

# **City of Rockledge, Florida**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Year Ended September 30, 2020**

**City of Rockledge, Florida**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**Year Ended September 30, 2020**

Prepared by: Matthew Trine

**City of Rockledge, Florida**  
**Table of Contents**  
**As of September 30, 2020**

**INTRODUCTORY SECTION**

Table of Contents .....	i
City Officials .....	iii
Organization Chart .....	v
Transmittal Letter .....	vii
Certificate of Achievement for Excellence in Financial Reporting.....	xii

**FINANCIAL SECTION**

Independent Auditors' Report .....	1
Management's Discussion and Analysis.....	5

**Basic Financial Statements:**

Government-wide Financial Statements: .....	
Statement of Net Position .....	21
Statement of Activities .....	22
Fund Financial Statements:.....	
Balance Sheet – Governmental Funds.....	24
Reconciliation of Fund Balance of Governmental Fund to Net Position of Governmental Funds .....	25
Statement of Revenues, Expenditures and Changes in..... Fund Balances – Governmental Funds.....	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	27
Statement of Net Position – Proprietary Funds.....	28
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds .....	32
Statement of Cash Flows – Proprietary Funds.....	34
Statement of Fiduciary Net Position – Fiduciary Funds .....	38
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	39
Notes to Financial Statements .....	41

**Required Supplementary Information:**

Budgetary Comparison Schedule – General Fund .....	83
Budgetary Comparison Schedule – Community Redevelopment Agency .....	85
Budgetary Notes to Required Supplementary Information.....	86
Schedules of Defined Benefit Pension Plans .....	88
Schedules of Other Postemployment Benefits.....	102

**Other Supplementary Information:**

Combining Financial Statements:.....	
Balance Sheet – Nonmajor Governmental Funds.....	105
Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	106

**City of Rockledge, Florida**  
**Table of Contents**  
**As of September 30, 2020**

**STATISTICAL SECTION**

Schedule A-1 Net Position by Component Last Ten Fiscal Years .....	109
Schedule A-2.1 Changes in Net Position Last Ten Fiscal Years .....	110
Schedule A-2.2 General Revenues and Other Changes in New Position Last Ten Fiscal Years .....	111
Schedule A-3 Fund Balances – Governmental Funds Last Ten Fiscal Years .....	112
Schedule A-4 Changes in Fund Balances – Governmental Funds Last Ten Fiscal Years .....	113
Schedule B-1 Value of Taxable Property Last Ten Fiscal Years .....	114
Schedule B-2 Direct and Overlapping Property Tax Rates Last Ten Fiscal Years.....	115
Schedule B-3 Principal Property Taxpayers Current Year and Nine Years Prior .....	116
Schedule B-4 Property Tax Levies and Collections Last Ten Fiscal Years .....	117
Schedule C-1 Ratios of Outstanding Debt by Type Last Ten Fiscal Years .....	118
Schedule C-2 Direct and Overlapping Governmental Activities Debt as of September 30, 2020.....	119
Schedule C-3 Pledged Revenue Coverage Last Ten Fiscal Years .....	120
Schedule D-1 Demographic and Economic Statistics Last Ten Fiscal Years .....	122
Schedule D-2 Principal Employers for the Current Year and Nine Years Prior.....	123
Schedule E-1 Employees by Function/Program Last Ten Fiscal Years .....	124
Schedule E-2 Operating Indicators by Function/Program Last Ten Fiscal Years .....	125
Schedule E-3 Capital Asset Statistics by Function/Program Last Ten Fiscal Years .....	126

**REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS**

Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	127
Independent Auditors’ Management Letter .....	129
Independent Auditors’ Report on Compliance with Local Government Investment Policies .....	131
Impact Fee Affidavits .....	133

**City of Rockledge, Florida**  
**City Officials**  
**As of September 30, 2020**

**MAYOR**

Thomas J. Price

**CITY COUNCIL**

Michael A. Cadore Sr.

Dr. R. Shaun Ferguson

Sammie Brown Martin

Frank T. Forester

Duane A. Daski

Ted J. Hartselle

**CITY MANAGER**

Dr. Brenda Fettrow

**ASSISTANT CITY MANAGER**

Matthew D. Trine

**CITY ATTORNEY**

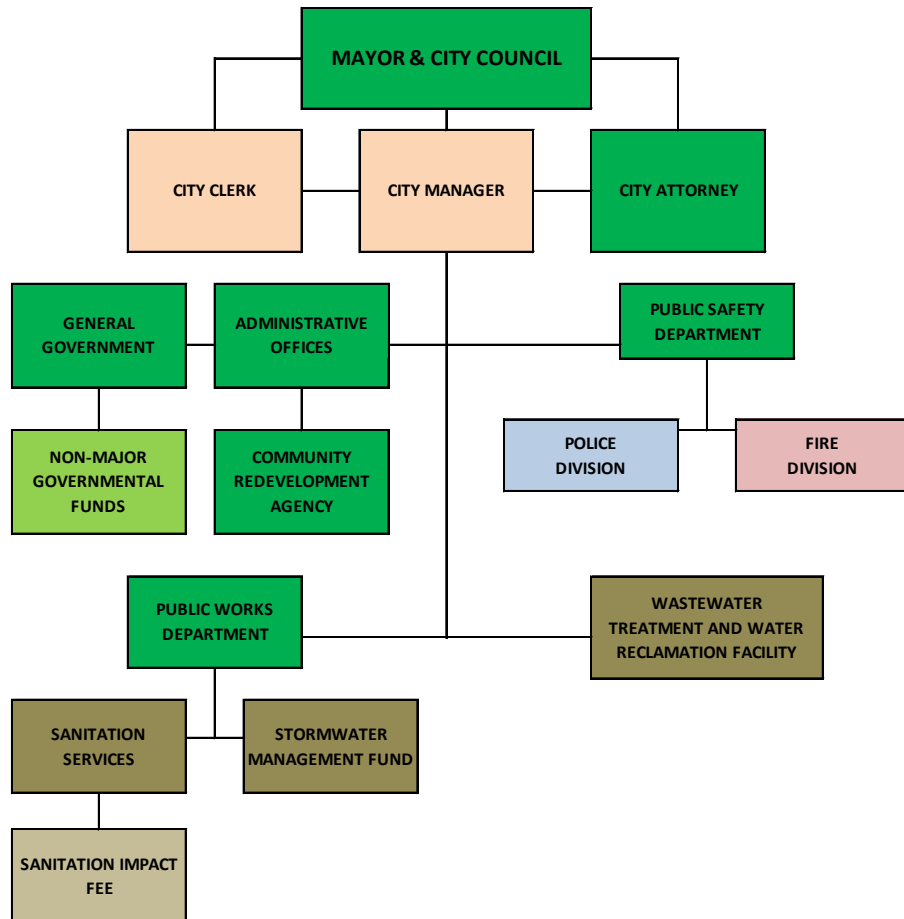
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**CITY CLERK/PUBLIC RELATIONS**

Jennifer M. LeVasseur

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**City of Rockledge, Florida**  
**Organization Chart**  
**As of September 30, 2020**



- |   |  |  |
|---|--|--|
|  - Major Proprietary Funds     |  - Major Governmental Funds     |  - Chartered Officers              |
|  - Non-Major Proprietary Funds |  - Non-Major Governmental Funds |  - Budgeted Governmental Divisions |

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March 10, 2021

**CITY HALL**  
1600 HUNTINGTON LANE  
ROCKLEDGE, FL 32955  
TELEPHONE: 321-221-7540  
FAX: 321-204-6356

**BUILDING DIVISION**  
1600 HUNTINGTON LANE  
ROCKLEDGE, FL 32955  
TELEPHONE: 321-221-7540  
FAX: 321-204-6356

**FIRE & EMERGENCY  
SERVICES DEPT.**  
1800 ROCKLEDGE BLVD.  
ROCKLEDGE, FL 32955  
TELEPHONE: 321-221-7540  
FAX: 321-204-6386

**POLICE DEPT.**  
1776 JACK OATES BLVD.  
ROCKLEDGE, FL 32955  
TELEPHONE: 321-690-3988  
FAX: 321-690-3996

**PUBLIC WORKS DEPT.**  
1400 N. GARDEN ROAD  
ROCKLEDGE, FL 32955  
TELEPHONE: 321-221-7540  
FAX: 321-204-6353

**WASTEWATER  
TREATMENT & WATER  
RECLAMATION DEPT.**  
1700 JACK OATES BLVD.  
ROCKLEDGE, FL 32955  
TELEPHONE: 321-221-7540  
FAX: 321-204-6377

**REDEVELOPMENT  
& RENTAL FACILITIES**  
123 BARTON BLVD. - #103  
ROCKLEDGE, FL 32955  
TELEPHONE: 321-221-7540  
FAX: 321-204-6385

[www.cityofrockledge.org](http://www.cityofrockledge.org)

The Honorable Mayor,  
Members of City Council,  
and Citizens of the City of Rockledge:

The Comprehensive Annual Financial Report of the City of Rockledge, Florida, for the fiscal year ended September 30, 2020, is hereby submitted. The report includes Management's Discussion and Analysis and is reflective of management's position on the financial status of the City. Management is responsible for the contents of the comprehensive annual financial report. As such, management, with the support of the elected officials, has established a comprehensive framework of internal controls to protect the City from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). This framework of internal controls, despite inherent limitations, is established to provide a reasonable basis for asserting that these financial statements are fairly presented. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The firm of Carr, Riggs & Ingram, LLC, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2020 are free of material misstatement. The independent audit involves 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 auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2020, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it.

The report reflects work compliant with Governmental Accounting Standards Board (GASB) Statement No. 34 and was performed independent of the audit provisions. This includes accounting for streets, roads, sidewalks, stormwater facilities and all wastewater related infrastructure. This information will have an impact on the financial structure of the report and there will be additional statements within the document depicting those requirements.

Furthermore, the report reflects GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This statement will continue to have a significant impact on net position for the entity-wide statements and the enterprise fund level statements. For more information on the impact of GASB 68, please refer to Note 9 in the Notes to Financial Statements. Finally, the report reflects GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.

## **AWARDS AND ACKNOWLEDGEMENTS**

The City of Rockledge participates in the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program. The City's initial submission for this program was for the Comprehensive Annual Financial Report for the year ended September 30, 2019, for which the City received the Certificate.

## **PROFILE OF THE CITY**

Economic conditions for fiscal year 2020 remained strong in the context of the COVID-19 pandemic, as is evidenced in the overall value of building activity and property values. Total permit value was down from \$145.2 million in 2019 to \$129.1 million in 2020. Total permits issued were 3,532, down 13 percent from 4,072 the previous year. New construction decreased in residential units (58 new single family homes, 72 in 2019) and increased in commercial buildings (seven new commercial buildings, three in 2019). Assessed property values increased by 7.40 percent in 2020, which is the ninth consecutive year of increased values.

Under its Charter, the City operates as a Council-Manager form of government. The Mayor and City Council are elected at large on a non-partisan basis with staggered three-year terms. They are responsible for passing ordinances, adopting budgets, appointing committees, and hiring the City Manager, City Clerk, and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, overseeing daily operations, and appointing department directors and hiring all other employees of the City. The City currently has 247 full-time equivalent staff positions and 15 part-time staff positions, as well as volunteers in the police department. Volunteers also operate the Georgia Phillips Reading Room at the Community Resource Center.

The City provides a full range of services, including police and fire protection; public works, including sanitation, stormwater management, street and sidewalk maintenance, etc.; planning, community development and grants acquisition; building inspection services and code enforcement; wastewater treatment and reclaimed water; and general administration and support services. The City has four proprietary enterprise funds – wastewater treatment/reclaimed water, stormwater, sanitation, and sanitation impact fee. The City also has a Community Redevelopment Agency and associated budget as outlined in Florida Statutes, Chapter 163. As for recreation and leisure services, the City is part of a recreational district created by legislative act in 1971 that serves the central mainland of Brevard County.

The annual budget is a foundation for the financial planning and control for the City and is meant to further the Strategic Plan of the City. The budget process begins at staff level in May of each year and is worked through the Council Finance and Budget Committee in June, July, and August. A public workshop is held in August and public hearings in September for adoption of the budget to begin October 1 of each year. The annual tax millage rate is also established at the same time as adoption of the budget.

The budgets are adopted by fund and department. The City Manager can make appropriate transfers within departmental budgets without Council approval. Changes to overall budgets require approval by the City Council. The City Council receives monthly reports of financial conditions of the City, including comparisons as to budget and actual expenditures.

## **FACTORS AFFECTING FINANCIAL CONDITIONS**

As a part of the Central Florida Regional economy, Rockledge has slowly rebounded financially since the recession years of 2009-2012. During Fiscal Year 2020, unemployment increased to 5.2 percent, an increase likely due to the COVID-19 pandemic, a slight variance to the downward trend from what started at double digits during the period of 2009-2012. The expansion of business in the City continues to be positive. Economic development on a comprehensive basis has been aided by redevelopment projects, public works projects, and public/private partnerships. The City marketing efforts continue in order to attract new business, support existing business, and in revitalization of vacant and underutilized properties.

The City of Rockledge has an adopted Business Plan, Investment Strategy, and comprehensive approach to financial matters as well as budgeting. Each budget reflects delivering service at the highest level that can be supported by available revenues. This focus includes personnel management, maintenance and operations, purchasing, and projects. Capital Projects are once again being completed, as well as the upgrade of vehicles and equipment. Emphasis for the future must be centered on maintenance of facilities and infrastructure, combined with long-term strategic planning.

As a top priority, the City continues to lessen the debt load for all budget funds. In ten years, the City has been able to lower the debt principal from \$14.16 million to \$2.64 million, or to \$97 per capita. The debt service includes:

- General Fund total debt stands at \$1,871,822 for the Police and Fire Station's new construction and technology upgrades (retiring in 2028).
- The Wastewater Plant debt consists of the State Revolving Fund loan at \$271,644 which will be satisfied in 2022.
- The Community Redevelopment Agency (CRA) tax-exempt loan for the Barton Boulevard Project has now been reduced to \$500,000 at a 1.60 percent interest rate, with satisfaction complete by 2022. In addition, the CRA has a \$1,000,000 credit line with Community Bank of the South. As of September 30, 2020, this debt instrument was fully satisfied.

Major projects completed in Fiscal Year 2020 included the construction of SCADA Phase II for the Wastewater Treatment and Water Reclamation Facility, as well as the reconstruction of Lift Station #3 bulkhead and a major pipe replacement at Floyd Dr. and Hagan Lane for the Stormwater Fund. Other major accomplishments include:

- Continued implementation of the Compensation and Classification System for employees, including the increase of the City-Wide minimum wage
- Continuation of the Bioactive Material application in the Stormwater System
- Purchase of a compact excavator for Public Works
- The Reroof of City Hall with a long-lasting standing seam metal application
- Purchase of 2 trucks and a utility vehicle for Public Works
- Purchase of 5 interceptors and one administrative and 2 utility vehicles for Public Safety
- Purchase of 2 trucks and one line location van for the Wastewater Treatment and Water Reclamation Facility

- Completion of 11 Façade improvement Grants through the Community Redevelopment Agency

Cash reserves have been maintained by the City as a “rainy day” fund. During times of emergency response and disaster mitigation, these fund reserves have allowed the City to respond in a timely and efficient manner. These reserves are invested in certificates of deposit, cash management sweep accounts, and money market accounts. Yields have fallen again to historic lows, with longer-term investments (three to five years) providing slightly more reasonable returns to the City. Risk Management includes insurance for workers’ compensation, general liability, property, vehicular, fiduciary, and public officials through the Florida League of Cities Municipal Trust Program. The City continues to focus on reducing workers’ compensation costs through safety programs and training. In Fiscal Year 2020, City-wide trainings were continued to increase safety, as allowable due to the COVID-19 pandemic. Additional trainings were held virtually on safety in the physical and virtual work environments. These continued efforts have reduced the overall cost of worker’s compensation of the City, and the risk of unforeseen losses and business interruption. Liability, property and casualty insurance have also been maintained at reasonable cost levels.

City Council has continued to pay close attention to the funded status of the three pension plans provided for City employees. The unfunded liability continues to improve over the recessionary levels, with the 2020 market performance above investment objectives. The General, Fire, and Police Employees plans funded status improved in 2020. The funded status of each plan was calculated as follows as of September 30, 2020:

Police	101.18%	General	96.61%	Fire	85.07%
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The City continues to be in an overall positive position when compared with other pension plans statewide. As evidence, this fiscal year, the Fire Employees Retirement Plan’s funded status, has increased to well above 80 percent, which is considered the baseline for healthy pension plans. Furthermore, the Police Employees Retirement Plan’s funded status exceeds 100%. Monitoring of all three plans remains a priority, and benefit evaluation is ongoing.

## **ECONOMIC FACTORS, AND NEXT YEAR’S BUDGET AND RATES**

When establishing priorities for the Fiscal Year 2020 Budget, the City considered many factors for setting tax rates and user fees for business-type activities. Most recently, the City has emphasized maintenance, replacement and renewal, and cost-effective capital projects. City facilities, vehicles, equipment, etc., are in good order but continued evaluation is necessary. Maintaining adequate reserves is key to the continued provision of orderly services in the event of a catastrophic situation.

The nearly 12 square miles of the City is substantially developed, though there continues to be residential, commercial, and industrial development and redevelopment. The CRA has concentrated on attracting new business to the districts, property improvements, and removal of dilapidated structures. Since 2004, the City has funded 105 property improvement projects with matching grants totaling \$829,907 (\$10,000 limit on any one grant). The result has been to leverage over \$2.7 million in private investment to enhance the tax base. The State of Florida continues to make changes to revenue sources that fund the City budget, especially the General Fund. City Staff evaluates the budget on a monthly basis and recommendations are made to the City Council periodically to ensure financial responsibility.

Until the COVID-19 pandemic, the budget uncertainties were becoming less problematic. Growth is expected to remain moderate at best, and potential changes to ad-valorem tax exemptions in conjunction with reduced realizations of state revenue sharing and intergovernmental revenues may reduce the City’s budgeted revenues. Diligence to detail is important in allocation of revenues moving forward. With the state mandated minimum wage changes, the City will need to continue to evaluate personnel costs,

staffing levels, and benefits, while at the same time keeping salary ranges competitive so as not to become a training ground for other entities.

Enterprise funds such as sewer, sanitation, and the stormwater utility, continue to meet financial requirements; although, the sanitation fund has been impacted by Hurricanes Matthew and Irma. Fee increases are evaluated each year based on need and expansion requirements. Federal and State requirements, especially unfunded mandates, will have a direct impact on all of these budgets. The gallonage and base service charges for sewer were increased for Fiscal Year 2020. Subsequently, the gallonage charge will increase effective October 1 of 2021. Stormwater rate increases were enacted in Fiscal Years 2018 and 2019. Sanitation rates were increased effective October 1, 2018, 2019, and 2020, and will subsequently be increased effective October 1, 2021. Stormwater and Sewer rates still remain among the lowest in Brevard County. The City is the sole direct provider of full-service sanitation within Brevard County.

## CONCLUSION

The preparation of this report would not have been possible without the excellent work of the Finance Division. An extensive amount of detailed effort occurs during the year, as well as during the audit, to ensure accuracy and appropriate evaluation of procedures. Other City departments contribute extensively to sound financial practices of this local government to ensure accountability and the carrying out of the City's mission. Appreciation is also expressed to the independent audit team led by Christine Noll-Rhan for its tireless efforts on this yearly project. Final thanks are expressed to you, the City Council, for your direction and your trust in staff to carry out your policies throughout the year. It is truly a team effort.

The 2020 Fiscal Year, despite the pandemic headwinds, was a very successful year with much accomplished in all budgetary areas. The main emphasis has been placed on the maintenance of existing facilities to extend usefulness for longer periods, and the continuance of excellent service at reasonable costs. City staff will continue to focus on quality service delivery to the citizens within approved budgetary allocations.

The City of Rockledge has and will continue to serve the citizens with continued high-quality service, while keeping the tax rates at a reasonable level. We are honored to follow in this tradition and to have the opportunity to move Rockledge forward and enjoy continued success.

Sincerely,

CITY OF ROCKLEDGE, FLORIDA



Dr. Brenda Fettrow, City Manager



Matthew D. Trine, Finance Director



Government Finance Officers Association

Certificate of  
Achievement for  
Excellence in  
Financial  
Reporting

Presented to

**City of Rockledge  
Florida**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

September 30, 2019

*Christopher P. Morill*

Executive Director/CEO

## **INDEPENDENT AUDITORS' REPORT**

Honorable Mayor and Members of the City Council  
City of Rockledge, 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 Rockledge, Florida, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Rockledge, Florida's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We 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.

### **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 Rockledge, 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 conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and other required supplementary information on pages 5-17 and 83-102 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rockledge, Florida's basic financial statements. The introductory section, combining financial statements and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.



The combining financial statements are the responsibility of management and were derived from and related 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 financial statements are fairly stated in all material respects in relation to the financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2021 on our consideration of the City of Rockledge, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Rockledge's internal control over financial reporting and compliance.

*Carri Riggs & Ingram, L.L.C.*

Melbourne, Florida  
March 10, 2021

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## City of Rockledge, Florida Management's Discussion and Analysis

As management of the City of Rockledge (the "City"), we offer readers of the City's financial statements this narrative overview 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 vii to xi of this report.

### FINANCIAL HIGHLIGHTS

- Total assets and liabilities of the City as of September 30, 2020, were \$119,182,702 and \$10,262,256, respectively. Deferred outflows related to pensions and post-employment benefits were \$817,172. Deferred inflows related to pensions, post-employment benefits and business tax revenue were \$3,195,837.
- City-wide total revenues (\$32,271,320) consisted of \$11,361,661 of charges for services and fines, \$1,677,046 in grants and capital contributions, \$51,060 in operating grants and contributions, and \$19,181,553 of general revenues. Total expenses were \$25,414,341.
- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$106,541,781 (net position). Of this amount, \$17,001,190 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- The City's total net position increased by \$6,856,979 or 6.88 percent due to current year operations. The governmental net position increased by \$4,254,947, or 8.10 percent, and the business-type net position increased by \$2,602,032 or 5.52 percent. There were no transfers from the governmental funds to the proprietary funds during the year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$14,826,421, or 80.02 percent of the total expenditures and transfers out.
- Net positions of the General Employees, Police Employees, and Fire Employees Pension Trust Funds increased by \$1,934,323, \$1,424,603, and \$1,077,927, respectively. These changes were primarily the result of plan contributions and an increase in fair value of investments offset by benefit payments. For the Police and Fire Employees Trust Funds, benefit payments exceeded contributions in the current year.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

**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 a private-sector business.

## City of Rockledge, Florida Management's Discussion and Analysis

The statement of net position presents information on all the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference between these four financial statement elements 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 information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused, vacation leave).

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, administrative services, mayor and city council, city attorney, police, fire, public works, planning and development, parks and recreation, and community relations. The business-type activities of the City include wastewater system, storm water utility, and sanitation services.

The government-wide financial statements can be found on pages 21 through 23 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the City's funds can be divided into three categories: governmental 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 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 City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains six 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 and Community Redevelopment Agency (CRA), which are the City's only major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for



## City of Rockledge, Florida Management's Discussion and Analysis

each of these non-major governmental funds is provided in the form of combining statements in the as other supplementary information in this report.

The City adopts an annual appropriated budget for its General Fund and the CRA. Budgetary comparison schedules have been provided for the General Fund and CRA to demonstrate compliance with the budget and are presented as required supplementary information. The basic governmental funds' financial statements can be found on pages 24 and 27 of this report.

***Proprietary funds.*** The City maintains four enterprise funds to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its wastewater system, sanitation services, stormwater utility, and sanitation impact fee operations. The sanitation impact fee fund is the only non-major proprietary fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds' financial statements provide separate information for each individual enterprise fund.

The basic proprietary funds' financial statements can be found on pages 28 through 37 of this report.

The City maintains one internal service fund. The City uses an internal service fund to account for its health insurance functions. The internal service fund is combined with governmental activities on the government-wide statements.

***Fiduciary funds.*** Fiduciary funds are used to account for resources held for the benefit of individuals or entities outside the City. Specifically, the fiduciary funds represent amounts held for the satisfaction of pension plan liabilities and operating expenditures. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds' financial statements can be found on pages 38 and 39 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential for 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 41 through 80 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in funding its obligation to provide pension benefits to its employees.

The required supplementary information can be found on pages 83 through 102 of this report.

The combining statements referred to earlier, in connection with non-major governmental funds and fiduciary funds, are presented immediately following the required supplementary information.

## City of Rockledge, Florida Management's Discussion and Analysis

The combining statements can be found on pages 105 through 106 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. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$106,541,781 at September 30, 2020.

#### Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 22,849,154	\$ 18,830,883	\$ 14,898,087	\$ 12,279,542	\$ 37,747,241	\$ 31,110,425
Capital assets	44,340,884	45,454,514	37,094,577	37,139,925	81,435,461	82,594,439
Total assets	67,190,038	64,285,397	51,992,664	49,419,467	119,182,702	113,704,864
Deferred outflows of resources	686,581	2,178,155	130,591	434,957	817,172	2,613,112
Long-term liabilities	7,261,068	9,995,544	1,173,733	2,009,491	8,434,801	12,005,035
Other liabilities	1,300,787	1,515,954	526,668	217,234	1,827,455	1,733,188
Total liabilities	8,561,855	11,511,498	1,700,401	2,226,725	10,262,256	13,738,223
Deferred inflows of resources	2,503,151	2,395,388	692,686	499,563	3,195,837	2,894,951
Net investment in capital assets	41,969,062	42,561,982	36,828,163	36,704,380	78,797,225	79,266,362
Restricted	3,613,628	1,876,846	7,129,738	2,794,158	10,743,366	4,671,004
Unrestricted	11,228,923	8,117,838	5,772,267	7,629,598	17,001,190	15,747,436
Total net assets	\$ 56,811,613	\$ 52,556,666	\$ 49,730,168	\$ 47,128,136	\$ 106,541,781	\$ 99,684,802

A significant portion of the City's net position (73.95 percent) reflects its investment in capital assets (e.g., land, buildings and facilities, equipment, vehicles, and transmission lines), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens and local businesses; consequently, these assets are not available for future spending. Although the City's investment in 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. This category represented 79.52 percent of net position in the prior year. The decrease in investment in capital assets totaled \$469,137 for the City as a whole, which is a small amount in comparison to the overall increase in net position (\$6.86 million) sufficient to decrease the percentage of this category to total net position.

An additional portion of the City's net position (10.1 percent) represents resources that are subject to external restrictions on how they may be used. This includes unspent funds designated for CRA, transportation and other capital projects, unexpended impact fee collections required to be used for the renewal and replacement of the wastewater system and expanding sanitation services, and amounts required to be set aside for debt service and the operation of the building department. The remaining balance (\$17,001,190 or 15.95 percent) represents unrestricted net position that may be used to meet the City's ongoing obligations to its citizens, local businesses, and creditors.



