



# CITY OF NORTH PORT, FLORIDA COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR ENDED SEPTEMBER 30, 2020



**CITY OF NORTH PORT  
4970 CITY HALL BOULEVARD  
NORTH PORT, FL 34286**

# **Comprehensive Annual Financial Report**

**For the Fiscal Year Ended  
September 30, 2020**



***CITY OF NORTH PORT, FLORIDA***

***Prepared by the Finance Department***

***Kimberly Ferrell, CPA, CGFO, CPM  
Finance Director***

**CITY OF NORTH PORT, FLORIDA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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# City of North Port

4970 City Hall Boulevard  
North Port, Florida 34286-4100  
(941) 429-7000  
[www.cityofnorthport.com](http://www.cityofnorthport.com)

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June 30, 2021

The Honorable Mayor and Vice-Mayor,  
Members of the City Commission,  
Citizens of the City of North Port  
North Port, Florida

We are pleased to submit the Comprehensive Annual Financial Report of the City of North Port, Florida (the City) for the fiscal year ended September 30, 2020. The purpose of this report is to provide the City Commission, the citizens, financial institutions and other interested parties with detailed information concerning the financial condition and performance of the City of North Port. This report meets Florida Statute requirements that each local government entity publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed independent certified public accountants.

This report consists of management's representations concerning the finances of the City of North Port. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. The City of North Port has designed internal controls to provide reasonable, not absolute, assurance that the financial statements are free from any material misstatement. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived; and (2) that the evaluation of the costs and benefits requires estimates and judgments by management. We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the City, and that all disclosures necessary to enable the reader to obtain a comprehensive understanding of the City's financial activity have been included.

The City's financial statements for the fiscal year ended September 30, 2020 have been audited by Mauldin & Jenkins LLC, a firm of licensed certified public accountants. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor's report on the basic financial statements, the combining and individual fund statements, and the supporting schedules is presented as the first component of the financial section.

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

### **Profile of the City**

The City of North Port was incorporated on June 18, 1959. The City is managed under a Commission-City Manager form of government. The legislative and governing body of the City consists of five elected citizens who are qualified voters in the City. The five elected commissioners annually select a Mayor. Each commissioner is elected to a four-year staggered term. There is a limit of two terms that any commissioner may serve. The Commission appoints the City Manager, who is the chief administrative officer of the City and directs the business of the City and its various departments. The Commission determines policy, adopts legislation, approves the City's budget, sets taxes and fees, and appoints the City Clerk, Deputy City Clerk and the City Attorney.

The City of North Port provides a range of municipal services. Public Safety operations include police and fire protection, as well as emergency medical services, building, code enforcement and zoning. Recreational services include neighborhood parks, a skate park facility and recreational centers. Public Works provides essential street and road maintenance, drainage, traffic signalization, landscape maintenance, as well as solid waste collection. Public Utilities provides water and sewer service and reuse water for irrigation. Other services provided include planning, engineering, economic development, as well as general administrative services.

The annual budget serves as the foundation for the City's financial planning and control functions. All departments of the City are required to submit requests for appropriation to the City Manager each year. The City Manager uses these requests as the starting point for developing a recommended budget. The City Manager then presents this recommended budget to the Commission for review during the month of July. The Commission is required to hold public hearings on the proposed budget and adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function and department. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund as well as for major special revenue funds, the comparison is presented as required supplementary information. For other governmental funds, the budget-to-actual comparison is presented in the combining and individual fund statements and schedules subsection.

### **Local Economy**

The City of North Port is the southernmost city in Sarasota County, midway between the cities of Tampa and Fort Myers, near the Gulf of Mexico. The City is comprised of 104.8 square miles, 813 miles of paved road and 81 miles of freshwater canals.



As of the 2010 census data, North Port is Sarasota County's largest municipality in population. The population of North Port has steadily increased from 55,759 in 2009 to 77,561 in 2020.

For the fiscal year 2020, the City adopted a millage rate of 3.8735 mils. Ad valorem taxes make up approximately 38% of the budgeted General Fund revenues, excluding transfers and fund balance.

### **Long-term Financial Planning**

The City of North Port's Capital Improvement Program (CIP) consists of capital projects that reflect the City's infrastructure needs over a five-year time frame and includes assets with long term value, such as buildings, roads, bridges and parks. The CIP not only includes on-going capital requirements but also includes capital additions that are necessary to comply with the Growth Management Act of 1985, as amended. The Growth Management Act requires the adoption of a Comprehensive Plan which details the additional infrastructure necessary to handle projected population increases. The CIP differentiates these capital projects from those of an on-going nature by designating them as level of service projects.

The primary objective of the City's investment program is the preservation of capital. Investment transactions are managed so as to avoid loss of principal, whether by security default or by erosion of market value. Generally, operating capital is invested locally in earnings-based checking accounts. The remainder of the City's funds are invested according to the City's investment policy, which is adopted by the Commission and may only be amended by the Commission. The most recent amendment was adopted on April 26, 2016 by City Ordinance 2016-10.

On September 17, 2020 the City adopted a new Fund Balance Policy with Resolution No. 2020-R-26. This policy established fund balance ranges for the following operating funds of the City: General Fund, Road and Drainage District, Fire Rescue District, Solid Waste District and Building Fund. The City is to retain an emergency/disaster reserve of 20% of each fund's operating expenditures. These funds are to be used, as declared appropriate by the City Commission, to ensure the maintenance of services to the public during non-routine and unforeseen disaster situations. If utilized, these reserves must be replenished either through appropriation during the next budget cycle, or a Commission approved written plan for the restoration of the fund balance to an amount within the acceptable percentages. Additionally, the City is to maintain an economic stabilization reserve of up to 10% of the fund's operating expenditures. These budget stabilization reserves are to be used for short-term cash flow purposes, unanticipated expenditures of a non-recurring nature, to meet unexpected immediate increases in service delivery costs, or to maintain service levels in the event that an economic downturn should cause a shortfall in revenues. The City may exceed the ten percent (10%) threshold if authorized by a majority vote of the City Commission. In the event of a surplus, appropriations of fund balance may be set aside for specific purposes such as anticipated budgetary shortfalls, reduction of long-term debt, pension contribution stabilization, capital projects, or capital asset renewal and replacement funds. Budget stabilization reserves and are not to be utilized for operating purposes.

## **Major Initiatives**

- Emergency Operations Center project
- Price Boulevard widening project
- Utilities administration building
- Fire Rescue/Police training tower
- Park and facility enhancements and amenities
- Garden of the Five Senses improvements
- Community Education Center parking lot improvements
- Warm Mineral Springs park improvements/buildings restoration
- Butler Park field lighting and playground improvements
- Myakkahatchee Creek corridor land purchases
- Road maintenance and rehabilitation
- Drainage system improvements
- Water control structure rehabilitation program
- Sidewalks, bike lanes and pedestrian bridge construction
- Water transmission service improvements
- Lift/booster station rehabilitation
- Neighborhood water expansion

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Port for its Comprehensive Annual Financial Report for the fiscal year ending September 30, 2019. This was the twenty-fourth consecutive year that the City received this prestigious award. We are pleased to continue to achieve this distinction. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe the current Comprehensive Annual Financial Report meets the Certificate of Achievement Program requirements, and as such, are submitting the report for GFOA consideration.

The City also received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year beginning October 1, 2019, the same period covered by this Comprehensive Annual Financial Report. This was the eleventh consecutive year that the City received this award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, organization, and as a communications medium.

This Comprehensive Financial Report represents countless hours of preparation and could not have been accomplished without the dedicated efforts of the Finance Department. A special note of

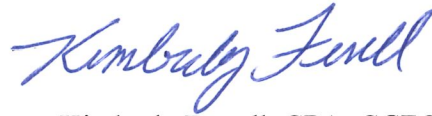
appreciation is extended to these employees for their work to ensure the timeliness and accuracy of this report.

The fiscal responsibility exhibited by the North Port City Commission throughout this fiscal year and over time is commendable. The Commission's leadership in the fiscal matters of the City combined with their dedication and commitment to the citizens truly set North Port apart.

Sincerely,



Jason Yarborough, ICMA-CM  
Interim City Manager



Kimberly Ferrell, CPA, CGFO, CPM  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of North Port  
Florida**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

September 30, 2019

*Christopher P. Morill*

Executive Director/CEO

# **City of North Port, Florida**

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## *Principal Officers As of September 30, 2020*

### **City Commission**

Debbie McDowell, Mayor  
Jill Luke, Vice-Mayor  
Vanessa Carusone, Commissioner  
Christopher Hanks, Commissioner  
Pete Emrich, Commissioner

### **City Manager**

Peter D. Lear

### **Assistant City Managers**

Cari A. Branco  
Jason L. Yarborough

### **Department Directors**

Juliana B. Bellia	Public Works
Sandra Pfundheller	Parks and Recreation
Kimberly P. Ferrell	Finance
Christine V. McDade	Human Resources/Risk Management
Richard J. Newkirk	Public Utilities
Scott A. Titus	Fire Rescue/EMS
Todd R. Garrison	Police
Frank O. Miles	Neighborhood Development Services

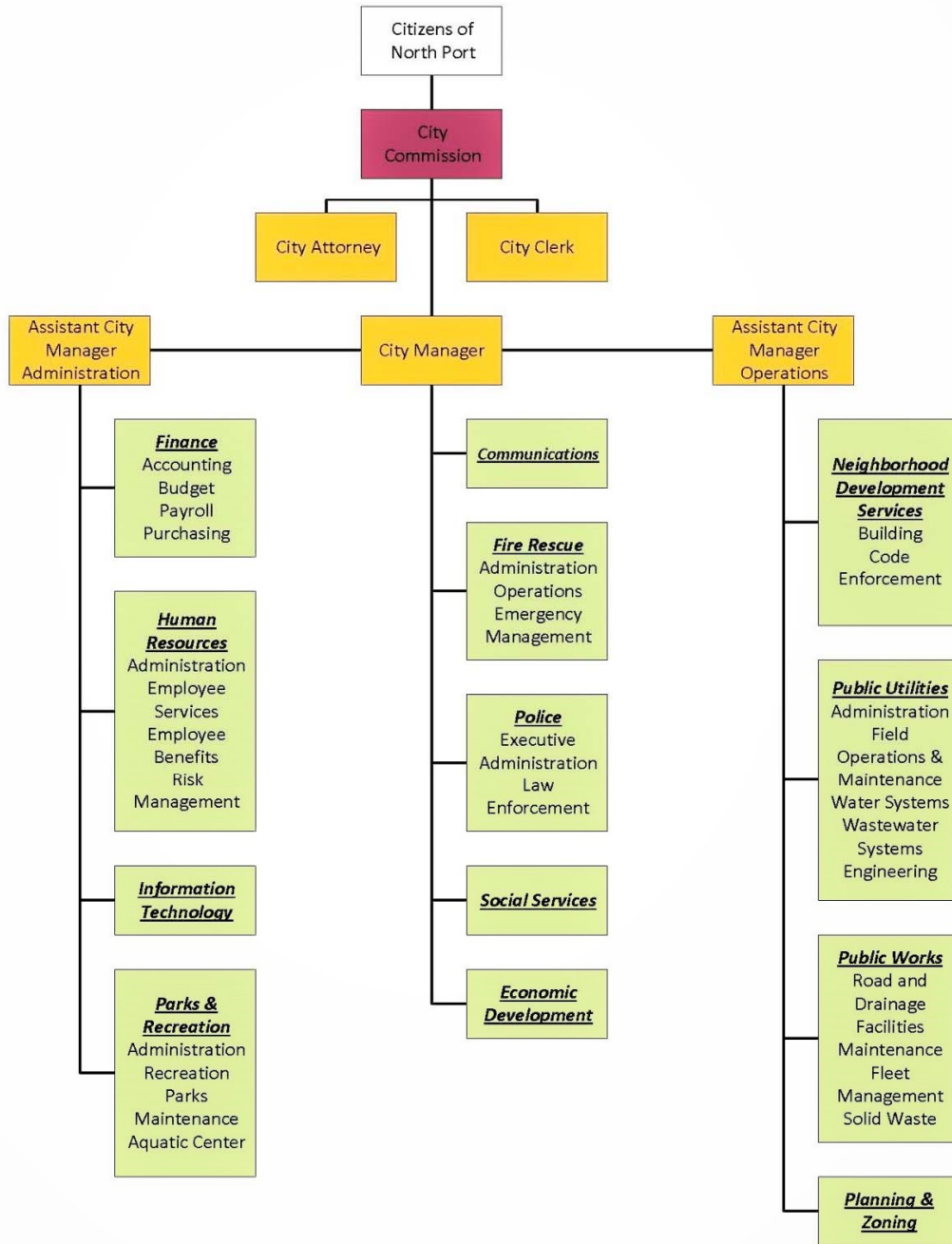
### **City Clerk**

Heather L. Taylor

### **City Attorney**

Amber L. Slayton

# City of North Port Organizational Chart







## INDEPENDENT AUDITOR'S REPORT

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Honorable Mayor, City Commission  
and City Manager  
City of North Port, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Port, Florida (the "City"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City'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 opinions 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 opinions.

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***Opinions***

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Port, Florida, as of September 30, 2020, and the respective changes in 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.

***Other Matters******Required Supplementary Information***

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

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements of the City.

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The combining and individual fund statements and schedules and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021, on our consideration of the City'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 solely 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 effectiveness of the City's 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 City's internal control over financial reporting and compliance.

Bradenton, Florida  
June 30, 2021

*Mauldin & Jenkins, LLC*



## **Management's Discussion and Analysis**

As management of the City of North Port (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report and the City's financial statements beginning on page 23.

### ***Financial Highlights***

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$548,897,454 (*net position*). Of this amount, \$423,074,569 represents net investment in capital assets (*capital assets net of related debt*); \$105,198,053 is restricted for specific purposes (*restricted net position*) and the remaining portion represents *unrestricted net position* of \$20,624,832. The readers of this report should refer to the fund level statements to get a better understanding of which activities the unrestricted net position is applicable to.
- Total net position increased by \$59,393,191 during the year compared to a \$26,310,948 increase in the prior year.
- Total revenues were \$185,956,292, which was \$44,846,790 or 31.2 percent higher than last year.
- Total expenses were \$126,563,101, an increase of \$11,764,547 or 10.2 percent from last year.
- At the close of fiscal year 2020, the City's governmental funds reported combined ending fund balances of \$110,406,895, an increase of \$15,405,619 in comparison with the prior year.
- At the close of fiscal year 2020, unassigned fund balance for the general fund was \$13,749,073 or 31.1% of total general fund expenditures.

### ***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2020**

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**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector financial statements.

The *Statement of Net Position* presents information on all of the City's assets plus deferred outflows of resources less liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents revenue and expenses and shows how the government's net position changed during the most recent fiscal year. All changes in net position are reported in a manner similar to the approach used by private sector business in that revenues are recognized when earned or established criteria are satisfied, and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, physical environment, transportation, culture and recreation, human services and economic environment. The business-type activities of the City include the water and sewer utilities.

The City's government-wide financial statements can be found on pages 23-25 of this report.

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

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

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



**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2020**

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provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of North Port maintains many 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, the Road and Drainage District Special Revenue Fund, the Fire Rescue District Special Revenue Fund, the Solid Waste District Special Revenue Fund and the Surtax III Capital Projects Fund, all of which are considered to be major funds. Data from the remaining governmental funds are combined in a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual budget as described in Note B to the financial statements. A budgetary comparison statement has been provided in the Required Supplementary Information for the General Fund and each major special revenue fund with a legally adopted budget in order to demonstrate compliance with this budget. Budgetary comparison schedules for nonmajor governmental funds and major capital projects funds are presented in the *combining and individual fund statements and schedules* section elsewhere in this report.

The basic governmental fund financial statements can be found on pages 26-32 of this report.

**Proprietary Funds.** The City maintains two types of proprietary funds. An *enterprise fund* is used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its Water and Sewer Utilities.

An *internal service fund* is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City has two separate internal service funds to account for its self-insurance programs. The first internal service fund is used to account for the costs of providing coverage for workers' compensation, vehicle, and general liability/property. The second, which was a new fund last fiscal year, is used to account for the provision of medical benefits to City employees and their dependents. Because these funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type information as reported as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the major enterprise fund, which is the Water and Sewer Utility System. The internal service funds are considered to be non-major funds and are separately presented on the proprietary funds' financial statements.

The basic proprietary funds financial statements can be found on pages 33-37.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2020**

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City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 38-39 of this report.

*Notes to the Financial Statements.* The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 40-83 of this report.

*Other information.* In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information.

Required and other supplementary information can be found on pages 86-151 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets exceeded liabilities by \$548,897,454 at the close of the most recent fiscal year for the City of North Port.

A major portion of the City's net position (77%) reflects its investment in capital assets such as land, buildings, various infrastructure, equipment and construction in progress, less any related outstanding debt used to acquire those assets. The City of North Port uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City'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.

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Following is a summary chart of the City's net position for fiscal years ending 2020 and 2019:

**City of North Port's Net Position**

	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 122,144,845	\$ 109,521,603	\$ 51,153,355	\$ 51,606,373	\$ 173,298,200	\$ 161,127,976
Capital assets	293,815,866	294,344,979	185,085,779	137,462,889	478,901,645	431,807,868
<b>Total assets</b>	<b>415,960,711</b>	<b>403,866,582</b>	<b>236,239,134</b>	<b>189,069,262</b>	<b>652,199,845</b>	<b>592,935,844</b>
Deferred outflows of resources	37,929,933	25,483,896	2,365,089	2,184,045	40,295,022	27,667,941
Long-term liabilities	100,122,843	79,219,018	29,360,556	31,411,105	129,483,399	110,630,123
Other liabilities	9,143,793	10,186,160	1,080,372	1,297,031	10,224,165	11,483,191
<b>Total liabilities</b>	<b>109,266,636</b>	<b>89,405,178</b>	<b>30,440,928</b>	<b>32,708,136</b>	<b>139,707,564</b>	<b>122,113,314</b>
Deferred inflows of resources	3,826,203	8,732,571	63,646	253,637	3,889,849	8,986,208
Net position:						
Net investment						
in capital assets	261,865,644	258,208,628	161,208,925	110,295,914	423,074,569	368,504,542
Restricted	89,152,418	76,395,819	16,045,635	22,604,884	105,198,053	99,000,703
Unrestricted	(10,220,257)	(3,391,718)	30,845,089	25,390,736	20,624,832	21,999,018
<b>Total net position</b>	<b>\$ 340,797,805</b>	<b>\$ 331,212,729</b>	<b>\$ 208,099,649</b>	<b>\$ 158,291,534</b>	<b>\$ 548,897,454</b>	<b>\$ 489,504,263</b>

An additional portion of the City's net position (19%) represents resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net position (\$20,624,832 or 4%) may be used to meet the government's ongoing obligations to citizens and creditors within the specified purposes of the individual funds.

As of September 30, 2020, the City is able to report positive balances in all three categories of net position for the government as a whole. The same situation held true for the prior fiscal year.

There was an increase of \$6.2 million in restricted net position reported for fiscal year 2020. This increase was primarily due to the accumulation of funds for multi-year capital projects not yet completed.

**Governmental Activities.** Governmental activities increased the City's net position by \$9,585,076 as the result of current fiscal year activities, accounting for 16.1% of the total growth in the City's net position.

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- Total governmental activities revenues increased \$9,697,530, or 9.3% in comparison to the prior year.
- Total general revenues increased \$1,954,897 (4.18%). Ad valorem taxes (\$3,657,392) increased in the current fiscal year due to a millage rate increase, continued construction growth, and increased property values in the City. Partially offsetting these increases were decreases in fuel taxes (\$170,202), discretionary sales surtax (\$88,382), the one-half local sales tax (\$157,875) and the state shared revenues (204,279) due to the decreased travel and tourism caused by the coronavirus pandemic. Also, investment income was lower than the previous year by \$413,190 as a result of the unfavorable economy. Finally, miscellaneous revenues decreased approximately \$863,000, due mainly to the decline in the self-insurance medical fund's insurance recoveries.
- Charges for services increased \$3,394,131 (6.65%) during the current fiscal year. Non-ad valorem revenues for the three districts increased in FY 2020 compared to FY 2019: the Road and Drainage District's revenues rose approximately \$909,000 due to the change in methodology and residential growth; the Fire Rescue District's revenues rose over \$1.3 million mainly due to the 9% rate increase; and the Solid Waste District's revenues increased over \$751,000 due to a \$15/household increase in the assessment. Also, the Road and Drainage District's permit and inspection fees increased over \$154,100; licenses and permits fees rose over \$52,500; and construction traffic road fees increased over \$294,200 all due to the rise in construction activity. Solid Waste commercial collections also rose over \$55,000 due to the growth in commercial accounts. Community development fees increased approximately \$95,300 and building permits and licenses increased over \$292,800 due to the rise in construction activity. Ambulance revenues increased over \$278,600 due to the rise in emergency responses. Finally, there was an increase of approximately \$979,000 in service revenue due to the payments received from City employees for medical insurance compared to fiscal year 2019. The only significant decrease was in police services which declined approximately \$376,600 due to fewer school resource officers.
- Operating grants and contributions rose \$66,254 in the current year due mainly to the following grant: Fire Rescue Safer Grant (\$236,427).
- Capital grants and contributions increased \$4,304,748 in fiscal year 2020 mainly due to the rise of \$3,995,360 in impact fees due to increased construction.
- Governmental activities expenses increased \$10,253,530 (10.89%) during the current year. During fiscal year 2020 salaries and wages increased \$2.8 million; health insurance costs rose over \$1.7 million; and Florida Retirement System (FRS) employer contributions increased over \$775,000. In fiscal year 2019, fifty-nine new positions were added to expand the city's current level of services. Many of these positions were not filled immediately in FY 2019 and some were not filled until fiscal year 2020. Due to the lag time in hiring new personnel, annual cost of living

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adjustments and merit increases, the personnel costs listed above rose over \$5.2 million in the current fiscal year. Overtime increased approximately \$77,800 due to employee turnover and the lag time in hiring new personnel; risk insurance rose over \$236,000; and workers compensation increased approximately \$113,230. In comparison to last fiscal year, FRS pension expense (per the actuarial valuations) increased \$1,854,278, particularly for public safety (\$1,303,677), due to changes in the City's proportionate share. Finally, compensated absences rose over \$572,000 and other post-employment benefits increased over \$34,000, again public safety incurring the largest increases in both, \$379,536 and \$36,673, respectively. Physical environment increased mainly due to the rise in routine maintenance costs of over \$993,000. The major increase in transportation was the increase of \$3.3 million in routine road maintenance costs in the current year. Economic environment expenses increased due to the rise in personnel costs. Finally, culture and recreation expenditures increased in the current fiscal year over \$1.6 million; the major cause of this was the \$787,925 increase in the North Port Aquatic Center (NPAC) expenditures which opened in October 2019. Also, a \$745,680 capital contribution was given to West Villages for the construction of Blue Heron Park. Long-term interest decreased \$647,397 in fiscal year 2020 as debt principal continues to be extinguished. Interest savings were also recognized as the callable portion of the Series 2013 transportation bonds were refunded in this fiscal year.

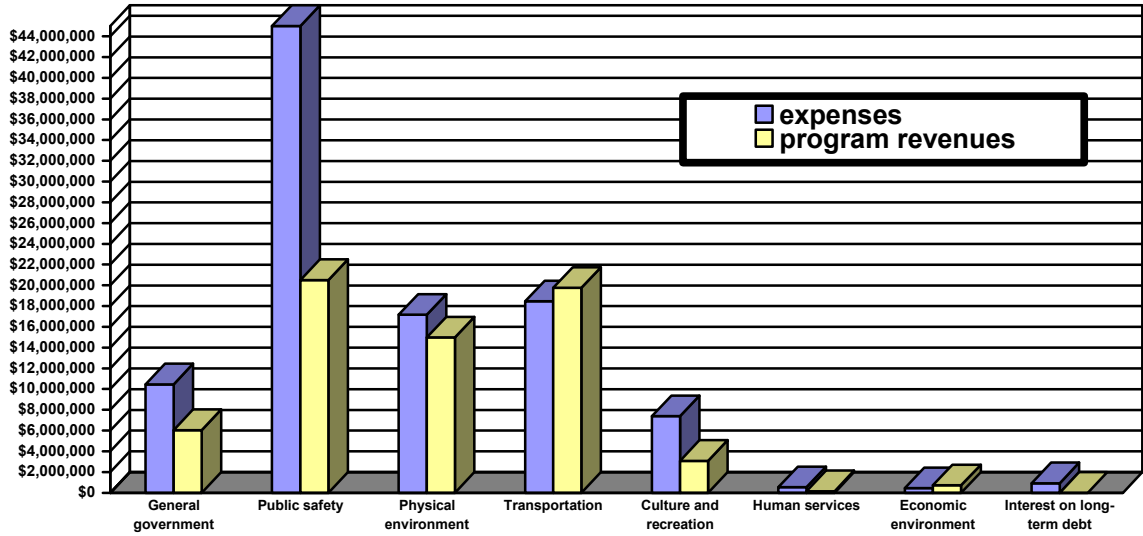
**City of North Port, Florida**  
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**City of North Port's Changes in Net Position**

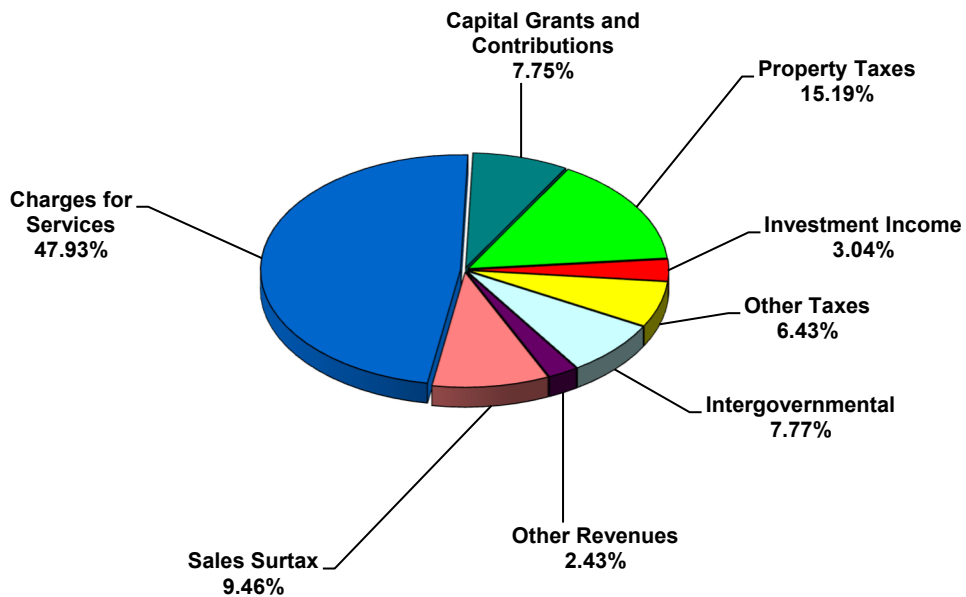
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	2020	2019	2020	2019	2020	2019
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$54,409,724	\$51,015,593	\$25,982,573	\$23,128,272	\$80,392,297	\$74,143,865
Operating grants and contributions	2,011,628	1,945,374	-	-	2,011,628	1,945,374
Capital grants and contributions	8,799,178	4,494,430	45,080,802	12,590,072	53,879,980	17,084,502
General Revenues:						
Ad valorem taxes	17,246,920	13,589,528	-	-	17,246,920	13,589,528
Discretionary sales surtaxes	10,734,747	10,823,129	-	-	10,734,747	10,823,129
Other taxes	7,298,695	7,290,304	-	-	7,298,695	7,290,304
Intergovernmental	8,823,155	9,191,838	-	-	8,823,155	9,191,838
Other	4,196,782	5,473,103	1,372,088	1,567,859	5,568,870	7,040,962
<b>Total Revenues</b>	<b>113,520,829</b>	<b>103,823,299</b>	<b>72,435,463</b>	<b>37,286,203</b>	<b>185,956,292</b>	<b>141,109,502</b>
<b>Expenses:</b>						
Governmental Activities:						
General government	10,455,849	11,811,197	-	-	10,455,849	11,811,197
Public safety	49,021,745	42,902,595	-	-	49,021,745	42,902,595
Physical environment	17,165,637	16,321,527	-	-	17,165,637	16,321,527
Transportation	18,464,013	14,977,069	-	-	18,464,013	14,977,069
Culture & recreation	7,384,613	5,765,160	-	-	7,384,613	5,765,160
Human services	539,240	512,109	-	-	539,240	512,109
Economic environment	447,495	288,008	-	-	447,495	288,008
Interest on long-term debt	921,061	1,568,458	-	-	921,061	1,568,458
Business-type Activities:						
Water and sewer	-	-	22,163,448	20,652,431	22,163,448	20,652,431
<b>Total Expenses</b>	<b>104,399,653</b>	<b>94,146,123</b>	<b>22,163,448</b>	<b>20,652,431</b>	<b>126,563,101</b>	<b>114,798,554</b>
Change in net position before transfers	9,121,176	9,677,176	50,272,015	16,633,772	59,393,191	26,310,948
Transfers	463,900	441,400	(463,900)	(441,400)	-	-
Change in Net Position	9,585,076	10,118,576	49,808,115	16,192,372	59,393,191	26,310,948
<b>Net Position-beginning</b>	<b>331,212,729</b>	<b>321,094,153</b>	<b>158,291,534</b>	<b>142,099,162</b>	<b>489,504,263</b>	<b>463,193,315</b>
<b>Net Position-ending</b>	<b>\$340,797,805</b>	<b>\$331,212,729</b>	<b>\$208,099,649</b>	<b>\$158,291,534</b>	<b>\$548,897,454</b>	<b>\$489,504,263</b>



**Expenses and Program Revenues - Governmental Activities**



**Revenues by Source - Governmental Activities**



\*Excludes transfers-in

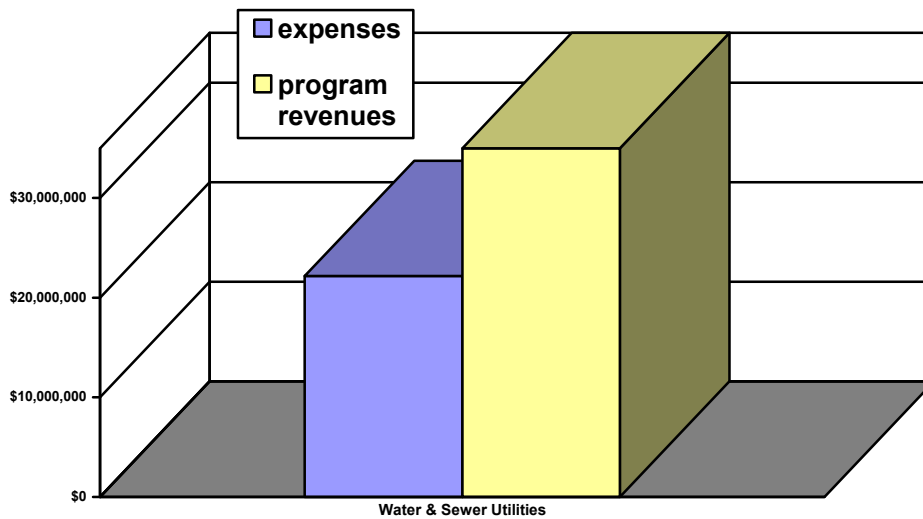
**City of North Port, Florida**  
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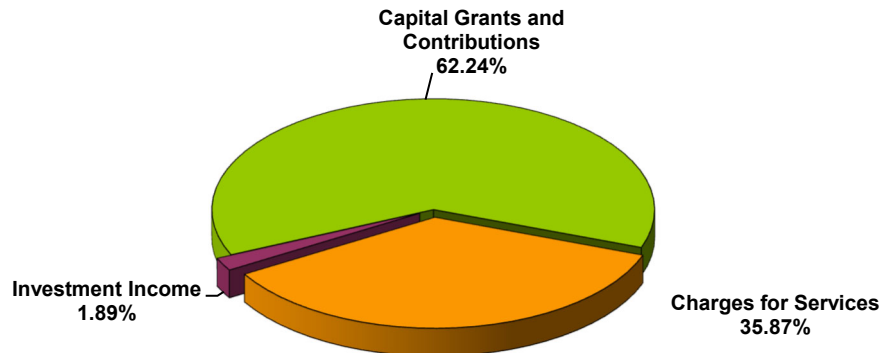
**Business-type Activities.** Business-type activities were responsible for an increase of \$49,808,115 in the total change of net position as the result of current fiscal year activities. The key elements causing the increase in the current fiscal year are:

- Developer contributed assets of approximately \$41.6 million were capitalized during the fiscal year.
- Water and sewer impact fees collected for the fiscal year were \$3,103,790.

