FHSS-OXBO-1841		5,000	
Total Florida Department of State and Secretary of State				<u>114,000</u>	
Florida Department of Transportation					
Direct Projects:					
Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program	55.001	G0Y42		20,748	
		G0X62		630,091	
		G1066		16,469	
		G1A63		135,129	
Total Project:				<u>802,437</u>	
Commission for the Transportation Disadvantaged (CTD)Planning Grant Program	55.002	G1885		3,199	
Aviation Development Grants	55.004	ARV04		36,171	
		GOI50		391,842	
		GO807		479,588	
		GO328		236,648	
		GOE93		636,414	
		GO963		199,988	
		GO093		6,352	
Total Project:				<u>1,987,003</u>	

St. Lucie County, Florida
Schedule of Expenditures of Federal Programs and State Projects
For the Fiscal Year Ended September 30, 2019

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
Seaport Grants	55.005	G0678		263	
		GO034		17,571	
		G1804		150,984	
Total Program:				168,818	
County Incentive Grant Programs	55.008	G0C99		1,639,535	
Public Transit Block Grant Program	55.010	G1576		581,095	581,095
Public Transit Service Development Program	55.012	30407		22,587	22,587
		G0089		139,000	139,000
		G1516		123,779	123,779
Total Project:				285,366	285,366
Transit Corridor Development Program	55.013	G1532		172,380	
Transportation Regional Incentive Program	55.026	G0C99		1,639,535	
Total Florida Department of Transportation				<u>7,279,368</u>	<u>866,461</u>
Florida Executive Office of the Governor					
Direct Projects:					
Emergency Management Programs	31.063	19-BG-21-10-66-01-117 Z0256-1		76,751	
				3,043	
Total Project:				79,794	
Total Florida Executive Office of the Governor				<u>79,794</u>	
Florida Fish and Wildlife Conservation Commission					
Direct Projects:					
Derelict Vessel removal Grant	77.005	FWC 17360		23,250	
Artificial Reef Grants Program	77.007	FWC-16145		162	
Total Florida Fish and Wildlife Conservation Commission				<u>23,412</u>	
Florida Housing Finance Corporation					
Direct Projects:					
State Housing Initiative Partnership (SHIP) Program	40.901	SHIP FY 2016/2017		216	
		SHIP FY 2017/2018		261,152	
		SHIP FY 2018/2019		35,453	
Total Project:				296,821	
Total Florida Housing Finance Corporation				<u>296,821</u>	
Florida Office of Tourism, Trade and Economic Development					
Direct Projects:					
Tourism Recovery Grant Program for Red Tide	40.040	9338/C19-02-199		125,000	
Regional Cooperative Program Agreement		9570/C19-04-399		68,375	
Total Project:				193,375	
Total Florida Office of Tourism, Trade and Economic Development				<u>193,375</u>	
Florida Sports Foundation					
Direct Project:					
Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise	73.016	C17-03-323		999,996	
Total Florida Housing Finance Corporation				<u>999,996</u>	
TOTAL EXPENDITURES OF STATE PROJECTS				<u>\$ 9,652,519</u>	<u>\$ 922,856</u>

St. Lucie County, Florida
Notes to Schedule of Expenditures of Federal Programs and State Projects
Year Ended September 30, 2019

1. Bases of Presentation

The accompanying Schedule of Expenditures of Federal Programs and State Projects (the "Schedule") includes the federal program and state project activity of St. Lucie County, Florida for the year ended September 30, 2019. 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 Programs and State Projects
Year Ended September 30, 2019

5. Program Income

The federal and state expenditures presented in the Schedule of Expenditures of Federal Programs and State Projects (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, state, program income, or general fund match) for HUD and SHIP 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 - Small Cities Program			
Federal Expenditures reported on SEFA	14.228	\$ 343,614	343,614
Plus Expenditures funded by Program Income			459
Total Grant-Related Expenditures			<u>\$ 344,073</u>
Home Investment Partnership Program			
Federal Expenditures reported on SEFA			
Plus Expenditures funded by Program Income	14.239	\$ 446,268	446,268
Total Grant-Related Expenditures			<u>136,897</u>
			<u>\$ 583,165</u>
<u>Program or Cluster Title</u>	<u>STATE CSFA Number</u>	<u>State Expenditures</u>	<u>Total Expenditures</u>
State Housing Initiative (SHIP) Project			
State Expenditures reported on SEFA	40.901	\$ 296,821	296,821
Plus Expenditures funded by Program Income			22,754
Total Grant Related Expenditures			<u>\$ 319,575</u>

St. Lucie County, Florida
Schedule of Findings and Questioned Cost –
Federal Programs and State Projects
Fiscal Year Ended September 30, 2019

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 Programs 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>
10.923	Emergency Watershed Protection Program
93.569	Community Services Block Grant
97.036	Disaster Grants-Public Assistance (Presidentially Declared Disasters)

CFSA	
<u>Number</u>	<u>Name of State Projects</u>
37.003	Beach Management Funding Assistance Program
55.005	Seaport Grant Programs
55.008	County Incentive Grant Program (CIGP)
55.012	Public Transit Service Development Program
55.026	Transportation Regional Incentive Program (TRIP)
73.016	Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise

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 Programs and State Projects
Fiscal Year Ended September 30, 2019

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, 2019



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019, and have issued our report thereon dated March 27, 2020.

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 27, 2020, 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 our preceding financial audit report.

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 27, 2020

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

St. Lucie County, Florida

September 30, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019. 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, 2019.

*Berger Toombs Elam
Gaines & Frank*

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

March 27, 2020

SECTION II

BOARD OF COUNTY COMMISSIONERS

**Board of County Commissioners
St. Lucie County
Annual Financial Report
September 30, 2019**

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, 2019

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

Fiscal Year Ended September 30, 2019

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FINANCIAL SECTION



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019 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, 2019, 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 March 27, 2020 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*

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

March 27, 2020

**Board of County Commissioners
St. Lucie County, Florida
Balance Sheet
Governmental Funds
September 30, 2019**

	<u>General</u>	<u>Transportation Trust Fund</u>	<u>Fine and Forfeiture Fund</u>	<u>Impact Fee</u>
ASSETS				
Cash and investments	\$ 51,563,748	\$ 4,815,850	\$ 6,855,094	\$ 43,440,599
Accounts receivable	468,219	4,627	61,524	381,370
Assessments receivable	5,053	-	-	-
Interest receivable	143,512	12,216	19,167	119,009
Due from other governments	5,285,538	878,359	1,319,356	2,873,520
Inventories	-	172,918	-	-
Prepaid items	49,539	-	489	-
Total Assets	<u><u>\$ 57,515,609</u></u>	<u><u>\$ 5,883,970</u></u>	<u><u>\$ 8,255,630</u></u>	<u><u>\$ 46,814,498</u></u>
LIABILITIES				
Accounts payable and other current liabilities	5,470,804	540,493	1,236,882	2,098,856
Matured bonds payable	-	109,219	-	-
Matured interest payable	-	714	-	-
Deposits payable	113,326	-	-	-
Due to other governments	313,386	745	280,283	267,264
Unearned revenues - other	14,245	-	87,431	-
Total Liabilities	<u><u>5,911,761</u></u>	<u><u>651,171</u></u>	<u><u>1,604,596</u></u>	<u><u>2,366,120</u></u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	970,828	-	67,174	2,402,017
Total deferred inflows of resources	<u><u>970,828</u></u>	<u><u>-</u></u>	<u><u>67,174</u></u>	<u><u>2,402,017</u></u>
FUND BALANCES				
Nonspendable:				
Inventories of supplies	-	172,918	-	-
Prepaid items	49,539	-	489	-
Restricted:				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	11,157,394
Court related	-	-	71,522	-
Court Administrator, mediation	-	-	-	-
Transportation	-	5,059,881	-	24,968,246
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Law enforcement	-	-	6,511,849	2,488,179
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	3,432,542
Other purposes	-	-	-	-
Committed:				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated services	-	-	-	-
Other purposes	322,478	-	-	-
Assigned:				
Emergency reserves	36,500,000	-	-	-
Unassigned				
Total fund balances	<u><u>50,633,020</u></u>	<u><u>5,232,799</u></u>	<u><u>6,583,860</u></u>	<u><u>42,046,361</u></u>
Total liabilities, deferred inflow of resources and fund balances	<u><u>\$ 57,515,609</u></u>	<u><u>\$ 5,883,970</u></u>	<u><u>\$ 8,255,630</u></u>	<u><u>\$ 46,814,498</u></u>

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

Sports Complex Capital Project	Other Governmental Funds	Total Governmental Funds
\$ 42,120,657	\$ 70,966,770	\$ 219,762,718
-	593,648	1,509,388
-	3,366,050	3,371,103
145	192,889	486,938
-	6,415,016	16,771,789
-	184,983	357,901
-	219,508	269,536
<u>\$ 42,120,802</u>	<u>\$ 81,938,864</u>	<u>\$ 242,529,373</u>
4,118,418	3,991,883	17,457,336
-	5,324,274	5,433,493
-	1,231,040	1,231,754
-	12,518	125,844
-	209,694	1,071,372
-	276,231	377,907
<u>4,118,418</u>	<u>11,045,640</u>	<u>25,697,706</u>
-	3,366,050	3,366,050
-	3,131,727	6,571,746
<u>-</u>	<u>6,497,777</u>	<u>9,937,796</u>
-	184,983	357,901
-	219,508	269,536
-	1,017,736	1,017,736
-	7,043,211	7,043,211
38,002,384	2,496,994	51,656,772
-	-	71,522
-	2,349,825	2,349,825
-	3,519,132	33,547,259
-	8,500,439	8,500,439
-	588,865	588,865
-	-	9,000,028
-	5,840,298	5,840,298
-	368,487	368,487
-	366,987	366,987
-	1,065,965	1,065,965
-	127,618	127,618
-	17,891,406	21,323,948
-	3,537,792	3,537,792
-	230,771	230,771
-	7,341,917	7,341,917
-	1,703,513	2,025,991
-	-	36,500,000
-	-	13,761,003
<u>38,002,384</u>	<u>64,395,447</u>	<u>206,893,871</u>
<u>\$ 42,120,802</u>	<u>\$ 81,938,864</u>	<u>\$ 242,529,373</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, 2019**

	<u>General</u>	<u>Transportation Trust</u>	<u>Fine and Forfeiture</u>	<u>Impact Fee</u>
REVENUES				
Taxes:				
Property	\$ 80,874,637	\$ -	\$ 68,019,219	\$ -
Tourist	-	-	-	-
Motor fuel	-	3,446,845	-	-
Discretionary sales surtaxes	-	-	-	-
Local communication	-	788,494	-	-
Local business	25,427	-	-	-
Licenses and permits	2,000	2,530	-	-
Franchise fees	3,921,290	-	-	-
Impact fees	-	47,030	-	16,571,151
Special assessments	-	-	-	-
Intergovernmental	16,202,020	4,821,664	2,617,569	4,267,041
Charges for services	1,683,730	-	1,364,377	-
Fines and forfeitures	112,664	-	311,105	-
Investment income	2,284,357	183,265	495,704	1,613,118
Contributions from property owners	94,889	8,601	-	-
Miscellaneous	5,103,436	351,700	1,222,243	12,194
Total Revenues	<u>110,304,450</u>	<u>9,650,129</u>	<u>74,030,217</u>	<u>22,463,504</u>
EXPENDITURES				
Current:				
General government	20,236,235	747,420	2,774,127	-
Public safety	8,752,805	-	11,232,618	167
Physical environment	3,364,117	-	-	-
Transportation	134,888	8,730,575	-	-
Economic environment	4,681,329	-	2,281,695	-
Human services	8,662,712	-	15,000	-
Culture and recreation	13,811,837	-	61	323,836
Court-related	45,000	-	4,484,774	-
Capital outlay	2,632,442	1,245,590	362,017	8,130,254
Debt service:				
Principal	119,346	450,453	-	-
Interest	16,262	23,417	-	-
Other	-	-	-	-
Total expenditures	<u>62,456,973</u>	<u>11,197,455</u>	<u>21,150,292</u>	<u>8,454,257</u>
Excess (deficiency) of revenues over (under) expenditures	<u>47,847,477</u>	<u>(1,547,326)</u>	<u>52,879,925</u>	<u>14,009,247</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	347,182	527,215	8,277,262	-
Transfers out	(47,419,623)	(90)	(59,985,450)	(929,422)
Inception of capital lease	304,432	-	-	-
Sale of capital assets	114,325	723,550	375	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>(46,653,684)</u>	<u>1,250,675</u>	<u>(51,707,813)</u>	<u>(929,422)</u>
Net change in fund balances	1,193,793	(296,651)	1,172,112	13,079,825
Fund balances - beginning	49,439,227	5,550,643	5,411,748	28,966,536
Change in inventories of supplies	-	(21,193)	-	-
Fund balances - ending	<u>\$ 50,633,020</u>	<u>\$ 5,232,799</u>	<u>\$ 6,583,860</u>	<u>\$ 42,046,361</u>

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

<u>Sports complex Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 26,389,701	\$ 175,283,557
-	4,150,965	4,150,965
-	1,250,877	4,697,722
-	5,949,774	5,949,774
-	-	788,494
-	59,329	84,756
-	216,269	220,799
-	-	3,921,290
-	-	16,618,181
-	859,834	859,834
-	22,991,232	50,899,526
-	1,765,357	4,813,464
-	706,895	1,130,664
1,261,656	2,845,077	8,683,177
-	2,079,990	2,183,480
-	3,753,468	10,443,041
<u>1,261,656</u>	<u>73,018,768</u>	<u>290,728,724</u>
-	2,568,091	26,325,873
-	1,205,728	21,191,318
-	3,224,248	6,588,365
-	13,438,682	22,304,145
-	1,648,821	8,611,845
-	3,580,141	12,257,853
-	5,286,294	19,422,028
-	892,593	5,422,367
15,064,022	10,367,722	37,802,047
-	10,932,135	11,501,934
-	7,013,965	7,053,644
-	23,058	23,058
<u>15,064,022</u>	<u>60,181,478</u>	<u>178,504,477</u>
<u>(13,802,366)</u>	<u>12,837,290</u>	<u>112,224,247</u>
-	10,031,731	19,183,390
-	(10,347,058)	(118,681,643)
-	-	304,432
-	295,125	1,133,375
-	2,790,663	2,790,663
-	2,770,461	(95,269,783)
<u>(13,802,366)</u>	<u>15,607,751</u>	<u>16,954,464</u>
51,804,750	48,764,664	189,937,568
-	23,032	1,839
<u>\$ 38,002,384</u>	<u>\$ 64,395,447</u>	<u>\$ 206,893,871</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, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
Taxes:				
Property	\$ 78,933,357	\$ 78,933,357	\$ 80,874,637	\$ 1,941,280
Local business	25,000	25,000	25,427	427
Licenses and permits	-	-	2,000	2,000
Franchise fees	4,029,146	4,029,146	3,921,290	(107,856)
Intergovernmental	15,255,645	16,637,834	16,202,020	(435,814)
Charges for services	1,524,266	1,527,516	1,683,730	156,214
Fines and forfeitures	79,800	79,800	112,664	32,864
Investment income	502,716	502,716	2,284,357	1,781,641
Contributions from property owners	93,572	114,416	94,889	(19,527)
Miscellaneous	3,459,385	5,405,088	5,103,436	(301,652)
Total revenues	<u>103,902,887</u>	<u>107,254,873</u>	<u>110,304,450</u>	<u>3,049,577</u>
EXPENDITURES				
Current:				
General government	24,211,147	25,423,678	20,236,235	5,187,443
Public safety	4,955,840	8,897,698	8,752,805	144,893
Physical environment	2,505,727	3,389,583	3,364,117	25,466
Transportation	-	362,225	134,888	227,337
Economic environment	5,922,776	6,467,355	4,681,329	1,786,026
Human services	8,992,579	9,484,837	8,662,712	822,125
Culture and recreation	14,306,838	14,377,132	13,811,837	565,295
Court-related	-	-	45,000	(45,000)
Capital outlay	3,132,310	3,822,953	2,632,442	1,190,511
Debt Service:				
Principal	-	135,572	119,346	16,226
Interest	-	18,479	16,262	2,217
Total expenditures	<u>64,027,217</u>	<u>72,379,512</u>	<u>62,456,973</u>	<u>9,922,539</u>
Excess (deficiency) of revenues over (under) expenditures	<u>39,875,670</u>	<u>34,875,361</u>	<u>47,847,477</u>	<u>12,972,116</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	398,407	427,802	347,182	(80,620)
Transfers out	(47,198,065)	(48,073,895)	(47,419,623)	654,272
Inception of capital lease	-	331,379	304,432	(26,947)
Sale of capital assets	8,774	114,325	114,325	-
Total other financing sources (uses)	<u>(46,790,884)</u>	<u>(47,200,389)</u>	<u>(46,653,684)</u>	<u>546,705</u>
Net change in fund balances	(6,915,214)	(12,325,028)	1,193,793	13,518,821
Fund balances - beginning	42,675,971	48,858,484	49,439,227	580,743
Fund balances - ending	<u>\$ 35,760,757</u>	<u>\$ 36,533,456</u>	<u>\$ 50,633,020</u>	<u>\$ 14,099,564</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, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Motor fuel	\$ 2,583,786	\$ 2,583,786	\$ 3,446,845	\$ 863,059
Local communication	815,720	815,720	788,494	(27,226)
Licenses and permits	-	-	2,530	2,530
Impact fees	-	-	47,030	47,030
Intergovernmental	4,139,701	4,139,701	4,821,664	681,963
Investment income	37,737	37,737	183,265	145,528
Contributions from property owners	-	-	8,601	8,601
Miscellaneous	84,004	183,004	351,700	168,696
Total revenues	<u>7,660,948</u>	<u>7,759,948</u>	<u>9,650,129</u>	<u>1,890,181</u>
EXPENDITURES				
Current:				
General government	751,912	751,912	747,420	4,492
Transportation	9,287,299	9,684,684	8,730,575	954,109
Capital outlay	531,601	1,319,663	1,245,590	74,073
Debt service:				
Principal	656,479	656,479	450,453	206,026
Interest	63,388	63,388	23,417	39,971
Total expenditures	<u>11,290,679</u>	<u>12,476,126</u>	<u>11,197,455</u>	<u>1,278,671</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,629,731)</u>	<u>(4,716,178)</u>	<u>(1,547,326)</u>	<u>3,168,852</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	579,008	606,177	527,215	(78,962)
Transfers out	(88,578)	(88,578)	(90)	88,488
Sale of capital assets	-	723,550	723,550	-
Total other financing sources (uses)	<u>490,430</u>	<u>1,241,149</u>	<u>1,250,675</u>	<u>9,526</u>
Net change in fund balances	(3,139,301)	(3,475,029)	(296,651)	3,178,378
Fund balances - beginning	3,679,798	5,351,699	5,550,643	198,944
Change in inventories of supplies	-	-	(21,193)	(21,193)
Fund balances - ending	<u>\$ 540,497</u>	<u>\$ 1,876,670</u>	<u>\$ 5,232,799</u>	<u>\$ 3,356,129</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, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property	\$ 66,864,816	\$ 66,864,816	\$ 68,019,219	\$ 1,154,403
Intergovernmental	2,519,514	2,758,806	2,617,569	(141,237)
Charges for services	1,325,000	1,325,000	1,364,377	39,377
Fines and forfeitures	273,517	273,517	311,105	37,588
Investment income	109,200	109,200	495,704	386,504
Miscellaneous	1,089,984	1,089,984	1,222,243	132,259
Total revenues	<u>72,182,031</u>	<u>72,421,323</u>	<u>74,030,217</u>	<u>1,608,894</u>
EXPENDITURES				
Current:				
General government	3,154,943	2,973,443	2,774,127	199,316
Public safety	10,494,074	10,671,961	11,232,618	(560,657)
Economic environment	2,338,871	2,338,871	2,281,695	57,176
Human services	15,000	15,000	15,000	-
Culture and recreation	-	-	61	(61)
Court-related	4,500,885	4,679,359	4,484,774	194,585
Capital outlay	362,000	411,279	362,017	49,262
Total expenditures	<u>20,865,773</u>	<u>21,089,913</u>	<u>21,150,292</u>	<u>(60,379)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>51,316,258</u>	<u>51,331,410</u>	<u>52,879,925</u>	<u>1,548,515</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,943,991	9,052,554	8,277,262	(775,292)
Transfers out	(62,078,524)	(62,054,910)	(59,985,450)	2,069,460
Sale of capital assets	-	375	375	-
Total other financing sources (uses)	<u>(53,134,533)</u>	<u>(53,001,981)</u>	<u>(51,707,813)</u>	<u>1,294,168</u>
Net change in fund balances	(1,818,275)	(1,670,571)	1,172,112	2,842,683
Fund balances - beginning	4,702,712	5,411,748	5,411,748	-
Fund balances - ending	<u>\$ 2,884,437</u>	<u>\$ 3,741,177</u>	<u>\$ 6,583,860</u>	<u>\$ 2,842,683</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, 2019**

	Business Type Activities			Total	Governmental Activities
	Bailing & Recycling Facility	Water & Sewer District	Nonmajor Enterprise Funds		Internal Service Funds
ASSETS					
Current assets:					
Cash and investments	\$ 5,420,938	\$ 13,231,195	\$ 7,171,277	\$ 25,823,410	\$ 14,038,269
Restricted assets:					
Cash and investments--customer deposits	207,850	262,158	-	470,008	-
Accounts receivable, net	938,693	573,080	400	1,512,173	390,967
Interest receivable	21,269	37,579	19,047	77,895	33,763
Due from other governments	30,862	-	-	30,862	126,931
Inventories	144,361	-	66,755	211,116	66,055
Prepaid items	418	-	1,097	1,515	163,709
Total current assets	<u>6,764,391</u>	<u>14,104,012</u>	<u>7,258,576</u>	<u>28,126,979</u>	<u>14,819,694</u>
Non-current assets:					
Restricted assets:					
Cash and investments--landfill closure	2,292,734	-	-	2,292,734	-
Cash and investments--renewal and replacement	-	421,672	-	421,672	-
Land	4,905,601	4,182,746	1,268,050	10,356,397	-
Buildings and improvements	49,854,461	72,063,881	3,580,297	125,498,639	216,388
Machinery and equipment	19,416,278	582,500	430,149	20,428,927	283,741
Accumulated depreciation	(35,884,484)	(38,366,487)	(3,739,642)	(77,990,613)	(178,804)
Construction in progress	-	595,485	-	595,485	3,540
Total non-current assets	<u>40,584,590</u>	<u>39,479,797</u>	<u>1,538,854</u>	<u>81,603,241</u>	<u>324,865</u>
Total assets	<u>47,348,981</u>	<u>53,583,809</u>	<u>8,797,430</u>	<u>109,730,220</u>	<u>15,144,559</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refunding	-	173,651	-	173,651	-
Deferred outflows related to pension	1,637,254	343,798	931,372	2,912,424	114,757
Deferred outflows related to OPEB	65,896	10,048	40,930	116,874	2,763
Total deferred outflows of resources	<u>1,703,150</u>	<u>527,497</u>	<u>972,302</u>	<u>3,202,949</u>	<u>117,520</u>
LIABILITIES					
Current liabilities:					
Accounts payable and other current liabilities	1,519,368	1,502,390	160,294	3,182,052	2,247,399
Matured bonds payable	-	795,000	-	795,000	-
Matured interest payable	-	450,325	-	450,325	-
Claims and judgements payable	-	-	-	-	594,000
Deposits payable from restricted assets	207,850	262,158	-	470,008	-
Due to other governments	47,533	190	14,628	62,351	20,363
Bonds and notes payable, net	-	895,000	-	895,000	-
Accrued compensated absences	35,354	39,182	110,923	185,459	12,276
Unearned revenues	-	-	14,889	14,889	151,617
Total current liabilities	<u>1,810,105</u>	<u>3,944,245</u>	<u>300,734</u>	<u>6,055,084</u>	<u>3,025,655</u>
Non-current liabilities:					
Liabilities payable from restricted assets	2,292,734	-	-	2,292,734	-
Bonds and notes payable, net	-	17,644,949	-	17,644,949	-
Accrued compensated absences, net	326,663	42,814	149,661	519,138	4,640
Landfill long-term care liabilities	17,000,213	-	-	17,000,213	-
OPEB liability	1,031,699	196,156	833,792	2,061,647	56,435
Net pension liability	4,243,054	899,712	2,543,733	7,686,499	312,438
Total non-current liabilities	<u>24,894,363</u>	<u>18,783,631</u>	<u>3,527,186</u>	<u>47,205,180</u>	<u>373,513</u>
Total liabilities	<u>26,704,468</u>	<u>22,727,876</u>	<u>3,827,920</u>	<u>53,260,264</u>	<u>3,399,168</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pension	211,016	59,765	173,320	444,101	33,513
Deferred inflows related to OPEB	339,398	53,051	289,236	681,685	18,164
Deferred inflows related to grants	9,706	-	-	9,706	-
Total deferred inflows of resources	<u>560,120</u>	<u>112,816</u>	<u>462,556</u>	<u>1,135,492</u>	<u>51,677</u>
NET POSITION					
Net investment in capital assets	38,291,856	20,068,114	1,518,784	59,878,754	322,010
Restricted for:					
Renewal and replacement	-	421,672	-	421,672	-
Unrestricted	(16,504,313)	10,780,828	3,960,472	(1,763,013)	11,489,224
Total Net Position	<u>\$ 21,787,543</u>	<u>\$ 31,270,614</u>	<u>\$ 5,479,256</u>	<u>\$ 58,537,413</u>	<u>\$ 11,811,234</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, 2019**

