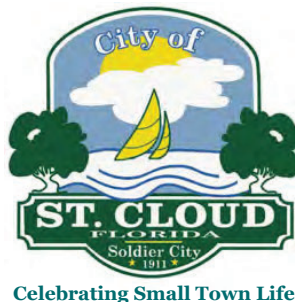


CITY OF ST. CLOUD, FLORIDA COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2020



COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF THE
CITY OF ST. CLOUD, FLORIDA
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2020

PREPARED BY THE
FINANCE DEPARTMENT
WENDY C. COLLAZO, CPM, CGFO
Finance Director

STAFF:
Gloria R. Emanuel, CGFO
Donna L. Cooley, CGFO
Jeffrey Cooper, CGFO
Suzette Cover
Leslie M. Messina

INTRODUCTORY SECTION

**CITY OF ST. CLOUD, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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**CITY OF ST. CLOUD, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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CITY OF ST. CLOUD, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT Year Ended September 30, 2020

LISTING OF CITY OFFICIALS

ELECTED AND APPOINTED OFFICIALS

Mayor

Nathan Blackwell

Deputy Mayor

Linette R. Matheny

Council Member

Charles “Chuck” E. Cooper

Council Member

David C. Askew

Council Member

Keith F. Trace

Council Member

William “Bill” E. Sturgeon

DEPARTMENTAL OFFICIALS

Assistant City Manager

Veronica C. Miller

Finance Director

Wendy C. Collazo

Information Technology Director

Gee Chow

City Clerk

Linda P. Jaworski

Human Resources Director

Mimi Tran

Fire Chief

Joseph L. Silvestris

Community Development Director

Andre’ A. Anderson

Building Director

Robert A. Deatherage

Parks and Recreation Director

Stephanie Holtkamp

Procurement Services Director

Leslie Flores

Public Safety Administrator and Chief of Police

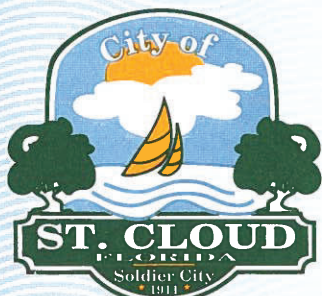
Peter S. Gauntlett

Environmental Utilities Director

Marjorie Craig

Public Works Director

Naseem Ghandoor



Celebrating Small Town Life

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March 26, 2021

To the Honorable Mayor
and Members of the City Council, and Citizens
City of St. Cloud, Florida
1300 Ninth Street
St. Cloud, FL 34769

It is my pleasure to present the Annual Financial Report (AFR) for the fiscal year ended September 30, 2020. State law, in accordance with the Florida Statutes 166.241; Chapter 10.500, Rules of the Auditor General, and Section 3.12 of the City Charter, requires that every general-purpose local government publish within six months of the close of each fiscal year or receive an extension for a complete set of audited financial statements.

The AFR is presented in four sections. The introductory section includes this Transmittal Letter and an organizational chart for the city. The financial section includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), audited city wide and fund financial statements and notes thereto, and required supplementary information. The Statistical Section sets forth the selected unaudited economic, financial trend, and demographic information for the City of St. Cloud on a multi-year basis. The compliance section includes other information and reports required by Florida Statutes and OMB Circular A-133 when applicable.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for that purpose, because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable (rather than absolute) assurance that the financial statements are free of any material misstatements.

Purvis Gray and Company, LLP has issued an unmodified opinion on the City of St. Cloud's financial statements for the fiscal year ended September 30, 2020. GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction.

Profile of the Government

1300 Ninth Street, St. Cloud, FL 34769-3399 • 407-957-7310 • 407-957-7335 (fax)

The City of St. Cloud, incorporated in 1911, is located in the southeastern central part of Central Florida, which is considered to be part of the Orlando-Kissimmee-Sanford metropolitan area. The City currently occupies 22.74 square miles and serves a population of 50,897 based on 2020 estimates from the University of Florida Bureau of Economic and Business Research (BEBR). The City of St. Cloud is empowered to levy a property tax on both real and personal property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of St. Cloud has operated under the Council-Manager form of government since January 16, 1925. On November 18, 1929, two new commissioners (Council Members) were added and the managerial form of government was voted to be changed to a strong Mayor-Council form of government, and the Mayor was elected by the Council Members. The City of St. Cloud was one of the first cities in the state to adopt this form of government. Then in 1965, the city once again adopted the Council-Manager form of government. Policy making and legislative authority are vested in a governing Council consisting of the Mayor and four other members, all elected on a nonpartisan basis. The Council appoints the City Manager, who, in turn, appoints the heads of the various departments. The Mayor and all Council Members are elected at large for four year terms starting with the first election held in 2012.

The City of St. Cloud provides a full range of services, including police and fire protection, emergency medical services, the construction and maintenance of sidewalks, highways, streets, traffic signalization, planning and zoning, building permit and building maintenance, parks and recreational facilities, cultural facilities and general administration services.

In addition to general government activities, certain services are provided through separate enterprise funds and the City Council governs their operations, in essence, as departments of the City of St. Cloud. The enterprise operations of the city are: water, sewer collection and treatment, stormwater, refuse collection and transfer station operations, and therefore are an integral part of the City of St. Cloud's financial statements. New impact fee funds were established, beginning October 1, 2018, to separately account for impact fees generated from increased growth related to water and waste water capacity. The City of St. Cloud Council members serve as the Board of Directors of the Stevens Plantation Improvement Project Dependent Special District (DSD). As the DSD's Board of Directors, they are financially accountable for the district, which is reported as a blended component unit within the City of St. Cloud's financial statements. Additional information on the Steven's DSD can be found in the notes to the financial statements (Note 1.)

Profile of the Government (continued)

The City Council adopts the annual budget prior to the beginning of the fiscal year and amends it during the year when events and/or circumstances warrant it. The Council may amend the budget by resolution no later than 60 days after the close of the fiscal year (F.S. 166.241). This annual budget serves as the foundation for the City of St. Cloud's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). With the City Manager's approval, department heads may transfer resources within a department as they see fit; however, transfers between departments requires a budget amendment by resolution through the governing council.

Local Economy

The City of St. Cloud's economy continues to improve at a rapid rate. Housing starts (new homes for which construction has begun) serves as an economic indicator within the City's service area. The strong positive contribution from property taxes combined with existing values results both from market conditions and current property tax law. Currently, the development of residential product in the City is significantly greater than the average market value of residential product built before 2009, which currently accounts for 75% of units. Some of the market value increase is a result of larger single-family homes (in terms of square footage) and increases in land costs. In addition, the median home cost in St. Cloud is \$270,000. Home appreciation over the last 10 years has been 9.0%. In fiscal year 2020, 2,800 new home permits were issued. New business tax receipts for the same time period also had an increase evidencing the upswing in new business establishments in the City.

Another economic indicator is the labor market. Unemployment rates for Osceola County were as high as 29.0% in May 2020, due to COVID-19, and are now back down to 8.7% in March 2021 and steadily improving per St. Louis Fed. (FRED) which also reported that St. Cloud's per-capita income is \$35,258; the median household income is \$52,270 which is an 6.8% increase from last year, and a job growth rate of -4.1%, due to COVID-19.

Although the City is not a top tourist spot in Central Florida, it is in close vicinity to nine out of the ten top Florida theme parks including Disney's Magic Kingdom, EPCOT, Animal Kingdom, Islands of Adventure, Universal Studios, Sea World, and many others. Many of our visitors enjoy other activities St. Cloud has to offer such as a zip line and Aerial Adventure Park at Forever Florida, boat tours, Reptile World, Peghorn Nature Park, a prestigious golf course, horse-drawn carriage tours in the historic downtown area, and a beautiful lakefront park with a beach.

Long-term Financial Planning

The City aggressively seeks out Federal, State, and other operating and capital grants to leverage fund balances by reducing the amount of direct city funding for various programs. Highlights of grants received for fiscal year 2020 include: The COPS Hiring
1300 Ninth Street, St. Cloud, FL 34769-3399 • 407-957-7310 • 407-957-7335 (fax)

Program (CHP), the Staffing for Adequate Fire and Emergency Response (SAFER) Grant program funded through FEMA, and Community Development Block Grant awards for infrastructure and various other improvements throughout the City. Capital and operating grant totals by function, which include impact fees, can be found in the Statement of Activities of this Annual Financial Report.

Revenue generation is largely influenced by overall economic conditions. Revenues consist of taxes, user fees, shared revenues, and other financing sources. Management is diligent in their efforts to diversify revenue streams and use resources effectively to protect fund balance while maintaining efficient service levels for our citizens and stake holders. Management will also continue to budget and manage all resources in the most cost-effective manner.