**Expenses and Program Revenues - Business-type Activities**



**Revenues by Source - Business-type Activities**



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**Management's Discussion and Analysis**  
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**Financial Analysis of the City's Funds**

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

**Governmental funds.** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City'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.

At the close of fiscal year 2020, the City's governmental funds reported combined ending fund balances of \$110,406,895, an increase of \$15,405,619 in comparison with the prior year. Approximately 12.45% of this total amount (\$13,749,073) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance available for spending is restricted, committed or assigned; these totaled \$96,605,387 or 87.50% of ending fund balance. Of this amount, \$78,834,513 is restricted by law or externally imposed requirements, \$16,337,060 is committed for specific purposes by the Commission and \$1,433,814 is assigned for various purposes. There was also an amount of non-spendable fund balance totaling \$52,435 or 0.50% of ending fund balance.

The General Fund is the chief operating fund of the City. The General Fund manages approximately 37% of the total governmental revenues. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$13,749,073 while the total fund balance was \$15,560,270. 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 31.12% of total General Fund expenditures, while total fund balance represents 35.20% of that same amount.

The fund balance of the City's General Fund increased \$1,363,651 during the current fiscal year. The key factor for this increase was the excess of revenues over expenditures. Ad valorem taxes increased over \$3.6 million compared to last fiscal year due to a millage rate increase and the increase of approximately \$503.9 million in the taxable value of real estate located in North Port. Also, intergovernmental revenue rose over \$240,000 due to the increase in the capital grant funds for culture and recreation (\$166,518), Fire Rescue Safer Grant funds (\$140,796), FEMA Hurricane Relief Grant funds (\$190,346), and a stimulus payment of \$62,203 for ambulance services. These grant funds helped to offset the decreases in other intergovernmental revenues, state shared revenues (\$148,594) and the one-half cent local sales tax (\$157,875), due to the results of the COVID19 pandemic. Although expenditures increased over last fiscal year (\$2,877,084), the rise in revenues (\$4,590,592) compared to fiscal year 2019 exceeded the rise in the expenditures.

In the governmental funds, a final budget to actual comparison is done. A favorable budget variance is referred to as a positive variance or gain, while an unfavorable budget variance is referred to as a negative variance or loss. Budget variances occur because budget forecasting is a plan and the City is unable to predict the future with complete accuracy. The General Fund had some noteworthy positive variances in City Clerk's budget (\$169,173), Finance

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(\$135,629), Planning and Zoning (\$529,851), Information Technology (\$150,279), Police (\$890,344), Emergency Medical Services (\$328,935), Economic Environment (\$111,435), Recreation (\$243,506) and North Port Aquatic Center (\$543,763). The City Clerk resigned early in the fiscal year and the Deputy City Clerk was promoted to the open position. The deputy city clerk position was not filled in the current fiscal year. Also, the City Clerk's budget had savings in Professional Fees as Municode expenditures were lower than anticipated in the current year. The Finance Department's budget had savings in personnel expenditures due to employee turnover. The Planning and Zoning consultant fees were lower than budgeted because only a small portion of the ULDC update occurred in fiscal year 2020. Also, an Impact/Mobility Fee Study (\$175,000), an Activity Center 6 Master Plan (\$45,000), and a De-annexation Feasibility Study (\$100,000) budgeted for FY 2020 did not occur in the current year. Finally, the department had some savings in personnel due to employee turnover. Savings in the Information Technology budget occurred in communications (\$46,264) and subscriptions and memberships (\$95,525). The public internet expansion for the North Port Aquatic Center did not occur in fiscal year 2020. The Laserfiche Document Management System budgeted in the current fiscal year was not purchased and some of the subscriptions budgeted were lower than anticipated or were not purchased in the current fiscal year. The Police Department had savings of over \$659,103 in personnel due to employee turnover and attrition. Partially offsetting this savings in personnel was the increase in overtime of approximately \$168,390. Other savings for the Police Department occurred in fuel (\$68,831); minor operating equipment purchases (\$71,620); training (\$46,179); and capital outlay (\$188,897). The most notable savings for Emergency Medical Services was in personnel expenditures which were lower than budgeted due to employee turnover (\$276,018). Economic development budgeted \$50,000 for a feasibility study which did not transpire in this fiscal year. Also, the department had savings in professional marketing services (\$20,554) and advertising (\$34,390) as expenditures were lower than expected. Due to the COVID19 pandemic, many of the scheduled events and classes sponsored by the Parks Recreation department did not happen in the current fiscal year, thereby resulting in savings in contracted services (\$33,955), rentals (\$30,157), operating supplies (\$22,841), and minor operating equipment (\$33,060). Also, capital outlay was lower than budgeted (\$124,716) as some project expenditures did not occur in the current fiscal year. Finally, due to the COVID19 pandemic, The North Port Aquatic Center was closed for several months and when the center was finally opened to the public, the occupancy was limited. Many outside rentals and scheduled events were cancelled. This resulted in savings in personnel (\$342,566); contracted services (\$60,340); electricity (\$51,630); and chemicals (\$84,772).

The fund balance of the Road and Drainage District increased \$2,143,908 in fiscal year 2020 due to the excess of revenues over expenditures. The District's non ad-valorem assessments rose over \$900,000 due to increased rates and residential growth; construction traffic road fees increased over \$294,257 due to the rise in construction activity; and other charges for services increased over \$154,000 also due to increased construction activity. Although expenditures did increase compared to the last fiscal year, particularly in routine road maintenance (\$3,011,614), they were still less than the current year's revenues.

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**Management's Discussion and Analysis**  
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The fund balance of the Fire Rescue District increased \$834,308 during the current fiscal year. The District's non-ad valorem revenues rose over \$1,107,000 mainly due to the 9% rate increase and the increase in the number of developed properties.

The fund balance of the Solid Waste District increased by \$1,174,942 during the current fiscal year. In the current fiscal year, the District's non-ad valorem residential assessment increased from \$230 to \$245 per residence. This increase along with the rise in the number of developed properties caused revenues to rise over \$750,000. Commercial collections and service initiation fees increased approximately \$55,000 and \$33,905, respectively, due to the rise in residential and commercial accounts. Finally, the District expenditures decreased over \$1.2 million in the current year, mainly due to the decrease of \$1,203,084 in capital outlay. Five solid waste trucks were purchased last fiscal year, while no vehicles were acquired in the current year.

The fund balance of the Surtax Fund increased \$5,782,073 in the current fiscal year due to the \$9.3 million decrease in expenditures compared to last fiscal year. Over \$8.3 million was expended last fiscal year for the construction of the North Port Aquatic Center. A majority of the City's capital budget represents multi-year capital construction projects for which expenditures are recorded as the projects progress. As in the past, revenues continue to accumulate in the Surtax Fund at a rate faster than project expenditures are being made resulting in the increase.

**Proprietary funds.** The fund financial statements for the City's proprietary funds provide essentially the same type of information found in the government-wide financial statements, but in greater detail.

Unrestricted net position of the Water and Sewer Utilities increased \$5,478,995. The Self Insurance Risk Fund has an unrestricted net position of \$(446,241), a decrease of \$664,204 from last fiscal year. The Self Insurance Medical Fund has an unrestricted net position of \$1,930,013. Other factors concerning the finances of the proprietary funds have been addressed in the discussion of the City's business-type activities (Water and Sewer Utilities) and the City's governmental activities (Self Insurance).

### **General Fund Budgetary Highlights**

During the current fiscal year, there were no increases in appropriations between the original and final amended General Fund budget.

Actual revenues, taxes and investment income, were more than the final budget by \$446,885. Electric utility service taxes and local communicant services taxes were higher than expected by \$84,071 and \$67,610, respectively. Investment income was underestimated by approximately \$360,000. But actual revenues, intergovernmental and charges for services, were less than the final budget by \$717,321. Due to the COVID19 pandemic, state shared revenues and the one-half cent local sales tax were lower than expected by \$256,877 and \$585,938, respectively. Partially offsetting the decrease in intergovernmental revenues was the \$257,395 additional grant funds not budgeted in the current fiscal year. Also due to the pandemic, the George Mullen Center, the Morgan Family Center and the North Port Aquatic

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**Management's Discussion and Analysis**  
**September 30, 2020**

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Center were closed several months and only had limited capacity for some months when reopened. Many rentals and events were cancelled, and these closings and cancellations caused revenue shortages of approximately \$579,541. Ambulance revenues received in the current fiscal year were higher than budgeted by approximately \$351,043, partially offsetting the decrease in charges for services revenues.

Actual expenditures were less than the final budget by \$3,934,039. Following are some of the significant items causing a positive variance: \$1,353,935 less-than-expected salaries and wages due to employee turnover, attrition and unfilled positions; \$672,585 less-than-expected professional services; \$591,189 less-than-expected capital outlay; pool and recreational center closings and event and rental cancellations particularly in the Parks and Recreation department due to the COVID19 pandemic resulted in lower expenditures; and diligent efforts by City departments to control costs and find savings throughout the year.

### **Capital Asset and Debt Administration**

**Capital assets.** As of September 30, 2020, the City's investment in capital assets for its governmental and business-type activities amounts to \$478,901,645 (net of accumulated depreciation). This investment in capital assets includes land, construction in process, buildings, improvements, various infrastructure, utility systems and equipment. The overall total increase in the City's capital assets for the current fiscal year was 10.9% (a 0.18% decrease for governmental activities and a 34.64% increase for business-type activities).

Some of the major capital asset additions during the current fiscal year included the following:

- Community Education Center parking lot
- North Port Aquatic Center parking lot
- Land purchases
- Roads
- Sidewalks
- Neighborhood park refurbishments
- West Villages wastewater treatment plant
- Water and sewer line improvements
- Lift station rehabilitation
- Reclaimed water improvements
- Fire, police, solid waste, road and drainage and utilities vehicles and equipment
- Water control structure rehabilitation
- Drainage system improvements

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2020**

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**City of North Port's Capital Assets**  
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 23,471,176	\$ 20,095,823	\$ 3,566,866	\$ 948,266	\$27,038,042	\$21,044,089
Works of art	9,950	4,975	-	-	9,950	4,975
Buildings	37,669,929	39,265,865	14,404,447	2,108,059	52,074,376	41,373,924
Infrastructure	205,109,099	203,576,411	157,660,095	125,180,264	362,769,194	328,756,675
Equipment	22,714,303	24,895,825	8,050,553	7,898,648	30,764,856	32,794,473
Construction in progress	4,841,409	6,506,080	1,403,818	1,327,652	6,245,227	7,833,732
<b>Total</b>	<b>\$293,815,866</b>	<b>\$294,344,979</b>	<b>\$185,085,779</b>	<b>\$137,462,889</b>	<b>\$478,901,645</b>	<b>\$431,807,868</b>

Additional information on the City's capital assets can be found in Note F - Capital Assets on pages 55-56 of this report.

**Long term debt.** As of year-end, the City had \$54,480,181 in total bonded debt outstanding compared to the \$60,629,653 last year.

**Outstanding Debt, at Year-end**

	<u>2020</u>	<u>2019</u>
<b>Governmental:</b>		
Transportation Improvement Bonds - Series 2013	\$ 3,395,000	\$ 33,255,000
Transportation Refunding Bonds - Series 2020	30,925,000	-
Bond Premium	-	785,426
Deferred loss on defeasance of debt	(3,488,291)	-
Subtotal	<u>30,831,709</u>	<u>34,040,426</u>
<b>Business-type:</b>		
State Revolving Loan Funds	16,071,221	17,338,817
Utility System Refunding		
Revenue Bonds, Series 2005	4,984,966	5,382,655
Utility System Refunding		
Revenue Bonds, Series 2014	2,816,000	4,179,000
Deferred loss on defeasance of debt	(223,715)	(311,245)
Subtotal	<u>23,648,472</u>	<u>26,589,227</u>
<b>Total</b>	<u><u>\$ 54,480,181</u></u>	<u><u>\$ 60,629,653</u></u>

Additional information on the City's long-term debt can be found in Note H - Long-Term Liabilities found on pages 57-62 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

- The City of North Port had an unemployment rate of 5.4% at fiscal year-end. The City's unemployment rate was lower than the unemployment rate for Florida (7.2%) and lower than the nation's rate of 7.9% during the same time period.
- The General Fund property tax millage increased to 3.8735 mills for fiscal year 2020.
- The City's population increased by 5.3% during the fiscal year from 73,652 to 77,561.
- The taxable value of real estate located in the City rose to \$5.12 billion in the current fiscal year, which is an increase of approximately \$503.9 million or 10.92% over the prior fiscal year.
- Single family home starts are beginning to level off.

All these factors were considered in preparing the City's budget for the 2021 fiscal year.

### **Financial Contact**

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to:

**City of North Port, Florida**  
**Finance Department**  
**4970 City Hall Boulevard**  
**North Port, FL 34286-4100**

Or visit our website: <http://www.cityofnorthport.com>



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**BASIC**

**FINANCIAL STATEMENTS**

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**CITY OF NORTH PORT, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2020**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 116,603,053	\$ 31,375,390	\$ 147,978,443
Receivables (net)	5,253,174	3,144,207	8,397,381
Internal balances	236,183	(236,183)	-
Inventories	52,435	635,143	687,578
Restricted assets:			
Cash and investments	-	15,894,259	15,894,259
Receivables (net)	-	340,539	340,539
Capital assets:			
Non-depreciable	28,322,535	4,970,684	33,293,219
Depreciable (net)	265,493,331	180,115,095	445,608,426
<b>Total Assets</b>	<u>415,960,711</u>	<u>236,239,134</u>	<u>652,199,845</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on debt refundings	3,488,291	223,715	3,712,006
Deferred amount on OPEB	900,765	47,109	947,874
Deferred amount on pensions	33,540,877	2,094,265	35,635,142
<b>Total Deferred Outflows of Resources</b>	<u>37,929,933</u>	<u>2,365,089</u>	<u>40,295,022</u>
<b>LIABILITIES</b>			
Accounts payable	4,383,128	979,289	5,362,417
Accrued liabilities	4,490,640	-	4,490,640
Payable from restricted assets:			
Accounts payable	-	9,927	9,927
Interest payable	264,704	91,156	355,860
Unearned revenue	5,321	-	5,321
Noncurrent liabilities:			
Due within one year	2,198,695	3,264,453	5,463,148
Due in more than one year	97,924,148	26,096,103	124,020,251
<b>Total Liabilities</b>	<u>109,266,636</u>	<u>30,440,928</u>	<u>139,707,564</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred amount on OPEB	82,148	4,296	86,444
Deferred amount on pensions	3,744,055	59,350	3,803,405
<b>Total Deferred Inflows of Resources</b>	<u>3,826,203</u>	<u>63,646</u>	<u>3,889,849</u>
<b>NET POSITION</b>			
Net investment in capital assets	261,865,644	161,208,925	423,074,569
Restricted for:			
Renewal and replacement	-	1,638,026	1,638,026
Capital projects	55,160,876	14,407,609	69,568,485
Debt service	561,189	-	561,189
Public safety	11,052,320	-	11,052,320
Physical environment	9,911,961	-	9,911,961
Transportation	12,464,072	-	12,464,072
General government	2,000	-	2,000
Unrestricted	(10,220,257)	30,845,089	20,624,832
<b>Total Net Position</b>	<u>\$ 340,797,805</u>	<u>\$ 208,099,649</u>	<u>\$ 548,897,454</u>

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 10,455,849	\$ 5,592,389	\$ -	\$ 450,293
Public safety	49,021,745	18,370,336	1,139,554	1,001,657
Physical environment	17,165,637	14,579,571	4,509	378,718
Transportation	18,464,013	14,283,584		5,465,073
Economic environment	447,495	3,170	721,680	-
Human services	539,240	-	145,885	-
Culture and recreation	7,384,613	1,580,674	-	1,503,437
Interest on long-term debt	921,061	-	-	-
Total governmental activities	<u>104,399,653</u>	<u>54,409,724</u>	<u>2,011,628</u>	<u>8,799,178</u>
Business type activities:				
Water and sewer utilities	<u>22,163,448</u>	<u>25,982,573</u>	<u>-</u>	<u>45,080,802</u>
Total business-type activities	<u>22,163,448</u>	<u>25,982,573</u>	<u>-</u>	<u>45,080,802</u>
Total government	<u>\$ 126,563,101</u>	<u>\$ 80,392,297</u>	<u>\$ 2,011,628</u>	<u>\$ 53,879,980</u>

General revenues:

Taxes:

Ad Valorem

Insurance premium

Service

Local business

Fuel

Discretionary sales surtax

Intergovernmental - unrestricted

Investment income

Miscellaneous

Transfers

Total general revenues and transfers

Changes in net position

**Net position - beginning**

**Net position - ending**

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

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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (4,413,167)	\$ -	\$ (4,413,167)
(28,510,198)	-	(28,510,198)
(2,202,839)	-	(2,202,839)
1,284,644	-	1,284,644
277,355	-	277,355
(393,355)	-	(393,355)
(4,300,502)	-	(4,300,502)
(921,061)	-	(921,061)
<u>(39,179,123)</u>	<u>-</u>	<u>(39,179,123)</u>
<u>-</u>	<u>48,899,927</u>	<u>48,899,927</u>
<u>-</u>	<u>48,899,927</u>	<u>48,899,927</u>
<u>(39,179,123)</u>	<u>48,899,927</u>	<u>9,720,804</u>
17,246,920	-	17,246,920
959,228	-	959,228
3,083,831	-	3,083,831
133,248	-	133,248
3,122,388	-	3,122,388
10,734,747	-	10,734,747
8,823,155	-	8,823,155
3,445,375	1,372,088	4,817,463
751,407	-	751,407
463,900	(463,900)	-
<u>48,764,199</u>	<u>908,188</u>	<u>49,672,387</u>
9,585,076	49,808,115	59,393,191
<u>331,212,729</u>	<u>158,291,534</u>	<u>489,504,263</u>
<u>\$ 340,797,805</u>	<u>\$ 208,099,649</u>	<u>\$ 548,897,454</u>

**CITY OF NORTH PORT, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

	<b>General Fund</b>	<b>Road and Drainage District</b>	<b>Fire Rescue District</b>	<b>Solid Waste District</b>
<b>ASSETS:</b>				
Cash and investments	\$ 17,048,814	\$ 18,868,432	\$ 5,135,931	\$ 4,112,791
Receivables (net of allowance for uncollectibles)	1,437,772	5,274	1,170	39,702
Due from other funds	1,159,113	-	-	-
Due from other governments	1,049,671	1,132,072	405,749	83
Inventories	-	-	-	-
<b>Total assets</b>	<b>20,695,370</b>	<b>20,005,778</b>	<b>5,542,850</b>	<b>4,152,576</b>
<b>LIABILITIES:</b>				
Accounts payable	1,730,082	827,283	202,057	240,375
Due to other funds	-	233,421	479,340	101,037
Due to other governments	2,643	-	9	-
Accrued liabilities	2,607,952	-	-	210,132
Unearned revenue	5,321	-	-	-
<b>Total liabilities</b>	<b>4,345,998</b>	<b>1,060,704</b>	<b>681,406</b>	<b>551,544</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - grants	227,820	349,092	117,809	-
Unavailable revenue - other receivables	561,282	49,913	-	-
<b>Total deferred inflows of resources</b>	<b>789,102</b>	<b>399,005</b>	<b>117,809</b>	<b>-</b>
<b>FUND BALANCES:</b>				
Nonspendable	-	-	-	-
Restricted	-	18,546,069	4,743,635	3,601,032
Committed	377,383	-	-	-
Assigned	1,433,814	-	-	-
Unassigned	13,749,073	-	-	-
<b>Total fund balances</b>	<b>15,560,270</b>	<b>18,546,069</b>	<b>4,743,635</b>	<b>3,601,032</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 20,695,370</b>	<b>\$ 20,005,778</b>	<b>\$ 5,542,850</b>	<b>\$ 4,152,576</b>

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

<b>Surtax</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 28,433,356	\$ 39,865,983	\$ 113,465,307
-	4,368	1,488,286
-	-	1,159,113
1,084,982	73,542	3,746,099
-	52,435	52,435
<u>29,518,338</u>	<u>39,996,328</u>	<u>119,911,240</u>
523,297	850,858	4,373,952
-	126,525	940,323
-	6,317	8,969
-	-	2,818,084
-	-	5,321
<u>523,297</u>	<u>983,700</u>	<u>8,146,649</u>
50,833	947	746,501
-	-	611,195
<u>50,833</u>	<u>947</u>	<u>1,357,696</u>
-	52,435	52,435
28,944,208	22,999,569	78,834,513
-	15,959,677	16,337,060
-	-	1,433,814
-	-	13,749,073
<u>28,944,208</u>	<u>39,011,681</u>	<u>110,406,895</u>
<u>\$ 29,518,338</u>	<u>\$ 39,996,328</u>	<u>\$ 119,911,240</u>





**CITY OF NORTH PORT, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020**

**Fund balances - total governmental funds** \$ 110,406,895

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 governmental funds.

Non-depreciable capital assets	\$ 28,322,535	
Depreciable capital assets, net	<u>265,493,331</u>	293,815,866

Internal service funds are used by management to charge the cost of self-insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.

1,501,165

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Interest payable	(264,704)	
Transportation bonds payable	(34,320,000)	
Compensated absences payable	(3,711,427)	
Net pension liability	(57,571,992)	
Other postemployment benefits (OPEB) liability	<u>(4,519,424)</u>	(100,387,547)

Certain deferred inflows in governmental funds are susceptible to full accrual on the entity-wide statements.

1,357,696

Deferred outflows and inflows of resources related to debt refundings, pensions and OPEB are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.

Deferred outflows related to debt refunding	3,488,291	
Deferred outflows related to pensions and OPEB	34,441,642	
Deferred inflows related to pensions and OPEB	<u>(3,826,203)</u>	<u>34,103,730</u>

**Net position of governmental activities** \$ 340,797,805

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

**CITY OF NORTH PORT, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>General Fund</u>	<u>Road and Drainage District</u>	<u>Fire Rescue District</u>	<u>Solid Waste District</u>
<b>REVENUES:</b>				
Taxes	\$ 21,183,332	\$ 3,122,388	\$ 239,895	\$ -
Permits, fees and special assessments	3,887,896	-	40,340	-
Intergovernmental	9,240,969	1,056,941	702,854	3,825
Charges for services	9,729,515	15,441,114	11,355,986	9,934,339
Fines and forfeitures	166,021	290	-	-
Investment income	637,233	555,857	212,478	175,925
Miscellaneous	496,508	154,241	30,625	1,867
Total revenues	<u>45,341,474</u>	<u>20,330,831</u>	<u>12,582,178</u>	<u>10,115,956</u>
<b>EXPENDITURES:</b>				
Current:				
General government	12,080,881	-	-	-
Public safety	27,355,227	-	10,552,870	-
Physical environment	-	5,067,944	-	8,207,773
Transportation	-	10,289,461	-	-
Economic environment	416,115	-	-	-
Human services	433,905	-	-	-
Culture and recreation	3,482,928	-	-	-
Capital outlay	432,542	2,038,119	-	44,638
Debt service	-	-	-	-
Total expenditures	<u>44,201,598</u>	<u>17,395,524</u>	<u>10,552,870</u>	<u>8,252,411</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,139,876</u>	<u>2,935,307</u>	<u>2,029,308</u>	<u>1,863,545</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of refunding bonds	-	-	-	-
Payment to bond escrow agent	-	-	-	-
Transfers in	463,900	-	-	-
Transfers out	(358,000)	(850,000)	(1,195,000)	(688,860)
Insurance recoveries	117,875	58,601	-	257
Total other financing sources and (uses)	<u>223,775</u>	<u>(791,399)</u>	<u>(1,195,000)</u>	<u>(688,603)</u>
Net change in fund balances	1,363,651	2,143,908	834,308	1,174,942
<b>Fund balances - beginning</b>	<u>14,196,619</u>	<u>16,402,161</u>	<u>3,909,327</u>	<u>2,426,090</u>
<b>Fund balances - ending</b>	<u>\$ 15,560,270</u>	<u>\$ 18,546,069</u>	<u>\$ 4,743,635</u>	<u>\$ 3,601,032</u>

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

<u>Surtax</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 10,734,747	\$ -	\$ 35,280,362
-	15,026,631	18,954,867
204,985	-	11,209,574
105,875	5,820,553	52,387,382
-	107,612	273,923
732,083	1,089,144	3,402,720
50,000	10,212	743,453
<u>11,827,690</u>	<u>22,054,152</u>	<u>122,252,281</u>
7,864	4,756,856	16,845,601
149,951	2,933,889	40,991,937
-	90,284	13,366,001
1,990,315	778,657	13,058,433
-	-	416,115
-	-	433,905
169,393	1,760,209	5,412,530
3,728,094	6,061,922	12,305,315
-	4,755,629	4,755,629
<u>6,045,617</u>	<u>21,137,446</u>	<u>107,585,466</u>
<u>5,782,073</u>	<u>916,706</u>	<u>14,666,815</u>
-	31,485,000	31,485,000
-	(31,386,829)	(31,386,829)
-	3,181,860	3,645,760
-	(90,000)	(3,181,860)
-	-	176,733
<u>-</u>	<u>3,190,031</u>	<u>738,804</u>
5,782,073	4,106,737	15,405,619
<u>23,162,135</u>	<u>34,904,944</u>	<u>95,001,276</u>
<u>\$ 28,944,208</u>	<u>\$ 39,011,681</u>	<u>\$ 110,406,895</u>

**CITY OF NORTH PORT, 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, 2020**

**Net change in fund balances - total governmental funds** \$ 15,405,619

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Expenditures for capital assets	\$ 12,733,437	
Less current year depreciation	<u>(12,863,760)</u>	(130,323)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, disposals, asset transfers to/from enterprise funds).		(398,790)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Also, revenue related to prior periods that became available during the current period are reported in the funds but are eliminated in the statement of activities. This amount is the net adjustment.		250,944
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Transportation refunding bonds proceeds	(31,485,000)	
Bond principal payments	30,420,000	
Net effect of deferred amount on refunding	4,276,923	
Amortization of deferred amount on refunding	<u>(77,518)</u>	3,134,405

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 government funds.

Pension expense	(8,474,036)	
OPEB expense	(244,480)	
Change in accrued interest	136,794	
Change in compensated absences	<u>(572,967)</u>	(9,154,689)

Internal service funds are used by management to charge the costs of self-insurance to individual funds. The net expenses of the internal service funds are reported with governmental activities.

477,910

**Change in net position of governmental activities** \$ 9,585,076

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2020**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 31,375,390	\$ 3,137,746
Accounts receivable (net of allowance for uncollectibles)	3,108,757	18,789
Due from other governments	35,450	-
Inventories	635,143	-
<b>Total current assets</b>	<b>35,154,740</b>	<b>3,156,535</b>
Noncurrent assets:		
Restricted assets:		
Cash and investments	15,894,259	-
Accounts receivable (net of allowance for uncollectibles)	340,539	-
Capital assets:		
Land	3,566,866	-
Buildings	15,817,221	-
Infrastructure	213,529,946	-
Equipment	17,391,495	-
Construction in progress	1,403,818	-
Less: accumulated depreciation	(66,623,567)	-
<b>Total noncurrent assets</b>	<b>201,320,577</b>	<b>-</b>
<b>Total assets</b>	<b>236,475,317</b>	<b>3,156,535</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charges on debt refundings	223,715	-
Deferred amount on OPEB	47,109	-
Deferred amount on pension	2,094,265	-
<b>Total deferred outflows of resources</b>	<b>2,365,089</b>	<b>-</b>

(Continued)

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

**CITY OF NORTH PORT, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2020**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	979,289	207
Liability for unpaid claims	-	1,672,556
Payable from restricted assets:		
Accounts payable	9,927	-
Customer deposits payable	91,788	-
Due to other funds	218,790	-
Loans payable	1,302,487	-
Revenue bonds payable	1,808,280	-
Interest payable	91,156	-
Accrued compensated absences	61,898	-
<b>Total current liabilities</b>	<b>4,563,615</b>	<b>1,672,763</b>
Noncurrent liabilities:		
Customer deposits payable	93,289	-
Loans payable	14,768,734	-
Revenue bonds payable	5,992,686	-
Accrued compensated absences	309,414	-
Other postemployment benefits payable	236,363	-
Net pension liability	4,695,617	-
<b>Total noncurrent liabilities</b>	<b>26,096,103</b>	<b>-</b>
<b>Total liabilities</b>	<b>30,659,718</b>	<b>1,672,763</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred amount on OPEB	4,296	-
Deferred amount on pension	59,350	-
<b>Total deferred inflows of resources</b>	<b>63,646</b>	<b>-</b>
<b>NET POSITION</b>		
Net investment in capital assets	161,208,925	-
Restricted for renewal and replacement requirements	1,638,026	-
Restricted for capital projects	14,407,609	-
Unrestricted	30,862,482	1,483,772
<b>Total net position</b>	<b>\$ 208,117,042</b>	<b>\$ 1,483,772</b>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise fund over time.		
	(17,393)	
Net position of business-type activities (page 23)	<b>\$ 208,099,649</b>	

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

**CITY OF NORTH PORT, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>OPERATING REVENUES</b>		
Charges for services:		
Water charges	\$ 12,964,993	\$ -
Sewer charges	12,104,508	-
Self-insurance fees	-	10,340,786
Miscellaneous	913,072	179,618
Total operating revenues	25,982,573	10,520,404
<b>OPERATING EXPENSES</b>		
General and administrative	3,804,518	10,112,591
Water treatment and distribution	4,916,926	-
Sewer collection and treatment	1,525,440	-
Field operations	4,300,596	-
Engineering	959,591	-
Depreciation	5,797,219	-
Total operating expenses	21,304,290	10,112,591
Operating income (loss)	4,678,283	407,813
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment income	1,372,088	42,655
Interest expense	(851,962)	-
Gain/loss on asset disposals	17,446	2,800
Total nonoperating revenues	537,572	45,455
Income (loss) before capital contributions and transfers	5,215,855	453,268
Capital contributions	45,080,802	-
Transfers out	(463,900)	-
Change in net position	49,832,757	453,268
<b>NET POSITION - BEGINNING OF YEAR</b>	158,284,285	1,030,504
<b>NET POSITION - END OF YEAR</b>	208,117,042	\$ 1,483,772
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise fund over time.	(17,393)	
Net position of business-type activities	\$ 208,099,649	

Reconciliation of the Statement of Revenues, Expenses and Changes in Fund Net Position to the Statement of Activities:  
Amounts reported as business-type activities in the Statement of Activities are different because:

Net change in net position - enterprise funds	\$ 49,832,757
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise fund.	(24,642)
Changes in net position of business-type activities (page 25)	\$ 49,808,115

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED SEPTEMBER 30, 2020**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 26,112,274	\$ 10,518,651
Payments to vendors for goods and services	(9,236,525)	(2,276,938)
Payments to employees and benefit programs	(5,713,977)	-
Claims paid	-	(7,449,344)
Net cash provided by operating activities	<u>11,161,772</u>	<u>792,369</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating grants	30,547	-
Cash transfers to other funds	(463,900)	-
Net cash used for noncapital financing activities	<u>(433,353)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(12,227,316)	-
Proceeds from sale of capital assets	29,050	2,800
Capital grants	472,389	-
Principal paid on bonds and loans	(3,028,285)	-
Interest paid on bonds and loans	(771,667)	-
Special assessments	16,749	-
Capacity fees received	3,113,271	-
Net cash provided by (used for) capital and related financing activities	<u>(12,395,809)</u>	<u>2,800</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income received	<u>1,372,088</u>	<u>42,655</u>
Net cash provided by investing activities	<u>1,372,088</u>	<u>42,655</u>
Net increase (decrease) in cash and cash equivalents	(295,302)	837,824
Cash and cash equivalents, October 1	<u>47,564,951</u>	<u>2,299,922</u>
Cash and cash equivalents, September 30	<u>\$ 47,269,649</u>	<u>\$ 3,137,746</u>
<b>Classified as:</b>		
Current assets	\$ 31,375,390	\$ 3,137,746
Restricted assets	<u>15,894,259</u>	<u>-</u>
<b>Total</b>	<u>\$ 47,269,649</u>	<u>\$ 3,137,746</u>

(Continued)

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



**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED SEPTEMBER 30, 2020**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income	\$ 4,678,283	\$ 407,813
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	5,797,219	-
Increase/decrease in accounts receivable	109,103	(1,753)
Decrease in due from other governments	41,305	-
Increase in inventories	(179,351)	-
Increase in deferred outflows - OPEB	(38,294)	-
Increase in deferred outflows - pensions	(230,280)	-
Increase in accounts payable	158,695	-
Increase in due to other funds	31,209	-
Increase in customer deposits payable	20,598	-
Increase in compensated absences	40,227	-
Increase in benefits payable	6,138	-
Increase in claims payable	-	386,309
Increase in total OPEB liability	26,009	-
Increase in net pension liability	890,902	-
Increase in deferred inflows - OPEB	232	-
Decrease in deferred inflows - pensions	(190,223)	-
Total adjustments	6,483,489	384,556
Net cash provided by operating activities	\$ 11,161,772	\$ 792,369
<b>NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>		
Amortization of deferred amount on defeasance of debt	\$ 87,530	\$ -
Capital asset contributions	41,715,539	-

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2020**

	<b><u>PENSION TRUST FUNDS</u></b>
<b>ASSETS</b>	
Cash and equivalents	\$ 1,844,113
Receivables:	
Contributions receivable	714,643
Interest and dividends receivable	56,966
Total receivables	<u>771,609</u>
Investments, at fair market value:	
U.S. Government and agency securities	5,176,009
Mortgage/asset-backed securities	193,465
Equity securities	65,422,364
Corporate obligations	3,427,108
Fixed income mutual funds	20,810,374
Commingled real estate funds	9,493,285
International equity securities	345,059
Total investments	<u>104,867,664</u>
Total assets	<u>107,483,386</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	48,981
Due to other entities	-
Due to other funds	-
Total liabilities	<u>48,981</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u><u>\$ 107,434,405</u></u>

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b><u>PENSION TRUST FUNDS</u></b>
<b>ADDITIONS</b>	
Contributions:	
Plan members	\$ 807,006
State of Florida	959,228
City of North Port	<u>2,594,957</u>
Total contributions	<u>4,361,191</u>
Investment income	
Net change in fair value of investments	7,171,606
Interest and dividends	<u>2,777,861</u>
Investment income	9,949,467
Less investment expenses	<u>(264,831)</u>
Net investment income	<u>9,684,636</u>
Total additions	<u>14,045,827</u>
<b>DEDUCTIONS</b>	
Benefits to participants	4,068,611
Administrative expenses	189,555
Refund of participant contributions	<u>10,708</u>
Total deductions	<u>4,268,874</u>
<b>NET INCREASE</b>	9,776,953
<b>NET POSITION - BEGINNING</b>	<u>97,657,452</u>
<b>NET POSITION - ENDING</b>	<u><u>\$ 107,434,405</u></u>

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

**CITY OF NORTH PORT, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

***NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The financial statements of the City of North Port, Florida (the City) have been prepared in conformity with accounting principles generally accepted (GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**1. THE FINANCIAL REPORTING ENTITY**

The City of North Port, Florida was created, as of June 18, 1959, pursuant to the provisions of the Constitution of the State of Florida, the laws of the State of Florida and the Special Legislative Enactment of Chapter 59-1617 as amended by Chapter 59-1618. The City operates under a form of government that is comprised of five elected City Commissioners and a commission appointed City Manager. The following services are provided: public safety, road improvements, planning and zoning, building permitting and inspections, water and sewer service, refuse collection service, stormwater management, and related general administrative services.