	<u>Business Type Activities</u>			<u>Governmental Activities</u>	
	<u>Bailing & Recycling Facility</u>	<u>Water & Sewer District</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Operating revenues:					
Charges for services	\$ 16,689,341	\$ -	\$ 4,406,014	\$ 21,095,355	\$ 17,205,740
Charges for services, pledged for revenue bonds	-	9,735,000	-	9,735,000	-
Miscellaneous	1,619,431	-	122,729	1,742,160	890,598
Miscellaneous, pledged for revenue bonds	-	108,192	-	108,192	-
Total operating revenues	<u>18,308,772</u>	<u>9,843,192</u>	<u>4,528,743</u>	<u>32,680,707</u>	<u>18,096,338</u>
Operating expenses:					
Salaries, wages and employee benefits	4,416,384	764,854	2,977,469	8,158,707	13,452,433
Contractual services, materials and supplies	15,380,126	5,893,467	1,122,116	22,395,709	6,212,275
Depreciation	2,653,087	2,092,940	49,622	4,795,649	32,765
Total operating expenses	<u>22,449,597</u>	<u>8,751,261</u>	<u>4,149,207</u>	<u>35,350,065</u>	<u>19,697,473</u>
Operating income (loss)	<u>(4,140,825)</u>	<u>1,091,931</u>	<u>379,536</u>	<u>(2,669,358)</u>	<u>(1,601,135)</u>
Nonoperating revenues (expenses):					
Investment income	314,032	-	267,852	581,884	492,981
Investment income, pledged for revenue bonds	-	512,500	-	512,500	-
Gain on disposal of capital assets	112,398	400	21,525	134,323	-
Interest expense	-	(816,339)	-	(816,339)	-
Intergovernmental	283,835	83,518	-	367,353	-
Total nonoperating revenues (expenses)	<u>710,265</u>	<u>(219,921)</u>	<u>289,377</u>	<u>779,721</u>	<u>492,981</u>
Income (loss) before contributions and transfers	<u>(3,430,560)</u>	<u>872,010</u>	<u>668,913</u>	<u>(1,889,637)</u>	<u>(1,108,154)</u>
Capital contributions	-	920,652	-	920,652	-
Transfers out	(575,907)	-	-	(575,907)	-
Total capital contributions and transfers	<u>(575,907)</u>	<u>920,652</u>	<u>-</u>	<u>344,745</u>	<u>-</u>
Change in net position	<u>(4,006,467)</u>	<u>1,792,662</u>	<u>668,913</u>	<u>(1,544,892)</u>	<u>(1,108,154)</u>
Net position - beginning	25,794,010	29,477,952	4,810,343	60,082,305	12,919,388
Net position - ending	<u>\$ 21,787,543</u>	<u>\$ 31,270,614</u>	<u>\$ 5,479,256</u>	<u>\$ 58,537,413</u>	<u>\$ 11,811,234</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, 2019**

	<u>Business Type Activities</u>				<u>Governmental Activities</u>
	<u>Bailing & Recycling Facility</u>	<u>Water & Sewer District</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
Cash flows from operating activities					
Cash received from customers	\$ 16,683,214	\$ 9,848,104	\$ 4,405,718	\$ 30,937,036	\$ 17,209,348
Cash paid to suppliers	(12,810,080)	(5,893,277)	(1,172,820)	(19,876,177)	(5,607,847)
Cash paid for employee services	(5,009,910)	(839,727)	(2,509,662)	(8,359,299)	(14,844,003)
Other receipts	1,619,431	108,192	122,729	1,850,352	890,598
Net cash provided by operating activities	<u>482,655</u>	<u>3,223,292</u>	<u>845,965</u>	<u>4,551,912</u>	<u>(2,351,904)</u>
Cash flows from noncapital financing activities					
Proceeds from Federal/State awards	283,835	83,518	-	367,353	-
Transfers out	(575,907)	-	-	(575,907)	-
Net cash (used for) noncapital financing activities	<u>(292,072)</u>	<u>83,518</u>	<u>-</u>	<u>(208,554)</u>	<u>-</u>
Cash flows from capital and related financing activities					
Proceeds from sale of assets	112,398	400	21,524	134,322	-
Capital contributions	-	920,652	-	920,652	-
Principal paid on capital debt	-	(605,550)	-	(605,550)	-
Interest paid on capital debt	-	(907,100)	-	(907,100)	-
Purchases of capital assets	(222,950)	(935,801)	(6,889)	(1,165,640)	(11,780)
Net cash provided by (used for) capital and related financing activities	<u>(110,552)</u>	<u>(1,527,399)</u>	<u>14,635</u>	<u>(1,623,316)</u>	<u>(11,780)</u>
Cash flows from investing activities					
Interest on investments	<u>322,586</u>	<u>519,159</u>	<u>271,586</u>	<u>1,113,331</u>	<u>511,161</u>
Net increase (decrease) in cash and investments	402,617	2,298,570	1,132,186	3,833,373	(1,852,523)
Cash and investments at beginning of year	7,518,905	11,616,455	6,039,091	25,174,451	15,890,792
Cash and investments at end of year	<u>\$ 7,921,522</u>	<u>\$ 13,915,025</u>	<u>\$ 7,171,277</u>	<u>\$ 29,007,824</u>	<u>\$ 14,038,269</u>
Cash and investments classified as:					
Current assets	\$ 5,420,938	\$ 13,231,195	\$ 7,171,277	\$ 25,823,410	\$ 14,038,269
Restricted assets	2,500,584	683,830	-	3,184,414	-
Total cash and investments at end of year	<u>\$ 7,921,522</u>	<u>\$ 13,915,025</u>	<u>\$ 7,171,277</u>	<u>\$ 29,007,824</u>	<u>\$ 14,038,269</u>
Reconciliation of net operating income (loss) to net cash provided by (used for) operating activities					
Operating income (loss)	\$ (4,140,825)	\$ 1,091,931	\$ 379,536	\$ (2,669,358)	\$ (1,601,135)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	2,653,087	2,092,940	49,622	4,795,649	32,765
Landfill closure expense	1,968,457	-	-	1,968,457	-
Changes in assets and liabilities:					
Accounts receivable	(9,610)	96,883	450	87,723	(168,959)
Due from other governments	5,483	-	2,275	7,758	20,950
Inventories	80,151	-	(24,066)	56,085	8,447
Prepaid Items	(418)	-	(1,097)	(1,515)	5,675
Accounts payable and accrued liabilities	(716,542)	(191,395)	30,462	(877,475)	(890,385)
Claims payable	-	-	-	-	32,000
Due to other governments	-	190	-	190	-
Accrued compensated absences	48,966	10,196	(13,918)	45,244	7,979
Deposits payable	(2,000)	16,221	(2,000)	12,221	-
Unearned revenues	-	-	1,254	1,254	151,617
OPEB liability	(242,821)	(39,330)	(220,464)	(502,615)	(13,466)
Pension liability	838,727	145,656	643,911	1,628,294	62,608
Net cash provided by (used for) operating activities	<u>\$ 482,655</u>	<u>\$ 3,223,292</u>	<u>\$ 845,965</u>	<u>\$ 4,551,912</u>	<u>\$ (2,351,904)</u>

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 Net Position
Agency Funds
September 30, 2019**

Assets

Cash and investments	\$ 8,361,107
Accounts receivable	34,729
Due from other governments	33,876
Interest receivable	17,202
Total assets	<u>\$ 8,446,914</u>

Liabilities

Accounts payable and other current liabilities	\$ 78,216
Deposits payable	525,371
Due to other governments	2,008,814
Agency funds on hand	5,834,513
Total liabilities	<u>\$ 8,446,914</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, 2019**

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**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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, 2019**

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, 2019**

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 maintains the accounting records for the Medical Examiner's office. The Board’s 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.

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, 2019**

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.

a) Fund Balance Category

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, 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus and Bases of Accounting (Continued)

Fund Financial Statements (Continued)

1. Governmental Funds (Continued)

a) Fund Balance Category (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.

b) Fund Balance Policy

The Board 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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus and Bases of Accounting (Continued)

Fund Financial Statements (Continued)

1. Governmental Funds (Continued)

b) Fund Balance Policy (Continued)

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. There is no amount set aside as of September 30, 2019.

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.

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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus and Bases of Accounting (Continued)

Fund Financial Statements (Continued)

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.

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 2019. 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.

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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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 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.

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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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

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.

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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Accrued Compensated Absences (Continued)

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.

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, 2019**

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, 2019 was \$2,248,722 and the bank balance was \$4,089,867. 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, 2019**

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 (EFTs)

At September 30, 2019, 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	\$ 59,740,263	\$ 639,347	\$ 34,559,885	24,541,031
United States Agencies	24,973,183	3,705,972	12,823,591	8,443,620
Supranational Agencies	12,080,225	2,561,384	9,257,493	261,348
Corporate Obligations	28,537,502	7,217,022	13,018,366	8,302,114
Asset-Backed-Securities	6,085,670	472,478	1,413,930	4,199,262
Equities	11,390,561	11,390,561	-	-
Exchange Traded Funds	2,025,614	2,025,614	-	-
Florida Trust	35,833,160	35,833,160	-	-
Florida Class - General	24,707,889	24,707,889	-	-
Florida Class - Bond proceeds	42,014,414	42,014,414	-	-
Florida Palm	20,334,421	20,334,421	-	-
Mutual Fund Money Market	1,007,208	1,007,208	-	-
Bank Owned Money Market	182,318	182,318	-	-
Total	\$268,912,428	\$152,091,788	\$ 71,073,265	\$ 45,747,375

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Investment holdings consist of \$59,740,263 in direct obligations of the United States Treasury Securities, \$24,973,183 in direct debt issued by agencies of the U.S. Government which are backed by the full faith and credit of the United States, \$12,080,225 in debt issued by multilateral organization of governments of which the U.S. is a shareholder, \$28,537,502 in Corporate Obligations, \$6,085,670 in Asset Backed Securities, and \$13,416,175 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, Florida Palm, and bank owned money market fund. Florida Trust, Florida Class, and Florida Palm 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 \$615,798 as of September 30, 2019.

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, 2019**

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, the Florida Trust, the Florida Class, and the Florida Palm all have an investment rating of AAAM by Standard & Poors. The Asset-Backed Securities are rated AAA by at least two of the nationally recognized agencies. 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, intergovernmental investment pools 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, 2019, the Board's investments were held with a third-party custodian as required by the Board's investment policy.

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.

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

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

4. Concentration of Credit risk

As of September 30, 2019, all the Board's investments were below the maximum allocation limits except the intergovernmental investment pool. This is caused by a delay in the spend-down of the Non-Ad Valorem Revenue Bonds, Series 2017 debt proceeds.

At September 30, 2019, the Board had the following issuer concentrations based on fair value:

Issuer	Amount	Percentage of Portfolio
United States Treasuries	\$ 59,740,263	22.22%
United States Agencies	24,973,183	9.29%
Supranational Agencies	12,080,225	4.49%
Corporate Obligations	28,537,502	10.61%
Asset-Backed-Securities	6,085,670	2.26%
Equities	11,390,561	4.24%
Exchange Traded Funds	2,025,614	0.75%
Florida Trust	35,833,160	13.33%
Florida Class - General	24,707,889	9.19%
Florida Class - Bond proceeds	42,014,414	15.62%
Florida Palm	20,334,421	7.56%
Mutual Fund Money Market	1,007,208	0.37%
Bank Owned Money Market	182,318	0.07%
Total	<u>\$ 268,912,428</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 2018-2019 fiscal year were levied in October 2018. 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, 2019**

NOTE 4 – CAPITAL ASSETS

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

	Beginning Balance	Increases & Transfer in	Decreases & Transfer out	Ending Balance
<u>Governmental Funds:</u>				
Capital assets				
Land	\$ 187,938,490	\$ 34,444	\$ -	\$ 187,972,934
Construction in progress	42,205,417	31,463,483	(41,400,465)	32,268,435
Buildings	226,750,034	7,720,941	-	234,470,975
Improvements	404,610,001	28,262,165	-	432,872,166
Equipment	77,967,705	5,699,643	(7,617,043)	76,050,305
Total capital assets	<u>\$ 939,471,647</u>	<u>\$ 73,180,676</u>	<u>\$ (49,017,508)</u>	<u>\$ 963,634,815</u>
<u>Proprietary Funds:</u>				
Enterprise Funds				
Capital assets, not depreciated:				
Land	\$ 10,356,397	\$ -	\$ -	\$ 10,356,397
Construction in progress	2,915,374	441,480	(2,761,369)	595,485
Total capital assets, not depreciated	<u>13,271,771</u>	<u>441,480</u>	<u>(2,761,369)</u>	<u>10,951,882</u>
Capital assets, depreciated:				
Buildings	41,126,703	-	-	41,126,703
Improvements	81,170,235	3,201,701	-	84,371,936
Equipment	21,066,380	299,700	(937,153)	20,428,927
Total capital assets, depreciated	<u>143,363,318</u>	<u>3,501,401</u>	<u>(937,153)</u>	<u>145,927,566</u>
Less accumulated depreciation for:				
Buildings	(24,747,924)	(1,294,120)	-	(26,042,044)
Improvements	(38,333,924)	(2,129,332)	-	(40,463,256)
Equipment	(11,034,401)	(1,372,198)	921,286	(11,485,313)
Total accumulated depreciation	<u>(74,116,249)</u>	<u>(4,795,650)</u>	<u>921,286</u>	<u>(77,990,613)</u>
Total capital assets depreciated, net	<u>69,247,069</u>	<u>(1,294,249)</u>	<u>(15,867)</u>	<u>67,936,953</u>
Enterprise funds capital assets, net	<u>\$ 82,518,840</u>	<u>\$ (852,769)</u>	<u>\$ (2,777,236)</u>	<u>\$ 78,888,835</u>
	Beginning Balance	Increases & Transfer in	Decreases & Transfer out	Ending Balance
Internal Service Fund				
Buildings	\$ 216,388	\$ -	\$ -	\$ 216,388
Equipment	279,764	8,240	(4,263)	283,741
Construction in progress	-	3,540	-	3,540
Accumulated depreciation	(150,302)	(32,765)	4,263	(178,804)
Internal service fund capital assets, net	<u>\$ 345,850</u>	<u>\$ (20,985)</u>	<u>\$ -</u>	<u>\$ 324,865</u>

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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 & Recycling Facility</u>	<u>Water & Sewer District</u>	<u>Total</u>
Landfill closing costs	\$ 2,288,914	\$ -	\$ 2,288,914
C&D processing facility	3,820	-	3,820
Customer deposits	207,850	262,158	470,008
Renewal and replacement	-	421,672	421,672
Total	<u>\$ 2,500,584</u>	<u>\$ 683,830</u>	<u>\$ 3,184,414</u>

Liabilities payable from restricted assets of the Board's proprietary funds are as follows:

<u>Liabilities</u>	<u>Bailing & Recycling Facility</u>	<u>Water & Sewer District</u>	<u>Total</u>
Landfill closing costs	\$ 2,288,914	\$ -	\$ 2,288,914
C&D processing facility	3,820	-	3,820
Customer deposits	207,850	262,158	470,008
Total	<u>\$ 2,500,584</u>	<u>\$ 262,158</u>	<u>\$ 2,762,742</u>

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 6 – INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2019, consisted of the following:

	Transfers In:					Total
	General Fund	Transportation Trust Fund	Fine and Forfeiture Fund	Nonmajor Governmental Funds	Constitutional Officers	
Transfers Out:						
General Fund	\$ -	\$ 500,000	\$ 200,000	\$ 6,875,718	\$ 39,843,905	\$ 47,419,623
Transportation Trust Fund	-	-	-	-	90	90
Fine and Forfeiture Fund	-	-	-	1,052,684	58,932,765	59,985,450
Impact Fee Fund	-	-	-	662,158	267,264	929,422
Nonmajor Governmental Funds	31,275	27,215	7,817,262	1,441,171	1,030,137	10,347,058
Bailing & Recycling Facility Fund	315,907	-	260,000	-	-	575,907
Total	\$ 347,182	\$ 527,215	\$ 8,277,262	\$ 10,031,731	\$ 100,074,161	\$ 119,257,550

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, 2019**

NOTE 7 – RECEIVABLE, INTERFUND BALANCES AND PAYABLE

A. Accounts Receivable

Accounts receivable at September 30, 2019, were as follows:

<u>Governmental Funds:</u>	<u>Customer</u>	<u>Miscellaneous</u>	<u>Total Accounts Receivable</u>
General Fund	\$ 190,490	\$ 277,729	\$ 468,219
Transportation Trust Fund	4,627	-	4,627
Fine and Forfeiture Fund	61,524	-	61,524
Impact Fee Fund	-	381,370	381,370
Other governmental funds	118,254	475,394	593,648
Total governmental funds	<u>\$ 374,895</u>	<u>\$ 1,134,493</u>	<u>\$ 1,509,388</u>
<u>Proprietary Funds:</u>			
Bailing & Recycling Facility Fund	\$ 938,693	\$ -	\$ 938,693
Water & Sewer District Fund	573,080	-	573,080
Nonmajor enterprise funds	400	-	400
Total enterprise funds	<u>1,512,173</u>	<u>-</u>	<u>1,512,173</u>
Internal Service Fund	390,967	-	390,967
Total proprietary funds	<u>\$ 1,903,140</u>	<u>\$ -</u>	<u>\$ 1,903,140</u>
<u>Fiduciary Funds:</u>			
Agency fund	<u>\$ -</u>	<u>\$ 34,729</u>	<u>\$ 34,729</u>

B. Special Assessments Receivable

Special assessments receivable at September 30, 2019 were as follows:

General Fund - Special Lighting District	\$ 5,053
Other governmental funds	3,366,050
Total	<u>\$ 3,371,103</u>

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 7 – RECEIVABLE, INTERFUND BALANCES AND PAYABLE (CONTINUED)

C. Payables

Payables at September 30, 2019, 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>
<u>Governmental Funds:</u>				
General Fund	\$ 4,689,661	\$ 1,941	\$ 779,202	\$ 5,470,804
Transportation Trust Fund	370,004	-	170,489	540,493
Fine and Forfeiture Fund	977,833	-	259,049	1,236,882
Impact Fee Fund	1,340,490	758,366	-	2,098,856
Sports Complex Capital Project Fund	4,118,418	-	-	4,118,418
Nonmajor governmental funds	3,516,450	225,951	249,482	3,991,883
Total governmental funds	<u>\$ 15,012,856</u>	<u>\$ 986,258</u>	<u>\$ 1,458,222</u>	<u>\$ 17,457,336</u>
<u>Proprietary Funds:</u>				
Enterprise funds				
Bailing & Recycling Facility Fund	\$ 1,399,867	\$ -	\$ 119,501	\$ 1,519,368
Water & Sewer District Fund	1,482,045	-	20,345	1,502,390
Nonmajor enterprise funds	67,682	-	92,612	160,294
Total enterprise funds	<u>2,949,594</u>	<u>-</u>	<u>232,458</u>	<u>3,182,052</u>
Internal Service Fund	2,237,937	-	9,462	2,247,399
Total proprietary funds	<u>\$ 5,187,531</u>	<u>\$ -</u>	<u>\$ 241,920</u>	<u>\$ 5,429,451</u>
<u>Fiduciary Funds:</u>				
Agency fund	<u>\$ 78,216</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,216</u>

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 7 – RECEIVABLE, INTERFUND BALANCES AND PAYABLE (CONTINUED)

D. Deposits Payable

Deposits payable at September 30, 2019, were as follows:

	<u>Rental Deposits</u>	<u>Vendor Security Deposits</u>	<u>Customer Deposits</u>	<u>Total Deposits</u>
<u>Governmental Funds:</u>				
General Fund	\$ 74,531	\$ 34,320	\$ 4,475	\$ 113,326
Nonmajor governmental funds	12,518	-	-	12,518
Total governmental funds	<u>\$ 87,049</u>	<u>\$ 34,320</u>	<u>\$ 4,475</u>	<u>\$ 125,844</u>
<u>Proprietary Funds:</u>				
Bailing & Recycling Facility Fund	\$ -	\$ -	\$ 207,850	\$ 207,850
Water & Sewer District Fund	-	-	262,158	262,158
Total proprietary funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 470,008</u>	<u>\$ 470,008</u>
<u>Fiduciary Funds:</u>				
Agency fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 525,371</u>	<u>\$ 525,371</u>

E. Claims Payable

Claims payable of \$594,000 represent health insurance claims incurred but not yet reported at year end in the Internal Service Fund.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 8 – LONG-TERM LIABILITIES

A. Schedules of Changes in Long-Term Debt

Long-term liability activity for the year ended September 30, 2019, 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	\$ 115,910,000	\$ -	\$ (3,800,000)	\$ 112,110,000	\$ 3,970,000
Revenue notes from direct borrowings	37,540,737	2,628,210	(5,646,659)	34,522,288	4,765,470
Special assessment from direct borrowings	3,153,223	162,453	(386,098)	2,929,578	366,481
Plus issuance premiums	11,278,162	-	(623,173)	10,654,989	623,173
Total bonds and notes payable, net	<u>167,882,122</u>	<u>2,790,663</u>	<u>(10,455,930)</u>	<u>160,216,855</u>	<u>9,725,124</u>
Capital leases	18,458,422	304,432	(1,669,177)	17,093,677	1,546,832
Compensated absences	5,154,986	3,152,464	(2,687,484)	5,619,966	2,323,102
Governmental funds liabilities	<u>\$ 191,495,530</u>	<u>\$ 6,247,559</u>	<u>\$ (14,812,591)</u>	<u>\$ 182,930,498</u>	<u>\$ 13,595,058</u>
<u>Enterprise Funds</u>					
Bonds and notes payable:					
Water and sewer revenue bonds/notes	\$ 18,810,000	\$ -	\$ (795,000)	\$ 18,015,000	\$ 895,000
Plus issuance premiums	650,937	-	(125,988)	524,949	125,988
Total bonds and notes payable, net	<u>19,460,937</u>	<u>-</u>	<u>(920,988)</u>	<u>18,539,949</u>	<u>1,020,988</u>
Compensated absences	659,353	345,341	(300,097)	704,597	185,459
Landfill long-term care liability	15,349,882	1,650,331	-	17,000,213	-
Proprietary funds liabilities	<u>\$ 35,470,172</u>	<u>\$ 1,995,672</u>	<u>\$ (1,221,085)</u>	<u>\$ 36,244,759</u>	<u>\$ 1,206,447</u>
<u>Internal Service Fund:</u>					
Compensated absences	\$ 8,937	\$ 21,668	\$ (13,689)	\$ 16,916	\$ 12,276
Internal Service Fund liabilities	<u>\$ 8,937</u>	<u>\$ 21,668</u>	<u>\$ (13,689)</u>	<u>\$ 16,916</u>	<u>\$ 12,276</u>

The Board has revenue bonds, special assessment notes, 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, Mets Stadium Improvements, Transportation Revenue Refunding, Capital Improvement Refunding, Rock Road Jail Security, and special assessment bonds are also paid from debt service funds. The Parks Referendum line of credit, Port Deepening, and MSBU interim line of credit, all part of the revenue notes, are paid from special revenue funds. In addition, one capital lease is paid from a special revenue fund, two capital leases are paid from debt service funds, and two capital leases are paid from the general fund.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

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

The following debts were issued in FY 2019:

1. On December 18, 2018, the Board entered into a Capital Lease Agreement in the amount of \$304,432 with Insight Public Sector, Inc. This lease is for the purchase of hardware and software for InformationTechnology.
2. A not to exceed \$2,000,000 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 the borrowers is \$162,453 in FY 2019. The total amount disbursed to borrowers since inception is \$899,578.
3. The Board completed the draw-down on the Capital Improvement Revenue Bonds, Series 2016A in FY 2019. The total amount drawn was \$2,628,210.