## City of Rockledge, Florida Management's Discussion and Analysis

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

**Governmental activities.** Governmental activities increased the City's net position by \$4,254,947, compared to an increase of \$3,113,035 in the prior year. Revenues increased by 1.66 percent or \$345,591 with the largest increases related to property taxes (\$524,808), tax increment fees (\$95,263), and grants (\$65,501). Conversely, the largest decreases in revenues occurred in state revenue sharing (\$87,297), sales tax (\$68,400), and other taxes (\$64,744).

Expenditures decreased compared to 2019 by \$796,321, with the largest decreases related to general government (\$1,086,385) and fire (\$213,359). Although most categories decreased, public works, police, and city attorney expenditures increased an aggregate of \$657,916. Interest on long-term debt decreased \$12,553.

# City of Rockledge, Florida

## Management's Discussion and Analysis

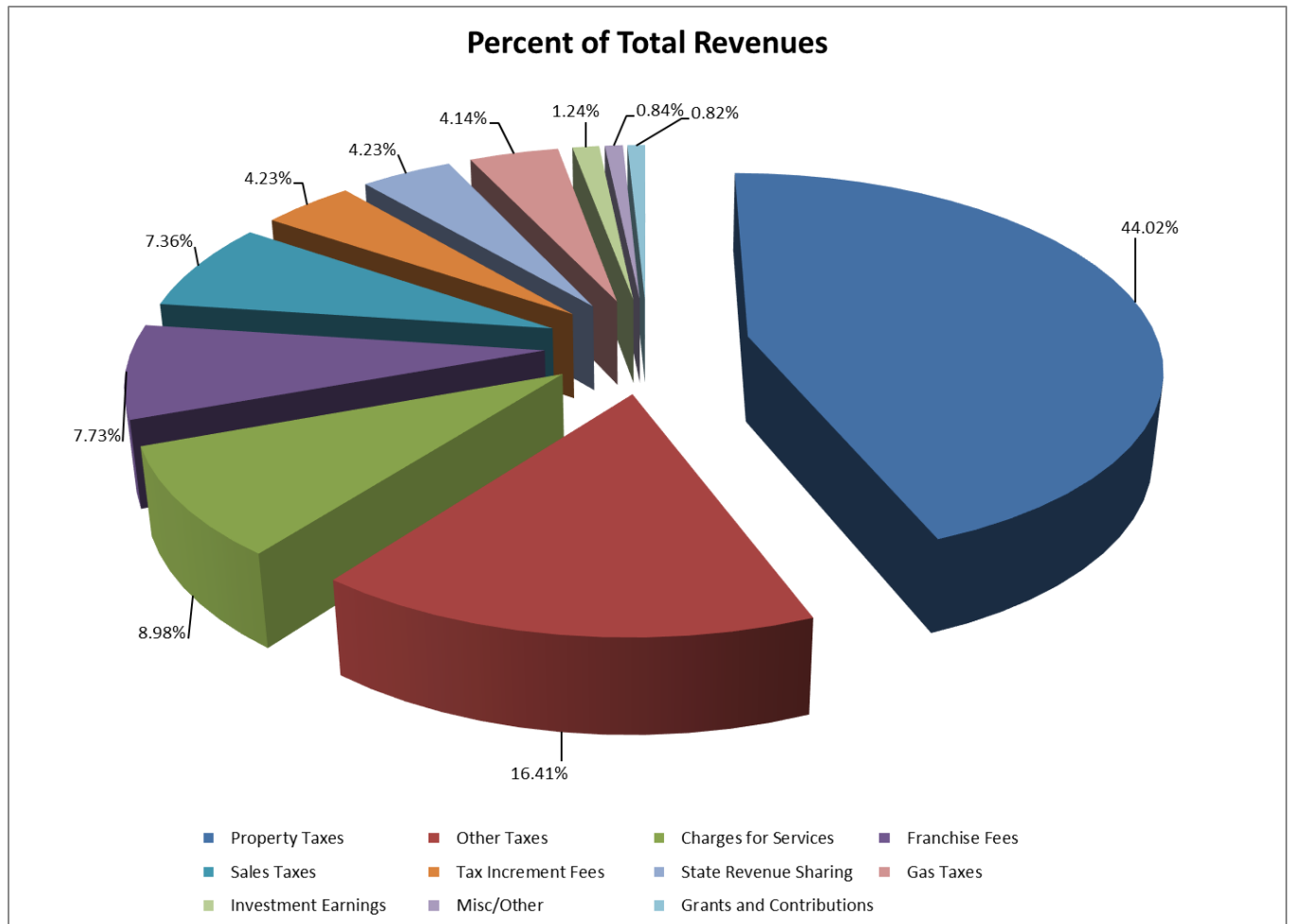
### Schedule of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues:</b>						
Programs revenues:						
Charges for services	\$ 1,899,963	\$ 1,857,689	\$ 9,461,698	\$ 8,704,111	\$ 11,361,661	\$ 10,561,800
Grants and contributions	173,257	107,756	1,554,849	1,091,270	1,728,106	1,199,026
General revenues:						
Property taxes	9,316,940	8,792,132	-	-	9,316,940	8,792,132
Tax increment fees	895,847	800,584	-	-	895,847	800,584
Gas taxes	875,842	928,929	-	-	875,842	928,929
Sales tax	1,557,760	1,626,160	-	-	1,557,760	1,626,160
Franchise fees	1,637,012	1,673,118	-	-	1,637,012	1,673,118
State revenue sharing	895,558	982,855	-	-	895,558	982,855
Other taxes	3,472,293	3,537,037	-	-	3,472,293	3,537,037
Investment earnings	261,618	310,740	91,070	118,625	352,688	429,365
Other	176,922	200,421	691	2,840	177,613	203,261
Total revenues	21,163,012	20,817,421	11,108,308	9,916,846	32,271,320	30,734,267
<b>Expenses:</b>						
General government	1,613,096	2,699,481	-	-	1,613,096	2,699,481
Administrative services	1,631,846	1,743,873	-	-	1,631,846	1,743,873
Mayor and council	52,452	56,341	-	-	52,452	56,341
City attorney	109,935	100,544	-	-	109,935	100,544
Police	6,179,375	6,120,622	-	-	6,179,375	6,120,622
Fire	3,779,001	3,992,360	-	-	3,779,001	3,992,360
Public works	3,376,741	2,786,969	-	-	3,376,741	2,786,969
Planning and development	499,986	526,010	-	-	499,986	526,010
Other	-	-	-	-	-	-
Interest on long-term debt	61,633	74,186	-	-	61,633	74,186
Wastewater system	-	-	4,486,995	5,048,962	4,486,995	5,048,962
Sanitation services	-	-	2,884,179	2,807,127	2,884,179	2,807,127
Stormwater utility	-	-	739,102	1,252,924	739,102	1,252,924
Total expenses	17,304,065	18,100,386	8,110,276	9,109,013	25,414,341	27,209,399
Excess of revenues over expenses	3,858,947	2,717,035	2,998,032	807,833	6,856,979	3,524,868
Transfers in (out)	396,000	396,000	(396,000)	(396,000)	-	-
Increase (decrease) in net position	4,254,947	3,113,035	2,602,032	411,833	6,856,979	3,524,868
Net position, beginning	52,556,666	49,443,631	47,128,136	46,716,303	99,684,802	96,159,934
Net position, ending	\$ 56,811,613	\$ 52,556,666	\$ 49,730,168	\$ 47,128,136	\$ 106,541,781	\$ 99,684,802



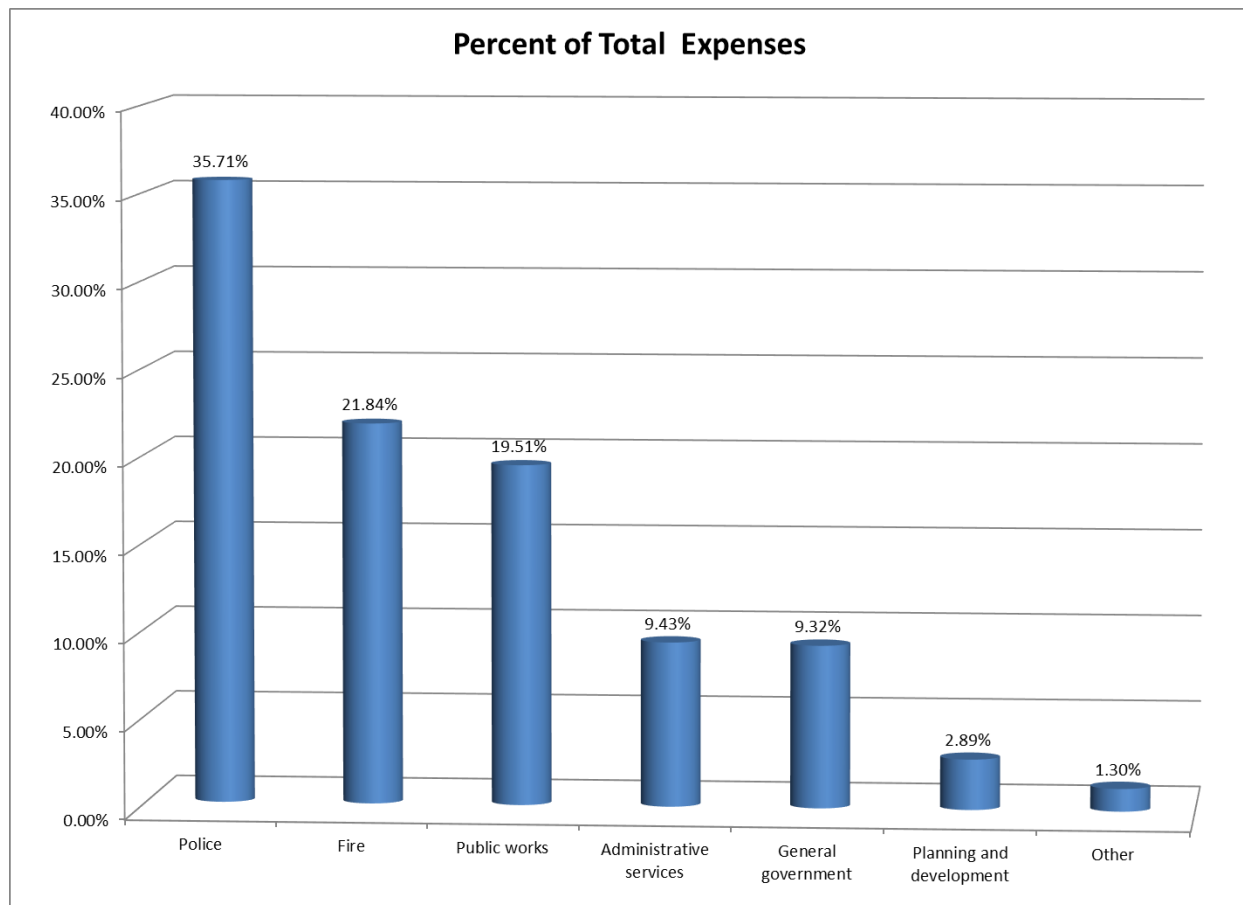
# City of Rockledge, Florida Management's Discussion and Analysis

## Revenue by Source - Governmental Activities as a Percentage of Total Revenues



## City of Rockledge, Florida Management's Discussion and Analysis

### Expenses by Program - Governmental Activities as a Percentage of Total Expenses

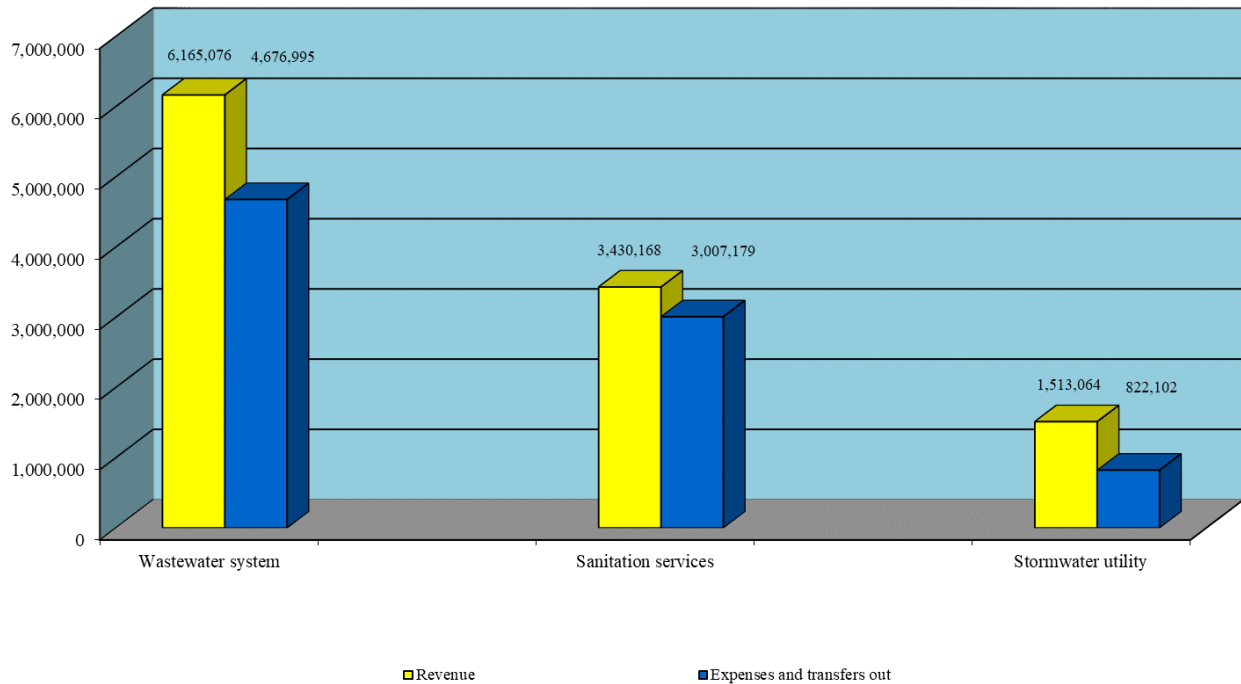


**Business-type activities.** Business-type activities increased the City's net position by \$2,602,032, compared to an increase of \$411,833 in the prior year. On the statement of net position, current and other assets increased \$2,618,545, and long-term liabilities decreased \$835,758, both improving the City's net position. Capital assets decreased \$45,348 and deferred outflows of resources decreased \$304,366, both reducing the City's net position. Other liabilities increased \$309,434 and deferred inflows of resources increased \$193,123, reducing the City's net position.

On the statement of activities, total revenues increased by 12 percent over the prior year. Increased charges for services of \$757,587 and grants and contributions of \$463,579 were partially offset by a combined decrease in investment earnings and other revenues of \$29,704. Expenses decreased a total of \$998,737, with a decrease in the wastewater system of \$561,967, a decrease in the stormwater utility of \$513,822, and an increase in sanitation services of \$77,052.

## City of Rockledge, Florida Management's Discussion and Analysis

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



### 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, the 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 end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$20,023,725, an increase of \$3,739,805 when compared to the prior year. Of this total amount, \$14,826,421 represents the General Fund unassigned fund balance, which is available for spending at the City's discretion. Restricted fund balances in the General, CRA, and special revenue funds, which are restricted by law or administrative action for specific purposes, total \$3,871,673. A portion of governmental fund balance (\$1,050,621) is assigned to reflect that management has designated a future use for these amounts. The remaining fund balance is nonspendable because it has already been committed to inventories (\$94,701) or prepaid expenses (\$180,309).

## City of Rockledge, Florida Management's Discussion and Analysis

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$14,826,421, while total fund balance reached \$16,925,927. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the fund's total operational expenditures. Unassigned fund balance represents 80.0 percent of total expenditures and transfers out for recurring operational costs reported in other funds, while total fund balance represents 91.4 percent of that same amount. The General Fund's fund balance increased by \$2,092,636 during the current fiscal year.

The increase in the General Fund's fund balance may best be interpreted by a comparison to the budget, as passed by City Council. The City' adopted and amended budgets, included within the required supplementary section of this report, purposefully estimate that total revenues will equal total expenditures necessary to provide the quality and level of services required by its Charter and requested by its citizens and local businesses. The City's General Fund actual revenues were \$136,978 more than those budgeted. This represented 6.5% of the increase in fund balance. Therefore, the majority of the difference in budgeted versus actual changes in fund balance were through actual expenditures differing from budgeted expenditures. From an operational perspective, fire, general government, police, and administrative services operated with expenditures below budgeted levels in the amount of \$557,300, \$472,545, \$273,480, and \$223,834, respectively. Savings in the fire activities were attributable to personnel costs below that expected. Savings in the general government activities were realized by maintenance and service contract costs below those anticipated. Savings in the police activities were attained through below budgeted costs for operating supplies and maintenance. Finally, below budgeted expenditures in the administrative services were achieved through a mixture of savings in personnel costs and operational supplies.

**CRA.** In its 18<sup>th</sup> year of existence, the CRA fund balance increased by \$1,680,184 after decreasing \$537,030 in the prior year. The revenues for this fund are derived from the additional tax revenue generated by new construction and improvements in taxable assessed values, as the CRA is continuing to implement plans and improvements to the area, funds were expended primarily on the debt service, façade grants, and consulting fees. A transfer of \$1,218,215, consisting of taxes generated by the "incremental" growth between the current value and the base year value, was made from the General Fund to the CRA pursuant to an interlocal agreement with Brevard County.

Expenditures for façade improvement grants and debt service were \$55,863 and \$262,033, respectively, for a total of \$317,896 in the current year. Increased operating cash inflows were enhanced by a decrease in expenditures for the year, increasing the CRA fund balance to \$3,045,851 as of September 30, 2020. This represents an increase from the fund balance of \$1,365,667 of the prior year.

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

**City of Rockledge, Florida**  
**Management's Discussion and Analysis**

**Schedule of Changes in Net Position, Major Proprietary Funds**

	Wastewater System	Sanitation Services	Stormwater Utility
Unrestricted net position, September 30, 2019	\$ 5,051,689	\$ 1,281,406	\$ 1,296,503
Increase (decrease) in net position	1,488,081	375,861	690,962
Decrease (increase) in net position net investment in capital assets	(174,544)	228,870	(178,109)
Decrease in net position restricted for renewal and replacement	223,695	-	-
Increase in net position restricted for capital improvements	(4,512,045)	-	-
Increase in net position restricted for debt service	(102)	-	-
Increase (decrease) in unrestricted net position	(2,974,915)	604,731	512,853
Unrestricted net position, September 30, 2020	\$ 2,076,774	\$ 1,886,137	\$ 1,809,356

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Budgeted expenditures for the General Fund remained unchanged from the original budget to the final budget. However, the General Fund budget was amended to reallocate expenditures between departments as follows:

- General Government (\$ 375,000)
- Public Works \$ 375,000

Expenditures in all general fund departments were within budgeted amounts for the year ended September 30, 2020. The most significant reason for expenditures remaining under budget was watchful management by the City Manager, the Department Heads, and the Finance Director. The reallocation in the budget for General Government and the Public Works Department are related to recategorization of the street lighting expense from General Government to Public Works, which better illustrates departmental ownership and compliance with the state chart of accounts.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The City's investment in capital assets for its governmental and business-type activities as of September 30, 2020, amounts to \$81,435,461 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, infrastructure, vehicles, furniture and equipment, and transmission lines and facilities.

The total decrease in the City's investment in capital assets for the current fiscal year was \$1,158,979 or 1.4 percent. This overall change between fiscal years is the result of capital asset purchases offset by disposals and depreciation expense for the year. The larger increase in capital asset categories relate to the construction of SCADA phase II (\$419,680) and the bulkhead rehabilitation for lift station 3 (\$307,957) for Wastewater operations. Investments in capital assets also included stormwater pipe projects (\$276,830) and the bioactive material application (\$143,890). These increases in capital assets were offset by depreciation expense for the current year of approximately \$3.6 million. Capital assets are discussed more fully in Note 3 of the financial statements.

**City of Rockledge, Florida**  
**Management's Discussion and Analysis**

**Schedule of Capital Assets (Net)**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 14,477,046	\$ 14,477,046	\$ 3,703,226	\$ 3,703,226	\$ 18,180,272	\$ 18,180,272
Buildings	12,046,705	11,978,715	13,578,900	13,539,499	25,625,605	25,518,214
Improvements	4,946,385	4,909,919	-	-	4,946,385	4,909,919
Equipment	6,599,767	6,522,931	9,523,332	8,833,251	16,123,099	15,356,182
Vehicles	4,765,534	4,753,005	5,270,941	5,228,993	10,036,475	9,981,998
Infrastructure	26,016,279	26,016,279	40,069,456	39,197,989	66,085,735	65,214,268
Construction-in-progress	38,471	-	382,294	176,886	420,765	176,886
	68,890,187	68,657,895	72,528,149	70,679,843	141,418,336	139,337,739
Accumulated depreciation	(24,549,303)	(23,203,381)	(35,433,572)	(33,539,918)	(59,982,875)	(56,743,299)
Total	<u>\$ 44,340,884</u>	<u>\$ 45,454,514</u>	<u>\$ 37,094,577</u>	<u>\$ 37,139,925</u>	<u>\$ 81,435,461</u>	<u>\$ 82,594,440</u>

**Long-term debt.** At the end of the current fiscal year, the City owed \$266,414 under the State of Florida revolving loan program for the construction of a reclaimed water project. The indebtedness is also backed by the revenues of the wastewater system.

On July 22, 2005, the City, through its CRA, borrowed \$4,000,000 for the acquisition and construction of additions and improvements to Barton Boulevard in the City of Rockledge Redevelopment Area. Pursuant to the loan agreement (the Series 2005 Note), the excess of income, fees, and earnings over the costs of operation and maintenance of the CRA are irrevocably pledged to the payment of principal and interest on the Series 2005 Note. The Series 2005 Note does not constitute a general obligation or indebtedness of the CRA, and the lender shall never have the right to require or compel the levy of taxes for the payment of principal or interest, nor does it constitute a lien on any property of the CRA other than the pledged funds noted above. At the end of the current fiscal year, the City owed \$500,000 on this loan.

The Capital Improvement Note, dated April 1, 2009, was entered into for the purpose of constructing a new police facility within the City. During fiscal year 2018, \$2,061,468 was borrowed, the rate reduced, and the note amortization extended until 2028 in order to purchase a custom fire pumper and fund the raze and rebuild of Fire Station 36. The debt is secured with a pledge of utility tax revenues and franchise fees. At the end of the current fiscal year, the City owed \$1,871,822 on this note.

The City obtained an unsecured line of credit during 2014 to provide working capital for the CRA. No balance was outstanding as of September 30, 2020.

In 2015, the City purchased 6.3 acres of vacant property that will be used primarily for recreational purposes. An \$180,000 non-interest bearing note with annual payments of \$37,500 was used to finance this purchase. This loan was satisfied in full as of September 30, 2020.

**City of Rockledge, Florida**  
**Management's Discussion and Analysis**

See Note 4 and 5 for more information on the City's debt obligations.

**Outstanding Debt**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Notes payable	<u>\$ 2,371,822</u>	<u>\$ 2,892,532</u>	<u>\$ 266,414</u>	<u>\$ 435,545</u>	<u>\$ 2,638,236</u>	<u>\$ 3,328,077</u>
Total indebtedness	<u><u>\$ 2,371,822</u></u>	<u><u>\$ 2,892,532</u></u>	<u><u>\$ 266,414</u></u>	<u><u>\$ 435,545</u></u>	<u><u>\$ 2,638,236</u></u>	<u><u>\$ 3,328,077</u></u>

**REQUESTS FOR INFORMATION**

Questions about this report or requests for additional financial information should be addressed to:

City of Rockledge  
Finance Department  
1600 Huntington Lane  
Rockledge, FL 32955  
321-221-7540

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**CITY OF ROCKLEDGE, FLORIDA**  
Basic Financial Statements

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**City of Rockledge, Florida**  
**Statement of Net Position**

	Primary Government		Total
	Governmental	Business-type	
September 30, 2020	Activities	Activities	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 13,315,002	\$ 4,739,048	\$ 18,054,050
Certificates of deposit	7,822,965	600,486	8,423,451
Receivables	587,236	990,238	1,577,474
Accrued interest and other	7,661	-	7,661
Prepaid items	180,309	76,521	256,830
Due from other governments	493,164	1,090,175	1,583,339
Inventories	94,701	319,008	413,709
Net pension asset	198,306	-	198,306
Restricted assets:			
Cash and cash equivalents	149,810	6,231,605	6,381,415
Certificates of deposit	-	851,006	851,006
Capital assets:			
Non-depreciable	14,515,517	4,085,520	18,601,037
Depreciable (net)	29,825,367	33,009,057	62,834,424
Total assets	67,190,038	51,992,664	119,182,702
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of OPEB expense	99,482	38,227	137,709
Deferred outflows of pension expense	587,099	92,364	679,463
Total deferred outflow of resources	686,581	130,591	817,172
<b>LIABILITIES</b>			
Accounts payable	621,074	403,594	1,024,668
Accrued liabilities	415,149	123,074	538,223
Contribution payable - pension trust fund	257,600	-	257,600
Accrued interest	6,964	-	6,964
Non-current liabilities:			
Due within one year:			
Compensated absences	907,345	205,061	1,112,406
Notes payable	488,746	179,722	668,468
Due in more than one year:			
Compensated absences	592,596	171,475	764,071
Net OPEB liability	674,642	252,765	927,407
Net pension liability	2,714,663	278,018	2,992,681
Notes payable	1,883,076	86,692	1,969,768
Total liabilities	8,561,855	1,700,401	10,262,256
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of deferred revenue	111,286	-	111,286
Deferred inflows of pension earnings	2,359,635	681,813	3,041,448
Deferred inflows of OPEB earnings	32,230	10,873	43,103
Total deferred inflows of resources	2,503,151	692,686	3,195,837
<b>NET POSITION</b>			
Net investment in capital assets	41,969,062	36,828,163	78,797,225
Restricted for:			
Capital projects	3,240,465	4,559,173	7,799,638
Heritage Foundation	1,926	-	1,926
Debt services	-	100,788	100,788
Renewal and replacement	-	2,469,777	2,469,777
Public safety	357,624	-	357,624
Transportation	8,256	-	8,256
Recreation	5,357	-	5,357
Unrestricted	11,228,923	5,772,267	17,001,190
Total net position	\$ 56,811,613	\$ 49,730,168	\$ 106,541,781

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

**City of Rockledge, Florida**  
**Statement of Activities**

*Year ended September 30, 2020*

Program Revenues

Functions/Programs	Expenses	Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental activities:				
General government	\$ 1,662,696	\$ 171,252	\$ -	\$ -
Administrative services	1,631,846	23,798	-	-
Mayor and City council	52,452	-	-	-
City attorney	109,935	-	-	-
Police	6,179,375	290,838	-	173,257
Fire	3,779,001	150,203	-	-
Public works	3,376,741	7,719	-	-
Planning and development	512,019	913,433	-	-
Parks and recreation	-	76,470	-	-
Community relations	-	266,250	-	-
Total governmental activities	17,304,065	1,899,963	-	173,257
Business-type activities:				
Wastewater system	4,486,995	4,883,363	37,968	1,156,010
Sanitation services	2,884,179	3,414,958	13,092	-
Stormwater utility	739,102	1,163,377	-	347,779
Total business-type activities	8,110,276	9,461,698	51,060	1,503,789
Total primary government	\$ 25,414,341	\$ 11,361,661	\$ 51,060	\$ 1,677,046