As required by GAAP, these financial statements present the activities of the City of North Port, Florida.

**Blended Component Units:** The financial statements also include three special districts, which are reported as blended component units. The districts operate under the guidance of the City Commission, which meets separately as the districts' governing body to approve the adoption of the annual budget and subsequent amendments, the issuance of debt and the execution of contracts. The financial transactions of these component units are merged in with similar transactions of the City as part of the primary government. Blended component units of the City of North Port include the Road and Drainage District, the Fire Rescue District and the Solid Waste District. Separate financial statements of the three districts are not available.

**2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements.

### 3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *road and drainage district special revenue fund* is used to account for proceeds of the local option gas taxes and district assessments that are restricted to transportation and/or stormwater drainage services.

The *fire rescue district special revenue fund* is used to account for proceeds of district assessments that are restricted for fire rescue emergency services and public safety.

The *solid waste district special revenue fund* is used to account for proceeds of district assessments that are restricted for solid waste collection and transportation of refuse, yard waste and recyclable material.

The *surtax capital projects fund* is used to account for resources that are restricted for the acquisition and/or construction of specific capital projects. This fund represents the fifteen (15) year extension of the one cent sales surtax program.

The City reports the following major proprietary fund:

The *water and sewer utilities fund* accounts for the activities associated with providing water and sewer services to the residents of the City. The City operates a sewage treatment plant, sewage pumping stations and collection systems, and a water treatment/distribution plant.

Additionally, the City reports the following fund types:

The *self-insurance funds* (internal service funds) account for the activities of risk self-insurance (workers' compensation, auto and general liability) and medical self-insurance provided to other departments on a cost reimbursement basis.

The *pension trust funds* (fiduciary funds) account for the activities of the City's firefighters' and police officers' pension trust funds, which accumulate resources for pension benefit payments to qualified pension participants.

The *county road impact fees agency fund* (fiduciary fund) accounts for the impact fees collected for and disbursed to Sarasota County.

The *county justice impact fees agency fund* (fiduciary fund) accounts for the impact fees collected for and disbursed to Sarasota County.

The *county general government impact fees agency fund* (fiduciary fund) accounts for the impact fees collected for and disbursed to Sarasota County.

The *education impact fees agency fund* (fiduciary fund) accounts for the impact fees collected for and disbursed to Sarasota County School Board.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges for services between the City's various funds. Elimination of these charges would distort the direct costs and program revenues reported for the functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds 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. The principal operating revenues of the water and sewer enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the 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.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, followed by committed, assigned and unassigned resources as they are needed.

#### **4. ASSETS, LIABILITIES, AND NET POSITION OR FUND BALANCE**

##### **a) Cash and investments**

The City is authorized by City Ordinance 2016-10, adopted April 26, 2016, to invest surplus funds in accordance with Florida Statute 218.415. Investment guidelines have been defined in the policy and authorize the City to invest in the following:

- 1) U.S. Treasuries and Government Guaranteed Obligations

- 2) Federal Agencies and Government Sponsored Enterprises (GSE)
- 3) Supranationals
- 4) Corporates
- 5) Municipals
- 6) Agency Mortgage Backed Securities
- 7) Asset-backed securities
- 8) Non-Negotiable Certificates of Deposit and Savings Accounts
- 9) Commercial Paper
- 10) Repurchase Agreements
- 11) Money Market Funds
- 12) Fixed Income Mutual Funds
- 13) Local Government Investment Pools
- 14) The Florida Local Government Surplus Funds Trust Funds (“Florida Prime”)

The City maintains a cash and investment pool that is available for use by all funds. Investment income and loss is allocated to individual funds based upon their average daily balance in the cash pool. Each fund’s individual equity in the City’s cash and investment pool is considered to be a cash equivalent, since the funds can deposit or withdraw cash at any time without prior notice or penalty.

Investments for the City are reported at fair value based upon quoted market prices. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments or values obtained from independent pricing services.

#### **b) Receivables and payables**

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

The non-current advances between funds, as reported in the fund financial statements, are offset by a corresponding nonspendable portion of fund balance to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles.

#### **c) Inventories**

Inventories are adjusted to annual counts and are valued at cost, using the first-in/first-out method. Inventory is accounted for using the consumption method, whereby inventories are recorded as expenditures when they are used.

#### **d) Prepaid items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**e) Restricted assets**

The balances of restricted asset accounts in the business-type activities column at September 30, 2020 are as follows:

Customer deposits	\$ 185,077
Renewal and replacement funds	1,638,026
Capital project construction funds	<u>14,071,156</u>
Cash and investments	<u>\$ 15,894,259</u>
Capacity fees receivables	\$ 340,539

**f) Capital assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Improvements	5-50
Furniture and fixtures	5-10
Equipment	7-30
Vehicles	5

**g) Deferred outflows/inflows of resources**

In addition to assets and liabilities, the statement of net position and the governmental funds balance sheet will sometimes report separate sections for deferred outflows/inflows of resources. *Deferred outflows of resources* represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that period. *Deferred inflows of resources* represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that period. The City has various items that qualify for reporting in these categories. In the governmental and business-type activities columns of the government-wide statement of net position, a deferred charge on debt refunding is reported as a deferred outflow, resulting 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. Another item, unavailable revenue, arises only under the modified accrual basis and accordingly, the unavailable revenue is reported as a deferred inflow only in the governmental funds



balance sheet. The governmental funds report unavailable revenue from one source: other receivables. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Additionally, the City has deferred inflows and deferred outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by actuaries, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service life of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. The changes in proportion and differences between City contributions and proportionate share of contributions are also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

#### **h) Compensated absences**

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay and other employee benefit amounts. These amounts are accrued when incurred in the government-wide and proprietary fund financial statements. In the case of governmental funds, the only portion of the liability reported would be the amount of reimbursable unused leave payable to employees who had terminated their employment as of the end of the fiscal year.

#### **i) Long-term obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts and insurance costs are deferred and amortized over the life of the bonds using the bonds outstanding method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize debt proceeds, including capital leases, during the current period. The face amount of debt issued is reported as "other financing sources."

#### **j) Net position**

The government-wide and business-type fund financial statements utilize a net position presentation.

Net position is presented in three components – net investment in capital assets, restricted, and unrestricted.

*Net Investment in Capital Assets* – this component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other

borrowings attributable to the acquisition, construction or improvement of those assets. This component does not include the portion of debt attributable to the unspent proceeds.

*Restricted* – this component of net position has constraints placed on them either externally by third parties (creditors, grantors, contributors or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation.

*Unrestricted* – this component consists of net position that does not meet the definition of “net investment in capital assets” and “restricted”.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

Certain proceeds of the City’s enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as *restricted* net position on the balance sheet because their use is limited by applicable bond covenants. District revenues and impact fee revenues are set aside to be used for their respective purposes in accordance with state statutes, regulations, and City ordinances.

#### **k) Fund balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Classifications of fund balance are established as authorized by City Resolution No. 2011-R-14. Fund balance is reported in up to five components – nonspendable, restricted, committed, assigned and unassigned.

*Nonspendable Fund Balance* – consists of funds that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid items) and long-term loans and notes receivable.

*Restricted Fund Balance* – consists of funds that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* – consists of funds that are set aside for a specific purpose by the City’s highest level of decision-making authority (ordinance). Formal action must be taken prior to the end of the fiscal year, but the amount, which will be subject to the constraint, may be determined in the subsequent period. The same formal action must be taken to remove or change the limitations placed on the funds.

*Assigned Fund Balance* – consists of funds that are set aside with the intent to be used for a specific purpose. The intended use can be established by the City Commission, delegated to a group (Management Team) or delegated to an individual City Manager or Finance Director. Projects that have been budgeted in prior fiscal years but are not complete are assigned the resources necessary to complete if not committed under contract. This amount would represent the portion of fund balance to be used in the subsequent year’s budget or to accumulate resources for a future capital project. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. Assigned funds cannot cause a deficit in unassigned fund balance.

*Unassigned Fund Balance* – consists of excess funds that have not been classified in the previous four categories. The City reports positive unassigned fund balances only in the General Fund. Negative unassigned fund balances may be reported in the other funds.

When a governmental fund has multiple classifications of fund balance, fund balance is generally depleted in the order of restricted, committed, assigned and unassigned.

The City’s formal General Fund fund balance policy establishes an emergency and disaster reserve of twenty percent of the General Fund operating expenditures. In addition, the policy establishes an economic stabilization reserve of up to ten percent of General Fund operating expenditures. The formal fund balance policy also includes the City’s three dependent districts (Road & Drainage, Fire Rescue and Solid Waste) and the City’s Building Department with the same targeted reserves of twenty percent (emergency and disaster) and ten percent (economic stabilization) of respective operating expenditures.

The composition of nonspendable, restricted, committed, assigned and unassigned fund balances at September 30, 2020 is following:

<b>Governmental Fund Balance Components:</b>	<b>Major Funds</b>			
	<b>General Fund</b>	<b>Road and Drainage District</b>	<b>Fire Rescue District</b>	<b>Solid Waste District</b>
<b>Nonspendable:</b>				
Prepaid items	\$ -	\$ -	\$ -	\$ -
Inventories	-	-	-	-
Total nonspendable	-	-	-	-
<b>Restricted:</b>				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Enabling legislation - dependent districts	-	18,546,069	4,743,635	3,601,032
Law enforcement	-	-	-	-
Building Department	-	-	-	-
Impact fees	-	-	-	-
Environmental management	-	-	-	-
Total restricted	-	18,546,069	4,743,635	3,601,032
<b>Committed:</b>				
Capital projects	140,300	-	-	-
Building inspectors' education	-	-	-	-
Tree replacement	-	-	-	-
Parks and recreation	-	-	-	-
General government	-	-	-	-
Fleet maintenance	-	-	-	-
Public art	102,350	-	-	-
Historical preservation	-	-	-	-
Other - contractual	134,733	-	-	-
Total committed	377,383	-	-	-
<b>Assigned:</b>				
Subsequent year expenditures	729,210	-	-	-
Other purposes	704,604	-	-	-
Total assigned	1,433,814	-	-	-
<b>Unassigned</b>	13,749,073	-	-	-
Total fund balances	\$ 15,560,270	\$ 18,546,069	\$ 4,743,635	\$ 3,601,032

<b>Governmental Fund Balance Components:</b>	<b>Major Funds</b>		
	<b>Surtax</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Nonspendable:</b>			
Prepaid items	\$ -	\$ -	\$ -
Inventories	-	52,435	52,435
Total nonspendable	-	52,435	52,435
<b>Restricted:</b>			
Debt service	-	825,893	825,893
Capital projects	28,944,208	-	28,944,208
Enabling legislation - dependent districts	-	-	26,890,736
Law enforcement	-	69,699	69,699
Building Department	-	6,867,746	6,867,746
Impact fees	-	14,909,922	14,909,922
Environmental management	-	326,309	326,309
Total restricted	28,944,208	22,999,569	78,834,513
<b>Committed:</b>			
Capital projects	-	11,255,913	11,396,213
Building inspectors' education	-	267,091	267,091
Tree replacement	-	1,241,870	1,241,870
Parks and recreation	-	1,895,678	1,895,678
General government	-	1,014,174	1,014,174
Fleet maintenance	-	282,951	282,951
Public art	-	-	102,350
Historical preservation	-	2,000	2,000
Other - contractual	-	-	134,733
Total committed	-	15,959,677	16,337,060
<b>Assigned:</b>			
Subsequent year expenditures	-	-	729,210
Other purposes	-	-	704,604
Total assigned	-	-	1,433,814
<b>Unassigned</b>	-	-	13,749,073
Total fund balances	\$ 28,944,208	\$ 39,011,681	\$ 110,406,895

## 5. ACCOUNTING ESTIMATES

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

### *NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY*

#### 1. BUDGETARY INFORMATION

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

- During the month of July, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1st for the purpose of determining millage requirements. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted at City Hall to obtain taxpayer comments during September.
- On or before September 30th, the budget is legally enacted for funds through passage of an ordinance.
- The City Commission must approve any revisions altering the budgeted amounts of total expenditures of any fund.

- Budgets have been adopted for the governmental and enterprise funds on a basis consistent with generally accepted accounting principles (GAAP). Expenditures may not legally exceed appropriations plus accumulated fund equity at the fund level. All annual appropriations lapse at year-end.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutorily required budgetary process. All encumbrances lapse at year-end; however, it is the City's intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. Encumbrances outstanding at year-end were \$480,451 for the General Fund, \$1,095,737 for the Road and Drainage District, \$33,900 for the Solid Waste District, \$1,979,849 for the Surtax Fund, \$1,460,828 for nonmajor funds, and \$1,949,649 for the Water and Sewer Utilities Fund.

Appropriations of various City projects are also recorded as reservations of budget and employed as an extension of the statutorily required budgetary process. All project appropriations lapse at year-end; however, it is the City's intention to substantially honor these appropriations under authority provided in the subsequent year's budget. Project appropriations outstanding at year-end were \$499,186 for the General Fund, \$8,011,604 for the Road and Drainage District, \$95,000 for the Solid Waste District, \$20,755,863 for the Surtax Fund, \$9,511,894 for nonmajor funds, and \$18,872,802 for the Water and Sewer Utilities Fund.

Budgeted amounts are as originally adopted or amended by the City. Supplemental appropriations made during the fiscal year are included in the "Final Budgeted Amount" columns on the *Budgetary Comparison Schedules*. Supplemental budgetary appropriations for major funds made during the year included the following:

- The Road and Drainage District expenditure budget was increased \$1,042,710 to fund increased road maintenance for the current year.

All other supplementary budgetary appropriations in the major funds were not material in relation to the original budget.

#### ***NOTE C – DEPOSITS AND INVESTMENTS***

##### **Custodial Credit Risk**

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its securities that are in possession of an outside party.

At September 30, 2020, City's book balance of cash was \$4,661,373 and the bank balances were \$5,380,535. The difference between the book balance and the bank balance is deposits in transit and uncleared checks. The bank balances are insured by the Federal Depository Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. The remaining balances are collateralized pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss. The City's investment policy requires that securities be secured through third-party custody in the City's name.

## **Interest Rate Risk**

As of September 30, 2020, the City had the following investments and maturities:

<b><u>Investment Type</u></b>	<b><u>Fair Value</u></b>	<b><u>Less than 1</u></b>	<b><u>1-5</u></b>	<b><u>More than 5</u></b>
U.S. Treasuries	\$ 25,475,349	\$ -	\$ 25,475,349	\$ -
Federal instrumentalities	38,576,806	913,452	29,631,473	8,031,881
Supra-national bonds	7,044,093	-	7,044,093	-
Municipal bonds	1,945,395	-	1,945,395	-
Corporate notes	31,066,476	6,247,090	24,819,386	-
Asset backed securities	15,317,936	500,193	14,592,474	225,269
SBA - LGIP	20,050,200	20,050,200	-	-
FL PALM	19,616,207	19,616,207	-	-
Money market	102,267	102,267	-	-
	<b><u>\$ 159,194,729</u></b>	<b><u>\$ 47,429,409</u></b>	<b><u>\$ 103,508,170</u></b>	<b><u>\$ 8,257,150</u></b>

Following is a reconciliation of the investment schedule above to cash and investments reported on the entity-wide statement of net position:

### **Reconcilement with Statement of Net Position:**

Cash and investments	\$ 147,978,443
Cash and investments - restricted	15,894,259
	<u>163,872,702</u>
Less cash book balance	(4,661,373)
Less cash on hand	<u>(16,600)</u>
Fair value total	<b><u>\$ 159,194,729</u></b>

In compliance with the City's investment policy, as of September 30, 2020, the City minimized the interest rate risk by limiting the effective duration of security types not to exceed five years and structuring the investment portfolio so that securities matured to meet cash requirements for ongoing operations.

**Credit Risk**

The City’s investment policy limits credit risk by restricting the authorized investments to those stated in Note A, Section 4(a). The following table illustrates the credit quality distribution with credit exposure as a percentage of the City’s investment securities:

<b><u>Investment Type</u></b>	<b><u>Rating</u></b>	<b><u>Portfolio</u></b>
U.S. Treasury Notes	-	16%
Federal Instrumentalities	-	24%
Supra-national agencies	AAA	4%
Corporate notes	BBB- to AA+	20%
Asset backed securities	NR/AAA	10%
Municipal bonds	A to AAA	1%
Principal stability funds:		
Florida Public Assets for Liquidity Management	AAAm	12%
SBA Florida Prime	AAAm	13%

The City’s investment policy establishes limitations on portfolio composition by investment type in order to control concentration of credit risk. The following maximum limits are guidelines established for diversification by instrument:

U.S. Government Guaranteed Securities	100%
Federal Agencies/GSE	75%
Supranationals	25%
Corporates	50%
Municipals	25%
Agency Mortgage Backed Securities	25%
Asset Backed Securities	25%
Non-Negotiable Collateralized Bank Deposits or Savings Accounts	50%
Commercial Paper	50%
Repurchase Agreements	40%
Money Market Funds	50%
Fixed Income Mutual Funds	20%
Intergovernmental Pools (LGIPs)	50%
Florida Local Government Surplus Funds Trust Funds	25%

**Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the City has the ability to access.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the asset which are typically based on the City’s own assumptions, as there is little, if any, related market activity.

Investments that are measured at fair value using the net asset value (NAV) per share, or its equivalent, as a practical expedient are not classified in the fair value hierarchy.

The City had the following recurring fair value measurements, broken into the fair value hierarchy, as of September 30, 2020:

<b>Investment Type</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
U.S. Treasuries	\$ 25,475,349	\$ -	\$ 25,475,349
Federal Instrumentalities	-	38,576,806	38,576,806
Supra-national bonds	-	7,044,093	7,044,093
Municipal bonds	-	1,945,395	1,945,395
Corporate notes	-	31,066,476	31,066,476
Asset backed securities	-	15,317,936	15,317,936
Money market	102,267	-	102,267
	\$ 25,577,616	\$ 93,950,706	\$ 119,528,322
SBA Florida Prime LGIP			20,050,200
FL PALM			19,616,207
			\$ 159,194,729

See separate disclosures in Note I for the investments held in the City’s Fire and Police pension funds.



**NOTE D- RECEIVABLES**

Receivables as of year-end for the City’s individual major funds, nonmajor funds in the aggregate and proprietary fund, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Road & Drainage District	Fire Rescue District	Solid Waste District	Surtax III
Receivables:					
Taxes	\$ 97,279	\$ -	\$ -	\$ -	\$ -
Franchise fees	713,111	-	-	-	-
Accounts	2,791,612	5,274	1,170	39,702	-
Intergovernmental	1,049,671	1,132,072	405,749	83	1,084,982
Special assessments	-	-	-	-	-
Gross receivables	4,651,673	1,137,346	406,919	39,785	1,084,982
Less: allowance for uncollectibles	(2,164,230)	-	-	-	-
Net total receivables	\$ 2,487,443	\$ 1,137,346	\$ 406,919	\$ 39,785	\$ 1,084,982

	Self-Insurance Fund	Self-Insurance Medical Fund	Water & Sewer Utilities	Nonmajor Funds	Total (all columns)
Receivables:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 97,279
Franchise fees	-	-	-	-	713,111
Accounts	15,887	2,902	3,700,007	4,368	6,560,922
Intergovernmental	-	-	35,450	73,542	3,781,549
Special assessments	-	-	31,669	-	31,669
Gross receivables	15,887	2,902	3,767,126	77,910	11,184,530
Less: allowance for uncollectibles	-	-	(282,380)	-	(2,446,610)
Net total receivables	\$ 15,887	\$ 2,902	\$ 3,484,746	\$ 77,910	\$ 8,737,920

**NOTE E- PROPERTY TAX**

Property taxes are levied on November 1 of each year and are due and payable upon receipt of the notice of levy. The Sarasota County, Florida, Tax Collector's Office bills and collects property taxes on behalf of the City. The tax rate to finance general governmental services for the fiscal year ended September 30, 2020 was \$3.8735 per \$1,000 of assessed taxable property value. Property tax revenues are recognized currently in the fiscal year for which the taxes are levied. On May 1 of each year, unpaid taxes become a lien on the property. The past due tax certificates are later sold at public auction and the proceeds thus collected are remitted to the City.

No accrual for the property tax levy becoming due in November 2020 is included in the accompanying financial statements since such taxes do not meet the necessary criteria. The major dates in the property tax process are listed on the following table.

<b>PROPERTY TAX CALENDAR</b>	
July 1	Assessment roll validated
September 30	Millage resolution approved
October 1	Beginning of fiscal year for which tax is to be levied
November 1	Tax bills rendered and due
November 1 - March 31	Property taxes due with various discount rates
April 1	Taxes delinquent
May 31	Tax certificates sold by County

## NOTE F – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2020, was as follows:

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 20,095,823	\$ 3,375,353	\$ -	\$ 23,471,176
Works of art	4,975	4,975	-	9,950
Construction in progress	6,506,080	1,897,594	3,562,265	4,841,409
Total capital assets not being depreciated	<u>26,606,878</u>	<u>5,277,922</u>	<u>3,562,265</u>	<u>28,322,535</u>
Other capital assets:				
Buildings	55,850,675	-	6,773	55,843,902
Improvements other than buildings	286,300,189	7,564,566	20,403	293,844,352
Equipment	50,578,930	3,453,214	1,829,038	52,203,106
Total other capital assets	<u>392,729,794</u>	<u>11,017,780</u>	<u>1,856,214</u>	<u>401,891,360</u>
Less accumulated depreciation for:				
Buildings	16,584,810	1,595,935	6,772	18,173,973
Improvements other than buildings	82,723,778	6,019,454	7,979	88,735,253
Equipment	25,683,105	5,248,371	1,442,673	29,488,803
Total accumulated depreciation	<u>124,991,693</u>	<u>12,863,760</u>	<u>1,457,424</u>	<u>136,398,029</u>
Total other capital assets, net of acc. depreciation	<u>267,738,101</u>	<u>(1,845,980)</u>	<u>398,790</u>	<u>265,493,331</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 294,344,979</u>	<u>\$ 3,431,942</u>	<u>\$ 3,961,055</u>	<u>\$ 293,815,866</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 948,266	\$ 2,618,600	\$ -	\$ 3,566,866
Construction in progress	1,327,652	506,470	430,304	1,403,818
Total capital assets not being depreciated	<u>2,275,918</u>	<u>3,125,070</u>	<u>430,304</u>	<u>4,970,684</u>
Other capital assets:				
Buildings	3,325,259	12,491,962	-	15,817,221
Improvements other than buildings	176,658,024	36,871,922	-	213,529,946
Equipment	16,158,475	1,363,418	130,398	17,391,495
Total other capital assets	<u>196,141,758</u>	<u>50,727,302</u>	<u>130,398</u>	<u>246,738,662</u>
Less accumulated depreciation for:				
Buildings	1,217,200	195,574	-	1,412,774
Improvements other than buildings	51,477,760	4,392,091	-	55,869,851
Equipment	8,259,827	1,209,554	128,439	9,340,942
Total accumulated depreciation	<u>60,954,787</u>	<u>5,797,219</u>	<u>128,439</u>	<u>66,623,567</u>
Total other capital assets, net of acc. depreciation	<u>135,186,971</u>	<u>44,930,083</u>	<u>1,959</u>	<u>180,115,095</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 137,462,889</u>	<u>\$ 48,055,153</u>	<u>\$ 432,263</u>	<u>\$ 185,085,779</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 1,051,097
Public safety	2,499,661
Physical environment	3,468,431
Transportation	4,115,494
Human services	74,574
Culture and recreation	<u>1,654,503</u>
Total governmental activities depreciation expense	<u>\$ 12,863,760</u>
Business-type activities	
Water and sewer utility	<u>\$ 5,797,219</u>
Total business-type activities depreciation expense	<u>\$ 5,797,219</u>

### **Commitments**

Uncompleted commitments at September 30, 2020 consist of the following:

<u>Project</u>	<u>Spent-to-Date Not yet Capitalized</u>	<u>Remaining Commitment</u>
Fire rescue construction	\$ 115,003	\$ 133,633
Parks & recreation construction	783,609	1,552,093
Building Department	-	120,966
Road and drainage construction	3,780,487	1,717,920
Information technology equipment	10,299	252,740
Police department equipment	-	326,069
Water and sewer operations construction	1,721,020	1,823,749
Total	<u>\$ 6,410,418</u>	<u>\$ 5,927,170</u>

### ***NOTE G – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS***

The composition of interfund balances at September 30, 2020 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non-major governmental	\$ 126,525
	Road and Drainage District	233,421
	Fire Rescue District	479,340
	Solid Waste District	101,037
	Water and Sewer Utility	218,790
		<u>\$ 1,159,113</u>

Balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers:

Transfers out:

<u>Transfers in:</u>	General Fund	Road and Drainage District	Fire Rescue District	Solid Waste District	Nonmajor Governmental Funds	Water & Sewer Utilities	Total
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 463,900	\$ 463,900
Other Governmental Funds	358,000	850,000	1,195,000	688,860	90,000	-	3,181,860
<b>Total</b>	<b>\$ 358,000</b>	<b>\$ 850,000</b>	<b>\$ 1,195,000</b>	<b>\$ 688,860</b>	<b>\$ 90,000</b>	<b>\$ 463,900</b>	<b>\$ 3,645,760</b>

Transfers are used to move revenues from the fund that the budget requires to collect them to the fund that the budget requires to expend them.

**NOTE H – LONG-TERM LIABILITIES**

**Long-term Liability Activity**

Long-term liability activity for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
<b>Governmental activities:</b>					
Bonds payable:					
Transportation improvement bonds	\$ 33,255,000	\$ 31,485,000	\$ (30,420,000)	\$ 34,320,000	\$ 1,580,000
OPEB liability	3,536,197	1,199,040	(215,813)	4,519,424	-
Net pension liability	38,503,935	38,337,745	(19,269,688)	57,571,992	-
Compensated absences	3,138,460	5,246,667	(4,673,700)	3,711,427	618,695
<i>Governmental activities long-term liabilities</i>	<u>\$ 78,433,592</u>	<u>\$ 76,268,452</u>	<u>\$ (54,579,201)</u>	<u>\$ 100,122,843</u>	<u>\$ 2,198,695</u>
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds	\$ 9,561,655	\$ -	\$ (1,760,689)	\$ 7,800,966	\$ 1,808,280
State revolving loans	17,338,817	-	(1,267,596)	16,071,221	1,302,487
OPEB liability	210,354	31,718	(5,709)	236,363	-
Net pension liability	3,804,715	2,185,972	(1,295,070)	4,695,617	-
Compensated absences	331,085	524,134	(483,907)	371,312	61,898
Deposits payable	164,479	100,500	(79,902)	185,077	91,788
<i>Business-type activities long-term liabilities</i>	<u>\$ 31,411,105</u>	<u>\$ 2,842,324</u>	<u>\$ (4,892,873)</u>	<u>\$ 29,360,556</u>	<u>\$ 3,264,453</u>

**Liquidation - Governmental Funds**

**Bonds** – In the governmental funds, the liability for bonds payable is paid by the Road Reconstruction Bond Debt Service Fund.

*Other post-employment benefits* - In the governmental funds, the OPEB liability is liquidated from the General Fund, Road and Drainage District Fund, Fire Rescue District Fund, Solid Waste District Fund, Building Fund, Tree Replacement Fund and the Fleet Maintenance Fund.

*Net pension liability* - In the governmental funds, the net pension liability is liquidated from the General Fund, Road and Drainage District Fund, Fire Rescue District Fund, Solid Waste District Fund, Building Fund, Tree Replacement Fund and the Fleet Maintenance Fund.