The following debts were paid off in FY 2019:

1. On September 30, 2019, the Capital Improvement Refunding Revenue Note, Series 2007 was paid off based on the debt amortization schedule.
2. On September 30, 2019, the Master Equipment Lease/Purchase Agreement was paid off based on the debt amortization schedule.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

B. Schedule of Outstanding Debt

The following is a schedule of bonds outstanding at September 30, 2019:

	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rates</u>
Governmental Funds:				
<u>Revenue Bonds:</u>				
Sales Tax Revenue Refunding Bonds, Series 2013A	County projects	\$47,285,000	\$ 35,325,000	2.00%-5.00%
Sales Tax Revenue Refunding Bonds, Series 2013B	County projects	9,405,000	6,475,000	2.00%-5.00%
Non-Ad Valorem Revenue Bond, Series 2017	Sports Complex	46,865,000	44,580,000	4.99%
Taxable Non-Ad Valorem Revenue Bond, Series 2017A	Port Property	25,730,000	25,730,000	3.94%
Total Revenue Bonds			<u>\$112,110,000</u>	
Plus: Net Premiums			<u>10,654,989</u>	
Net Revenue Bonds			<u>\$122,764,989</u>	
<u>Revenue Notes:</u>				
Army Corps of Engineers, Series 1997	Port deepening	\$ 797,960	\$ 342,066	6.125% (1)
Florida Power and Light, Series 2001	S. County Regional Stadium lighting system	134,966	21,521	8.82%
Public Improvement Revenue Bond, Note, Series 2008A	South county regional	1,700,000	580,000	4.88%
Capital Improvement Revenue Refunding Note, Series 2011	Parks referendum MSTU	10,330,000	4,025,000	2.17%
Capital Improvement Revenue Refunding Note, Series 2016B (Taxable)	Mets stadium improvements	4,832,000	3,534,000	3.03%
Transportation Revenue Refunding Bond, Series 2015	Partially refunding Transportation Revenue Bond, Series 2007	11,390,000	9,080,000	2.29%
Capital Improvement Refunding Bond, Series 2014	Refunding Public Improvement Revenue Refunding Bonds, Series 2004A and State Revenue Sharing Improvement Revenue Bond, Series 2005	10,495,000	5,945,000	2.41%
Capital Improvement Revenue Bond, Series 2015	Tax Collector building project	7,000,000	5,910,000	2.74%
Capital Improvement Revenue Bond, Series 2016A	Airport MRO Hangar	3,000,000	2,474,700	2.18%
Capital Improvement Revenue Bonds, Series 2016	Jail Security Upgrade	3,320,000	2,610,000	2.60%
Total Revenue Notes			<u>\$ 34,522,288</u>	

(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 draw.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

B. Schedule of Outstanding Debt (Continued)

Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rates
Governmental Funds (continued):			
<u>Special Assessment Bonds:</u>			
Series 2010A	Lennard Rd 1 \$ 4,355,000	\$ 2,030,000	3.70%
Series 2014 (Taxable)	Sustainability District 1,000,000	899,578	variable (1)
Total Special Assessment Bonds		<u>\$ 2,929,578</u>	

(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:

Equipment Lease/Purchase Agreement	Energy Efficient Equipment	\$ 9,305,379	\$ 7,145,821	2.37%
Motorola Lease/Purchase Agreement*	Communication Equipment	8,967,201	8,532,476	3.55%
Master Equipment Lease	Heavy Road & Bridge Equipment	3,000,000	997,464	variable (1)
Compuquip Equipment Lease	I/T Equipment	299,947	176,804	2.552%
Insight Equipment Lease	I/T Equipment	304,432	241,112	5.590%
Total Capital Leases			<u>\$ 17,093,677</u>	

(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	<u><u>\$ 177,310,532</u></u>
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Proprietary Funds:

Revenue Bonds:

Utility System Improvement and Refunding Revenue Bonds, Series 2013	Acquiring plant and plant expansion	\$ 21,105,000	\$ 18,015,000	2.0%-5.25%
Total Revenue Bonds			<u>18,015,000</u>	
Plus: Premiums			<u>524,949</u>	
Net Revenue Bonds			<u><u>\$ 18,539,949</u></u>	

Total Outstanding Debt – Proprietary Funds	<u><u>\$ 18,539,949</u></u>
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Business –type activity interest expense totaling \$816,339 was expensed in the current year.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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, 2019:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental Funds	\$ 2,489,081	\$ -	\$ (261,723)	\$ 2,227,358	\$ 259,930
Proprietary Funds	215,328	-	(41,677)	173,651	41,677
Total	<u>\$ 2,704,409</u>	<u>\$ -</u>	<u>\$ (303,400)</u>	<u>\$ 2,401,009</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>
2020	\$ 3,970,000	\$ 5,174,121	\$ 4,765,470	\$ 861,198	\$ 366,481	\$ 161,892
2021	4,730,000	4,968,451	4,880,970	737,576	371,901	139,785
2022	4,950,000	4,744,653	4,839,750	611,592	385,723	121,748
2023	5,180,000	4,509,252	4,791,123	486,088	404,831	102,998
2024	5,430,000	4,261,740	3,628,642	372,895	419,254	83,376
2025-2029	25,880,000	17,522,381	8,826,333	874,462	632,805	203,618
2030-2034	27,295,000	11,359,369	2,340,000	213,479	176,034	108,251
2035-2039	16,635,000	6,157,604	450,000	6,165	172,549	37,513
2040-2044	12,490,000	2,417,879	-	-	-	-
2045-2048	5,550,000	462,848	-	-	-	-
Total	<u>\$ 112,110,000</u>	<u>\$ 61,578,298</u>	<u>\$ 34,522,288</u>	<u>\$ 4,163,455</u>	<u>\$ 2,929,578</u>	<u>\$ 959,181</u>

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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>
2020	\$ 1,546,832	\$ 510,874	\$ 10,648,783	\$ 6,708,085
2021	1,602,453	465,307	11,585,324	6,311,119
2022	1,585,338	419,268	11,760,811	5,897,261
2023	1,540,526	376,222	11,916,480	5,474,560
2024	902,872	337,140	10,380,768	5,055,151
2025-2029	6,835,265	1,136,154	42,174,403	19,736,615
2030-2034	3,080,391	145,438	32,891,425	11,826,537
2035-2039	-	-	17,257,549	6,201,282
2040-2044	-	-	12,490,000	2,417,879
2045-2048	-	-	5,550,000	462,848
Total	\$ 17,093,677	\$ 3,390,403	\$ 166,655,543	\$ 70,091,337

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>
2020	\$ 895,000	\$ 860,900
2021	980,000	825,100
2022	1,030,000	776,100
2023	1,080,000	724,600
2024	1,135,000	670,600
2025-2029	6,515,000	2,518,063
2030-2033	6,380,000	846,450
Total	\$18,015,000	\$7,221,813

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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

E. Bond Covenants (Continued)

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, 2019.

Gross revenues available for compliance	\$ 10,355,692
Operating and maintenance expenses (does not include depreciation, amortization, and debt payments)	<u>6,658,321</u>
Amount of revenues over direct operating expenses	<u><u>\$ 3,697,371</u></u>
Debt service requirement	<u><u>\$ 1,695,650</u></u>
Percent coverage for the year ended September 30, 2019	<u><u>218%</u></u>

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, 2019:

Bond Issue	Balance
Utility Series 1990	\$ 9,840,000
Utility Series 1993	<u>5,000,000</u>
Total defeased debt	<u><u>\$ 14,840,000</u></u>

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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

G. Special Assessment Debt (Continued)

The amount of the debt outstanding at September 30, 2019, is as follows:

Description	Amount
Special Assessment Improvement Bond, Series 2017, \$242,000 (Fra Mar/Wagner MSBU)	\$ 199,000
Special Assessment Improvement Bond, Series 2007A, \$16,000,000 (Indian River Estates MSBU)	5,219,790
Special Assessment Improvement Bond, Series 2009B, \$3,130,000 (Sunland Gardens Phase II MSBU)	1,049,428
Special Assessment Improvement Bond, Series 2016, \$339,000 (Parkland MSBU)	285,000
Erosion District Special Assessment Revenue Bond, Series 2012 (South Hutchinson Island Beach and Dune Restoration Project)	929,000
Special Assessment Revenue Bond, Series 2018, \$354,000 (Iroquois/Navajo MSBU)	335,000
Total	<u>\$8,017,218</u>

H. Capital Leases

1. 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 \$8,376,941. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2019 were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Funds</u>
2020	\$ 916,756
2021	931,175
2022	946,025
2023	961,322
2024	540,827
2025-2029	2,725,493
2030-2031	1,127,461
Total minimum lease payments	8,149,059
Less: amount representing interest	(1,003,238)
Present value of minimum lease payments	<u>\$ 7,145,821</u>

The lease agreement has provisions that in the event of default the Lessor has the right to take one or any combination of the following remedial steps: (1) All lease payments to the end of the lease are payable immediately, (2) Lessor request the return of the equipment to be disposed or leased for County's account. If County elects not to return equipment, Lessor is entitled to payment of unpaid lease payments through date of Lessor's request plus applicable prepayment price. (3) Exercise any other right or remedy available at law or in equity.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

H. Capital Leases (Continued)

2. 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 \$8,187,786. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2019 were as follows:

Year Ending September 30,	Governmental Funds
2020	\$ 699,185
2021	699,185
2022	699,185
2023	699,185
2024	699,185
2025-2029	5,245,927
2030-2031	2,098,371
Total minimum lease payments	10,840,223
Less: amount representing interest	(2,307,747)
Present value of minimum lease payments	\$ 8,532,476

The lease agreement has provisions that in the event of default the Lessor has the right to take one or any combination of the following remedial steps: (1) All lease payments to the end of the current fiscal year are payable immediately, (2) Lessor request the return of the equipment to be disposed or leased for County's account. (3) Exercise any other right or remedy available at law or in equity.

3. 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, 2019, 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 \$1,073,691. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2019 were as follows:

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

H. Capital Leases (Continued)

<u>Year Ending September 30,</u>	Governmental Funds
2020	\$ 269,336
2021	264,972
2022	260,606
2023	<u>256,240</u>
Total minimum lease payments	1,051,154
Less: amount representing interest	<u>(53,690)</u>
Present value of minimum lease payments	<u><u>\$ 997,464</u></u>

The lease agreement has provisions that in the event of default the Lessor has the right to take one or any combination of the following remedial steps: (1) All lease payments to the end of the current fiscal year are payable immediately, (2) Lessor request the return of the equipment to be disposed or leased for County's account. (3) Exercise any other right or remedy available at law or in equity.

4. 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 \$199,965. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2019 were as follows:

<u>Year Ending September 30,</u>	Governmental Funds
2020	\$ 61,968
2021	61,968
2022	<u>61,968</u>
Total minimum lease payments	185,904
Less: amount representing interest	<u>(9,100)</u>
Present value of minimum lease payments	<u><u>\$ 176,804</u></u>

The lease agreement has a provision that in the event of non-payment of any sum due and owing, the Seller shall have the right to suspend or immediately terminate all services without notice and may determine whether or not to reinstate any services upon receipt of payment in full of all sums owed.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

H. Capital Leases (Continued)

5. The Board entered into a lease/purchase agreement as a lessee in the amount of \$304,432, with Insight Public Sector, Inc. for certain information technology department software and hardware equipment in fiscal year 2019. The software and hardware equipment was placed into service on December 18, 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 \$304,432 and a carrying value of \$304,432. The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2019 were as follows:

Year Ending September 30,	Governmental Funds
2020	\$ 110,460
2021	110,460
2022	36,820
Total minimum lease payments	257,740
Less: amount representing interest	(16,628)
Present value of minimum lease payments	\$ 241,112

The lease agreement has provisions that in the event of default the Lessor has the right to take one or any combination of the following remedial steps: (1) All lease payments to the end of the lease term are payable immediately, (2) Lessor request the return of the equipment to be disposed or leased for County's account. (3) Exercise any other right or remedy available at law or in equity. (4) Upon demand from Lessor, County to cease using and remove all software from any computer on which it is installed.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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 64.75% for the existing construction debris (C&D) landfill and 94.70% 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 \$1,329,494, 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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 9 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS (CONTINUED)

The liabilities included in the balance sheet for these estimated costs at September 30, 2019, 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	\$ 1,660,544	\$ 127,084	\$ 1,787,628
C&D Processing Facility closure costs	3,820	-	3,820
C&D long-term maintenance	-	250,762	250,762
Class I Phase IIIB closure costs	628,370	1,289,375	1,917,745
Class I Phase IIIB long-term maintenance	-	2,009,471	2,009,471
Total existing landfill sites	<u>2,292,734</u>	<u>3,676,692</u>	<u>5,969,426</u>
Previous landfill sites:			
Class I Phase I long-term maintenance	-	6,576,423	6,576,423
Class I Phase II long-term maintenance	-	4,750,746	4,750,746
Class I Phase IIIA long-term maintenance	-	1,996,352	1,996,352
Total previous landfill sites	<u>-</u>	<u>13,323,521</u>	<u>13,323,521</u>
Total liabilities	<u>\$ 2,292,734</u>	<u>\$ 17,000,213</u>	<u>\$ 19,292,947</u>

The Board currently expects to close the existing C&D site in 2049 and the existing Class 1 Phase IIIB site in 2025. 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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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, 2018 Employee/ Employer Contribution Rate</u>	<u>July 1, 2019 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% / 8.26%	3% / 8.47%
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% / 24.06%	3% / 25.41%
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% / 48.70%	3% / 48.82%
Deferred Retirement Option Program (DROP) from FRS	Accumulated FRS benefits earn 6.5% effective annual rate of interest, if the effective DROP begin date before July 1, 2011, 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 / 14.03%	Not required / 14.60%

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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, 2018 Employee/ Employer Contribution Rate</u>	<u>July 1, 2019 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% / 8.26%	3% / 8.47%
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% / 24.06%	3% / 25.41%
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% / 48.70%	3% / 48.82%
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 /14.03%	Not required /14.60%

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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, 2019, 2018, and 2017 were \$3,626,834, \$3,125,595, and \$3,356,053 respectively, which equals to the required contribution for each year. The employee contribution portions for the years ended September 30, 2019, 2018, and 2017 were \$1,048,799, \$949,240, and \$880,392 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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

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 \$3,280,375 and lease expenditures totaled \$1,766,892 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>
2020	\$ 602,043	\$ 898,178
2021	591,761	767,393
2022	541,761	445,919
2023	476,761	251,924
2024	458,761	104,596
2025 - 2029	2,066,600	13,875
2030 - 2034	1,865,836	13,875
2035 - 2039	1,841,633	13,275
2040 - 2044	1,841,633	10,875
2045 - 2049	1,760,301	9,675
2050 - 2054	1,689,135	5,400
2055 - 2059	1,238,699	4,500
2060 - 2064	-	3,300
2065 - 2069	-	1,800
Total	<u>\$ 14,974,924</u>	<u>\$ 2,544,585</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 \$1,940,183. For fiscal year 2019, 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 \$275,497 for fiscal year 2019.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 11 – OPERATING LEASES (CONTINUED)

B. Operating Leases – Proprietary Funds (Continued)

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>
2020	\$ 75,677	\$ 139,575	\$ 5,918
2021	75,677	139,462	4,541
2022	75,677	139,462	69
2023	-	23,244	-
Total	<u>\$227,031</u>	<u>\$ 441,743</u>	<u>\$ 10,528</u>

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, 2019 there were two Industrial Revenue Bonds Series outstanding. The aggregate outstanding principal amount for these series as of September 30, 2019, 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, 2019 was \$25,271,744.

The Reserve Community Development District outstanding conduit debt was \$1,835,000.

The Reserve Community Development District II outstanding conduit debt was \$1,310,000.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 13 – FUND BALANCE

A. Restricted Fund Balances for Other Capital Projects

The following governmental funds have restricted fund balances in the restricted fund balances for other capital projects category as of September 30, 2019:

Impact Fees Fund - Various county capital projects	\$ 3,432,542
County Capital Fund - Various county capital projects	4,996,430
County Capital State Revenue Share Bond Fund - Various county capital projects	2,717,645
County Capital Transportation Bond Fund - Road projects	1,100,462
Infrastructure Surtax Capital	3,087,523
Jail Security Upgrade Fund	15,181
Capital Improvement Revenue Bonds 2015 Fund - Tax Collector Building	274,042
Cap Imp Rev Bond 2016A Construction Fund - Airport project	1,504,297
Environmental Land Capital Fund	2,168,875
MSBU Internal Financed Projects Fund	498,878
MSBU External Financed Projects Fund	1,528,073
Total Governmental Funds	<u>\$ 21,323,948</u>

B. Restricted Fund Balances for Other Purposes

The following governmental funds have restricted fund balances in the restricted fund balances for other purposes category as of September 30, 2019:

Grants and Donation Fund	\$ 235,386
Library Special Fund	298
Drug Abuse Fund	224,687
Plan Maintenance RAD Fund - Radiological emergency planning	43,440
Tourist Development 1st, 2nd, 3rd & 5th Cent Fund - Sports Complex	2,731,104
SLC Housing Finance Authority Fund	117,244
Bluefield Ranch Improvements Fund	145,377
Florida Housing Grant	28,795
SLC Sustainability District Fund	11,461
Total Governmental Funds	<u>\$ 3,537,792</u>

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 13 – FUND BALANCE (CONTINUED)

C. Committed Fund Balances for Other Purposes

The following governmental funds have committed fund balances in the committed fund balances for other purposes category as of September 30, 2019:

General Fund	\$ 322,478
Law Enforcement MSTU Fund	1,513,977
Impact Fee Collections Fund	131,375
Law Enforcement Fund	3,038
SLC Economic Development Fund	55,123
Total Governmental Funds	<u>\$ 2,025,991</u>

14 – FUND BALANCE RESTATEMENT

A. Restatement of Beginning Fund Balance

The General Fund – the beginning fund balance is restated as a result of a grant revenue recognition in the wrong period.

Beginning Fund Balance	\$ 49,443,123
Decrease	<u>(3,896)</u>
Restated Beginning Fund Balance	<u>\$ 49,439,227</u>

The Transportation Trust Fund – the beginning fund balance is restated as a result of an overpayment of an invoice in prior year.

Beginning Fund Balance	\$ 5,545,811
Increase	<u>4,832</u>
Restated Beginning Fund Balance	<u>\$ 5,550,643</u>

The Port Fund – the beginning fund balance is restated as a result of a correction for a prior year Grant amount.

Beginning Fund Balance	\$ 859,196
Increase	<u>962</u>
Restated Beginning Fund Balance	<u>\$ 860,158</u>

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

14 – FUND BALANCE RESTATEMENT (CONTINUED)

A. Restatement of Beginning Fund Balance (Continued)

The Plan Maintenance RAD Fund – the beginning fund balance is restated as a result of an invoice for prior year allocation paid in current year.

Beginning Fund Balance	\$	32,973
Increase		174
Restated Beginning Fund Balance	<u>\$</u>	<u>33,147</u>

The County Capital Fund – the beginning fund balance is restated as a result of the closeout of the Sunshine Kitchen grant in previous fiscal year.

Beginning Fund Balance	\$	4,627,366
Decrease		(14)
Restated Beginning Fund Balance	<u>\$</u>	<u>4,627,352</u>

The Cap Imp Rev Bond 2016A Construction Fund – the beginning fund balance is restated as a result of a correction for a prior year Grant amount.

Beginning Fund Balance	\$	(180,673)
Increase		2,788
Restated Beginning Fund Balance	<u>\$</u>	<u>(177,885)</u>

NOTE 15 – 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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 15 – RISK MANAGEMENT (CONTINUED)

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 \$150,000 per individual, per year, and has purchased a reinsurance policy to cover claims in excess of this amount. There were nine claims in excess of the limit for fiscal year 2019, six claims in excess of the limit for fiscal year 2018, and six claims in excess of the limit for fiscal year 2017.

The IBNR (incurred but not reported) claims liability of \$594,000, reported at September 30, 2019, 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:

Fiscal Year	Beginning Balance	Changes in Estimates and Claims Incurred	Claim Payments	Ending Balance
2016-2017	\$ 659,238	\$ 11,156,936	\$ 11,200,368	\$ 615,806
2017-2018	\$ 615,806	\$ 9,460,432	\$ 9,514,238	\$ 562,000
2018-2019	\$ 562,000	\$ 11,778,484	\$ 11,746,484	\$ 594,000

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 16 – 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:

- 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, 2018, the date of the last actuarial valuation, plan participation consisted of:

Active employees	997
Retirees and spouses	246
Total participants	<u>1,243</u>

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

**NOTE 16 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)
(CONTINUED)**

B. Total OPEB Liability

The Board's total OPEB liability of \$23,338,040 was measured as of October 1, 2018, and was determined by an actuarial valuation as of October 1, 2018.

Actuarial assumptions and other inputs - The total OPEB liability in the October 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.6%
Salary increases	3.7% to 7.8%
Discount rate	3.83%
Healthcare cost trend rates	5.9% gradually decreasing to an ultimate rate of 4.4% in 2040
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. 100% of premiums for life insurance.

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, 2018 actuarial valuation are based on results of experience studies conducted by the Florida Retirement System as of July 1, 2014.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

**NOTE 16 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)
(CONTINUED)**

B. Total OPEB Liability (Continued)

Changes in the Total Liability:

Service Cost	\$ 1,353,080
Interest	1,026,140
Benefit changes	(142,152)
Difference between actual and expected experience	(4,511,104)
Assumption changes	(1,817,294)
Benefit payments	<u>(1,062,554)</u>
Net change in Total OPEB Liability	(5,153,884)
Total OPEB Liability (TOL) - (beginning)	<u>28,491,924</u>
Total OPEB Liability (TOL) - (ending)	<u><u>\$ 23,338,040</u></u>

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 (2.83 percent) or 1-percentage-point higher (4.83 percent) than the current discount rate:

	Measurement Date: October 1, 2018		
		Current	
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Discount rate	2.83%	3.83%	4.83%
Total OPEB liability	\$ 27,450,552	\$ 23,338,040	\$ 20,069,172

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 (4.9 percent decreasing to 3.4 percent) or 1-percentage-point higher (6.9 percent decreasing to 5.4 percent) than the current healthcare cost trend rates:

	Measurement date: October 1, 2018		
		Current	
	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Trend rates	4.9% to 3.4%	5.9% to 4.4%	6.9% to 5.4%
Total OPEB liability	\$ 21,219,832	\$ 23,338,040	\$ 26,096,120

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

**NOTE 16 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)
(CONTINUED)**

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

For the year ended September 30, 2019, the Board recognized OPEB expense of \$1,352,030. At September 30, 2019, 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	\$ -	\$ 3,974,068
Changes of assumptions or other inputs	-	2,985,193
Benefits paid after the measurement date	1,096,684	-
Total	<u>\$ 1,096,684</u>	<u>\$ 6,959,261</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 2020 is \$1,096,684.

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
2020	\$ (966,341)
2021	(966,341)
2022	(966,341)
2023	(966,341)
2024	(966,341)
Thereafter	<u><u>\$(2,127,556)</u></u>

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 17 – 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, 2019, the Board abated property taxes totaling \$209,134 under this program, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A 90 percent property tax abatement to Pursuit Boats to encourage economic development in the county. The abatement amounted to \$40,779.
- A 80 percent property tax abatement to Expert Shutter Services, Inc. to encourage economic development in the county. The abatement amounted to \$4,549.
- A 40 percent property tax abatement to Allied New Technology to encourage economic development in the county. The abatement amounted to \$66,066.
- A 100 percent property tax abatement to Maverick to encourage economic development in the county. The abatement amounted to \$76,198.
- A 100 percent property tax abatement to Builders First Source to encourage economic development in the county. The abatement amounted to \$21,542.

The Board is not subject to tax abatements granted by other local government taxing authorities as of September 30, 2019.

NOTE 18 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The Board agreed to a payment settlement of \$850,000 in Fiscal year 2019 related to a road and drainage project. The Board has other 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.

**Board of County Commissioners
St. Lucie County, Florida
Notes to Financial Statements
Year Ended September 30, 2019**

NOTE 18 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

B. Construction Contracts

At September 30, 2019, the Board has various contracts for engineering and construction projects in progress totaling \$44,378,943 for which goods and services have not been received.