Major Initiatives

Economic Development is a major focus for the City due to the availability of land and the current positive economic conditions present in every aspect of City business. In support of this, the Community Development Department implemented the Community Development Block Grant program, developed the Medical Arts Campus Master Plan, and expanded the Downtown Entertainment District. In 2020, the City began providing grants for small businesses and nonprofit organizations to help combat the negative economic effects of COVID-19.

The City completed its' rebranding planning and is set to implement rebranding in the coming year.

The Public Works Department completed a roadway assessment for all City maintained roads as well as continue to work to finalize the 20 year paving plan and striping plan.

The Environmental Utilities Department completed Ice Pigging of numerous water lines to help improve the color and quality of water for City residents.

The CRA funded its community policing program which provided dedicated law enforcement for its districts and direct assistance to local businesses through its no-cost crime prevention through environmental design training tutorials.

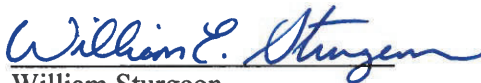
Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Cloud for its Annual Financial Report (AFR) for the fiscal year ended September 30, 2019. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized AFR that satisfied both generally accepted accounting principles and applicable legal requirements.

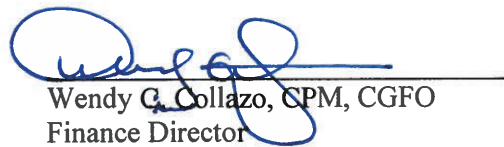
A Certificate of Achievement is valid for a period of one year only. We believe that our current 2020 AFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the professionalism and dedication demonstrated by the Finance Department and all members of the various departments who assisted and contributed to the preparation of this report. In addition, thanks go to Mayor and City Council for continuous unwavering support in maintaining the highest standards of professionalism in the management of the City of St. Cloud's finances. This AFR reflects management's commitment to the citizens of the City of St. Cloud and the financial community to maintain financial statements in conformance with the highest standards of financial accountability.

Respectfully submitted,



William E. Sturgeon,
City Manager

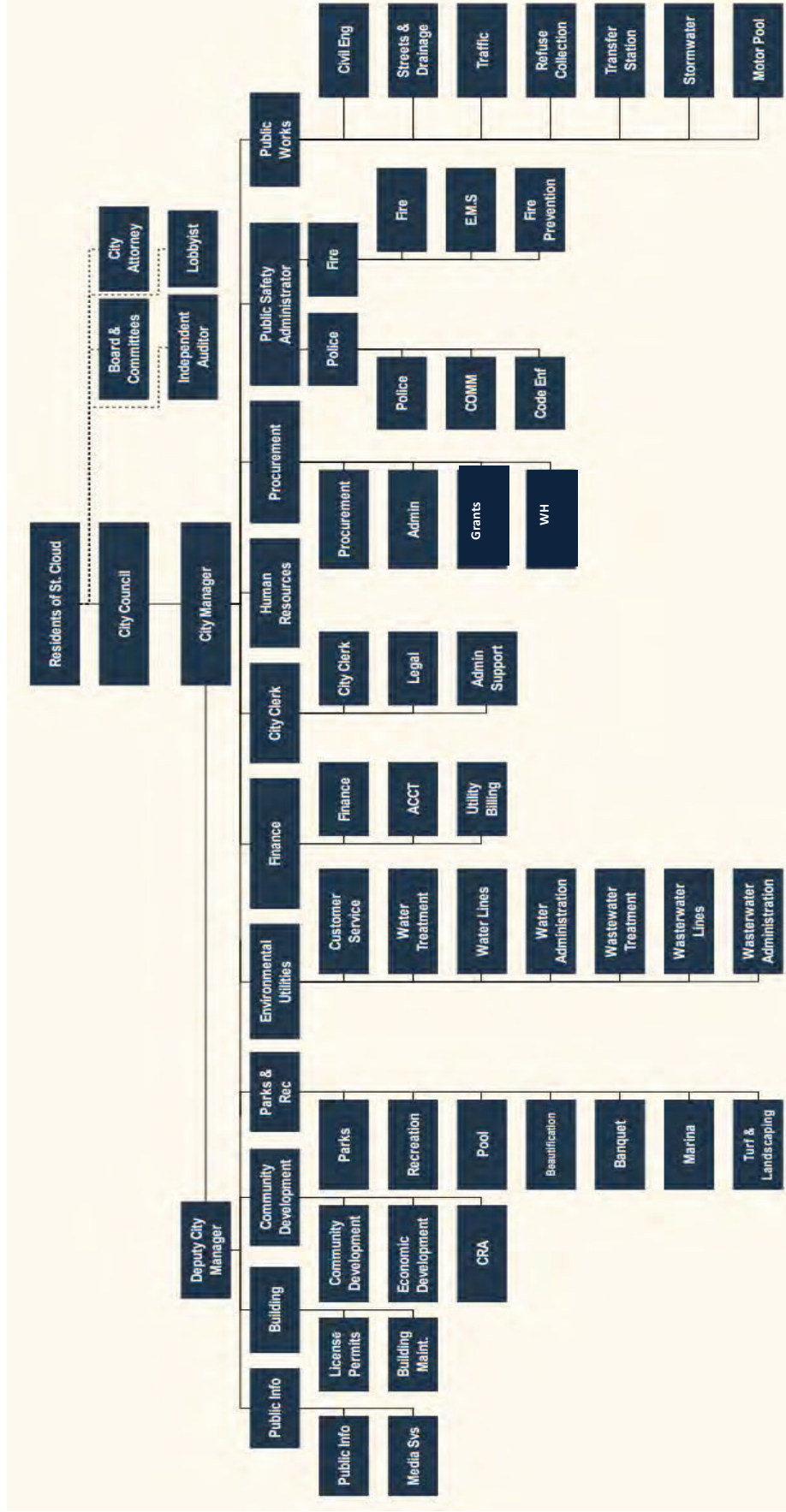


Wendy G. Collazo, CPM, CGFO
Finance Director

wcc\dc-wcc



City of St. Cloud Organizational Chart





Government Finance Officers Association

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

Presented to

**City of St. Cloud
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION

This section Contains the Following Subsections:

REPORT OF INDEPENDENT AUDITORS
MANAGEMENT'S DISCUSSION AND ANALYSIS
BASIC FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
REQUIRED SUPPLEMENTARY INFORMATION
SUPPLEMENTAL INFORMATION

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

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 financial statement presentation.

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

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland

purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

An Independent Member of the BDO Alliance USA

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

INDEPENDENT AUDITOR'S REPORT

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 as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual non-major fund financial statements, budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

INDEPENDENT AUDITOR'S REPORT

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



March 26, 2021
Ocala, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section in the Comprehensive Annual Financial Report has been developed in accordance with the Governmental Accounting Standards Board (GASB) Statement Number 34 (GASB 34). It is intended to provide the readers of this report with a general overview and analysis of the financial activities of the City of St. Cloud (the City) for the fiscal year ended September 30, 2020.

Management's Discussion and Analysis (MD&A) is designed to focus on the current fiscal year activities, resulting changes, and currently known facts. Please read it in conjunction with additional information in the Transmittal Letter, the financial statements, and notes to the financial statements.

Financial Highlights

The City is in good financial condition. For the year ended September 30, 2020:

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$423.7 million (net position). Of this amount, \$153.2 million was from governmental activities and \$270.5 million was from business-type activities.
- Unrestricted net positions for governmental and business activities, respectively, were \$6.5 and \$23.9 million.
- The City's revenues for governmental funds, excluding transfers, were \$53.7 million. The expenditures for governmental funds were \$47.9 million.
- The business-type activities of the City had total operating revenues of \$46.7 million and total expenses of \$41.3 million before transfers.
- At the close of fiscal year 2019-2020, the governmental funds reported combined ending fund balances of \$63.2 million, an increase of \$9.8 million in comparison with the prior fiscal year. Approximately \$8.1 million, or 12.9%, of this total amount is available for spending at the City's discretion (*unassigned fund balance*).
- The City's long-term debt decreased by \$5.4 million. Business-type activities long-term debt decreased by \$4.0 million. Long-term liabilities for governmental activities decreased by \$1.4 million.

Overview of the Financial Statements

The *Introductory Section* of the report includes the letter of transmittal, a list of City officials, an organizational chart, and a copy of last fiscal year's Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

The *Financial Section* of the report includes the Report of Independent Auditor, this MD&A, the basic financial statements, required supplementary information, and combining and individual fund statements and schedules.

The *MD&A* is prepared by management and is intended to serve as an introduction to the basic financial statements. It is written to provide an objective and easily readable analysis of the City's financial activities and a summary of basic financial information for the City.