*Compensated absences* - In the governmental funds, the liability for compensated absences is liquidated from the General Fund, Road and Drainage District Fund, Fire Rescue District Fund, Solid Waste District Fund, Building Fund, Tree Replacement Fund and the Fleet Maintenance Fund.

### **Refunding Losses**

A refunding loss of \$817,039 incurred in conjunction with the issuance of the Utility System Refunding Revenue Bonds, Series 2005, is being amortized over the life of the bonds (25 years) using the bonds outstanding method. Amortization of the refunding loss on the Series 2005 bonds was \$30,812 for the year ended September 30, 2020 and is included as a component of interest expense. Unamortized refunding loss of \$166,182 is recorded as a deferred outflow on the statement of net position.

A refunding loss of \$820,427 incurred in conjunction with the issuance of the Utility System Refunding Revenue Bonds, Series 2014, is being amortized over the life of the bonds (9 years) using the bonds outstanding method. Amortization of the refunding loss on the Series 2014 bonds was \$56,718 for the year ended September 30, 2020 and is included as a component of interest expense. Unamortized refunding loss of \$57,533 is recorded as a deferred outflow on the statement of net position.

A refunding loss of \$3,565,809 incurred in conjunction with the issuance of the Taxable Capital Improvement Refunding Revenue Note, Series 2020, is being amortized over the life of the note (230 months) using the straight-line method. Amortization of the refunding loss on the Series 2020 note was \$77,518 for the year ended September 30, 2020 and is included as a component of interest expense. Unamortized refunding loss of \$3,488,291 is recorded as a deferred outflow on the statement of net position.

### **Refunding Revenue Notes**

Utility System Refunding Private Placement Revenue Notes, Series 2014A and Series 2014B, dated April 15, 2014 were issued in the amount of \$10,000,000 and \$1,670,000, respectively, for the purposes of providing funds to currently refund the City's outstanding Utility System Refunding Revenue Bond, Series 2010 maturing on October 1, 2014 through October 1, 2022. The Series 2014 Notes are expected to be repaid over a period of nine years. At a true interest cost of 2.15% for 2014A and 2.1% for 2014B, total interest paid over the life of the Series 2014 notes will be \$1,160,562. The expected source of repayment is the pledged funds (water and sewer revenues). The Series 2014 notes shall be on parity in all respects and shall rank equally as to lien on and source and security form the pledged funds with the outstanding parity bonds. The City currently refunded the Series 2010 bonds to reduce its total debt service payments over the next nine years by \$622,257 and to obtain an economic gain (difference between the present value of the debt service payments of the old and new debt) of \$342,541.

Taxable Capital Improvement Refunding Revenue Note, Series 2020, dated May 7, 2020 was issued in the amount of \$31,485,000 with a taxable interest rate of 2.91% and an option to convert the loan to a fixed, tax-exempt rate of 2.30% during the call window in 2023. The City issued the note to advance refund the callable portion of the City's outstanding Transportation Improvement Assessment Bonds, Series 2013 and pay the costs of issuance related to the Series 2020 Note. The City used the net proceeds along with other resources to purchase

State and Local Government Securities (SLGS) that were deposited in an irrevocable escrow fund to provide for all future debt service on the refunded portion of the Series 2013 bonds. As a result, that portion of the Series 2013 bonds is considered defeased, and the City has removed the liability from its accounts. The outstanding principal of the defeased bonds is \$30,925,000 at September 30, 2020.

The advanced refunding allows the City to retire the debt two years earlier than the original final maturity on the refunded bonds. This is a result of the City contributing excess accumulated revenues at closing to reduce the borrowing size, along with savings from a reduced interest rate, to accelerate principal payments without an increase in budgeted debt service. The advanced refunding results in an economic gain (difference between the present value of the debt service payments of the old and new debt) of \$1,536,640.

**Deposits Payable**

Before rendering water or wastewater service, the City may require an applicant for service to satisfactorily establish credit by paying a cash deposit. The amount of the initial deposit shall be according to customer class and meter size. After the customer has established continuous utility service for a period of twenty-four months and meets the following requirements, the customer’s security deposit will be refunded as a credit to their utility account: 1) customer has not been disconnected for nonpayment; 2) customer has not had a returned payment in the last six months; 3) customer has not tampered with the meter; and 4) customer has not used service in a fraudulent or unauthorized manner.

**Debt Maturity:**

Debt service requirements at September 30, 2020 were as follows:

**Governmental-type Activities - Assessment Bonds**

Transportation Improvement Assessment Bonds

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>
2021	1,580,000	1,058,818
2022	1,630,000	1,001,013
2023	1,705,000	930,068
2024	1,775,000	855,686
2025	1,830,000	804,033
2026-2030	9,985,000	3,189,361
2031-2035	11,525,000	1,649,680
2036-2037	4,290,000	176,637
Total	<u>\$ 34,320,000</u>	<u>\$ 9,665,296</u>

**Business-type Activities - Revenue Bonds**

Water and Sewer Utility

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>
2021	1,808,280	263,521
2022	1,855,456	216,745
2023	449,333	168,627
2024	465,485	150,724
2025	487,119	131,340
2026-2030	2,735,293	343,753
Total	<u>\$ 7,800,966</u>	<u>\$ 1,274,710</u>

**Business-type Activities - State Revolving Loans**

Water and Sewer Utility

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>
2021	1,302,487	427,281
2022	1,338,359	391,408
2023	1,375,241	354,526
2024	1,413,162	316,606
2025	1,452,151	277,617
2026-2030	7,885,151	763,687
2031-2035	1,248,257	28,059
2036-2037	56,413	556
Total	<u>\$ 16,071,221</u>	<u>\$ 2,559,740</u>



**Description of Debt:**

	<u>Governmental</u>	<u>Business-type</u>
<p><b>\$39,525,000</b> Series 2013 Transportation Improvement Assessment Bonds, due in annual installments of \$855,000 - \$1,185,000 beginning July 1, 2014 through July 1, 2023; interest between 1.00% - 5.00%; secured by a pledge of non-ad valorem capital assessments. Proceeds from the bonds provided financing for the reconstruction and rehabilitation of approximately 266 miles of existing roadways within the City. The total pledged revenue at 9/30/20, which equals remaining principal and interest, is \$3,728,650. Principal and interest paid for the current year and total capital assessments were \$1,135,200 and \$3,111,234, respectively.</p>	\$ 3,395,000	\$ -
<p><b>\$31,485,000</b> Series 2020 Taxable Capital Improvement Refunding Revenue Note, due in annual installments of \$560,000 - \$2,510,000 beginning July 1, 2020 through July 1, 2037; interest at 2.91%; secured by a pledge of non-ad valorem capital assessments. Proceeds from the bonds advance refunded the callable portion of the City's outstanding Transportation Improvement Assessment Bonds, Series 2013 and paid the costs of issuance. The total pledged revenue at 9/30/20, which equals remaining principal and interest, is \$40,256,646. Principal and interest paid for the current year and total capital assessments were \$697,432 and \$3,111,234, respectively.</p>	30,925,000	
<p><b>\$6,211,908</b> Series 2005 Utility System Refunding Private Placement Revenue Bonds, due in annual installments of \$17,177 - \$592,317 beginning September 30, 2006 through September 30, 2030; interest at 4.02%; secured by a pledge of the net revenues of the system operations and impact fees. Proceeds from the bonds refunded a portion of the 2000 bonds, which provided financing for improvements to the wastewater treatment system. The pledged revenue at 9/30/20, which equals remaining principal and interest, is \$6,168,842. Principal and interest paid for the current year and total net revenues were \$617,678 and \$11,847,590, respectively.</p>	-	4,984,966
<p><b>\$11,670,000</b> Series 2014A (\$10,000,000) and 2014B (\$1,670,000) Utility System Private Placement Refunding Revenue Notes, due in annual installments of \$1,092,000 - \$1,423,000 beginning September 30, 2014 through September 30, 2022; interest at 2.15% for A and 2.1% for B; secured by a pledge of the net revenues of the system operations and impact fees. Proceeds from the bonds refunded the 2010 bonds, which were issued to refund the remaining 2000 bonds (issued to provide financing for improvements to the wastewater treatment system) and the 2008 refunding bonds, which were issued to refund the 1998 refunding bonds (issued to refund the 1992 bonds issued to purchase the utility system from GDU). The pledged revenue at 9/30/20, which equals remaining principal and interest, is \$2,906,835. Principal and interest paid for the current year and total net revenues were \$1,452,549 and \$11,847,590, respectively.</p>	-	2,816,000

**Description of Debt:**

**\$23,400,800** State Revolving Fund Loan, due in semi-annual installments of \$447,888 - \$768,979 beginning July 15, 2011 through January 15, 2031; interest between 2.49% and 3.12%; secured by a pledge of the net revenues of the system operations and impact fees. Proceeds from the fund loan provided financing for improvements to the wastewater treatment system. The pledged revenue at 9/30/20, which equals remaining principal and interest, is \$16,376,400. Principal and interest paid for the current year and total net revenues were \$1,559,657 and \$11,847,590, respectively.

Governmental

Business-type

-

14,089,738

**\$2,579,567** State Revolving Fund Loan, due in semi-annual installments of \$78,212 - \$162,860 beginning July 15, 2013 through July 15, 2027; interest at 2.32%; secured by a pledge of the net revenues of the system operations and impact fees. Proceeds from the fund loan provided financing for improvements to the wastewater treatment system. The pledged revenue at 9/30/20, which equals remaining principal and interest, is \$1,770,322. Principal and interest paid for the current year and total net revenues were \$141,626 and \$11,847,590, respectively.

-

1,529,109

**\$576,035** State Revolving Fund Loan, due in semi-annual installments of \$14,242 - \$20,584 beginning December 15, 2017 through June 15, 2037; interest at 0.394%; secured by a pledge of the net revenues of the system operations and impact fees. Proceeds from the fund loan provided financing for improvements to the wastewater treatment system. The pledged revenue at 9/30/20, which equals remaining principal and interest, is \$484,239. Principal and interest paid for the current year and total net revenues were \$28,485 and \$11,847,590, respectively.

452,374

TOTAL

\$ 34,320,000

\$ 23,872,187

**Other Long-Term Debt Information**

Total interest expense for the year ended September 30, 2020 was \$921,061 in the governmental activities and \$851,962 in the business-type activities.

In accordance with bond covenants and Section 148 of the Internal Revenue Code, the City is required to rebate to the U.S. Treasury, every five years, earnings on bond proceeds in excess of the bond yield. For the year ended September 30, 2020, no amounts were earned that will have to be rebated to the U.S. Treasury.

***NOTE I – EMPLOYEE RETIREMENT SYSTEMS***

The City has three pension plans covering all full-time employees after meeting appropriate age and service requirements. They are the Florida Retirement System, the Municipal Police Officers' Pension Trust Fund and the Municipal Firefighters' Pension Trust Fund.

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 City's two plans and the FRS plan and additions to/deductions from these plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## FLORIDA RETIREMENT SYSTEM

General Information - All of the City's full-time, non-uniform (general) 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 Department of Management Services, Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the website:

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

### Pension Plan

#### PLAN DESCRIPTION

The FRS Pension Plan is a cost-sharing multiple-employer qualified defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") available for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers and firefighters, meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service, while employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits and annual cost-of-living adjustments to eligible participants.

The DROP Program, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

**BENEFITS PROVIDED**

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<b><u>Class, Initial Enrollment and Retirement Age/Years of Service</u></b>	<b><u>% Value</u></b>
<b><i>Regular Class members initially enrolled before July 1, 2011</i></b>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<b><i>Regular Class members initially enrolled on or after July 1, 2011</i></b>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<b><i>Elected County Officers</i></b>	<b>3.00</b>
<b><i>Senior Management Service Class</i></b>	<b>2.00</b>
<b><i>Special Risk Regular</i></b>	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS 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.

## CONTRIBUTIONS

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary on a pretax basis 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, 2019 through June 30, 2020 and from July 1, 2020 through September 30, 2020, respectively, were as follows:

<u>Membership Class</u>	<u>October 1, 2019 thru June 30, 2020</u>	<u>July 1, 2020 thru September 30, 2020</u>
<i>FRS, Regular</i>	8.47%	10.00%
<i>FRS, Elected Officers</i>	48.82%	49.18%
<i>FRS, Senior Management Service</i>	25.41%	27.29%
<i>FRS, Special Risk Administrative Support</i>	38.59%	35.84%
<i>FRS, Special Risk</i>	25.48%	24.45%
<i>FRS, DROP</i>	14.60%	16.98%

*Note: Employer rates include 1.66 percent for the postemployment health insurance subsidy, October 1, 2019 thru September 30, 2020. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.*

The City's contributions, including employee contributions, to the Pension Plan totaled \$5,006,214 for the fiscal year ended September 30, 2020.

## PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2020, the City reported a liability of \$46,336,209 for its proportionate share of the Pension Plan's net pension liability, an increase of \$14,448,329 over last year's liability of \$31,887,880. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportionate share of the net pension liability was based on the City's 2019-20 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2020, the City's proportionate share was .106909631 percent, which was an increase of .014316224 percent from its proportionate share measured as of June 30, 2019.

For the fiscal year ended September 30, 2020, the City recognized pension expense of \$8,861,949. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,773,381	\$ -
Change of assumptions	8,388,328	-
Net difference between projected and actual earnings on Pension Plan investments	2,758,902	-
Changes in proportion and differences between City Pension Plan contributions and proportionate share of contributions	7,638,594	56,537
City Pension Plan contributions subsequent to the measurement date	929,099	-
Total	\$ 21,488,304	\$ 56,537

The deferred outflows of resources related to the Pension Plan, totaling \$929,099 resulting from City 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, 2021. 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
2021	\$ 4,225,104
2022	6,580,348
2023	5,593,271
2024	3,343,682
2025	760,263
Thereafter	-

*Actuarial Assumptions* – The total pension liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.80%, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2020 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:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.00%	2.20%	2.20%	1.20%
Fixed Income	19.00%	3.00%	2.90%	3.50%
Global Equity	54.20%	8.00%	6.70%	17.10%
Strategic Investments	4.40%	5.50%	5.30%	6.90%
Private Equity	11.10%	10.80%	8.10%	25.70%
Real Estate (Property)	10.30%	6.40%	5.80%	11.70%
Total	<u>100.00%</u>			
Assumed Inflation - Mean			2.40%	1.70%

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

*Discount Rate* - The discount rate used to measure the total pension liability was 6.80%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, 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 City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate* - The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate:

	<u>1% Decrease 5.80%</u>	<u>Current Discount Rate 6.80%</u>	<u>1% Increase 7.80%</u>
City's proportionate share of the net pension liability	\$ 73,991,140	\$ 46,336,209	\$ 23,238,692

### 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, 2020, the City reported a payable in the amount of \$252,446 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2020.

## HIS Plan

### PLAN DESCRIPTION

The Retiree Health Insurance Subsidy Program (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. Detailed information about the HIS Plan's fiduciary's net position is available in a separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report which may be obtained through the Florida Department of Management Services website at [http://www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

### BENEFITS PROVIDED

For the fiscal year ended September 30, 2020, 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, pursuant to Section 112.363, Florida Statutes. 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, 2020, the HIS contribution for the period October 1, 2019 through September 30, 2020 was 1.66% pursuant to section 112.363, Florida Statutes. The City contributed 100% of its statutorily required contributions for the current and preceding five years. HIS Plan contributions 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 City's contributions to the HIS Plan totaled \$535,199 for the fiscal year ended September 30, 2020.

### PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2020, the City reported a liability of \$11,137,682 for its proportionate share of the HIS Plan's net pension liability, an increase of \$1,714,863 over last year's liability of \$9,422,819. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportionate share of the net pension liability was based on the City's 2019-20 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2020, the City's proportionate share was .091218923 percent, which was an increase of .007003893 percent from its proportionate share measured as of June 30, 2019.



For the fiscal year ended September 30, 2020, the City recognized pension expense of \$1,393,949. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 455,599	\$ 8,592
Change of assumptions	1,197,618	647,613
Net difference between projected and actual earnings on HIS Plan investments	8,892	-
Changes in proportion and differences between City HIS Plan contributions and proportionate share of contributions	2,358,009	13,699
City HIS Plan contributions subsequent to the measurement date	125,182	-
Total	\$ 4,145,300	\$ 669,904

The deferred outflows of resources related to the HIS Plan, totaling \$125,182 resulting from City 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, 2021. 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:

Fiscal Year Ending September 30:	Amount
2021	\$ 927,193
2022	687,773
2023	187,935
2024	436,401
2025	594,239
Thereafter	516,673

*Actuarial Assumptions* – The total pension liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Municipal bond rate	2.21%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

*Discount Rate* - The discount rate used to measure the total pension liability was 2.21%. 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 FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

*Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate* - The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 2.21%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current rate:

	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
City's proportionate share of the net pension liability	\$ 12,874,663	\$ 11,137,682	\$ 9,715,968

#### 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 PENSION PLAN

At September 30, 2020, the City reported a payable in the amount of \$34,002 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2020.

#### Investment Plan

The Florida State Board of Administration (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 in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City 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 City Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2019-20 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 City Elected Officers class 11.34%. The allocations include a required employee contribution of 3% of gross compensation for each member class.

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. Non-vested 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 his/her 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, 2020, 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 City.

Effective July 1, 2017, retirees of the Investment Plan are eligible for renewed membership in the Investment Plan. The retiree must be employed in an FRS-covered position on or after July 1, 2017 in order to gain renewed membership. This new provision does not afford renewed membership retroactively for the period of July 1, 2010 to June 30, 2017, nor does it grant disability benefits for renewed members.

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 FRS 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 City's Investment Plan pension expense totaled \$2,786,249 for the fiscal year ended September 30, 2020.

## **MUNICIPAL POLICE OFFICERS' PENSION - LOCAL OPTION TRUST FUND**

### **PLAN DESCRIPTION**

Full-time police officers of the City of North Port Police Department participate in either the City of North Port, Florida Police Officers' Pension - Local Option Trust Fund (the "Plan") or the Florida Retirement System (FRS). Per Resolution passed by the City, effective July 1, 2016, police officers hired on or after this date participate solely in the FRS. Members active on July 1, 2016 had the option of participating prospectively in the FRS. The Florida Police Officers' Pension – Local Option Trust Fund is a single-employer defined benefit pension plan that was established December 14, 1979, pursuant to Florida Statutes, Chapter 185 and the City of North Port (City) Ordinance. Benefit provisions are established by City ordinances and the Florida Statutes and may be amended by the City Commission. The Plan is managed by a five-member Board of Trustees comprised of two members appointed by the Commission of the City of North Port, Florida (the City), two police officers elected by the Plan membership and one member elected by the other four members and subsequently appointed, as a ministerial duty, by the City Commission. The Plan is part of the City's financial reporting entity and is therefore included in these financial statements as a Pension Trust Fund. The City of North Port, Florida Police Officers' Pension – Local Option Trust Fund annually issues a publicly available financial report that includes financial statements and required supplementary information. The latest available report may be obtained by writing to the Board of Trustees, c/o Amber McNeill, Plan Administrator, Resource Centers, LLC, 4100 Center Pointe Drive, Ste. 108, Fort Myers, Florida 33916.

## BENEFITS PROVIDED

Under the Plan, a member may retire with normal benefits after the earlier of age 55 with 10 years of credited service, or completion of 25 years of credited service, regardless of age. Normal retirement benefits for members hired prior to May 27, 2014 are 3.5% of the member's average final compensation times credited service years, plus a \$165 monthly benefit supplement. For members hired after May 27, 2014, the normal retirement benefit is 3.15% of average final compensation times credited service years, plus a \$165 monthly benefit supplement. Early retirement benefits are available for members who are age 45 and have ten years of credited service. For members hired prior to May 27, 2014, the monthly pension benefit calculated as of the date of early retirement is reduced 3% per year for each year prior to normal retirement and the member has less than 15 years of credited service, 2% per year for members with at least 15 years of service but less than 20 years of service, and 1% per year for members with more than 20 years of service. For members hired after May 27, 2014, the monthly pension benefit calculated as of the date of early retirement is reduced 3% for each year by which the commencement of benefits precedes the normal retirement date. Additionally, the Plan has provisions for disability retirement, death benefits and deferred vested benefits.

Any member who is eligible for normal retirement may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment as a police officer. Upon participation in the DROP, the member becomes a retiree for all plan purposes so that he or she ceases to accrue any further benefits under the Plan. There were no members in the DROP at September 30, 2020 and the drop balance was \$50,122.

Effective October 1, 2015, a supplemental retirement benefit in the form of individual share accounts was created for each active police officer (including DROP participants). The supplemental share plan retirement benefit is funded solely by premium tax revenues received by the City pursuant to Florida Statutes Chapter 185. A plan member with ten or more years of credited service upon termination of employment shall be eligible to receive a distribution of 100% of the balance in his or her share account, together with all earnings and losses and interest credited to the share account through date of termination of employment.

## CONTRIBUTIONS

Contribution requirements are established and may be amended by the City Commission and are based on the benefit structure established by the City. Plan members are required to contribute 8% of their annual covered salary. The payments are deducted from the members' salary and remitted by the City to the Plan at the end of each pay period. The City makes quarterly contributions to the Plan based on the greater of an actuarially determined employer contribution based on a percentage of covered payroll or the minimum percentage of 18% as specified by City ordinance. In addition, the Plan receives an annual contribution of casualty insurance premium tax monies from the State of Florida pursuant to Chapter 185, *Florida Statutes* (the state contribution). The City recognizes these on-behalf payments from the State as revenue and personnel expenditures in the City's General Fund before they are recorded as contributions in the Police Officers' Pension Fund.

The City's contributions, including employee contributions, to the Pension Plan totaled \$2,367,261 for the fiscal year ended September 30, 2020.

## PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2020, the City reported a net pension liability of \$3,547,206 for the Police Officers' Pension, an increase of \$2,549,255 over last year's liability of \$997,951. The net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2018, updated to September 30, 2019.

For the fiscal year ended September 30, 2020, the City recognized pension expense of \$2,442,282. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 627,217	\$ 951,864
Change of assumptions	1,314,800	-
Net difference between projected and actual earnings on Pension Plan investments	826,933	-
City Pension Plan contributions subsequent to the measurement date	<u>2,466,801</u>	<u>-</u>
Total	<u>\$ 5,235,751</u>	<u>\$ 951,864</u>

The deferred outflows of resources related to the Pension Plan, totaling \$2,466,801 resulting from City 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, 2021. 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:

Year Ended September 30:	<u>Amount</u>
2021	\$ 233,320
2022	200,665
2023	717,550
2024	665,551
2025	-
Thereafter	-

*Actuarial assumptions:* The total pension liability was determined by an actuarial valuation as of October 1, 2018, updated to September 30, 2019, using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	2% - 17%
Investment rate of return	7.45%

*Mortality Rate Healthy Active Lives:*

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

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

*Mortality Rate Healthy Inactive Lives:*

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

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

*Mortality Rate Disabled Lives:*

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

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

The most recent actuarial experience study used to review the other significant assumptions was dated September 5, 2013.

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

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	7.5%
International equity	8.5%
Intermediate fixed income	2.5%
Global bond	3.5%
Real estate	4.5%
GTAA	3.5%

*Discount rate:* The discount rate used to measure the total pension liability was 7.45%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the net pension liability of the City:* The changes in the components of the net pension liability of the City for the fiscal year ended September 30, 2020 were as follows:

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a-b)</u>
<b>Balances at 9/30/19</b>	\$ 46,298,116	\$ 45,300,165	\$ 997,951
<b>Changes for the year:</b>			
Service cost	1,707,877	-	1,707,877
Interest on total pension liability	3,518,998	-	3,518,998
Differences between expected and actual experience	488,870	-	488,870
Change in assumptions	565,173	-	565,173
Benefit payments, including refunds of employee contributions	(2,793,475)	(2,793,475)	-
Contributions - employer & employee	-	2,903,993	(2,903,993)
Net investment income	-	1,152,706	(1,152,706)
Administrative expenses	-	(109,655)	109,655
Other changes	215,381	-	215,381
<b>Net change</b>	<u>3,702,824</u>	<u>1,153,569</u>	<u>2,549,255</u>
<b>Balances at 9/30/20</b>	<u>\$ 50,000,940</u>	<u>\$ 46,453,734</u>	<u>\$ 3,547,206</u>

*Sensitivity of the net pension liability to changes in the discount rate:* The following presents the net pension liability of the City, calculated using the discount rate of 7.45%, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.45%) or 1-percentage-point higher (8.45%) than the current rate:

	1% Decrease 6.45%	Current Discount Rate 7.45%	1% Increase 8.45%
City's net pension liability	\$ 9,830,781	\$ 3,547,206	\$ (1,677,885)

## PENSION PLAN FIDUCIARY NET POSITION

Detailed information regarding the Plan’s fiduciary net position is available in the separately issued City of North Port, Florida Police Officers’ Pension – Local Option Trust Fund financial report.

## **MUNICIPAL FIREFIGHTERS’ PENSION - LOCAL OPTION TRUST FUND**

### PLAN DESCRIPTION

Full-time firefighters of the City of North Port Fire Department participate in either the City of North Port, Florida Firefighters’ Pension - Local Option Trust Fund (the “Plan”) or the Florida Retirement System (FRS). Firefighters hired after July 1, 2016 participate solely in the FRS. Members active on July 1, 2016 had the option of participating prospectively in the FRS. The Plan is a single employer defined benefit pension fund that was established November 5, 1974, pursuant to Florida Statutes, Chapter 175, and City Ordinance 74-13. The Plan was amended most recently by Ordinance 2012-18. Benefit provisions are established by City

ordinances and the Florida Statutes and may be amended by the City Commission. The Plan is managed by a five-member Board of Trustees comprised of two members appointed by the Commission of the City of North Port, Florida (the City), two members elected by the Plan membership and one member elected by the other four members and subsequently appointed, as a ministerial duty, by the City Commission. The Plan is part of the City's financial reporting entity and is therefore included in these financial statements as a Pension Trust Fund. The City of North Port, Florida Firefighters' Pension – Local Option Trust Fund annually issues a publicly available financial report that includes financial statements and required supplementary information. The latest available report may be obtained by writing to the Board of Trustees, c/o David A. Carroll, Plan Administrator, 492 River Hills Drive, Max Meadows, Virginia 24360.

### BENEFITS PROVIDED

Under the Plan, a member may retire with normal benefits after the earlier of age 55 with 10 years of credited service, or age 52 with 25 years of credited service. Reduced early retirement benefits are available once a member reaches age 50 and accumulates 10 years of credited service. Normal retirement benefits are 3.5% (3.0% for members hired on or after October 12, 2012) of the member's average final compensation times credited service years. Early retirement benefits are the same as normal retirement benefits, reduced by 3.0% for each year by which the commencement of benefits precedes the normal retirement date. Additionally, the Plan has provisions for disability retirement, death benefits and deferred vested benefits.

Any member hired before October 1, 2012, who is eligible for normal retirement may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment as a firefighter. Upon participation in the DROP, the member becomes a retiree for all plan purposes so that he or she ceases to accrue any further benefits under the Plan. Members hired on or after October 1, 2012, are not eligible to participate in the DROP. The DROP balance as of September 30, 2020, was \$488,686.

Effective September 1, 2012, a supplemental retirement benefit in the form of individual share accounts was created for each active firefighter, living retiree (including DROP participants) and disability benefit recipients and beneficiary survivors receiving a survivor retirement benefit. For plan years beginning October 1, 2012 and later, all premium tax revenues received by the City in excess of \$250,000 will be allocated to the share accounts based on years of credited service. Effective December 31, 2013, and each December 31 thereafter, each share account will be credited or debited with earnings or losses based upon the amount in the share account at the close of the immediately preceding plan year at a rate equal to the Plan's actual net rate of investment return for the preceding plan year. An active firefighter (including DROP participants) with ten or more years of credited service upon termination of employment shall be eligible to receive a distribution of 100% of the balance in their respective share account, together with all earnings and losses and interest credited to the share account through the date of termination of employment. Retiree participants (including disability benefit recipients and beneficiary survivors) shall receive distribution of the annual share allocation in the form of a thirteenth monthly check equal to the annual crediting described above. Vested terminated members shall be entitled to participate in this supplemental retirement benefit upon commencing receipt of retirement benefits from the Plan.

### CONTRIBUTIONS

Contribution requirements are established and may be amended by the City of North Port Commission and are based on the benefit structure established by the City. Members are required to contribute 10.6% of their salary (effective March 1, 2016). Pursuant to Chapter 175 of the Florida Statutes, a premium tax on certain casualty insurance contracts written on North Port properties is collected by the state and remitted to the Fund for the state's annual contribution amount. The City recognizes these on-behalf payments from the State as revenue and personnel expenditures in the City's General Fund before they are recorded as contributions in the Firefighters' Pension Fund. The City is required to contribute the remaining amounts necessary to finance the



benefits through periodic contributions at actuarially determined rates. Administrative costs are financed through investment earnings.

The City’s contributions, including employee contributions, to the Pension Plan totaled \$1,034,702 for the fiscal year ended September 30, 2020.

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At September 30, 2020, the City reported a net pension liability of \$1,246,512 for the Firefighters’ Pension, an increase of \$3,777,858 over last year’s net pension asset of \$2,531,346. The net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2018, updated to September 30, 2019.

For the fiscal year ended September 30, 2020, the City recognized pension expense of \$1,271,405. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	\$ 1,261,570	\$ 1,917,255
Change of assumptions	1,818,030	207,845
Net difference between projected and actual earnings on Pension Plan investments	598,802	-
City Pension Plan contributions subsequent to the measurement date	<u>1,087,385</u>	<u>-</u>
Total	<u>\$ 4,765,787</u>	<u>\$ 2,125,100</u>

The deferred outflows of resources related to the Pension Plan, totaling \$1,087,385 resulting from City 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, 2021. Other amounts reported as deferred outflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending Year Ended September 30:	<u>Amount</u>
2021	\$ 169,380
2022	974,685
2023	171,434
2024	335,963
2025	(98,160)
Thereafter	-

*Actuarial assumptions.* The total pension liability was determined by an actuarial valuation as of October 1, 2018 updated to September 30, 2019, using the following actuarial assumptions applied to all measurement periods:

Inflation	2.50%
Salary increases	Service based
Investment rate of return	7.25%

*Mortality Rate Healthy Active Lives:*

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

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

*Mortality Rate Healthy Inactive Lives:*

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

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

*Mortality Rate Disabled Lives:*

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

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

The most recent actuarial experience study used to review the other significant assumptions was dated May 10, 2017.

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

Asset Class	Long Term Expected Real Rate of Return
Domestic equity	7.5%
International equity	8.5%
Broad market fixed income	2.5%
Global fixed income	3.5%
Real estate	4.5%
GTAA	3.5%

*Discount rate.* The discount rate used to measure the total pension asset was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

*Changes in the net pension liability of the City:* The changes in the components of the net pension liability of the City for the fiscal year ended September 30, 2020 were as follows:

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (asset) (a-b)</u>
<b>Balances at 9/30/19</b>	\$ 47,927,196	\$ 50,458,542	\$ (2,531,346)
<b>Changes for the year:</b>			
Service cost	917,681	-	917,681
Interest on total pension liability	3,566,668	-	3,566,668
Differences between expected and actual experience	864,392	-	864,392
Change in assumptions	1,577,924	-	1,577,924
Benefit payments, including refunds of employee contributions	(2,568,220)	(2,568,220)	-
Contributions - employer & employee	-	1,503,681	(1,503,681)
Net investment income	-	1,880,144	(1,880,144)
Administrative expenses	-	(70,429)	70,429
Other changes	164,589	-	164,589
<b>Net change</b>	<u>4,523,034</u>	<u>745,176</u>	<u>3,777,858</u>
<b>Balances at 9/30/20</b>	<u>\$ 52,450,230</u>	<u>\$ 51,203,718</u>	<u>\$ 1,246,512</u>

*Sensitivity of the net pension liability to changes in the discount rate:* The following presents the net pension asset of the City, calculated using the discount rate of 7.25%, as well as what the City's net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's net pension (asset) liability	\$ 8,410,574	\$ 1,246,512	\$ (4,610,498)

#### PENSION PLAN FIDUCIARY NET POSITION

Detailed information regarding the Plan's fiduciary net position is available in the separately issued City of North Port, Florida Firefighters' Pension – Local Option Trust Fund financial report.