Governmental Funds:

General Fund	\$ 322,478
Impact Fee Fund	2,271,503
Sports Complex Capital Projects Fund	39,175,216
Other governmental funds	<u>2,593,846</u>
Total governmental funds	<u><u>\$44,363,043</u></u>

Proprietary Funds:

Water & Sewer District Fund	<u>\$ 15,900</u>
Total proprietary fund	<u><u>\$ 15,900</u></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

On December 20, 2019, the Board issued the Taxable Capital Improvement Revenue Bond, Series 2019 in the amount of \$2,611,000. The proceeds were used to (i) finance the cost of purchasing property located at 1680 SE Lyngate Drive and (ii) pay the costs of issuance related to the Series 2019 Bond. A portion of the property is being utilized by the Board for an employee health clinic. The bond has a final maturity of October 1, 2034.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS**

**Board of County Commissioners
St. Lucie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019**

	<u>Special Revenue</u>			
	<u>Unincorporated Services</u>	<u>Law Enforcement MSTU</u>	<u>Grants and Donations</u>	<u>Library Special</u>
ASSETS				
Cash and investments	\$ 7,830,988	\$ 1,459,897	\$ 232,136	\$ 1,661
Accounts receivable	14,415	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	21,997	4,777	768	4
Due from other governments	40,217	49,303	2,513	-
Inventories	-	-	-	-
Prepaid items	1,115	-	-	-
Total assets	<u>\$ 7,908,732</u>	<u>\$ 1,513,977</u>	<u>\$ 235,417</u>	<u>\$ 1,665</u>
LIABILITIES				
Accounts payable and other current liabilities	\$ 553,196	\$ -	\$ -	\$ -
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	12,504	-	31	-
Unearned revenues - other	-	-	-	1,367
Total liabilities	<u>565,700</u>	<u>-</u>	<u>31</u>	<u>1,367</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable:				
Inventories of supplies	-	-	-	-
Nonspendable prepaids	1,115	-	-	-
Restricted:				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
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	-	-	235,386	298
Committed:				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	7,341,917	-	-	-
Committed other purposes	-	1,513,977	-	-
Total fund balances	<u>7,343,032</u>	<u>1,513,977</u>	<u>235,386</u>	<u>298</u>
Total liabilities and fund balances	<u>\$ 7,908,732</u>	<u>\$ 1,513,977</u>	<u>\$ 235,417</u>	<u>\$ 1,665</u>

Special Revenue

Drug Abuse	Special Assessment District	Parks MSTU	SLC Public Transit MSTU	Port	Airport
\$ 217,589	\$ 242,604	\$ 1,504,360	\$ 2,160,406	\$ 1,135,438	\$ 1,627,491
-	-	-	90,141	26,747	18,385
-	-	-	-	-	-
581	680	4,103	5,477	4,601	1,351
6,517	2,333	205,416	1,116,341	130,345	137,650
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 224,687</u>	<u>\$ 245,617</u>	<u>\$ 1,713,879</u>	<u>\$ 3,372,365</u>	<u>\$ 1,297,131</u>	<u>\$ 1,784,877</u>
\$ -	\$ 14,700	\$ 17,621	\$ 1,098,593	\$ 193,374	\$ 65,023
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	12,518
-	146	136,396	36	36	-
-	-	-	105	11,274	-
-	<u>14,846</u>	<u>154,017</u>	<u>1,098,734</u>	<u>204,684</u>	<u>77,541</u>
-	-	-	-	-	-
-	-	62,551	324,185	74,711	137,650
-	-	<u>62,551</u>	<u>324,185</u>	<u>74,711</u>	<u>137,650</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,017,736	-
-	-	-	-	-	-
-	-	1,497,311	-	-	-
-	-	-	-	-	-
-	-	-	1,949,446	-	1,569,686
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
224,687	-	-	-	-	-
-	230,771	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>224,687</u>	<u>230,771</u>	<u>1,497,311</u>	<u>1,949,446</u>	<u>1,017,736</u>	<u>1,569,686</u>
<u>\$ 224,687</u>	<u>\$ 245,617</u>	<u>\$ 1,713,879</u>	<u>\$ 3,372,365</u>	<u>\$ 1,297,131</u>	<u>\$ 1,784,877</u>

(Continued)

**Board of County Commissioners
St. Lucie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019**

	Special Revenue			
	Mosquito Control	Impact Fee Collections	Plan Maintenance RAD	Tourism Development 1st, 2nd, 3rd & 5th Cent
ASSETS				
Cash and investments	\$ 6,029,713	\$ 131,025	\$ 262,477	\$ 2,692,001
Accounts receivable	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	16,471	350	766	7,171
Due from other governments	1,823,605	-	-	76,762
Inventories	184,983	-	-	-
Prepaid items	965	-	-	-
Total assets	<u>\$ 8,055,737</u>	<u>\$ 131,375</u>	<u>\$ 263,243</u>	<u>\$ 2,775,934</u>
LIABILITIES				
Accounts payable and other current liabilities	\$ 233,737	\$ -	\$ 71,129	\$ 44,830
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	1,299	-
Unearned revenues - other	-	-	147,375	-
Total liabilities	<u>233,737</u>	<u>-</u>	<u>219,803</u>	<u>44,830</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	1,795,754	-	-	-
Total deferred inflows of resources	<u>1,795,754</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable:				
Inventories of supplies	184,983	-	-	-
Nonspendable prepaids	965	-	-	-
Restricted:				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Mosquito Control District	5,840,298	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	-	43,440	2,731,104
Committed:				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Committed other purposes	-	131,375	-	-
Total fund balances	<u>6,026,246</u>	<u>131,375</u>	<u>43,440</u>	<u>2,731,104</u>
Total liabilities and fund balances	<u>\$ 8,055,737</u>	<u>\$ 131,375</u>	<u>\$ 263,243</u>	<u>\$ 2,775,934</u>

Special Revenue

Court Facility	SLC Housing Finance Authority	Environmental Land Acquisitions	Court Administrator	Erosion Control	Housing Assistance SHIP
\$ 310,746	\$ 117,027	\$ 584,665	\$ 2,179,021	\$ 7,137,875	\$ 498,621
-	-	2,658	525	45,241	12,151
-	-	-	-	-	-
757	316	1,542	6,040	19,254	1,352
56,984	-	-	206,057	295,170	-
-	-	-	-	-	-
-	500	-	346	-	-
<u>\$ 368,487</u>	<u>\$ 117,843</u>	<u>\$ 588,865</u>	<u>\$ 2,391,989</u>	<u>\$ 7,497,540</u>	<u>\$ 512,124</u>
\$ -	\$ 99	\$ -	\$ 38,705	\$ 152,362	\$ 36,822
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,113	-	-
-	-	-	-	19,946	96,164
-	99	-	41,818	172,308	132,986
-	-	-	-	-	-
-	-	-	-	282,021	12,151
-	-	-	-	282,021	12,151
-	-	-	-	-	-
-	500	-	346	-	-
-	-	-	-	-	-
-	-	-	-	7,043,211	-
-	-	-	-	-	-
-	-	-	2,349,825	-	-
-	-	-	-	-	-
-	-	588,865	-	-	-
-	-	-	-	-	-
368,487	-	-	-	-	-
-	-	-	-	-	366,987
-	-	-	-	-	-
-	-	-	-	-	-
-	117,244	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>368,487</u>	<u>117,744</u>	<u>588,865</u>	<u>2,350,171</u>	<u>7,043,211</u>	<u>366,987</u>
<u>\$ 368,487</u>	<u>\$ 117,843</u>	<u>\$ 588,865</u>	<u>\$ 2,391,989</u>	<u>\$ 7,497,540</u>	<u>\$ 512,124</u>

(Continued)

**Board of County Commissioners
St. Lucie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019**

	Special Revenue			
	Boating Improvement Projects	Bluefield Ranch Improvements	Florida Housing Grant	Sports Complex
ASSETS				
Cash and investments	\$ 976,501	\$ 144,988	\$ 69,268	\$ 374,959
Accounts receivable	-	-	-	711
Assessments receivable	-	-	-	-
Interest receivable	2,632	389	35	1,381
Due from other governments	104,755	-	63,654	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 1,083,888</u>	<u>\$ 145,377</u>	<u>\$ 132,957</u>	<u>\$ 377,051</u>
LIABILITIES				
Accounts payable and other current liabilities	\$ 17,923	\$ -	\$ 60,878	\$ 111,891
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	5,378
Unearned revenues - other	-	-	-	-
Total liabilities	<u>17,923</u>	<u>-</u>	<u>60,878</u>	<u>117,269</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	-	-	43,284	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>43,284</u>	<u>-</u>
FUND BALANCE				
Nonspendable:				
Inventories of supplies	-	-	-	-
Nonspendable prepaids	-	-	-	-
Restricted:				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	259,782
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	-	-	-	-
Environmental land acquisition	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	1,065,965	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	145,377	28,795	-
Committed:				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Committed other purposes	-	-	-	-
Total fund balances	<u>1,065,965</u>	<u>145,377</u>	<u>28,795</u>	<u>259,782</u>
Total liabilities and fund balances	<u>\$ 1,083,888</u>	<u>\$ 145,377</u>	<u>\$ 132,957</u>	<u>\$ 377,051</u>

Special Revenue				Debt Service	
SLC Sustainability District	Law Enforcement	SLC Art in Public Places	SLC Economic Development	Impact Fees I & S	Sales Tax Revenue Bonds I & S
\$ 17,577	\$ 53,090	\$ 127,276	\$ 39,965	\$ 165,100	\$ 4,739,660
-	-	-	-	-	-
899,578	-	-	-	-	-
52	142	342	93	-	12,738
347	-	-	15,065	-	-
-	-	-	-	-	-
-	-	-	-	-	216,582
<u>\$ 917,554</u>	<u>\$ 53,232</u>	<u>\$ 127,618</u>	<u>\$ 55,123</u>	<u>\$ 165,100</u>	<u>\$ 4,968,980</u>
\$ 6,515	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	130,000	2,640,000
-	-	-	-	21,055	1,046,500
-	50,194	-	-	-	-
-	-	-	-	-	-
<u>6,515</u>	<u>50,194</u>	<u>-</u>	<u>-</u>	<u>151,055</u>	<u>3,686,500</u>
899,578	-	-	-	-	-
-	-	-	-	-	-
<u>899,578</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	216,582
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	14,045	1,065,898
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	127,618	-	-	-
-	-	-	-	-	-
11,461	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,038	-	55,123	-	-
<u>11,461</u>	<u>3,038</u>	<u>127,618</u>	<u>55,123</u>	<u>14,045</u>	<u>1,282,480</u>
<u>\$ 917,554</u>	<u>\$ 53,232</u>	<u>\$ 127,618</u>	<u>\$ 55,123</u>	<u>\$ 165,100</u>	<u>\$ 4,968,980</u>

(Continued)

**Board of County Commissioners
St. Lucie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019**

	Debt Service			
	County Capital I & S	Transportation I & S	Capital Revenue Refunding 2014	Cap Impr Rev Bds Series Jail
ASSETS				
Cash and investments	\$ 1,698,427	\$ 17,825	\$ 1,360,822	\$ 323,395
Accounts receivable	-	-	-	-
Assessments receivable	-	-	-	-
Interest receivable	4,566	1	3,625	869
Due from other governments	-	-	24,493	-
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 1,702,993</u>	<u>\$ 17,826</u>	<u>\$ 1,388,940</u>	<u>\$ 324,264</u>
LIABILITIES				
Accounts payable and other current liabilities	\$ -	\$ -	\$ -	\$ -
Matured bonds payable	994,274	-	1,115,000	200,000
Matured interest payable	12,237	-	85,073	36,530
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenues - other	-	-	-	-
Total liabilities	<u>1,006,511</u>	<u>-</u>	<u>1,200,073</u>	<u>236,530</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable:				
Inventories of supplies	-	-	-	-
Nonspendable prepaids	-	-	-	-
Restricted:				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	696,482	17,826	188,867	87,734
Environmental land acquisition	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	-
Other purposes	-	-	-	-
Committed:				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Committed other purposes	-	-	-	-
Total fund balances	<u>696,482</u>	<u>17,826</u>	<u>188,867</u>	<u>87,734</u>
Total liabilities and fund balances	<u>\$ 1,702,993</u>	<u>\$ 17,826</u>	<u>\$ 1,388,940</u>	<u>\$ 324,264</u>

Debt Service

Capital Imp Rev Bonds 2015	Lease Purchase FPL 2015	Lease Purchase Motorola	Capital Imp Rev Bond 2016A	Port Taxable Non-Ad Valorem Bond 2017A	Capital Projects I & S
\$ 5,632	\$ 321,408	\$ 62,983	\$ 318,044	\$ 142,104	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
15	864	169	385	383	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 5,647</u>	<u>\$ 322,272</u>	<u>\$ 63,152</u>	<u>\$ 318,429</u>	<u>\$ 142,487</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	245,000	-	-
-	-	-	29,645	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	274,645	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,647	322,272	63,152	43,784	142,487	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,647</u>	<u>322,272</u>	<u>63,152</u>	<u>43,784</u>	<u>142,487</u>	<u>-</u>
<u>\$ 5,647</u>	<u>\$ 322,272</u>	<u>\$ 63,152</u>	<u>\$ 318,429</u>	<u>\$ 142,487</u>	<u>\$ -</u>

(Continued)

**Board of County Commissioners
St. Lucie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019**

	<u>Debt Service</u>			<u>Capital Projects</u>
	<u>Sports Complex Debt</u>	<u>Non-Ad Valorem Bonds Series 2017</u>	<u>N Lennard Road Bonds I & S</u>	<u>County Capital</u>
ASSETS				
Cash and investments	\$ 613,738	\$ 2,855,197	\$ 1,986,396	\$ 5,106,554
Accounts receivable	-	-	-	75,000
Assessments receivable	-	-	2,466,472	-
Interest receivable	1,650	10,354	4,297	13,952
Due from other governments	-	378,485	2,128	109,623
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 615,388</u>	<u>\$ 3,244,036</u>	<u>\$ 4,459,293</u>	<u>\$ 5,305,129</u>
LIABILITIES				
Accounts payable and other current liabilities	\$ -	\$ -	\$ -	\$ 308,699
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenues - other	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>308,699</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	-	-	2,466,472	-
Unavailable revenues - grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>2,466,472</u>	<u>-</u>
FUND BALANCE				
Nonspendable:				
Inventories of supplies	-	-	-	-
Nonspendable prepaids	-	-	-	-
Restricted:				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	-	-	-
Court Administrator, mediation	-	-	-	-
Transportation	-	-	-	-
Debt service	615,388	3,244,036	1,992,821	-
Environmental land acquisition	-	-	-	-
Mosquito Control District	-	-	-	-
Judicial expenditures	-	-	-	-
Housing assistance program	-	-	-	-
Boating related projects	-	-	-	-
Art in public places	-	-	-	-
Other capital projects	-	-	-	4,996,430
Other purposes	-	-	-	-
Committed:				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Committed other purposes	-	-	-	-
Total fund balances	<u>615,388</u>	<u>3,244,036</u>	<u>1,992,821</u>	<u>4,996,430</u>
Total liabilities and fund balances	<u>\$ 615,388</u>	<u>\$ 3,244,036</u>	<u>\$ 4,459,293</u>	<u>\$ 5,305,129</u>

Capital Projects

County Capital State Share Bond	County Capital Transportation Bond	Infrastructure Surtax Capital	Jail Security Upgrade	Capital Improvement Revenue Bonds 2015
\$ 2,710,361	\$ 1,150,425	\$ 2,903,334	\$ 15,140	\$ 273,306
-	-	-	-	-
-	-	-	-	-
7,284	3,320	7,080	41	736
-	-	624,626	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 2,717,645</u>	<u>\$ 1,153,745</u>	<u>\$ 3,535,040</u>	<u>\$ 15,181</u>	<u>\$ 274,042</u>
\$ -	\$ 53,283	\$ 446,956	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	561	-	-
-	-	-	-	-
-	53,283	447,517	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,717,645	1,100,462	3,087,523	15,181	274,042
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>2,717,645</u>	<u>1,100,462</u>	<u>3,087,523</u>	<u>15,181</u>	<u>274,042</u>
<u>\$ 2,717,645</u>	<u>\$ 1,153,745</u>	<u>\$ 3,535,040</u>	<u>\$ 15,181</u>	<u>\$ 274,042</u>

(Continued)

**Board of County Commissioners
St. Lucie County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019**

	Capital Projects			
	Camp Imp Rev Bond 2016A Construction	Sports Complex Improvements	Environmental Land Capital	MSBU Internal Financed Projects
ASSETS				
Cash and investments	\$ 1,517,430	\$ 738,034	\$ 2,162,457	\$ 515,342
Accounts receivable	306,988	-	686	-
Assessments receivable	-	-	-	-
Interest receivable	5,518	1,867	5,811	1,347
Due from other governments	521,199	-	-	239
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 2,351,135</u>	<u>\$ 739,901</u>	<u>\$ 2,168,954</u>	<u>\$ 516,928</u>
LIABILITIES				
Accounts payable and other current liabilities	\$ 447,418	\$ -	\$ 79	\$ 18,050
Matured bonds payable	-	-	-	-
Matured interest payable	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenues - other	-	-	-	-
Total liabilities	<u>447,418</u>	<u>-</u>	<u>79</u>	<u>18,050</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - special assessments	-	-	-	-
Unavailable revenues - grants	399,420	-	-	-
Total deferred inflows of resources	<u>399,420</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable:				
Inventories of supplies	-	-	-	-
Nonspendable prepaids	-	-	-	-
Restricted:				
Port development	-	-	-	-
Erosion Control District	-	-	-	-
Parks improvements	-	739,901	-	-
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	1,504,297	-	2,168,875	498,878
Other purposes	-	-	-	-
Committed:				
Street lights, roads, drainage imp. to special district	-	-	-	-
Unincorporated Services	-	-	-	-
Committed other purposes	-	-	-	-
Total fund balances	<u>1,504,297</u>	<u>739,901</u>	<u>2,168,875</u>	<u>498,878</u>
Total liabilities and fund balances	<u>\$ 2,351,135</u>	<u>\$ 739,901</u>	<u>\$ 2,168,954</u>	<u>\$ 516,928</u>

Capital Projects

MSBU External Financed Projects	Total Nonmajor Governmental
\$ 1,104,291	\$ 70,966,770
-	593,648
-	3,366,050
2,593	192,889
421,189	6,415,016
-	184,983
-	219,508
<u>\$ 1,528,073</u>	<u>\$ 81,938,864</u>
\$ -	\$ 3,991,883
-	5,324,274
-	1,231,040
-	12,518
-	209,694
-	276,231
<u>-</u>	<u>11,045,640</u>
-	3,366,050
-	3,131,727
<u>-</u>	<u>6,497,777</u>
-	184,983
-	219,508
-	1,017,736
-	7,043,211
-	2,496,994
-	2,349,825
-	3,519,132
-	8,500,439
-	588,865
-	5,840,298
-	368,487
-	366,987
-	1,065,965
-	127,618
1,528,073	17,891,406
-	3,537,792
-	230,771
-	7,341,917
-	1,703,513
<u>1,528,073</u>	<u>64,395,447</u>
<u>\$ 1,528,073</u>	<u>\$ 81,938,864</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, 2019

	Special Revenue			
	Unincorporated Services	Law Enforcement MSTU	Grants and Donations	Library Special
REVENUES				
Taxes				
Property	\$ 5,955,350	\$ 7,378,336	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	-	-
Discretionary sales surtaxes	-	-	-	-
Local business	-	-	-	-
Licenses and permits	108,064	-	-	-
Special assessments	5,025	-	-	-
Intergovernmental	586,281	12,013	39,231	106,126
Charges for services	279,358	-	-	-
Fines and forfeitures	160,909	-	111,533	-
Investment income	337,392	101,541	11,250	83
Contributions from property owners	-	-	-	-
Miscellaneous	131,728	-	-	-
Total revenues	<u>7,564,107</u>	<u>7,491,890</u>	<u>162,014</u>	<u>106,209</u>
EXPENDITURES				
Current:				
General government	2,025,770	673	-	-
Public safety	853,476	-	39,231	-
Physical environment	2,074,280	-	-	-
Transportation	393,188	-	-	-
Economic environment	-	-	-	-
Human services	600,613	-	18,259	-
Culture and recreation	33,868	-	-	93,007
Court-related	-	-	-	-
Capital outlay	1,547,169	-	-	13,228
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Total expenditures	<u>7,528,364</u>	<u>673</u>	<u>57,490</u>	<u>106,235</u>
Excess of revenues over (under) expenditures	35,743	7,491,217	104,524	(26)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(508,917)	(7,853,974)	(116,478)	-
Sale of capital assets	6,700	-	-	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>(502,217)</u>	<u>(7,853,974)</u>	<u>(116,478)</u>	<u>-</u>
Net changes in fund balances	(466,474)	(362,757)	(11,954)	(26)
Fund balances - beginning	7,809,506	1,876,734	247,340	324
Change in inventories of supplies	-	-	-	-
Fund balances - ending	<u>\$ 7,343,032</u>	<u>\$ 1,513,977</u>	<u>\$ 235,386</u>	<u>\$ 298</u>

Special Revenue

Drug Abuse	Special Assessment District	Parks MSTU	SLC Public Transit MSTU	Port	Airport
\$ -	\$ -	\$ 4,559,005	\$ 2,498,773	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	197,841	-	-	21,219	-
-	-	5,445	5,483,877	809,645	2,010,044
-	-	-	61,314	144,855	468,396
90,574	-	-	-	-	-
8,067	10,589	67,315	79,222	66,441	27,687
-	-	-	-	-	-
-	-	283,141	10,413	226,047	5,511
<u>98,641</u>	<u>208,430</u>	<u>4,914,906</u>	<u>8,133,599</u>	<u>1,268,207</u>	<u>2,511,638</u>
-	-	-	-	102	-
-	-	-	-	-	-
-	209,292	-	6,529,080	1,031,801	1,180,392
-	-	-	-	-	-
-	-	2,745,727	-	-	-
-	-	-	-	-	-
-	-	580,542	948,250	22,627	2,061,768
-	-	955,000	-	32,420	-
-	-	97,569	-	22,937	-
-	-	-	-	-	-
<u>-</u>	<u>209,292</u>	<u>4,378,838</u>	<u>7,477,330</u>	<u>1,109,887</u>	<u>3,242,160</u>
98,641	(862)	536,068	656,269	158,320	(730,522)
-	-	-	-	322,298	1,547,669
(65,000)	(5,079)	(329,075)	(70,747)	(323,040)	-
-	-	2,100	-	-	4,700
-	-	-	-	-	-
<u>(65,000)</u>	<u>(5,079)</u>	<u>(326,975)</u>	<u>(70,747)</u>	<u>(742)</u>	<u>1,552,369</u>
33,641	(5,941)	209,093	585,522	157,578	821,847
191,046	236,712	1,288,218	1,363,924	860,158	747,839
-	-	-	-	-	-
<u>\$ 224,687</u>	<u>\$ 230,771</u>	<u>\$ 1,497,311</u>	<u>\$ 1,949,446</u>	<u>\$ 1,017,736</u>	<u>\$ 1,569,686</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, 2019

	Special Revenue			
	Mosquito Control	Impact Fee Collections	Plan Maintenance RAD	Tourism Development 1st, 2nd, 3rd & 5th Cent
REVENUES				
Taxes				
Property	\$ 4,172,890	\$ -	\$ -	\$ -
Tourist	-	-	-	1,104,157
Motor fuel	-	-	-	-
Discretionary sales surtaxes	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	3,530,956	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	231,733	4,833	10,291	100,104
Contributions from property owners	-	-	315,218	8,507
Miscellaneous	32,230	30,882	-	19,159
Total revenues	<u>7,967,809</u>	<u>35,715</u>	<u>325,509</u>	<u>1,231,927</u>
EXPENDITURES				
Current:				
General government	364,097	450	-	61,868
Public safety	-	-	313,015	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	746,912
Human services	2,961,269	-	-	-
Culture and recreation	-	-	-	-
Court-related	-	-	-	-
Capital outlay	68,056	-	2,201	135,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Total expenditures	<u>3,393,422</u>	<u>450</u>	<u>315,216</u>	<u>943,780</u>
Excess of revenues over (under) expenditures	4,574,387	35,265	10,293	288,147
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(118,170)	-	-	(25,613)
Sale of capital assets	61,075	-	-	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>(57,095)</u>	<u>-</u>	<u>-</u>	<u>(25,613)</u>
Net changes in fund balances	4,517,292	35,265	10,293	262,534
Fund balances - beginning	1,485,922	96,110	33,147	2,468,570
Change in inventories of supplies	23,032	-	-	-
Fund balances - ending	<u>\$ 6,026,246</u>	<u>\$ 131,375</u>	<u>\$ 43,440</u>	<u>\$ 2,731,104</u>

Special Revenue

Court Facility	SLC Housing Finance Authority	Environmental Land Acquisitions	Court Administrator	Erosion Control	Housing Assistance SHIP
\$ -	\$ -	\$ -	\$ -	\$ 1,825,347	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,450	-	-
-	-	-	-	-	-
-	-	-	616,780	545,452	296,822
693,834	-	-	87,545	-	-
-	-	-	-	-	-
7,502	4,439	21,538	88,760	273,963	39,488
-	-	-	-	84,858	-
-	13,385	49,768	30	-	43,280
<u>701,336</u>	<u>17,824</u>	<u>71,306</u>	<u>796,565</u>	<u>2,729,620</u>	<u>379,590</u>
-	3,924	-	6,094	76,905	-
-	-	-	-	-	-
-	-	-	-	968,924	-
-	-	-	-	219,254	-
-	-	-	-	-	317,676
-	-	-	-	-	-
-	-	-	892,593	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,924	-	898,687	1,265,083	317,676
701,336	13,900	71,306	(102,122)	1,464,537	61,914
31,800	-	-	407,631	137,000	18,367
(518,298)	-	-	(140,362)	(51,646)	(15,078)
-	-	-	-	-	-
<u>(486,498)</u>	<u>-</u>	<u>-</u>	<u>267,269</u>	<u>85,354</u>	<u>3,289</u>
214,838	13,900	71,306	165,147	1,549,891	65,203
153,649	103,844	517,559	2,185,024	5,493,320	301,784
-	-	-	-	-	-
<u>\$ 368,487</u>	<u>\$ 117,744</u>	<u>\$ 588,865</u>	<u>\$ 2,350,171</u>	<u>\$ 7,043,211</u>	<u>\$ 366,987</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, 2019