The Basic Financial Statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

MANAGEMENT'S DISCUSSION AND ANALYSIS

In addition to the Basic Financial Statements, the Financial Section also includes the following sections:

- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules (see Supplemental Information Tab).

After the Financial Section, other information about the City and its physical and financial environment are available in the *Statistical* and *Compliance* Sections.

Government-Wide Financial Statements

The government-wide financial statements are the statement of net position and the statement of activities. This summary information is designed to provide a broad overview of the City as a whole that is similar to private sector financial statements. The *government-wide financial statements* categorize the City's financial information as governmental or business-type, and the emphasis is on the change in net position. Governmental activities are primarily supported by property taxes, sales and other taxes, federal and state grants, transfers from the proprietary funds, and state shared revenues. Business-type activities are supported by charges to the users of services. Charges and fees are intended to recover all or a significant portion of costs.

The statement of net position shows the total assets, deferred outflow of resources, liabilities, and deferred inflows of resources for the City. Net position is sub-divided into three categories:

- Net Investment in Capital Assets
- Restricted
- Unrestricted

The statement of activities presents information on all revenues and expenses of the City and the change in net position. Revenues and expenses are reported by major function and program. Governmental activities financed by the City include public safety, physical environment, transportation, culture and recreation, and general government services. Business-type activities financed by user fees and charges include water, sewer, storm water, and sanitation utilities, and the building department operations.

Fund Financial Statements

The fund financial statements follow the government-wide financial statements, and are expanded under the GASB 34 reporting model. 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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City categorizes funds into three basic fund types: 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 statements. However, unlike the government-wide statements, governmental fund related 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. This information may be useful in evaluating a government's *near-term* financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it may be useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This comparison highlights the long-term impact of the City's *near-term* financial decisions.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances offer a reconciliation to assist with this comparison.

The City maintains twelve individual governmental funds. The general fund and two other funds are major funds in this group. The other nine governmental funds have been combined into a single, aggregated presentation as non-major funds. Data for each individual non-major governmental fund is provided via the combining statements elsewhere in this report.

Proprietary Funds

The City's *Proprietary Funds* fall into two categories - *Enterprise Funds* and *Internal Service Funds*. The proprietary fund financial statements provide separate information for the City's individual enterprise funds since they are considered to be major funds. None of the internal service funds are major funds; so data for internal service funds are aggregated in a separate column. Also, because the internal service funds represent activities that predominately satisfy internal governmental needs, balance sheet and other data are included as *governmental activities*, not business-type activities, in the government-wide financial statements.

The City's *Enterprise Funds* are the basis for the business-type activities information in the government-wide financial statements. The proprietary fund statements provide more detail about individual enterprise fund operations. The City uses enterprise funds to account for its water, sewer, storm water and sanitation utilities, and the building department operations.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among some of the City's various functions. Included in the internal service fund group is the City's Self Insurance Fund. Individual fund data for the internal services funds is provided in the form of *combining statements* elsewhere in this report, and is included in the governmental rather than business-type activities category in the government-wide financial statements.

Fiduciary Funds

Fiduciary Funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because 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 City has two pension trust funds to account for the General Employee Retirement System and the Police Officers' and Firefighters' Retirement System. The basic fiduciary fund financial statements can be found after the basic proprietary fund financial statements.

Notes to Financial Statements

The notes provide additional information that is essential to a complete understanding of the data provided in both the government-wide and fund financial statements. The notes to the financial statements are the last section of the Basic Financial Statements and follow the fiduciary fund financial statements.

Other Information

Required Supplementary Information (RSI) is the next section in this report. In the City's case, RSI schedules show the changes in net position and employer contributions for the City's employee pension funds and a schedule of funding progress for Other Postemployment Benefits (OPEB).

The *Combining and Individual Fund Statements and Schedules* section includes combining and individual fund statements for non-major and other funds, and various other statements and schedules of interest to the reader.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The *Statistical Section* presents information designed to give users a better historical perspective and to assist readers in assessing current financial status and trends of the governmental unit. Economic information is presented to allow a broader understanding of the financial and social environment in which the City operates.

The *Compliance Section* contains various reports and schedules with information about the City's internal control, federal and state grants, and any additional comments from the auditors.

Government-Wide Financial Analysis

Net Position

The Statement of Net Position and the concept of net position are useful indicators of a governmental entity's financial health and stability. In the case of the City, total assets (current and capital) plus deferred outflows of resources exceed total liabilities (current and long-term) and deferred inflows of resources by \$423.7 million.

Furthermore, the City has combined positive balances in all the categories of net position - net investment in capital assets, restricted and unrestricted. The City's combined net position increased by \$36.5 million from the amounts previously reported at the end of fiscal year 2019. Governmental activities are responsible for an increase of \$10.6 million, while the business-type activities are responsible for an increase of \$25.9 million. In *Governmental Activities Funds*, the unrestricted net position increased by \$1.7 million. The *Business-Type Activities Funds* unrestricted net position also increased by \$10.8 million. The growth in the local economic activity and positive financial results has allowed the City to increase positive balances in nearly all categories of net position.

The following schedule provides a comparative summary of net position for the City for fiscal years 2019 and 2020. For more detail see the Statement of Net Position in the Financial Section of this report immediately following this MD&A.

City of St. Cloud's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Current and Other Assets	\$ 62,156,294	\$ 73,773,648	\$ 63,346,075	\$ 83,098,593	\$ 125,502,369	\$ 156,872,241
Capital Assets	138,347,222	135,045,192	237,793,748	240,407,554	376,140,970	375,452,746
Net Pension Asset	987,052	1,429,523	873,951	1,303,526	1,861,003	2,733,049
Unamortized Bond Insurance Cost	185,513	159,518	-	-	185,513	159,518
Total Assets	201,676,081	210,407,881	302,013,774	324,809,673	503,689,855	535,217,554
Deferred Outflows	4,113,099	6,420,110	665,918	575,100	4,779,017	6,995,210
Long-Term Liabilities	55,615,183	55,042,680	48,478,263	44,479,039	104,093,446	99,521,719
Other Liabilities	6,380,833	7,256,560	9,323,747	10,001,009	15,704,580	17,257,569
Total Liabilities	61,996,016	62,299,240	57,802,010	54,480,048	119,798,026	116,779,288
Deferred Inflows	1,146,495	1,309,331	229,829	377,256	1,376,324	1,686,587
Net Position:						
Net Investment in Capital Assets	98,669,983	97,971,031	197,342,570	203,952,152	296,012,553	301,923,183
Restricted	39,195,441	48,780,445	34,226,595	42,742,538	73,422,036	91,522,983
Unrestricted	4,781,245	6,467,944	13,078,688	23,832,779	17,859,933	30,300,723
Total Net Position	\$ 142,646,669	\$ 153,219,420	\$ 244,647,853	\$ 270,527,469	\$ 387,294,522	\$ 423,746,889

MANAGEMENT'S DISCUSSION AND ANALYSIS

By far the largest portion of the City's net position is *investment in capital assets* (less any related outstanding debt used to acquire those assets). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate debt.

The City's net position is also grouped as *restricted* and *unrestricted*. Restricted net position is subject to restrictions on how they may be used. Unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

The Statement of Activities reconciles and links net position to the sources of changes in net position. Program revenues and expenses are presented by function and with their positive or negative effect on net position. General revenues and transfers, and their effect on net position, are shown separately. The Statement of Activities combines the effects of all revenues, expenses, and transfers to calculate net position by governmental activities, business-type activities, and in total. The schedule below provides a comparative summary of activities and the changes in net position for the City for the fiscal years ended September 30, 2019 and 2020.