Applicable totals for all of the City's defined benefit pension plans are reflected below:

	<u>Police Officers' Pension</u>	<u>Firefighters' Pension</u>	<u>FRS Pension</u>	<u>HIS Pension</u>	<u>Total</u>
City's net pension (asset) liability	\$ 3,547,206	\$ 1,246,512	\$ 46,336,209	\$ 11,137,682	\$ 62,267,609
Deferred outflows of resources	5,235,751	4,765,787	21,488,304	4,145,300	35,635,142
Deferred inflows of resources	951,864	2,125,100	56,537	669,904	3,803,405
Pension expense/expenditure	2,442,282	1,271,405	11,648,198	1,393,949	16,755,834

***NOTE J – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS***

Plan Description – Retired Police Officers, Firefighters and general employees, as well as their dependents, are permitted to remain covered under the City’s single-employer defined benefit medical plan as long as they pay the premium not exceeding the rate developed by blending the claims experience of all plan members for the plan and coverage elected. The plan does not issue a stand-alone financial report.

Benefits Provided - The City subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at the blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The City has assumed an obligation to pay for the implicit subsidy for the covered lifetimes of the current retirees and their spouses, as well for the covered lifetimes of the current employees after they retire in the future.

The plan also provides all retirees and their dependents with dental, vision and life benefits at a subsidized cost.

Funding Policy – Currently, the City’s OPEB benefits are unfunded. Since this OPEB is directly tied to insurance coverage for active employees, a separate single employer benefit plan has not been established to account for the benefits and obligations related to the implicit rate subsidy. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. Therefore, the ultimate subsidies which are provided over time are financed directly by general assets of the City, which are invested in short-term fixed income instruments according to its investment policy.

*Employees Covered by Benefit Terms*

At September 30, 2020, the following employees were covered by the benefits terms:

Active employees	590
Inactive employees or spouses currently receiving benefits	<u>25</u>
	615

*Total OPEB Liability*

At September 30, 2020, the City reported a total OPEB liability of \$4,755,787, an increase of \$1,009,236 over last year’s liability of \$3,746,551. The total OPEB liability was measured as of September 30, 2020 and was determined by an actuarial valuation as of October 1, 2019.

*Actuarial Assumptions and Other Inputs*

The total OPEB liability in the October 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	4.00%
Discount rate	2.14%
Healthcare cost trend rates	6.50% for 2021, decreasing to an ultimate rate of 4.50% for 2036 and later years
Retirees' share of benefit-related costs	100% of projected health insurance premiums for retirees

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of September 30, 2020.

Mortality rates were based on the RP-2000 Combined Healthy Mortality, Sex-Distinct table.

The actuarial assumptions used in the October 1, 2019 valuation were based on census data as of September 30, 2020.

*Changes in the Total OPEB Liability*

Changes in the total OPEB liability were as follows:

<b>Total OPEB liability, September 30, 2019</b>	<u>\$ 3,746,551</u>
<b>Service cost</b>	201,821
<b>Interest</b>	130,588
<b>Difference between expected and actual experience</b>	(23,828)
<b>Changes in assumptions and other inputs</b>	808,143
<b>Benefit payments</b>	(197,694)
<b>Other changes</b>	<u>90,206</u>
<b>Net changes</b>	<u>1,009,236</u>
 <b>Total OPEB liability, September 30, 2020</b>	 <u><u>\$ 4,755,787</u></u>

Changes of assumptions reflects a change in the discount rate from 3.58% for 2019 to 2.14% for 2020.

*Sensitivity of The Total OPEB Liability to Changes in the Discount Rate*

The following represents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.14%) or 1% higher (3.14%) than the current discount rate:

	1% Decrease 1.14%	Current Discount Rate 2.14%	1% Increase 3.14%
Total OPEB liability	<u>\$ 4,349,168</u>	<u>\$ 4,755,787</u>	<u>\$ 5,215,187</u>

The following represents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
	decreasing to 4.50%	decreasing to 5.50%	decreasing to 6.50%
Total OPEB liability	<u>\$ 5,348,648</u>	<u>\$ 4,755,787</u>	<u>\$ 4,254,952</u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:*

For the year ended September 30, 2020, the City recognized OPEB expense of \$430,122. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from

the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 21,395
Changes of assumptions	947,874	65,049
Total	<u>\$ 947,874</u>	<u>\$ 86,444</u>

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

Fiscal Year Ending Year Ended September 30:	Amount
2021	\$ 97,712
2022	97,712
2023	97,712
2024	97,712
2025	97,712
Thereafter	372,870

**NOTE K – DEFERRED COMPENSATION PLAN**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Plan amendments have been made, so that the plan is in compliance with IRC Section 457, as amended by the 1996 changes to the tax code. The assets are now held in various custodial accounts. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the various participants of the plan.

**NOTE L - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Risk Management attempts to identify and evaluate the areas of potential loss to the City in order to reduce their occurrences. Acknowledging that some loss is inevitable, routine or predictable losses are self-insured, while other more unpredictable or catastrophic losses are transferred to insurance companies.

Effective October 1, 2018, the City became self-insured with respect to employee medical coverage. This covers all eligible active employees and their dependents, as well as retirees that opt in. The Human Resources Department manages the medical self-insured plan.

The City has a self-insurance risk retention program for workers’ compensation, automobile liability and general liability (including employee benefits, law enforcement, public officials’ and employment practices liability). Workers’ compensation risks in excess of \$350,000 per occurrence, automobile liability risks in

excess of \$100,000 per person/per accident, and general liability risks in excess of \$100,000 per occurrence are co-insured with an outside carrier.

The programs are accounted for using internal service funds. Revenues for these funds consist mostly of amounts contributed by other City funds. Both revenues and the related charges are recorded as interfund services. Accordingly, the related charges are reflected as expenditures, or expense items, in the appropriate funds.

Liabilities of the self-insurance funds are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities typically include an amount for claims that have been incurred but not reported (IBNRs). There were no material amounts of IBNR claims recorded as of fiscal year-end.

Self-insurance risk claims expense for fiscal year ending September 30, 2020 were as follows: workers' compensation (\$888,315); automobile (\$289,984) and general liability (\$331,274). Self-insurance medical claims expense for the same period was \$6,325,873.

***NOTE M – CONTINGENT LIABILITIES***

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the City.

***NOTE N – SUBSEQUENT EVENTS***

Utility System Refunding Revenue Bond, Series 2020, dated November 12, 2020 was issued in the amount of \$16,264,500 with a tax-exempt fixed interest rate of 1.16%. The City issued the bond to currently refund the City's three outstanding Clean Water State Revolving Loan Funds, evidenced by the agreements WW668010, WW580700 and WW580701 with the Florida Department of Environmental Protection, and to pay the costs of issuance related to the Series 2020 Bond. The Series 2020 current refunding will result in an economic gain (difference between the present value of the debt service payments of the old and new debt) of \$1,265,098.





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**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

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Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements.

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND - GAAP BASIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Taxes	\$ 21,098,680	\$ 21,098,680	\$ 21,183,332	\$ 84,652
Permits and special assessments	3,939,440	3,939,440	3,887,896	(51,544)
Intergovernmental	9,615,160	9,821,945	9,240,969	(580,976)
Charges for services	9,865,860	9,865,860	9,729,515	(136,345)
Fines and forfeiture	151,710	151,710	166,021	14,311
Investment income	275,000	275,000	637,233	362,233
Miscellaneous	486,050	561,050	496,508	(64,542)
Total revenues	<u>45,431,900</u>	<u>45,713,685</u>	<u>45,341,474</u>	<u>(372,211)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
City Commission	458,730	458,730	426,679	32,051
City Attorney	867,890	867,890	857,471	10,419
City Clerk	903,983	903,983	734,810	169,173
Finance	1,710,680	1,710,680	1,575,051	135,629
Planning & Zoning	1,840,991	1,795,211	1,265,360	529,851
IT	2,485,300	2,485,300	2,335,021	150,279
Human Resources	1,023,530	1,023,530	1,012,052	11,478
City Manager	1,185,665	1,185,665	1,126,676	58,989
Facilities Maintenance	2,195,400	2,115,400	2,082,808	32,592
Non-Departmental	745,480	695,480	664,953	30,527
Total General government	<u>13,417,649</u>	<u>13,241,869</u>	<u>12,080,881</u>	<u>1,160,988</u>
Public safety:				
Building	879,940	950,720	934,128	16,592
Police	19,982,387	19,936,749	19,046,405	890,344
Emergency Medical Services	7,703,629	7,703,629	7,374,694	328,935
Total Public safety	<u>28,565,956</u>	<u>28,591,098</u>	<u>27,355,227</u>	<u>1,235,871</u>
Economic environment:				
Economic Development	477,550	527,550	416,115	111,435
Human services:				
Social Services	\$ 407,930	\$ 473,403	\$ 433,905	\$ 39,498

(continued)

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		<b>Positive (Negative)</b>
Culture and recreation:				
Recreation	\$ 1,855,656	\$ 1,855,656	\$ 1,612,150	\$ 243,506
North Port Aquatic Center	1,548,330	1,548,330	1,004,567	543,763
Parks Maintenance	794,000	874,000	866,211	7,789
Total Parks and recreation	4,197,986	4,277,986	3,482,928	795,058
Capital outlay	786,781	1,023,731	432,542	591,189
Total expenditures	47,853,852	48,135,637	44,201,598	3,934,039
Excess (deficiency) of revenues over (under) expenditures	(2,421,952)	(2,421,952)	1,139,876	3,561,828
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	463,900	463,900	463,900	-
Transfers out	(358,000)	(358,000)	(358,000)	-
Insurance recoveries	15,000	15,000	117,875	102,875
Total other financing sources (uses)	120,900	120,900	223,775	102,875
Net change in fund balances	(2,301,052)	(2,301,052)	1,363,651	3,664,703
<b>Fund balances - beginning</b>	14,196,619	14,196,619	14,196,619	-
<b>Fund balances - ending</b>	\$ 11,895,567	\$ 11,895,567	\$ 15,560,270	\$ 3,664,703

**CITY OF NORTH PORT, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**ROAD AND DRAINAGE DISTRICT SPECIAL REVENUE FUND - GAAP BASIS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Taxes	\$ 3,293,320	\$ 3,293,320	\$ 3,122,388	\$ (170,932)
Intergovernmental	633,970	644,020	1,056,941	412,921
Charges for services	14,964,860	14,964,860	15,441,114	476,254
Fines and forfeitures	-	-	290	290
Investment income	125,000	125,000	555,857	430,857
Miscellaneous	69,090	69,090	154,241	85,151
Total revenues	<u>19,086,240</u>	<u>19,096,290</u>	<u>20,330,831</u>	<u>1,234,541</u>
<b>EXPENDITURES</b>				
Current:				
Physical environment	7,827,156	8,222,166	5,067,944	3,154,222
Transportation	15,891,500	16,693,488	10,289,461	6,404,027
Capital outlay	<u>4,734,803</u>	<u>4,590,565</u>	<u>2,038,119</u>	<u>2,552,446</u>
Total expenditures	<u>28,453,459</u>	<u>29,506,219</u>	<u>17,395,524</u>	<u>12,110,695</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,367,219)</u>	<u>(10,409,929)</u>	<u>2,935,307</u>	<u>13,345,236</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(850,000)	(850,000)	(850,000)	-
Insurance recoveries	<u>4,000</u>	<u>4,000</u>	<u>58,601</u>	<u>54,601</u>
Total other financing sources (uses)	<u>(846,000)</u>	<u>(846,000)</u>	<u>(791,399)</u>	<u>54,601</u>
Net change in fund balances	(10,213,219)	(11,255,929)	2,143,908	13,399,837
<b>Fund balances - beginning</b>	<u>16,402,161</u>	<u>16,402,161</u>	<u>16,402,161</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 6,188,942</u>	<u>\$ 5,146,232</u>	<u>\$ 18,546,069</u>	<u>\$ 13,399,837</u>

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
FIRE RESCUE DISTRICT SPECIAL REVENUE FUND - GAAP BASIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Taxes	\$ 225,000	\$ 225,000	\$ 239,895	\$ 14,895
Permits, fees and special assessments	19,300	19,300	40,340	21,040
Intergovernmental	628,470	628,470	702,854	74,384
Charges for services	11,313,970	11,313,970	11,355,986	42,016
Investment income	45,000	45,000	212,478	167,478
Miscellaneous	34,270	34,270	30,625	(3,645)
Total revenues	<u>12,266,010</u>	<u>12,266,010</u>	<u>12,582,178</u>	<u>316,168</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	11,111,280	11,111,280	10,552,870	558,410
Capital outlay	1,321,920	1,321,920	-	1,321,920
Total expenditures	<u>12,433,200</u>	<u>12,433,200</u>	<u>10,552,870</u>	<u>1,880,330</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(167,190)</u>	<u>(167,190)</u>	<u>2,029,308</u>	<u>2,196,498</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(1,195,000)	(1,195,000)	(1,195,000)	-
Total other financing sources (uses)	<u>(1,195,000)</u>	<u>(1,195,000)</u>	<u>(1,195,000)</u>	<u>-</u>
Net change in fund balances	(1,362,190)	(1,362,190)	834,308	2,196,498
<b>Fund balances - beginning</b>	<u>3,909,327</u>	<u>3,909,327</u>	<u>3,909,327</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 2,547,137</u>	<u>\$ 2,547,137</u>	<u>\$ 4,743,635</u>	<u>\$ 2,196,498</u>

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
SOLID WASTE DISTRICT SPECIAL REVENUE FUND - GAAP BASIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 3,825	\$ 3,825
Charges for services	9,727,070	9,727,070	9,934,339	207,269
Investment income	50,000	50,000	175,925	125,925
Miscellaneous	113,000	113,000	1,867	(111,133)
Total revenues	9,890,070	9,890,070	10,115,956	225,886
<b>EXPENDITURES</b>				
Current:				
Physical environment	8,837,220	8,837,220	8,207,773	629,447
Capital outlay	262,117	262,117	44,638	217,479
Total expenditures	9,099,337	9,099,337	8,252,411	846,926
Excess (deficiency) of revenues over (under) expenditures	790,733	790,733	1,863,545	1,072,812
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(688,860)	(688,860)	(688,860)	-
Insurance recoveries	-	-	257	257
Total other financing sources (uses)	(688,860)	(688,860)	(688,603)	257
Net change in fund balances	101,873	101,873	1,174,942	1,073,069
<b>Fund balances - beginning</b>	2,426,090	2,426,090	2,426,090	-
<b>Fund balances - ending</b>	\$ 2,527,963	\$ 2,527,963	\$ 3,601,032	\$ 1,073,069

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FLORIDA RETIREMENT SYSTEM**

Reporting Period Ending Measurement Date	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
City's proportion of the net pension liability	0.106909631%	0.092593407%	0.073301635%	0.065258818%	0.045151798%	0.046986625%	0.046039515%
City's proportionate share of the net pension liability	\$ 46,336,209	\$ 31,887,880	\$ 22,078,832	\$ 19,303,121	\$ 11,400,864	\$ 6,068,953	\$ 2,809,087
City's covered payroll during the measurement period	\$ 31,655,209	\$ 28,169,562	\$ 23,757,517	\$ 21,020,634	\$ 17,307,411	\$ 16,803,308	\$ 16,641,254
City's proportionate share of the net pension liability as a percentage of its covered payroll	146.38%	113.20%	92.93%	91.83%	65.87%	36.12%	16.88%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
FLORIDA RETIREMENT SYSTEM**

Reporting Period Ending	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Contractually required contribution	\$ 3,552,133	\$ 2,871,064	\$ 2,089,038	\$ 1,698,848	\$ 1,101,099	\$ 1,145,574	\$ 1,008,461
Contributions in relation to the contractually determined contributions	(3,552,133)	(2,871,064)	(2,089,038)	(1,698,848)	(1,101,099)	(1,145,574)	(1,008,461)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	32,240,924	29,166,166	24,593,513	20,856,232	18,171,274	16,856,399	16,516,607
Contributions as a percentage of covered payroll	11.02%	9.84%	8.49%	8.15%	6.06%	6.80%	6.11%

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.



**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FLORIDA RETIREMENT SYSTEM  
HEALTH INSURANCE SUBSIDY PROGRAM**

Reporting Period Ending Measurement Date	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
City's proportion of the net pension liability	0.091218923%	0.084215030%	0.072737184%	0.065919137%	0.055995879%	0.055413179%	0.056009210%
City's proportionate share of the net pension liability	\$ 11,137,682	\$ 9,422,819	\$ 7,698,585	\$ 7,048,378	\$ 6,526,088	\$ 5,651,273	\$ 5,236,998
City's covered payroll during the measurement period	\$ 31,655,209	\$ 28,169,562	\$ 23,757,517	\$ 21,020,634	\$ 17,307,411	\$ 16,803,308	\$ 16,641,254
City's proportionate share of the net pension liability as a percentage of its covered payroll	35.18%	33.45%	32.40%	33.53%	37.71%	33.63%	31.47%
Plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

**Notes to the Schedule:**  
The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
FLORIDA RETIREMENT SYSTEM  
HEALTH INSURANCE SUBSIDY PROGRAM**

Reporting Period Ending	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Contractually required contribution	\$ 525,652	\$ 467,638	\$ 394,456	\$ 348,863	\$ 287,015	\$ 211,824	\$ 191,869
Contributions in relation to the contractually determined contributions	(525,652)	(467,638)	(394,456)	(348,863)	(287,015)	(211,824)	(191,869)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	32,240,924	29,166,166	24,593,513	20,856,232	18,171,274	16,856,399	16,516,607
Contributions as a percentage of covered payroll	1.63%	1.60%	1.60%	1.67%	1.58%	1.26%	1.16%

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA**  
**NORTH PORT POLICE OFFICERS' PENSION TRUST FUND**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY**  
**AND RELATED RATIOS**

Reporting Period Ending Measurement Date	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
<b>Total pension liability</b>								
Service cost	\$ 1,680,272	\$ 1,707,877	\$ 1,780,290	\$ 1,882,560	\$ 1,693,377	\$ 1,991,280	\$ 1,967,848	
Interest on total pension liability	3,764,787	3,518,998	3,364,267	3,103,881	2,867,478	2,731,953	2,485,396	
Change in excess state money	-	-	-	-	(688,670)	162,203	127,413	
Share plan allocation	243,055	215,381	173,918	125,720	159,765	-	-	
Changes of benefit terms	-	-	-	-	4,812	-	-	
Differences between expected and actual experience	(607,594)	488,870	(582,492)	472,241	(860,314)	(1,104,588)	-	
Changes of assumptions	602,053	565,173	528,699	569,256	782,433	-	-	
Contributions - buy back	-	-	1,225	53,000	71,560	24,568	-	
Benefit payments, including refunds of employee contributions	(2,294,330)	(2,793,475)	(2,329,700)	(1,827,860)	(1,878,394)	(1,323,724)	(1,267,557)	
<b>Net change in total pension liability</b>	<u>3,388,243</u>	<u>3,702,824</u>	<u>2,936,207</u>	<u>4,378,798</u>	<u>2,152,047</u>	<u>2,481,692</u>	<u>3,313,100</u>	
<b>Total pension liability - beginning</b>	<u>50,000,940</u>	<u>46,298,116</u>	<u>43,361,909</u>	<u>38,983,111</u>	<u>36,831,064</u>	<u>34,349,372</u>	<u>31,036,272</u>	
<b>Total pension liability - ending (a)</b>	<u>\$ 53,389,183</u>	<u>\$ 50,000,940</u>	<u>\$ 46,298,116</u>	<u>\$ 43,361,909</u>	<u>\$ 38,983,111</u>	<u>\$ 36,831,064</u>	<u>\$ 34,349,372</u>	
<b>Plan fiduciary net position</b>								
Contributions - employer	\$ 1,943,746	\$ 1,969,588	\$ 2,045,282	\$ 1,831,771	\$ 2,270,516	\$ 2,374,183	\$ 2,254,752	
Contributions - state	523,055	495,381	453,918	405,720	378,333	341,432	306,642	
Contributions - employee	423,515	439,024	475,208	557,859	500,840	517,932	528,422	
Net investment income (loss)	5,059,449	1,152,706	3,758,327	4,560,969	2,445,510	(212,104)	2,200,982	
Benefit payments, including refunds of employee contributions	(2,296,002)	(2,793,475)	(2,352,282)	(1,827,860)	(1,880,377)	(1,323,724)	(1,267,557)	
Administrative expenses	(107,897)	(109,655)	(94,350)	(70,413)	(78,881)	(68,912)	(70,301)	
<b>Net change in plan fiduciary net position</b>	<u>5,545,866</u>	<u>1,153,569</u>	<u>4,286,103</u>	<u>5,458,046</u>	<u>3,635,941</u>	<u>1,628,807</u>	<u>3,952,940</u>	
<b>Plan fiduciary net position - beginning</b>	<u>46,453,734</u>	<u>45,300,165</u>	<u>41,014,062</u>	<u>35,556,016</u>	<u>31,920,075</u>	<u>30,291,268</u>	<u>26,338,328</u>	
<b>Plan fiduciary net position - ending (b)</b>	<u>51,999,600</u>	<u>46,453,734</u>	<u>45,300,165</u>	<u>41,014,062</u>	<u>35,556,016</u>	<u>31,920,075</u>	<u>30,291,268</u>	
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 1,389,583</u>	<u>\$ 3,547,206</u>	<u>\$ 997,951</u>	<u>\$ 2,347,847</u>	<u>\$ 3,427,095</u>	<u>\$ 4,910,989</u>	<u>\$ 4,058,104</u>	
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	97.40%	92.91%	97.84%	94.59%	91.21%	86.67%	88.19%	
<b>Covered payroll</b>	\$ 5,301,467	\$ 5,487,798	\$ 5,940,108	\$ 6,310,736	\$ 6,260,499	\$ 6,550,454	\$ 6,605,273	
<b>City's net pension liability as a percentage of covered payroll</b>	26.21%	64.64%	16.80%	37.20%	54.74%	74.97%	61.44%	

**Notes to the Schedule:**  
The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA  
NORTH PORT POLICE OFFICERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS**

Reporting Period Ending Measurement Date	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Actuarially determined contributions	\$ 2,223,746	\$ 2,249,588	\$ 2,325,282	\$ 2,111,771	\$ 2,449,745	\$ 2,553,412	\$ 2,429,885
From excess state monies reserve Contributions in relation to the actuarially determined contributions	-	-	-	-	528,906	-	-
	2,223,746	2,249,588	2,325,282	2,111,771	2,550,516	2,553,412	2,429,885
	\$ -	\$ -	\$ -	\$ -	\$ (629,677)	\$ -	\$ -
Covered payroll	5,301,467	5,487,798	5,940,108	6,310,736	6,260,499	6,550,454	6,605,273
Contributions as a percentage of covered payroll	41.95%	40.99%	39.15%	33.46%	40.74%	38.98%	36.79%

Valuation Date 10/1/2018

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

Methods and assumptions used to determine contribution rates:

Mortality rate

*Healthy Active Lives:*

Female: PubS.H-2010 (Above Median) for Employees, set forward one year.

Male: PubS.H-2010 (Above Median) for Employees, set forward one year.

*Healthy Retiree Lives:*

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 for Healthy Retirees, set forward one year.

*Beneficiary Lives:*

Female: PubS.H-2010 for Healthy Retirees.

Male: PubS.H-2010 for Healthy Retirees, set back one year.

*Disabled Lives:*

80% PubG.H-2010 for Disabled Retirees/20% PubS.H-2010 for Disabled Retirees.

The above described mortality assumption rates were mandated by Chapter 2015-157, *Laws of Florida*. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2019 FRS valuation report for special risk employees.

Inflation

Salary increases

Credited Service	Assumption
First 2 years	17.0%
2 - 10 years	8.5%
11 - 20 years	6.0%
More than 20 years	2.0%

(continued)

**CITY OF NORTH PORT, FLORIDA  
NORTH PORT POLICE OFFICERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS**

Interest rate	7.35% per year compounded annually, net of investment related expenses.										
Payroll growth	0.00% per year										
Final year salary load	Projected salary at retirement is increased 20% to account for non-regular compensation (no load for members hired after January 1, 2012).										
Normal retirement	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Years Eligible for Normal Ret.</u></td> <td style="text-align: center;"><u>Percent Retiring</u></td> </tr> <tr> <td style="text-align: center;">0</td> <td style="text-align: center;">66.7%</td> </tr> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">50.0%</td> </tr> <tr> <td style="text-align: center;">2 or more</td> <td style="text-align: center;">100.0%</td> </tr> </table>	<u>Years Eligible for Normal Ret.</u>	<u>Percent Retiring</u>	0	66.7%	1	50.0%	2 or more	100.0%		
<u>Years Eligible for Normal Ret.</u>	<u>Percent Retiring</u>										
0	66.7%										
1	50.0%										
2 or more	100.0%										
Early retirement	Commencing with attainment of early retirement status (age 45 with 10 years of service). Members are assumed to retire with an immediate subsidized benefit at the rate of 10% per year.										
Termination rates	<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Credited Service</u></td> <td style="text-align: center;"><u>Assumption</u></td> </tr> <tr> <td style="text-align: center;">First year</td> <td style="text-align: center;">24.0%</td> </tr> <tr> <td style="text-align: center;">1 - 4 years</td> <td style="text-align: center;">6.0%</td> </tr> <tr> <td style="text-align: center;">5 - 19 years</td> <td style="text-align: center;">3.0%</td> </tr> <tr> <td style="text-align: center;">20 or more years</td> <td style="text-align: center;">0.0%</td> </tr> </table>	<u>Credited Service</u>	<u>Assumption</u>	First year	24.0%	1 - 4 years	6.0%	5 - 19 years	3.0%	20 or more years	0.0%
<u>Credited Service</u>	<u>Assumption</u>										
First year	24.0%										
1 - 4 years	6.0%										
5 - 19 years	3.0%										
20 or more years	0.0%										

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA  
 NORTH PORT POLICE OFFICERS' PENSION TRUST FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PENSION INVESTMENT RETURN**

	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses for the City's pension plan	10.94%	2.55%	9.13%	12.74%	7.41%	-0.62%	8.12%

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA  
NORTH PORT FIREFIGHTERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION (ASSET) LIABILITY  
AND RELATED RATIOS**

<b>Reporting Period Ending Measurement Date</b>	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
<b>Total pension liability</b>								
Service cost	\$ 900,497	\$ 917,681	\$ 904,670	\$ 1,264,321	\$ 1,693,631	\$ 1,716,153	\$ 1,686,083	
Interest on total pension liability	3,803,540	3,566,668	3,351,560	3,620,964	3,400,658	3,048,515	2,767,378	
Share plan allocation	186,174	169,797	164,503	126,129	121,775	126,215	137,316	
Changes of benefit terms	-	(5,208)	-	-	174,592	-	-	
Differences between expected and actual experience	250,384	864,392	876,960	(2,641,499)	(2,262,386)	555,367	-	
Changes of assumptions	1,631,930	1,577,924	-	(831,381)	1,378,943	-	-	
Contributions - buy back	-	-	-	-	2,808	-	-	
Benefit payments, including refunds of employee contributions	(1,776,208)	(2,568,220)	(2,306,593)	(1,200,337)	(1,104,257)	(1,288,806)	(924,447)	
<b>Net change in total pension liability</b>	<u>4,996,317</u>	<u>4,523,034</u>	<u>2,991,100</u>	<u>338,197</u>	<u>3,405,764</u>	<u>4,157,444</u>	<u>3,666,330</u>	
<b>Total pension liability - beginning</b>	<u>52,450,230</u>	<u>47,927,196</u>	<u>44,936,096</u>	<u>44,597,899</u>	<u>41,192,135</u>	<u>37,034,691</u>	<u>33,368,361</u>	
<b>Total pension liability - ending (a)</b>	<u>\$ 57,446,547</u>	<u>\$ 52,450,230</u>	<u>\$ 47,927,196</u>	<u>\$ 44,936,096</u>	<u>\$ 44,597,899</u>	<u>\$ 41,192,135</u>	<u>\$ 37,034,691</u>	
<b>Plan fiduciary net position</b>								
Contributions - employer	\$ 651,211	\$ 682,166	\$ 675,521	\$ 670,404	\$ 1,000,835	\$ 1,079,568	\$ 1,250,193	
Contributions - state	436,173	419,796	414,503	376,129	371,775	376,215	387,316	
Contributions - employee	383,491	401,719	397,806	394,793	529,101	554,392	585,968	
Net investment income	4,625,187	1,880,144	4,318,358	4,557,086	2,867,698	430,037	3,008,184	
Benefit payments, including refunds of employee contributions	(1,783,317)	(2,568,220)	(2,306,593)	(1,200,337)	(1,108,103)	(1,288,806)	(924,447)	
Administrative expenses	(81,658)	(70,429)	(88,089)	(86,131)	(83,371)	(66,053)	(64,072)	
<b>Net change in plan fiduciary net position</b>	<u>4,231,087</u>	<u>745,176</u>	<u>3,411,506</u>	<u>4,711,944</u>	<u>3,577,935</u>	<u>1,085,353</u>	<u>4,243,142</u>	
<b>Plan fiduciary net position - beginning</b>	<u>51,203,718</u>	<u>50,458,542</u>	<u>47,047,036</u>	<u>42,335,092</u>	<u>38,757,157</u>	<u>37,671,804</u>	<u>33,428,662</u>	
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 55,434,805</u>	<u>\$ 51,203,718</u>	<u>\$ 50,458,542</u>	<u>\$ 47,047,036</u>	<u>\$ 42,335,092</u>	<u>\$ 38,757,157</u>	<u>\$ 37,671,804</u>	
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 2,011,742</u>	<u>\$ 1,246,512</u>	<u>\$ (2,531,346)</u>	<u>\$ (2,110,940)</u>	<u>\$ 2,262,807</u>	<u>\$ 2,434,978</u>	<u>\$ (637,113)</u>	
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	96.50%	97.62%	105.28%	104.70%	94.93%	94.09%	101.72%	
<b>Covered payroll</b>	\$ 3,617,839	\$ 3,789,804	\$ 3,752,890	\$ 3,724,458	\$ 5,136,900	\$ 5,806,134	\$ 5,689,014	
<b>City's net pension liability as a percentage of covered payroll</b>	55.61%	32.89%	-67.45%	-56.68%	44.05%	41.94%	-11.20%	

**Notes to the Schedule:**  
The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA  
NORTH PORT FIREFIGHTERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS**

Reporting Period Ending Measurement Date	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Actuarially determined contributions	\$ 901,211	\$ 932,165	\$ 925,520	\$ 920,402	\$ 1,250,835	\$ 1,353,147	\$ 1,500,193
Contributions in relation to the actuarially determined contributions	901,211	932,166	925,521	901,310	1,269,928	1,353,147	1,500,193
	-	(1)	(1)	19,092	(19,093)	-	-
Covered payroll	3,617,839	3,789,804	3,752,890	3,724,458	5,136,900	5,806,134	5,689,014
Contributions as a percentage of covered payroll	24.91%	24.60%	24.66%	24.20%	24.72%	23.31%	26.37%

Valuation Date 10/1/18 (AIS 01/28/2020)  
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

- Funding method Entry age normal actuarial cost method
- Amortization method Level percentage of pay, closed
- Remaining amortization period 27 years (as of 10/01/2018)
- Asset valuation method Each year, the prior actuarial value of assets is brought forward utilizing the historical geometric 4-year average market value return. It is possible that over time this technique will produce an insignificant bias above or below market value.