General revenues:

Taxes:

Property taxes

Gas tax

Sales tax

Franchise fees

State revenue sharing

Other taxes

Investment earnings

Miscellaneous

Gain on sale of capital assets

Transfers, net

Total general revenues

Change in net position

Net position, beginning of year

Net position, end of year

Net (Expense) Revenue and Changes in Net Position		
Primary Government		

Governmental Activities	Business-type Activities	Total
\$ (1,491,444)	\$ -	\$ (1,491,444)
(1,608,048)	-	(1,608,048)
(52,452)	-	(52,452)
(109,935)	-	(109,935)
(5,715,280)	-	(5,715,280)
(3,628,798)	-	(3,628,798)
(3,369,022)	-	(3,369,022)
401,414	-	401,414
76,470	-	76,470
266,250	-	266,250
(15,230,845)	-	(15,230,845)
-	1,590,346	1,590,346
-	543,871	543,871
-	772,054	772,054
-	2,906,271	2,906,271
(15,230,845)	2,906,271	(12,324,574)
10,212,787	-	10,212,787
875,842	-	875,842
1,557,760	-	1,557,760
1,637,012	-	1,637,012
895,558	-	895,558
3,472,293	-	3,472,293
261,618	91,070	352,688
176,922	-	176,922
-	691	691
396,000	(396,000)	-
19,485,792	(304,239)	19,181,553
4,254,947	2,602,032	6,856,979
52,556,666	47,128,136	99,684,802
\$ 56,811,613	\$ 49,730,168	\$ 106,541,781

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

**City of Rockledge, Florida**  
**Balance Sheet – Governmental Funds**

<i>September 30, 2020</i>	General		CRA		Nonmajor Funds	Total Governmental Funds		
<b>ASSETS</b>								
Cash and cash equivalents	\$	8,632,121	\$	3,050,868	\$	51,947	\$	11,734,936
Certificates of deposit		7,822,965		-		-		7,822,965
Restricted cash and cash equivalents		149,810		-		-		149,810
Accounts receivable		581,911		-		-		581,911
Accrued interest and other		7,661		-		-		7,661
Due from other governments		493,164		-		-		493,164
Inventories		94,701		-		-		94,701
Prepaid items		174,726		5,583		-		180,309
Total assets	\$	17,957,059	\$	3,056,451	\$	51,947	\$	21,065,457
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$	178,444	\$	8,843	\$	-	\$	187,287
Accrued payroll and related liabilities		413,392		1,757		-		415,149
Contributions payable - pension trust fund		257,600		-		-		257,600
Compensated absences		70,410		-		-		70,410
Total liabilities		919,846		10,600		-		930,446
Deferred inflows of resources:								
Deferred inflows of deferred revenue		111,286		-		-		111,286
Total deferred inflows of resources		111,286		-		-		111,286
Fund balances:								
Nonspendable:								
Inventories and prepaids		269,427		5,583		-		275,010
Restricted for:								
Law enforcement		-		258,045		-		258,045
Public safety		316,188		-		41,436		357,624
Heritage Foundation		-		-		1,926		1,926
Capital improvements		457,913		2,782,223		329		3,240,465
Transportation impact		-		-		8,256		8,256
Recreation		5,357		-		-		5,357
Assigned for subsequent years budget		1,050,621		-		-		1,050,621
Unassigned		14,826,421		-		-		14,826,421
Total fund balances		16,925,927		3,045,851		51,947		20,023,725
Total liabilities, deferred inflows of resources, and fund balances	\$	17,957,059	\$	3,056,451	\$	51,947	\$	21,065,457

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

**City of Rockledge, Florida**

**Reconciliation of Fund Balance of Governmental Fund to Net Position of  
Governmental Activities**

*September 30, 2020*

Total fund balance of governmental funds		\$ 20,023,725
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
	Governmental capital assets	\$ 68,890,187
	Less accumulated depreciation	<u>(24,549,303)</u>
		44,340,884
Deferred outflow of resources related to pension earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		587,099
Deferred outflow of resources related to OPEB earnings are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		99,482
Deferred inflow of resources related to pension earnings are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(2,359,635)
Deferred inflow of resources related to OPEB earnings are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(32,230)
Internal service funds are used by the City to charge the cost of health insurance to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.		1,151,604
Long term assets, such as net pension assets, are not receivable in the current and, therefore, are not reported in the funds.		198,306
Long-term liabilities, including net OPEB obligation, net pension liability and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		
	Net pension liability	\$ (2,714,663)
	Notes payable	(2,371,822)
	Compensated absences	(1,429,531)
	Other postemployment benefits	(674,642)
	Accrued interest	<u>(6,964)</u>
		(7,197,622)
Net position of governmental activities		<u>\$ 56,811,613</u>

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

**City of Rockledge, Florida**

**Statement of Revenues, Expenditures and Changes in Fund Balances -  
Governmental Funds**

<i>Year ended September 30, 2020</i>	General	CRA	Nonmajor Funds	Total Governmental Funds
<b>Revenues</b>				
Property taxes	\$ 9,316,940	\$ 895,847	\$ -	\$ 10,212,787
Other local taxes	3,472,293	-	-	3,472,293
Licenses, permits and fees	2,415,302	-	-	2,415,302
Intergovernmental	4,184,316	-	-	4,184,316
Charges for services	410,037	-	-	410,037
Fines and forfeitures	35,136	-	3,702	38,838
Interest and other	255,242	6,325	51	261,618
Miscellaneous revenue	135,439	6,140	-	141,579
Total revenues	20,224,705	908,312	3,753	21,136,770
<b>Expenditures</b>				
Current:				
General government	1,483,093	-	61	1,483,154
Administrative services	1,643,164	-	-	1,643,164
Mayor and city council	52,452	-	-	52,452
City attorney	109,935	15,900	-	125,835
Police	6,229,320	-	-	6,229,320
Fire	3,940,178	-	-	3,940,178
Public works	3,531,402	-	-	3,531,402
Planning and development	-	168,410	-	168,410
Recreation	-	-	36,707	36,707
Debt service	320,310	262,033	-	582,343
Total expenditures	17,309,854	446,343	36,768	17,792,965
Excess (deficiency) of revenues over (under) expenditures	2,914,851	461,969	(33,015)	3,343,805
<b>Other financing sources (uses)</b>				
Transfers in	396,000	1,218,215	-	1,614,215
Transfers out	(1,218,215)	-	-	(1,218,215)
Net other financing sources (uses)	(822,215)	1,218,215	-	396,000
Net change in fund balances	2,092,636	1,680,184	(33,015)	3,739,805
Fund balances, beginning of year	14,833,291	1,365,667	84,962	16,283,920
Fund balances, end of year	\$ 16,925,927	\$ 3,045,851	\$ 51,947	\$ 20,023,725

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



**City of Rockledge, Florida**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities**

*Year Ended September 30, 2020*

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Net change in fund balances - total governmental funds **\$ 3,739,805**

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. This is the amount by which depreciation exceed capital outlay in the current period.

Expenditures for capital assets	<b>\$ 587,722</b>	
Less current year depreciation	<u><b>(1,701,352)</b></u>	<b>(1,113,630)</b>

Repayment of note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. **520,710**

Compensated absences are reported in the statement of activities when earned. As they do not require the use of current financial resources, they are not reported as expenditures on governmental funds until they have matured. This is the amount of compensated absences reported in the statement of activities in the prior year that has matured in the current year. **(75,730)**

Other postemployment benefit obligation reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds. **(40,547)**

Cash pensions contributions reported in the funds were greater than the calculated pension expense on the statement of activities and therefore increase net position. **916,904**

Internal service funds are used by the City to charge the costs of health insurance to individual funds. The change in net position of internal service funds are reported with governmental activities. **307,435**

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Change in net position of governmental activities **\$ 4,254,947**

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

**City of Rockledge, Florida**  
**Statement of Net Position - Proprietary Funds**

**Business-type Activities - Enterprise Funds**

*September 30, 2020*

	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Sanitation Impact Fee
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**ASSETS**

Current assets:

Cash and cash equivalents	\$ 1,464,991	\$ 1,968,603	\$ 1,258,326	\$ 47,128
Certificates of deposit	600,486	-	-	-
Accounts receivable	502,702	353,661	113,809	-
Assessments receivable	-	-	20,066	-
Prepaid items	44,657	30,956	908	-
Due from other governments	427,787	273,993	388,395	-
Inventory	170,913	24,955	123,140	-
<b>Total current assets</b>	<b>3,211,536</b>	<b>2,652,168</b>	<b>1,904,644</b>	<b>47,128</b>

Noncurrent assets:

Restricted noncurrent assets:

Cash and cash equivalents	6,231,605	-	-	-
Certificates of deposit	851,006	-	-	-
<b>Total restricted assets</b>	<b>7,082,611</b>	<b>-</b>	<b>-</b>	<b>-</b>

Capital assets:

Land	776,414	30,516	2,896,296	-
Construction in progress	355,817	-	26,477	-
Buildings	13,569,798	9,102	-	-
Machinery and equipment	8,259,787	627,447	636,098	-
Vehicles	1,197,028	3,803,527	270,386	-
Wastewater and transmission lines and facilities	28,438,746	-	11,630,710	-
	52,597,590	4,470,592	15,459,967	-
Less accumulated depreciation	(26,524,612)	(2,996,896)	(5,912,064)	-
<b>Total capital assets, net of accumulated depreciation</b>	<b>26,072,978</b>	<b>1,473,696</b>	<b>9,547,903</b>	<b>-</b>
<b>Total noncurrent assets</b>	<b>33,155,589</b>	<b>1,473,696</b>	<b>9,547,903</b>	<b>-</b>
<b>Total assets</b>	<b>36,367,125</b>	<b>4,125,864</b>	<b>11,452,547</b>	<b>47,128</b>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflow of OPEB expense	15,376	21,159	1,692	-
Deferred outflow of pension expenses	47,725	40,871	3,768	-
<b>Total deferred outflow of resources</b>	<b>63,101</b>	<b>62,030</b>	<b>5,460</b>	<b>-</b>

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

		Governmental Activities - Internal Service	
Total		Fund	
<hr/>		<hr/>	
\$	4,739,048	\$	1,580,066
	600,486		-
	970,172		5,325
	20,066		-
	76,521		-
	1,090,175		-
	319,008		-
	<hr/>		<hr/>
	7,815,476		1,585,391
	<hr/>		<hr/>
	6,231,605		-
	851,006		-
	<hr/>		<hr/>
	7,082,611		-
	<hr/>		<hr/>
	-		-
	3,703,226		-
	382,294		-
	13,578,900		-
	9,523,332		-
	5,270,941		-
	40,069,456		-
	<hr/>		<hr/>
	72,528,149		-
	(35,433,572)		-
	<hr/>		<hr/>
	37,094,577		-
	<hr/>		<hr/>
	44,177,188		-
	<hr/>		<hr/>
	51,992,664		1,585,391
	<hr/>		<hr/>
	38,227		-
	92,364		-
	<hr/>		<hr/>
	130,591		-
	<hr/>		<hr/>

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

**City of Rockledge, Florida**  
**Statement of Net Position - Proprietary Funds (Continued)**

	Business-type Activities - Enterprise Funds			
<i>September 30, 2020</i>	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Sanitation Impact Fee
<b>LIABILITIES</b>				
Current liabilities (payable from current assets):				
Accounts payable	363,137	25,277	15,180	-
Accrued payroll and related liabilities	66,048	51,888	5,138	-
Compensated absences	116,188	76,866	12,007	-
Claims payable	-	-	-	-
Current portion of note payable	179,722	-	-	-
Total current liabilities	725,095	154,031	32,325	-
Noncurrent liabilities:				
Compensated absences	103,837	54,482	13,156	-
Net OPEB liability	101,368	139,925	11,472	-
Net pension liability	140,815	129,672	7,531	-
Note payable due after one year	86,692	-	-	-
Total noncurrent liabilities	432,712	324,079	32,159	-
<b>Total liabilities</b>	<b>1,157,807</b>	<b>478,110</b>	<b>64,484</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of pension earnings	302,612	343,459	35,742	-
Deferred inflows of OPEB earnings	3,859	6,492	522	-
Total deferred inflows of resources	306,471	349,951	36,264	-
<b>NET POSITION</b>				
Net investment in capital assets	25,806,564	1,473,696	9,547,903	-
Restricted for:				
Debt service	100,788	-	-	-
Renewal and replacement	2,469,777	-	-	-
Capital projects	4,512,045	-	-	47,128
Unrestricted	2,076,774	1,886,137	1,809,356	-
<b>Total net position</b>	<b>\$ 34,965,948</b>	<b>\$ 3,359,833</b>	<b>\$ 11,357,259</b>	<b>\$ 47,128</b>

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

	Governmental Activities - Internal Service Fund
<u>Total</u>	
403,594	-
123,074	-
205,061	-
-	433,787
179,722	-
<u>911,451</u>	<u>433,787</u>
171,475	-
252,765	-
278,018	-
86,692	-
<u>788,950</u>	<u>-</u>
<u>1,700,401</u>	<u>433,787</u>
681,813	-
10,873	-
<u>692,686</u>	<u>-</u>
36,828,163	-
100,788	-
2,469,777	-
4,559,173	-
<u>5,772,267</u>	<u>1,151,604</u>
<u>\$ 49,730,168</u>	<u>\$ 1,151,604</u>

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

**City of Rockledge, Florida**  
**Statement of Revenues, Expenses and Changes in Fund Net Position –**  
**Proprietary Funds**

<i>Year ended September 30, 2020</i>	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Wastewater System</b>	<b>Sanitation Services</b>	<b>Stormwater Utility</b>	<b>Nonmajor Sanitation Impact Fee</b>
<b>Operating revenues:</b>				
Charges for services	\$ 4,520,544	\$ 3,367,856	\$ -	\$ 47,102
Intergovernmental	37,968	13,092	-	-
Fees	354,299	-	1,163,377	-
Miscellaneous revenue	8,520	-	-	-
Total operating revenues	4,921,331	3,380,948	1,163,377	47,102
<b>Operating expenses:</b>				
Salaries, wages and employee benefits	1,673,199	1,797,030	175,910	-
Contractual, materials, and supplies	1,226,160	565,299	164,302	-
Insurance claims and expense	-	-	-	-
Depreciation	1,363,947	237,972	334,042	-
Repairs and maintenance	206,172	283,878	64,848	-
Total operating expenses	4,469,478	2,884,179	739,102	-
<b>Operating income (loss)</b>	<b>451,853</b>	<b>496,769</b>	<b>424,275</b>	<b>47,102</b>
<b>Nonoperating revenues (expenses):</b>				
Interest income	86,998	2,092	1,954	26
Interest expense	(17,517)	-	-	-
Gain(loss) on sale of capital assets	737	-	(46)	-
Total nonoperating revenues (expenses)	70,218	2,092	1,908	26
<b>Income (loss) before contributions</b>	<b>522,071</b>	<b>498,861</b>	<b>426,183</b>	<b>47,128</b>
Capital contributions	1,156,010	-	347,779	-
Transfers out	(190,000)	(123,000)	(83,000)	-
<b>Change in net position</b>	<b>1,488,081</b>	<b>375,861</b>	<b>690,962</b>	<b>47,128</b>
<b>Net position, beginning of year</b>	<b>33,477,867</b>	<b>2,983,972</b>	<b>10,666,297</b>	<b>-</b>
<b>Net position, end of year</b>	<b>\$ 34,965,948</b>	<b>\$ 3,359,833</b>	<b>\$ 11,357,259</b>	<b>\$ 47,128</b>

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

	Governmental
	Activities -
	Internal Service
Total	Fund
<hr/>	<hr/>
\$ 7,935,502	\$ 2,879,637
51,060	-
1,517,676	-
8,520	-
<hr/>	<hr/>
9,512,758	2,879,637
<hr/>	<hr/>
3,646,139	-
1,955,761	-
-	2,572,202
1,935,961	-
554,898	-
<hr/>	<hr/>
8,092,759	2,572,202
<hr/>	<hr/>
1,419,999	307,435
<hr/>	<hr/>
91,070	-
(17,517)	-
691	-
<hr/>	<hr/>
74,244	-
<hr/>	<hr/>
1,494,243	307,435
1,503,789	-
(396,000)	-
<hr/>	<hr/>
2,602,032	307,435
47,128,136	844,169
<hr/>	<hr/>
\$ 49,730,168	\$ 1,151,604
<hr/>	<hr/>

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

**City of Rockledge, Florida**  
**Statement of Cash Flows - Proprietary Funds**

	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Sanitation Impact Fee
<i>Year Ended September 30, 2020</i>				
<b>Cash flows from operating activities:</b>				
Cash received from customers for sales and services	\$ 4,995,760	\$ 3,321,156	\$ 874,590	\$ 47,102
Cash payments to employees	(999,750)	(1,379,826)	(131,134)	-
Cash payments to suppliers for goods and services	(1,919,478)	(1,374,422)	(320,248)	-
Cash payments for insurance and claims expenses	-	-	-	-
Net cash provided by operating activities	2,076,532	566,908	423,208	47,102
<b>Cash flows from noncapital financing activities:</b>				
Cash transfers out to other funds	(190,000)	(123,000)	(83,000)	-
Net cash used in noncapital financing activities	(190,000)	(123,000)	(83,000)	-
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets	(1,369,360)	(9,102)	(532,797)	-
Proceeds for capital grants and contributions	1,156,010	-	347,779	-
Proceeds from sale of capital assets	737	-	20,600	-
Principal paid on note payable	(163,931)	-	-	-
Interest paid on long-term debt, net of subsidy	(17,517)	-	-	-
Net cash used in capital and related financing activities	(394,061)	(9,102)	(164,418)	-
<b>Cash flows from investing activities:</b>				
Investment income	86,998	2,092	1,954	26
Proceeds from sale/maturity of investments	509,217	-	-	-
Net cash provided by investing activities	596,215	2,092	1,954	26
<b>Net increase in cash and cash equivalents</b>	<b>2,088,686</b>	<b>436,898</b>	<b>177,744</b>	<b>47,128</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>5,607,910</b>	<b>1,531,705</b>	<b>1,080,582</b>	<b>-</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 7,696,596</b>	<b>\$ 1,968,603</b>	<b>\$ 1,258,326</b>	<b>\$ 47,128</b>

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



		Governmental Activities - Internal Service Fund
	Total	
	\$ 9,238,608	\$ 2,874,312
	(2,510,710)	(10,026)
	(3,614,148)	-
	-	(2,668,418)
	<u>3,113,750</u>	<u>195,868</u>
	(396,000)	-
	<u>(396,000)</u>	-
	(1,911,259)	-
	1,503,789	-
	21,337	-
	(163,931)	-
	<u>(17,517)</u>	-
	<u>(567,581)</u>	-
	91,070	-
	<u>509,217</u>	-
	<u>600,287</u>	-
	2,750,456	195,868
	<u>8,220,197</u>	<u>1,384,198</u>
	<u>\$ 10,970,653</u>	<u>\$ 1,580,066</u>

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

**City of Rockledge, Florida**  
**Statement of Cash Flows - Proprietary Funds (Continued)**

	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Sanitation Impact Fee
<i>Year Ended September 30, 2020</i>				
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ 451,853	\$ 496,769	\$ 424,275	\$ 47,102
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,363,947	237,972	334,042	-
Change in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	39,246	(13,819)	10,589	-
Due from other governments	34,650	(45,973)	(299,376)	-
Inventory	12,855	(5,035)	(34,455)	-
Assessments receivable	300	-	-	-
Prepaid items	(44,657)	(30,956)	(908)	-
Accrued interest receivable	233	-	-	-
Deferred outflows of OPEB expense	(9,206)	(13,015)	(952)	-
Deferred outflows of pension expenses	141,096	169,634	16,809	-
Increase (decrease) in liabilities:				
Accounts payable	245,935	15,429	(2,243)	-
Accrued payroll and related liabilities	70,663	23,262	2,504	-
Accrued claims payable	-	-	-	-
Due to other governments	(5,200)	-	-	-
Net OPEB obligation	17,897	25,302	1,851	-
Net pension liability	(326,439)	(392,464)	(38,890)	-
Deferred inflows of pension earnings	85,330	102,589	10,166	-
Deferred inflows of OPEB earnings	(1,971)	(2,787)	(204)	-
Total adjustments	1,624,679	70,139	(1,067)	-
Net cash provided by operating activities	\$ 2,076,532	\$ 566,908	\$ 423,208	\$ 47,102

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

	Governmental Activities - Internal Service
Total	Fund
<u>\$ 1,419,999</u>	<u>\$ 307,435</u>
1,935,961	-
36,016	(5,325)
(310,699)	-
(26,635)	-
300	-
(76,521)	-
233	-
(23,173)	-
327,539	-
259,121	-
96,429	-
-	(106,242)
(5,200)	-
45,050	-
(757,793)	-
198,085	-
(4,962)	-
<u>1,693,751</u>	<u>(111,567)</u>
<u>\$ 3,113,750</u>	<u>\$ 195,868</u>

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

**City of Rockledge, Florida**  
**Statement of Fiduciary Net Position - Fiduciary Funds**

<i>September 30, 2020</i>	<b>Employee Pension Trust Funds</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 829,519
Contributions receivable	249,102
Due from police employees plan	1,266
Interest receivable	19,974
Investments, at fair value:	
U.S. government obligations	4,889,863
Domestic corporate bonds	3,791,565
Government agency notes	106,783
Domestic stocks	35,214,076
Real estate	4,387,529
Total investments	48,389,816
Total assets	49,489,677
<b>LIABILITIES</b>	
Due to general employees plan	1,266
<b>NET POSITION</b>	
Restricted for pension benefits	\$ 49,488,411

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

**City of Rockledge, Florida**  
**Statement of Changes in Fiduciary Net Position – Fiduciary Funds**

<i>Year ended September 30, 2020</i>	<b>Employee Pension Trust Funds</b>
<b>ADDITIONS</b>	
Contributions:	
State	\$ 384,656
Employer	1,404,210
Employees	588,265
Total contributions	<b>2,377,131</b>
Investment income:	
Net appreciation in the fair value of investments	4,091,418
Interest and dividends	903,061
	<b>4,994,479</b>
Less: investment related expense	<b>(160,743)</b>
Net investment income	<b>4,833,736</b>
Total additions	<b>7,210,867</b>
<b>DEDUCTIONS</b>	
Benefits paid	2,573,635
Administrative expenses	200,379
Total deductions	<b>2,774,014</b>
<b>Change in net position</b>	<b>4,436,853</b>
<b>Net position held in trust for pension benefits, beginning of year</b>	<b>45,051,558</b>
<b>Net position held in trust for pension benefits, end of year</b>	<b>\$ 49,488,411</b>

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

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Rockledge, Florida (the City), was incorporated in 1887 under the provisions of Florida Statutes, Chapter 166. The current City Code, as adopted in 1963, authorizes the following services: public safety, public utilities, public works, planning and zoning, sanitation, and general administrative services. Education, health, and welfare are administered by other governmental entities.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applied to government units. The more significant accounting policies used by the City are described below.

**A. REPORTING ENTITY**

The City provides a full range of municipal services including police and fire protection, public works activities, parks and recreational facilities, planning and development, financial services, and general administrative services. In addition, the City operates four enterprise funds: Wastewater System, Sanitation Services, Sanitation Impact fee, and Stormwater Utility, and an Internal Service Fund for employee health insurance transactions.

The City is a Florida municipal corporation governed by an elected mayor and a six-member council (the "Council"). As required by GAAP, financial statements are to present the City and its component units, which are entities for which the City is considered to be financially accountable or with which the City has an economic relationship. In evaluating the City, the primary government, as a reporting entity, all potential component units that may or may not fall within the financial accountability or economic relationship tests have been addressed. Financial accountability is present if the Council appoints a voting majority of a component unit's governing body and has the ability to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City. An economic relationship exists when the economic resources received by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents and the primary government (or its component units) has the ability to otherwise access the resources. The concept of the ability to otherwise access resources is broad and is not based on the narrow concept of control. Government Accounting Standards Board (GASB) Statement No. 61 states that this broad concept includes situations where the primary government (or its component units) has received, directly or indirectly, a majority of economic resources provided by the organization, the organization has previously honored requests to provide resources to the primary government, or the other organization is financially interrelated with the primary government.

Blended component units, although legally separate entities are, in substance, part of the City's operations; therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, are to be reported in separate columns in the combined financial statements to emphasize they are legally separate from the City.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**A. REPORTING ENTITY (continued)**

The accompanying financial statements present all the fund types of the City. The Rockledge Heritage Foundation, Inc. (the "Foundation") is a Florida, not-for-profit corporation dedicated to the preservation of significant historical assets within the City. Historically, the Foundation's primary focus was the restoration of the Rockledge Municipal Building, which is owned by the City. In Fiscal Year 2019, the bylaws of the Foundation were amended, naming the office holders of Rockledge City Manager, Finance Director and Planning Director as the primary board members. Therefore, management of the City of Rockledge has operational responsibility for the Foundation, as addressed in GASB Statement No. 61, 80 and 85. As such, the Rockledge Heritage Foundation meets the criteria of a blended component unit. There are no discretely presented component units.

**B. 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 of the nonfiduciary activities of the City. 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 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 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 governmental funds and major, individual enterprise funds are reported as separate columns in the fund financial statements.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.



**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION  
(continued)**

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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due or made.

Property taxes, franchise fees and utility taxes, state revenue sharing, fines and forfeitures, and investment earnings associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when received by the City.

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 needed.

The City does not currently employ an indirect cost allocation system. However, the City does charge the Wastewater System, Stormwater Utility, and Sanitation Services (enterprise funds) a fee for services provided. These fees serve to approximate the value of services provided these enterprise funds by the General Fund and are not eliminated at year end like a reimbursement. Reimbursements to the General Fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures in the General Fund.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are reported by general classification within the financial statements.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City may electively add funds as major funds when it believes such an addition would enhance its financial reporting. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION  
(continued)**

*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 Community Redevelopment Agency Fund (CRA) accounts for the redevelopment activities within the Redevelopment District.

*Nonmajor Governmental Fund Types*

The Special Revenue Funds account for specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes. Nonmajor special revenue funds include the Law Enforcement Education Fund, Transportation Impact Fee Fund, Taylor Park Trust Fund, and Rockledge Heritage Foundation.

*Major Proprietary Funds*

The Wastewater System Fund accounts for the provision of sewer services to customers within the service area.

The Sanitation Services Fund accounts for the provision of garbage services to customers within the service area.

The Stormwater Utility Fund accounts for the operation and maintenance of the stormwater management activities of the City.