City of St. Cloud's Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2019	2020	2019	2020	2019	2020
Revenues:						
Program Revenues:						
Charges for Services	\$ 13,325,365	\$ 13,794,497	\$ 44,213,696	\$ 45,880,156	\$ 57,539,061	\$ 59,674,653
Operating Grants and Contributions	1,465,076	818,683	160,384	717,214	1,625,460	1,535,897
Capital Grants and Contributions	15,241,261	12,097,943	31,221,199	24,060,260	46,462,460	36,158,203
General Revenues:						
Property Taxes	10,170,449	11,741,556	-	-	10,170,449	11,741,556
Other Taxes	17,139,432	15,816,052	-	-	17,139,432	15,816,052
Other Revenues	2,138,573	1,972,726	1,329,735	1,035,211	3,468,308	3,007,937
Total Revenues	59,480,156	56,241,457	76,925,014	71,692,841	136,405,170	127,934,298
Expenses:						
General Government	6,664,995	5,903,303	-	-	6,664,995	5,903,303
Public Safety	26,392,331	27,934,401	-	-	26,392,331	27,934,401
Transportation	7,671,124	7,639,113	-	-	7,671,124	7,639,113
Parks and Recreation	5,252,656	5,008,231	-	-	5,252,656	5,008,231
Other Operating	642,925	769,691	-	-	642,925	769,691
Electric System	699,213	472,177	-	-	699,213	472,177
Interest and Fees	2,275,732	1,166,069	-	-	2,275,732	1,166,069
Water Utility	-	-	13,196,615	13,344,125	13,196,615	13,344,125
Sewer Utility	-	-	12,140,863	12,971,698	12,140,863	12,971,698
Sanitation Utility	-	-	11,673,867	10,605,845	11,673,867	10,605,845
Storm Water Utility	-	-	2,432,995	2,633,013	2,432,995	2,633,013
Special District	-	-	760,866	767,333	760,866	767,333
Building Department	-	-	1,758,767	2,266,932	1,758,767	2,266,932
Total Expenses	49,598,976	48,892,985	41,963,973	42,588,946	91,562,949	91,481,931
Increase in Net Position						
Before Transfers	9,881,180	7,348,472	34,961,041	29,103,895	44,842,221	36,452,367
Transfers	3,831,668	3,224,279	(3,831,668)	(3,224,279)	-	-
Changes in Net Position	13,712,848	10,572,751	31,129,373	25,879,616	44,842,221	36,452,367
Net Position - Beginning	128,933,821	142,646,669	213,518,480	244,647,853	342,452,301	387,294,522
Adjustment to Beginning Net Position	-	-	-	-	-	-
Net Position - Beginning	128,933,821	142,646,669	213,518,480	244,647,853	342,452,301	387,294,522
Net Position - Ending	\$ 142,646,669	\$ 153,219,420	\$ 244,647,853	\$ 270,527,469	\$ 387,294,522	\$ 423,746,889

MANAGEMENT'S DISCUSSION AND ANALYSIS

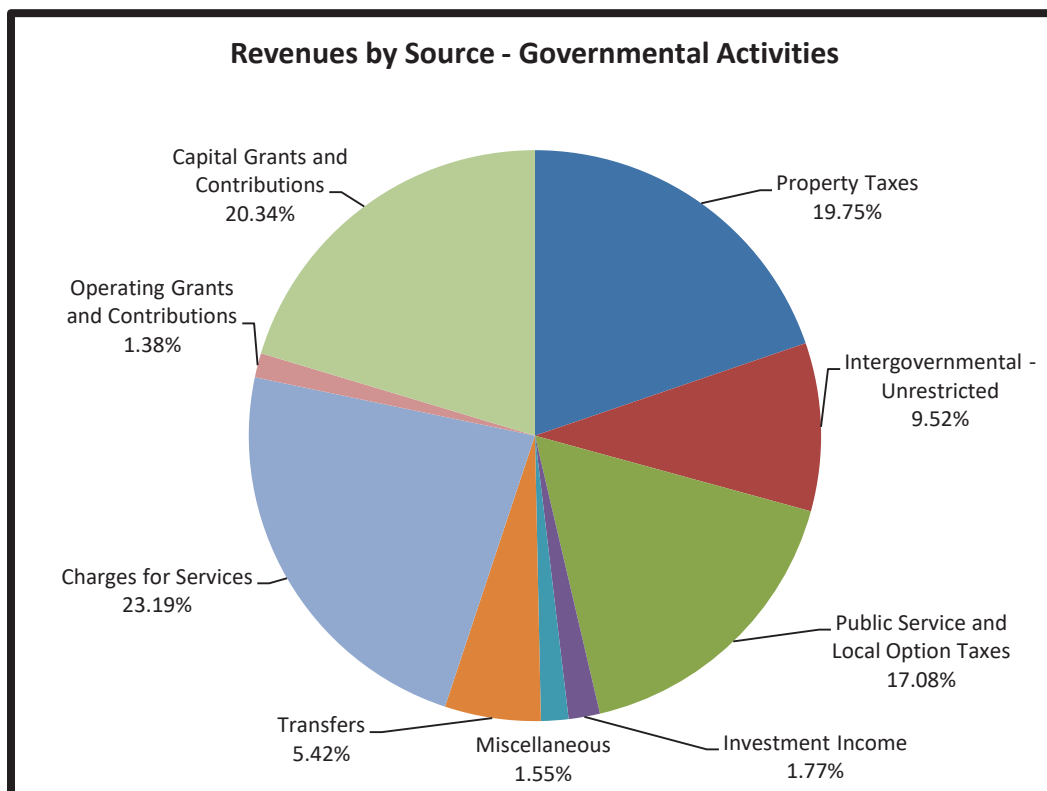
Governmental Activities

Net position of the City's governmental-type activities increased by \$10.6 million from the amounts previously reported at the end of fiscal year 2019. The primary reason for the increase is continual improvement in economic activity throughout the Orlando Metropolitan area. Please see notes to financial statements for further information.

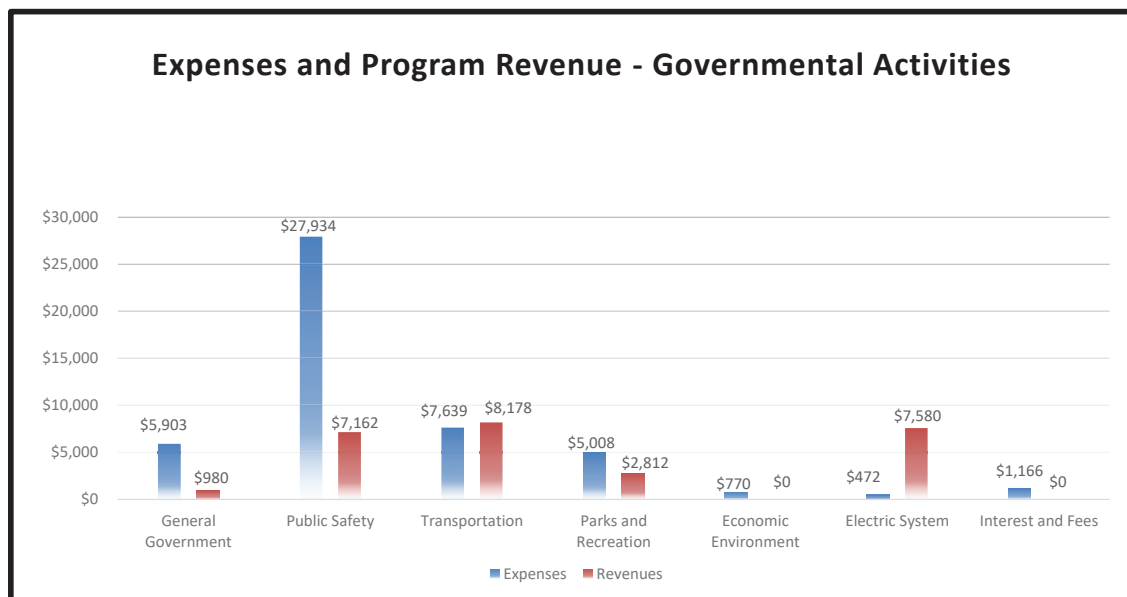
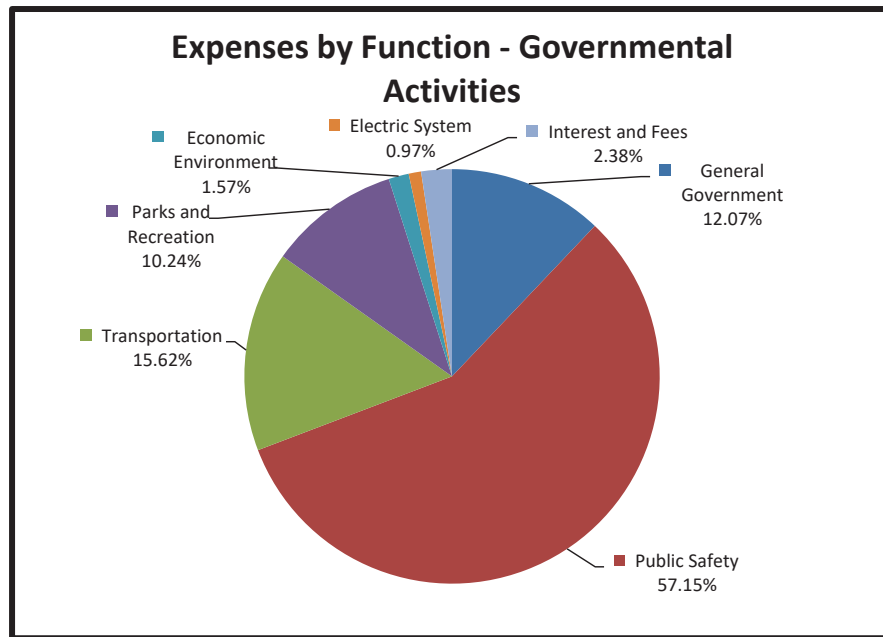
The City's major revenue sources, including property taxes, sales tax, and intergovernmental sources increased moderately from 2019 to 2020. The Orlando Metropolitan Area continues to be one of the fastest growing regions in the United States and both residential and commercial growth is occurring within the City limits. The effect of the pandemic COVID-19 did have lagging effects in some of the revenue sources.