Mortality RP-2000 Table with no projection. Disabled lives set forward 5 years. We believe this assumption sufficiently accommodates expected future mortality improvements.

Salary increases	Service	Increase
	< 10 years	7.0%
	10-14 years	5.5%
	15-29 years	5.0%
	20+ years	4.5%

Interest rate This assumption was adopted with the May 10, 2017 actuarial experience study.  
Payroll growth 7.00% per year compounded annually  
Post retirement COLA 0.00% per year. This assumption is supported given that the Plan is closed to new hires.  
Retirement age 3.00% from age 55 until 63

Retirement age	Service	Age	Assumed Rate
	< 25 years	50-51	10.0%
		52-53	25.0%
		54-57	50.0%
		58+	100.0%
	25+ years	50	5.0%
		51	50.0%
		52	100.0%

This assumption was adopted in conjunction with the May 10, 2017 actuarial experience study. (continued)



**CITY OF NORTH PORT, FLORIDA  
NORTH PORT FIREFIGHTERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS**

Disability rates  
Termination rates

See table below. It is assumed that 75% of disablements are service related.  
See table below.

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

Service	Age	Assumed Rate
<5	20-24	10.0%
	25-29	7.0%
	30-49	6.0%
	50-54	1.0%
	55+	0.1%
5+	20-44	6.0%
	45-49	5.0%
	50-54	1.0%
	55+	0.1%

This assumption was adopted with the May 10, 2017 actuarial experience study.

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA  
 NORTH PORT FIREFIGHTERS' PENSION TRUST FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PENSION INVESTMENT RETURN**

	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses for the City's pension plan	9.11%	3.75%	9.32%	10.78%	7.24%	1.09%	8.84%

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS**

<b>Measurement Date</b>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
<b>Total OPEB liability</b>			
Service cost	\$ 201,821	\$ 250,464	\$ 238,046
Interest on total OPEB liability	130,588	125,181	106,492
Difference between expected and actual experience	(23,828)	-	-
Changes of assumptions and other inputs	808,143	19,198	57,988
Benefit payments	(197,694)	(175,788)	(152,898)
Other changes	90,206	567	21,985
<b>Net change in total OPEB liability</b>	<u>1,009,236</u>	<u>219,622</u>	<u>271,613</u>
<b>Total OPEB liability - beginning</b>	<u>3,746,551</u>	<u>3,526,929</u>	<u>3,255,316</u>
<b>Total OPEB liability - ending</b>	<u><u>\$ 4,755,787</u></u>	<u><u>\$ 3,746,551</u></u>	<u><u>\$ 3,526,929</u></u>
 <b>Covered payroll</b>	 \$ 34,930,762	 \$ 31,678,389	 \$ 31,678,389
 <b>City's total OPEB liability as a percentage of covered payroll</b>	 13.61%	 11.83%	 11.13%

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.



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# **COMBINING & INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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This section includes financial statements and schedules which are not part of the basic financial statements, but are presented for purposes of additional analysis.

**CITY OF NORTH PORT, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

	<b>Inspector Education</b>	<b>Special Law Enforcement</b>	<b>Police Education</b>	<b>Historical Preservation</b>
<b>ASSETS:</b>				
Cash and investments	\$ 314,257	\$ 55,239	\$ 15,180	\$ -
Receivables (net of allowance for uncollectibles)	-	-	-	2,000
Due from other governments	-	-	1,487	-
Inventories	-	-	-	-
Total assets	<u>\$ 314,257</u>	<u>\$ 55,239</u>	<u>\$ 16,667</u>	<u>\$ 2,000</u>
<b>LIABILITIES:</b>				
Accounts payable	\$ 47,166	\$ 2,207	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Total liabilities	<u>47,166</u>	<u>2,207</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES:</b>				
Nonspendable	-	-	-	-
Restricted	-	53,032	16,667	-
Committed	267,091	-	-	2,000
Total fund balances	<u>267,091</u>	<u>53,032</u>	<u>16,667</u>	<u>2,000</u>
Total liabilities and fund balances	<u>\$ 314,257</u>	<u>\$ 55,239</u>	<u>\$ 16,667</u>	<u>\$ 2,000</u>

**Special Revenue**

<b>Tree Replacement</b>	<b>Warm Mineral Springs</b>	<b>Building Department</b>	<b>Escheated Lots - Land &amp; Future Projects</b>	<b>Environmental Management</b>
\$ 1,278,103	\$ 1,963,064	\$ 6,973,967	\$ 1,047,370	\$ 326,490
1,750	508	110	-	-
110	-	837	-	-
-	-	-	-	-
<u>\$ 1,279,963</u>	<u>\$ 1,963,572</u>	<u>\$ 6,974,914</u>	<u>\$ 1,047,370</u>	<u>\$ 326,490</u>
\$ 35,476	\$ 61,577	\$ 32,794	\$ 33,196	\$ 181
2,507	-	73,537	-	-
-	6,317	-	-	-
<u>37,983</u>	<u>67,894</u>	<u>106,331</u>	<u>33,196</u>	<u>181</u>
110	-	837	-	-
<u>110</u>	<u>-</u>	<u>837</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	6,867,746	-	326,309
1,241,870	1,895,678	-	1,014,174	-
<u>1,241,870</u>	<u>1,895,678</u>	<u>6,867,746</u>	<u>1,014,174</u>	<u>326,309</u>
<u>\$ 1,279,963</u>	<u>\$ 1,963,572</u>	<u>\$ 6,974,914</u>	<u>\$ 1,047,370</u>	<u>\$ 326,490</u>

(continued)

**CITY OF NORTH PORT, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
	<u>Fleet Maintenance</u>	<u>Road Reconstruction Bond Debt Service</u>	<u>Law Enforcement Impact Fees</u>	<u>Fire Impact Fees</u>
<b>ASSETS:</b>				
Cash and investments	\$ 431,300	\$ 754,785	\$ 1,279,231	\$ 1,516,479
Receivables (net of allowance for uncollectibles)	-	-	-	-
Due from other governments	-	71,108	-	-
Inventories	52,435	-	-	-
Total assets	<u>\$ 483,735</u>	<u>\$ 825,893</u>	<u>\$ 1,279,231</u>	<u>\$ 1,516,479</u>
<b>LIABILITIES:</b>				
Accounts payable	\$ 97,868	\$ -	\$ 88,464	\$ 4,107
Due to other funds	50,481	-	-	-
Due to other governments	-	-	-	-
Total liabilities	<u>148,349</u>	<u>-</u>	<u>88,464</u>	<u>4,107</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - grants	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES:</b>				
Nonspendable	52,435	-	-	-
Restricted	-	825,893	1,190,767	1,512,372
Committed	282,951	-	-	-
Total fund balances	<u>335,386</u>	<u>825,893</u>	<u>1,190,767</u>	<u>1,512,372</u>
Total liabilities and fund balances	<u>\$ 483,735</u>	<u>\$ 825,893</u>	<u>\$ 1,279,231</u>	<u>\$ 1,516,479</u>



**Capital Projects**

<b>Parks and Recreation Impact Fees</b>	<b>Transportation Impact Fees</b>	<b>Solid Waste Impact Fees</b>	<b>General Government Impact Fees</b>	<b>Renewal &amp; Replacement - General Fund</b>
\$ 1,762,682	\$ 8,759,494	\$ 508,297	\$ 1,290,518	\$ 1,138,042
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 1,762,682</u>	<u>\$ 8,759,494</u>	<u>\$ 508,297</u>	<u>\$ 1,290,518</u>	<u>\$ 1,138,042</u>
\$ 69,042	\$ 38,338	\$ 1,950	\$ 4,878	\$ -
-	-	-	-	-
-	-	-	-	-
<u>69,042</u>	<u>38,338</u>	<u>1,950</u>	<u>4,878</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,693,640	8,721,156	506,347	1,285,640	-
-	-	-	-	1,138,042
<u>1,693,640</u>	<u>8,721,156</u>	<u>506,347</u>	<u>1,285,640</u>	<u>1,138,042</u>
<u>\$ 1,762,682</u>	<u>\$ 8,759,494</u>	<u>\$ 508,297</u>	<u>\$ 1,290,518</u>	<u>\$ 1,138,042</u>

(continued)

**CITY OF NORTH PORT, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

	<b>Capital Projects</b>			
	<b>Renewal &amp; Replacement - Road &amp; Drainage District</b>	<b>Renewal &amp; Replacement - Fire Rescue District</b>	<b>Renewal &amp; Replacement - Solid Waste District</b>	<b>Renewal &amp; Replacement - Building Fund</b>
<b>ASSETS:</b>				
Cash and investments	\$ 2,047,133	\$ 2,233,787	\$ 5,252,449	\$ 234,526
Receivables (net of allowance for uncollectibles)	-	-	-	-
Due from other governments	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 2,047,133	\$ 2,233,787	\$ 5,252,449	\$ 234,526
<b>LIABILITIES:</b>				
Accounts payable	\$ -	\$ -	\$ 333,614	\$ -
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Total liabilities	-	-	333,614	-
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - grants	-	-	-	-
Total deferred inflows of resources	-	-	-	-
<b>FUND BALANCES:</b>				
Nonspendable	-	-	-	-
Restricted	2,047,133	2,233,787	4,918,835	234,526
Committed	-	-	-	-
Total fund balances	2,047,133	2,233,787	4,918,835	234,526
Total liabilities and fund balances	\$ 2,047,133	\$ 2,233,787	\$ 5,252,449	\$ 234,526

**Capital Projects**

<b>Renewal &amp; Replacement - Fleet Management Fund</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 683,590	\$ 39,865,983
-	4,368
-	73,542
-	52,435
<u>\$ 683,590</u>	<u>\$ 39,996,328</u>
\$ -	\$ 850,858
-	126,525
-	6,317
<u>-</u>	<u>983,700</u>
-	947
-	947
-	52,435
-	32,433,850
683,590	6,525,396
<u>683,590</u>	<u>39,011,681</u>
<u>\$ 683,590</u>	<u>\$ 39,996,328</u>

**CITY OF NORTH PORT, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**Special Revenue**

	<b>Inspector Education</b>	<b>Special Law Enforcement</b>	<b>Police Education</b>	<b>Historical Preservation</b>
<b>REVENUES:</b>				
Permits, fees and special assessments	\$ 50,738	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	87,476	14,626	2,000
Investment income	7,404	1,835	645	-
Miscellaneous	-	-	-	-
Total revenues	<u>58,142</u>	<u>89,311</u>	<u>15,271</u>	<u>2,000</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
Public safety	12,859	58,540	14,000	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>12,859</u>	<u>58,540</u>	<u>14,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>45,283</u>	<u>30,771</u>	<u>1,271</u>	<u>2,000</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of refunding bonds	-	-	-	-
Payment to bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	45,283	30,771	1,271	2,000
<b>Fund balances - beginning</b>	<u>221,808</u>	<u>22,261</u>	<u>15,396</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 267,091</u>	<u>\$ 53,032</u>	<u>\$ 16,667</u>	<u>\$ 2,000</u>

**Special Revenue**

<u>Tree Replacement</u>	<u>Warm Mineral Springs</u>	<u>Building Department</u>	<u>Escheated Lots - Land &amp; Future Projects</u>	<u>Environmental Management</u>
\$ 124,828	\$ -	\$ 3,618,778	\$ -	\$ -
-	1,007,405	55,474	-	-
3,510	-	-	-	-
34,935	55,022	183,809	-	14,756
-	-	9,125	-	-
<u>163,273</u>	<u>1,062,427</u>	<u>3,867,186</u>	<u>-</u>	<u>14,756</u>
-	-	-	14,420	-
-	-	2,785,486	-	-
90,284	-	-	-	-
-	-	-	-	-
-	879,619	-	-	9,026
34,900	(622)	-	460,929	215,851
-	-	-	-	-
<u>125,184</u>	<u>878,997</u>	<u>2,785,486</u>	<u>475,349</u>	<u>224,877</u>
<u>38,089</u>	<u>183,430</u>	<u>1,081,700</u>	<u>(475,349)</u>	<u>(210,121)</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	(40,000)	-	-
-	-	(40,000)	-	-
38,089	183,430	1,041,700	(475,349)	(210,121)
<u>1,203,781</u>	<u>1,712,248</u>	<u>5,826,046</u>	<u>1,489,523</u>	<u>536,430</u>
<u>\$ 1,241,870</u>	<u>\$ 1,895,678</u>	<u>\$ 6,867,746</u>	<u>\$ 1,014,174</u>	<u>\$ 326,309</u>

(continued)

**CITY OF NORTH PORT, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
	<u>Fleet Maintenance</u>	<u>Road Reconstruction Bond Debt Service</u>	<u>Law Enforcement Impact Fees</u>	<u>Fire Impact Fees</u>
<b>REVENUES:</b>				
Permits, fees and special assessments	\$ -	\$ 3,111,234	\$ 442,412	\$ 528,233
Charges for services	4,757,674	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	3,922	89,778	29,193	36,517
Miscellaneous	1,087	-	-	-
Total revenues	<u>4,762,683</u>	<u>3,201,012</u>	<u>471,605</u>	<u>564,750</u>
<b>EXPENDITURES:</b>				
Current:				
General government	4,742,436	-	-	-
Public safety	-	-	4,254	42,958
Physical environment	-	-	-	-
Transportation	-	129,241	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	109,848	121,261
Debt service	-	4,755,629	-	-
Total expenditures	<u>4,742,436</u>	<u>4,884,870</u>	<u>114,102</u>	<u>164,219</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,247</u>	<u>(1,683,858)</u>	<u>357,503</u>	<u>400,531</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of refunding bonds	-	31,485,000	-	-
Payment to bond escrow agent	-	(31,386,829)	-	-
Transfers in	-	-	-	-
Transfers out	(50,000)	-	-	-
Total other financing sources (uses)	<u>(50,000)</u>	<u>98,171</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(29,753)	(1,585,687)	357,503	400,531
<b>Fund balances - beginning</b>	<u>365,139</u>	<u>2,411,580</u>	<u>833,264</u>	<u>1,111,841</u>
<b>Fund balances - ending</b>	<u>\$ 335,386</u>	<u>\$ 825,893</u>	<u>\$ 1,190,767</u>	<u>\$ 1,512,372</u>

**Capital Projects**

<b>Parks and Recreation Impact Fees</b>	<b>Transportation Impact Fees</b>	<b>Solid Waste Impact Fees</b>	<b>General Government Impact Fees</b>	<b>Renewal &amp; Replacement - General Fund</b>
\$ 1,294,969	\$ 5,077,261	\$ 327,885	\$ 450,293	\$ -
-	-	-	-	-
-	-	-	-	-
94,865	180,774	9,025	28,400	26,424
-	-	-	-	-
<u>1,389,834</u>	<u>5,258,035</u>	<u>336,910</u>	<u>478,693</u>	<u>26,424</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	649,379	-	-	-
871,564	-	-	-	-
2,195,071	109,035	-	-	21,489
-	-	-	-	-
<u>3,066,635</u>	<u>758,414</u>	<u>-</u>	<u>-</u>	<u>21,489</u>
<u>(1,676,801)</u>	<u>4,499,621</u>	<u>336,910</u>	<u>\$ 478,693</u>	<u>4,935</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	358,000
-	-	-	-	-
-	-	-	-	<u>358,000</u>
(1,676,801)	4,499,621	336,910	478,693	362,935
<u>3,370,441</u>	<u>4,221,535</u>	<u>169,437</u>	<u>806,947</u>	<u>775,107</u>
<u>\$ 1,693,640</u>	<u>\$ 8,721,156</u>	<u>\$ 506,347</u>	<u>\$ 1,285,640</u>	<u>\$ 1,138,042</u>

(continued)

**CITY OF NORTH PORT, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**Capital Projects**

	<b>Renewal &amp; Replacement - Road &amp; Drainage District</b>	<b>Renewal &amp; Replacement - Fire Rescue District</b>	<b>Renewal &amp; Replacement - Solid Waste District</b>	<b>Renewal &amp; Replacement - Building Fund</b>
<b>REVENUES:</b>				
Permits, fees and special assessments	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	53,556	45,090	143,990	5,926
Miscellaneous	-	-	-	-
Total revenues	<u>53,556</u>	<u>45,090</u>	<u>143,990</u>	<u>5,926</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
Public safety	-	15,792	-	-
Physical environment	-	-	-	-
Transportation	37	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	378,327	629,519	685,159	-
Debt service	-	-	-	-
Total expenditures	<u>378,364</u>	<u>645,311</u>	<u>685,159</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(324,808)</u>	<u>(600,221)</u>	<u>(541,169)</u>	<u>5,926</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of refunding bonds	-	-	-	-
Payment to bond escrow agent	-	-	-	-
Transfers in	850,000	1,195,000	688,860	40,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>850,000</u>	<u>1,195,000</u>	<u>688,860</u>	<u>40,000</u>
Net change in fund balances	525,192	594,779	147,691	45,926
<b>Fund balances - beginning</b>	<u>1,521,941</u>	<u>1,639,008</u>	<u>4,771,144</u>	<u>188,600</u>
<b>Fund balances - ending</b>	<u>\$ 2,047,133</u>	<u>\$ 2,233,787</u>	<u>\$ 4,918,835</u>	<u>\$ 234,526</u>



<b>Capital Projects</b>		
<b>Renewal &amp; Replacement - Fleet Management Fund</b>	<b>Road Reconstruction</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ 15,026,631
-	-	5,820,553
-	-	107,612
18,753	24,525	1,089,144
-	-	10,212
<u>18,753</u>	<u>24,525</u>	<u>22,054,152</u>
-	-	4,756,856
-	-	2,933,889
-	-	90,284
-	-	778,657
-	-	1,760,209
27,542	1,073,613	6,061,922
-	-	4,755,629
<u>27,542</u>	<u>1,073,613</u>	<u>21,137,446</u>
<u>(8,789)</u>	<u>(1,049,088)</u>	<u>916,706</u>
-	-	31,485,000
-	-	(31,386,829)
50,000	-	3,181,860
-	-	(90,000)
<u>50,000</u>	<u>-</u>	<u>3,190,031</u>
41,211	(1,049,088)	4,106,737
<u>642,379</u>	<u>1,049,088</u>	<u>34,904,944</u>
<u>\$ 683,590</u>	<u>\$ -</u>	<u>\$ 39,011,681</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 INSPECTOR EDUCATION SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 96,000	\$ 96,000	\$ 50,738	\$ (45,262)
Investment income	400	400	7,404	7,004
Total revenues	<u>96,400</u>	<u>96,400</u>	<u>58,142</u>	<u>(38,258)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>37,500</u>	<u>37,500</u>	<u>12,859</u>	<u>24,641</u>
Total expenditures	<u>37,500</u>	<u>37,500</u>	<u>12,859</u>	<u>24,641</u>
Net change in fund balances	58,900	58,900	45,283	(13,617)
<b>Fund balances - beginning</b>	<u>221,808</u>	<u>221,808</u>	<u>221,808</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 280,708</u>	<u>\$ 280,708</u>	<u>\$ 267,091</u>	<u>\$ (13,617)</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 SPECIAL LAW ENFORCEMENT SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Fines and forfeitures	\$ -	\$ 82,000	\$ 87,476	\$ 5,476
Investment income	160	160	1,835	1,675
Total revenues	160	82,160	89,311	7,151
<b>EXPENDITURES</b>				
Current:				
Public safety	21,760	82,760	58,540	24,220
Capital outlay	889	889	-	889
Total expenditures	22,649	83,649	58,540	25,109
Net change in fund balances	(22,489)	(1,489)	30,771	32,260
<b>Fund balances - beginning</b>	22,261	22,261	22,261	-
<b>Fund balances - ending</b>	\$ (228)	\$ 20,772	\$ 53,032	\$ 32,260

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 POLICE EDUCATION SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Fines and forfeitures	\$ 9,000	\$ 9,000	\$ 14,626	\$ 5,626
Investment income	200	200	645	445
Total revenues	<u>9,200</u>	<u>9,200</u>	<u>15,271</u>	<u>6,071</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
Total expenditures	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
Net change in fund balances	(4,800)	(4,800)	1,271	6,071
<b>Fund balances - beginning</b>	<u>15,396</u>	<u>15,396</u>	<u>15,396</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 10,596</u>	<u>\$ 10,596</u>	<u>\$ 16,667</u>	<u>\$ 6,071</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 HISTORICAL PRESERVATION SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Fines and forfeitures	\$ -	\$ -	\$ 2,000	\$ 2,000
Total revenues	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>2,000</u>
 Net change in fund balances	-	-	2,000	2,000
 <b>Fund balances - beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 TREE REPLACEMENT SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 150,000	\$ 150,000	\$ 124,828	\$ (25,172)
Fines and forfeitures	10,000	10,000	3,510	(6,490)
Investment income	2,000	2,000	34,935	32,935
Total revenues	162,000	162,000	163,273	1,273
<b>EXPENDITURES</b>				
Current:				
Physical environment	119,780	119,780	90,284	29,496
Capital outlay	90,000	90,000	34,900	55,100
Total expenditures	209,780	209,780	125,184	84,596
Net change in fund balances	(47,780)	(47,780)	38,089	85,869
<b>Fund balances - beginning</b>	1,203,781	1,203,781	1,203,781	-
<b>Fund balances - ending</b>	\$ 1,156,001	\$ 1,156,001	\$ 1,241,870	\$ 85,869

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 WARM MINERAL SPRINGS SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Charges for services	\$ 1,268,360	\$ 1,268,360	\$ 1,007,405	\$ (260,955)
Investment income	5,000	5,000	55,022	50,022
Total revenues	<u>1,273,360</u>	<u>1,273,360</u>	<u>1,062,427</u>	<u>(210,933)</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	1,260,125	1,260,125	879,619	380,506
Capital outlay	<u>322,517</u>	<u>322,517</u>	<u>(622)</u>	<u>323,139</u>
Total expenditures	<u>1,582,642</u>	<u>1,582,642</u>	<u>878,997</u>	<u>703,645</u>
Net change in fund balances	(309,282)	(309,282)	183,430	492,712
<b>Fund balances - beginning</b>	<u>1,712,248</u>	<u>1,712,248</u>	<u>1,712,248</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 1,402,966</u>	<u>\$ 1,402,966</u>	<u>\$ 1,895,678</u>	<u>\$ 492,712</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
BUILDING DEPARTMENT SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 4,236,630	\$ 4,236,630	\$ 3,618,778	\$ (617,852)
Charges for services	40,100	40,100	55,474	15,374
Investment income	40,000	40,000	183,809	143,809
Miscellaneous	2,000	2,000	9,125	7,125
Total revenues	<u>4,318,730</u>	<u>4,318,730</u>	<u>3,867,186</u>	<u>(451,544)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	3,419,028	3,419,892	2,785,486	634,406
Capital outlay	<u>2,668,377</u>	<u>2,667,513</u>	-	<u>2,667,513</u>
Total expenditures	<u>6,087,405</u>	<u>6,087,405</u>	<u>2,785,486</u>	<u>3,301,919</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,768,675)</u>	<u>(1,768,675)</u>	<u>1,081,700</u>	<u>2,850,375</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(40,000)</u>	<u>(40,000)</u>	<u>(40,000)</u>	-
Total other financing sources (uses)	<u>(40,000)</u>	<u>(40,000)</u>	<u>(40,000)</u>	-
Net change in fund balances	(1,808,675)	(1,808,675)	1,041,700	2,850,375
<b>Fund balances - beginning</b>	<u>5,826,046</u>	<u>5,826,046</u>	<u>5,826,046</u>	-
<b>Fund balances - ending</b>	<u>\$ 4,017,371</u>	<u>\$ 4,017,371</u>	<u>\$ 6,867,746</u>	<u>\$ 2,850,375</u>



**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 ESCHEATED LOTS - LAND AND FUTURE PROJECTS SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Current:				
General government	\$ 14,420	\$ 14,420	\$ 14,420	\$ -
Capital outlay	1,435,865	1,435,865	460,929	974,936
Total expenditures	<u>1,450,285</u>	<u>1,450,285</u>	<u>475,349</u>	<u>974,936</u>
Net change in fund balances	(1,450,285)	(1,450,285)	(475,349)	974,936
<b>Fund balances - beginning</b>	<u>1,489,523</u>	<u>1,489,523</u>	<u>1,489,523</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 39,238</u>	<u>\$ 39,238</u>	<u>\$ 1,014,174</u>	<u>\$ 974,936</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 ENVIRONMENTAL MANAGEMENT SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 5,000	\$ 5,000	\$ 14,756	\$ 9,756
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>14,756</u>	<u>9,756</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	10,688	10,688	9,026	1,662
Capital outlay	<u>510,651</u>	<u>510,651</u>	<u>215,851</u>	<u>294,800</u>
Total expenditures	<u>521,339</u>	<u>521,339</u>	<u>224,877</u>	<u>296,462</u>
Net change in fund balances	(516,339)	(516,339)	(210,121)	306,218
<b>Fund balances - beginning</b>	<u>536,430</u>	<u>536,430</u>	<u>536,430</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 20,091</u>	<u>\$ 20,091</u>	<u>\$ 326,309</u>	<u>\$ 306,218</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
FLEET MANAGEMENT SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Charges for services	\$ 5,231,840	\$ 5,231,840	\$ 4,757,674	\$ (474,166)
Investment income	1,000	1,000	3,922	2,922
Miscellaneous	500	500	1,087	587
Total revenues	<u>5,233,340</u>	<u>5,233,340</u>	<u>4,762,683</u>	<u>(470,657)</u>
<b>EXPENDITURES</b>				
Current:				
General government	<u>5,181,490</u>	<u>5,181,490</u>	<u>4,742,436</u>	<u>439,054</u>
Total expenditures	<u>5,181,490</u>	<u>5,181,490</u>	<u>4,742,436</u>	<u>439,054</u>
Excess (deficiency) of revenues over (under) expenditures	<u>51,850</u>	<u>51,850</u>	<u>20,247</u>	<u>(31,603)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balances	1,850	1,850	(29,753)	(31,603)
<b>Fund balances - beginning</b>	<u>365,139</u>	<u>365,139</u>	<u>365,139</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 366,989</u>	<u>\$ 366,989</u>	<u>\$ 335,386</u>	<u>\$ (31,603)</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
ROAD RECONSTRUCTION BOND DEBT SERVICE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Permits and special assessments	\$ 3,009,610	\$ 3,009,610	\$ 3,111,234	\$ 101,624
Investment income	15,000	15,000	89,778	74,778
Total revenues	<u>3,024,610</u>	<u>3,024,610</u>	<u>3,201,012</u>	<u>176,402</u>
<b>EXPENDITURES</b>				
Current:				
Transportation	40,000	40,000	129,241	(89,241)
Debt service	<u>2,636,000</u>	<u>4,844,870</u>	<u>4,755,629</u>	<u>89,241</u>
Total expenditures	<u>2,676,000</u>	<u>4,884,870</u>	<u>4,884,870</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>348,610</u>	<u>(1,860,260)</u>	<u>(1,683,858)</u>	<u>176,402</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of refunding bonds	-	-	31,485,000	31,485,000
Payment to bond escrow agent	<u>-</u>	<u>-</u>	<u>(31,386,829)</u>	<u>(31,386,829)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>98,171</u>	<u>98,171</u>
Net change in fund balances	348,610	(1,860,260)	(1,585,687)	274,573
<b>Fund balances - beginning</b>	<u>2,411,580</u>	<u>2,411,580</u>	<u>2,411,580</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 2,760,190</u>	<u>\$ 551,320</u>	<u>\$ 825,893</u>	<u>\$ 274,573</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 LAW ENFORCEMENT IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 380,420	\$ 380,420	\$ 442,412	\$ 61,992
Investment income	5,000	5,000	29,193	24,193
Total revenues	385,420	385,420	471,605	86,185
<b>EXPENDITURES</b>				
Current:				
Public safety	-	-	4,254	(4,254)
Capital outlay	204,400	290,347	109,848	180,499
Total expenditures	204,400	290,347	114,102	176,245
Net change in fund balances	181,020	95,073	357,503	262,430
<b>Fund balances - beginning</b>	833,264	833,264	833,264	-
<b>Fund balances - ending</b>	\$ 1,014,284	\$ 928,337	\$ 1,190,767	\$ 262,430

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 FIRE IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 452,970	\$ 452,970	\$ 528,233	\$ 75,263
Investment income	10,000	10,000	36,517	26,517
Total revenues	462,970	462,970	564,750	101,780
<b>EXPENDITURES</b>				
Current:				
Public Safety	9,900	43,467	42,958	509
Capital outlay	1,019,215	1,010,490	121,261	889,229
Total expenditures	1,029,115	1,053,957	164,219	889,738
Net change in fund balances	(566,145)	(590,987)	400,531	991,518
<b>Fund balances - beginning</b>	1,111,841	1,111,841	1,111,841	-
<b>Fund balances - ending</b>	\$ 545,696	\$ 520,854	\$ 1,512,372	\$ 991,518

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 PARKS AND RECREATION IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 1,056,400	\$ 1,116,400	\$ 1,294,969	\$ 178,569
Investment income	30,000	30,000	94,865	64,865
Total revenues	1,086,400	1,146,400	1,389,834	243,434
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	-	36,556	871,564	(835,008)
Capital outlay	1,505,728	4,389,390	2,195,071	2,194,319
Total expenditures	1,505,728	4,425,946	3,066,635	1,359,311
Net change in fund balances	(419,328)	(3,279,546)	(1,676,801)	1,602,745
<b>Fund balances - beginning</b>	3,370,441	3,370,441	3,370,441	-
<b>Fund balances - ending</b>	\$ 2,951,113	\$ 90,895	\$ 1,693,640	\$ 1,602,745

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 TRANSPORTATION IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 4,450,080	\$ 4,450,080	\$ 5,077,261	\$ 627,181
Investment income	60,000	60,000	180,774	120,774
Total revenues	<u>4,510,080</u>	<u>4,510,080</u>	<u>5,258,035</u>	<u>747,955</u>
<b>EXPENDITURES</b>				
Current:				
Transportation	880,850	880,850	649,379	231,471
Capital outlay	<u>2,518,316</u>	<u>2,518,316</u>	<u>109,035</u>	<u>2,409,281</u>
Total expenditures	<u>3,399,166</u>	<u>3,399,166</u>	<u>758,414</u>	<u>2,640,752</u>
Net change in fund balances	1,110,914	1,110,914	4,499,621	3,388,707
<b>Fund balances - beginning</b>	<u>4,221,535</u>	<u>4,221,535</u>	<u>4,221,535</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 5,332,449</u>	<u>\$ 5,332,449</u>	<u>\$ 8,721,156</u>	<u>\$ 3,388,707</u>