The Insurance Fund is an internal service fund that accounts for the health insurance coverage provided to other departments on a cost-reimbursement basis.

*Nonmajor Proprietary Funds*

The Sanitation Impact Fee Fund accounts for the collection and utilization of impact fees related to the cost of garbage services expansion caused by new residential and commercial construction within the service area.

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 City's enterprise funds 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.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION  
(continued)**

*Fiduciary Fund Types*

The City's fiduciary funds consist solely of the Pension Trust Funds. These funds account for the activities of the General, Police, and Fire Pension Trust Funds, which accumulate resources for pension benefit payments to City employees. Since these assets are being held for the benefit of pension participants and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

**D. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

*Budgetary Information*

The City has elected to report the budgetary comparison schedules as Required Supplementary Information (RSI). The City does not prepare a budget for the non-major governmental funds, including the Rockledge Heritage Foundation. Please refer to the accompanying notes to the RSI for the City's budgetary information.

The City has no material violation of finance related legal and contractual provisions.

**E. USE OF ESTIMATES**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**F. DEPOSITS AND INVESTMENTS**

*Cash and Cash Equivalents*

Except as noted below, the City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City maintains a pooled cash account with a local bank which is available for use by all funds, except the Pension Trust Fund. The resulting investment income is allocated based on the respective cash balance of each fund. In the government-wide statement of net position, these amounts are displayed separately for governmental and business-type activities. Individual funds with negative balances at the end of the year are reclassified as "due to other funds" for reporting purposes with an offsetting due from other funds in the General Fund.

The deposits and investments of the Pension Trust Fund are held separately from other City funds by a trustee.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. DEPOSITS AND INVESTMENTS (continued)**

***Deposits***

The City's and component unit's pooled cash deposits, with a carrying amount of \$20,907,734, and \$1,926, its deposits in the CRA escrow account of \$1,366,299, its extensive investment in insured bank deposits of \$2,158,856 and certificates of deposits of \$9,274,457, are covered by federal depository insurance and by deposits held in banks that are members of the State of Florida's collateral pool. In addition, the City holds \$650 of petty cash. The Florida collateral pool is a multiple institution pool with the authority to assess member institutions in the event of any collateral shortfall. For this reason, the City considers these deposits insured. The cash and cash equivalents listed above are exempt from fair market value hierarchy requirements of GASB 72, as discussed below in this note.

***Investments***

The City's investments consist of certificates of deposit, which are held to maturity and are nonparticipating interest-earning investment contracts. The certificates of deposits are valued at fair value per GASB 72.

***Local Investment Policy***

The City has a local investment policy that mirrors the state statutes. State statutes and related City ordinances authorize the City to invest in direct obligations of the U.S. Treasury, federal agencies and instrumentalities, savings accounts, and certificates of deposit which are insured or held in state qualified depositories, repurchase agreements, money market funds registered with the Securities and Exchange Commission and possessing the highest credit rating from a nationally recognized rating agency, and the State Board of Administration's Local Government Surplus Funds Trust Fund. Investments are reported at fair value.

- (1) *Interest Rate Risk* - To mitigate interest rate risk, the City's investment policy requires that the investment portfolio be structured with securities that maintain the greatest degree of liquidity and flexibility. The portfolio will maintain a structure with maturities staged to meet the City's obligations as they come due.
- (2) *Credit Risk* - To mitigate credit risk, the City primarily invests in U.S. Government securities.
- (3) *Custodial Risk* - To mitigate custodial risk, all cash and securities are held in accounts bearing the name of the City.
- (4) *Concentration of Credit Risk* - The City's investment policy requires that investments be diversified by security type and institution. No more than 50% of the City's funds will be invested with the same issuer, except direct obligations of the U. S. Treasury. No more than 50% of the City's funds will be invested through the same investment institution or dealer. None of the City's funds will be invested beyond five years in any security.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. DEPOSITS AND INVESTMENTS (continued)**

***Pension Investment Policy***

The pension funds have much broader investment policies. They may invest in stocks, bonds, investment trusts, common trust funds, mutual funds, mortgages, and others without restriction except that the plans prohibit investment in any one corporation in an amount that exceeds 5% of that plan's assets; nor shall the aggregate of its investments in stock exceed 75% of total assets.

A specific city ordinance created each pension fund. Investment policies for each of the three pension trust funds are determined by the Board of Trustees for each respective fund. For each fund, no more than 5% of fund assets may be invested in the securities (of whatever type) of any one issuing company, excluding the U. S. Government and its agencies. No investment may exceed 5% of the outstanding capital stock of any one company.

The aggregate investments in common and capital stock and convertible securities (at cost) may not exceed 75% of the assets of the funds. Each fund maintains a list of prohibited investment security types.

***Fair Value Measurement***

Investments are stated at fair value. Changes in the fair value during the year are included in investment income or loss. GASB 72, Fair Value Measurements, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The hierarchy is based on the valuation inputs used to measure the fair value of the asset, as determined by the City's investment advisors.

The three levels of the fair value hierarchy under GASB 72 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
- Level 2: Inputs to the valuation methodology include
- quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical or similar assets or liabilities in inactive markets;
  - inputs other than quoted prices that are observable for the asset or liability;
  - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. DEPOSITS AND INVESTMENTS (continued)**

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2020.

Equities: Includes common stock which is valued at publicly traded market prices.

US Real Estate Investment: The Real Estate Investments, included in the City's General Employees, Police Officers, and Firefighters Defined Benefit Plans, consists of two funds that are commingled in nature. Each are valued at the net asset value of the units held at the end of the period based upon the fair value of the underlying investments in the pooled investment fund.

Fixed income funds and Certificates of Deposit: Valued using pricing models maximizing the use of observable inputs of similar securities. This includes basing value on yield currently available on comparable securities of issuers with similar credit ratings.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**City of Rockledge, Florida**  
**Notes to Financial Statements**

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. DEPOSITS AND INVESTMENTS (continued)**

The following table sets forth by level, within the fair value hierarchy, the City's assets at fair value as of September 30, 2020:

	Maturity Date				
	1-5	Over			
	Years	Five Years	Fair Value	Rating	Level
Primary government:					
Certificates of Deposit	\$ 9,274,457	\$ -	\$ 9,274,457	Not rated	L2
Total Investments	<u>\$ 9,274,457</u>	<u>\$ -</u>	<u>\$ 9,274,457</u>		
	Maturity Date				
	1-5	Over			
	Years	Five Years	Fair Value	Rating	Level
General employees:					
U.S. Government securities	\$ 1,609,420	\$ 291,433	\$ 1,900,853	Not rated	L2
Federal agencies	-	36,115	36,115	AAA	L2
Corporate bonds and notes	790,482	732,537	1,523,019	Baa - AAA	L2
Total	<u>\$ 2,399,902</u>	<u>\$ 1,060,085</u>	3,459,987		
Investments not subject to categorization:					
Real Estate			1,710,795	Not rated	-
Common stocks			13,679,825	Not rated	L1
Total investments			<u>\$ 18,850,607</u>		
Police officers:					
U.S. Government securities	\$ 1,364,989	\$ 248,257	\$ 1,613,246	Not rated	L2
Federal agencies	6,670	30,337	37,007	AAA	L2
Corporate bonds and notes	619,551	620,341	1,239,892	Baa - AAA	L2
Total	<u>\$ 1,991,210</u>	<u>\$ 898,935</u>	2,890,145		
Investments not subject to categorization:					
Real Estate			1,489,669	Not rated	-
Common stocks			12,200,588	Not rated	L1
Total investments			<u>\$ 16,580,402</u>		
Firefighter employees:					
U.S. Government securities	\$ 1,154,492	\$ 221,272	\$ 1,375,764	Not rated	L2
Federal agencies	418	33,243	33,661	AAA	L2
Corporate bonds and notes	468,481	560,173	1,028,654	Baa - AAA	L2
Total	<u>\$ 1,623,391</u>	<u>\$ 814,688</u>	2,438,079		
Investments not subject to categorization:					
Real Estate			1,187,065	Not rated	-
Common stocks			9,333,663	Not rated	L1
Total investments			<u>\$ 12,958,807</u>		

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. DEPOSITS AND INVESTMENTS (continued)**

***Fair value of Investments in Entities that use Net Asset Value (NAV)***

The following table summarizes investments measured at fair value based on NAV per share as of September 30, 2020.

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Real Estate	\$4,387,529	N/A	Quarterly	30 days

- (1) *Interest Rate Risk* - To mitigate interest rate risk, the funds' investment policy requires that the portfolio be structured with sufficient liquidity to meet the funds' obligations as they come due.
- (2) *Credit Risk* - The three (3) pension trust funds each hold cash in their respective fund accounts. To mitigate credit risk, the time, savings, and money market deposits of each fund in an institution may not exceed the Federal Deposit Insurance Corporation (FDIC) insurance coverage held by that institution for those amounts.
- (3) *Custodial Risk* - To mitigate custodial risk, all cash and securities are held in accounts bearing the name of the respective fund. Securities in such accounts, even though held in the "street name" are considered held in the name of the fund. Fund managers are required to carry errors and omissions insurance coverage.
- (4) *Concentration of Credit Risk* - Each of the investment policies requires that investments be diversified by security type. Each fund has a manager tasked to invest the fund assets in a diversified portfolio of equities, fixed income, and cash equivalent securities. Each fund has an independent investment consultant to evaluate the performance of the investment manager.

**G. RECEIVABLES**

For the Wastewater System, Sanitation Services, and Stormwater Utility Funds, operating revenues are generally recognized on the basis of cycle billings rendered monthly. The amount of services delivered for the period from the last billing date to September 30, 2020 (unbilled receivable), is estimated and accrued at year end. The City deems all amounts collectable therefore an allowance for doubtful accounts is not necessary. If payments are not received from customers, services are shut off and deposits are applied against negative balances.

All accounts receivables are deemed collectible; therefore, no allowance for doubtful accounts is recorded for governmental funds.



**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. PROPERTY TAXES**

Under Florida law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State of Florida regulating tax assessment are also designed to assure a consistent property valuation method statewide. State statutes permit cities to levy property taxes at a rate of up to ten mills. The operating millage rate in effect for the fiscal year ended September 30, 2020, was 6.10 mills.

All property is assessed according to its fair market value on January 1 of each year and, at that time, a lien is placed on the property for the taxes. The tax levy of the City is established by the Council prior to October 1 of each year and the Brevard County Property Appraiser incorporates the City's millage into the total tax levy, which also includes Brevard County, the Brevard County School Board, Florida Inland Navigation District, and the St. Johns Water Management District's tax requirements.

The following procedures were completed on or about the dates listed during the property tax levy process.

July - The Brevard County Property Tax Appraiser (the County Property Appraiser) forwarded to the City a certification of value of all real property within the City's boundaries which included the current year's taxable values, new construction, annexations, deletions, prior year taxable value, prior year millage rates, prior year ad valorem tax proceeds, and roll-back rates.

July - The Council sets the current year millage rate at not more than 110% of the rolled-back millage rate.

August - Notices of the proposed ad valorem tax assessments were mailed to each property owner by the County Property Appraiser.

September - As required by the State of Florida, a public meeting is held within 80 days of receipt of the certification of value to consider the budget and ad valorem tax millage rate.

September - Within 15 days of the meeting at which the Council adopted a tentative budget, the City advertised its intent to adopt a final budget and millage rate.

September - A final budget and millage rate hearing was held during which the Council set the current year's millage rate.

November - Tax notices were mailed to each property owner by the County Property Appraiser's office.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. PROPERTY TAXES (continued)**

All taxes are billed on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the County Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount.

On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

**I. INVENTORIES**

Inventories held by the General, Stormwater Utility, Wastewater System, and Sanitation Services Funds consist principally of chemicals, maintenance supplies, gas, and diesel fuel. The costs of inventories are reported as expenditures when consumed rather than purchased and adjustments are made at year end to reflect actual physical inventory. All inventories of the General Fund are reflected as nonspendable within the fund balance. Inventories are valued at lower cost or market, using a first-in, first-out flow assumption.

**J. CAPITAL ASSETS**

Property, plant, and equipment purchased or acquired are carried at historical cost or estimated historical cost. Donated capital assets, donated works of art, and capital assets, including those received in a service concession arrangement, are recorded at acquisition value as of the date received. The City defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. 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 are depreciated using the straight-line method over the following useful lives:

<u>Years</u>	
7 – 40	Buildings
10 – 40	Improvements other than buildings
3 – 20	Machinery and furniture
4 – 20	Vehicles (including heavy equipment)
40	Infrastructure
20 – 40	Waste and transmission lines and facilities

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. PREPAID ITEMS**

Prepaid items represent payments to vendors for services that will benefit the City beyond September 30, 2020. These payments are recorded as expenditures or expenses when utilized rather than when cash is paid to the respective vendor.

**M. DEFERRED OUTFLOWS OF RESOURCES**

In addition to assets, the entity-wide statement of net position and the proprietary funds statement of net position report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an expense until then. The City currently has deferred outflows of pension expenses and OPEB expenses that meet this criteria. Deferred outflows of pension expenses and OPEB expenses represent differences between actual pension experiences and actuarial assumptions. These will be charged to pension and OPEB expense over the actuarial assumption's timeline.

**N. LONG-TERM DEBT**

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.

**O. ACCUMULATED UNUSED COMPENSATED ABSENCES**

The City records the vested portion of accumulated compensated absences at year end based on each employee's accumulated unused hours and rate of pay. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**P. OTHER POSTEMPLOYMENT BENEFITS**

The City allows retirees to participate in its employee health insurance program. The City accrues an other postemployment benefit liability for the cost of providing those benefits in the government-wide and enterprise fund financial statements based on actuarial measurement annually.

**Q. PENSION PLANS**

The City sponsors and administers three pension plans covering substantially all the full-time employees. The City's policy is to fund the annual pension costs in the annual budget.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Q. PENSION PLANS (continued)**

General employees, police officers, and firefighters are enrolled in separate, defined benefit pension plans restated December 4, 2019, with subsequent amendments. Annual costs of the pension plans are actuarially computed using the entry age normal actuarial cost method as described in Note 9.

The City accounts for its pension plans in accordance with GASB Statement No. 67, *Financial Reporting for Pension Plans*, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements require the recording of defined benefit plan investments at market value.

**R. DEFERRED INFLOWS OF RESOURCES**

This separate financial statement element, deferred inflows of resources, represents a receipt of net position that applies to a future period and will not be recognized as a revenue until then. The City currently has deferred inflows of pension and OPEB earnings and, business tax receipts that meet this criteria. Deferred inflows of pension and OPEB revenues represent differences between actual pension experiences and actuarial assumptions. These will be recognized as a reduction of pension and OPEB expense over the actuarial assumption's timeline.

**S. NET POSITION**

Net position of proprietary funds, governmental activities, and business-type activities are made up of three components. Net investment in capital assets represents net capital assets less related long-term liabilities, where unspent debt proceeds increase this amount. Restricted net position represents assets that are legally restricted for specific purposes. They include bond sinking and reserve funds, special revenues restricted by statute and ordinance, bond proceeds, and other sources restricted for capital projects or improvements. The balance of net position is considered unrestricted net position.

**T. FUND EQUITY**

In the fund financial statements, fund balance for governmental funds is reported in classifications that are based on the relative strength of the constraints that control how amounts in the funds can be spent.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**T. FUND EQUITY (continued)**

Fund balance is reported in the following five components:

Nonspendable - includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements. This would include inventories, advances, and prepaid items.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by third-party (creditors, grantors, contributors) agreements, constitutional provisions, or enabling legislation.

Committed - includes fund balance amounts that can be used only for the specific purposes that are internally imposed by a formal action of the government's highest level of decision making authority, which includes ordinances and resolutions. Commitments may be changed by the government only by taking the same action that imposed the constraint initially. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations.

Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. The authority for assigning fund balance is expressed by the City Council, City Manager, or their designee.

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

When both restricted and unrestricted (committed, assigned, and unassigned) fund resources are available for use, it is the City's policy to generally use restricted resources first, and then unrestricted resources. When unrestricted resources are available for use, it is the City's policy to use committed resources first, then assigned, and then unassigned as they are needed.

**U. NET POSITION RESTRICTED BY ENABLING LEGISLATION**

In the government-wide financial statements, governmental activities report restricted net position of \$3,613,628. Management has determined that, of this amount, \$258,045 is restricted for law enforcement purposes by enabling legislation.

**City of Rockledge, Florida**  
**Notes to Financial Statements**

**Note 2 – ACCOUNTS RECEIVABLE**

The accounts receivable and allowance for uncollectible accounts at September 30, 2020, were as follows:

	Accounts Receivable	Unbilled Receivable	Allowance for Uncollectible	Net
General Fund	\$ 581,911	\$ -	\$ -	\$ 581,911
Enterprise Funds:				
Wastewater System Fund	398,340	104,362	-	502,702
Sanitation Services Fund	273,008	80,653	-	353,661
Stormwater Utility Fund	87,019	26,790	-	113,809
Internal Service Fund	5,325	-	-	5,325
Totals	\$ 1,345,603	\$ 211,805	\$ -	\$ 1,557,408

Property taxes are considered fully collected (96% of the levy) during and prior to the end of the fiscal year. Therefore, no material amounts of property taxes are receivable as of September 30, 2020. There are no other reserves for receivables recorded by the City as of September 30, 2020.

**Note 3 - CAPITAL ASSETS**

Depreciation expense was allocated to the governmental functions in the statement of activities as follows:

Governmental activities:	
General government (infrastructure)	\$ 469,721
Administrative services	117,791
Police	433,316
Fire	278,112
Public works	78,257
Planning and development	324,155
Total depreciation expense - governmental activities	\$ 1,701,352
Business-type activities:	
Wastewater system	\$ 1,363,947
Sanitation services	237,972
Stormwater utility	334,042
Total depreciation expense - business-type activities	\$ 1,935,961

**City of Rockledge, Florida**  
**Notes to Financial Statements**

**Note 3 - CAPITAL ASSETS (Continued)**

The following is a summary of changes in capital assets during the year ended September 30, 2020:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 14,477,046	\$ -	\$ -	\$ 14,477,046
Construction-in-progress	-	81,621	(43,150)	38,471
Total capital assets, not being depreciated	14,477,046	81,621	(43,150)	14,515,517
Capital assets, being depreciated:				
Buildings	11,978,715	67,990	-	12,046,705
Improvements other than buildings	4,909,919	36,466	-	4,946,385
Furniture and equipment	6,522,931	112,991	(36,155)	6,599,767
Vehicles	4,753,005	331,804	(319,275)	4,765,534
Infrastructure	26,016,279	-	-	26,016,279
Total capital assets, being depreciated	54,180,849	549,251	(355,430)	54,374,670
Less accumulated depreciation for:				
Buildings	(3,264,177)	(298,452)	-	(3,562,629)
Improvements other than buildings	(581,842)	(119,692)	-	(701,534)
Furniture and equipment	(4,597,208)	(300,577)	36,155	(4,861,630)
Vehicles	(3,595,530)	(332,133)	319,275	(3,608,388)
Infrastructure	(11,164,624)	(650,498)	-	(11,815,122)
Total accumulated depreciation	(23,203,381)	(1,701,352)	355,430	(24,549,303)
Total capital assets, being depreciated, net	30,977,468	(1,152,101)	-	29,825,367
Governmental activities capital assets, net	\$ 45,454,514	\$ (1,070,480)	\$ (43,150)	\$ 44,340,884
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 3,703,226	\$ -	\$ -	\$ 3,703,226
Construction-in-progress	176,886	1,298,530	(1,093,122)	382,294
Total capital assets, not being depreciated	3,880,112	1,298,530	(1,093,122)	4,085,520
Capital assets, being depreciated:				
Buildings	13,539,499	39,401	-	13,578,900
Machinery and equipment	8,833,251	725,081	(35,000)	9,523,332
Vehicles	5,228,993	69,901	(27,953)	5,270,941
Waste and transmission lines and facilities	39,197,988	871,468	-	40,069,456
Total capital assets, being depreciated	66,799,731	1,705,851	(62,953)	68,442,629
Less accumulated depreciation for:				
Buildings	(6,791,898)	(282,982)	-	(7,074,880)
Machinery and equipment	(4,895,255)	(408,910)	14,354	(5,289,811)
Vehicles	(3,403,228)	(258,408)	27,953	(3,633,683)
Waste and transmission lines and facilities	(18,449,537)	(985,661)	-	(19,435,198)
Total accumulated depreciation	(33,539,918)	(1,935,961)	42,307	(35,433,572)
Total capital assets, being depreciated, net	33,259,813	(230,110)	(20,646)	33,009,057
Business-type activities capital assets, net	\$ 37,139,925	\$ 1,068,420	\$ (1,113,768)	\$ 37,094,577

**Note 4 – NOTES PAYABLE**

On April 1, 2009, the City borrowed \$2,000,000 through a local bank for the purpose of constructing a police facility. As of September 30, 2010, the City owed \$1,763,069 on this note. Principal of \$14,932 was paid in October 2010 bringing the outstanding balance on the note to \$1,748,137. On November 1, 2010, the City borrowed an additional \$500,000 at the same interest rate of 3.95% bringing the monthly payments to \$25,983. The City obtained a second loan modification on this note, effective August 12, 2011, at an effective interest rate of 2.87% and payments of \$24,924 per month. This interest rate and payment amount remained in effect for five years, at which time the interest rate increased to 3.37% with monthly payments of \$25,076 through May 1, 2019. However, on December 7, 2017, the City refinanced the note, borrowing an additional amount of \$2,061,468, which carried a new interest rate of 2.50%. Interest of \$49,599.75 was paid on this note during the year ended September 30, 2020. The note is secured with a pledge of utility tax revenues and franchise fees collected by the City. As of September 30, 2020, the principal outstanding on the note was \$1,871,822.

On July 22, 2005, the City, through its Community Redevelopment Agency (CRA), borrowed \$4,000,000 through a local bank for the acquisition and construction of additions and improvements to Barton Boulevard in the City of Rockledge Redevelopment Area. Pursuant to the loan agreement (Series 2005 Note), the excess of income, fees and earnings over the costs of operation and maintenance of the CRA are irrevocably pledged to the payment of principal and interest on the Series 2005 Note. The Series 2005 Note does not constitute a general obligation or indebtedness of the CRA and the lender shall never have the right to require or compel the levy of taxes for the payment of principal or interest nor does it constitute a lien on any property of the CRA other than the pledged funds noted above. The Series 2005 Note has a maturity date of January 31, 2022, and bore interest at 3.49% until resetting on January 31, 2012. Effective January 31, 2012, the rate was adjusted to the five-year U.S. Treasury rate minus 30 basis points (0.43%). This rate was effective through January 31, 2017, when the rate was adjusted for a final time to the five-year U.S. Treasury rate minus 30 basis points (1.6%), which will remain in effect until January 31, 2022. Payments were interest only on January 31, 2007, on the unpaid principal balance and, beginning on January 31, 2007, annual principal payments of \$250,000 plus accrued interest are due. Interest of \$12,033 was paid on this note during the year ended September 30, 2020. As of September 30, 2020, the remaining principal outstanding on the note was \$500,000.

On October 7, 2013, the City, through its Community Redevelopment Agency (CRA), opened a \$750,000 line of credit through a local bank in order to facilitate short-term financing needs. In 2013 and 2015, the City drew \$500,000 and \$350,000 from the line of credit, which was used with other funds to purchase parcels of land and buildings. On September 30, 2016, the City increased the line of credit to \$1,000,000 and drew \$200,000 to purchase land. On October 4, 2017, the City increased the line of credit to \$2,000,000 and drew \$396,996 to purchase land and a commercial building. On December 7, 2017, the City decreased the line of credit to \$1,000,000. As of September 30, 2020, no amount of principal remains outstanding. The line of credit has a maturity date of July 17, 2022, and bears interest at the Wall Street Journal Prime Rate, which was 3.25% on September 30, 2020.



**Note 4 – NOTES PAYABLE (Continued)**

In July 2015, the City purchased a vacant 6.3 acre piece of property that will be used primarily for recreational purposes. The purchase price was \$190,000 and was partially funded by a \$180,000 promissory note with a private third party, bearing no interest. Payments of \$37,500 were due annually on October 15th. As of September 30, 2020, no amount of principle remains outstanding.

The City borrowed \$2,779,452 under the State of Florida Revolving Fund Program under a small community pre-construction loan contract for the construction of a reclaimed water project. The effective interest rate for the funds borrowed under the program is 2.98%. Pursuant to the contract, semi-annual payments consisting of principal and interest in the amount of \$93,323, with a final payment due on December 15, 2021, commenced June 15, 2002. Interest of \$12,284 was paid on this note during the year ended September 30, 2020. As of September 30, 2020, the principal outstanding on the note was \$271,644.

The following is a summary of governmental activities direct borrowings for the year ended September 30, 2020:

Year Ending September 30,	Governmental Activities					
	Redevelopment Agency		Capital Improvement Note		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 250,000	\$ 8,000	\$ 238,746	\$ 44,063	\$ 488,746	\$ 52,063
2022	250,000	4,000	244,771	38,026	494,771	42,026
2023	-	-	250,961	31,836	250,961	31,836
2024	-	-	257,236	25,560	257,236	25,560
2025	-	-	263,826	18,984	263,826	18,984
2026-2028	-	-	616,282	18,063	616,282	18,063
Total	500,000	12,000	1,871,822	176,532	2,371,822	188,532
Current portion	(250,000)	(8,000)	(238,746)	(44,063)	(488,746)	(52,063)
Payable after one year	\$ 250,000	\$ 4,000	\$ 1,633,076	\$ 132,469	\$ 1,883,076	\$ 136,469

The following is a summary of business-type activities direct borrowings for the year ended September 30, 2020:

Year Ending September 30,	Business-type Activities			
	Wastewater System - SRF		Total	
	Principal	Interest	Principal	Interest
2021	\$ 179,722	\$ 6,925	\$ 179,722	\$ 6,925
2022	91,922	1,402	91,922	1,402
Total	271,644	8,327	271,644	8,327
Unamortized issue discount	(5,230)	-	(5,230)	-
Carrying value	266,414	8,327	266,414	8,327
Current portion	(179,722)	(6,925)	(179,722)	(6,925)
Payable after one year	\$ 86,692	\$ 1,402	\$ 86,692	\$ 1,402

**City of Rockledge, Florida**  
**Notes to Financial Statements**

**Note 5 - CHANGES IN LONG-TERM LIABILITIES**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Notes payable:					
Community Redevelopment Agency Note, Series 2005	\$ 750,000	\$ -	\$ (250,000)	\$ 500,000	\$ 250,000
Capital Improvement Note	2,105,032	-	(233,210)	1,871,822	238,746
6.3 Acre Property Note	37,500	-	(37,500)	-	-
<b>Total notes payable</b>	<b>2,892,532</b>	<b>-</b>	<b>(520,710)</b>	<b>2,371,822</b>	<b>488,746</b>
Other postemployment benefits	566,646	139,961	(31,965)	674,642	-
Compensated absences	1,386,870	875,137	(762,066)	1,499,941	907,345
Net pension liability and asset	5,149,496	4,608,548	(7,241,687)	2,516,357	-
<b>Governmental activity long-term liabilities</b>	<b>\$ 9,995,544</b>	<b>\$ 5,623,646</b>	<b>\$ (8,556,428)</b>	<b>\$ 7,062,762</b>	<b>\$ 1,396,091</b>
<b>Business-type activities:</b>					
Notes payable:					
State Revolving Fund Note	\$ 435,545	\$ -	\$ (169,131)	\$ 266,414	\$ 179,722
<b>Total notes payable</b>	<b>435,545</b>	<b>-</b>	<b>(169,131)</b>	<b>266,414</b>	<b>179,722</b>
Other postemployment benefits	207,715	58,383	(13,333)	252,765	-
Compensated absences	330,420	239,900	(193,784)	376,536	205,061
Net pension liability	1,035,811	979,472	(1,737,265)	278,018	-
<b>Business-type activity long-term liabilities</b>	<b>\$ 2,009,491</b>	<b>\$ 1,277,755</b>	<b>\$ (2,113,513)</b>	<b>\$ 1,173,733</b>	<b>\$ 384,783</b>

Compensated absences, other postemployment benefits and the net pension liability will be liquidated in future periods primarily by the General Fund for governmental activities. Business-type activities compensated absences, other postemployment benefits and the net pension liability will be liquidated by the respective proprietary fund.