	Special Revenue			
	Boating Improvement Projects	Bluefield Ranch Improvements	Florida Housing Grant	Sports Complex
REVENUES				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	-	-
Discretionary sales surtaxes	-	-	-	-
Local business	-	-	-	-
Licenses and permits	104,755	-	-	-
Special assessments	-	-	-	-
Intergovernmental	23,250	-	404,053	-
Charges for services	-	89	-	26,717
Fines and forfeitures	-	-	-	-
Investment income	37,160	5,498	1,010	21,455
Contributions from property owners	-	-	-	-
Miscellaneous	4,900	-	66,460	2,237,153
Total revenues	<u>170,065</u>	<u>5,587</u>	<u>471,523</u>	<u>2,285,325</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	584,233	-
Human services	-	-	-	-
Culture and recreation	88,733	-	-	2,324,959
Court-related	-	-	-	-
Capital outlay	3,420	-	-	188,703
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Total expenditures	<u>92,153</u>	<u>-</u>	<u>584,233</u>	<u>2,513,662</u>
Excess of revenues over (under) expenditures	77,912	5,587	(112,710)	(228,337)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(34,250)	-
Sale of capital assets	-	-	-	4,425
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(34,250)</u>	<u>4,425</u>
Net changes in fund balances	77,912	5,587	(146,960)	(223,912)
Fund balances - beginning	988,053	139,790	175,755	483,694
Change in inventories of supplies	-	-	-	-
Fund balances - ending	<u>\$ 1,065,965</u>	<u>\$ 145,377</u>	<u>\$ 28,795</u>	<u>\$ 259,782</u>

Special Revenue				Debt Service	
SLC Sustainability District	Law Enforcement	SLC Art in Public Places	SLC Economic Development	Impact Fees I & S	Sales Tax Revenue Bonds I & S
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	59,329	-	-
-	-	-	-	-	-
135,707	-	-	-	-	-
-	-	-	-	-	3,994,531
3,249	-	-	-	-	-
-	50,000	-	-	-	-
1,598	1,343	4,827	932	-	182,730
-	-	-	-	-	-
-	-	-	-	-	-
<u>140,554</u>	<u>51,343</u>	<u>4,827</u>	<u>60,261</u>	<u>-</u>	<u>4,177,261</u>
-	-	-	25,000	-	-
-	6	-	-	-	-
170,748	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
86,098	-	-	-	130,000	2,640,000
54,012	-	-	-	42,110	2,093,000
4,733	-	-	-	-	18,325
<u>315,591</u>	<u>6</u>	<u>-</u>	<u>25,000</u>	<u>172,110</u>	<u>4,751,325</u>
(175,037)	51,337	4,827	35,261	(172,110)	(574,064)
-	-	-	-	164,648	868,298
(1,193)	(50,194)	-	-	-	-
-	-	-	-	-	-
162,453	-	-	-	-	-
<u>161,260</u>	<u>(50,194)</u>	<u>-</u>	<u>-</u>	<u>164,648</u>	<u>868,298</u>
(13,777)	1,143	4,827	35,261	(7,462)	294,234
25,238	1,895	122,791	19,862	21,507	988,246
-	-	-	-	-	-
<u>\$ 11,461</u>	<u>\$ 3,038</u>	<u>\$ 127,618</u>	<u>\$ 55,123</u>	<u>\$ 14,045</u>	<u>\$ 1,282,480</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, 2019

	Debt Service			
	County Capital I & S	Transportation I & S	Capital Improvement Revenue Refunding 2014	Cap Impr Rev Bds Series 2016 Jail
REVENUES				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	-	-
Discretionary sales surtaxes	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	-	-	1,071,586	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	293,879	-
Investment income	64,473	15,866	49,992	12,415
Contributions from property owners	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>64,473</u>	<u>15,866</u>	<u>1,415,457</u>	<u>12,415</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court-related	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	1,006,239	1,025,000	1,115,000	200,000
Interest	27,786	231,404	170,146	73,060
Other	-	-	-	-
Total expenditures	<u>1,034,025</u>	<u>1,256,404</u>	<u>1,285,146</u>	<u>273,060</u>
Excess of revenues over (under) expenditures	(969,552)	(1,240,538)	130,311	(260,645)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,155,971	1,197,882	-	295,826
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>1,155,971</u>	<u>1,197,882</u>	<u>-</u>	<u>295,826</u>
Net changes in fund balances	186,419	(42,656)	130,311	35,181
Fund balances - beginning	510,063	60,482	58,556	52,553
Change in inventories of supplies	-	-	-	-
Fund balances - ending	<u>\$ 696,482</u>	<u>\$ 17,826</u>	<u>\$ 188,867</u>	<u>\$ 87,734</u>

Debt Service

<u>Capital Imp Rev Bonds 2015</u>	<u>Lease Purchase FPL 2015</u>	<u>Lease Purchase Motorola</u>	<u>Capital Imp Rev Bond 2016A</u>	<u>Port Taxable Non-Ad Valroem Bond 2017A</u>	<u>Capital Projects I & S</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
391	16,282	2,388	5,636	8,885	-
-	-	-	-	-	-
<u>455,907</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>456,298</u>	<u>16,282</u>	<u>2,388</u>	<u>5,636</u>	<u>8,885</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
290,000	716,423	382,955	245,000	-	-
165,907	186,335	316,230	51,471	975,071	-
-	-	-	-	-	-
<u>455,907</u>	<u>902,758</u>	<u>699,185</u>	<u>296,471</u>	<u>975,071</u>	<u>-</u>
391	(886,476)	(696,797)	(290,835)	(966,186)	-
-	1,046,661	699,227	288,751	1,056,328	-
-	-	-	-	-	(27,169)
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>1,046,661</u>	<u>699,227</u>	<u>288,751</u>	<u>1,056,328</u>	<u>(27,169)</u>
391	160,185	2,430	(2,084)	90,142	(27,169)
5,256	162,087	60,722	45,868	52,345	27,169
-	-	-	-	-	-
<u>\$ 5,647</u>	<u>\$ 322,272</u>	<u>\$ 63,152</u>	<u>\$ 43,784</u>	<u>\$ 142,487</u>	<u>\$ -</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, 2019

	Debt Service			Capital Projects
	Sports Complex Debt	Non-Ad Valorem Bonds Series 2017	N Lennard Road Bonds I & S	County Capital
REVENUES				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	3,046,808	-	-
Motor fuel	-	-	-	1,250,877
Discretionary sales surtaxes	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Special assessments	-	-	500,042	-
Intergovernmental	-	1,154,571	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	23,406	142,130	65,107	198,642
Contributions from property owners	696,529	-	-	-
Miscellaneous	-	-	-	75,000
Total revenues	<u>719,935</u>	<u>4,343,509</u>	<u>565,149</u>	<u>1,524,519</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	10,296
Transportation	-	-	-	1,044,045
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court-related	-	-	-	-
Capital outlay	-	-	-	910,599
Debt service:				
Principal	648,000	1,160,000	300,000	-
Interest	116,897	2,275,400	104,769	-
Other	-	-	-	-
Total expenditures	<u>764,897</u>	<u>3,435,400</u>	<u>404,769</u>	<u>1,964,940</u>
Excess of revenues over (under) expenditures	(44,962)	908,109	160,380	(440,421)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	593,374
Transfers out	-	(70,677)	(7,873)	-
Sale of capital assets	-	-	-	216,125
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(70,677)</u>	<u>(7,873)</u>	<u>809,499</u>
Net changes in fund balances	(44,962)	837,432	152,507	369,078
Fund balances - beginning	660,350	2,406,604	1,840,314	4,627,352
Change in inventories of supplies	-	-	-	-
Fund balances - ending	<u>\$ 615,388</u>	<u>\$ 3,244,036</u>	<u>\$ 1,992,821</u>	<u>\$ 4,996,430</u>

Capital Projects

County Capital State Revenue Share Bond	County Capital Transportation Bond	Infrastructure Surtax Capital	Jail Security Upgrade	Capital Improvement Revenue Bonds	Energy Efficiency FPL 2015
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	5,949,774	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
228,766	-	-	-	-	-
-	-	-	-	-	-
102,627	49,404	67,887	597	13,662	5
-	-	-	-	-	-
-	-	-	-	-	-
<u>331,393</u>	<u>49,404</u>	<u>6,017,661</u>	<u>597</u>	<u>13,662</u>	<u>5</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,966,806	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	364,006	963,332	-	1,150,295	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>364,006</u>	<u>2,930,138</u>	<u>-</u>	<u>1,150,295</u>	<u>-</u>
331,393	(314,602)	3,087,523	597	(1,136,633)	5
-	-	-	-	-	-
-	-	-	-	-	(313)
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(313)</u>
331,393	(314,602)	3,087,523	597	(1,136,633)	(308)
2,386,252	1,415,064	-	14,584	1,410,675	308
-	-	-	-	-	-
<u>\$ 2,717,645</u>	<u>\$ 1,100,462</u>	<u>\$ 3,087,523</u>	<u>\$ 15,181</u>	<u>\$ 274,042</u>	<u>\$ -</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, 2019

	Capital Projects			
	Cap Imp Rev Bond 2016A Construction	Sports Complex Improvements	Environmental Land Capital	MSBU Internal Financed Projects
REVENUES				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Tourist	-	-	-	-
Motor fuel	-	-	-	-
Discretionary sales surtaxes	-	-	-	-
Local business	-	-	-	-
Licenses and permits	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	387,817	-	1,683,986	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	82,938	25,619	80,775	30,477
Contributions from property owners	-	75,000	-	56,187
Miscellaneous	-	-	8,641	-
Total revenues	<u>470,755</u>	<u>100,619</u>	<u>1,773,402</u>	<u>86,664</u>
EXPENDITURES				
Current:				
General government	-	2,555	653	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	35,143	-	-	242,004
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Court-related	-	-	-	-
Capital outlay	1,381,640	26,886	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	9,861
Other	-	-	-	-
Total expenditures	<u>1,416,783</u>	<u>29,441</u>	<u>653</u>	<u>251,865</u>
Excess of revenues over (under) expenditures	(946,028)	71,178	1,772,749	(165,201)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	200,000	-	-
Transfers out	-	-	-	(931)
Sale of capital assets	-	-	-	-
Issuance of long-term debt	2,628,210	-	-	-
Total other financing sources (uses)	<u>2,628,210</u>	<u>200,000</u>	<u>-</u>	<u>(931)</u>
Net changes in fund balances	1,682,182	271,178	1,772,749	(166,132)
Fund balances - beginning	(177,885)	468,723	396,126	665,010
Change in inventories of supplies	-	-	-	-
Fund balances - ending	<u>\$ 1,504,297</u>	<u>\$ 739,901</u>	<u>\$ 2,168,875</u>	<u>\$ 498,878</u>

<u>Capital Projects</u>		<u>Total Nonmajor Governmental Funds</u>
<u>MSBU External Financed Projects</u>		
\$ -		\$ 26,389,701
-		4,150,965
-		1,250,877
-		5,949,774
-		59,329
-		216,269
-		859,834
-		22,991,232
-		1,765,357
-		706,895
36,682		2,845,077
843,691		2,079,990
<u>59,833</u>		<u>3,753,468</u>
<u>940,206</u>		<u>73,018,768</u>
-		2,568,091
-		1,205,728
-		3,224,248
587,677		13,438,682
-		1,648,821
-		3,580,141
-		5,286,294
-		892,593
-		10,367,722
-		10,932,135
-		7,013,965
-		23,058
<u>587,677</u>		<u>60,181,478</u>
352,529		12,837,290
-		10,031,731
(12,981)		(10,347,058)
-		295,125
-		2,790,663
<u>(12,981)</u>		<u>2,770,461</u>
339,548		15,607,751
1,188,525		48,764,664
-		23,032
<u>\$ 1,528,073</u>		<u>\$ 64,395,447</u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	<u>Unincorporated Services</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes:			
Property	\$ 5,795,607	\$ 5,955,350	\$ 159,743
Licenses and permits	59,585	108,064	48,479
Special assessments	-	5,025	5,025
Intergovernmental	138,950	586,281	447,331
Charges for services	94,674	279,358	184,684
Fines and forfeitures	162,350	160,909	(1,441)
Investment income	50,000	337,392	287,392
Miscellaneous	26,381	131,728	105,347
	<u>6,327,547</u>	<u>7,564,107</u>	<u>1,236,560</u>
EXPENDITURES			
Current:			
General government	2,487,544	2,025,770	461,774
Public safety	1,194,415	853,476	340,939
Physical environment	2,493,345	2,074,280	419,065
Transportation	594,355	393,188	201,167
Human services	615,091	600,613	14,478
Culture and recreation	34,748	33,868	880
Capital outlay	5,435,077	1,547,169	3,887,908
	<u>12,854,575</u>	<u>7,528,364</u>	<u>5,326,211</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,527,028)</u>	<u>35,743</u>	<u>6,562,771</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(677,458)	(508,917)	168,541
Sale of capital assets	6,700	6,700	-
	<u>(670,758)</u>	<u>(502,217)</u>	<u>168,541</u>
Total other financing sources (uses)	<u>(670,758)</u>	<u>(502,217)</u>	<u>168,541</u>
Net change in fund balances	(7,197,786)	(466,474)	6,731,312
Fund balances - beginning	8,008,040	7,809,506	(198,534)
Change in inventories of supplies	-	-	-
	<u>\$ 810,254</u>	<u>\$ 7,343,032</u>	<u>\$ 6,532,778</u>

Law Enforcement MSTU			Grants and Donations		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ 7,191,413	\$7,378,336	\$ 186,923	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
12,013	12,013	-	67,847	39,231	(28,616)
-	-	-	-	-	-
-	-	-	107,000	111,533	4,533
1,000	101,541	100,541	1,703	11,250	9,547
-	-	-	-	-	-
<u>7,204,426</u>	<u>7,491,890</u>	<u>287,464</u>	<u>176,550</u>	<u>162,014</u>	<u>(14,536)</u>
673	673	-	-	-	-
-	-	-	73,198	39,231	33,967
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	35,000	18,259	16,741
-	-	-	-	-	-
-	-	-	-	-	-
<u>673</u>	<u>673</u>	<u>-</u>	<u>108,198</u>	<u>57,490</u>	<u>50,708</u>
<u>7,203,753</u>	<u>7,491,217</u>	<u>287,464</u>	<u>68,352</u>	<u>104,524</u>	<u>36,172</u>
(7,906,231)	(7,853,974)	52,257	(101,700)	(116,478)	(14,778)
-	-	-	-	-	-
<u>(7,906,231)</u>	<u>(7,853,974)</u>	<u>52,257</u>	<u>(101,700)</u>	<u>(116,478)</u>	<u>(14,778)</u>
(702,478)	(362,757)	339,721	(33,348)	(11,954)	21,394
1,876,734	1,876,734	-	247,340	247,340	-
-	-	-	-	-	-
<u>\$ 1,174,256</u>	<u>\$1,513,977</u>	<u>\$ 339,721</u>	<u>\$213,992</u>	<u>\$ 235,386</u>	<u>\$ 21,394</u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	Library Special		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Special assessments	-	-	-
Intergovernmental	107,601	106,126	(1,475)
Fines and forfeitures	-	-	-
Investment income	-	83	83
	<u>107,601</u>	<u>106,209</u>	<u>(1,392)</u>
Total revenues			
	<u>107,601</u>	<u>106,209</u>	<u>(1,392)</u>
EXPENDITURES			
Current:			
Transportation	-	-	-
Culture and recreation	92,932	93,007	(75)
Capital outlay	13,303	13,228	75
	<u>106,235</u>	<u>106,235</u>	<u>-</u>
Total expenditures			
	<u>106,235</u>	<u>106,235</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,366</u>	<u>(26)</u>	<u>(1,392)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)			
	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,366	(26)	(1,392)
Fund balances - beginning	215	324	109
Change in inventories of supplies	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,581</u>	<u>\$ 298</u>	<u>\$ (1,283)</u>

Drug Abuse			Special Assessment District		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	249,125	197,841	(51,284)
-	-	-	-	-	-
48,271	90,574	42,303	-	-	-
-	8,067	8,067	4,759	10,589	5,830
<u>48,271</u>	<u>98,641</u>	<u>50,370</u>	<u>253,884</u>	<u>208,430</u>	<u>(45,454)</u>
-	-	-	266,604	209,292	57,312
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>266,604</u>	<u>209,292</u>	<u>57,312</u>
<u>48,271</u>	<u>98,641</u>	<u>50,370</u>	<u>(12,720)</u>	<u>(862)</u>	<u>11,858</u>
<u>(65,000)</u>	<u>(65,000)</u>	<u>-</u>	<u>(9,397)</u>	<u>(5,079)</u>	<u>4,318</u>
<u>(65,000)</u>	<u>(65,000)</u>	<u>-</u>	<u>(9,397)</u>	<u>(5,079)</u>	<u>4,318</u>
(16,729)	33,641	50,370	(22,117)	(5,941)	16,176
191,046	191,046	-	236,712	236,712	-
-	-	-	-	-	-
<u>\$ 174,317</u>	<u>\$ 224,687</u>	<u>\$ 50,370</u>	<u>\$ 214,595</u>	<u>\$ 230,771</u>	<u>\$ 16,176</u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	Parks MSTU		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 4,478,226	\$4,559,005	\$ 80,779
Special assessments	-	-	-
Intergovernmental	5,445	5,445	-
Charges for services	-	-	-
Investment income	25,000	67,315	42,315
Contributions from property owners	-	-	-
Miscellaneous	283,282	283,141	(141)
Total revenues	<u>4,791,953</u>	<u>4,914,906</u>	<u>122,953</u>
EXPENDITURES			
Current:			
General government	-	-	-
Transportation	-	-	-
Culture and recreations	3,286,777	2,745,727	541,050
Capital outlay	768,760	580,542	188,218
Debt service:			
Principal	955,000	955,000	-
Interest	97,569	97,569	-
Total expenditures	<u>5,108,106</u>	<u>4,378,838</u>	<u>729,268</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(316,153)</u>	<u>536,068</u>	<u>852,221</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(363,878)	(329,075)	34,803
Sale of capital assets	2,100	2,100	-
Total other financing sources (uses)	<u>(361,778)</u>	<u>(326,975)</u>	<u>34,803</u>
Net change in fund balances	(677,931)	209,093	887,024
Fund balances - beginning	1,350,769	1,288,218	(62,551)
Change in inventories of supplies	-	-	-
Fund balances - ending	<u>\$ 672,838</u>	<u>\$1,497,311</u>	<u>\$ 824,473</u>

SLC Public Transit MSTU			Port		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ 2,459,603	\$2,498,773	\$ 39,170	\$ -	\$ -	\$ -
-	-	-	18,169	21,219	3,050
10,638,108	5,483,877	(5,154,231)	1,059,579	809,645	(249,934)
65,600	61,314	(4,286)	-	144,855	144,855
4,000	79,222	75,222	3,500	66,441	62,941
5,000	-	(5,000)	-	-	-
224	10,413	10,189	732,677	226,047	(506,630)
<u>13,172,535</u>	<u>8,133,599</u>	<u>(5,038,936)</u>	<u>1,813,925</u>	<u>1,268,207</u>	<u>(545,718)</u>
-	-	-	102	102	-
13,204,806	6,529,080	6,675,726	1,440,310	1,031,801	408,509
-	-	-	-	-	-
1,203,588	948,250	255,338	288,822	22,627	266,195
-	-	-	32,420	32,420	-
-	-	-	22,937	22,937	-
<u>14,408,394</u>	<u>7,477,330</u>	<u>6,931,064</u>	<u>1,784,591</u>	<u>1,109,887</u>	<u>674,704</u>
<u>(1,235,859)</u>	<u>656,269</u>	<u>1,892,128</u>	<u>29,334</u>	<u>158,320</u>	<u>128,986</u>
-	-	-	322,298	322,298	-
(81,757)	(70,747)	11,010	(323,511)	(323,040)	471
-	-	-	-	-	-
<u>(81,757)</u>	<u>(70,747)</u>	<u>11,010</u>	<u>(1,213)</u>	<u>(742)</u>	<u>471</u>
(1,317,616)	585,522	1,903,138	28,121	157,578	129,457
2,234,585	1,363,924	(870,661)	1,671,753	860,158	(811,595)
-	-	-	-	-	-
<u>\$ 916,969</u>	<u>\$1,949,446</u>	<u>\$ 1,032,477</u>	<u>\$1,699,874</u>	<u>\$1,017,736</u>	<u>\$ (682,138)</u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	<u>Airport</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Intergovernmental	2,838,531	2,010,044	(828,487)
Charges for services	433,211	468,396	35,185
Investment income	3,000	27,687	24,687
Miscellaneous	82,500	5,511	(76,989)
	<u>3,357,242</u>	<u>2,511,638</u>	<u>(845,604)</u>
Total revenues			
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	1,308,833	1,180,392	128,441
Human services	-	-	-
Capital outlay	4,469,624	2,061,768	2,407,856
	<u>5,778,457</u>	<u>3,242,160</u>	<u>2,536,297</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(2,421,215)</u>	<u>(730,522)</u>	<u>1,690,693</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,547,669	1,547,669	-
Transfers out	(82,500)	-	82,500
Sales of capital assets	4,700	4,700	-
	<u>1,469,869</u>	<u>1,552,369</u>	<u>82,500</u>
Total other financing sources (uses)			
Net change in fund balances	(951,346)	821,847	1,773,193
Fund balances - beginning	1,545,015	747,839	(797,176)
Change in inventories of supplies	-	-	-
Fund balances - ending	<u>\$ 593,669</u>	<u>\$1,569,686</u>	<u>\$ 976,017</u>

<u>Mosquito Control</u>			<u>Impact Fee Collections</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>
\$ 4,111,656	\$4,172,890	\$ 61,234	\$ -	\$ -	\$ -
5,326,712	3,530,956	(1,795,756)	-	-	-
-	-	-	-	-	-
38,238	231,733	193,495	-	4,833	4,833
-	32,230	32,230	1,500	30,882	29,382
<u>9,476,606</u>	<u>7,967,809</u>	<u>(1,508,797)</u>	<u>1,500</u>	<u>35,715</u>	<u>34,215</u>
364,097	364,097	-	40,399	450	39,949
-	-	-	-	-	-
3,576,352	2,961,269	615,083	-	-	-
88,256	68,056	20,200	-	-	-
<u>4,028,705</u>	<u>3,393,422</u>	<u>635,283</u>	<u>40,399</u>	<u>450</u>	<u>39,949</u>
<u>5,447,901</u>	<u>4,574,387</u>	<u>(873,514)</u>	<u>(38,899)</u>	<u>35,265</u>	<u>74,164</u>
-	-	-	-	-	-
(150,921)	(118,170)	32,751	-	-	-
61,075	61,075	-	-	-	-
<u>(89,846)</u>	<u>(57,095)</u>	<u>32,751</u>	<u>-</u>	<u>-</u>	<u>-</u>
5,358,055	4,517,292	(840,763)	(38,899)	35,265	74,164
1,323,971	1,485,922	161,951	96,110	96,110	-
-	23,032	23,032	-	-	-
<u>\$ 6,682,026</u>	<u>\$6,026,246</u>	<u>\$ (655,780)</u>	<u>\$ 57,211</u>	<u>\$ 131,375</u>	<u>\$ 74,164</u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	Plan Maintenance RAD		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Tourist	-	-	-
Charges for services	-	-	-
Investment income	-	10,291	10,291
Contributions from property owners	417,960	315,218	(102,742)
Miscellaneous	-	-	-
Total revenues	417,960	325,509	(92,451)
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	426,504	313,015	113,489
Economic environment	-	-	-
Capital outlay	2,201	2,201	-
Total expenditures	428,705	315,216	113,489
Excess (deficiency) of revenues over (under) expenditures	(10,745)	10,293	21,038
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(10,745)	10,293	21,038
Fund balances - beginning	97,744	33,147	(64,597)
Change in inventories of supplies	-	-	-
Fund balances - ending	\$ 86,999	\$ 43,440	\$ (43,559)