**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 SOLID WASTE IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits and special assessments	\$ 275,150	\$ 275,150	\$ 327,885	\$ 52,735
Investment income	6,000	6,000	9,025	3,025
Total revenues	<u>281,150</u>	<u>281,150</u>	<u>336,910</u>	<u>55,760</u>
<b>EXPENDITURES</b>				
Current:				
Physical environment	114	114	-	114
Capital outlay	<u>64</u>	<u>64</u>	<u>-</u>	<u>64</u>
Total expenditures	<u>178</u>	<u>178</u>	<u>-</u>	<u>178</u>
Net change in fund balances	280,972	280,972	336,910	55,938
<b>Fund balances - beginning</b>	<u>169,437</u>	<u>169,437</u>	<u>169,437</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 450,409</u>	<u>\$ 450,409</u>	<u>\$ 506,347</u>	<u>\$ 55,938</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL GOVERNMENT IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 376,270	\$ 376,270	\$ 450,293	\$ 74,023
Investment income	6,000	6,000	28,400	22,400
Total revenues	<u>382,270</u>	<u>382,270</u>	<u>478,693</u>	<u>96,423</u>
<b>EXPENDITURES</b>				
Capital outlay	140,446	140,446	-	140,446
Total expenditures	<u>140,446</u>	<u>140,446</u>	<u>-</u>	<u>140,446</u>
Net change in fund balances	241,824	241,824	478,693	236,869
<b>Fund balances - beginning</b>	<u>806,947</u>	<u>806,947</u>	<u>806,947</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 1,048,771</u>	<u>\$ 1,048,771</u>	<u>\$ 1,285,640</u>	<u>\$ 236,869</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
SURTAX CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Local option sales taxes	\$ 11,734,790	\$ 11,734,790	\$ 10,734,747	\$ (1,000,043)
Intergovernmental	-	-	204,985	204,985
Charges for services	-	-	105,875	105,875
Investment income	535,000	535,000	732,083	197,083
Miscellaneous	-	-	50,000	50,000
Total revenues	<u>12,269,790</u>	<u>12,269,790</u>	<u>11,827,690</u>	<u>(442,100)</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	26,770	7,864	18,906
Public safety	38,659	41,102	149,951	(108,849)
Physical environment	158,420	-	-	-
Transportation	3,940,854	4,071,960	1,990,315	2,081,645
Culture and recreation	10,291	270,010	169,393	100,617
Capital outlay	<u>26,638,230</u>	<u>26,376,612</u>	<u>3,728,094</u>	<u>22,648,518</u>
Total expenditures	<u>30,786,454</u>	<u>30,786,454</u>	<u>6,045,617</u>	<u>24,740,837</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,516,664)</u>	<u>(18,516,664)</u>	<u>5,782,073</u>	<u>24,298,737</u>
Net change in fund balances	(18,516,664)	(18,516,664)	5,782,073	24,298,737
<b>Fund balances - beginning</b>	<u>23,162,135</u>	<u>23,162,135</u>	<u>23,162,135</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 4,645,471</u>	<u>\$ 4,645,471</u>	<u>\$ 28,944,208</u>	<u>\$ 24,298,737</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 RENEWAL AND REPLACEMENT-GENERAL FUND CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 6,000	\$ 6,000	\$ 26,424	\$ 20,424
Total revenues	<u>6,000</u>	<u>6,000</u>	<u>26,424</u>	<u>20,424</u>
<b>EXPENDITURES</b>				
Capital outlay	150,190	150,190	21,489	128,701
Total expenditures	<u>150,190</u>	<u>150,190</u>	<u>21,489</u>	<u>128,701</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(144,190)</u>	<u>(144,190)</u>	<u>4,935</u>	<u>149,125</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	358,000	358,000	358,000	-
Total other financing sources (uses)	<u>358,000</u>	<u>358,000</u>	<u>358,000</u>	<u>-</u>
Net change in fund balances	213,810	213,810	362,935	149,125
<b>Fund balances - beginning</b>	<u>775,107</u>	<u>775,107</u>	<u>775,107</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 988,917</u>	<u>\$ 988,917</u>	<u>\$ 1,138,042</u>	<u>\$ 149,125</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 RENEWAL AND REPLACEMENT-ROAD AND DRAINAGE DISTRICT CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 17,000	\$ 17,000	\$ 53,556	\$ 36,556
Total revenues	<u>17,000</u>	<u>17,000</u>	<u>53,556</u>	<u>36,556</u>
<b>EXPENDITURES</b>				
Current:				
Transportation	-	-	37	(37)
Capital outlay	<u>732,138</u>	<u>732,138</u>	<u>378,327</u>	<u>353,811</u>
Total expenditures	<u>732,138</u>	<u>732,138</u>	<u>378,364</u>	<u>353,774</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(715,138)</u>	<u>(715,138)</u>	<u>(324,808)</u>	<u>390,330</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>850,000</u>	<u>850,000</u>	<u>850,000</u>	<u>-</u>
Total other financing sources (uses)	<u>850,000</u>	<u>850,000</u>	<u>850,000</u>	<u>-</u>
Net change in fund balances	134,862	134,862	525,192	390,330
<b>Fund balances - beginning</b>	<u>1,521,941</u>	<u>1,521,941</u>	<u>1,521,941</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 1,656,803</u>	<u>\$ 1,656,803</u>	<u>\$ 2,047,133</u>	<u>\$ 390,330</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 RENEWAL AND REPLACEMENT-FIRE RESCUE DISTRICT CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 15,000	\$ 15,000	\$ 45,090	\$ 30,090
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>45,090</u>	<u>30,090</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	93,487	93,604	15,792	77,812
Capital outlay	<u>855,132</u>	<u>855,015</u>	<u>629,519</u>	<u>225,496</u>
Total expenditures	<u>948,619</u>	<u>948,619</u>	<u>645,311</u>	<u>303,308</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(933,619)</u>	<u>(933,619)</u>	<u>(600,221)</u>	<u>333,398</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>1,195,000</u>	<u>1,195,000</u>	<u>1,195,000</u>	<u>-</u>
Total other financing sources (uses)	<u>1,195,000</u>	<u>1,195,000</u>	<u>1,195,000</u>	<u>-</u>
Net change in fund balances	261,381	261,381	594,779	333,398
<b>Fund balances - beginning</b>	<u>1,639,008</u>	<u>1,639,008</u>	<u>1,639,008</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 1,900,389</u>	<u>\$ 1,900,389</u>	<u>\$ 2,233,787</u>	<u>\$ 333,398</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 RENEWAL AND REPLACEMENT-SOLID WASTE DISTRICT CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 45,000	\$ 45,000	\$ 143,990	\$ 98,990
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>143,990</u>	<u>98,990</u>
<b>EXPENDITURES</b>				
Capital outlay	2,694,190	2,694,190	685,159	2,009,031
Total expenditures	<u>2,694,190</u>	<u>2,694,190</u>	<u>685,159</u>	<u>2,009,031</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,649,190)</u>	<u>(2,649,190)</u>	<u>(541,169)</u>	<u>2,108,021</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	688,860	688,860	688,860	-
Total other financing sources (uses)	<u>688,860</u>	<u>688,860</u>	<u>688,860</u>	<u>-</u>
Net change in fund balances	(1,960,330)	(1,960,330)	147,691	2,108,021
<b>Fund balances - beginning</b>	<u>4,771,144</u>	<u>4,771,144</u>	<u>4,771,144</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 2,810,814</u>	<u>\$ 2,810,814</u>	<u>\$ 4,918,835</u>	<u>\$ 2,108,021</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 RENEWAL AND REPLACEMENT-BUILDING FUND CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 1,500	\$ 1,500	\$ 5,926	\$ 4,426
Total revenues	1,500	1,500	5,926	4,426
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	40,000	40,000	40,000	-
Total other financing sources (uses)	40,000	40,000	40,000	-
Net change in fund balances	41,500	41,500	45,926	4,426
<b>Fund balances - beginning</b>	188,600	188,600	188,600	-
<b>Fund balances - ending</b>	\$ 230,100	\$ 230,100	\$ 234,526	\$ 4,426



**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
RENEWAL AND REPLACEMENT-FLEET MANAGEMENT FUND CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 10,000	\$ 10,000	\$ 18,753	\$ 8,753
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>18,753</u>	<u>8,753</u>
<b>EXPENDITURES</b>				
Capital outlay	29,420	29,420	27,542	1,878
Total expenditures	<u>29,420</u>	<u>29,420</u>	<u>27,542</u>	<u>1,878</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,420)</u>	<u>(19,420)</u>	<u>(8,789)</u>	<u>10,631</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,000	50,000	50,000	-
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balances	30,580	30,580	41,211	10,631
<b>Fund balances - beginning</b>	<u>642,379</u>	<u>642,379</u>	<u>642,379</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 672,959</u>	<u>\$ 672,959</u>	<u>\$ 683,590</u>	<u>\$ 10,631</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 ROAD RECONSTRUCTION CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 60,000	\$ 60,000	\$ 24,525	\$ (35,475)
Total revenues	60,000	60,000	24,525	(35,475)
<b>EXPENDITURES</b>				
Current:				
Transportation	5,500	5,500	-	5,500
Capital outlay	-	1,073,612	1,073,613	(1)
Total expenditures	5,500	1,079,112	1,073,613	5,499
Net change in fund balances	54,500	(1,019,112)	(1,049,088)	(29,976)
<b>Fund balances - beginning</b>	1,049,088	1,049,088	1,049,088	-
<b>Fund balances - ending</b>	\$ 1,103,588	\$ 29,976	\$ -	\$ (29,976)

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# INTERNAL SERVICE FUNDS

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Internal service funds are used to account for the financing of goods or services provided by one department or fund to other departments or funds of the government on a cost reimbursement basis.

**SELF-INSURANCE RISK FUND** - This fund is used to account for the self-insurance cost of providing coverage for workers' compensation, vehicle, and general liability.

**SELF-INSURANCE MEDICAL FUND** - This fund is used to account for the provision of medical benefits to City employees and their dependents through the City's self-insurance program.

**CITY OF NORTH PORT, FLORIDA  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS  
 SEPTEMBER 30, 2020**

	<b>Internal Service Funds</b>		
	<b>Self Insurance - Risk</b>	<b>Self Insurance - Medical</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 721,603	\$ 2,416,143	\$ 3,137,746
Accounts receivable	15,887	2,902	18,789
<b>Total assets</b>	<b>737,490</b>	<b>2,419,045</b>	<b>3,156,535</b>
<b>LIABILITIES</b>			
Accounts payable	-	207	207
Liability for unpaid claims	1,183,731	488,825	1,672,556
<b>Total liabilities</b>	<b>1,183,731</b>	<b>489,032</b>	<b>1,672,763</b>
<b>NET POSITION</b>			
Unrestricted	(446,241)	1,930,013	1,483,772
<b>Total net position</b>	<b>\$ (446,241)</b>	<b>\$ 1,930,013</b>	<b>\$ 1,483,772</b>

**CITY OF NORTH PORT, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<b>Internal Service Funds</b>		
	<b>Self Insurance - Risk</b>	<b>Self Insurance - Medical</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Charges for services:			
Self-insurance fees	\$ 1,630,940	\$ 8,709,846	\$ 10,340,786
Miscellaneous	50,332	129,286	179,618
Total operating revenues	<u>1,681,272</u>	<u>8,839,132</u>	<u>10,520,404</u>
<b>OPERATING EXPENSES</b>			
General and administrative	2,362,935	7,749,656	10,112,591
Total operating expenses	<u>2,362,935</u>	<u>7,749,656</u>	<u>10,112,591</u>
Operating income (loss)	<u>(681,663)</u>	<u>1,089,476</u>	<u>407,813</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	14,659	27,996	42,655
Gain/loss on asset disposals	2,800	-	2,800
Total nonoperating revenues	<u>17,459</u>	<u>27,996</u>	<u>45,455</u>
Change in net position	(664,204)	1,117,472	453,268
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>217,963</u>	<u>812,541</u>	<u>1,030,504</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (446,241)</u>	<u>\$ 1,930,013</u>	<u>\$ 1,483,772</u>

**CITY OF NORTH PORT, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED SEPTEMBER 30, 2020**

	<b>Internal Service Funds</b>		
	<b>Self Insurance - Risk</b>	<b>Self Insurance - Medical</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 1,679,512	\$ 8,839,139	\$ 10,518,651
Payments to vendors for goods and services	(853,362)	(1,423,576)	(2,276,938)
Claims paid	(1,252,667)	(6,196,677)	(7,449,344)
Net cash provided by (used for) operating activities	(426,517)	1,218,886	792,369
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from sale of capital assets	2,800	-	2,800
Net cash provided by (used for) capital and related financing activities	2,800	-	2,800
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income received	14,659	27,996	42,655
Net cash provided by investing activities	14,659	27,996	42,655
Net increase (decrease) in cash and cash equivalents	(409,058)	1,246,882	837,824
Cash and cash equivalents, October 1	1,130,661	1,169,261	2,299,922
Cash and cash equivalents, September 30	\$ 721,603	\$ 2,416,143	\$ 3,137,746
<b>Classified as:</b>			
Current assets	\$ 721,603	\$ 2,416,143	\$ 3,137,746
<b>Total</b>	<b>\$ 721,603</b>	<b>\$ 2,416,143</b>	<b>\$ 3,137,746</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	\$ (681,663)	\$ 1,089,476	\$ 407,813
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Increase/decrease in accounts receivable	(1,760)	7	(1,753)
Increase in claims payable	256,906	129,403	386,309
Total adjustments	255,146	129,410	384,556
Net cash provided by (used for) operating activities	\$ (426,517)	\$ 1,218,886	\$ 792,369

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# TRUST AND AGENCY FUNDS

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Trust funds are used to administer resources reserved and held by a governmental unit as the trustee or as the agent for others. Use of these trust funds facilitates the discharge of responsibilities placed upon the governmental unit by virtue of law or other authority.

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

## ***PENSION TRUST FUNDS:***

**POLICE OFFICERS' PENSION TRUST FUND** - This fund is used to account for receipts and disbursements, as authorized by the respective pension board.

**FIREFIGHTERS' PENSION TRUST FUND** - This fund is used to account for receipts and disbursements, as authorized by the respective pension board.

## ***AGENCY FUNDS:***

**COUNTY ROAD IMPACT FEES FUND** - This fund is used to account for county road impact fees collected for and disbursed to Sarasota County.

**EDUCATION IMPACT FEES FUND** - This fund is used to account for education impact fees collected for and disbursed to the Sarasota County School Board.

**COUNTY JUSTICE IMPACT FEES FUND** - This fund is used to account for county justice impact fees collected for and disbursed to Sarasota County.

**COUNTY GENERAL GOVERNMENT IMPACT FEES FUND** - This fund is used to account for county general government impact fees collected for and disbursed to Sarasota County.

**CITY OF NORTH PORT, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2020**

	<b>Pension Trust Funds</b>		
	<b>Police Officers' Pension Trust Fund</b>	<b>Firefighters' Pension Trust Fund</b>	<b>Totals</b>
<b>ASSETS</b>			
Cash and equivalents	\$ 1,399,776	\$ 444,337	\$ 1,844,113
Receivables:			
Contributions receivable	485,937	228,706	714,643
Interest and dividends receivable	56,966	-	56,966
Total receivables	542,903	228,706	771,609
Investments, at fair market value:			
U.S. Government and agency securities	5,176,009	-	5,176,009
Mortgage/asset-backed securities	193,465	-	193,465
Equity securities	32,706,798	32,715,566	65,422,364
Corporate obligations	3,427,108	-	3,427,108
Fixed income mutual funds	4,145,688	16,664,686	20,810,374
Commingled real estate funds	4,101,950	5,391,335	9,493,285
International equity securities	345,059	-	345,059
Total investments, at fair value	50,096,077	54,771,587	104,867,664
Total assets	52,038,756	55,444,630	107,483,386
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	39,156	9,825	48,981
Total liabilities	39,156	9,825	48,981
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	\$ 51,999,600	\$ 55,434,805	\$ 107,434,405



**CITY OF NORTH PORT, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Pension Trust Funds</b>		
	<b>Police Officers' Pension Trust Fund</b>	<b>Firefighters' Pension Trust Fund</b>	<b>Totals</b>
<b>ADDITIONS</b>			
Contributions:			
Plan members	\$ 423,515	\$ 383,491	\$ 807,006
State of Florida	523,055	436,173	959,228
City of North Port	1,943,746	651,211	2,594,957
Total contributions	<u>2,890,316</u>	<u>1,470,875</u>	<u>4,361,191</u>
Investment income:			
Net change in fair value of investments	4,108,503	3,063,103	7,171,606
Interest and dividends	<u>1,105,489</u>	<u>1,672,372</u>	<u>2,777,861</u>
Investment income	5,213,992	4,735,475	9,949,467
Less investment expenses	<u>(154,543)</u>	<u>(110,288)</u>	<u>(264,831)</u>
Net investment income	<u>5,059,449</u>	<u>4,625,187</u>	<u>9,684,636</u>
Total additions	<u>7,949,765</u>	<u>6,096,062</u>	<u>14,045,827</u>
<b>DEDUCTIONS</b>			
Benefits to participants	2,286,631	1,781,980	4,068,611
Administrative expenses	107,897	81,658	189,555
Refunds of participant contributions	<u>9,371</u>	<u>1,337</u>	<u>10,708</u>
Total deductions	<u>2,403,899</u>	<u>1,864,975</u>	<u>4,268,874</u>
<b>NET INCREASE</b>	5,545,866	4,231,087	9,776,953
<b>NET POSITION - BEGINNING</b>	<u>46,453,734</u>	<u>51,203,718</u>	<u>97,657,452</u>
<b>NET POSITION - ENDING</b>	<u>\$ 51,999,600</u>	<u>\$ 55,434,805</u>	<u>\$ 107,434,405</u>

**CITY OF NORTH PORT, FLORIDA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Balance October 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2020</u>
<b><u>COUNTY ROAD IMPACT FEES</u></b>				
<b>ASSETS</b>				
Cash	\$ 29	\$ 702,758	\$ 702,787	\$ -
Total assets	<u>\$ 29</u>	<u>\$ 702,758</u>	<u>\$ 702,787</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Due to other entities	\$ 29	\$ 702,758	\$ 702,787	\$ -
Total liabilities	<u>\$ 29</u>	<u>\$ 702,758</u>	<u>\$ 702,787</u>	<u>\$ -</u>
<b><u>EDUCATION IMPACT FEES</u></b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 1,849,120	\$ 1,849,120	\$ -
Total assets	<u>\$ -</u>	<u>\$ 1,849,120</u>	<u>\$ 1,849,120</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Due to other entities	\$ -	\$ 1,849,120	\$ 1,849,120	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 1,849,120</u>	<u>\$ 1,849,120</u>	<u>\$ -</u>
<b><u>COUNTY JUSTICE IMPACT FEES</u></b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 1,665,980	\$ 1,665,980	\$ -
Total assets	<u>\$ -</u>	<u>\$ 1,665,980</u>	<u>\$ 1,665,980</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Due to other entities	\$ -	\$ 1,665,980	\$ 1,665,980	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 1,665,980</u>	<u>\$ 1,665,980</u>	<u>\$ -</u>

**CITY OF NORTH PORT, FLORIDA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Balance October 1, 2019</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance September 30, 2020</b>
<b><u>COUNTY GENERAL GOVERNMENT IMPACT FEES</u></b>				
<b>ASSETS</b>				
Cash	\$ -	\$ 264,745	\$ 264,745	\$ -
Total assets	\$ -	\$ 264,745	\$ 264,745	\$ -
<b>LIABILITIES</b>				
Due to other entities	\$ -	\$ 264,745	\$ 264,745	\$ -
Total liabilities	\$ -	\$ 264,745	\$ 264,745	\$ -
 <b><u>TOTALS - ALL AGENCY FUNDS</u></b>				
<b>ASSETS</b>				
Cash	\$ 29	\$ 4,482,603	\$ 4,482,632	\$ -
Total assets	\$ 29	\$ 4,482,603	\$ 4,482,632	\$ -
<b>LIABILITIES</b>				
Due to other entities	\$ 29	\$ 4,482,603	\$ 4,482,632	\$ -
Total liabilities	\$ 29	\$ 4,482,603	\$ 4,482,632	\$ -



**Statistical Section  
(Unaudited)**

This part of the City of North Port, Florida's (the City) Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

<b>Contents</b>	<b>Pages</b>
<b>Financial Trends Information</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>154-159</b>
<b>Revenue Capacity Information</b> These schedules contain information to help the reader assess the City's local revenue source.	<b>160-163</b>
<b>Debt Capacity Information</b> These schedules present information to help the reader assess the City's debt burden and its ability to issue additional debt in the future.	<b>164-169</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment in which the City's financial activities take place	<b>170-171</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>172-174</b>

**Source:** Unless otherwise noted, the information in these schedules was obtained from the Comprehensive Annual Financial Reports for the relevant year.

Schedule I  
City of North Port, Florida  
Net Position by Component  
Last Ten Fiscal Years  
*(accrual basis of accounting)*

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental activities</b>										
Net investment in capital assets	\$ 218,575,683	\$ 223,775,300	\$ 230,333,540	\$ 234,882,721	\$ 237,026,274	\$ 241,472,557	\$ 244,303,830	\$ 243,253,519	\$ 258,208,628	\$ 261,865,644
Restricted	45,826,354	49,259,616	45,641,773	55,770,974	62,452,659	71,250,430	72,908,693	76,818,949	76,395,819	89,152,418
Unrestricted	24,128,719	16,955,264	16,468,879	12,727,589	2,702,120	3,708,285	2,580,398	1,021,685	(3,391,718)	(10,220,257)
Total governmental activities net position	288,530,756	289,990,180	292,444,192	303,381,284	302,181,053	316,431,272	319,792,921	321,094,153	331,212,729	340,797,805
<b>Business-type activities</b>										
Net investment in capital assets	66,903,408	79,479,072	83,727,413	84,974,490	86,998,132	89,029,570	94,222,893	100,361,537	110,295,914	161,208,925
Restricted	15,180,859	6,623,346	5,950,232	5,538,481	7,094,824	12,325,750	15,165,600	18,379,282	22,604,884	16,045,635
Unrestricted	16,937,270	14,012,517	14,139,200	14,743,672	14,623,995	17,032,841	20,618,285	23,358,343	25,390,736	30,845,089
Total business-type activities net position	99,021,537	100,114,935	103,816,845	105,256,643	108,716,951	118,388,161	130,006,778	142,099,162	158,291,534	208,099,649
<b>Primary government</b>										
Net investment in capital assets	285,479,091	303,254,372	314,060,953	319,857,211	324,024,406	330,502,127	338,526,723	343,615,056	368,504,542	423,074,569
Restricted	61,007,213	55,882,962	51,592,005	61,309,455	69,547,483	83,576,180	88,074,293	95,198,231	99,000,703	105,198,053
Unrestricted	41,065,989	30,967,781	30,608,079	27,471,261	17,326,115	20,741,126	23,198,683	24,380,028	21,999,018	20,624,832
Total primary government net position	\$ 387,552,293	\$ 390,105,115	\$ 396,261,037	\$ 408,637,927	\$ 410,898,004	\$ 434,819,433	\$ 449,799,699	\$ 463,193,315	\$ 489,504,263	\$ 548,897,454

Schedule 2  
City of North Port, Florida  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental activities:										
General government	\$ 4,568,263	\$ 5,443,315	\$ 5,576,054	\$ 5,474,035	\$ 7,312,658	\$ 7,126,349	\$ 8,492,041	\$ 8,417,543	\$ 11,811,197	\$ 10,455,849
Public safety	27,112,638	27,432,173	27,591,686	28,688,863	28,523,541	28,963,557	33,404,665	35,883,205	42,902,595	49,021,745
Physical environment	11,889,847	11,121,362	12,308,823	11,890,530	13,366,178	13,501,369	17,504,341	15,875,586	16,321,527	17,165,637
Transportation	11,912,546	10,064,929	12,094,208	11,035,370	13,860,150	12,308,111	16,821,250	18,137,765	14,977,069	18,464,013
Economic environment	718,912	542,865	526,849	331,987	225,113	218,487	299,851	328,608	288,008	447,495
Human services	471,217	430,452	409,326	372,461	392,101	361,663	368,544	465,085	512,109	539,240
Culture and recreation	1,510,829	1,481,053	1,762,877	1,697,522	2,791,605	2,844,658	3,546,622	8,014,001	5,765,160	7,384,613
Interest on long-term debt	604,719	527,271	475,419	1,362,416	1,841,080	1,823,375	1,749,711	1,671,000	1,568,458	921,061
Total governmental activities expenses:	\$ 58,788,971	\$ 57,043,420	\$ 60,745,242	\$ 60,853,184	\$ 68,312,426	\$ 67,147,569	\$ 82,187,025	\$ 88,792,793	\$ 94,146,123	\$ 104,399,653
Business-type activities:										
Water and Sewer	16,735,294	16,374,879	16,214,079	17,252,790	17,855,795	17,717,194	18,260,636	19,868,575	20,652,431	22,163,448
Total business-type activities expense:	16,735,294	16,374,879	16,214,079	17,252,790	17,855,795	17,717,194	18,260,636	19,868,575	20,652,431	22,163,448
Total primary government expenses	\$ 75,524,265	\$ 73,418,299	\$ 76,959,321	\$ 78,105,974	\$ 86,168,221	\$ 84,864,763	\$ 100,447,661	\$ 108,661,368	\$ 114,798,554	\$ 126,563,101
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	2,964,274	2,915,348	3,020,995	3,307,698	3,522,744	3,615,385	3,999,965	3,721,399	5,943,226	5,592,389
Public safety	9,489,908	9,701,924	10,959,122	12,724,026	13,264,272	13,798,654	14,248,090	15,266,048	16,792,712	18,370,336
Physical environment	11,226,055	11,146,751	11,662,983	11,581,023	11,888,808	12,474,915	13,850,528	13,190,296	13,389,869	14,579,571
Transportation	7,031,970	6,981,639	7,602,325	10,641,111	11,163,721	11,765,016	12,196,139	12,736,785	13,221,586	14,283,584
Economic environment	-	1,850	-	-	-	-	-	-	-	3,170
Human services	36,464	31,153	35,745	29,071	11,441	-	-	-	-	-
Culture and recreation	190,284	349,013	336,658	817,973	1,452,399	1,530,529	1,524,833	1,645,073	1,668,200	1,580,674
Operating grants and contributions	474,855	327,977	171,456	142,159	123,435	146,689	251,976	153,524	1,945,374	2,011,628
Capital grants and contributions	2,411,883	939,286	1,233,594	3,678,035	1,746,577	3,732,510	2,899,662	4,206,564	4,494,430	8,799,178
Total governmental activities program revenues	\$ 33,825,693	\$ 32,394,941	\$ 35,022,878	\$ 42,921,096	\$ 43,173,397	\$ 47,063,698	\$ 48,971,193	\$ 50,919,689	\$ 57,455,397	\$ 65,220,530
Business-type activities:										
Charges for services										
Water and Sewer	16,547,772	14,943,875	16,795,809	17,617,220	18,563,645	19,678,748	21,213,468	22,221,715	23,128,272	25,982,573
Operating grants and contributions	-	-	-	-	-	1,000	-	-	-	-
Capital grants and contributions	1,465,916	2,271,112	3,358,686	1,899,485	4,191,521	7,940,452	8,835,408	9,823,272	12,590,072	45,080,802
Total business-type activities program revenue:	\$ 18,013,688	\$ 17,214,987	\$ 20,154,495	\$ 19,516,705	\$ 22,755,166	\$ 27,620,200	\$ 30,048,876	\$ 32,044,987	\$ 35,718,344	\$ 71,063,375
Total primary government program revenue:	\$ 51,839,381	\$ 49,609,928	\$ 55,177,373	\$ 62,437,801	\$ 65,928,563	\$ 74,683,898	\$ 79,020,069	\$ 82,964,676	\$ 93,173,741	\$ 136,283,905
<b>Net (Expense)/Revenue</b>										
Governmental activities	(24,963,278)	(24,648,479)	(25,722,364)	(17,932,088)	(25,139,029)	(20,083,871)	(33,215,832)	(37,873,104)	(36,690,726)	(39,179,123)
Business type activities	1,278,394	840,108	3,940,416	2,263,915	4,899,371	9,903,006	11,788,240	12,176,412	15,065,913	48,899,927
Total primary government net expense	\$ (23,684,884)	\$ (23,808,371)	\$ (21,781,948)	\$ (15,668,173)	\$ (20,239,658)	\$ (10,180,865)	\$ (21,427,592)	\$ (25,696,692)	\$ (21,624,813)	\$ 9,720,804

(continued)

Schedule 2 (continued)  
City of North Port, Florida  
Changes in Net Position  
Last Ten Fiscal Years  
*(accrual basis of accounting)*

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Revenues and Other Changes in Net Position</b>										
Government activities:										
Taxes										
Ad valorem	\$ 8,035,010	\$ 7,850,463	\$ 8,071,414	\$ 8,102,022	\$ 9,228,706	\$ 10,087,025	\$ 11,017,060	\$ 12,079,877	\$ 13,589,528	\$ 17,246,920
Insurance premium	-	708,123	701,173	693,958	717,647	750,107	781,849	868,421	915,178	959,228
Service	2,610,742	2,621,537	2,597,548	2,602,545	2,613,049	2,597,884	2,731,686	2,851,977	2,952,450	3,083,831
Local business	103,573	150,948	154,888	133,502	136,049	142,197	118,613	137,009	130,086	133,248
Fuel	2,453,271	2,519,605	2,575,867	2,648,684	2,722,094	2,857,991	2,980,577	3,177,820	3,292,590	3,122,388
Discretionary sales surtax	5,801,652	6,097,183	6,883,376	7,424,336	8,172,571	8,679,097	9,131,513	9,901,615	10,823,129	10,734,747
Intergovernmental	4,584,561	4,982,968	5,689,363	6,310,324	6,982,072	7,487,367	7,977,419	8,570,871	9,191,838	8,823,155
Investment income	988,455	765,900	359,012	340,457	898,718	898,381	914,764	1,070,053	3,858,565	3,445,375
Miscellaneous	354,602	411,176	812,484	263,442	410,035	446,111	511,310	855,214	1,614,538	751,407
Transfers in	-	-	331,251	349,910	357,530	387,930	412,690	420,260	441,400	463,900
T total governmental activities	24,931,866	26,107,903	28,176,376	28,869,180	32,238,471	34,334,090	36,577,481	39,933,117	46,809,302	48,764,199
Business-type activities:										
Investment income	287,783	253,290	92,745	56,352	208,289	196,305	243,067	376,416	1,567,859	1,372,088
Miscellaneous	-	-	-	3,304	19,237	(40,171)	-	-	-	-
Transfers out	-	-	(331,251)	(349,910)	(357,530)	(387,930)	(412,690)	(420,260)	(441,400)	(463,900)
T total business-type activities:	287,783	253,290	(238,506)	(290,254)	(130,004)	(231,796)	(169,623)	(43,844)	1,126,459	908,188
T total primary government	25,219,649	26,361,193	27,937,870	28,578,926	32,108,467	34,102,294	36,407,858	39,889,273	47,935,761	49,672,387
<b>Change in Net Position</b>										
Governmental activities	(31,412)	1,459,424	2,454,012	10,937,092	7,099,442	14,250,219	3,361,649	2,060,013	10,118,576	9,585,076
Business-type activities	1,566,177	1,093,398	3,701,910	1,973,661	4,769,367	9,671,210	11,618,617	12,132,568	16,192,372	49,808,115
T total primary government	\$ 1,534,765	\$ 2,552,822	\$ 6,155,922	\$ 12,910,753	\$ 11,868,809	\$ 23,921,429	\$ 14,980,266	\$ 14,192,581	\$ 26,310,948	\$ 59,393,191



Schedule 3  
City of North Port, Florida  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

General Fund	Fiscal Year										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Nonspendable	\$ -	\$ -	\$ 47,720	\$ 8,724	\$ 8,658	\$ 230,664	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	1,204,621	1,204,621	159,195	-	-	-	-	-	-	-	-
Committed	136,521	65,942	62,000	91,665	71,100	88,818	96,923	226,728	71,721	377,383	
Assigned	2,522,608	2,607,519	1,920,189	1,274,111	549,008	582,848	1,250,037	1,090,668	2,230,331	1,433,814	
Unassigned	8,359,530	7,048,977	8,515,309	8,911,526	10,324,089	10,566,834	11,298,674	11,964,336	11,894,567	13,749,073	
Total general fund	12,223,280	10,927,059	10,704,413	10,286,026	10,952,855	11,469,164	12,645,634	13,281,732	14,196,619	15,560,270	
<b>All Other Governmental Funds</b>											
Nonspendable	-	85,913	101,971	488,738	74,521	3,162,730	1,855,593	912,300	672,385	52,435	
Restricted	45,415,254	44,754,105	40,512,146	82,515,916	84,037,531	80,582,096	75,590,794	69,355,038	75,189,280	88,268,794	
Committed	14,475,560	12,253,091	13,005,335	11,538,200	12,397,414	13,148,982	12,951,881	13,478,605	4,942,992	6,525,396	
Assigned	-	-	-	-	-	-	-	-	-	-	
Unassigned	(396,848)	(37,429)	-	-	-	-	-	-	-	-	
Total all other governmental funds	\$ 59,493,966	\$ 57,055,680	\$ 53,619,452	\$ 94,542,854	\$ 96,509,466	\$ 96,893,808	\$ 90,398,268	\$ 83,745,943	\$ 80,804,657	\$ 94,846,625	

**Schedule 4**  
**City of North Port, Florida**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	<b>Fiscal Year</b>				
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Revenues</b>					
Taxes	\$ 19,004,248	\$ 19,947,859	\$ 20,984,266	\$ 21,605,047	\$ 23,590,116
Permits, fees and special assessments	4,268,359	4,301,775	4,329,926	8,473,706	10,067,692
Intergovernmental	7,139,199	5,489,049	6,319,650	9,722,334	8,065,596
Charges for services	35,302,253	34,164,683	36,446,062	39,172,936	39,632,216
Fines and forfeiture	188,921	179,809	288,529	357,801	398,566
Investment income	988,455	765,900	359,012	340,457	898,718
Miscellaneous	740,556	681,670	975,258	471,296	670,962
<b>Total revenues</b>	<b>67,631,991</b>	<b>65,530,745</b>	<b>69,702,703</b>	<b>80,143,577</b>	<b>83,323,866</b>
<b>Expenditures</b>					
General government	12,621,710	11,915,962	11,875,470	13,335,577	13,265,911
Public safety	25,600,876	26,343,281	26,204,602	27,727,273	27,628,170
Physical environment	10,065,323	9,017,469	9,954,925	9,590,224	10,419,561
Transportation	9,669,911	7,265,774	8,870,383	8,109,291	9,830,214
Economic environment	713,120	536,503	523,751	338,201	213,424
Human services	394,535	350,767	327,101	298,161	280,302
Culture and recreation	1,219,728	953,515	972,033	992,752	1,888,022
Capital outlay	15,669,821	10,871,277	3,856,905	22,241,013	17,232,406
Debt service					
Principal	2,247,789	1,553,021	10,984,758	2,075,163	2,817,386
Interest	604,719	527,271	475,419	978,142	1,801,681
<b>Total expenditures</b>	<b>78,807,532</b>	<b>69,334,840</b>	<b>74,045,347</b>	<b>85,685,797</b>	<b>85,377,077</b>
Excess (deficiency) of revenues over (under) expenditures	(11,175,541)	(3,804,095)	(4,342,644)	(5,542,220)	(2,053,211)
<b>Other financing sources (uses)</b>					
Proceeds from capital leases	-	-	159,036	-	-
Proceeds from bonds	-	-	-	40,742,230	-
Proceeds from loans	-	-	-	4,843,703	4,255,011
Transfers in	2,093,590	6,539,495	2,190,908	3,898,832	3,521,370
Transfers out	(2,093,590)	(6,539,495)	(1,859,657)	(3,548,922)	(3,163,840)
Insurance recoveries	-	69,588	193,483	111,392	74,111
<b>Total other financing sources</b>	<b>-</b>	<b>69,588</b>	<b>683,770</b>	<b>46,047,235</b>	<b>4,686,652</b>
<b>Net change in fund balances</b>	<b>\$ (11,175,541)</b>	<b>\$ (3,734,507)</b>	<b>\$ (3,658,874)</b>	<b>\$ 40,505,015</b>	<b>\$ 2,633,441</b>
Debt service as a percentage of noncapital expenditures	4.52%	3.56%	16.33%	4.81%	6.78%

Note: Includes general, special revenue, capital projects and debt service funds.