**City of Rockledge, Florida**  
**Notes to Financial Statements**

**Note 6 - PLEDGED REVENUES**

The City has revenue notes outstanding at September 30, 2020, for which revenues of the City have been pledged for repayment. Revenues pledged to repay these obligations are as follows:

	Amount Issued	Principal Outstanding	Total Pledged Revenue (1)	Total Pledged Revenue Over Debt Service Required (2)	Current Year Debt Service Paid	Current Year Total Revenue
<b>Governmental Activities:</b>						
<b>Revenue Notes:</b>						
Community Redevelopment Agency Revenue Note, Series 2005 (3)						
Maturity: 2022, Interest rate: 3.495%	\$ 4,000,000	\$ 500,000	N/A	N/A	\$ 262,033	N/A
Purpose: Improvements to Barton Blvd.						
Pledged revenue: Net revenues of the CRA						
Capital Improvement Note, Series 2009						
Maturity: 2028, Interest rate: 2.50%	\$ 2,500,000	\$ 1,871,822	\$ 2,048,355	10,289.5%	\$ 282,810	\$ 4,013,755
Purpose: Construction of new police facility						
Pledged revenue: Utility taxes and franchise fees						

(1) Total pledged revenue is the total outstanding principal and interest.

(2) Total pledged revenue over debt service required is calculated using the current year total revenues for the remaining years of debt servi

(3) The excess of income, fees, and earnings over the cost of operations and maintenance are irrevocably pledged to the payment of princip and interest on the Series 2005 note. However, the note does not constitute a general obligation or indebtedness of the CRA nor does it constitute a lien on any property of the CRA.

**Note 7 - TRANSFERS TO/FROM OTHER FUNDS**

Operating Transfers	Transfers		Net
	In	Out	
Major Funds:			
General Fund	\$ 396,000	\$ (1,218,215)	\$ (822,215)
Community Redevelopment Agency	1,218,215	-	1,218,215
Wastewater System	-	(190,000)	(190,000)
Sanitation Services	-	(123,000)	(123,000)
Stormwater Utility	-	(83,000)	(83,000)
Total	\$ 1,614,215	\$ (1,614,215)	\$ -

Amounts are transferred from one fund to support the expenditures of another fund in accordance with legally established budgets. The transfer from the General Fund to the Community Redevelopment Agency Fund in the amount of \$1,218,215 represents the tax incremental financing (TIF) payment required. The transfers from the Wastewater System, Sanitation Services, and Stormwater Utility Funds to the General Fund were payments to compensate the General Fund for general government services in the amount of \$396,000.

**Note 8 - NET INVESTMENT IN CAPITAL ASSETS**

The elements of this calculation are as follows:

	Governmental Activities	Business-type Activities	Total
Capital assets (net)	\$ 44,340,884	\$ 37,094,577	\$ 81,435,461
Outstanding debt related to capital assets	(2,371,822)	(266,414)	(2,638,236)
	<u>\$ 41,969,062</u>	<u>\$ 36,828,163</u>	<u>\$ 78,797,225</u>

**Note 9 - RETIREMENT PLANS**

**A. DESCRIPTION OF PLANS**

The City maintains three contributory single-employer defined benefit pension plans (Plans) that provide for retirement, disability and death benefits as described below. These Plans are:

- City of Rockledge General Employees' Retirement Plan (General Employees)
- City of Rockledge Police Employees' Retirement Plan (Police Employees)
- City of Rockledge Fire Employees' Retirement Plan (Fire Employees)

Each plan is administered by a separate board of trustees comprised of five members, two of whom are appointed by the City Council, two of whom are full-time participants of the respective employee group (General, Police, or Fire) and one is chosen by a majority of the previous four members. Each board of trustees is empowered to hire its own attorneys and consultants at the pension fund's expense, and to bring and defend lawsuits.

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (ALL PLANS)**

***Basis of Accounting***

The Plans' financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits, refunds, and administrative costs are recognized when due and payable in accordance with the terms of each plan. On-behalf payments, made by the state totaling \$140,547 and \$244,109 for the Fire Employees' and Police Employees' plans, respectively, were recognized as revenues and expenditures in the General Fund during the year ended September 30, 2020.

**Note 9 - RETIREMENT PLANS (Continued)**

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (ALL PLANS) (continued)**

***Method Used to Value Investments***

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

***Presentation of Financial Statements***

The Plans do not issue stand-alone financial reports and are not included in the reports of any other entity.

***Funding Requirements***

The City uses the entry age normal actuarial cost method (EAN) to determine required contributions. This method provides a stable pattern of minimum required contributions at a level dollar amount (for each plan) and allows a more transparent analysis of the changes experienced from one year to the next.

The General Employees plan requires employee contributions at 6% of basic compensation. City contributions are actuarially determined sufficient to pay current costs and amortize unfunded past service costs, if any, as provided in Chapter 112, Florida Statutes. For 2020, employee contributions to the plan totaled \$303,417, while City contributions were \$720,642 or 14.3% of covered payroll.

Florida Statutes, Chapters 175 and 185, require members to contribute not less than .5% of their annual salary. The Police Employees and Fire Employees plans, as approved by the City Council, require members to contribute 7% of their basic compensation. The City is required to contribute at an actuarially determined rate, which includes the state's premium tax proceeds. Employer contributions for police officers and firefighters include on-behalf payments from the state of Florida related to state excise taxes collected on homeowners' insurance policies. The current required rate is 10.73% of annual covered payroll for police officers and 28.99% of covered payroll for firefighters. The City contributed \$223,878 and \$459,690 for Police Employees and Fire Employees plans, respectively, for the year ended September 30, 2020.

Municipalities that have established pension plans complying with the provisions of Chapters 175 and 185, Florida Statutes, and that have enacted appropriate taxing legislation are eligible to receive revenues generated from excise taxes on gross receipts of certain insurance premiums from policyholders covering property within the City limits. These state premium tax proceeds are the Firefighters' Pension Fund Excise Tax, which is imposed on the gross receipts of property insurance policy premiums, and the Police Officers' Pension Fund Excise Tax, which is imposed on the gross receipts of casualty insurance policy premiums. These revenues, taken as a whole, amounted to \$384,656 for the year ended September 30, 2020.

**Note 9 - RETIREMENT PLANS (Continued)**

**C. PLAN MEMBERSHIP AND BENEFITS**

The makeup of plan participants as of the October 1, 2020 valuation was as follows:

Plan Membership	General Employees	Police Employees	Fire Employees
Inactive plan members or beneficiaries currently receiving benefits	61	23	24
Inactive plan members entitled to, but not yet receiving benefits	9	6	5
Active plan members	132	40	36
	202	69	65

All three plans provide retirement, termination, disability, and death benefits. A summary of those benefits, by plan, is outlined below.

	<u>General Employees</u>	<u>Police Employees</u>	<u>Fire Employees</u>
Normal Retirement:	Age 65 and 10 years of service.	Age 52 and 10 years of service.	Age 52 and 25 years or age 55 and 10 years of service.
	Benefit equals 2.75% x Avg Monthly Comp x credited service.	Benefit equals 3% x Avg Monthly Comp x credited service (if hired prior to 1/2/13, retirees receive additional 1.5% for service over 25 years).	Benefit equals 3% x Avg Monthly Comp x credited service, plus additional 1.5% for service over 25 years (after 10/1/12 rates are 2.75% times the average monthly comp and 1.25% for additional service).
Early Retirement:	Age 55 and 10 years of service, reduced at 5/9% per month first 60 months and 5/18% thereafter with a minimum benefit of 60% for employees with 25 years credited service.	Age 44 and 25 years or age 50 and 10 years of service, reduced at 1/4% per month with a minimum of 50% for those with 25 years credited service.	Age 45 and 25 years or age 50 and 10 years of service, reduced at 1/4% per month with a minimum of 50% for those with 25 years credited service.

**Note 9 - RETIREMENT PLANS (Continued)**

**C. PLAN MEMBERSHIP AND BENEFITS (continued)**

	<u>General Employees</u>	<u>Police Employees</u>	<u>Fire Employees</u>
Termination of Employment:	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions with 1.5% interest.	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions with 1.5% interest.	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions with 1.5% interest.
Disability Benefits:	Line-of-duty benefit reduced 50%.  Non-line-of-duty benefit based on 10 years certain and continuous annuity payable determined at time of disability adjusted for years of service.	Line-of-duty benefit reduced 50%.  Non-line-of-duty benefit based on 10 years certain and continuous annuity payable determined at time of disability adjusted for years of service.	Line-of-duty benefit reduced 50%.  Non-line-of-duty benefit based on 10 years certain and continuous annuity payable determined at time of disability adjusted for years of service.
Pre-retirement Death Benefits:	Survivor benefit is 10 year certain amount adjusted for vesting status at time of death of plan member.	Survivor benefit is 10 year certain amount adjusted for vesting status at time of death of plan member.	Survivor benefit is 10 year certain amount adjusted for vesting status at time of death of plan member.
Deferred Retirement Option (DROP):	Employees eligible at early retirement date. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).	Employees eligible at normal retirement date. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).	Employees eligible at normal retirement date. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).

**Note 9 - RETIREMENT PLANS (Continued)**

**D. PENSION PLAN INVESTMENTS**

Each plan's investment policy was adopted by the respective Pension Board of Trustees, which has the authority for establishing and amending investment policy decisions for each of the plans that they administer. The policy outlines suitable, authorized investments along with asset allocations.

Each plan's investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Independent investment managers and an independent custodian handle all pension investments and disbursements.

In order to provide for a diversified portfolio, several investment management firms are selected to be responsible for the assets and allocation of the Trustees' mandate only, and are provided specific performance objectives and investment criteria. In order to maintain a balanced portfolio, the allocation of assets are targeted at no more than 5% in common stock, capital stock, or convertible stock of any one issuing company. Fixed income investments issued to any single corporation shall not exceed 5% of the total fund and all investments, and shall have a minimum rating of investment grade (Baa – AAA) or higher by at least one major credit rating agency. The plans did not hold investments in any one organization that represent 5% or more of the plans' fiduciary net position.

For the year ended September 30, 2020, the annual money-weighted rate of return on the plans' investments, net of pension investment expense, was 11.88% for General, 12.47% for Police, and 12.32% for Fire. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

	<b>General Employees</b>	<b>Police Employees</b>	<b>Fire Employees</b>
Annual money-weighted rate of return net of investment expenses	10.59%	10.47%	10.19%



**Note 9 - RETIREMENT PLANS (Continued)**

**E. NET PENSION LIABILITY, SIGNIFICANT ASSUMPTIONS, AND DISCOUNT RATE**

The components of the net pension liability of the City as of September 30, 2020, were as follows:

General Employees:		
Total pension liability		\$ 19,946,602
Plan fiduciary net position		(19,271,267)
<hr/>		
City's net pension liability		\$ 675,335
<hr/>		
Plan fiduciary net position as a percentage of the total pension liability		96.61%
Police Employees:		
Total pension liability		\$ 16,818,163
Plan fiduciary net position		(17,016,469)
<hr/>		
City's net pension asset		\$ (198,306)
<hr/>		
Plan fiduciary net position as a percentage of the total pension liability		101.18%
Fire Employees:		
Total pension liability		\$ 15,518,021
Plan fiduciary net position		(13,200,675)
<hr/>		
City's net pension liability		\$ 2,317,346
<hr/>		
Plan fiduciary net position as a percentage of the total pension liability		85.07%

The total pension liability was determined by an actuarial valuation as of October 1, 2019 using the following actuarial assumptions applied to all measurement periods for each plan.

	<b>General Employees'</b>	<b>Police Employees'</b>	<b>Fire Employees'</b>
Inflation	2.00%	2.00%	2.00%
Salary increases (including inflation)	6.00%	6.00%	6.00%
Investment rate of return (net of investment expense, including inflation)	7.75%	7.80%	7.75%
Discount rate	7.75%	7.80%	7.75%

**Note 9 - RETIREMENT PLANS (Continued)**

**E. NET PENSION LIABILITY, SIGNIFICANT ASSUMPTIONS, AND DISCOUNT RATE (continued)**

Mortality rates were based on the July 1, 2019 FRS special risk actuarial valuation for the Police and Fire Employees plans and the July 1, 2019 FRS not special risk actuarial valuation for the General Employees plan. Disabled tables were used for disabled lives.

For the Fire Employees and Police Employees plans, actuarial assumptions used in the October 1, 2020 valuation were based on the results of an actuarial experience study for the period October 1, 1999 to September 30, 2005. The actuarial assumptions used for General Employees plan were not based upon a known comprehensive experience review.

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 the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plans' target asset allocation as of September 30, 2020, are summarized in the following table:

Asset Class	General Employees		Police Employees		Fire Employees	
	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return
Domestic equity	50.00%	7.50%	50.00%	7.50%	50.00%	7.50%
International equity	15.00%	8.50%	15.00%	8.50%	15.00%	8.50%
Domestic bonds	20.00%	2.50%	20.00%	2.50%	20.00%	2.50%
International bonds	5.00%	3.50%	5.00%	3.50%	5.00%	3.50%
Real estate	10.00%	4.50%	10.00%	4.50%	10.00%	4.50%

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, each 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 net pension liability.

**Note 9 - RETIREMENT PLANS (Continued)**

**F. PENSION PLAN FINANCIAL STATEMENTS**

The following tables present the statement of net position - fair value, and statement of changes in net position - fair value, of all the trusts' investments as of and for the year ended September 30, 2020.

	Employee Benefit Funds			
	General	Police	Fire	
<b>ASSETS</b>	Employees	Employees	Employees	Totals
Cash and cash equivalents	\$ 414,017	\$ 184,169	\$ 231,333	\$ 829,519
Contributions receivable	-	244,109	4,993	249,102
Due from other plan	-	1,266	-	1,266
Interest receivable	7,909	6,523	5,542	19,974
Total current assets	421,926	436,067	241,868	1,099,861
Investments, at fair value	18,850,607	16,580,402	12,958,807	48,389,816
Total assets	19,272,533	17,016,469	13,200,675	49,489,677
<b>LIABILITIES</b>				
Due to other plan	1,266	-	-	1,266
Net position held in trust for pension benefits	\$ 19,271,267	\$ 17,016,469	\$ 13,200,675	\$ 49,488,411

**Note 9 - RETIREMENT PLANS (Continued)**

**F. PENSION PLAN FINANCIAL STATEMENTS (continued)**

	Employee Benefit Funds			
	General Employees	Police Employees	Fire Employees	Totals
Additions:				
Contributions:				
Employer	\$ 720,642	\$ 223,878	\$ 459,690	\$ 1,404,210
State	-	244,109	140,547	384,656
Employees	303,417	154,795	130,053	588,265
Total contributions	1,024,059	622,782	730,290	2,377,131
Investment income:				
Net appreciation in fair value of investments	1,593,617	1,409,131	1,088,670	4,091,418
Interest and dividends	352,092	310,472	240,497	903,061
	1,945,709	1,719,603	1,329,167	4,994,479
Less: investment related expense	(59,314)	(53,676)	(47,753)	(160,743)
Net investment income	1,886,395	1,665,927	1,281,414	4,833,736
Total additions	2,910,454	2,288,709	2,011,704	7,210,867
Deductions:				
Benefits	908,956	798,029	866,650	2,573,635
Administrative expense	67,175	66,077	67,127	200,379
Total deductions	976,131	864,106	933,777	2,774,014
Change in net position	1,934,323	1,424,603	1,077,927	4,436,853
Net position held in trust for pension benefits:				
Balance at beginning of year	17,336,944	15,591,866	12,122,748	45,051,558
Balance at end of year	\$ 19,271,267	\$ 17,016,469	\$ 13,200,675	\$ 49,488,411

**G. PENSION EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO PENSIONS**

For the year ended September 30, 2020, the City recognized a pension expense of \$183,095 for the General Employees plan; \$195,754 for the Police Employees plan; and \$260,944 for the Fire Employees plan. On September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Note 9 - RETIREMENT PLANS (Continued)**

**G. PENSION EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO PENSIONS  
(continued)**

	General		Police		Fire	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 1,283,121	\$ 27,837	\$ 275,320	\$ -	\$ 298,632
Changes of assumptions	254,475	178,858	286,248	280,962	110,903	202,619
Net difference between projected and actual earnings	-	213,243	-	185,518	-	123,175
<b>Total</b>	<b>\$ 254,475</b>	<b>\$ 1,675,222</b>	<b>\$ 314,085</b>	<b>\$ 741,800</b>	<b>\$ 110,903</b>	<b>\$ 624,426</b>

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

<u>Year Ending September 30:</u>	<u>General Employees</u>	<u>Police Employees</u>	<u>Fire Employees</u>
2021	(363,963)	(160,965)	(190,607)
2022	(339,545)	(45,561)	(123,129)
2023	(265,412)	12,118	(61,264)
2024	(350,743)	(121,825)	(123,917)
2025	(101,084)	(30,197)	(14,606)
2026	-	(49,852)	-
2027	-	(31,433)	-
	<u>\$ (1,420,747)</u>	<u>\$ (427,715)</u>	<u>\$ (513,523)</u>

**City of Rockledge, Florida**  
**Notes to Financial Statements**

**Note 9 - RETIREMENT PLANS (Continued)**

**H. CHANGES IN NET PENSION LIABILITY AND SENSITIVITY TO CHANGES IN DISCOUNT RATE**

General Employees

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2019	\$ 19,766,820	\$ 17,336,944	\$ 2,429,876
Changes for a year:			
Service cost	652,595	-	652,595
Interest	1,548,052	-	1,548,052
Differences between expected and actual experience	(893,305)	-	(893,305)
Changes of assumptions	(218,604)	-	(218,604)
Contributions - employer	-	720,642	(720,642)
Contributions - employee	-	303,417	(303,417)
Net investment income	-	1,886,395	(1,886,395)
Benefit payments, including refunds of member contributions	(908,956)	(908,956)	-
Administrative expense	-	(67,175)	67,175
Net changes	179,782	1,934,323	(1,754,541)
Balances at September 30, 2020	\$ 19,946,602	\$ 19,271,267	\$ 675,335

The sensitivity of the net pension liability to changes in the discount rate is shown below.

General Employees	1% Decrease	Current Discount Rate	1% Increase
City's net position liability	6.75% \$2,917,480	7.75% \$ 675,335	8.75% \$ (1,214,348)

**City of Rockledge, Florida**  
**Notes to Financial Statements**

**Note 9 - RETIREMENT PLANS (Continued)**

**H. CHANGES IN NET PENSION LIABILITY AND SENSITIVITY TO CHANGES IN DISCOUNT RATE  
(continued)**

Police Employees

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2019	\$ 16,328,741	\$ 15,591,866	\$ 736,875
Changes for a year:			
Service cost	414,205	-	414,205
Interest	1,271,367	-	1,271,367
Differences between expected and actual experience	(76,767)	-	(76,767)
Changes of assumptions	(321,354)	-	(321,354)
Contributions - employer	-	223,878	(223,878)
Contributions - state	-	244,109	(244,109)
Contributions - employee	-	154,795	(154,795)
Net investment income	-	1,665,927	(1,665,927)
Benefit payments, including refunds of employee contributions	(798,029)	(798,029)	-
Administrative expense	-	(66,077)	66,077
Net changes	489,422	1,424,603	(935,181)
Balances at September 30, 2020	\$ 16,818,163	\$ 17,016,469	\$ (198,306)

The sensitivity of the net pension liability to changes in the discount rate is shown below.

Police Employees	1% Decrease	Current Discount Rate	1% Increase
	6.80%	7.80%	8.80%
City's net position asset	\$1,668,646	\$ (198,306)	\$ (1,766,613)

**Note 9 - RETIREMENT PLANS (Continued)**

**H. CHANGES IN NET PENSION LIABILITY AND SENSITIVITY TO CHANGES IN DISCOUNT RATE (continued)**

Fire Employees

	Increase (Decrease)		
	Total Pension	Plan Fiduciary	Net Pension
	Liability	Net Position	Liability
Balances at September 30, 2019	\$ 15,141,304	\$ 12,122,748	\$ 3,018,556
Changes for a year:			
Service cost	330,848	-	330,848
Interest	1,170,575	-	1,170,575
Differences between expected and actual experience	(8,335)	-	(8,335)
Changes of assumptions	(249,721)	-	(249,721)
Contributions - employer	-	459,690	(459,690)
Contributions - state	-	140,547	(140,547)
Contributions - employee	-	130,053	(130,053)
Net investment income	-	1,281,413	(1,281,413)
Benefit payments, including refunds of employee contributions	(866,650)	(866,650)	-
Administrative expense	-	(67,126)	67,126
Net changes	376,717	1,077,927	(701,210)
Balances at September 30, 2020	\$ 15,518,021	\$ 13,200,675	\$ 2,317,346

The sensitivity of the net pension liability to changes in the discount rate is shown below.

	1%	Current	1%
Fire Employees	Decrease	Discount Rate	Increase
	6.75%	7.75%	8.75%
City's net position liability	\$4,024,678	\$ 2,317,346	\$ 880,514

**Note 10 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**A. PLAN DESCRIPTION**

The City of Rockledge administers a single-employer defined benefit healthcare plan (the “Plan”) that provides medical insurance to its employees and their eligible dependents. Pursuant to Section 112.0801 Florida Statutes, the City is required to provide eligible retirees (as defined in the City’s pension plans) the opportunity to participate in this Plan at the same cost that is applicable to active



**Note 10 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**A. PLAN DESCRIPTION (continued)**

employees. The City does not issue stand-alone financial statements for this Plan. All financial information related to the Plan is accounted for in the City's basic financial statements.

**B. FUNDING POLICY**

The City is funding the post employee benefits on a pay-as-you-go basis. Contribution rates for the Plan are established by City Council annually during the budget process. The City does not pay for health insurance premiums for retirees. Blended premium rates for active and retired employees combined provide an implicit subsidy for retirees because on an actual basis, their current and future claims are expected to result in higher costs to the Plan than those of active employees. The current year contributions are determined as annualized claims incurred based on the retiree age at the beginning of the fiscal year and the claims table used for liability determination offset by the annual premium paid by the retiree for such coverage. City contributions are assumed to be equal to benefits paid.

**C. PLAN MEMBERSHIP**

At October 1, 2020, OPEB membership consisted of the following:

	General Employees	Police	Firefighters
Inactive members	4	3	6
Active members	141	48	39
Total	145	51	45

**D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS**

In the September 30, 2020 measurement data, the actuarial assumptions and other inputs, applied include the following:

Inflation	2.00 percent
Salary increases	6.00 percent including inflation
Discount rate	2.21 percent investment rate of return
Ultimate healthcare cost trend rate	5.00 percent
Retirees' share of benefit-related costs	100.00 percent of projected health insurance premiums

The discount rate was selected based on a 20-year tax-exempt high-quality general obligation municipal bond yield or index. The Bond Buyer 20-Bond General Obligation Index is the average rating of 20 bonds that are grade 'Aa2' (Moody's) or grade 'AA' (S&P 500). The Bond Buyer 20-Bond General Obligation Index at September 30, 2020 was 2.21%. The discount rate changed to 2.21% from 2.66% used on the prior valuation.

**Note 10 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (continued)**

The mortality table for members of the City of Rockledge General Employees Pension Plan is that used for NOT special risk employees in the valuation of the Florida Retirement System (FRS) as of July 1, 2019 and 20. The mortality table for members of the City of Rockledge Fire employees and Police Employees Pension Plans are that used for special risk employees in the valuation of FRS as of July 1, 2019 and 2020. Sex distinct disability rates are used for both special risk employees and regular employees.

The actuarial assumptions used in the October 1, 2020 valuation were not based on the results of an actuarial experience study.

At September 30, 2020 the City of Rockledge reported a Net OPEB liability of \$927,407. The GASB 75 information has been provided as of the September 30, 2020 measurement date.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Change in Net OPEB Liability			
Balance at September 30, 2019	\$ 774,361	\$ -	\$ 774,361
Changes for the year:			
Service cost	63,212	-	63,212
Interest	21,677	-	21,677
Changes of assumptions	99,743	-	99,743
Difference between expected and actual experience	13,711	-	13,711
Contributions - employer	-	45,297	(45,297)
Benefit payments	(45,297)	(45,297)	-
Net changes	153,046	-	153,046
Balance at September 30, 2020	\$ 927,407	\$ -	\$ 927,407

There were no changes in assumptions and other inputs from the October 1, 2019 valuation, except that the mortality tables changed from that used by the Florida Retirement System as of July 1, 2018 to those used for each risk class as of July 1, 2019 and 2020, and the discount rate decreased to 2.21% from 2.66%. The methods, assumptions, and participant data used are detailed in the actuarial valuation report dated October 1, 2020. Furthermore, the expected trend from current cost trends to the ultimate healthcare cost trend rate was extended.

**Note 10 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (continued)**

**Sensitivity of the Net OPEB Liability** - The following table represents the City's total and net OPEB liability calculated using the discount rate of 2.21%, as well as what the City's net OPEB 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	Current Discount Rate	1% Increase
Net OPEB liability	1.21% \$1,000,260	2.21% \$ 927,407	3.21% \$ 859,883

The following table represents the City's total and net OPEB liability calculated using the health care cost trend rate of 5.00%, as well as what the City's net OPEB liability would be if it were calculated using a health care cost trend rate that is one percentage point lower (4.00%) or one percentage point higher (6.00%) than the current rate:

	1% Decrease	Ultimate Trend Rate	1% Increase
Net OPEB liability	4.00% \$833,918	5.00% \$ 927,407	6.00% \$ 1,037,647

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

For the fiscal year ended September 30, 2020, the City of Rockledge recognized an OPEB expense of \$102,759. In addition the City reported deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 11,172	\$ 43,103
Changes of assumptions	126,537	-
<b>Total</b>	<b>\$ 137,709</b>	<b>\$ 43,103</b>

**Note 10 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)**

**D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (continued)**

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

Year Ending September 30:	General Employees
2021	\$ 17,870
2022	17,870
2023	26,636
2024	23,826
2025	8,404
	<u>\$ 94,606</u>

**Note 11 - 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; injuries to employees; and natural disasters.

The City purchases separate commercial insurance coverage for workers' compensation, liability, and property damage. Coverage for workers' compensation and automobile claims are limited to the maximum liability exposure the City faces under Florida statutes. Coverage for general liability claims is a maximum of \$1,000,000 combined single limit.