Tourism Development 1st, 2nd, 3rd & 5th Cent			Court Facility		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
849,642	1,104,157	254,515	-	-	-
-	-	-	630,983	693,834	62,851
550	100,104	99,554	1,000	7,502	6,502
8,507	8,507	-	-	-	-
12,000	19,159	7,159	-	-	-
<u>870,699</u>	<u>1,231,927</u>	<u>361,228</u>	<u>631,983</u>	<u>701,336</u>	<u>69,353</u>
61,868	61,868	-	17,494	-	17,494
-	-	-	-	-	-
808,274	746,912	61,362	-	-	-
135,000	135,000	-	278,947	-	278,947
<u>1,005,142</u>	<u>943,780</u>	<u>61,362</u>	<u>296,441</u>	<u>-</u>	<u>296,441</u>
(134,443)	288,147	422,590	335,542	701,336	365,794
-	-	-	31,800	31,800	-
<u>(20,031)</u>	<u>(25,613)</u>	<u>(5,582)</u>	<u>(520,991)</u>	<u>(518,298)</u>	<u>2,693</u>
<u>(20,031)</u>	<u>(25,613)</u>	<u>(5,582)</u>	<u>(489,191)</u>	<u>(486,498)</u>	<u>2,693</u>
(154,474)	262,534	417,008	(153,649)	214,838	368,487
2,468,570	2,468,570	-	153,649	153,649	-
-	-	-	-	-	-
<u><u>\$2,314,096</u></u>	<u><u>\$2,731,104</u></u>	<u><u>\$ 417,008</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 368,487</u></u>	<u><u>\$ 368,487</u></u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	SLC Housing Finance Authority		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment income	227	4,439	4,212
Miscellaneous	4,739	13,385	8,646
	<u>4,966</u>	<u>17,824</u>	<u>12,858</u>
Total revenues	<u>4,966</u>	<u>17,824</u>	<u>12,858</u>
EXPENDITURES			
Current:			
General government	14,429	3,924	10,505
Physical environment	-	-	-
Court-related	-	-	-
Capital outlay	50,000	-	50,000
	<u>64,429</u>	<u>3,924</u>	<u>60,505</u>
Total expenditures	<u>64,429</u>	<u>3,924</u>	<u>60,505</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(59,463)</u>	<u>13,900</u>	<u>73,363</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(59,463)	13,900	73,363
Fund balances - beginning	103,344	103,844	500
Change in inventories of supplies	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 43,881</u>	<u>\$ 117,744</u>	<u>\$ 73,863</u>

Environmental Land Acquisitions			Court Administrator		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	3,450	3,450
205,746	-	(205,746)	595,022	616,780	21,758
-	-	-	96,950	87,545	(9,405)
100	21,538	21,438	6,500	88,760	82,260
65,000	49,768	(15,232)	-	30	30
<u>270,846</u>	<u>71,306</u>	<u>(199,540)</u>	<u>698,472</u>	<u>796,565</u>	<u>98,093</u>
-	-	-	6,094	6,094	-
15,000	-	15,000	-	-	-
-	-	-	961,780	892,593	69,187
220,000	-	220,000	-	-	-
<u>235,000</u>	<u>-</u>	<u>235,000</u>	<u>967,874</u>	<u>898,687</u>	<u>69,187</u>
<u>35,846</u>	<u>71,306</u>	<u>35,460</u>	<u>(269,402)</u>	<u>(102,122)</u>	<u>167,280</u>
-	-	-	498,175	407,631	(90,544)
-	-	-	(230,906)	(140,362)	90,544
-	-	-	267,269	267,269	-
35,846	71,306	35,460	(2,133)	165,147	167,280
517,559	517,559	-	2,184,809	2,185,024	215
-	-	-	-	-	-
<u>\$ 553,405</u>	<u>\$ 588,865</u>	<u>\$ 35,460</u>	<u>\$2,182,676</u>	<u>\$2,350,171</u>	<u>\$ 167,495</u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
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For the year ended September 30, 2019**

	Erosion Control		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ 1,795,519	\$ 1,825,347	\$ 29,828
Licenses and permits	-	-	-
Intergovernmental	8,487,838	545,452	(7,942,386)
Investment income	7,000	273,963	266,963
Contributions from property owners	84,858	84,858	-
Miscellaneous	-	-	-
	<u>10,375,215</u>	<u>2,729,620</u>	<u>(7,645,595)</u>
Total revenues			
EXPENDITURES			
Current:			
General government	76,905	76,905	-
Physical environment	11,893,529	968,924	10,924,605
Transportation	583,622	219,254	364,368
Economic environment	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	-	-
	<u>12,554,056</u>	<u>1,265,083</u>	<u>11,288,973</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(2,178,841)</u>	<u>1,464,537</u>	<u>3,643,378</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	137,000	137,000	-
Transfers out	(58,432)	(51,646)	6,786
	<u>78,568</u>	<u>85,354</u>	<u>6,786</u>
Total other financing sources (uses)			
Net change in fund balances	(2,100,273)	1,549,891	3,650,164
Fund balances - beginning	5,762,976	5,493,320	(269,656)
Change in inventories of supplies	-	-	-
Fund balances - ending	<u>\$ 3,662,703</u>	<u>\$ 7,043,211</u>	<u>\$ 3,380,508</u>

<u>Housing Assistance SHIP</u>			<u>Boating Improvement Projects</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	66,425	104,755	38,330
482,424	296,822	(185,602)	-	23,250	23,250
10,044	39,488	29,444	1,500	37,160	35,660
-	-	-	-	-	-
-	43,280	43,280	4,900	4,900	-
<u>492,468</u>	<u>379,590</u>	<u>(112,878)</u>	<u>72,825</u>	<u>170,065</u>	<u>97,240</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
492,468	317,676	174,792	-	-	-
-	-	-	91,394	88,733	2,661
-	-	-	262,348	3,420	258,928
<u>492,468</u>	<u>317,676</u>	<u>174,792</u>	<u>353,742</u>	<u>92,153</u>	<u>261,589</u>
-	61,914	61,914	(280,917)	77,912	358,829
-	18,367	18,367	-	-	-
(13,195)	(15,078)	(1,883)	(5,800)	-	5,800
(13,195)	3,289	16,484	(5,800)	-	5,800
(13,195)	65,203	78,398	(286,717)	77,912	364,629
13,195	301,784	288,589	988,053	988,053	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$366,987</u>	<u>\$ 366,987</u>	<u>\$ 701,336</u>	<u>\$1,065,965</u>	<u>\$ 364,629</u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
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For the year ended September 30, 2019**

	Bluefield Ranch Improvements		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Charges for services	28	89	61
Investment income	1,500	5,498	3,998
Miscellaneous	-	-	-
Total revenues	<u>1,528</u>	<u>5,587</u>	<u>4,059</u>
EXPENDITURES			
Current:			
Physical environment	108	-	108
Economic environment	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>108</u>	<u>-</u>	<u>108</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,420</u>	<u>5,587</u>	<u>4,167</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	-
Sale of capital assets	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,420	5,587	4,167
Fund balances - beginning	139,790	139,790	-
Change in inventories of supplies	-	-	-
Fund balances - ending	<u>\$ 141,210</u>	<u>\$ 145,377</u>	<u>\$ 4,167</u>

Florida Housing Grant			Sports Complex		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,357,825	404,053	(953,772)	-	-	-
-	-	-	14,344	26,717	12,373
-	1,010	1,010	10,000	21,455	11,455
-	66,460	66,460	2,137,053	2,237,153	100,100
<u>1,357,825</u>	<u>471,523</u>	<u>(886,302)</u>	<u>2,161,397</u>	<u>2,285,325</u>	<u>123,928</u>
-	-	-	-	-	-
1,357,825	584,233	773,592	-	-	-
-	-	-	2,422,940	2,324,959	97,981
-	-	-	226,576	188,703	37,873
<u>1,357,825</u>	<u>584,233</u>	<u>773,592</u>	<u>2,649,516</u>	<u>2,513,662</u>	<u>135,854</u>
-	(112,710)	(112,710)	(488,119)	(228,337)	259,782
(15,883)	(34,250)	(18,367)	-	-	-
-	-	-	4,425	4,425	-
<u>(15,883)</u>	<u>(34,250)</u>	<u>(18,367)</u>	<u>4,425</u>	<u>4,425</u>	<u>-</u>
(15,883)	(146,960)	(131,077)	(483,694)	(223,912)	259,782
15,883	175,755	159,872	483,694	483,694	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 28,795</u>	<u>\$ 28,795</u>	<u>\$ -</u>	<u>\$ 259,782</u>	<u>\$ 259,782</u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	SLC Sustainability District		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Special assessments	120,800	135,707	14,907
Charges for services	-	3,249	3,249
Fines and forfeitures	-	-	-
Miscellaneous	-	1,598	1,598
Total revenues	<u>120,800</u>	<u>140,554</u>	<u>19,754</u>
EXPENDITURES			
Current:			
Public safety	-	-	-
Physical environment	261,700	170,748	90,952
Culture and recreation	-	-	-
Debt service:			
Principal	100,000	86,098	13,902
Interest	-	54,012	(54,012)
Other	-	4,733	(4,733)
Total expenditures	<u>361,700</u>	<u>315,591</u>	<u>46,109</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(240,900)</u>	<u>(175,037)</u>	<u>65,863</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	(1,193)	(1,193)
Issuance of long-term debt	250,000	162,453	(87,547)
Total other financing sources (uses)	<u>250,000</u>	<u>161,260</u>	<u>(88,740)</u>
Net change in fund balances	9,100	(13,777)	(22,877)
Fund balances - beginning	-	25,238	25,238
Change in inventories of supplies	-	-	-
Fund balances - ending	<u>\$ 9,100</u>	<u>\$ 11,461</u>	<u>\$ 2,361</u>

Law Enforcement			SLC Art in Public Places		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
94,975	50,000	(44,975)	-	-	-
500	1,343	843	190	4,827	4,637
<u>95,475</u>	<u>51,343</u>	<u>(44,132)</u>	<u>190</u>	<u>4,827</u>	<u>4,637</u>
-	6	(6)	-	-	-
-	-	-	-	-	-
-	-	-	10,047	-	10,047
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>6</u>	<u>(6)</u>	<u>10,047</u>	<u>-</u>	<u>10,047</u>
<u>95,475</u>	<u>51,337</u>	<u>(44,138)</u>	<u>(9,857)</u>	<u>4,827</u>	<u>14,684</u>
-	-	-	175,128	-	(175,128)
(97,370)	(50,194)	47,176	-	-	-
-	-	-	-	-	-
<u>(97,370)</u>	<u>(50,194)</u>	<u>47,176</u>	<u>175,128</u>	<u>-</u>	<u>(175,128)</u>
(1,895)	1,143	3,038	165,271	4,827	(160,444)
1,895	1,895	-	122,791	122,791	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 3,038</u>	<u>\$ 3,038</u>	<u>\$ 288,062</u>	<u>\$ 127,618</u>	<u>\$ (160,444)</u>

**Board of County Commissioners
St. Lucie County Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	SLC Economic Development		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Local business	55,195	59,329	4,134
Investment income	-	932	932
	<u>55,195</u>	<u>60,261</u>	<u>5,066</u>
Total revenues			
EXPENDITURES			
Current:			
General government	55,366	25,000	30,366
	<u>55,366</u>	<u>25,000</u>	<u>30,366</u>
Total expenditures			
Net change in fund balances	(171)	35,261	35,432
Fund balances - beginning	19,862	19,862	-
Change in inventories of supplies	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 19,691</u>	<u>\$ 55,123</u>	<u>\$ 35,432</u>

St. Lucie County, Florida
Board of County Commissioners
Budgetary Comparison Schedule
Governmental Funds
For the Year Ended September 30, 2019

	<u>Impact Fees I & S</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	-	-	-
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Debt service:			
Principal	125,000	130,000	(5,000)
Interest	39,648	42,110	(2,462)
Other	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	164,648	172,110	(7,462)
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(164,648)	(172,110)	(7,462)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	164,648	164,648	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	164,648	164,648	-
	<hr/>	<hr/>	<hr/>
Net change in fund balances	-	(7,462)	(7,462)
	<hr/>	<hr/>	<hr/>
Fund balances - beginning	21,507	21,507	-
	<hr/>	<hr/>	<hr/>
Fund balances - ending	\$ 21,507	\$ 14,045	\$ (7,462)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

<u>Sales Tax Revenue Bonds I & S</u>			<u>County Capital I & S</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,796,511	3,994,531	198,020	-	-	-
6,588	182,730	176,142	14,348	64,473	50,125
-	-	-	-	-	-
<u>3,803,099</u>	<u>4,177,261</u>	<u>374,162</u>	<u>14,348</u>	<u>64,473</u>	<u>50,125</u>
2,640,000	2,640,000	-	1,006,239	1,006,239	-
2,093,000	2,093,000	-	2,460	27,786	(25,326)
2,000	18,325	(16,325)	-	-	-
<u>4,735,000</u>	<u>4,751,325</u>	<u>(16,325)</u>	<u>1,008,699</u>	<u>1,034,025</u>	<u>(25,326)</u>
<u>(931,901)</u>	<u>(574,064)</u>	<u>357,837</u>	<u>(994,351)</u>	<u>(969,552)</u>	<u>24,799</u>
<u>868,298</u>	<u>868,298</u>	<u>-</u>	<u>1,155,971</u>	<u>1,155,971</u>	<u>-</u>
<u>868,298</u>	<u>868,298</u>	<u>-</u>	<u>1,155,971</u>	<u>1,155,971</u>	<u>-</u>
(63,603)	294,234	357,837	161,620	186,419	24,799
<u>753,839</u>	<u>988,246</u>	<u>234,407</u>	<u>510,063</u>	<u>510,063</u>	<u>-</u>
<u>\$ 690,236</u>	<u>\$1,282,480</u>	<u>\$ 592,244</u>	<u>\$ 671,683</u>	<u>\$ 696,482</u>	<u>\$ 24,799</u>

St. Lucie County, Florida
Board of County Commissioners
Budgetary Comparison Schedule
Governmental Funds
For the Year Ended September 30, 2019

	Transportation I & S		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-
Investment income	3,040	15,866	12,826
	3,040	15,866	12,826
Total revenues	3,040	15,866	12,826
EXPENDITURES			
Debt service:			
Principal	1,025,000	1,025,000	-
Interest	231,404	231,404	-
Other	5,000	-	5,000
	1,261,404	1,256,404	5,000
Total expenditures	1,261,404	1,256,404	5,000
Excess (deficiency) of revenues over (under) expenditures	(1,258,364)	(1,240,538)	17,826
OTHER FINANCING SOURCES (USES)			
Transfers in	1,197,882	1,197,882	-
	1,197,882	1,197,882	-
Total other financing sources (uses)	1,197,882	1,197,882	-
Net change in fund balances	(60,482)	(42,656)	17,826
Fund balances - beginning	60,482	60,482	-
Fund balances - ending	\$ -	\$ 17,826	\$ 17,826

Capital Improvement Revenue Refunding 2014			Cap Impr Rev Bds Series 2016 Jail		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ 1,071,586	\$1,071,586	\$ -	\$ -	\$ -	\$ -
324,810	293,879	(30,931)	-	-	-
-	49,992	49,992	-	12,415	12,415
<u>1,396,396</u>	<u>1,415,457</u>	<u>19,061</u>	<u>-</u>	<u>12,415</u>	<u>12,415</u>
1,115,000	1,115,000	-	190,000	200,000	(10,000)
170,146	170,146	-	83,070	73,060	10,010
2,000	-	2,000	-	-	-
<u>1,287,146</u>	<u>1,285,146</u>	<u>2,000</u>	<u>273,070</u>	<u>273,060</u>	<u>10</u>
<u>109,250</u>	<u>130,311</u>	<u>21,061</u>	<u>(273,070)</u>	<u>(260,645)</u>	<u>12,425</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>295,826</u>	<u>295,826</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>295,826</u>	<u>295,826</u>	<u>-</u>
109,250	130,311	21,061	22,756	35,181	12,425
58,556	58,556	-	52,553	52,553	-
<u>\$ 167,806</u>	<u>\$ 188,867</u>	<u>\$ 21,061</u>	<u>\$ 75,309</u>	<u>\$ 87,734</u>	<u>\$ 12,425</u>

St. Lucie County, Florida
Board of County Commissioners
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Governmental Funds
For the Year Ended September 30, 2019

	Capital Imp Rev Bonds 2015		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 391	\$ 391
Miscellaneous	477,693	455,907	(21,786)
Total revenues	477,693	456,298	(21,395)
EXPENDITURES			
Debt Service:			
Principal	290,000	290,000	-
Interest	165,907	165,907	-
Total expenditures	455,907	455,907	-
Excess (deficiency) of revenues over (under) expenditures	21,786	391	(21,395)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	21,786	391	(21,395)
Fund balances - beginning	5,256	5,256	-
Fund balances - ending	\$ 27,042	\$ 5,647	\$ (21,395)

<u>Lease Purchase FPL 2015</u>			<u>Lease Purchase Motorola</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>
\$ -	\$ 16,282	\$ 16,282	\$ -	\$ 2,388	\$ 2,388
-	-	-	-	-	-
-	16,282	16,282	-	2,388	2,388
716,424	716,423	1	382,997	382,955	42
186,336	186,335	1	316,230	316,230	-
902,760	902,758	2	699,227	699,185	42
(902,760)	(886,476)	16,284	(699,227)	(696,797)	2,430
1,046,661	1,046,661	-	699,227	699,227	-
1,046,661	1,046,661	-	699,227	699,227	-
143,901	160,185	16,284	-	2,430	2,430
162,087	162,087	-	60,722	60,722	-
<u>\$ 305,988</u>	<u>\$ 322,272</u>	<u>\$ 16,284</u>	<u>\$ 60,722</u>	<u>\$ 63,152</u>	<u>\$ 2,430</u>

St. Lucie County, Florida
Board of County Commissioners
Budgetary Comparison Schedule
Governmental Funds
For the Year Ended September 30, 2019

	<u>Capital Imp Rev Bond 2016A</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Investment income	-	5,636	5,636
Contributions from property owners	-	-	-
Total revenues	<u>-</u>	<u>5,636</u>	<u>5,636</u>
EXPENDITURES			
Debt service:			
Principal	230,000	245,000	(15,000)
Interest	<u>58,751</u>	<u>51,471</u>	<u>7,280</u>
Total expenditures	<u>288,751</u>	<u>296,471</u>	<u>(7,720)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(288,751)</u>	<u>(290,835)</u>	<u>(2,084)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	288,751	288,751	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>288,751</u>	<u>288,751</u>	<u>-</u>
Net change in fund balances	-	(2,084)	(2,084)
Fund balances - beginning	<u>45,868</u>	<u>45,868</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 45,868</u></u>	<u><u>\$ 43,784</u></u>	<u><u>\$ (2,084)</u></u>

<u>Port Taxable Non-Ad Valorem Bond 2017A</u>			<u>Capital Projects I & S</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
99	8,885	8,786	-	-	-
-	-	-	-	-	-
<u>99</u>	<u>8,885</u>	<u>8,786</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>975,071</u>	<u>975,071</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>975,071</u>	<u>975,071</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(974,972)</u>	<u>(966,186)</u>	<u>8,786</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,056,328	1,056,328	-	-	-	-
-	-	-	(27,169)	(27,169)	-
<u>1,056,328</u>	<u>1,056,328</u>	<u>-</u>	<u>(27,169)</u>	<u>(27,169)</u>	<u>-</u>
81,356	90,142	8,786	(27,169)	(27,169)	-
<u>52,345</u>	<u>52,345</u>	<u>-</u>	<u>27,169</u>	<u>27,169</u>	<u>-</u>
<u>\$ 133,701</u>	<u>\$ 142,487</u>	<u>\$ 8,786</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

St. Lucie County, Florida
Board of County Commissioners
Budgetary Comparison Schedule
Governmental Funds
For the Year Ended September 30, 2019

	Sports Complex Debt		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Tourist	-	-	-
Special assessments	-	-	-
Intergovernmental	-	-	-
Investment income	-	23,406	23,406
Contributions from property owners	764,897	696,529	(68,368)
Total revenues	<u>764,897</u>	<u>719,935</u>	<u>(44,962)</u>
EXPENDITURES			
Debt service:			
Principal	648,000	648,000	-
Interest	116,897	116,897	-
Other	-	-	-
Total expenditures	<u>764,897</u>	<u>764,897</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(44,962)</u>	<u>(44,962)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(44,962)	(44,962)
Fund balances - beginning	<u>660,350</u>	<u>660,350</u>	<u>-</u>
Fund balances - ending	<u>\$ 660,350</u>	<u>\$ 615,388</u>	<u>\$ (44,962)</u>

<u>Non-Ad Valorem Bonds Series 2017</u>			<u>N Lennard Road Bonds I & S</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,265,194	3,046,808	781,614	-	-	-
-	-	-	458,290	500,042	41,752
1,154,576	1,154,571	(5)	-	-	-
1,875	142,130	140,255	1,736	65,107	63,371
-	-	-	-	-	-
<u>3,421,645</u>	<u>4,343,509</u>	<u>921,864</u>	<u>460,026</u>	<u>565,149</u>	<u>105,123</u>
1,160,000	1,160,000	-	300,000	300,000	-
2,275,400	2,275,400	-	86,210	104,769	(18,559)
-	-	-	1,000	-	1,000
<u>3,435,400</u>	<u>3,435,400</u>	<u>-</u>	<u>387,210</u>	<u>404,769</u>	<u>(17,559)</u>
<u>(13,755)</u>	<u>908,109</u>	<u>921,864</u>	<u>72,816</u>	<u>160,380</u>	<u>87,564</u>
<u>(70,917)</u>	<u>(70,677)</u>	<u>240</u>	<u>(91,000)</u>	<u>(7,873)</u>	<u>83,127</u>
<u>(70,917)</u>	<u>(70,677)</u>	<u>240</u>	<u>(91,000)</u>	<u>(7,873)</u>	<u>83,127</u>
(84,672)	837,432	922,104	(18,184)	152,507	170,691
<u>2,406,604</u>	<u>2,406,604</u>	<u>-</u>	<u>1,453,083</u>	<u>1,840,314</u>	<u>387,231</u>
<u>\$2,321,932</u>	<u>\$3,244,036</u>	<u>\$ 922,104</u>	<u>\$1,434,899</u>	<u>\$1,992,821</u>	<u>\$ 557,922</u>

**Board of County Commissioners
St. Lucie County, Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	Impact Fees		
	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Impact fees	3,923,388	16,571,151	12,647,763
Intergovernmental	3,847,374	4,267,041	419,667
Investment income	180,000	1,613,118	1,433,118
Miscellaneous	-	12,194	12,194
Total revenues	<u>7,950,762</u>	<u>22,463,504</u>	<u>14,512,742</u>
EXPENDITURES			
Current:			
Public safety	-	167	(167)
Culture and recreation	388,612	323,836	64,776
Capital outlay	<u>17,132,070</u>	<u>8,130,254</u>	<u>9,001,816</u>
Total expenditures	<u>17,520,682</u>	<u>8,454,257</u>	<u>9,066,425</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,569,920)</u>	<u>14,009,247</u>	<u>23,579,167</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(929,422)</u>	<u>(929,422)</u>	<u>-</u>
Total other financing sources (uses)	<u>(929,422)</u>	<u>(929,422)</u>	<u>-</u>
Net change in fund balances	(10,499,342)	13,079,825	23,579,167
Fund balances - beginning	<u>33,944,180</u>	<u>28,966,536</u>	<u>(4,977,644)</u>
Fund balances - ending	<u>\$23,444,838</u>	<u>\$42,046,361</u>	<u>\$ 18,601,523</u>

Sports Complex Capital Project Fund

<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
1,090,562	1,261,656	171,094
-	-	-
<u>1,090,562</u>	<u>1,261,656</u>	<u>171,094</u>
-	-	-
-	-	-
50,879,485	15,064,022	35,815,463
<u>50,879,485</u>	<u>15,064,022</u>	<u>35,815,463</u>
<u>(49,788,923)</u>	<u>(13,802,366)</u>	<u>35,986,557</u>
-	-	-
-	-	-
(49,788,923)	(13,802,366)	35,986,557
49,788,923	51,804,750	2,015,827
<u>\$ -</u>	<u>\$38,002,384</u>	<u>\$38,002,384</u>