Overall, Governmental Activities revenues and expenses remained fairly stable. Exceptions to this are Capital Grants and Contributions revenues, which decreased by \$3.1 million mainly due to a decrease in impact fees contributions from residential and commercial development and population within the City. For expenses, Interest and Fees increased \$1.1 million primarily due to the new debt issuance.

The following graphs provide an analysis of the City's revenue sources for governmental activities by type, and its governmental activities expenses by function:



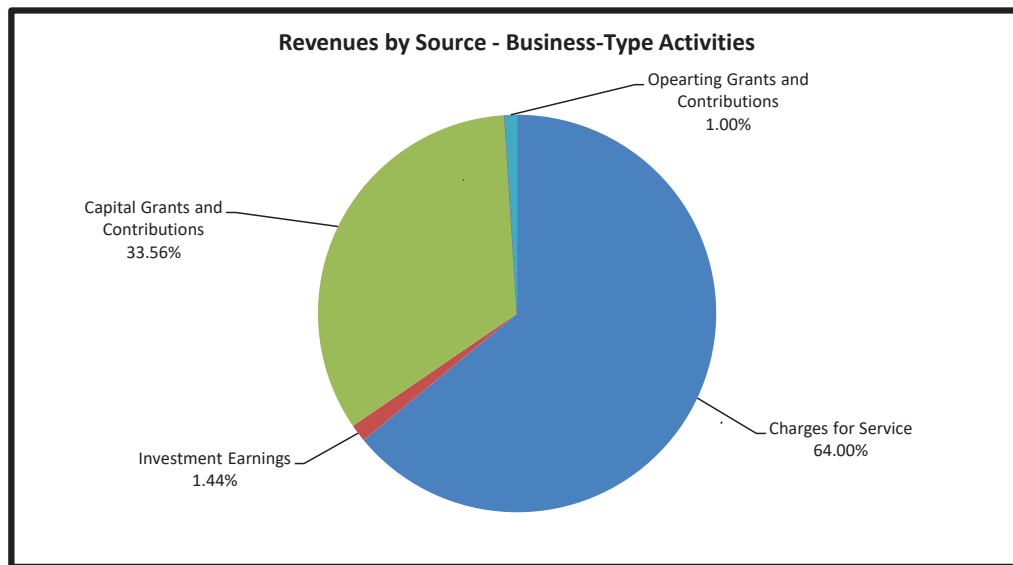
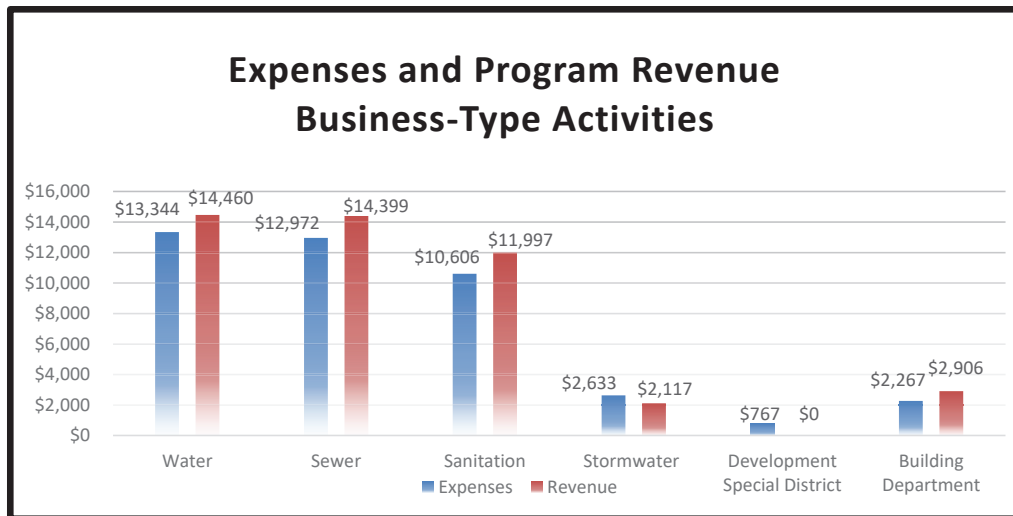
MANAGEMENT'S DISCUSSION AND ANALYSIS



Business-Type Activities

Net position of the City's business-type activities showed an increase of \$25.9 million from the amounts previously reported at the end of fiscal year 2019. This change is attributable primarily to a steady increase in service area covered producing 64% of the revenue, or \$45.9 million, from charges for services. Inversely there was a decrease of \$7.2 million in capital grants and contributions having a blended component with some effect of the global pandemic decreasing development and overall economic activity. Note that while sizeable in impact, this impediment did not act as a deterrent to the revenue stream to remaining the second largest revenue contributor of \$24.1 million, or 33.6%, of the overall. Total operating expenses for the business-type activities increased by \$625.0 thousand directly resulting from increased operational activity. The following graph provides an analysis of the City's business-type activity expenses by function:

MANAGEMENT'S DISCUSSION AND ANALYSIS



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

As of the end of fiscal year 2020, the City's *governmental funds* reported combined ending fund balances of \$63.2 million, an increase of \$9.8 million from the prior year. Total governmental revenue of \$53.7 million decreased \$1.2 million from the previous year, primarily due to decrease in intergovernmental revenues. Total governmental expenditures showed a decrease of \$3.2 million. This decrease was primarily due to a decrease in capital outlay expenditures.

The general governmental fund balances of \$63.2 million are available for spending, subject to regulatory, statutory, and budgetary restrictions. Of the available balance, \$8.1 million, or 12.87%, is unassigned; the remainder of the fund balance is non-spendable or restricted and not available for new spending because the funds have already been committed by law or covenant. Major commitments for specific purposes are as follows:

MANAGEMENT'S DISCUSSION AND ANALYSIS

- \$2.6 Million for Community Redevelopment Funds
- \$17.4 Million for Transportation
- \$27.1 Million for Capital Additions

The **General Fund** is the City's major governmental fund. As of September 30, 2020, its fund balance was \$13.6 million with \$8.2 million of that unassigned. General Fund revenue budgeted for fiscal year 2020 was \$31.4 million in the original budget and \$31.5 million in the final budget (excluding transfers), with actual revenue received of \$28.2 million. General Fund actual expenditures were \$5.7 million less than the final budget as a result of continued prudent spending strategy as spending was cadenced in response to the reduction in services provided due to the global pandemic of COVID-19. Additional revenues were facilitated by sustainable economic activity, the fiscal year 2020 ended with a net increase in fund balance of \$459.7 thousand.

The **OUC / St. Cloud Inter-Local Fund** is an agreement with the Orlando Utility Commission (OUC) to manage the City's electric utility and calls for annual revenue based payments to the City equal to 9.5% of sales, and such funds can be used for any legally authorized purpose. For the fiscal year 2020, the OUC fund balance had a net increase of \$65.9 thousand and reported an ending fund balance of \$903.1 thousand.

The **Mobility Impact Fee Fund** was added in May of 2017 by Ordinance. Mobility fees act as traffic impact fees but, with more flexibility to include other projects other than road capacity. As of September 30, 2020, the Mobility Impact Fee Fund balance was \$16.1 million. Net change in fund balance was reported at \$5.1 million. Revenue exceeded budget by \$1.6 million, including steady growth in Permit and Fees of a total of \$1.4 million vs. projections.

Proprietary Funds

The City's Proprietary Funds generate revenues and expenses that are shown as business-type activities in the government-wide financial statements. At the fund level, Proprietary Funds have an unrestricted net position of \$29.4 million (excluding Steven Plantation Fund, which has an unrestricted \$5.6 million deficit). Of this amount, the Water Fund has \$10.9 million, the Sewer Fund has \$12.3 million, the Sanitation Fund has \$1.5 million, the Storm Water Fund has \$832.5 thousand, and the Building Fund has \$4.0 million.

There was an increase in the total net position of the Proprietary Funds of \$25.9 million in the current fiscal year, attributable to the Water and Sewer Funds investing operating income in capital improvements and capital contributions by private developers. Moreover, the overall net position (excluding net investment in capital assets) represents a \$19.3 million increase from the amount previously reported in the prior year, due to increased capital contributions by private developers and income from charges for services.