The commercial insurance carried is a claims incurred policy for which the City is covered for claims originating against the City during the policy period. The amount of coverage is dependent on the date of the liability-imposing event. The City has maintained continuous coverage and does not believe it has any exposure to events which occurred prior to the year ended September 30, 2020.

As of September 30, 2020, the City has an estimated \$424,423 in outstanding claims incurred but not reported. The employee medical insurance is a shared cost policy for which the City pays a recurring administrative fee and claims as asserted. The City's health insurance expenditure is based upon a carryforward experience level, whereby each month the City pays the benefit payments net of the specific stop loss, plus the in-month change in experience deficit, plus adjustments. Consequently, the City does not believe it has any future exposure for medical claims by its employees beyond this estimate, and \$9,364 of accounts payable.

**Note 12 - COMMITMENTS AND CONTINGENCIES**

During the ordinary course of its operation, the City is party to various claims, legal actions, and complaints. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the City, the liabilities which may arise from such actions would not result in losses which would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial condition of the City or results of activities.

**Note 13 - COMMUNITY REDEVELOPMENT AGENCY**

The purpose of the Rockledge CRA is to stimulate economic growth, promote private development opportunities, and maintain a safe, prosperous community while focusing on improving the quality of life of the citizens of Rockledge.

Pursuant to Chapter 163.387 (8) of the Florida Statutes, the following information is provided regarding the receipts and expenditures of the CRA.

	Actual Budgetary Basis
Resources (inflows):	
Property taxes	\$ 895,847
Income on investments	6,325
Other	5,080
Transfer in	1,218,215
Amounts available for appropriation	2,125,467
Personal services	41,919
Administrative office	6,217
Legal and accounting	20,187
Planning, engineering, and design	66,213
Grants and capital acquisitions	54,753
Promotional expenses and events	9,938
Travel and training	3,708
Debt service	262,033
Total charges to appropriations	464,968
Excess of resources over charges to appropriations	1,660,499
Fund balance allocation	(1,660,499)
Excess (deficiency) of resources and fund balance allocation over charges to appropriations	\$ -

The accompanying schedule of revenues, expenditures and change in the CRA fund balance- budget and actual, presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, timing, perspective, and entry differences in the net changes in fund balance for the year ended September 30, 2020, is presented below:

**Note 13 - COMMUNITY REDEVELOPMENT AGENCY (Continued)**

Net change in fund balance- budgetary basis	\$	1,660,499
2019 differences in budget vs GAAP		24,703
2020 differences in budget vs GAAP		(5,018)
<hr/>		
Net change in fund balance- GAAP basis	\$	1,680,184
<hr/>		

Property taxes consisted of the incremental tax receipts provided by increased assessed values over 2001 levels. Planning, engineering, and design expenditures were for the Barton Boulevard corridor, as well as improvements to the Florida Avenue Gateway which feeds into U.S. Highway 1 just north of Barton.

**Note 14 - SUBSEQUENT EVENTS**

Subsequent to September 30, 2020, the City of Rockledge began a project for reviewing and redrafting its Finance Policies and Finance Procedures Manual as two separate documents, based upon guidance published by the Government Finance Officers Association and the Committee of Sponsoring Organizations of the Treadway Commission to ensure best practices in compliance with accounting standards and applicable law.

The City of Rockledge adopted Florida Administrative Code Section 691-73, effective October 1, 2020, which dictates capitalization thresholds and designates property for which a system of identifying, tracking, and disposition must be developed.

The City of Rockledge entered into an agreement to implement Phase II of the Redevelopment Implementation Plan to include a specified project list and a long-term financial plan through the sunset of the Community Redevelopment Agency Fund in fiscal year 2026.

The City entered into separate land purchase contracts. The first was to purchase a 1.38 acre vacant parcel for the amount of \$225,000. The second was to purchase a 2.54 acre vacant parcel for the amount of \$575,000.

The City entered into an inter-local agreement with the neighboring City of Cocoa to simultaneously install a new City force main for recently annexed properties while the City of Cocoa would install infrastructure related to their water utility. Costs of the installation have not been determined at this time.

The City approved an Ad-Valorem tax exemption for a manufacturer expanding their production facilities within the geographic boundaries of the City. The exemption is for fifty percent of the increased value over a period of five years. The exemption is contingent on achieving additional job targets.

The City has considered subsequent events through March 17, 2021.

**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**City of Rockledge, Florida**  
**Budgetary Comparison Schedule – General Fund**

<i>Year ended September 30, 2020</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 9,302,344	\$ 9,302,344	\$ 9,316,940	\$ 14,596
Other local taxes	4,968,514	4,968,514	3,472,293	(1,496,221)
Licenses, permits and fees	687,263	687,263	2,415,302	1,728,039
Intergovernmental	4,162,195	4,162,195	4,184,316	22,121
Charges for services	225,062	225,062	410,037	184,975
Fines and forfeitures	20,000	20,000	35,136	15,136
Miscellaneous revenue	722,349	722,349	390,681	(331,668)
Total revenues	20,087,727	20,087,727	20,224,705	136,978
<b>Expenditures</b>				
Category:				
Administrative:				
Personal services	1,648,955	1,648,955	1,457,784	191,171
Operating expenditures	103,643	103,643	133,603	(29,960)
Capital Improvement	114,400	114,400	51,777	62,623
Police:				
Personal services	5,507,830	5,507,830	5,326,881	180,949
Operating expenditures	654,300	654,300	895,021	(240,721)
Capital Improvement	340,670	340,670	7,418	333,252
Fire:				
Personal services	4,015,459	4,015,459	3,564,211	451,248
Operating expenditures	314,768	314,768	355,559	(40,791)
Capital Improvement	167,251	167,251	20,408	146,843
Public works:				
Personal services	2,477,895	2,477,895	2,230,013	247,882
Operating expenditures	818,700	1,193,700	1,214,748	(21,048)
Capital Improvement	277,950	277,950	86,641	191,309
Mayor and City Council:				
Personal services	48,120	48,120	48,389	(269)
Operating expenditures	14,634	14,634	4,063	10,571
City attorney:				
Personal services	138,240	138,240	109,935	28,305
Operating expenditures	3,500	3,500	-	3,500
General government:				
Personal services	357,949	357,949	259,068	98,881
Debt service	320,310	320,310	320,310	-
Operating expenditures	1,972,689	1,597,689	1,224,025	373,664
Total expenditures	19,297,263	19,297,263	17,309,854	1,987,409

*The accompanying notes to required supplementary information are an integral part of this schedule.*

**City of Rockledge, Florida**  
**Budgetary Comparison Schedule – General Fund**

<i>Year Ended September 30, 2020</i>	Original Budget	Final Budget	Actual	Final Budget Positive (Negative)
<b>Excess of revenues over expenditures</b>	\$ 790,464	\$ 790,464	\$ 2,914,851	\$ 2,124,387
Transfers in	396,000	396,000	396,000	-
Transfers out	(1,186,464)	(1,186,464)	(1,218,215)	(31,751)
<b>Net change in fund balance</b>	-	-	2,092,636	2,092,636
<b>Fund balances, beginning of the year,</b>	14,833,291	14,833,291	14,833,291	-
<b>Fund balance, end of year</b>	\$ 14,833,291	\$ 14,833,291	\$ 16,925,927	\$ 2,092,636

Note that this schedule is prepared on a budgetary basis, but is not different from Generally Accepted Accounting Principles (GAAP) in the presentation.

*The accompanying notes to required supplementary information are an integral part of this schedule.*

**City of Rockledge, Florida**

**Budgetary Comparison Schedule – Community Redevelopment Agency**

<i>Year ended September 30, 2020</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property taxes	\$ 864,000	\$ 864,000	\$ 895,847	\$ 31,847
Interest	-	-	6,325	6,325
Miscellaneous revenue	13,900	13,900	5,080	(8,820)
<b>Total revenues</b>	<b>877,900</b>	<b>877,900</b>	<b>907,252</b>	<b>29,352</b>
<b>Expenditures</b>				
Planning and development:				
Personnel services	73,121	73,121	41,919	31,202
Administrative office	3,000	3,000	6,217	(3,217)
Legal and accounting	18,887	18,887	20,187	(1,300)
Planning, engineering, and design	400,000	400,000	66,213	333,787
Grants and capital acquisitions	1,200,107	1,200,107	54,753	1,145,354
Promotional expenses and events	30,000	30,000	9,938	20,062
Travel and training	7,000	7,000	3,708	3,292
Public/ private partnerships	100,000	100,000	-	100,000
Debt Service	262,000	262,000	262,033	(33)
Contingencies	2,000	2,000	-	2,000
<b>Total expenditures</b>	<b>2,096,115</b>	<b>2,096,115</b>	<b>464,968</b>	<b>1,631,147</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,218,215)</b>	<b>(1,218,215)</b>	<b>442,284</b>	<b>1,660,499</b>
Other financing sources				
Transfers in	1,048,814	1,062,813	1,218,215	155,402
Other financing sources	1,048,814	1,062,813	1,218,215	155,402
<b>Net change in fund balance</b>	<b>(169,401)</b>	<b>(155,402)</b>	<b>1,660,499</b>	<b>1,815,901</b>
<b>Fund balances, beginning of year</b>	<b>1,365,667</b>	<b>1,365,667</b>	<b>1,365,667</b>	<b>-</b>
<b>Fund balances, end of year</b>	<b>\$ 1,196,266</b>	<b>\$ 1,210,265</b>	<b>\$ 3,026,166</b>	<b>\$ 1,815,901</b>

The accompanying schedule of revenues, expenditures and change in the CRA fund balance- budget and actual, presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, timing, perspective, and entry differences in the net changes in fund balance for the year ended September 30, 2020, is presented below:

Net change in fund balance- budgetary basis	\$ 1,660,499
2019 differences in budget vs GAAP	24,703
2020 differences in budget vs GAAP	(5,018)
<b>Net change in fund balance- GAAP basis</b>	<b>\$ 1,680,184</b>

*The accompanying notes to required supplementary information are an integral part of this schedule.*

**City of Rockledge, Florida**  
**Budgetary Notes to Required Supplementary Information**

**Note A – BUDGETARY INFORMATION**

The City adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- a) Prior to the first day of August of each year, the City Manager prepares a proposed budget for the next succeeding fiscal year and submits it to the council. The recommended budget includes proposed expenditures and the sources of receipts to finance them.
- b) Complete copies of the proposed budget are made available for public inspection. Public hearings are conducted to obtain taxpayers' comments.
- c) The budget is enacted through passage of an ordinance and becomes the basis for the millage levied by the council.
- d) The City Manager is authorized to transfer budgeted amounts between line items within a department; however, any revisions that alter the total expenditures of any department must be approved by the Council. Administrative and general government are considered one department. Expenditures may not exceed legal appropriations at the department level. All appropriations lapse at year end.
- e) Formal budgetary integration is employed as a management control device during the year for the General Fund and all major, special revenue funds (if any). Formal budgetary integration is not employed for the Law Enforcement Education and Taylor Park Trust Funds, because effective budgetary control is alternatively achieved through expenditure eligibility provisions. Formal budget integration is also not employed for the Transportation Impact Fee Fund and Rockledge Heritage Foundation because projects are approved individually.
- f) Budgets are legally adopted on a basis consistent with GAAP for the General fund. The budgetary basis for the CRA fund is cash basis.
- g) The budgetary comparison schedule shown in the accompanying required supplementary information presents comparisons of the legally adopted budget, as amended, with actual results. The originally adopted budget is presented for purposes of comparison to the final, amended budget.

## **City of Rockledge, Florida**

### **Schedules of Defined Benefit Pension Plans**

The schedules presented in the following required supplementary information are intended to provide information that is essential to understanding trends and puts the current period information into historical perspective. The Government Accounting Standards Board (GASB) concludes that a period of ten years will provide information to identify cyclical factors and other trends in connection with defined benefit pension plans. GASB Statement No. 67 sets the requirements for the ten-year schedules to be implemented prospectively. Until a full ten years of data is compiled, the schedules will present data that is available. GASB Statement No. 68 (GASB 68) requires that governments providing defined benefit pensions recognize long-term obligations for pension benefits as a liability and to more comprehensibly and comparably measure the annual costs of pension benefits.

**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

**SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS**

**Last Seven Fiscal Years**

**General Employees**

	2020	2019	2018	2017
<b>Total pension liability</b>				
Service cost	\$ 652,595	\$ 605,932	\$ 605,875	\$ 580,741
Interest	1,548,052	1,488,277	1,448,433	1,405,981
Changes of benefit terms	-	(45,645)	-	-
Difference between expected and actual experience	(893,305)	(329,476)	(488,124)	(163,308)
Changes of assumptions	(218,604)	-	206,529	32,034
Benefit payments, including refunds of member contributions	(908,956)	(1,085,673)	(961,938)	(1,727,630)
Net change in total pension liability	179,782	633,415	810,775	127,818
Total pension liability - beginning	19,766,820	19,133,405	18,322,630	18,194,812
Total pension liability - ending (a)	\$ 19,946,602	\$ 19,766,820	\$ 19,133,405	\$ 18,322,630
 Plan fiduciary net position				
Contribution - employer	\$ 720,642	\$ 756,292	\$ 751,853	\$ 680,623
Contribution - employee	303,417	297,434	285,978	275,299
Net investment income	1,886,395	606,585	1,507,361	1,710,431
Benefit payments, including refunds of member contributions	(908,956)	(1,085,673)	(961,938)	(1,727,630)
Administrative expense	(67,175)	(65,394)	(60,095)	(46,286)
Net change in plan fiduciary net position	1,934,323	509,244	1,523,159	892,437
Plan fiduciary net position - beginning	17,336,944	16,827,700	15,304,541	14,412,104
Plan fiduciary net position - ending (b)	\$ 19,271,267	\$ 17,336,944	\$ 16,827,700	\$ 15,304,541
 Net pension liability - ending (a) - (b)	\$ 675,335	\$ 2,429,876	\$ 2,305,705	\$ 3,018,089
 Plan fiduciary net position as a percentage of the total pension liability	96.61%	87.71%	87.95%	83.53%
 Covered payroll	\$ 5,056,951	\$ 4,957,236	\$ 4,766,306	\$ 4,573,157
 Net pension liability as a percentage of covered payroll	13.35%	49.02%	48.38%	66.00%

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

**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 502,300	\$ 500,506	\$ 490,047
1,321,703	1,239,002	1,143,136
-	-	-
(211,999)	(132,223)	(24,739)
840,843	23,782	22,355
(753,910)	(429,686)	(438,263)
1,698,937	1,201,381	1,192,536
16,495,875	15,294,494	14,101,958
<u>\$ 18,194,812</u>	<u>\$ 16,495,875</u>	<u>\$ 15,294,494</u>

\$ 561,465	\$ 562,320	\$ 443,171
255,031	249,718	244,731
1,227,300	(3,709)	1,129,042
(753,910)	(429,686)	(438,263)
(55,175)	(64,461)	(77,399)
<u>1,234,711</u>	<u>314,182</u>	<u>1,301,282</u>
13,177,393	12,863,211	11,561,929
<u>\$ 14,412,104</u>	<u>\$ 13,177,393</u>	<u>\$ 12,863,211</u>

<u>\$ 3,782,708</u>	<u>\$ 3,318,482</u>	<u>\$ 2,431,283</u>
---------------------	---------------------	---------------------

79.21%	79.88%	84.10%
--------	--------	--------

\$ 4,387,506	\$ 3,864,720	\$ 4,094,475
--------------	--------------	--------------

86.22%	85.87%	59.38%
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**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

**SCHEDULE OF CONTRIBUTIONS**

**Last Seven Fiscal Years**

**General Employees**

	<b>2020</b>		<b>2019</b>		<b>2018</b>		<b>2017</b>	
Actuarially determined contribution	\$	720,642	\$	756,292	\$	751,853	\$	672,777
Contributions in relation to the								
actuarially determined contributions		720,642		756,292		751,853		680,623
Contribution deficiency (excess)	\$	-	\$	-	\$	-	\$	(7,846)
<hr/>								
Covered payroll	\$	5,056,951	\$	4,957,236	\$	4,766,306	\$	4,573,157
Contributions as a percentage of								
covered payroll		14.3%		15.3%		15.8%		14.7%

**Notes to Schedule**

**Valuation Date: 10/1/20**

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

**Note 2: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only the years for which information is available.**



<b>2016</b>		<b>2015</b>		<b>2014</b>	
\$	561,465	\$	562,320	\$	443,171
561,465		562,320		443,171	
\$	-	\$	-	\$	-
\$ 4,387,506		\$ 3,864,720		\$ 4,094,475	
12.8%		14.6%		10.8%	

**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

**SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS**  
**Last Seven Fiscal Years**  
**Police Employees**

	2020	2019	2018	2017
<b>Total pension liability</b>				
Service cost	\$ 414,205	\$ 401,170	\$ 385,421	\$ 427,707
Interest	1,271,367	1,191,725	1,123,149	1,047,395
Changes of benefit terms	-	(12,487)	-	-
Difference between expected and actual experience	(76,767)	37,959	(132,738)	(65,611)
Changes of assumptions	(321,354)	-	321,084	(3,883)
Benefit payments, including refunds of member contributions	(798,029)	(457,662)	(453,905)	(382,951)
Net change in total pension liability	489,422	1,160,705	1,243,011	1,022,657
Total pension liability - beginning	16,328,741	15,168,036	13,925,025	12,902,368
Total pension liability - ending (a)	\$ 16,818,163	\$ 16,328,741	\$ 15,168,036	\$ 13,925,025
<b>Plan fiduciary net position</b>				
Contribution - employer	\$ 223,878	\$ 238,901	\$ 259,625	\$ 218,130
Contribution - state	244,109	229,301	216,318	195,099
Contribution - employee	154,795	187,557	151,048	155,403
Net investment income	1,665,927	491,806	1,346,363	1,525,941
Benefit payments, including refunds of member contributions	(798,029)	(457,662)	(453,905)	(382,951)
Administrative expense	(66,077)	(63,865)	(62,778)	(63,054)
Net change in plan fiduciary net position	1,424,603	626,038	1,456,671	1,648,568
Plan fiduciary net position - beginning	15,591,866	14,965,828	13,509,157	11,860,589
Plan fiduciary net position - ending (b)	\$ 17,016,469	\$ 15,591,866	\$ 14,965,828	\$ 13,509,157
<b>Net pension liability (asset) - ending (a) - (b)</b>	<b>\$ (198,306)</b>	<b>\$ 736,875</b>	<b>\$ 202,208</b>	<b>\$ 415,868</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>101.18%</b>	<b>95.49%</b>	<b>98.67%</b>	<b>97.01%</b>
<b>Covered payroll</b>	<b>\$ 2,211,353</b>	<b>\$ 2,234,127</b>	<b>\$ 2,157,825</b>	<b>\$ 2,220,009</b>
<b>Net pension liability as a percentage of covered payroll</b>	<b>-8.97%</b>	<b>32.98%</b>	<b>9.37%</b>	<b>18.73%</b>

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

**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$	411,090	\$ 424,738	\$ 383,990
	961,067	900,239	828,134
	-	-	-
	(156,120)	(118,810)	10,982
	226,678	11,608	11,211
	(395,306)	(470,342)	(277,266)
	1,047,409	747,433	957,051
	11,854,959	11,107,526	10,150,475
\$	12,902,368	\$ 11,854,959	\$ 11,107,526

\$	214,124	\$ 218,903	\$ 175,170
	191,152	175,977	175,891
	162,989	158,642	158,054
	1,041,785	11,458	943,080
	(395,306)	(470,342)	(277,266)
	(52,859)	(70,435)	(69,739)
	1,161,885	24,203	1,105,190
	10,698,704	10,674,501	9,569,311
\$	11,860,589	\$ 10,698,704	\$ 10,674,501
\$	1,041,779	\$ 1,156,255	\$ 433,025

91.93%                      90.25%                      96.10%

\$ 2,412,232    \$ 2,156,109    \$ 2,253,905

43.19%                      53.63%                      19.21%

**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

**SCHEDULE OF CONTRIBUTIONS**  
**Last Seven Fiscal Years**  
**Police Employees**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Actuarially determined contribution	\$ 196,087	\$ 204,699	\$ 234,459	\$ 210,378
Contributions in relation to the actuarially determined contributions	223,878	238,901	259,625	218,130
Contribution deficiency (excess)	\$ (27,791)	\$ (34,202)	\$ (25,166)	\$ (7,752)
Covered payroll	\$ 2,211,353	\$ 2,234,127	\$ 2,157,825	\$ 2,220,009
Contributions as a percentage of covered payroll	8.9%	9.2%	10.9%	9.5%

**Notes to Schedule**

**Valuation Date: 10/1/20**

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

**Note 2:** GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only the years for which information is available.

	<b>2016</b>		<b>2015</b>		<b>2014</b>
	\$ 214,124	\$	218,903	\$	175,170
	214,124		218,903		175,170
	\$ -	\$	-	\$	-
	\$ 2,412,232	\$	2,156,109	\$	2,253,905
	8.9%		10.2%		7.8%

**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

**SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS**

**Last Seven Fiscal Years**

**Fire Employees**

	2020	2019	2018	2017
<b>Total pension liability</b>				
Service cost	\$ 330,848	\$ 281,063	\$ 282,331	\$ 274,692
Interest	1,170,575	1,148,416	1,157,646	1,133,189
Changes of benefit terms	-	(12,971)	-	-
Difference between expected and actual experience	(8,335)	(194,742)	(306,100)	(103,605)
Changes of assumptions	(249,721)	-	154,133	(59)
Benefit payments, including refunds of member contributions	(866,650)	(1,107,999)	(1,315,062)	(675,538)
Net change in total pension liability	376,717	113,767	(27,052)	628,679
Total pension liability - beginning	15,141,304	15,027,537	15,054,589	14,425,910
Total pension liability - ending (a)	\$ 15,518,021	\$ 15,141,304	\$ 15,027,537	\$ 15,054,589
<b>Plan fiduciary net position</b>				
Contribution - employer	\$ 459,690	\$ 498,650	\$ 479,284	\$ 434,969
Contribution - state	140,547	155,266	144,344	138,409
Contribution - employee	130,053	130,716	116,807	105,910
Net investment income	1,281,413	414,941	1,086,797	1,267,423
Benefit payments, including refunds of member contributions	(866,650)	(1,107,999)	(1,315,062)	(675,538)
Administrative expense	(67,126)	(68,082)	(65,512)	(68,567)
Net change in plan fiduciary net position	1,077,927	23,492	446,658	1,202,606
Plan fiduciary net position - beginning	12,122,748	12,099,256	11,652,598	10,449,992
Plan fiduciary net position - ending (b)	\$ 13,200,675	\$ 12,122,748	\$ 12,099,256	\$ 11,652,598
Net pension liability - ending (a) - (b)	\$ 2,317,346	\$ 3,018,556	\$ 2,928,281	\$ 3,401,991
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	85.07%	80.06%	80.51%	77.40%
Covered payroll	\$ 1,857,899	\$ 1,867,373	\$ 1,668,674	\$ 1,513,002
Net pension liability as a percentage of covered payroll	124.73%	161.65%	175.49%	224.85%

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

2016	2015	2014
\$ 246,725	\$ 250,317	\$ 229,390
1,079,211	1,057,332	1,033,194
-	-	-
(66,127)	(223,951)	(123,099)
307,379	12,388	11,756
(815,013)	(806,383)	(936,323)
752,175	289,703	214,918
13,673,735	13,384,032	13,169,114
\$ 14,425,910	\$ 13,673,735	\$ 13,384,032

\$ 390,264	\$ 362,979	\$ 381,796
154,239	173,333	185,014
104,923	100,309	98,920
884,745	23,097	824,985
(815,013)	(806,383)	(936,323)
(59,280)	(71,278)	(68,075)
659,878	(217,943)	486,317
9,790,114	10,008,057	9,521,740
\$ 10,449,992	\$ 9,790,114	\$ 10,008,057
\$ 3,975,918	\$ 3,883,621	\$ 3,375,975

72.44%	71.60%	74.78%
\$ 1,554,319	\$ 1,366,711	\$ 1,424,542
255.80%	284.16%	236.99%

**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

**SCHEDULE OF CONTRIBUTIONS**

**Last Seven Fiscal Years**

**Fire Employees**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Actuarially determined contribution	\$ 459,690	\$ 481,793	\$ 479,284	\$ 434,969
Contributions in relation to the actuarially determined contributions	459,690	498,650	479,284	434,969
Contribution deficiency (excess)	\$ -	\$ (16,857)	\$ -	\$ -
Covered payroll	\$ 1,857,899	\$ 1,867,373	\$ 1,668,674	\$ 1,513,002
Contributions as a percentage of covered payroll	24.7%	25.8%	28.7%	28.7%

**Notes to Schedule**

**Valuation Date: 10/1/20**

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

**Note 2: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only the years for which information is available.**

**Plan Changes in Benefit Terms**

There have been no changes in benefits since the prior valuation of all three pension plans.

**Changes of Assumptions**

For the General Employees plan and Fire Employees plan the interest rate assumption is now 7.75%.

The Police Employees plan interest rate assumption remained the same at 7.8%.



**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

<b>2016</b>	<b>2015</b>	<b>2014</b>
<u>\$ 390,264</u>	<u>\$ 362,979</u>	<u>\$ 381,796</u>
390,264	362,979	381,796
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 1,554,319</u>	<u>\$ 1,366,711</u>	<u>\$ 1,424,542</u>
25.1%	26.6%	26.8%

**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

**Methods and Assumptions Used To Determine Contribution Rates**

	General Employees	Police Employees	Fire Employees
Actuarial cost method:	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method:	Level dollar	Level dollar	Level dollar
Remaining amortization period:	25 Years (as of 10/1/2015)	25 Years (as of 10/1/2015)	25 Years (as of 10/1/2015)
Asset valuation method :	5 Year smoothed market	5 Year smoothed market	5 Year smoothed market
Inflation:	2.0%	2.0%	2.0%
Payroll increases :	6% per year	6% per year	6% per year
Salary increases :	6% per year	6% per year	6% per year
*Interest rate:	7.75%	7.80%	7.75%
Retirement age:	Age 65 and 10 years of service	Age 52 and 10 years of service	Age 52 and 25 years or age 55 and 10 years.
Early retirement:	Age 55 and 10 years reduced at 5/9% per month first 60 months and 5/18% thereafter with a minimum benefit of 60% for employees with 25 years credited service.	Age 44 and 25 years or age 50 and 10 years reduced at 3/12% per month with a minimum of 50% for those with 25 years credited service.	Age 45 and 25 years or age 50 and 10 years reduced at 1/4% per month with a minimum of 50% for those with 25 years credited service.
Mortality:	7/01/19 and 20 FRS not special risk	7/01/19 and 20 FRS special risk	7/01/19 and 20 FRS special risk

\*Interest rate is compounded annually, net of investment-related expenses, including inflation.