**Board of County Commissioners
St. Lucie County, Florida
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	<u>County Capital</u>		Variance Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
REVENUES			
Taxes:			
Property	\$ 51,970	\$ -	\$ (51,970)
Motor fuel	1,039,395	1,250,877	211,482
Intergovernmental	-	-	-
Investment income	20,000	198,642	178,642
Miscellaneous	75,000	75,000	-
	<u>1,186,365</u>	<u>1,524,519</u>	<u>338,154</u>
Total revenues			
EXPENDITURES			
Current:			
General government	-	-	-
Physical environment	10,296	10,296	-
Transportation	1,575,000	1,044,045	530,955
Capital outlay	2,073,355	910,599	1,162,756
	<u>3,658,651</u>	<u>1,964,940</u>	<u>1,693,711</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(2,472,286)</u>	<u>(440,421)</u>	<u>2,031,865</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	593,374	593,374	-
Transfers out	(39,570)	-	39,570
Sale of capital assets	216,125	216,125	-
	<u>769,929</u>	<u>809,499</u>	<u>39,570</u>
Total other financing sources (uses)			
Net change in fund balances	(1,702,357)	369,078	2,071,435
Fund balances - beginning	<u>4,558,188</u>	<u>4,627,352</u>	<u>69,164</u>
Fund balances - ending	<u><u>\$2,855,831</u></u>	<u><u>\$4,996,430</u></u>	<u><u>\$ 2,140,599</u></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	228,766	28,766	-	-	-
14,250	102,627	88,377	28,500	49,404	20,904
-	-	-	-	-	-
<u>214,250</u>	<u>331,393</u>	<u>117,143</u>	<u>28,500</u>	<u>49,404</u>	<u>20,904</u>
-	-	-	-	-	-
200,000	-	200,000	-	-	-
-	-	-	-	-	-
<u>28,350</u>	<u>-</u>	<u>28,350</u>	<u>690,864</u>	<u>364,006</u>	<u>326,858</u>
<u>228,350</u>	<u>-</u>	<u>228,350</u>	<u>690,864</u>	<u>364,006</u>	<u>326,858</u>
<u>(14,100)</u>	<u>331,393</u>	<u>345,493</u>	<u>(662,364)</u>	<u>(314,602)</u>	<u>347,762</u>
-	-	-	-	-	-
-	-	-	(109,421)	-	109,421
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(109,421)</u>	<u>-</u>	<u>109,421</u>
(14,100)	331,393	345,493	(771,785)	(314,602)	457,183
<u>2,386,252</u>	<u>2,386,252</u>	<u>-</u>	<u>1,415,064</u>	<u>1,415,064</u>	<u>-</u>
<u>\$2,372,152</u>	<u>\$2,717,645</u>	<u>\$ 345,493</u>	<u>\$ 643,279</u>	<u>\$1,100,462</u>	<u>\$ 457,183</u>

**Board of County Commissioners
St. Lucie County, Florida
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	<u>Infrastructure Surtax Capital</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Discretionary sales surtaxes	\$5,603,559	\$5,949,774	\$ 346,215
Investment income	-	67,887	67,887
	<u>5,603,559</u>	<u>6,017,661</u>	<u>414,102</u>
EXPENDITURES			
Transportation	3,038,559	1,966,806	1,071,753
Capital outlay	2,315,000	963,332	1,351,668
	<u>5,353,559</u>	<u>2,930,138</u>	<u>2,423,421</u>
Excess (deficiency) of revenues over (under) expenditures	<u>250,000</u>	<u>3,087,523</u>	<u>2,837,523</u>
OTHER FINANCING SOURCES (USES)			
Inception of capital lease	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	250,000	3,087,523	2,837,523
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ 250,000</u>	<u>\$3,087,523</u>	<u>\$2,837,523</u>

<u>Jail Security Upgrade</u>			<u>Capital Improvement Revenue Bonds</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	597	597	-	13,662	13,662
-	597	597	-	13,662	13,662
-	-	-	-	-	-
14,584	-	14,584	1,363,750	1,150,295	213,455
14,584	-	14,584	1,363,750	1,150,295	213,455
(14,584)	597	15,181	(1,363,750)	(1,136,633)	227,117
-	-	-	-	-	-
-	-	-	-	-	-
(14,584)	597	15,181	(1,363,750)	(1,136,633)	227,117
14,584	14,584	-	1,410,675	1,410,675	-
<u>\$ -</u>	<u>\$ 15,181</u>	<u>\$ 15,181</u>	<u>\$ 46,925</u>	<u>\$ 274,042</u>	<u>\$ 227,117</u>

**Board of County Commissioners
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	<u>Energy Efficiency FPL 2015</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Investment income	7	5	(2)
Contributions from property owners	-	-	-
	<u>7</u>	<u>5</u>	<u>(2)</u>
Total revenues			
	<u>7</u>	<u>5</u>	<u>(2)</u>
EXPENDITURES			
Current:			
General government	-	-	-
Transportation	-	-	-
Capital outlay	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures			
	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7</u>	<u>5</u>	<u>(2)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(315)	(313)	2
Issuance of long-term debt	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(315)</u>	<u>(313)</u>	<u>2</u>
Net change in fund balances	(308)	(308)	-
Fund balances - beginning	<u>308</u>	<u>308</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Cap Imp Rev Bond 2016A Construction</u>			<u>Sports Complex Improvements</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,144,348	387,817	(5,756,531)	-	-	-
-	82,938	82,938	950	25,619	24,669
-	-	-	75,000	75,000	-
<u>6,144,348</u>	<u>470,755</u>	<u>(5,673,593)</u>	<u>75,950</u>	<u>100,619</u>	<u>24,669</u>
-	-	-	2,555	2,555	-
-	35,143	(35,143)	-	-	-
<u>8,536,583</u>	<u>1,381,640</u>	<u>7,154,943</u>	<u>38,451</u>	<u>26,886</u>	<u>11,565</u>
<u>8,536,583</u>	<u>1,416,783</u>	<u>7,119,800</u>	<u>41,006</u>	<u>29,441</u>	<u>11,565</u>
<u>(2,392,235)</u>	<u>(946,028)</u>	<u>1,446,207</u>	<u>34,944</u>	<u>71,178</u>	<u>36,234</u>
-	-	-	200,000	200,000	-
-	-	-	-	-	-
<u>2,544,544</u>	<u>2,628,210</u>	<u>83,666</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,544,544</u>	<u>2,628,210</u>	<u>83,666</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
152,309	1,682,182	1,529,873	234,944	271,178	36,234
-	(177,885)	(177,885)	468,723	468,723	-
<u>\$ 152,309</u>	<u>\$1,504,297</u>	<u>\$ 1,351,988</u>	<u>\$ 703,667</u>	<u>\$ 739,901</u>	<u>\$ 36,234</u>

**Board of County Commissioners
St. Lucie County, Florida
Budgetary Comparison Schedules
Governmental Funds
For the year ended September 30, 2019**

	<u>Environmental Land Capital</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Intergovernmental	-	1,683,986	1,683,986
Investment income	-	80,775	80,775
Contributions from property owners	-	-	-
Miscellaneous	<u>2,850</u>	<u>8,641</u>	<u>5,791</u>
Total revenues	<u>2,850</u>	<u>1,773,402</u>	<u>1,770,552</u>
EXPENDITURES			
Current:			
General government	653	653	-
Transportation	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>653</u>	<u>653</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,197</u>	<u>1,772,749</u>	<u>1,770,552</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	-
Issuance of long-term debt	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,197	1,772,749	1,770,552
Fund balances - beginning	<u>396,126</u>	<u>396,126</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 398,323</u></u>	<u><u>\$2,168,875</u></u>	<u><u>\$1,770,552</u></u>

MSBU Internal Financed Projects			MSBU External Financed Projects		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
15,048	30,477	15,429	9,850	36,682	26,832
268,313	56,187	(212,126)	940,000	843,691	(96,309)
-	-	-	-	59,833	59,833
<u>283,361</u>	<u>86,664</u>	<u>(196,697)</u>	<u>949,850</u>	<u>940,206</u>	<u>(9,644)</u>
-	-	-	-	-	-
296,500	242,004	54,496	4,146,129	587,677	3,558,452
-	-	-	221,000	-	221,000
-	9,861	(9,861)	19,854	-	19,854
-	-	-	14,000	-	14,000
<u>296,500</u>	<u>251,865</u>	<u>44,635</u>	<u>4,400,983</u>	<u>587,677</u>	<u>3,813,306</u>
<u>(13,139)</u>	<u>(165,201)</u>	<u>(152,062)</u>	<u>(3,451,133)</u>	<u>352,529</u>	<u>3,803,662</u>
(27,181)	(931)	26,250	(58,232)	(12,981)	45,251
<u>270,000</u>	<u>-</u>	<u>(270,000)</u>	<u>2,400,700</u>	<u>-</u>	<u>(2,400,700)</u>
<u>242,819</u>	<u>(931)</u>	<u>(243,750)</u>	<u>2,342,468</u>	<u>(12,981)</u>	<u>(2,355,449)</u>
229,680	(166,132)	(395,812)	(1,108,665)	339,548	1,448,213
<u>634,328</u>	<u>665,010</u>	<u>30,682</u>	<u>1,188,525</u>	<u>1,188,525</u>	<u>-</u>
<u>\$ 864,008</u>	<u>\$498,878</u>	<u>\$ (365,130)</u>	<u>\$ 79,860</u>	<u>\$1,528,073</u>	<u>\$1,448,213</u>

**Board of County Commissioners
St. Lucie County, Florida
Combining Statement of Fund Net Position
Nonmajor Enterprise Funds
September 30, 2019**

	<u>Golf Course</u>	<u>Building Code</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 577,621	\$ 6,593,656	\$ 7,171,277
Restricted assets:			
Accounts receivable, net	400	-	400
Interest receivable	1,610	17,437	19,047
Inventories	66,755	-	66,755
Prepaid items	-	1,097	1,097
Total current assets	<u>646,386</u>	<u>6,612,190</u>	<u>7,258,576</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	339,745	90,404	430,149
Accumulated depreciation	<u>(3,669,308)</u>	<u>(70,334)</u>	<u>(3,739,642)</u>
Total non-current assets	<u>1,518,784</u>	<u>20,070</u>	<u>1,538,854</u>
Total assets	<u>2,165,170</u>	<u>6,632,260</u>	<u>8,797,430</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	327,690	603,682	931,372
Deferred outflows related to OPEB	<u>15,779</u>	<u>25,151</u>	<u>40,930</u>
Total deferred outflows of resources	<u>343,469</u>	<u>628,833</u>	<u>972,302</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	46,138	114,156	160,294
Due to other governments	-	14,628	14,628
Accrued compensated absences	32,954	77,969	110,923
Unearned revenues	<u>14,889</u>	<u>-</u>	<u>14,889</u>
Total current liabilities	<u>93,981</u>	<u>206,753</u>	<u>300,734</u>
Non-current liabilities:			
Noncurrent accrued compensated absences, net	66,305	83,356	149,661
OPEB liability	313,221	520,571	833,792
Net pension liability	<u>875,075</u>	<u>1,668,658</u>	<u>2,543,733</u>
Total non-current liabilities	<u>1,254,601</u>	<u>2,272,585</u>	<u>3,527,186</u>
Total liabilities	<u>1,348,582</u>	<u>2,479,338</u>	<u>3,827,920</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	56,893	116,427	173,320
Deferred inflows related to OPEB	<u>100,335</u>	<u>188,901</u>	<u>289,236</u>
Total deferred inflows of resources	<u>157,228</u>	<u>305,328</u>	<u>462,556</u>
NET POSITION			
Net investment in capital assets	1,518,784	-	1,518,784
Unrestricted	<u>(515,955)</u>	<u>4,476,427</u>	<u>3,960,472</u>
Total net position	<u>\$ 1,002,829</u>	<u>\$ 4,476,427</u>	<u>\$ 5,479,256</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, 2019**

	<u>Golf Course</u>	<u>Building Code</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 1,491,784	\$ 2,914,230	\$ 4,406,014
Miscellaneous	122,056	673	122,729
Total operating revenues	<u>1,613,840</u>	<u>2,914,903</u>	<u>4,528,743</u>
Operating expenses:			
Salaries, wages and employee benefits	939,414	2,038,055	2,977,469
Contractual services, materials and supplies	592,820	529,296	1,122,116
Depreciation	46,767	2,855	49,622
Total operating expenses	<u>1,579,001</u>	<u>2,570,206</u>	<u>4,149,207</u>
Operating income (loss)	<u>34,839</u>	<u>344,697</u>	<u>379,536</u>
Nonoperating revenues (expenses):			
Investment income	24,585	243,267	267,852
Intergovernmental	1,725	19,800	21,525
Total nonoperating revenues (expenses)	<u>26,310</u>	<u>263,067</u>	<u>289,377</u>
Change in net position	61,149	607,764	668,913
Net position - beginning	941,680	3,868,663	4,810,343
Net position - ending	<u>\$ 1,002,829</u>	<u>\$ 4,476,427</u>	<u>\$ 5,479,256</u>

**Board of County Commissioners
St. Lucie County, Florida
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the year ended September 30, 2019**

	<u>Golf Course</u>	<u>Building Code</u>	<u>Total</u>
Cash flows from operating activities			
Cash received from customers	\$ 1,491,488	\$ 2,914,230	\$ 4,405,718
Cash paid to suppliers	(639,819)	(533,001)	(1,172,820)
Cash paid for employee services	(787,493)	(1,722,169)	(2,509,662)
Other receipts	122,056	673	122,729
Net cash provided by (used for) operating activities	<u>186,232</u>	<u>659,733</u>	<u>845,965</u>
Cash flows from capital and related financing activities			
Proceeds from sale of assets	1,724	19,800	21,524
Purchases of capital assets	(3,949)	(2,940)	(6,889)
Net cash used for capital and related financing activities	<u>(2,225)</u>	<u>16,860</u>	<u>14,635</u>
Cash flows from investing activities			
Interest on investments	<u>24,587</u>	<u>246,999</u>	<u>271,586</u>
Net increase (decrease) in cash and investments	208,594	923,592	1,132,186
Cash and investments at beginning of year	369,027	5,670,064	6,039,091
Cash and investments at end of year	<u>\$ 577,621</u>	<u>\$ 6,593,656</u>	<u>\$ 7,171,277</u>
Cash and investments classified as:			
Current assets	577,621	6,593,656	7,171,277
Restricted assets	-	-	-
Total cash and investments at end of year	<u>\$ 577,621</u>	<u>\$ 6,593,656</u>	<u>\$ 7,171,277</u>
Reconciliation of net operating income (loss) to net cash provided by operating activities			
Operating income (loss)	\$ 34,839	\$ 344,697	\$ 379,536
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	46,767	2,855	49,622
Changes in assets and liabilities:			
Accounts receivable	450	-	450
Due from other governments	-	2,275	2,275
Inventories	(24,066)	-	(24,066)
Prepaid items	-	(1,097)	(1,097)
Accounts payable and accrued liabilities	(6,006)	36,468	30,462
Accrued compensated absences	3,796	(17,714)	(13,918)
Deposits payable	(2,000)	-	(2,000)
Unearned revenues	1,254	-	1,254
OPEB liability	(74,386)	(146,078)	(220,464)
Pension liability	205,584	438,327	643,911
Net cash provided by operating activities	<u>\$ 186,232</u>	<u>\$ 659,733</u>	<u>\$ 845,965</u>

**Board of County Commissioners
St. Lucie County, Florida
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended September 30, 2019**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Assets				
Cash and investments	\$ 6,753,144	\$15,302,626	\$13,694,663	\$ 8,361,107
Accounts receivable	798	39,279	5,348	34,729
Due from other governments	32,354	34,074	32,552	33,876
Interest receivable	16,973	17,204	16,975	17,202
Total assets	<u>\$ 6,803,269</u>	<u>\$15,393,183</u>	<u>\$13,749,538</u>	<u>\$ 8,446,914</u>
Liabilities				
Accounts payable and other current liabilities	\$ 345,824	\$ 3,675,126	\$ 3,942,734	\$ 78,216
Deposits payable	421,371	406,727	302,727	525,371
Due to other governments	379,278	4,318,965	2,689,429	2,008,814
Agency funds on hand	5,656,796	3,531,387	3,353,670	5,834,513
Total liabilities	<u>\$ 6,803,269</u>	<u>\$11,932,205</u>	<u>\$10,288,560</u>	<u>\$ 8,446,914</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, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019, and the related notes to the financial statements, and have issued our report thereon dated March 27, 2020.

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

March 27, 2020

MANAGEMENT LETTER

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

September 30, 2019



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019, and have issued our report thereon dated March 27, 2020.

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. We have issued our 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*. Disclosures in that report which is dated March 27, 2020 should be considered in conjunction with this Management Letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General which governs the conduct of local entity audits performed in the State of Florida.

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 March 27, 2020, 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.

Fort Pierce / Stuart

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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, 2019.

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

March 27, 2020

**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, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019. 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, 2019.

*Berger Toombs Elam
Gaines & Frank*

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

March 27, 2020



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019. 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, 2019.

*Berger Toombs Elam
Gaines & Frank*

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

March 27, 2020

SECTION III
CLERK OF THE CIRCUIT COURT

SPECIAL PURPOSE FINANCIAL STATEMENTS

Clerk of the Circuit Court
St. Lucie County, Florida

September 30, 2019

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Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019.

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, 2019, 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 February 28, 2020 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*

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

February 28, 2020

**Clerk of the Circuit Court
St. Lucie County, Florida
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2019**

	General Fund	Public Records Modernization Fund	Total Governmental Funds
ASSETS			
Cash and investments	\$ 3,074,009	\$ 666,745	\$ 3,740,754
Accounts receivable	4,380	-	4,380
Due from other governments	78,392	-	78,392
Prepaid expenses	21,752	131	21,883
	<u>\$ 3,178,533</u>	<u>\$ 666,876</u>	<u>\$ 3,845,409</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 335,118	\$ 7,801	\$ 342,919
Accrued liabilities	368,048	23,082	391,130
Deposits payable	1,193,941	-	1,193,941
Due to other governments	1,281,426	-	1,281,426
	<u>3,178,533</u>	<u>30,883</u>	<u>3,209,416</u>
Fund Balances:			
Restricted:			
Court modernization	-	635,993	635,993
	<u>-</u>	<u>635,993</u>	<u>635,993</u>
Total Liabilities and Fund Balances	\$ 3,178,533	\$ 666,876	\$ 3,845,409

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, 2019**

	General Fund	Public Records Modernization Fund	Total Governmental Funds
Revenues			
Intergovernmental	\$ 628,566	\$ -	\$ 628,566
Charges for services	6,702,621	774,784	7,477,405
Fines and forfeitures	1,564,679	-	1,564,679
Interest	311,681	15,997	327,678
Miscellaneous	99,255	16,604	115,859
Total Revenues	<u>9,306,802</u>	<u>807,385</u>	<u>10,114,187</u>
Expenditures			
General government	3,834,311	-	3,834,311
Court related	7,158,326	738,500	7,896,826
Capital outlay	109,390	9,627	119,017
Total Expenditures	<u>11,102,027</u>	<u>748,127</u>	<u>11,850,154</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,795,225)</u>	<u>59,258</u>	<u>(1,735,967)</u>
Other financing sources (uses)			
Transfers from Board of County Commissioners	2,018,172	-	2,018,172
Transfers to Board of County Commissioners	(222,947)	-	(222,947)
Total Other Financing Sources (Uses)	<u>1,795,225</u>	<u>-</u>	<u>1,795,225</u>
Net change in fund balance	-	59,258	59,258
Fund Balances - October 1, 2018	-	576,735	576,735
Fund Balances - September 30, 2019	<u>\$ -</u>	<u>\$ 635,993</u>	<u>\$ 635,993</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, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 931,359	\$ 628,566	\$ 628,566	\$ -
Charges for services	6,565,852	6,702,621	6,702,621	-
Fines and forfeitures	1,409,797	1,564,679	1,564,679	-
Interest	253,000	311,681	311,681	-
Miscellaneous	10,800	99,255	99,255	-
Total Revenues	<u>9,170,808</u>	<u>9,306,802</u>	<u>9,306,802</u>	<u>-</u>
Expenditures				
General government	4,256,676	3,832,417	3,834,311	(1,894)
Court related	6,932,304	7,158,326	7,158,326	-
Capital outlay	-	111,284	109,390	1,894
Total Expenditures	<u>11,188,980</u>	<u>11,102,027</u>	<u>11,102,027</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,018,172)</u>	<u>(1,795,225)</u>	<u>(1,795,225)</u>	<u>-</u>
Other financing sources (uses)				
Transfers from Board of County Commissioners	2,018,172	2,018,172	2,018,172	-
Transfers to Board of County Commissioners	-	(222,947)	(222,947)	-
Total Other Financing Sources (Uses)	<u>2,018,172</u>	<u>1,795,225</u>	<u>1,795,225</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund Balances - October 1, 2018	-	-	-	-
Fund Balances - September 30, 2019	<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, 2019**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 800,000	\$ 800,000	\$ 774,784	\$ (25,216)
Interest	11,500	11,500	15,997	4,497
Miscellaneous	20,000	20,000	16,604	(3,396)
Total Revenues	<u>831,500</u>	<u>831,500</u>	<u>807,385</u>	<u>(24,115)</u>
Expenditures				
Court related	1,371,500	1,364,774	738,500	626,274
Capital outlay	-	6,726	9,627	(2,901)
Total Expenditures	<u>1,371,500</u>	<u>1,371,500</u>	<u>748,127</u>	<u>623,373</u>
Excess (deficiency) of revenues over (under) expenditures	(540,000)	(540,000)	59,258	599,258
Fund Balance - October 1, 2018	<u>540,000</u>	<u>540,000</u>	<u>576,735</u>	<u>36,735</u>
Fund Balance - September 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 635,993</u>	<u>\$ 635,993</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, 2019**

Assets

Cash and investments	<u>\$ 10,168,283</u>
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Liabilities

Due to other governments	\$ 4,266,109
Agency funds on hand	<u>5,902,174</u>

Total Liabilities	<u>\$ 10,168,283</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, 2019**

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, 2019**

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, 2019**

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, 2019, the total carrying amount of the deposits with qualified public depositories for governmental funds was \$1,449,486 and the carrying amount for agency funds was \$3,954,418 and the total bank balance was \$6,347,891. All deposits are insured by federal depository insurance or collateralized under the provisions of Chapter 280, Florida Statutes.

B. Investments

The Clerk had \$2,277,683 in investments in governmental funds and \$6,213,865 invested in agency funds.

**Clerk of the Circuit Court
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

Note 2 – Cash and Investments – Continued

B. Investments (Continued)

As of September 30, 2019, 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>\$ 8,491,548</u>	<u>\$ 8,491,548</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, 2019, the Clerk of the Circuit Court investment in Florida Fixed Income Trust was rated AAf 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, 2019**

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, 2019, 2018, and 2017 were \$625,836, \$573,968 and \$524,337, respectively, which is equal to the required contribution for each year. The employee contribution portion for the year ended September 30, 2019, 2018, and 2017 was \$171,520, \$171,258 and \$176,728, 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 \$2,186,275 for the year ended September 30, 2019. 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, 2019, was \$687,602 as compared to \$648,623, the balance at September 30, 2018.

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
For the Year Ended September 30, 2019

	Balance October 1, 2018	Additions	Deletions	Balance September 30, 2019
Assets				
Cash and investments	<u>\$ 10,034,173</u>	<u>\$ 158,629,212</u>	<u>\$ 158,495,102</u>	<u>\$ 10,168,283</u>
Liabilities				
Due to other governments	3,164,824	50,879,467	49,778,182	4,266,109
Agency funds on hand	<u>6,869,349</u>	<u>107,749,745</u>	<u>108,716,920</u>	<u>5,902,174</u>
Total Liabilities	<u>\$ 10,034,173</u>	<u>\$ 158,629,212</u>	<u>\$ 158,495,102</u>	<u>\$ 10,168,283</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, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019, and the related notes to the financial statements, and have issued our report thereon dated February 28, 2020.

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

February 28, 2020

MANAGEMENT LETTER

**Clerk of the Circuit Court
St. Lucie County, Florida**

September 30, 2019



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019, and have issued our report thereon dated February 28, 2020.

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 February 28, 2020, 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

February 28, 2020

**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, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019. 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, 2019.

*Berger Toombs Elam
Gaines + Frank*

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

February 28, 2020



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019. 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, 2019.

*Berger Toombs Elam
Gaines + Frank*

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

February 28, 2020



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019. 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, 2019.

*Berger Toombs Elam
Gaines + Frank*

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

February 28, 2020

SECTION IV
PROPERTY APPRAISER

SPECIAL PURPOSE FINANCIAL STATEMENTS

Property Appraiser

St. Lucie County, Florida

September 30, 2019

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Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019.

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, 2019, 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 February 28, 2020 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
Certified Public Accountants PL
Fort Pierce, Florida

February 28, 2020

**Property Appraiser
St. Lucie County, Florida
BALANCE SHEET – GENERAL FUND
September 30, 2019**

ASSETS	
Cash and investments	\$ 1,360,867
Due from other governments	<u>47,341</u>
Total Assets	<u><u>\$ 1,408,208</u></u>
 LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts payable	\$ 124,866
Due to other governments	1,117,031
Accrued payroll	<u>166,311</u>
Total Liabilities	1,408,208
Fund Balances	<u>-</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,408,208</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, 2019**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 1,133,130	\$ 1,133,444	\$ 1,133,444	\$ -
Miscellaneous revenues	-	532,935	586,685	53,750
Unearned revenues - other governments	-	-	(179,415)	(179,415)
Total Revenues	<u>1,133,130</u>	<u>1,666,379</u>	<u>1,540,714</u>	<u>(125,665)</u>
Expenditures				
General government	6,872,547	7,407,443	6,348,320	1,059,123
Capital outlay	181,908	181,908	177,750	4,158
Total Expenditures	<u>7,054,455</u>	<u>7,589,351</u>	<u>6,526,070</u>	<u>1,063,281</u>
Excess of Revenues over (under) Expenditures	<u>(5,921,325)</u>	<u>(5,922,972)</u>	<u>(4,985,356)</u>	<u>937,616</u>
Other financing sources (uses)				
Transfers in from Board of County Commissioners	5,921,325	5,922,972	5,922,972	-
Transfers out to Board of County Commissioners - Unearned revenues	-	-	(937,616)	(937,616)
Total Other Financing Sources (Uses)	<u>5,921,325</u>	<u>5,922,972</u>	<u>4,985,356</u>	<u>(937,616)</u>
Net change in fund balances	-	-	-	-
Fund Balances- October 1, 2018	-	-	-	-
Fund Balances- September 30, 2019	<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, 2019**

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 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, 2019**

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 and is not 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, 2019**

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, 2019 the carrying value totaled \$1,360,867 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, 2019, the Property Appraiser did not hold any qualifying investments.