The Internal Service Funds (a category of the City's proprietary funds) are an accounting device used to accumulate and allocate costs internally among some of the City's various functions. At the fund level, they have a total net position of \$3.5 million in the current fiscal year as compared to \$2.5 million reported at the end of fiscal year 2019. This reflects adjustments made in rates and other measures enacted to allow these funds to recover the cost of services they provide.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund Budgetary Highlights

The General Fund's original budget was amended to increase expenditures (excluding transfers) by \$1.25 million. Estimated revenues were increased by \$42.4 thousand when compared to the original budget. Budget changes between the original and final budgets are summarized below:

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

	Original	Final	Variance	Actual	Variance
Revenues					
Taxes	\$ 15,996,010	\$ 15,996,010	\$ -	\$ 16,098,082	\$ 102,072
Permits and Fees	1,807,293	1,807,293	-	1,801,734	(5,559)
Grants	5,636,508	5,636,508	-	4,718,031	(918,477)
Intergovernmental Revenues	4,650,074	4,650,074	-	3,886,287	(763,787)
Charges for Services	105,800	105,800	-	105,044	(756)
Fines and Forfeitures	587,070	629,468	42,398	908,102	278,634
Investment Income	154,000	154,000	-	264,027	110,027
Other Revenue	2,533,668	2,533,668	-	433,422	(2,100,246)
Total Revenues	<u>31,470,423</u>	<u>31,512,821</u>	<u>42,398</u>	<u>28,214,729</u>	<u>(3,298,092)</u>
Expenditures					
City Council	749,294	749,294	-	445,041	304,253
City Manager	1,047,852	1,150,650	102,798	794,869	355,781
City Clerk	830,740	863,065	32,325	600,328	262,737
Human Resources	806,378	806,378	-	475,175	331,203
Finance	1,277,204	1,277,204	-	783,940	493,264
Procurement	764,083	790,169	26,086	233,621	556,548
Information Technology	1,523,756	1,583,362	59,606	1,062,898	520,464
Planning/Zoning	1,506,078	1,614,524	108,446	940,489	674,035
Building Maintenance	1,365,660	1,418,180	52,520	711,948	706,232
Police	16,143,034	16,382,324	239,290	16,316,937	65,387
Fire	9,691,397	9,788,711	97,314	9,719,158	69,553
Public Works	2,106,972	2,085,233	(21,739)	1,934,025	151,208
Parks and Recreation	4,601,959	4,620,068	18,109	3,918,648	701,420
Capital Outlay	291,680	827,305	535,625	285,143	542,162
Total Expenditures	<u>\$ 42,706,087</u>	<u>\$ 43,956,467</u>	<u>\$ 1,250,380</u>	<u>\$ 38,222,220</u>	<u>\$ 5,734,247</u>

Original Budget Compared to Final Budget

During the year, there was no need for any significant amendments to increase the original estimated revenues. The overall budget was increased by 2.9% due to Police Department overtime needs of \$306,600 and some Capital Outlay needs identified late in the fiscal year (City Council Chambers renovation for \$275,000).

Final Budget Compared to Actual Results

The most significant difference between estimated revenue and actual revenue was as follows:

Revenue Source	Estimated Revenues	Actual Revenues	Difference
Other Revenue	\$ 2,533,668	\$ 433,422	\$ (2,100,246)

The shortfall in other revenue was primarily due to Parks and Recreation revenue sources, which were virtually non-existent due to the COVID-19 pandemic.

The most significant differences between budgeted expenditures and actual expenditures were as follows:

MANAGEMENT'S DISCUSSION AND ANALYSIS

<u>Department</u>	<u>Budget</u>	<u>Actual Expenditures</u>	<u>Difference</u>
Planning/Zoning	\$ 1,614,524	\$ 940,489	\$ 674,035
Building Maintenance	1,418,180	711,948	706,232
Parks and Recreation	4,620,068	3,918,648	701,420

- Planning/Zoning had numerous vacant positions throughout the year as well as a significant amount of budgeted professional services funding which did not get expended.
- Building Maintenance expended 60% less on repairs and maintenance costs than originally budgeted.
- Parks and Recreation had significant decreases in their normal operating costs due to the lack of activity caused by COVID-19.
- In addition to the above differences, all departments had allocated administrative charges totaling over \$2.1 million. These expenditures were allocated to the Enterprise Funds within the City.

Capital Assets and Debt Administration

Capital Assets

The City's capital assets for its governmental and business-type activities as of September 30, 2020, are \$375.5 million (net of accumulated depreciation).

Capital assets include land, buildings, improvements other than buildings, intangible assets, infrastructure, machinery and equipment, and construction in progress and the change in each category are shown in the table below. Assets other than land and construction in progress are depreciable for the current year.

Within governmental activities, the largest increases from the beginning balances were in Infrastructure for \$1.9 million, Buildings and Improvements for \$2.1 million, and Equipment for \$74.9 thousand and a reduction of \$1.4 million in Construction in Progress. These capital assets include land, software, buildings, and improvements other than buildings (including leasehold improvements), equipment, vehicles, infrastructure, and construction in progress.

Factors attributing included Building Improvements design and re-design projects, software implementation of OpenGov, Building permit IVR upgrade and set up fees, as well as Trakit program cost.

City of St. Cloud's Capital Assets
(in 000's)

	<u>Governmental Activities 2019</u>	<u>Governmental Activities 2020</u>	<u>Business-Type Activities 2019</u>	<u>Business-Type Activities 2020</u>	<u>Total 2019</u>	<u>Total 2020</u>
Land and Improvements	\$ 29,981	\$ 29,842	\$ 2,738	\$ 2,738	\$ 32,719	\$ 32,580
Construction in Progress	6,246	4,879	3,952	6,364	10,198	11,243
Buildings and Improvements	29,791	28,582	35,160	35,864	64,951	64,446
Equipment	8,596	8,575	7,584	6,907	16,180	15,482
Electric Plant	4,824	4,584	-	-	4,824	4,584
Water/Sewer/Sanitation/Storm Water Utility Assets	-	-	188,360	188,535	188,360	188,535
Infrastructure (Roads and Streets)	58,909	58,583	-	-	58,909	58,583
Total	<u>\$ 138,347</u>	<u>\$ 135,045</u>	<u>\$ 237,794</u>	<u>\$ 240,408</u>	<u>\$ 376,141</u>	<u>\$ 375,453</u>

There was an increase in net capital assets in government activities of \$3.3 million, with a corresponding increase of \$2.6 million in business-type assets.

Additionally, depreciation expense was consistent with the prior year. More information regarding capital assets and the net effect on net position can be found in Note 3.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-Term Debt

On September 30, 2020, the City had total long-term liabilities outstanding of \$88.0 million, of which \$80.5 million is from bonds, notes, and capital leases. The remaining outstanding includes the Florida Department of Environmental Protection (FDEP) long-term landfill monitoring requirements (\$1.8 million), compensated absences (\$2.2 million), and OPEB (\$3.4 million).

The City's long-term debt is secured by specified revenue sources (i.e., revenue bonds and notes) or covenants to appropriate annual debt service. The City does not have any general obligation debt which would pledge the full faith and credit of the City. At the end of the fiscal year, the City had total long-term debt outstanding of:

City of St. Cloud's Outstanding Debt						
	Governmental Activities 2019	Governmental Activities 2020	Business-Type Activities 2019	Business-Type Activities 2020	Total 2019	Total 2020
Revenue Bonds and Notes	\$ 40,888,389	\$ 39,473,270	\$ 45,071,371	\$ 41,075,092	\$ 85,959,760	\$ 80,548,362

During this year, as in the prior year, the Stevens Dependent Special District (DSD) debt was in default status. The Stevens DSD debt is past the maturity date and the attorneys for Stevens DSD and the bondholders are continuing to attempt to work out a settlement that is beneficial to both parties. Additional information on the City's long-term debt can be found in Note 6 of this report.

Economic Factors and Next Year's Budgets and Rates

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) rely primarily on property and a limited array of other permitted taxes (sales, gasoline, and utilities) and fees (franchise, occupational license) to finance governmental activities. For the business-type and certain other governmental activities (construction services and recreational programs), the user pays a related fee or charge associated with the service. In the case of business-type activities, these fees are designed to cover expenses. For some governmental activities, such as recreation, these fees do not provide for full cost recovery and these activities are subsidized by general revenues. Fees for all services are examined and adjusted as needed.

The adopted City-wide budget for fiscal year 2020 is \$178,383,261. The adopted budget presented no increase to the ad valorem tax rate as the current fiscal year and the previous three years of 5.1128 mills. Ad valorem tax collection rates are at a 96% collection rate, Ad valorem tax revenues are budgeted at \$11,748,452 in tax revenue. This positive increase of \$1,711,216, or 17%, over the previous fiscal year tax revenues is primarily due to property valuations as well as new construction and improvements to property. The adopted budget for fiscal year 2019-2020 reflects the City Council's continued commitment to public safety, recreation, and quality municipal services for its residents and visitors.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of St. Cloud, 1300 Ninth St., St. Cloud, Florida 34769-3399.