<b>Fiscal Year</b>				
<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
\$ 25,114,301	\$ 26,761,298	\$ 29,016,719	\$ 31,702,961	\$ 35,280,362
11,952,302	13,192,572	14,565,819	14,631,618	18,954,867
8,227,712	8,219,878	8,683,044	10,927,282	11,209,574
41,757,552	43,512,801	45,245,977	48,605,417	52,387,382
577,256	203,665	285,074	193,891	273,923
894,398	908,156	1,061,730	3,818,175	3,402,720
752,459	812,201	1,079,299	866,163	743,453
89,275,980	93,610,571	99,937,662	110,745,507	122,252,281
14,977,611	14,815,022	16,159,528	17,028,973	16,845,601
27,504,767	29,715,286	33,142,327	38,015,601	40,991,937
11,038,233	13,558,966	12,572,936	12,564,279	13,366,001
9,111,671	11,684,980	13,798,870	9,982,655	13,058,433
213,540	290,184	325,099	276,594	416,115
304,826	259,851	367,555	403,264	433,905
2,039,255	2,162,461	6,864,408	4,108,353	5,412,530
19,556,761	22,407,282	18,727,677	25,549,860	12,305,315
2,604,660	2,629,191	2,667,580	3,624,627	3,710,000
1,893,659	1,868,928	1,792,474	1,711,460	1,045,629
89,244,983	99,392,151	106,418,454	113,265,666	107,585,466
30,997	(5,781,580)	(6,480,792)	(2,520,159)	14,666,815
-	-	-	-	-
-	-	-	-	31,485,000
411,180	-	-	-	(31,386,829)
2,991,960	2,550,916	5,235,197	13,636,176	3,645,760
(2,604,030)	(2,138,226)	(4,814,937)	(13,194,776)	(3,181,860)
70,544	49,820	44,305	52,360	176,733
869,654	462,510	464,565	493,760	738,804
\$ 900,651	\$ (5,319,070)	\$ (6,016,227)	\$ (2,026,399)	\$ 15,405,619
6.45%	5.84%	5.09%	6.08%	4.99%

Schedule 5  
City of North Port, Florida  
Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Real Property			Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Industrial Property <sup>a</sup>				
2011	\$ 2,636,469,598	\$ 300,589,500	\$ 436,136,746	\$ 155,834,087	\$ 1,042,389,985	\$ 2,486,639,946	\$ 3.34
2012	2,446,786,570	275,872,800	420,725,155	150,852,852	1,015,462,006	2,278,775,371	3.57
2013	2,463,603,579	263,782,230	401,901,576	146,729,184	1,009,966,953	2,266,049,616	3.62
2014 <sup>b</sup>	-	-	-	154,015,443	1,009,895,744	2,421,145,761	3.45
2015	2,817,111,574	288,915,800	424,517,200	149,974,143	1,034,434,435	2,646,084,282	3.60
2016	2,987,267,151	312,499,500	511,460,900	159,553,703	1,083,308,501	2,887,472,753	3.60
2017	3,327,431,094	345,523,900	578,100,800	158,748,029	1,143,143,888	3,266,659,935	3.48
2018	3,732,427,469	355,551,900	642,928,000	158,375,711	1,223,791,242	3,665,491,838	3.41
2019	4,073,971,470	376,435,000	806,399,900	176,326,733	1,301,480,420	4,131,652,683	3.41
2020	4,582,623,191	401,740,000	822,657,800	180,890,829	1,372,828,786	4,615,083,034	3.87

Source: Sarasota County Property Appraiser

Note: Property is assessed at market value. The Save Our Homes Amendment caps homesteaded property at a maximum increase in the taxable value of 3% per year. Tax rate is per \$1,000 of assessed value.

<sup>a</sup> Industrial property amount includes railroad properties classified as centrally assessed property.

<sup>b</sup> Information for the breakdown of the real property not available from the County for 2014.

**Schedule 6**  
**City of North Port, Florida**  
**Direct and Overlapping Property Tax Rates,**  
**Last Ten Fiscal Years**  
**(Per \$1,000 of Assessed Value)**

Fiscal Year Ended September 30,	City of North Port		Overlapping Rates <sup>a</sup>		Total Direct and Overlapping Rates
	Operating Miliage	Total City Millage	Sarasota County	School Board of Sarasota County	
2011	\$ 3.3400	\$ 3.3400	\$ 4.9895	\$ 7.9010	\$ 16.2305
2012	3.5681	3.5681	4.8569	7.6350	16.0600
2013	3.6167	3.6167	4.9097	7.8160	16.3424
2014	3.4474	3.4474	4.8987	7.9700	16.3161
2015	3.5974	3.5974	4.8827	7.7770	16.2571
2016	3.5974	3.5974	4.8319	7.7630	16.1923
2017	3.4770	3.4770	4.8148	7.4330	15.7248
2018	3.4070	3.4070	4.7857	7.2090	15.4017
2019	3.4070	3.4070	4.7681	7.0030	15.1781
2020	3.8735	3.8735	4.7946	6.9430	15.6111

**Source:** Sarasota County Tax Collector

**Note:** <sup>a</sup> Overlapping rates are those of county governments that apply to property owners within the City of North Port.

**Schedule 7**  
**City of North Port, Florida**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>2020</u>			<u>2011</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Benderson Randall TTEE	\$ 42,935,500	1	0.93%	\$ 12,331,600	4	0.54%
North Port Woodspring LLC	37,634,410	2	0.82	-		-
Lakes at North Port Realty LP	25,430,240	3	0.55	-		-
Lennar Homes LLC	23,193,583	4	0.50	-		-
DiVosta Homes LP	21,501,052	5	0.47	12,134,784	5	0.53
ECHO Price Crossing LLC	16,788,600	6	0.36	-		-
Walmart Stores East LP	16,235,400	7	0.35	14,427,300	2	0.63
American Momentum Bank	14,567,500	8	0.32	-		-
J S D Limited Partnership	14,427,800	9	0.31	-		-
Heron Creek	14,407,354	10	0.31			
Marsh Creek Holdings Ltd	-		-	17,096,600	1	0.75
Gran Paradiso I LLC	-		-	12,782,044	3	0.56
Lowes Home Centers Inc.	-		-	11,867,200	6	0.52
Walgreen Co.	-		-	11,113,400	7	0.49
Comcast Cable	-		-	10,024,358	8	0.44
Florida Power & Light Company	-		-	5,504,600	9	0.24
Verizon	-		-	516,900	10	0.02
	<u>\$ 227,121,439</u>		<u>4.92%</u>	<u>\$ 107,798,786</u>		<u>4.72%</u>

**Source:** Sarasota County Property Appraiser

**Schedule 8  
City of North Port, Florida  
Property Tax Levies and Tax Collections  
Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
	Fiscal Year	Amount <sup>a</sup>	Percentage of Levy	Amount	Years	Amount	Percentage of Levy	
2011	\$ 8,306,731	\$ 7,896,228	95%	\$ 89,609	\$ 7,985,837	96%		
2012	8,150,499	7,760,853	95%	130,625	7,891,478	97%		
2013	8,201,835	7,939,111	97%	28,949	7,968,060	97%		
2014	8,339,025	8,073,073	97%	25,255	8,098,328	97%		
2015	9,551,208	9,203,451	96%	33,350	9,236,801	97%		
2016	10,390,485	10,053,675	97%	36,046	10,089,721	97%		
2017	11,347,328	10,981,013	97%	14,695	10,995,708	97%		
2018	12,520,445	12,065,182	96%	15,950	12,081,132	96%		
2019	14,093,894	13,573,579	96%	36,381	13,609,960	97%		
2020	17,876,524	17,208,377	96%	34,126	17,242,503	96%		

**Source:** Sarasota County Property Appraiser

**Note:** (a) Includes discount taken for early payment of property taxes.

Schedule 9  
City of North Port, Florida  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities				Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	Sales Tax Revenue Bonds	Capital Leases	Transportation Improvement Assessment Bonds <sup>d</sup>	Loans Payable <sup>f</sup>	Water and Sewer Bonds <sup>e</sup>	Loans Payable	Total Primary Government			
2011	\$ 11,055,000	\$ 1,962,455	\$ -	\$ -	\$ 18,268,896	\$ 22,960,814	\$ 54,247,165	1.67 %	\$ 937	
2012	10,320,000	1,144,434	-	-	17,395,327	22,367,183	51,226,944	1.62 %	873	
2013 <sup>b</sup>	-	638,712	-	-	16,472,043	23,846,934	40,957,689	1.25 %	691	
2014	-	238,550	38,989,628	4,843,703	15,557,247	22,726,833	82,355,961	2.41 %	1,366	
2015	-	80,860	38,060,314	7,294,019	14,491,980	21,504,673	81,431,846	2.41 %	1,307	
2016	-	40,771	37,107,679	4,347,208	13,380,988	20,391,364	75,268,010	2.07 %	1,167	
2017 <sup>c</sup>	-	-	36,121,772	2,634,627	12,222,464	19,247,015	70,225,878	1.77 %	1,045	
2018	-	-	35,097,662	2,634,627	10,857,551	18,572,477	67,162,317	1.55 %	951	
2019	-	-	34,040,426	-	9,250,410	17,338,817	60,629,653	1.27 %	823	
2020	-	-	34,320,000	-	7,577,251	16,071,221	57,968,472	1.12 %	747	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> Personal income and population data can be found in Schedule 14.

<sup>b</sup> Sales Tax Revenue Bonds were defeased July, 2013.

<sup>c</sup> Final lease payment made February 2017.

<sup>d</sup> Includes bond premium.

<sup>e</sup> Includes bond discount.

<sup>f</sup> Final loan payment made 10/1/2018.



**Schedule 10**  
**City of North Port, Florida**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended September 30,</b>	<b>Sales Tax Revenue Bonds</b>	<b>Transportation Improvement Assessment Bonds<sup>d</sup></b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property<sup>a</sup></b>	<b>Per Capita<sup>b</sup></b>
2011	\$ 11,055,000	\$ -	\$ 11,055,000	0.44%	\$ 191
2012	10,320,000	-	10,320,000	0.45%	176
2013 <sup>c</sup>	-	-	-	0.00%	-
2014	-	38,989,628	38,989,628	1.61%	628
2015	-	38,060,314	38,060,314	1.44%	611
2016	-	37,107,679	37,107,679	1.29%	576
2017	-	36,121,772	36,121,772	1.11%	538
2018	-	35,097,662	35,097,662	0.96%	497
2019	-	34,040,426	34,040,426	0.82%	462
2020	-	34,320,000	34,320,000	0.74%	442

**Note:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup>See Schedule 5 for property value data.

<sup>b</sup>Population data can be found in Schedule 14.

<sup>c</sup>Sales Tax Revenue Bonds were defeased July, 2013.

<sup>d</sup>Includes bond premium.

Schedule 11  
City of North Port, Florida  
Direct and Overlapping Governmental Activities Debt  
As of September 30, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>a</sup>	Estimated Share of Overlapping Debt
<b>Overlapping debt</b>			
Sarasota County School Board	\$ 121,754,359	17.68%	\$ 21,520,158
Sarasota County Board of County Commissioners	407,960,000	17.68%	72,107,183
Subtotal, overlapping debt			93,627,341
<b>City of North Port, direct debt</b>			34,320,000
<b>Total direct and overlapping debt</b>			\$ 127,947,341

**Source:** Assessed value data used to estimate applicable percentages provided by Sarasota County Property Appraiser.

**Note:** <sup>a</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values.

**Schedule 12**  
**City of North Port, Florida**  
**Legal Debt Margin Information**

No general obligation bonds have been issued on behalf of the City of North Port, Florida.

**Schedule 13**  
**City of North Port, Florida**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

<b>Water &amp; Sewer Revenue Bonds/SRF Loans</b>								
<b>Fiscal Year</b>	<b>Utility</b>	<b>Less:</b>		<b>Net</b>		<b>Debt Service</b>		<b>Coverage</b>
		<b>Gross</b>	<b>Operating</b>	<b>Available</b>				
<b>Ended</b>	<b>Revenues<sup>a</sup></b>	<b>Expenses<sup>b</sup></b>	<b>Revenue</b>	<b>Principal</b>	<b>Interest</b>			
<b>September 30,</b>								
2011	\$ 16,835,555	\$ 11,509,610	\$ 5,325,945	\$ 1,515,858	\$ 1,016,987	2.10		
2012	15,197,165	10,884,361	4,312,804	1,700,682	1,601,181	1.31		
2013	16,888,554	11,325,211	5,563,343	2,240,324	1,254,345	1.59		
2014	17,673,572	12,334,234	5,339,338	2,234,757	1,196,568	1.56		
2015	18,771,934	12,720,355	6,051,579	2,543,340	947,457	1.73		
2016	19,875,053	12,343,867	7,531,186	2,390,179	1,033,571	2.20		
2017	21,456,535	12,686,632	8,769,903	2,449,862	974,039	2.56		
2018	22,598,131	14,276,724	8,321,407	2,690,684	916,116	2.31		
2019	24,696,131	14,748,909	9,947,222	2,948,618	849,093	2.62		
2020	27,354,661	15,507,070	11,847,591	3,028,285	771,667	3.12		

Details regarding the City's outstanding debt can be found in the notes to financial statements

**Note:** <sup>a</sup> Excludes any government grants, water impact fees, sewer impact fees, and special assessments proceeds.

<sup>b</sup> Excludes depreciation.

<sup>c</sup> The sales tax revenue bonds were currently refunded with available funds.

<sup>d</sup> The sales tax revenue bonds were defeased July, 2013.

<sup>e</sup> A two-year moratorium on transportation impact fees was approved by the City Commission on January 30, 2012. The moratorium was extended until January 31, 2015 at the January 27, 2014 Commission meeting

<sup>f</sup> No principal or interest payments due on the SIB loan until FY 2015.

<sup>g</sup> This loan was paid off in FY 2019.

Sales Tax Revenue Bonds				State Infrastructure Bank Loan					
Half-Cent	Debt Service			Transportation	Discretionary	Debt Service			
Sales Tax	Principal	Interest	Coverage	Impact	Sales	Principal	Interest	Coverage	
Revenues				Fees	Surtax				
\$ 3,620,781	\$ 710,000	\$ 494,621	3.01	\$ -	\$ -	\$ -	\$ -	-	-
3,908,879	735,000	467,996	3.25	-	-	-	-	-	-
4,235,193	10,320,000	442,271	0.39 <sup>c</sup>	-	-	-	-	-	-
-	-	-	- <sup>d</sup>	-	7,424,336	-	-	-	- <sup>e, f</sup>
-	-	-	-	305,963	8,172,571	1,804,695	16,565	4.66	
-	-	-	-	1,907,710	8,679,097	1,684,571	136,689	5.81	
-	-	-	-	1,790,894	9,131,513	1,673,420	147,840	6.00	
-	-	-	-	2,661,848	9,901,615	1,712,580	108,680	6.90	
-	-	-	-	2,505,843	10,823,129	2,634,627	65,866	4.94 <sup>g</sup>	
-	-	-	-	-	-	-	-	-	-

**Schedule 14**  
**City of North Port, Florida**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

<b>Year</b>	<b>Population <sup>a</sup></b>	<b>Personal Income</b>	<b>Per Capita Personal Income<sup>b</sup></b>	<b>Unemployment Rate<sup>c</sup></b>
2011	57,893	\$ 3,251,155,094	\$ 56,158	12.0%
2012	58,674	3,154,842,306	53,769	9.1%
2013	59,231	3,282,700,482	55,422	7.2%
2014	60,295	3,416,374,995	56,661	6.2%
2015	62,325	3,374,711,775	54,147	5.6%
2016	64,472	3,637,897,072	56,426	5.2%
2017	67,196	3,965,437,548	59,013	3.6%
2018	70,631	4,345,431,013	61,523	3.0%
2019	73,652	4,777,657,936	64,868	3.1%
2020	77,561	5,187,124,558	66,878	5.4%

**Source:**

<sup>a</sup> City of North Port Neighborhood Development Services Department

<sup>b</sup> Bureau of Economic and Business Research, University of Florida; County data is used due to no city data being available.

<sup>c</sup> U.S. Bureau of Labor Statistics

**Schedule 15**  
**City of North Port, Florida**  
**Principal Employers in Sarasota County**  
**Current Year and Nine Years Ago**

<b>Employer</b>	<b>2020</b>			<b>2011</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
School Board of Sarasota County	5,881	1	3.40%	5,549	1	3.89%
Sarasota Memorial Hospital	4,619	2	2.67%	3,024	3	2.12%
Publix Super Markets, Inc.	4,041	3	2.34%	1,474	4	1.03%
Sarasota County Government	3,626	4	2.10%	3,241	2	2.27%
PGT Innovations	1,835	5	1.06%	1,118	6	0.78%
Venice Regional Bayfront Health	1,009	6	0.58%	1,400	5	0.98%
City of Sarasota	760	7	0.44%	-	-	-
Helios Technologies, Inc.	688	8	0.40%	686	7	0.48%
Doctors Hospital of Sarasota	628	9	0.36%	624	9	0.44%
Florida Resource Management, LLC	500	10	0.29%	-	-	-
Tervis Tumbler	-	-	-	670	8	0.47%
Sunset Automotive Group	-	-	-	600	10	0.42%
	<u>23,587</u>		<u>13.64%</u>	<u>18,386</u>		<u>12.88%</u>
Total Sarasota County Employment	<u>172,807</u>			<u>142,696</u>		

**Source:** Florida Agency for Workforce Innovation, U.S. Bureau of Labor Statistics  
 Statistics are for Sarasota County; not available for City of North Port

**Schedule 16**  
**City of North Port, Florida**  
**Full-time Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>Fiscal Year</b>									
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
General Government										
Commission	5	5	5	5	5	5	5	5	5	5
City Attorney	-	-	-	-	2	4	4	4	5	5
City Auditor and Clerk	8	7	6	6	6	6	7	10	10	9
Finance	14	13	13	13	13	14	15	17	17	17
Planning and Zoning	6	7	7	8	11	12	12	16	16	15
Building Department	18	17	18	20	24	26	28	31	32	37
General Services	22	22	21	24	24	17	19	20	-	-
Information Technology	-	-	-	-	-	-	-	-	13	14
Social Services	-	-	-	-	-	-	-	-	5	5
City Manager's Office	11	5	5	5	6	7	7	8	9	8
Human Resources	-	-	-	-	-	7	8	10	11	11
Fleet Maintenance	11	12	12	12	12	12	12	13	13	14
Parks and Recreation	18	18	19	19	19	19	20	20	37	47
Public Safety										
Police - uniform	102	102	102	102	102	103	104	109	120	123
Police - general employees	31	31	30	30	30	33	37	41	42	42
Fire Rescue	92	92	92	92	92	93	100	110	135	130
Physical Environment										
Facilities Maintenance	20	22	21	20	20	18	17	18	11	9
Solid Waste Management	34	34	36	36	37	38	40	40	43	44
Transportation										
Road and Drainage	83	86	86	86	87	85	86	91	93	99
Economic Environment										
Economic Development	2	2	2	2	1	2	2	2	2	3
Enterprise funds										
Utilities	57	57	59	59	63	67	70	77	80	82
<b>Total</b>	<b>534</b>	<b>532</b>	<b>534</b>	<b>539</b>	<b>554</b>	<b>568</b>	<b>593</b>	<b>642</b>	<b>699</b>	<b>719</b>

**Source:** City of North Port Budget

**Note:** Staffing level indicates the number of positions budgeted in each department. Figures include both full-time and part-time positions.



**Schedule 17**  
**City of North Port, Florida**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police										
Physical arrests	1,611	1,840	1,827	1,439	1,075	930	814	606	969	797
Parking violations	128	106	387	209	144	184	227	132	92	18
Traffic violations	9,204	10,677	11,272	10,008	9,633	6,970	8,507	8,573	13,137	9,471
Fire										
Emergency Responses	5,683	5,849	6,018	6,100	6,556	7,093	7,669	7,876	8,620	9,904
Streets and highways										
Streets resurfaced ( <i>miles</i> )	21	23	-	61	95	130	132	132	132	33
Paved Streets ( <i>miles</i> )	813	813	813	813	813	813	813	813	813	823
Water										
New connections	97	167	249	424	687	709	757	1014	882	966
Water mains breaks	2	0	8	4	1	6	12	8	13	9
Average daily consumption ( <i>millions of gallons</i> )	2.51	2.56	2.94	3.14	2.88	3.10	3.26	3.09	3.39	3.28
Peak daily consumption ( <i>millions of gallons</i> )	4.12	3.66	4.16	3.26	4.19	3.85	4.16	4.40	4.66	4.73
Wastewater										
Average daily sewage treatment ( <i>millions of gallons</i> )	1.77	2.13	2.18	2.30	2.24	2.42	2.37	2.49	2.43	2.06
Solid waste collection										
Solid waste collected ( <i>tons per year</i> )	22,967	23,058	24,547	28,107	30,139	32,837	34,060	34,767	35,534	38,796
Recyclables collected ( <i>tons per year</i> )	7,031	7,895	8,188	8,502	9,386	10,434	10,926	11,611	12,060	11,622

**Source:** Various City Departments

**Note:** Indicators are not available for the general government function.

Schedule 18  
City of North Port, Florida  
Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	69	74	74	74	73	74	72	72	81	85
Fire Stations	5	5	5	5	5	5	5	5	6	6
Streets and highways										
Streets (miles)	813	813	813	813	813	813	813	813	813	823
Traffic Signals	18	18	18	19	19	19	19	19	21	22
Water										
Water mains (miles)	293	295	300	304	306	320	328	338	349	354
Storage capacity (millions of gallons)	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Fire hydrants	1608	1632	1685	1710	1728	1790	1896	1974	2062	2139
Wastewater										
Sanitary sewers (miles)	213	216	219	233	235	240	248	262	270	273
Treatment capacity (millions of gallons)	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.90	4.90	4.90
Manholes	3145	3184	3232	3271	3316	3420	3570	3775	3913	3948
Lift Stations	97	99	99	100	100	101	107	110	112	113
Solid waste collection										
Collection trucks	37	38	39	41	41	43	43	47	53	53

Source: Various city departments

Note: No capital asset indicators are available for the general government function.



**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**

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Honorable Mayor, City Commission  
and City Manager  
City of North Port, 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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Port, Florida (the "City"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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.

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.

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**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

Bradenton, Florida  
June 30, 2021

*Mauldin & Jenkins, LLC*



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

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Honorable Mayor, City Commission  
and City Manager  
City of North Port, Florida

**Report on Compliance for Each Major Federal Program**

We have audited the City of North Port, Florida’s (the “City”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, that could have a direct and material effect on each of the City’s major federal programs for the year ended September 30, 2020. The City’s major federal programs 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor’s Responsibility***

Our responsibility is to express an opinion on compliance for each of the City’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City’s compliance.

***Opinion on Each Major Federal Program***

In our opinion, the City 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 for the year ended September 30, 2020.

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## Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bradenton, Florida  
June 30, 2021

*Mauldin & Jenkins, LLC*

**CITY OF NORTH PORT, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**SECTION I  
SUMMARY OF AUDIT RESULTS**

**Financial Statements**

Type of report the auditor issued on whether the financial Statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weaknesses identified?  yes  no

Significant deficiencies identified not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

**Federal Awards**

Internal control over major programs:

Material weaknesses identified?  yes  no

Significant deficiencies identified not considered to be material weaknesses?  yes  none reported

Type of auditor's report issued on compliance for major federal programs and state financial assistance Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?  yes  no

Identification of major federal program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
97.083	<b>U.S. Department of Homeland Security</b> Staffing for Adequate Fire and Emergency Response
97.036	<b>U.S. Department of Homeland Security</b> Disaster Grants – Public Assistance

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  yes  no

**SECTION II  
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

There were no current year audit findings reported.

**CITY OF NORTH PORT, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**SECTION III  
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

**SECTION IV  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

There were no prior year audit findings reported.



**CITY OF NORTH PORT, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Federal/State/Pass-Through Grantor	Program or Cluster Title	CFDA No.	Contract/Grant No.	Federal Expenditures
U.S. Department of Health and Human Services	CARES Act Provider Relief Fund	93.498	Federal	\$ 62,203
U.S. Department of Health and Human Services	CARES Act Provider Relief Fund - Round 3	93.498	Federal	<u>2,069</u>
<b>Total U.S. Department of Health and Human Services</b>				<b><u>64,272</u></b>
Federal Emergency Management Agency	Hurricane Irma	97.036	Z1066	763,055
Federal Emergency Management Agency	Hurricane Dorian	97.036	Federal	12,882
Federal Emergency Management Agency	FEMA Hazard Mitigation Grant Program for Generator	97.039	H0131	28,937
Federal Emergency Management Agency	FEMA Staffing for Adequate Fire and Emergency Response for WVID	97.083	EMW-2017-FH-00165	1,059,106
Passed through the United Way of Sarasota	Emergency Food and Shelter - CARES Program	97.024	LRO 171400007-CARES	2,619
Passed through the United Way of Sarasota	Emergency Food and Shelter - Phase 37	97.024	LRO 171400007-37	<u>2,618</u>
<b>Total U.S. Department of Homeland Security</b>				<b><u>1,869,217</u></b>
Passed through Sarasota County	Community Development Block Grant for ADA Park Enhancements at the	14.218	B-12-UC-12-0014B-13-UC-12-0014	208,468
Passed through Sarasota County	Community Development Block Grant to be used for sidewalk construction	14.218	B-18-UC-12-0014	97,690
Passed through Sarasota County	Community Development Block Grant to be used for staff support in the SS	14.218	B-19-UC-12-0014	<u>54,000</u>
<b>Total U.S. Department of Housing and Urban Development</b>				<b><u>360,158</u></b>
Bureau of Justice Assistance	Bulletproof Vests, 50% match	16.607	2018-BPV	347
Passed through Florida Department of Law Enforcement	Edward Byrne Memorial Justice Assistance (JAG) - Mini First Aid Kits	16.738	2020-JAGD-SARA-1-Y6-012	6,978
Bureau of Justice Assistance	Bulletproof Vests, 50% match	16.607	2019-BPV	<u>7,383</u>
<b>Total U.S. Department of Justice</b>				<b><u>14,708</u></b>
U.S. Department of the Treasury	Federal Equitable Sharing Program	21.000	None	<u>889</u>
<b>Total U.S. Department of the Treasury</b>				<b><u>889</u></b>
Passed through Florida Department of Transportation	LAP agreement federal pass-through FDOT for bike lane/sidewalks on	20.205	440153-1-58-01	<u>290,122</u>
<b>Total U.S. Department of Transportation</b>				<b><u>290,122</u></b>
U.S. Environmental Protection Agency	US EPA Bridge Water Main Replacement	66.202	00D70318	<u>60,515</u>
<b>Total U.S. Environmental Protection Agency</b>				<b><u>60,515</u></b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<b><u>\$ 2,659,881</u></b>

See accompanying notes.

**CITY OF NORTH PORT, FLORIDA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**NOTE 1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of the City of North Port, Florida (the “City”) under programs of the federal government for the year ended September 30, 2020. The information in the Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the City, they are not intended to and do not present the financial position, changes in net position or cash flows of the City. The City’s reporting entity is defined in Note 1 of the City’s basic financial statements. All awards received directly from federal and state agencies, as well as amounts passed through other government agencies are included in the accompanying schedule of expenditures of federal awards.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for grants which are accounted for in the governmental fund types and on the accrual basis of accounting for grants which are accounted for in the proprietary fund types. Such expenditures are recognized following 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*, wherein certain types of expenditures are not allowable or are limited as to reimbursement, except for the Equitable Sharing programs for Justice and Treasury which follow, *Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies*. Pass-through entity identifying numbers are presented where available.

**NOTE 3. INDIRECT COST RATE**

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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Honorable Mayor, City Commission,  
and City Manager  
City of North Port, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the City of North Port, Florida (the "City"), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 30, 2021.

### **Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the 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 Report on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountant'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 June 30, 2021, 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 in the preceding annual financial audit report requiring correction.

### **Official Title and Legal Authority**

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information has been disclosed in the notes to the financial statements.

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### **Financial Condition and Management**

Sections 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 City has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and identify the specific conditions(s) met. In connection with our audit, we determined that the City 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 City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of 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 connection with our audit, we did not have any such recommendations.

### **Special District Component Units**

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), *Florida Statutes*. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), *Florida Statutes*.

### **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, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Bradenton, Florida  
June 30, 2021

*Mauldin & Jenkins, LLC*



## INDEPENDENT ACCOUNTANT'S REPORT

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Honorable Mayor, City Commission,  
and City Manager  
City of North Port, Florida

We have examined the City of North Port, Florida's (the "City") compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2020. Management of the City is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2020.

This report is intended solely for the information and use of the City and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
June 30, 2021