**Property Appraiser
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

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 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, 2019, 2018, and 2017 were \$375,744, \$354,804, and \$322,532 respectively, which is equal to the required contribution each year. The employee contribution portion for the years ended September 30, 2019, 2018, and 2017 were \$87,659, \$84,941 and \$88,785, and 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, 2019**

Note 4 – Risk Management – Continued

The cost to the Property Appraiser is based on historical claims and totaled \$983,769 for the year ended September 30, 2019. 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, 2019 was \$517,182 as compared to \$551,889, the balance at September 30, 2018.

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, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019, and the related notes to the financial statements, and have issued our report thereon dated February 28, 2020.

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
St. Lucie County, Florida

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*

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

February 28, 2020

MANAGEMENT LETTER

**Property Appraiser
St. Lucie County, Florida**

September 30, 2019



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

MANAGEMENT LETTER

Honorable Michelle Franklin
Property Appraiser
St Lucie County, Florida

Report on the Financial Statements

We have audited the financial statements of the Property Appraiser, St. Lucie County, Florida, as of and for the year ended September 30, 2019, and have issued our report thereon dated February 28, 2020.

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 February 28, 2020, 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

February 28, 2020

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

**Property Appraiser
St. Lucie County, Florida**

September 30, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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

Honorable Michelle Franklin
Property Appraiser
St. Lucie County, Florida

We have examined Property Appraiser, St. Lucie County, Florida's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2019. Management is responsible for the Property Appraiser, St. Lucie County, Florida's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser, St. Lucie County, Florida'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 Property Appraiser, St. Lucie County, Florida'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 Property Appraiser, St. Lucie County, Florida's compliance with the specified requirements.

In our opinion, the Property Appraiser, St. Lucie County, Florida complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2019.

*Berger Toombs Elam
Gaines & Frank*

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

February 28, 2020

SECTION V

SHERIFF

SPECIAL PURPOSE FINANCIAL STATEMENTS

Sheriff
St. Lucie County, Florida

September 30, 2019

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Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019.

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 opinion.

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, 2019, 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 February 28, 2020 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

February 28, 2020

Sheriff
St. Lucie County, Florida
BALANCE SHEET – GOVERNMENTAL FUNDS
September 30, 2019

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and investments	\$ -	\$ 2,906,675	\$ 2,906,675
Accounts receivable	148,610	273,323	421,933
Due from other funds	2,845,138	316,979	3,162,117
Due from other governments	103,615	532,803	636,418
Total Assets	\$ 3,097,363	\$ 4,029,780	\$ 7,127,143
LIABILITIES AND FUND BALANCES			
Liabilities			
Vouchers/accounts payable	\$ 1,202,635	\$ 19,587	\$ 1,222,222
Due to other funds	316,979	2,845,138	3,162,117
Due to other governments	15,670	538,191	553,861
Accrued payroll	1,562,079	-	1,562,079
Total Liabilities	3,097,363	3,402,916	6,500,279
Fund Balances			
Restricted for law enforcement	-	424,508	424,508
Committed for law enforcement	-	202,356	202,356
Total Fund Balances	-	626,864	626,864
Total Liabilities and Fund Balances	\$ 3,097,363	\$ 4,029,780	\$ 7,127,143

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, 2019

	General Fund	Special Revenue Fund	Governmental Funds
Revenues			
Intergovernmental revenues	\$ -	\$4,811,721	\$ 4,811,721
Charges for services	-	1,988,161	1,988,161
Miscellaneous revenues	621,601	15,401	637,002
Total Revenues	<u>621,601</u>	<u>6,815,283</u>	<u>7,436,884</u>
Expenditures			
Current:			
Public safety	77,811,748	9,032,379	86,844,127
Court related	4,587,593	-	4,587,593
Capital outlay	138,220	531,089	669,309
Debt service			
Principal	816,043	-	816,043
Interest	85,310	-	85,310
Total Expenditures	<u>83,438,914</u>	<u>9,563,468</u>	<u>93,002,382</u>
Excess of revenues over (under) expenditures	<u>(82,817,313)</u>	<u>(2,748,185)</u>	<u>(85,565,498)</u>
Other financing sources (uses)			
Transfers from Board of County Commissioners	85,022,451	-	85,022,451
Transfers in	1,294,000	3,483,468	4,777,468
Transfers out	(3,483,468)	(1,294,000)	(4,777,468)
Transfers to Board of County Commissioners	(15,670)	-	(15,670)
Total Other Financing Sources (Uses)	<u>82,817,313</u>	<u>2,189,468</u>	<u>85,006,781</u>
Net change in fund balances	-	(558,717)	(558,717)
Fund Balances - October 1, 2018	-	1,185,581	1,185,581
Fund Balances - September 30, 2019	<u>\$ -</u>	<u>\$ 626,864</u>	<u>\$ 626,864</u>

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, 2019

	<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	\$ 621,601	\$ 81,601
Expenditures				
Current				
Public safety	77,692,015	76,819,733	77,811,748	(992,015)
Court related	5,457,774	5,457,774	4,587,593	870,181
Capital outlay	287,900	287,900	138,220	149,680
Debt Service				
Principal	873,576	873,576	816,043	57,533
Interest	-	-	85,310	(85,310)
Total Expenditures	<u>84,311,265</u>	<u>83,438,983</u>	<u>83,438,914</u>	<u>69</u>
Excess of revenues over (under) expenditures	<u>(83,771,265)</u>	<u>(82,898,983)</u>	<u>(82,817,313)</u>	<u>81,670</u>
Other financing sources (uses)				
Transfers from Board of County Commissioners	85,022,451	85,022,451	85,022,451	-
Transfers in	1,360,000	1,360,000	1,294,000	(66,000)
Transfers out	(2,611,186)	(3,483,468)	(3,483,468)	-
Transfers to Board of County Commissioners	-	-	(15,670)	(15,670)
Total Other Financing Sources (Uses)	<u>83,771,265</u>	<u>82,898,983</u>	<u>82,817,313</u>	<u>(81,670)</u>
Net change in fund balances	-	-	-	-
Fund Balances - October 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - September 30, 2019	<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, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental revenues	\$ 4,208,337	\$5,349,912	\$ 4,811,721	\$ (538,191)
Charges for services	1,600,000	1,988,161	1,988,161	-
Miscellaneous revenues	-	15,401	15,401	-
Total Revenues	<u>5,808,337</u>	<u>7,353,474</u>	<u>6,815,283</u>	<u>(538,191)</u>
Expenditures				
Current:				
Public safety	8,491,702	9,032,379	9,032,379	-
Capital outlay	531,089	531,089	531,089	-
Total Expenditures	<u>9,022,791</u>	<u>9,563,468</u>	<u>9,563,468</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(3,214,454)</u>	<u>(2,209,994)</u>	<u>(2,748,185)</u>	<u>(538,191)</u>
Other financing sources (uses)				
Transfers in	2,611,186	3,483,468	3,483,468	-
Transfers out	(1,360,000)	(1,360,000)	(1,294,000)	66,000
Total Other Financing Sources (Uses)	<u>1,251,186</u>	<u>2,123,468</u>	<u>2,189,468</u>	<u>66,000</u>
Net change in fund balances	(1,963,268)	(86,526)	(558,717)	(472,191)
Fund Balances - October 1, 2018	<u>1,963,268</u>	<u>1,185,581</u>	<u>1,185,581</u>	<u>-</u>
Fund Balances - September 30, 2019	<u>\$ -</u>	<u>\$1,099,055</u>	<u>\$ 626,864</u>	<u>\$ (472,191)</u>

See accompanying notes to financial statements.

Sheriff
St. Lucie County, Florida
STATEMENT OF FIDUCIARY NET POSITION – AGENCY FUND
September 30, 2019

Assets	
Cash and investments	\$ 1,677,693
Due from other governments	<u>317,431</u>
Total Assets	<u><u>\$ 1,995,124</u></u>
Liabilities	
Accounts payable	\$ 33,717
Agency funds on hand	<u>1,961,407</u>
Total Liabilities	<u><u>\$ 1,995,124</u></u>

See accompanying notes to financial statements.

**Sheriff
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

Note 1 – Summary of Significant Accounting Policies

The summary of significant accounting policies followed by the St. Lucie County Sheriff, St. Lucie County, Florida (the “Sheriff”), 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, 2019**

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 not 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 in accordance with state statutes.

**Sheriff
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

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, 2019**

Note 2 – Cash and Investments – Continued

Custodial Credit Risk – Deposits

At September 30, 2019, the carrying amount of the deposits with qualified public depositories was \$2,906,675 and the bank balance was \$6,319,919. All deposits are insured by the federal depository insurance or collateralized under the provisions of Chapter 280, Florida Statutes.

Agency funds of the Sheriff had deposits with qualified public depositories with a carrying amount of \$1,677,693 and the bank balance was \$1,917,392 at September 30, 2019.

Note 3 – Capital Assets

The changes in capital assets during the fiscal year were as follows:

	Balance October 1, 2018	Additions	Deletions	Balance September 30, 2019
Equipment	<u>\$26,170,287</u>	<u>\$ 941,764</u>	<u>\$ 2,541,552</u>	<u>\$ 24,570,499</u>

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, 2019, 2018, and 2017 were \$10,464,082, \$9,315,415 and \$8,197,910 respectively, which is equal to the required contribution for each year. The employee contribution portion for the fiscal years ended September 30, 2019, 2018, and 2017 were \$1,384,372, \$1,296,161 and \$1,163,924 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 \$103,600 were made, for certain employees of the Sheriff, during the fiscal year ended September 30, 2019.

**Sheriff
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

Note 5 – Note Payable

In May 2017, the Sheriff entered into a promissory note that totaled \$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, 2019 was \$2,448,129.

The annual requirements to amortize the principal and interest on the balance outstanding as of September 30, 2019 is as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 816,043	\$ 57,463	\$ 873,506
2021	816,043	30,942	846,985
2022	816,043	4,420	820,463
Totals	<u>\$ 2,448,129</u>	<u>\$ 92,825</u>	<u>\$ 2,540,954</u>

Note 6 – Operating Leases

The Sheriff entered into operating leases for equipment in a prior year. Lease expenditures during the year totaled \$307,576. The future minimum lease payments as of September 30, 2019 are as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2020	\$ 251,451
2021	110,161
2022	83,362
2023	<u>61,087</u>
Total	<u>\$ 506,061</u>

Sheriff
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019

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, 2019, was \$10,374,280 as compared to \$9,793,615, the balance at September 30, 2018.

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, 2019**

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, 2019, the Sheriff reported a liability of \$35,271,585 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of September 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by actuarial valuation as of September 30, 2017.

**Sheriff
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

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	3.8%
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 28, 2018, 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, 2019**

Note 9 – Post Employment Benefits – Continued

Changes in Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2018	\$ 34,788,023
Changes for the year:	
Service cost	1,696,533
Interest on the Total OPEB Liability	1,260,346
Changes of benefit terms	-
Difference between expected and actual experience of the Total OPEB Liability	-
Changes in assumptions and other inputs	(1,523,955)
Benefit payments	(949,362)
Net Changes	483,562
Balance at 9/30/2019	\$ 35,271,585

Changes in assumptions and other inputs reflect a change in the discount rate from 3.50% as of the beginning of the measurement period to 3.83% as of September 30, 2018.

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 3.83%, 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:

1% Decrease	Current Discount Rate Assumption	1% Increase
2.83%	3.83%	4.83%
\$40,162,395	\$35,271,585	\$31,135,931

**Sheriff
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

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:

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
\$29,678,671	\$35,271,585	\$42,547,772

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources to OPEB

For the year ended September 30, 2019, the Sheriff recognized OPEB expense of \$2,604,378. At September 30, 2019, the Sheriff 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 in assumptions and other inputs	-	2,837,759
Benefits Paid after the Measurement Date	1,031,971	-
Total	\$ 1,031,971	\$ 2,837,759

The deferred outflows of resources related to OPEB, totaling \$1,031,971 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:

Year Ending September 30	Net Deferred Inflows of Resources
2020	\$ (352,501)
2021	(352,501)
2022	(352,501)
2023	(352,501)
2024	(352,501)
Thereafter	(1,075,254)
Total	\$ (2,837,759)

**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, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019, and the related notes to the financial statements, and have issued our report thereon dated February 28, 2020.

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

February 28, 2020

MANAGEMENT LETTER

**Sheriff
St. Lucie County, Florida**

September 30, 2019



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019, and have issued our report thereon dated February 28, 2020.

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 February 28, 2020, 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, Sheriff, 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

February 28, 2020

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

**Sheriff
St. Lucie County, Florida**

September 30, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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 Sheriff, St. Lucie County, Florida's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2019. Management is responsible for the Sheriff, St. Lucie County, Florida's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff, St. Lucie County, Florida'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 Sheriff, St. Lucie County, Florida'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 Sheriff, St. Lucie County, Florida's compliance with the specified requirements.

In our opinion, the Sheriff, St. Lucie County, Florida complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2019.

*Berger Toombs Elam
Gaines & Frank*

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

February 28, 2020

SECTION VI
SUPERVISOR OF ELECTIONS

SPECIAL PURPOSE FINANCIAL STATEMENTS

Supervisor of Elections

St. Lucie County, Florida

September 30, 2019

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Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019.

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, 2019, 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 February 28, 2020 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

February 28, 2020

**Supervisor of Elections
St. Lucie County, Florida
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
Assets			
Cash	<u>\$ 64,311</u>	<u>\$ -</u>	<u>\$ 64,311</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 20,881	\$ -	\$ 20,881
Payroll taxes payable	23,151	-	23,151
Due to other governments	<u>20,279</u>	<u>-</u>	<u>20,279</u>
Total Liabilities	<u>64,311</u>	<u>-</u>	<u>64,311</u>
Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 64,311</u>	<u>\$ -</u>	<u>\$ 64,311</u>

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, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Revenues			
Charges for Services	\$ 400,064	\$ -	\$ 400,064
Miscellaneous	12,314	234	12,548
Total Revenues	<u>412,378</u>	<u>234</u>	<u>412,612</u>
Expenditures			
General government	3,529,661	52,390	3,582,051
Capital outlay	66,939	201,300	268,239
Total Expenditures	<u>3,596,600</u>	<u>253,690</u>	<u>3,850,290</u>
Excess of revenues over (under) expenditures	<u>(3,184,222)</u>	<u>(253,456)</u>	<u>(3,437,678)</u>
Other financing sources (uses)			
Transfers from Board of County Commissioners	3,204,501	-	3,204,501
Transfers to Board of County Commissioners	<u>(20,279)</u>	<u>-</u>	<u>(20,279)</u>
Total Other Financing Sources (Uses)	<u>3,184,222</u>	<u>-</u>	<u>3,184,222</u>
Net change in fund balances	-	(253,456)	(253,456)
Fund Balances - October 1, 2018	<u>-</u>	<u>253,456</u>	<u>253,456</u>
Fund Balances - September 30, 2019	<u><u>\$ -</u></u>	<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 –
GENERAL FUND
For the Year Ended September 30, 2019**

	<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	\$ -	\$ 400,064	\$ 400,064	\$ -
Miscellaneous	-	-	12,314	12,314
Total Revenues	<u>-</u>	<u>400,064</u>	<u>412,378</u>	<u>12,314</u>
Expenditures				
Current				
General government	3,119,051	3,589,115	3,529,661	59,454
Capital outlay	15,450	15,450	66,939	(51,489)
Total Expenditures	<u>3,134,501</u>	<u>3,604,565</u>	<u>3,596,600</u>	<u>7,965</u>
Excess of revenues over (under) expenditures	<u>(3,134,501)</u>	<u>(3,204,501)</u>	<u>(3,184,222)</u>	<u>20,279</u>
Other financing sources (uses)				
Transfers from Board of County Commissioners	3,134,501	3,204,501	3,204,501	-
Transfers to Board of County Commissioners	-	-	(20,279)	(20,279)
Total Other Financing Sources (Uses)	<u>3,134,501</u>	<u>3,204,501</u>	<u>3,184,222</u>	<u>(20,279)</u>
Net change in fund balances	-	-	-	-
Fund Balances - October 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - September 30, 2019	<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, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Miscellaneous	\$ 234	\$ 234	\$ 234	\$ -
Expenditures				
General government	52,390	52,390	52,390	-
Capital outlay	201,300	201,300	201,300	-
Total Expenditures	<u>253,690</u>	<u>253,690</u>	<u>253,690</u>	<u>-</u>
Net Change in Fund Balances	(253,456)	(253,456)	(253,456)	-
Fund Balances - October 1, 2018	<u>253,456</u>	<u>253,456</u>	<u>253,456</u>	<u>-</u>
Fund Balances - September 30, 2019	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

**Supervisor of Elections
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

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 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, 2019**

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 and is not 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 \$64,311 at September 30, 2019 and the bank balance was \$184,465.

**Supervisor of Elections
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

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, 2019, 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, 2019, 2018, and 2017 were \$135,552, \$145,058 and \$125,096, respectively, which is equal to the required contribution for each year. The employee contribution for the fiscal years ended September 30, 2019, 2018, and 2017 was \$26,546, \$25,455 and \$25,175.

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, 2019**

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 \$269,352 for the year ended September 30, 2019. 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, 2019 was \$160,915, as compared to \$221,541, the balance at September 30, 2018.

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, 2019. Future minimum lease payments under the operating leases are as follows:

<u>Year ended September 30,</u>	<u>Amount</u>
2020	<u>\$ 7,979</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***

**St. Lucie County Supervisor of Elections
St. Lucie County, Florida**

September 30, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019, and the related notes to the financial statements, and have issued our report thereon dated February 28, 2020.

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

February 28, 2020

MANAGEMENT LETTER

**Supervisor of Elections
St. Lucie County, Florida**

September 30, 2019



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019, and have issued our report thereon dated February 28, 2020.

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 February 28, 2020, 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

February 28, 2020

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

**St. Lucie County Supervisor of Elections
St. Lucie County, Florida**

September 30, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**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, 2019. 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, 2019.

*Berger Toombs Elam
Gaines + Frank*

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

February 28, 2020

SECTION VII
TAX COLLECTOR

SPECIAL PURPOSE FINANCIAL STATEMENTS

Tax Collector
St. Lucie County, Florida

September 30, 2019

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Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2019.

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, 2019, 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 February 28, 2020 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

February 28, 2020

Tax Collector
St. Lucie County, Florida
BALANCE SHEET – GENERAL FUND
September 30, 2019

Assets	
Cash and investments	\$ 3,079,281
Due from other governments	<u>10,352</u>
Total Assets	<u><u>\$ 3,089,633</u></u>
Liabilities and Fund Balances	
Liabilities	
Accounts payable	\$ 166,507
Accrued payroll and deductions	202,174
Due to other governments	<u>2,720,952</u>
Total Liabilities	3,089,633
Fund Balances	<u>-</u>
Total Liabilities and Fund Balances	<u><u>\$ 3,089,633</u></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, 2019

	<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	\$ 11,870,000	\$ 11,870,000	\$ 11,944,002	\$ 74,002
Miscellaneous revenues	835,000	835,000	878,704	43,704
Unearned revenues – other governments	-	-	(641,245)	(641,245)
Total Revenues	<u>12,705,000</u>	<u>12,705,000</u>	<u>12,181,461</u>	<u>(523,539)</u>
Expenditures				
General government	10,062,037	9,846,274	9,766,654	79,620
Capital outlay	<u>24,000</u>	<u>322,161</u>	<u>335,100</u>	<u>(12,939)</u>
Total Expenditures	<u>10,086,037</u>	<u>10,168,435</u>	<u>10,101,754</u>	<u>66,681</u>
Excess of revenues over (under) expenditures	2,618,963	2,536,565	2,079,707	(456,858)
Other financing sources (uses)				
Transfers out to Board of County Commissioners – unearned revenues	<u>(2,618,963)</u>	<u>(2,536,565)</u>	<u>(2,079,707)</u>	<u>456,858</u>
Net change in fund balances	-	-	-	-
Fund Balances – October 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances – September 30, 2019	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<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
September 30, 2019

Assets

Cash and investments	\$ 6,766,388
Due from other governments	<u>18,480</u>
Total Assets	<u><u>\$ 6,784,868</u></u>

Liabilities

Accounts payable	\$ 679
Due to other governments	677,008
Agency funds on hand	<u>6,107,181</u>
Total Liabilities	<u><u>\$ 6,784,868</u></u>

See accompanying notes to financial statements.

**Tax Collector
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

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, 2019**

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, 2019**

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, 2019, the carrying amount of the deposits with qualified public depositories was \$601,917 and the bank balance was \$688,156. 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, 2019 was \$38,719.

In addition to the above, the Tax Collector had \$2,438,645 invested with Florida PRIME at September 30, 2019.

Agency funds of the Tax Collector had deposits with qualified public depositories with a carrying amount of \$6,626,547 and a bank balance of \$6,212,753 fully insured by federal depository insurance or collateralized under provisions of Chapter 280, Florida Statutes. Agency Funds also had investments with Florida PRIME of \$139,841 at September 30, 2019.

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, 2019**

Note 2 – Cash and Investments – Continued

Custodial Credit Risk – Deposits (Continued)

As of September 30, 2019, 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, 2019, 2018, and 2017, were \$537,953, \$434,251 and \$426,936, respectively, which is equal to the required employer contribution for each year. The employee contribution portion was \$111,315, \$102,513 and \$106,225, for the years ended September 30, 2019, 2018 and 2017, respectively.

**Tax Collector
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

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 \$1,689,313 for the year ended September 30, 2019. 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, 2019 was \$313,346 as compared to \$304,753, the balance at September 30, 2018.

This liability is not reflected in the financial statements of the Tax Collector since it is not payable from available resources.

Note 6 – Operating Lease Commitments

The Tax Collector leases numerous printers and copiers under operating leases. The lease terms are all 60 months with varying beginning dates ranging from June 2015 to June 2019. The leases require varying monthly lease payments ranging from \$108 to \$3,692. Equipment rental of \$19,801 was expensed for the year ended September 30, 2019, of which, \$17,936 related directly to the non-cancelable operating leases. Future minimum lease payments by fiscal year are as follow:

Year Ending September 30,	Pitney Bowes Printers (2)	PSL Leased Copier (1)	FP & PSL Leased Copiers (3)	Tradition Leased Copiers (2)	Total
2020	\$ 44,304	\$ 1,296	\$ 3,584	\$ 2,376	\$ 51,560
2021	44,304	972	2,688	2,376	50,340
2022	44,304	-	-	2,376	46,680
2023	44,304	-	-	2,376	46,680
2024	33,228	-	-	396	33,624
Totals	<u>\$ 210,444</u>	<u>\$ 2,268</u>	<u>\$ 6,272</u>	<u>\$ 9,900</u>	<u>\$ 228,884</u>

**Tax Collector
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2019**

Note 7 – Subsequent Event

Subsequent to year end, beginning January 1, 2020, the Tax Collector left the health insurance program administered by St. Lucie County and entered into an independent agreement with a third party provider.

**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, 2019



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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
St. Lucie County 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, St. Lucie County, Florida as of and for the year ended September 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated February 28, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Tax Collector's, St. Lucie County, Florida 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, St. Lucie County, Florida internal control. Accordingly, we do not express an opinion on the effectiveness of Tax Collector's, St. Lucie County, Florida 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 Chris Craft
Tax Collector
St. Lucie County, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tax Collector's, St. Lucie County, Florida 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

February 28, 2020

MANAGEMENT LETTER

**Tax Collector
St. Lucie County, Florida**

September 30, 2019



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

MANAGEMENT LETTER

Honorable Chris Craft
St. Lucie County 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, 2019, and have issued our report thereon dated January 31, 2020.

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 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 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

February 28, 2020

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

**Tax Collector
St. Lucie County, Florida**

September 30, 2019



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Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
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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, 2019. Management is responsible for the Tax Collector's, St. Lucie County, Florida compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's, St. Lucie County, Florida 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 Tax Collector's, St. Lucie County, Florida 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 Tax Collector's, St. Lucie County, Florida 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, 2019.

*Berger Toombs Elam
(Gaines) + Frank*

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

February 28, 2020