The City's AFR is also available on-line at www.stcloud.org under Departments – Finance.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Governmental Activities	Business- Type Activities	Total
Assets			
Cash and Investments	\$ 69,914,056	\$ 74,808,608	\$ 144,722,664
Receivables, Net	1,641,972	4,967,896	6,609,868
Due from Other Governments	969,597	-	969,597
Internal Balances	813,580	(813,580)	-
Prepaid Expenses and Deposits	272,295	71,804	344,099
Inventory - Warehouse and Fuel	162,148	487,758	649,906
Land Held for Resale	-	3,576,107	3,576,107
Net Pension Asset	1,429,523	1,303,526	2,733,049
Unamortized Bond Insurance Costs	159,518	-	159,518
Capital Assets Not Being Depreciated	34,720,641	9,101,300	43,821,941
Capital Assets, Net of Depreciation	100,324,551	231,306,254	331,630,805
Total Assets	210,407,881	324,809,673	535,217,554
Deferred Outflows of Resources			
Deferred Amount on Refunding	1,371,239	-	1,371,239
Pension Related	4,927,247	515,565	5,442,812
OPEB Related	121,624	59,535	181,159
Total Deferred Outflows of Resources	6,420,110	575,100	6,995,210
Liabilities			
Accounts and Retainage Payable	4,805,991	3,549,320	8,355,311
Accrued Liabilities	1,812,866	1,443,236	3,256,102
Unearned Revenue and Deposits	637,703	5,008,453	5,646,156
Long-Term Liabilities:			
Due Within One Year	4,099,146	9,049,246	13,148,392
Due in More Than One Year	39,386,328	35,429,793	74,816,121
Net Pension Liability, Due in More Than One Year	11,557,206	-	11,557,206
Total Liabilities	62,299,240	54,480,048	116,779,288
Deferred Inflows of Resources			
Pension Related	921,287	187,307	1,108,594
OPEB Related	388,044	189,949	577,993
Total Deferred Inflows of Resources	1,309,331	377,256	1,686,587
Net Position			
Net Investment in Capital Assets	97,971,031	203,952,152	301,923,183
Restricted for:			
Debt Service	291,837	3,108,769	3,400,606
Capital Projects	27,049,193	34,754,136	61,803,329
Transportation	17,385,654	-	17,385,654
Economic Development	351	-	351
Community Redevelopment	2,594,578	-	2,594,578
Public Safety Initiatives	29,309	-	29,309
Pension	1,429,523	1,303,526	2,733,049
Land Held for Resale	-	3,576,107	3,576,107
Unrestricted	6,467,944	23,832,779	30,300,723
Total Net Position	\$ 153,219,420	\$ 270,527,469	\$ 423,746,889

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

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

Functions/Programs	Expenses	Program Revenues		
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 5,903,303	\$ 975,210	\$ -	\$ 5,057
Public Safety	27,934,401	4,859,895	363,136	1,938,588
Transportation	7,639,113	-	87,963	8,089,640
Parks and Recreation	5,008,231	379,500	367,584	2,064,658
Economic Environment	769,691	-	-	-
Electric System	472,177	7,579,892	-	-
Interest and Fees	1,166,069	-	-	-
Total Governmental Activities	48,892,985	13,794,497	818,683	12,097,943
Business-Type Activities				
Water Utility	13,344,125	14,460,327	1,530	8,865,279
Sewer Utility	12,971,698	14,399,344	-	13,607,054
Sanitation Utility	10,605,845	11,996,998	-	51,588
Stormwater Utility	2,633,013	2,117,139	-	1,536,339
Development Special District	767,333	-	715,684	-
Building Department	2,266,932	2,906,348	-	-
Total Business-Type Activities	42,588,946	45,880,156	717,214	24,060,260
Total Primary Government	\$ 91,481,931	\$ 59,674,653	\$ 1,535,897	\$ 36,158,203

General Revenues

Taxes:

Property Taxes

Intergovernmental, Unrestricted

Public Service Tax

Local Option Gas Tax

Sales Taxes

Investment Income

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

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

Net (Expense) Revenue and Change in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (4,923,036)	\$ -	\$ (4,923,036)
(20,772,782)	-	(20,772,782)
538,490	-	538,490
(2,196,489)	-	(2,196,489)
(769,691)	-	(769,691)
7,107,715	-	7,107,715
(1,166,069)	-	(1,166,069)
(22,181,862)	-	(22,181,862)
-	9,983,011	9,983,011
-	15,034,700	15,034,700
-	1,442,741	1,442,741
-	1,020,465	1,020,465
-	(51,649)	(51,649)
-	639,416	639,416
-	28,068,684	28,068,684
(22,181,862)	28,068,684	5,886,822
11,741,556	-	11,741,556
5,658,982	-	5,658,982
3,516,919	-	3,516,919
6,472,467	-	6,472,467
167,684	-	167,684
1,050,336	1,035,211	2,085,547
922,390	-	922,390
3,224,279	(3,224,279)	-
32,754,613	(2,189,068)	30,565,545
10,572,751	25,879,616	36,452,367
142,646,669	244,647,853	387,294,522
\$ 153,219,420	\$ 270,527,469	\$ 423,746,889

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

BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	General	OUC Interlocal Agreement Fund	Mobility Fees Fund	Other Governmental Funds	Total Governmental Funds
	Fund	Fund	Fund	Funds	Funds
Assets					
Cash and Investments	\$ 14,428,036	\$ 2,358,140	\$ 21,069,474	\$ 26,823,518	\$ 64,679,168
Cash with Agent	-	50,000	-	1,515	51,515
Customer Receivables, Net	576,570	-	-	-	576,570
Other Receivables, Net	1,057,223	-	-	8,179	1,065,402
Due from Other Governments	270,587	-	-	699,010	969,597
Due from Other Funds	914	-	-	11,253,939	11,254,853
Prepaid Expenditures and Deposits	269,805	-	-	846	270,651
Inventory - Warehouse and Fuel	162,148	-	-	-	162,148
Interfund Loan Receivable	1,504,990	-	-	-	1,504,990
Total Assets	18,270,273	2,408,140	21,069,474	38,787,007	80,534,894
Liabilities and Fund Balances					
Liabilities					
Accounts and Retainage Payable	2,201,932	-	-	646,262	2,848,194
Accrued Liabilities	1,773,627	-	-	16,139	1,789,766
Due to Other Governments	19,247	-	-	-	19,247
Due to Other Funds	-	-	4,941,827	5,498,532	10,440,359
Unearned Revenues	97,413	-	-	23,024	120,437
Deposits Payable	517,266	-	-	-	517,266
Interfund Loan Payable	-	1,504,990	-	-	1,504,990
Total Liabilities	4,609,485	1,504,990	4,941,827	6,183,957	17,240,259
Deferred Inflows of Resources					
Unavailable Revenue - FEMA	102,344	-	-	-	102,344
Total Deferred Inflows of Resources	102,344	-	-	-	102,344
Fund Balances					
Non-Spendable	1,936,943	-	-	846	1,937,789
Restricted	29,309	-	16,127,647	32,152,001	48,308,957
Assigned	3,383,003	903,150	-	528,681	4,814,834
Unassigned	8,209,189	-	-	(78,478)	8,130,711
Total Fund Balances	13,558,444	903,150	16,127,647	32,603,050	63,192,291
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 18,270,273	\$ 2,408,140	\$ 21,069,474	\$ 38,787,007	\$ 80,534,894

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

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

Total Fund Balances of Governmental Funds	\$ 63,192,291
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$283,080,806 and the accumulated depreciation is \$148,035,614.	135,045,192
The internal service funds are used by management to charge the costs of fleet management and medical insurance coverage cost to individual funds. The net position of the internal service funds, net of its capital assets included above and pension related accounts, are included in governmental activities in the statement of net position.	3,317,541
Other long-term assets are not available to pay for current expenditures and, therefore, are reported as unavailable revenue in the funds.	102,344
Deferred outflows and inflows of resources are not available in the current period and, therefore, are not reported in the governmental funds. Deferred outflows and inflows of resources at year-end consist of:	
Deferred Outflows Related to Pensions	4,927,247
Deferred Outflows Related to OPEB	121,624
Deferred Outflows Related to Bond Refunding	1,371,239
Deferred Inflows Related to Pensions	(921,287)
Deferred Inflows Related to OPEB	(388,044)
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:	
Net Pension Liability	(11,557,206)
Net Pension Asset	1,429,523
Revenue Bonds	(2,385,000)
Revenue Notes	(36,799,450)
Refunding Bond Premium	5,405
Unamortized Bond Insurance Costs	159,518
Accrued Interest Payable	(95,088)
Capital Lease Payable	(288,820)
OPEB Liability	(2,296,226)
Compensated Absences	(1,721,383)
Total Net Position of Governmental Activities	\$ 153,219,420