**City of Rockledge, Florida**  
**Schedules of Defined Benefit Pension Plans**

**Money-weighted Rate of Return**

This schedule is intended to provide information about the actual performance of the pension plan's investment portfolio because it takes into account the effects of transactions that increase the amount of pension plan investments (such as contributions from employers, non-employer contributing entities, and plan members) and those that decrease the amount of pension plan investments (such as benefit payments).

Annual money-weighted rate of return  
net of investment expense

<b>General Employees</b>						
<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
10.59%	3.27%	9.52%	12.40%	9.28%	-0.50%	9.37%
<b>Police Employees</b>						
<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
10.47%	2.90%	9.59%	12.39%	9.23%	-0.56%	9.20%
<b>Fire Employees</b>						
<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
10.19%	3.03%	9.17%	12.01%	9.04%	-0.87%	9.00%

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

**City of Rockledge, Florida**  
**Schedules of Other Postemployment Benefits**

<b>Year Ending September 30,</b>	<b>2020</b>		<b>2019</b>		<b>2018</b>	
<b>Total OPEB liability</b>						
Service Cost	\$	63,212	\$	45,450	\$	44,639
Interest		21,677		28,740		30,469
Differences between expected and actual experience		13,711		(22,953)		(66,390)
Changes of assumptions		99,743		72,699		-
Benefit payments		(45,297)		(45,223)		(60,258)
<b>Net change in total OPEB liability</b>		153,046		78,713		(51,540)
<b>Total OPEB liability - beginning</b>		774,361		695,648		747,188
<b>Total OPEB liability - ending</b>	\$	927,407	\$	774,361	\$	695,648
<b>Plan fiduciary net position</b>						
Contributions - employer	\$	45,297	\$	45,223	\$	60,258
Contributions - employee		-		-		-
Net investment income		-		-		-
Benefit payments		(45,297)		(45,223)		(60,258)
Administrative expense		-		-		-
<b>Net change in plan fiduciary net position</b>		-		-		-
<b>Plan fiduciary net position - beginning</b>		-		-		-
<b>Plan fiduciary net position - ending</b>	\$	-	\$	-	\$	-
<b>Net OPEB liability</b>	\$	927,407	\$	774,361	\$	695,648
<b>Plan fiduciary net position as a percentage of total OPEB liability</b>		0.00%		0.00%		0.00%
<b>Covered payroll</b>	\$	9,556,748	\$	9,750,596	\$	9,183,488
<b>Net OPEB liability as a percentage of covered payroll</b>		9.70%		7.94%		7.57%

Note 1: GASB 75 requires an employer to disclose a 10-year history. However, until a full 10-year trend is compiled, information will be presented only for those years for which information is available.

Note 2: The following rates were used for each period	9/30/2020	9/30/2019	9/30/2018
Discount	2.21%	2.66%	4.00%
Inflation	2.00%	2.00%	2.50%

## **OTHER SUPPLEMENTARY INFORMATION**

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**City of Rockledge, Florida**  
**Combining Balance Sheet - Nonmajor Governmental Funds**

	Special Revenue Funds					
	Law Enforcement Education	Transportation Impact Fee	Taylor Park Trust	Rockledge Heritage Foundation	Total Nonmajor Governmental funds	
September 30, 2020						
ASSETS						
Cash and cash equivalents	\$ 41,436	\$ 8,256	\$ 329	\$ 1,926	\$ 51,947	
Total assets	\$ 41,436	\$ 8,256	\$ 329	\$ 1,926	\$ 51,947	
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	
Total liabilities	-	-	-	-	-	
FUND BALANCES						
Restricted	41,436	8,256	329	1,926	51,947	
Total fund balances	41,436	8,256	329	1,926	51,947	
Total liabilities and fund balances	\$ 41,436	\$ 8,256	\$ 329	\$ 1,926	\$ 51,947	

City of Rockledge, Florida

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**– Nonmajor Governmental Funds**

<i>Year Ended September 30, 2020</i>	Special Revenue Funds				Total Nonmajor Governmental Funds
	Law Enforcement Education	Transportation Impact Fee	Taylor Park Trust	Rockledge Heritage Foundation	
<b>Revenues</b>					
Fines and forfeitures	\$ 3,702	\$ -	\$ -	\$ -	\$ 3,702
Interest and other	40	8	3	-	51
Total revenues	3,742	8	3	-	3,753
<b>Expenditures</b>					
Current:					
General government	-	-	-	61	61
Recreation	-	-	36,707	-	36,707
Total expenditures	-	-	36,707	61	36,768
Excess (deficiency) of revenues over (under) expenditures	3,742	8	(36,704)	(61)	(33,015)
Fund balances, beginning of year	37,694	8,248	37,033	1,987	84,962
Fund balances, end of year	\$ 41,436	\$ 8,256	\$ 329	\$ 1,926	\$ 51,947



## STATISTICAL SECTION

This part of the City of Rockledge, Florida's 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.

### Table of Contents

#### A. Financial Trends

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

**Schedule A1** Net Position by Component

**Schedule A2** Changes in Net Position

**Schedule A2.2** General Revenues and Other Changes in Net Position

**Schedule A3** Fund Balances – Governmental Funds

**Schedule A4** Changes in Fund Balances – Governmental Funds

#### B. Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local own-source revenues - ad valorem property taxes, occupational license taxes, and building permits revenues.

**Schedule B1** Value of Taxable Property

**Schedule B2** Direct and Overlapping Property Tax Rates

**Schedule B3** Principle Property Taxpayers

**Schedule B4** Property Tax Levies and Collections

#### C. Debt Capacity

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

**Schedule C1** Ratios of Outstanding Debt by Type

**Schedule C2** Direct and Overlapping Governmental Activities Debt

**Schedule C3** Pledged Revenue Coverage

## **D. Demographic and Economic Information Financial Trends**

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

**Schedule D1** Demographic and Economic Statistics

**Schedule D2** Principal Employers

## **E. Operating Information**

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

**Schedule E1** Employees by Function/Program

**Schedule E2** Operating Indicators by Function/Program

**Schedule E3** Capital Asset Statistics by Function/Program

## **Additional Notes**

Unless otherwise noted, the information in these schedules is derived from the City's Comprehensive Annual Financial Report (CAFR) for the relevant year.

**City of Rockledge, Florida**  
**Net Position by Component**  
**Last Ten Fiscal Years**

**Schedule A-1**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental activities</b>										
Net investment in capital assets	\$37,699,701	\$37,611,369	\$38,040,455	\$38,708,247	\$39,504,354	\$40,091,387	\$40,126,774	\$39,291,479	\$42,561,982	\$41,969,062
Restricted	1,210,967	1,254,552	1,280,171	1,341,926	1,353,697	1,258,914	2,628,476	3,227,111	1,876,846	3,613,628
Unrestricted	8,508,482	8,384,297	8,535,708	9,166,534	3,048,697	3,368,006	3,769,243	6,549,155	8,117,838	11,228,923
Total governmental activities net position	<u>\$47,419,150</u>	<u>\$47,250,218</u>	<u>\$47,856,334</u>	<u>\$49,216,707</u>	<u>\$43,906,748</u>	<u>\$44,718,307</u>	<u>\$46,524,493</u>	<u>\$49,067,745</u>	<u>\$52,556,666</u>	<u>\$56,811,613</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$32,432,274	\$32,970,132	\$32,549,989	\$32,636,857	\$33,479,991	\$35,445,283	\$37,817,923	\$37,765,234	\$36,704,380	\$36,828,163
Restricted	1,736,203	1,626,789	1,913,250	2,012,130	2,412,369	2,564,919	2,701,663	2,399,508	2,794,158	7,129,738
Unrestricted	6,382,919	6,000,114	6,627,522	6,589,285	4,043,179	3,003,660	2,846,325	6,551,561	7,629,598	5,772,267
Total business-type activities net position	<u>\$40,551,396</u>	<u>\$40,597,035</u>	<u>\$41,090,761</u>	<u>\$41,238,272</u>	<u>\$39,935,539</u>	<u>\$41,013,862</u>	<u>\$43,365,911</u>	<u>\$46,716,303</u>	<u>\$47,128,136</u>	<u>\$49,730,168</u>
<b>Primary government</b>										
Net investment in capital assets	\$70,131,975	\$70,581,501	\$70,590,444	\$71,345,104	\$72,984,345	\$75,536,670	\$77,944,697	\$77,056,713	\$79,266,362	\$78,797,225
Restricted	2,947,170	2,881,341	3,193,421	3,354,056	3,766,066	3,823,833	5,330,139	5,626,619	4,671,004	10,743,366
Unrestricted	14,891,401	14,384,411	15,163,230	15,755,819	7,091,876	6,371,666	6,615,568	13,100,716	15,747,436	17,001,190
Total primary government activities net position	<u>\$87,970,546</u>	<u>\$87,847,253</u>	<u>\$88,947,095</u>	<u>\$90,454,979</u>	<u>\$83,842,287</u>	<u>\$85,732,169</u>	<u>\$89,890,404</u>	<u>\$95,784,048</u>	<u>\$99,684,802</u>	<u>\$106,541,781</u>

Notes:

1. Accrual Basis of Accounting
2. Accounting standards require that net position be reported in three (3) components in the financial statements: net investment in capital assets, restricted and unrestricted.
3. Net position is considered restricted only when an external party, such as the state or federal government, places a restriction on how the resources may be used or through enabling legislation enacted by the City.

## Schedule A-2.1

## City of Rockledge, Florida Changes in Net Position Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Program expenses</b>										
Governmental activities:										
General government	\$1,631,488	\$1,404,687	\$1,644,207	\$1,838,034	\$1,826,913	\$1,772,664	\$2,021,945	\$2,368,258	\$2,773,667	\$1,662,696
Administrative services	1,424,257	1,428,570	1,493,480	1,392,686	1,581,902	1,722,151	1,698,634	1,651,826	1,743,873	1,631,846
Mayor and City Council	36,168	36,363	42,737	47,344	42,879	46,318	52,352	54,390	56,341	52,452
City attorney	85,238	101,960	80,806	111,120	102,736	99,409	91,552	98,685	100,544	109,935
Police	5,404,891	5,486,232	5,488,927	5,054,733	5,832,043	5,868,157	5,800,342	5,683,051	6,120,622	6,179,375
Fire	3,202,706	4,047,687	3,686,492	3,569,439	3,774,553	3,938,926	3,800,922	4,136,215	3,992,360	3,779,001
Public Works	2,360,194	2,249,919	2,544,905	2,383,547	2,738,873	2,483,383	2,615,109	2,570,645	2,786,969	3,376,741
Planning and Development	2,117,091	881,247	556,577	705,539	735,678	1,061,529	632,251	559,740	526,010	512,019
Parks and Recreation	16,853	83,170	4,987	4,987	5,909	2,715	-	779	-	-
Community Relations	57,355	42,859	41,324	35,924	66,997	-	-	-	-	-
Total governmental activities	<u>\$16,336,241</u>	<u>\$15,762,694</u>	<u>\$15,584,442</u>	<u>\$15,143,353</u>	<u>\$16,708,483</u>	<u>\$16,995,252</u>	<u>\$16,713,107</u>	<u>\$17,123,589</u>	<u>\$18,100,386</u>	<u>\$17,304,065</u>
Business-type activities:										
Wastewater systems	\$4,588,471	\$4,117,258	\$4,118,552	\$4,184,270	\$4,349,694	\$4,252,809	\$3,855,516	\$3,866,288	\$5,048,962	\$4,486,995
Sanitation services	2,167,594	2,340,410	2,375,107	2,561,345	2,622,133	2,524,783	3,160,303	2,925,296	2,807,127	2,884,179
Stormwater utility	808,557	842,316	753,281	789,057	1,158,358	795,707	680,307	667,642	1,252,924	739,102
Total business-type activities	<u>\$7,564,622</u>	<u>\$7,299,984</u>	<u>\$7,246,940</u>	<u>\$7,534,672</u>	<u>\$8,130,185</u>	<u>\$7,573,299</u>	<u>\$7,696,126</u>	<u>\$7,459,226</u>	<u>\$9,109,013</u>	<u>\$8,110,276</u>
Total primary government activities	<u>\$23,900,863</u>	<u>\$23,062,678</u>	<u>\$22,831,382</u>	<u>\$22,678,025</u>	<u>\$24,838,668</u>	<u>\$24,568,551</u>	<u>\$24,409,233</u>	<u>\$24,582,815</u>	<u>\$27,209,399</u>	<u>\$25,414,341</u>
<b>Program revenues</b>										
Governmental activities:										
General government	-	-	-	-	-	\$213,798	\$144,198	\$161,795	\$161,062	\$171,252
Administrative services	452,521	443,738	734,562	723,088	734,426	2,321	23,792	29,765	26,055	23,798
Police	275,456	221,271	237,025	230,097	168,618	250,380	269,334	301,647	300,701	290,838
Fire	-	-	-	-	-	157,712	144,480	150,086	165,202	150,203
Public Works	100,014	131,369	113,710	125,962	122,783	3,756	36,315	4,905	9,009	7,719
Planning and Development	-	-	-	-	-	306,058	433,762	652,222	814,838	913,433
Parks and Recreation	-	-	-	-	-	98,284	61,276	52,778	107,822	76,470
Community Relations	-	13,038	-	-	-	99,800	91,750	180,140	273,000	266,250
Operating grants and contributions	21,176	11,376	-	-	3,692	-	-	-	-	-
Capital grants and contributions	118,532	175,138	469,642	194,347	356,095	153,330	245,209	105,821	107,756	173,257
Total governmental activities	<u>\$967,699</u>	<u>\$995,930</u>	<u>\$1,554,939</u>	<u>\$1,273,494</u>	<u>\$1,385,614</u>	<u>\$1,285,439</u>	<u>\$1,450,116</u>	<u>\$1,639,159</u>	<u>\$1,965,445</u>	<u>\$2,073,220</u>
Business-type activities:										
Wastewater systems	\$3,809,678	\$3,785,645	\$4,142,307	\$4,071,262	\$4,497,101	\$4,454,505	\$4,475,489	\$4,613,243	\$4,716,016	\$4,883,363
Sanitation services	2,578,167	2,549,332	2,543,104	2,529,306	2,537,637	2,511,449	2,673,077	2,771,980	2,875,388	3,414,958
Stormwater utility	769,320	792,621	763,278	785,466	907,419	894,919	932,025	1,072,130	1,112,707	1,163,377
Operating grants and contributions	-	-	-	-	-	-	-	-	66,015	51,060
Capital grants and contributions	557,102	145,651	319,820	256,012	(64,204)	739,193	2,332,128	2,739,968	1,025,255	1,503,789
Total business-type activities	<u>\$7,714,267</u>	<u>\$7,273,249</u>	<u>\$7,768,509</u>	<u>\$7,642,046</u>	<u>\$7,877,953</u>	<u>\$8,600,066</u>	<u>\$10,412,719</u>	<u>\$11,197,321</u>	<u>\$9,795,381</u>	<u>\$11,016,547</u>
Total primary government activities	<u>\$8,681,966</u>	<u>\$8,269,179</u>	<u>\$9,323,448</u>	<u>\$8,915,540</u>	<u>\$9,263,567</u>	<u>\$9,885,505</u>	<u>\$11,862,835</u>	<u>\$12,836,480</u>	<u>\$11,760,826</u>	<u>\$13,089,767</u>

## Schedule A-2.2

## City of Rockledge, Florida General Revenues and Other Changes in Net Position Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Net (expense) revenue</b>										
Governmental activities	(\$15,368,542)	(\$14,766,764)	(\$14,029,502)	(\$13,869,859)	(\$15,322,869)	(\$15,709,813)	(\$15,262,991)	(\$15,484,430)	(\$16,134,941)	(\$15,230,845)
Business-type activities	149,645	(26,735)	521,569	107,374	(252,232)	1,026,767	2,716,593	3,738,095	686,368	2,906,271
Total primary government net expense	(\$15,218,897)	(\$14,793,499)	(\$13,507,933)	(\$13,762,485)	(\$15,575,101)	(\$14,683,046)	(\$12,546,398)	(\$11,746,335)	(\$15,448,573)	(\$12,324,574)
<b>General revenues and other changes in net position</b>										
Governmental activities:										
General revenues:										
Taxes:										
Property taxes, levied for general purposes	\$6,828,461	\$6,632,241	\$6,634,289	\$6,895,640	\$7,313,823	\$7,715,035	\$8,227,077	\$8,859,777	\$9,592,716	\$10,212,787
Gas Tax	559,543	701,506	703,974	728,245	772,807	852,134	890,542	843,109	928,929	875,842
Sales Tax	1,133,924	1,153,347	1,209,295	1,269,330	1,352,324	1,420,502	1,537,609	1,625,531	1,626,160	1,557,760
Franchise fees	1,638,880	1,564,771	1,527,080	1,640,774	1,676,139	1,614,889	1,629,519	1,607,366	1,673,118	1,637,012
State revenue sharing	613,734	633,465	625,958	732,881	794,957	828,610	895,795	935,071	982,855	895,558
Other taxes	3,556,761	3,509,039	3,615,255	3,676,335	3,698,333	3,334,088	3,262,780	3,507,282	3,537,037	3,472,293
Investment earnings	108,510	97,959	127,515	17,540	76,450	123,346	83,813	27,232	310,740	261,618
Miscellaneous	177,285	305,504	192,252	269,487	423,839	478,158	146,042	256,675	200,421	176,922
Transfers, net	-	-	-	-	-	-	396,000	396,000	396,000	396,000
Total government activities	\$14,617,098	\$14,597,832	\$14,635,618	\$15,230,232	\$16,108,672	\$16,366,762	\$17,069,177	\$18,058,043	\$19,247,976	\$19,485,792
Business-type activities:										
Investment earnings	\$112,071	\$72,374	\$7,350	\$40,137	\$52,921	\$51,556	\$31,456	\$19,248	\$118,625	\$91,070
Transfers	-	-	-	-	-	-	(396,000)	(396,000)	(396,000)	(396,000)
Miscellaneous	-	-	-	-	-	-	-	-	2,840	691
Total business-type activities	\$112,071	\$72,374	\$7,350	\$40,137	\$52,921	\$51,556	(\$364,544)	(\$376,752)	(\$274,535)	(\$304,239)
Total primary government activities	\$14,729,169	\$14,670,206	\$14,642,968	\$15,270,369	\$16,161,593	\$16,418,318	\$16,704,633	\$17,681,291	\$18,973,441	\$19,181,553
<b>Changes in net position</b>										
Governmental activities	(\$751,444)	(\$168,932)	\$606,116	\$1,360,373	\$785,803	\$656,949	\$1,806,186	\$2,573,613	\$3,113,035	\$4,254,947
Business-type activities	261,716	45,639	528,919	147,511	(199,311)	1,078,323	2,352,049	3,361,343	411,833	2,602,032
Total primary government net expense	(\$489,728)	(\$123,293)	\$1,135,035	\$1,507,884	\$586,492	\$1,735,272	\$4,158,235	\$5,934,956	\$3,524,868	\$6,856,979

**City of Rockledge, Florida**  
**Fund Balances – Governmental Funds**  
**Last Ten Fiscal Years**

**Schedule A-3**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Fund</b>										
Nonspendable	648,702	512,239	300,053	221,197	189,189	217,064	241,429	269,353	116,759	269,427
Restricted	306,455	253,334	235,359	256,826	259,999	312,964	329,903	332,270	426,217	779,458
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	307,224	538,936	146,459	575,978	549,463	464,150	497,239	2,145,518	500,000	1,050,621
Unassigned	8,335,792	8,414,212	9,268,601	8,977,409	9,302,830	9,765,203	10,980,108	11,667,675	13,790,315	14,826,421
Total General Fund	<u>\$9,598,173</u>	<u>\$9,718,721</u>	<u>\$9,950,472</u>	<u>\$10,031,410</u>	<u>\$10,301,481</u>	<u>\$10,759,381</u>	<u>\$12,048,679</u>	<u>\$14,414,816</u>	<u>\$14,833,291</u>	<u>\$16,925,927</u>
<b>All Other Governmental Funds</b>										
Nonspendable	-	-	-	4,376	4,413	6,022	6,246	6,091	-	5,583
Restricted	904,512	1,001,218	1,044,812	1,080,724	1,089,285	945,950	1,372,893	1,969,161	1,450,629	3,092,215
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$904,512</u>	<u>\$1,001,218</u>	<u>\$1,044,812</u>	<u>\$1,085,100</u>	<u>\$1,093,698</u>	<u>\$951,972</u>	<u>\$1,379,139</u>	<u>\$1,975,252</u>	<u>\$1,450,629</u>	<u>\$3,097,798</u>

Notes:

1. Modified accrual basis of accounting.

**City of Rockledge, Florida**  
**Changes in Fund Balances – Governmental Funds**  
**Last Ten Fiscal Years**

**Schedule A-4**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Property Tax	\$6,828,461	\$6,632,241	\$6,634,289	\$6,895,640	\$7,313,823	\$7,727,291	\$8,239,607	\$8,890,607	\$9,592,716	\$10,212,787
Other Local Taxes	3,220,605	3,156,910	3,265,308	3,315,430	3,349,023	3,317,832	3,245,825	3,472,502	3,537,037	3,472,293
Licenses, permits and fees	1,834,708	1,708,147	1,820,960	1,892,566	1,917,529	1,889,132	2,022,603	2,236,311	2,487,956	2,415,302
Intergovernmental revenues	2,902,667	3,069,692	3,483,558	3,410,296	3,754,153	3,610,175	3,944,106	4,028,147	4,333,589	4,184,316
Charges for services	405,863	468,178	609,755	642,835	598,710	654,636	281,740	328,744	329,910	410,037
Fines and forfeitures	100,285	43,247	59,927	46,524	51,921	16,330	19,848	27,832	25,052	38,838
Investment earnings	108,510	97,959	127,514	17,539	76,449	121,068	80,843	23,570	310,740	261,618
Miscellaneous revenues	183,698	340,887	229,245	322,897	474,677	315,737	308,721	293,488	200,421	141,579
<b>Total Revenues</b>	<b>\$15,584,797</b>	<b>\$15,517,261</b>	<b>\$16,230,556</b>	<b>\$16,543,727</b>	<b>\$17,536,285</b>	<b>\$17,652,201</b>	<b>\$18,143,293</b>	<b>\$19,301,201</b>	<b>\$20,817,421</b>	<b>\$21,136,770</b>
<b>Expenditures</b>										
General government	\$1,434,190	\$1,506,745	\$1,549,116	\$1,654,701	\$2,056,793	\$1,883,114	\$1,857,301	\$1,875,292	\$2,193,749	\$1,483,154
Administrative offices	1,380,342	1,346,386	1,428,411	1,414,050	1,457,193	1,716,038	1,669,364	1,982,491	1,758,350	1,643,164
Mayor and Council	36,168	36,363	42,737	47,344	42,879	46,318	52,352	54,390	56,341	52,452
City attorney	85,176	101,898	80,246	110,782	102,366	99,409	91,552	112,185	115,244	125,835
Police	8,933,607	5,180,776	5,227,604	5,310,575	5,280,704	5,718,226	5,638,668	6,126,901	6,036,279	6,229,320
Fire	3,484,145	3,563,326	3,538,027	3,831,257	4,254,664	3,710,317	3,600,565	4,560,822	5,609,609	3,940,178
Public Works	2,133,974	2,167,028	2,376,387	2,555,203	2,582,095	2,708,520	2,639,781	2,752,508	2,826,670	3,531,402
Planning and Development	2,075,708	690,229	1,094,193	1,282,820	1,205,316	1,025,952	814,595	335,428	1,805,058	168,410
Parks and Recreation	9,236	1,683	-	-	852	-	-	-	1,941	36,707
Community Relations	57,355	42,859	41,324	35,924	66,997	-	-	-	-	-
Debt service										
Principal	565,384	492,369	500,421	618,231	694,839	732,418	808,686	910,370	844,247	520,710
Interest	199,534	170,345	76,748	61,614	52,910	50,334	46,960	86,032	74,184	61,633
<b>Total Expenditures</b>	<b>\$20,394,819</b>	<b>\$15,300,007</b>	<b>\$15,955,214</b>	<b>\$16,922,501</b>	<b>\$17,797,608</b>	<b>\$17,690,646</b>	<b>\$17,219,824</b>	<b>\$18,796,419</b>	<b>\$21,321,672</b>	<b>\$17,792,965</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(4,810,022)</b>	<b>\$217,254</b>	<b>\$275,342</b>	<b>(\$378,774)</b>	<b>(\$261,323)</b>	<b>(\$38,445)</b>	<b>\$923,469</b>	<b>\$504,782</b>	<b>(\$504,251)</b>	<b>\$3,343,805</b>
<b>Other financing sources (uses)</b>										
Transfers in	\$705,257	\$519,122	\$500,815	\$533,097	\$559,152	\$616,138	\$1,140,375	\$1,389,415	\$1,458,308	\$1,614,215
Transfers out	(705,257)	(519,122)	(500,815)	(533,097)	(559,152)	(616,138)	(744,375)	(993,415)	(1,062,308)	(1,218,215)
Issuance of debt	500,000	-	-	500,000	540,000	200,000	396,996	2,061,468	-	-
<b>Total other financing sources</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$500,000</b>	<b>\$540,000</b>	<b>\$200,000</b>	<b>\$792,996</b>	<b>\$2,457,468</b>	<b>\$396,000</b>	<b>\$396,000</b>
<b>Net change in fund balances</b>	<b>(\$4,310,022)</b>	<b>\$217,254</b>	<b>\$275,342</b>	<b>\$121,226</b>	<b>\$278,677</b>	<b>\$161,555</b>	<b>\$1,716,465</b>	<b>\$2,962,250</b>	<b>(\$108,251)</b>	<b>\$3,739,805</b>
<b>Debt service as a percentage of non-capital expenditures</b>	<b>3.845%</b>	<b>4.496%</b>	<b>3.879%</b>	<b>4.499%</b>	<b>4.705%</b>	<b>4.809%</b>	<b>5.299%</b>	<b>5.880%</b>	<b>5.22%</b>	<b>3.50%</b>

Notes:

1. Modified accrual basis of accounting.
2. Rise of debt service percentage in Fiscal Year 2017 is attributed to increased borrowing on the CRA Line of Credit for Barton Boulevard property and the maturation of the loan on a 6.3 acre parcel.

## Schedule B1

## City of Rockledge, Florida Value of Taxable Property Last Ten Fiscal Years

Fiscal Year	Taxable Value Real Property for Operating Purposes	Personal Property for Operating Purposes	Gross Taxable Value	New Construction Taxable Value	Adjusted Taxable Value	Final Taxable Value*	Millage Rate**
2011	1,065,004,910	82,747,676	1,147,752,586	10,478,821	1,137,273,765	1,140,142,323	5.6500
2012	951,912,198	75,934,338	1,027,846,536	7,694,670	1,020,151,866	1,020,672,082	6.2500
2013	931,540,140	80,374,563	1,011,914,703	12,681,800	999,232,903	1,009,645,129	6.3658
2014	964,779,040	85,341,696	1,050,120,736	6,763,020	1,043,357,716	1,050,146,848	6.3658
2015	1,024,828,597	84,232,542	1,109,061,139	13,695,080	1,095,366,059	1,112,610,814	6.3500
2016	1,092,295,133	86,668,652	1,178,963,785	16,846,130	1,162,117,655	1,177,107,782	6.3400
2017	1,181,388,833	84,202,819	1,265,591,652	12,376,670	1,253,214,982	1,262,671,589	6.2500
2018	1,273,798,195	80,889,186	1,354,687,381	12,836,643	1,341,850,738	1,357,786,274	6.2000
2019	1,384,585,365	85,268,246	1,469,853,611	17,433,678	1,452,419,933	1,471,291,549	6.1500
2020	1,491,446,597	85,903,588	1,577,350,185	25,257,644	1,552,092,541	1,580,096,556	6.1000

Source: Brevard County Property Appraiser (Form DR-420)

Notes: \* Final taxable value determined after Valuation Board rulings.

\*\* The rate used in the calculation for property taxes. One mil equals \$1 per \$1,000 of taxable value.  
A millage of 6.10, which is the current (Fiscal Year 2020) rate in effect for the City of Rockledge is equal to \$6.10 for each \$1,000 of taxable value on real property.

Property is assessed at actual value and therefore a separate table for assessed and actual data is not presented.



**City of Rockledge, Florida**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

**Schedule B-2**

City Direct Rates		Overlapping Rates				
Fiscal Year	Basic Rate*	Brevard County	Brevard County Schools		Other **	Total Millage
			Operating	Capital Outlay		
2011	5.6500	5.6371	6.1530	1.5000	0.4503	19.3904
2012	6.2500	6.3895	6.6120	1.5000	0.3658	21.1173
2013	6.3658	6.3895	6.5960	1.5000	0.3658	21.2171
2014	6.3658	6.2566	6.1060	1.5000	0.3628	20.5912
2015	6.3500	6.1815	5.8390	1.5000	0.3509	20.2214
2016	6.3400	6.0973	5.7750	1.5000	0.3343	20.0466
2017	6.2500	5.9748	5.4160	1.5000	0.3205	19.4613
2018	6.2000	5.7139	5.0680	1.5000	0.3044	18.7863
2019	6.1500	5.4432	4.7990	1.5000	0.2882	18.1804
2020	6.1000	5.2553	4.5860	1.5000	0.2734	17.7147

Source: Brevard County Property Appraiser website.

Notes: \* The rate used in the calculation for property taxes. One mil equals \$1 per \$1,000 of taxable value.  
The tax rate on real property is based on \$1 per \$1,000 of assessed property value.

\*\* "Other" includes Florida Inland Navigation District and St. John's River Water Management District.

Overlapping rates are those of local and county governments that apply to property owners within the City of Rockledge.

The total millage column applies to all property owners within the City limits.

**City of Rockledge, Florida**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Prior**

**Schedule B3**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
MPT of Rockledge-Steward LLC (Rockledge Regional Medical Center)	\$43,355,540	1	2.74%	-	-	-
Rockledge Apartments LLC (Southgate Apartments)	10,285,000	2	0.65%	6,093,010	5	0.53%
Fountain Development LLC (Fountain Villas)	8,800,000	3	0.56%	8,750,310	2	0.77%
Hammock Harbor LLLP	7,471,750	4	0.47%	-	-	-
Lowe's Home Centers Inc	7,369,610	5	0.47%	7,782,860	3	0.68%
Woodhaven Properties LLC (Woodhaven Apartments)	6,661,650	6	0.42%	6,908,460	4	0.61%
Aquarius Equity LLC	5,824,330	7	0.37%	-	-	-
Rockledge Properties LLC	5,629,990	8	0.36%	-	-	-
Rockledge Station LLC (Rockledge Square)	4,860,310	9	0.31%	-	-	-
Publix Super Markets Inc (Publix on Barnes & Murrell)	4,814,660	10	0.30%	5,241,450	6	0.46%
Hydro Aluminum Automotive Inc	-	-	-	-	-	-
Rockledge HMA LLC (Wuesthoff Health System-Rockledge)	-	-	-	48,994,590	1	4.30%
PMAT Melbourne LLC (Rockledge Square)	-	-	-	4,254,740	8	0.37%
Commerce Properties International (Professional Building)	-	-	-	4,301,310	7	0.38%
Barnes Rockledge LLC	-	-	-	4,480,580	9	0.39%
PMAT Rockledge LLC	-	-	-	3,916,110	10	0.34%
TOTALS	<u>\$105,072,840</u>		<u>6.65%</u>	<u>\$100,723,420</u>		<u>8.83%</u>
Total City final taxable value	<u>\$1,580,096,556</u>			<u>\$1,140,142,323</u>		

Source: Brevard County Property Appraiser

Multiple properties may be included in some taxable assessed value totals

**City of Rockledge, Florida**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

**Schedule B-4**

Fiscal Year	Gross Tax Levy (1)	Collected Within the Fiscal Year of the Levy		Current Year Collections for Prior Years	Total Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	6,441,804	6,206,509	96.35%	19,244	6,225,753	96.65%
2012	6,379,201	6,152,223	96.44%	16,729	6,168,952	96.70%
2013	6,427,199	6,155,123	95.77%	39,737	6,194,860	96.39%
2014	6,676,834	6,433,128	96.35%	7,166	6,440,294	96.46%
2015	7,065,079	6,662,284	94.30%	160,388	6,822,672	96.57%
2016	7,462,863	7,058,154	94.58%	146,217	7,204,371	96.54%
2017	7,891,697	7,443,985	94.33%	170,698	7,614,683	96.49%
2018	8,418,275	7,999,369	95.02%	143,463	8,142,832	96.73%
2019	9,048,443	8,598,026	95.02%	194,106	8,792,132	97.17%
2020	9,638,589	9,091,146	94.32%	225,794	9,316,940	96.66%

Source: (1) Form 420 Final Taxable Value Line 7, multiplied by millage rate, less allowance for adjustments and discounts.

Notes: Reference the Financial Statement, Note 1.H.  
Current Year Collections includes prior year taxes and penalties collected.

**City of Rockledge, Florida**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

**Schedule C-1**

Fiscal Year	Governmental Activities				Business-Type Activities			Total Debt of Primary Government	Debt as Percentage of Personal Income	Debt Per Capita
	CRA Barton Boulevard Loan	Public Safety Capital Improvement Loan	CRA Malloy LOC	6.3 Acre Property	Sewer Refunding Revenue Bonds Series 2001	State of Florida Revolving Fund	Storm Water Huntington Lakes Loan			
2011	2,750,000	2,055,649	-	-	3,576,000	1,666,206	548,479	10,596,334	1.45%	429
2012	2,500,000	1,813,280	-	-	3,095,000	1,529,351	350,691	9,288,322	1.23%	372
2013	2,250,000	1,562,859	-	-	2,608,000	1,388,278	200,000	8,009,137	1.09%	318
2014	2,000,000	1,304,353	390,275	-	2,109,000	1,242,873	100,000	7,146,501	0.96%	281
2015	1,750,000	1,039,514	560,275	180,000	1,599,000	1,092,999	100,000	6,321,788	0.84%	245
2016	1,500,000	767,452	579,919	150,000	1,080,000	922,373	103,042	5,102,786	0.66%	195
2017	1,250,000	486,266	736,915	112,500	547,000	779,293	-	3,911,974	0.47%	148
2018	1,000,000	2,331,636	330,143	75,000	-	599,475	-	4,336,254	0.50%	162
2019	750,000	2,105,032	-	37,500	-	435,545	-	3,328,077	0.38%	122
2020	500,000	1,871,822	-	-	-	266,414	-	2,638,236	0.03%	94

Percentage of personal income and per capita amounts calculated from information in Table D-1.  
See Note 6 for a detailed discussion of each outstanding note.

## Schedule C2

## City of Rockledge, Florida Direct and Overlapping Governmental Activities Debt As of September 30, 2020

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>City Direct Debt</b> (governmental activities ) (a)	\$2,371,822	100.00%	\$2,371,822
<b>Overlapping Debt</b>			
Brevard County:			
Governmental activities debt (b)	<u>187,995,018</u>	3.8767%	<u>7,287,994</u>
<b>Total Direct and Overlapping Debt</b>	<u><u>\$190,366,840</u></u>		<u><u>\$9,659,816</u></u>

Sources: (a) City of Rockledge CAFR Fiscal Year 2020 Statistical Table C-1.

(b) Brevard County Finance Department - CAFR Fiscal Year 2019, Table 7 and 11.

Notes: Percentage based on the 2019 final taxable assessed City and County valuation.

**City of Rockledge, Florida**  
**Pledged Revenue Coverage**  
**Last Ten Fiscal Years**

**Schedule C3**

**Capital Improvement Note, Series 2009**

Fiscal Year	Utility Taxes and Franchise Fees	Debt Service		Coverage
		Principal	Interest	
2011	3,450,692	207,420	71,693	12.36
2012	3,381,131	242,369	56,719	11.30
2013	3,486,266	250,421	48,666	11.66
2014	3,750,218	258,506	40,581	12.54
2015	3,734,126	264,839	34,248	12.49
2016	4,087,002	272,062	27,025	13.66
2017	3,822,767	281,186	17,901	12.78
2018	3,963,903	216,098	46,689	15.08
2019	4,049,682	226,604	56,206	14.32
2020	4,013,755	233,210	49,600	14.19

- Notes: (1) On August 12, 2011, a loan modification was made to lower interest on the note to 2.87%, reducing payments to \$24,924.
- (2) On December 7, 2017, a loan modification was made to lower the interest rate on the note to 2.50%, and to borrow an additional \$2,061,468 to fund the reconstruction of Fire Station 36, after the damaging effects of Hurricane Irma.

Fiscal Year	CRA Revenues (3)	Operating Expenses	Net Revenues	Debt Service		Coverage
				Principal	Interest	
2011	1,309,332	447,149	862,183	250,000	104,506	2.43
2012	1,046,195	590,754	455,441	250,000	96,338	1.32
2013	947,988	630,305	317,683	250,000	10,793	1.22
2014	1,010,328	1,092,547	(82,219)	250,000	9,675	(0.32)
2015	1,121,899	978,105	143,794	250,000	8,591	0.56
2016	1,135,550	1,019,259	116,291	250,000	7,519	0.45
2017	1,360,796	814,595	546,201	250,000	6,438	2.13
2018	1,627,962	348,928	1,279,034	250,000	19,997	4.74
2019	1,880,849	1,819,758	61,091	250,000	16,033	0.23
2020	2,126,527	184,310	1,942,217	250,000	12,033	7.41

- Notes: (1) The note's interest rate is the 5-year U.S. Treasury rate minus 30 basis points, initially 3.49%, adjustable on January 31, 2012 and every five years thereafter.
- (2) Effective interest rates for the note were 3.49% (issuance to 2012), 0.43% (2012 to 2017), and 1.7% (2017 to 2022, the maturity date).
- (3) CRA revenues includes transfers in.

**City of Rockledge, Florida**  
**Pledged Revenue Coverage (Continued)**  
**Last Ten Fiscal Years**

**Schedule C3**

**Sewer Revenue Bonds, Series 2001 and Series 2011**

Fiscal Year	Sewer System Revenues	Operating Expenses	Net Revenues	Debt Service		Coverage
				Principal	Interest	
2011	3,809,678	3,147,397	662,281	275,000	356,037	1.05
2012	3,785,645	2,934,976	850,669	481,000	75,006	1.53
2013	4,142,307	2,953,282	1,189,025	487,000	64,536	2.16
2014	4,071,262	3,028,178	1,043,084	499,000	53,903	1.89
2015	4,423,101	3,114,638	1,308,463	510,000	43,009	2.37
2016	4,454,505	3,045,867	1,408,638	519,000	31,899	2.56
2017	4,482,292	2,611,081	1,871,211	533,000	20,561	3.38
2018	4,613,243	2,675,336	1,937,907	547,000	8,687	3.49
2019	-	-	-	-	-	-
2020	-	-	-	-	-	-

- Notes:
- (1) Operating expenses exclude depreciation and amortization.
  - (2) Interest reported is actual interest expenses paid, exclusive of any amortization of defeased refunded bond cost(s) and issuance discount(s).
  - (3) On July 22, 2011, the City issued \$3,670,000 in Sewer Refunding Revenue Bonds with an interest rate of 2.17%, along with \$3,291,443, was utilized to pay off the outstanding bonds and new issuance costs.
  - (4) All bond covenants, inclusive of pledged revenues, were carried forward with the Series 2011 issuance.
  - (5) The amounts for fiscal year 2011 are indicative of the previously scheduled debt service exclusive of the defeasance.
  - (6) The final payment on the Sewer Revenue Bonds, Series 2011 was made on September 12, 2018.

**City of Rockledge, Florida**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

**Schedule D1**

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Unemployment Rate	School Enrollment
2011	24,707	732,315,480	29,640	43.7	6.3%	3,944
2012	25,000	754,425,000	30,177	45.0	7.5%	3,994
2013	25,202	733,932,644	29,122	44.8	6.7%	3,879
2014	25,477	748,310,444	29,372	45.7	8.3%	3,828
2015	25,798	756,706,936	29,332	45.5	6.9%	3,879
2016	26,144	772,267,616	29,539	46.1	5.7%	3,868
2017	26,497	831,926,309	31,397	46.6	4.4%	3,930
2018	26,860	862,152,280	32,098	46.0	3.0%	3,882
2019	27,292	889,500,864	32,592	46.6	2.4%	3,298
2020	28,142	940,646,350	33,425	46.8	4.7%	3,646

Sources:

- (1) Economic Development Commission of Florida's Space Coast
- (2) Estimate (1) x (3)
- (3) Economic Development Commission of Florida's Space Coast
- (4) Economic Development Commission of Florida's Space Coast
- (5) Economic Development Commission of Florida's Space Coast
- (6) Brevard County Public Schools Include: Rockledge High School  
Kennedy Middle School / McNair Middle School  
Golfview Elementary School / Andersen Elementary School



## Schedule D2

## City of Rockledge, Florida Principal Employers For the Current Year and Nine Years Prior

Employer	2020			2011		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
	(Range)					
Brevard Public Schools	9,000 - 9,999	1	4.35%	9,140	1	4.80%
Health First Medical Group	8,000 - 8,999	2	3.76%	6,350	2	3.33%
L3Harris Technologies	7,000 - 7,999	3	3.43%	6,130	3	3.22%
Publix Super Markets	3,000 - 3,999	4	1.59%	-	-	-
Walmart	3,000 - 3,999	5	1.42%	-	-	-
Northrop Grumman Corporation	3,000 - 3,999	6	1.38%	-	-	-
Brevard County Government	2,000 - 2,999	7	1.06%	2,390	5	1.25%
National Aeronautics and Space Administration	2,000 - 2,999	8	0.90%	2,210	8	1.16%
New Rockwell Collins Inc.	1,000 - 1,999	9	0.87%	1,500	10	0.79%
Teletch Services Corporation	1,000 - 1,999	10	0.79%	-	-	-
Steward Medical Group	1,000 - 1,999	11	0.70%	-	-	-
Lockheed Martin Corporation	1,000 - 1,999	12	0.66%	-	-	-
Eastern Florida State College	1,000 - 1,999	13	0.62%	1,580	9	0.83%
Brevard County Sheriff Office	1,000 - 1,999	14	0.59%	-	-	-
Florida Institute of Technology	1,000 - 1,999	15	0.59%	-	-	-
United Space Alliance	-	-	-	3,830	4	2.01%
45th Space Wing DOD	-	-	-	2,260	6	1.19%
Health Management Associates	-	-	-	2,220	7	1.16%
TOTALS	N/A		N/A	37,610		19.74%

Source: Economic Development Commission of Florida's Space Coast.  
Bureau of Labor Statistics

Notes: Employers include retail operations.  
Employment figures are for Brevard County.  
Exact employment numbers are no longer available as of 2016 for security reasons per the EDC.

**City of Rockledge, Florida**  
**Employees by Function/Program**  
**Last Ten Fiscal Years**

**Schedule E1**

Function/Program	Full-Time Equivalent Employees as of September 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	19.00	18.00	18.00	16.00	16.00	16.00	16.00	18.00	21.00	20.00
Police	73.50	72.50	72.50	72.50	72.00	73.50	80.50	77.50	77.50	79.00
Fire	40.00	40.00	40.00	39.00	39.00	39.00	39.00	39.00	41.00	40.00
Public Works	39.00	39.00	39.00	38.00	38.00	38.00	39.00	39.00	41.00	41.00
Planning and Development	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Sanitation	41.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00
Stormwater	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Wastewater	27.00	27.00	27.00	27.00	27.00	27.00	27.00	28.00	29.00	29.00
<b>Totals</b>	<b>244.50</b>	<b>242.50</b>	<b>242.50</b>	<b>238.50</b>	<b>238.00</b>	<b>239.50</b>	<b>247.50</b>	<b>246.50</b>	<b>254.50</b>	<b>254.00</b>

Source: City Finance and Personnel Departments.

Notes: Refers to the number of personnel authorized for an accounting period, including part-time personnel converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time Crossing Guard working 20 hours per week for 52 weeks a year equals one-half of a full-time position. Elected officials are carried as General Government employees for payroll purposes, but are excluded from the figures above.

Staffing Notes: Decreases from 2011 to 2015 were cost saving efforts in light of economic recession.  
Increases from 2015 to 2020 were due to restaffing adjustments in light of economic recovery.  
Planning and Development includes the start of the CRA staffing in 2011, and a right sizing of force in 2018.

**City of Rockledge, Florida**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

**Schedule E2**

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Police</b>										
Physical arrests	318	257	265	376	580	658	838	858	579	350
Parking violations	7	8	3	0	0	0	1	48	24	12
Traffic violations	3806	3303	3970	2380	1478	1144	2330	2287	1597	1271
<b>Fire</b>										
Emergency responses (incidents)	2192	2502	2380	2408	2647	2801	2800	2912	3596	3382
Fires extinguished	96	3	10	76	91	99	99	61	40	64
Inspections									52	277
<b>Public Works</b>										
Street resurfacing (miles)	2.2	1.4	3.1	6.0	2.4	2.5	3.4	7.5	3.2	3.2
Pothole repair / patching (square yards)	-	-	28	56	56	56	84	84	84	52.5
<b>Sanitation</b>										
Total tonnage collection (refuse/garbage)	14,419	13,326	13,670	13,902	14,325	14,859	15,297	15,408	15,819	12,121
Total tonnage collection (recyclables)	1,293	1,972	2,087	2,162	2,301	2,308	2,384	2,378	2,215	1,512
Total tonnage collection (yard waste)	5,163	4,827	5,053	5,062	5,474	7,342	4,866	4,927	4,919	4,131
<b>Wastewater</b>										
Average daily sewage treatment (thousands of gallons)	2,380	2,110	2,080	2,390	2,210	2,190	2,270	2,180	2,360	2,290
<b>Reclaimed water</b>										
Average daily water delivered (thousands of gallons)	1,750	1,630	1,510	1,290	1,350	1,640	1,620	1,740	2,050	1,940

Source: Data provided by City of Rockledge

Note: City of Rockledge began tracking pothole repair data in 2013.

**City of Rockledge, Florida**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

**Schedule E-3**

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Schools (1)</b>										
Elementary	2	2	2	2	2	2	2	2	2	2
Junior High	2	2	2	2	2	2	2	2	2	2
Senior High	1	1	1	1	1	1	1	1	1	1
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Police Officers (2)	36	37	41	42	46	49	54	54	54	54
<b>Fire</b>										
Stations	3	3	3	3	3	3	3	3	3	3
Firefighters (3)	19	24	25	28	31	35	37	35	39	39
<b>Public Works</b>										
Streets (linear miles)	231	231	231	231	231	232	233	234	234	234
Streetlights	2,333	2,559	2,559	2,562	2,582	2,623	2,633	2,633	2,633	2,633
<b>Parks and Recreation</b>										
Parks and playgrounds (4)	5	5	5	5	5	5	5	5	5	5
Tennis courts (5)	6	6	6	6	6	6	6	6	6	6
Swimming pools	1	1	1	1	1	1	1	1	1	1
Skateboard park	1	1	1	1	1	1	1	1	1	1
Lakes (6)	4	4	4	4	4	4	5	5	5	5
<b>Utilities</b>										
Wastewater:										
Reclaimed water (miles)	26	26	26	26	26	26	26	26	26	26
Gravity sewer (miles)	92	92	92	92	92	92	93	94	94	94
Force main sewer (miles)	23	23	23	23	23	23	23	25	25	25
Stormwater sewers (miles) (7)	76	76	76	76	76	76	77	77	77	77

Notes:

- (1) Schools owned and operated by Brevard County School Board
- (2) Sworn officers
- (3) Firefighters and 1 chief
- (4) City and County parks in City limits
- (5) 2 courts at McClarty and 4 courts at McKnight
- (6) Open to the public: Lake Betsi, Lake Gilliard, Jimmy Weaver Lake, Anderson Park Lake and Huntington Lake
- (7) 20.48 miles of canals and ditches maintained

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and Members of City Council  
City of Rockledge, 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 Rockledge, Florida, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Rockledge, Florida's basic financial statements, and have issued our report thereon dated March 10, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Rockledge, Florida'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 of Rockledge, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Rockledge, Florida'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.

## Compliance and Other Matters

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

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

Melbourne, Florida  
March 10, 2021

## **INDEPENDENT AUDITORS' MANAGEMENT LETTER**

To the Honorable Mayor and Members of City Council  
City of Rockledge, Florida

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

We have audited the financial statements of the City of Rockledge, Florida, as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 10, 2021.

### **Auditors' 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 and Chapter 10.550, Rules of the Auditor General.

### **Other Reporting Requirements**

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards 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 and schedule, which are dated <DATE>, 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 audit report. However, no recommendations were made in the preceding audit report.

### **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 legal authorities for the City of Rockledge, Florida and its component unit are disclosed in the notes to the financial statements.

## **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and communicate the results of our determination as to whether or not the City of Rockledge, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify of the specific condition(s) met. In connection with our audit, we determined that the City of Rockledge, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

## **Additional Matters**

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

## **Purpose of this Letter**

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

*Carri Riggs & Ingram, L.L.C.*

Melbourne, Florida  
March 10, 2021



## **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES**

To the Honorable Mayor and Members of City Council  
City of Rockledge, Florida

We have examined City of Rockledge, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, 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 with the specified requirements based on our examination.

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

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

In our opinion, the City complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020.

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

*Carr, Riggs & Ingram, L.L.C.*

Melbourne, Florida  
March 10, 2021

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**AFFIDAVIT**

BEFORE ME, the undersigned authority, personally appeared Matthew D. Trine who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of (Name of the Entity) which is a local governmental entity of the State of Florida;
2. City of Rockledge adopted Ordinance No. **1755-2019**, implementing an impact fee; and
3. City of Rockledge has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

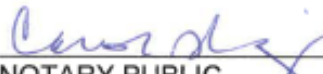
FURTHER AFFIANT SAYETH NAUGHT.



(Chief Financial Officer of the Entity)

STATE OF FLORIDA  
COUNTY OF BREVARD

SWORN TO AND SUBSCRIBED before me this 16<sup>th</sup> day of OCTOBER, 2020.



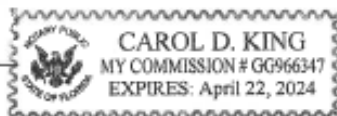
NOTARY PUBLIC

Print Name CAROL D. KING

Personally known ☒ or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:



**AFFIDAVIT**

BEFORE ME, the undersigned authority, personally appeared Matthew D. Trine who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of (Name of the Entity) which is a local governmental entity of the State of Florida;
2. City of Rockledge adopted Ordinance No. **1268-2002**, implementing an impact fee; and
3. City of Rockledge has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

  
(Chief Financial Officer of the Entity)

STATE OF FLORIDA  
COUNTY OF BREVARD

SWORN TO AND SUBSCRIBED before me this 16<sup>th</sup> day of October, ~~20XX~~ <sup>2020</sup>.

  
NOTARY PUBLIC  
Print Name CAROL D. KING

Personally known ☒ or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:



**AFFIDAVIT**

BEFORE ME, the undersigned authority, personally appeared Matthew D. Trine who being duly sworn, deposes and says on oath that:


1. I am the Chief Financial Officer of (Name of the Entity) which is a local governmental entity of the State of Florida;
2. City of Rockledge adopted Ordinance No. **1120-96**, implementing an impact fee; and
3. City of Rockledge has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

  
(Chief Financial Officer of the Entity)

STATE OF FLORIDA  
COUNTY OF BREVARD

SWORN TO AND SUBSCRIBED before me this 16<sup>th</sup> day of OCTOBER, 2020.

  
NOTARY PUBLIC  
Print Name CAROL D. KING

Personally known ☒ or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:



**City of Rockledge, Florida  
Impact Fee Affidavits (Continued)**

**AFFIDAVIT**

BEFORE ME, the undersigned authority, personally appeared Matthew D. Trine who being duly sworn, deposes and says on oath that:


1. I am the Chief Financial Officer of (Name of the Entity) which is a local governmental entity of the State of Florida;
2. City of Rockledge adopted Ordinance No. **1098-95**, implementing an impact fee; and
3. City of Rockledge has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

  
\_\_\_\_\_  
(Chief Financial Officer of the Entity)

STATE OF FLORIDA  
COUNTY OF BREVARD

SWORN TO AND SUBSCRIBED before me this 16<sup>th</sup> day of OCTOBER, 2020.

  
\_\_\_\_\_  
NOTARY PUBLIC  
Print Name CAROL D. KING

Personally known ☒ or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:



AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Matthew D. Trine who being duly sworn, deposes and says on oath that:


1. I am the Chief Financial Officer of (Name of the Entity) which is a local governmental entity of the State of Florida;
2. City of Rockledge adopted Ordinance No. **1013-91**, implementing an impact fee; and
3. City of Rockledge has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

  
(Chief Financial Officer of the Entity)

STATE OF FLORIDA  
COUNTY OF BREVARD

SWORN TO AND SUBSCRIBED before me this 16<sup>th</sup> day of OCTOBER, 2020.

  
NOTARY PUBLIC  
Print Name CAROL D. KING

Personally known ☒ or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:

\_\_\_\_\_