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

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

	General Fund	OUC Interlocal Agreement Fund	Mobility Fees Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 16,098,082	\$ -	\$ -	\$ 5,800,546	\$ 21,898,628
Permits and Fees	1,801,734	-	6,017,958	3,953,073	11,772,765
Intergovernmental Revenues	4,718,031	-	-	1,047,912	5,765,943
Charges for Service	3,886,287	7,579,892	-	-	11,466,179
Fines and Forfeitures	105,044	-	-	-	105,044
Grants	908,102	-	-	120,426	1,028,528
Investment Income	264,027	43,010	229,058	514,243	1,050,338
Other Revenue	433,422	-	-	189,117	622,539
Total Revenues	28,214,729	7,622,902	6,247,016	11,625,317	53,709,964
Expenditures					
Current:					
General Government	6,047,520	-	-	457	6,047,977
Public Safety	26,036,883	-	-	70,309	26,107,192
Transportation	1,934,026	-	-	408,725	2,342,751
Parks and Recreation	3,918,648	-	-	-	3,918,648
Economic Environment	-	49,000	-	732,430	781,430
Capital Outlay	285,143	-	-	4,345,043	4,630,186
Principal Payments	-	-	-	2,985,118	2,985,118
Interest and Fees	-	-	-	1,087,982	1,087,982
(Total Expenditures)	(38,222,220)	(49,000)	-	(9,630,064)	(47,901,284)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,007,491)	7,573,902	6,247,016	1,995,253	5,808,680
Other Financing Sources (Uses)					
Transfers in	13,585,822	-	-	10,865,422	24,451,244
Transfers (out)	(3,352,038)	(7,508,000)	(1,160,000)	(9,206,927)	(21,226,965)
Refunding Bonds Issued	-	-	-	35,585,000	35,585,000
Payment to Refunded Bond Escrow Agent	-	-	-	(35,493,000)	(35,493,000)
Sale of Capital Assets	14,314	-	-	450,072	464,386
Insurance Recoveries	219,082	-	-	25,603	244,685
Total Other Financing Sources (Uses)	10,467,180	(7,508,000)	(1,160,000)	2,226,170	4,025,350
Net Change in Fund Balances	459,689	65,902	5,087,016	4,221,423	9,834,030
Fund Balances, Beginning of Year	13,098,755	837,248	11,040,631	28,381,627	53,358,261
Fund Balances, End of Year	\$ 13,558,444	\$ 903,150	\$ 16,127,647	\$ 32,603,050	\$ 63,192,291

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

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

Net Change in Fund Balances - Total Governmental Funds	\$ 9,834,030
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This reconciling item is the amount by which capital purchases of \$4,630,186 and capital contributions of \$2,101,974 were less than depreciation expense of \$9,298,847.	(2,566,687)
Revenues accrued in prior year in the statement of activities due to the economic resource measurement focus but not as revenues in the fund financial statements.	(149,323)
In the statement of activities, only the loss on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold/disposed.	(753,334)
The issuance of bonds and similar long-term debt provides current financial resources to governmental funds, and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Also, governmental funds report the effect of issuance costs, premium, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in treatment of long-term debt and related items are:	
Issuance of Refunding Notes	(35,585,000)
Payment to Escrow Agent	35,493,000
Principal Payments on Bonds, Notes, Loan, and Capital Lease	2,985,118
Amortization of Bond Insurance Costs	(25,995)
Amortization of Premium	(4,011)
Amortization of Deferred Charge on Refunding	(173,849)
Some expenses reported in the statement of activities, such as compensated absences and accrued interest, do not require the use of current financial resources and are not reported as expenditures in governmental funds:	
Compensated Absences	(169,162)
Accrued Interest on Long-Term Debt	99,773
The net change in the net pension liability and deferred inflows and outflows related to pensions is reported in the statement of activities, but not in the fund statements.	629,012
The net change in the net OPEB liability and deferred inflows and outflows related to OPEB is reported in the statement of activities, but not in the fund statements.	(60,759)
The internal revenue fund is used by management to charge the costs of activities that benefit the entire government. The net income (expense) of the internal service fund is reported with governmental activities, excluding net income (expense) related to items included in other balances noted above.	1,019,938
Change in Net Position of Governmental Activities	<u><u>\$ 10,572,751</u></u>

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

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 11,910,407	\$ 13,109,382	\$ 1,103,238	\$ 669,253
Restricted Assets Available for Current Liabilities	2,748,369	1,760,415	182,639	-
Receivables:				
Customers (Net of Allowance for Uncollectible Accounts)	981,455	793,385	734,251	182,291
Unbilled Utility Revenues	836,439	898,369	405,470	136,236
Inventories	310,409	177,130	219	-
Prepaid Expenses and Deposits	54,965	8,955	1,019	1,389
Total Current Assets	16,842,044	16,747,636	2,426,836	989,169
Non-Current Assets				
Restricted Cash, Investments, and Accrued Interest:				
Bond Proceeds	159,690	-	-	-
Sinking Fund	2,117,632	-	-	-
Sinking Fund Reserves	-	1,296,322	-	-
Customer Deposits	383,664	335,155	65,553	-
Impact Fee Funds	17,326,790	17,318,728	108,618	-
Landfill Closure Fund	-	-	1,756,288	-
Debt Service Reserves	-	-	-	-
(Current Portion)	(2,748,369)	(1,760,415)	(182,639)	-
Total Restricted Cash, Investments, and Accrued Interest	17,239,407	17,189,790	1,747,820	-
Capital Assets:				
Property, Plant and Equipment (Accumulated Depreciation and Amortization)	122,181,649 (46,045,071)	196,061,192 (75,157,425)	11,990,476 (7,765,275)	45,562,247 (13,007,379)
Construction in Progress	6,031,372	332,303	-	-
Total Capital Assets, Net	82,167,950	121,236,070	4,225,201	32,554,868
Other Assets:				
Land Held for Sale	-	-	-	-
Net Pension Asset	410,785	297,623	289,319	100,278
Total Other Assets	410,785	297,623	289,319	100,278
Total Non-Current Assets	99,818,142	138,723,483	6,262,340	32,655,146
Total Assets	\$ 116,660,186	\$ 155,471,119	\$ 8,689,176	\$ 33,644,315
Deferred Outflows of Resources				
Pension Related	\$ 162,472	\$ 117,714	\$ 114,430	\$ 39,662
OPEB Related	19,514	14,500	14,149	5,747
Total Deferred Outflows of Resources	\$ 181,986	\$ 132,214	\$ 128,579	\$ 45,409

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

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 39,950	\$ 4,617,221	\$ 31,449,451	\$ 5,183,373
353,403	2,137,314	7,182,140	-
-	-	2,691,382	-
-	-	2,276,514	-
-	-	487,758	-
-	5,476	71,804	1,644
<u>393,353</u>	<u>6,760,011</u>	<u>44,159,049</u>	<u>5,185,017</u>
-	-	159,690	-
-	-	2,117,632	-
-	-	1,296,322	-
265,000	2,137,314	3,186,686	-
-	-	34,754,136	-
-	-	1,756,288	-
88,403	-	88,403	-
<u>(353,403)</u>	<u>(2,137,314)</u>	<u>(7,182,140)</u>	<u>-</u>
-	-	36,177,017	-
-	534,684	376,330,248	604,863
-	(311,219)	(142,286,369)	(380,946)
-	-	6,363,675	-
<u>-</u>	<u>223,465</u>	<u>240,407,554</u>	<u>223,917</u>
3,576,107	-	3,576,107	-
-	205,521	1,303,526	43,901
<u>3,576,107</u>	<u>205,521</u>	<u>4,879,633</u>	<u>43,901</u>
<u>3,576,107</u>	<u>428,986</u>	<u>281,464,204</u>	<u>267,818</u>
<u>\$ 3,969,460</u>	<u>\$ 7,188,997</u>	<u>\$ 325,623,253</u>	<u>\$ 5,452,835</u>
\$ -	\$ 81,287	\$ 515,565	\$ 17,363
-	5,625	59,535	1,949
<u>\$ -</u>	<u>\$ 86,912</u>	<u>\$ 575,100</u>	<u>\$ 19,312</u>

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

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA
(Concluded)

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Liabilities and Net Position				
Current Liabilities				
Payable from Unrestricted Assets:				
Accounts Payable	\$ 2,129,914	\$ 284,674	\$ 283,704	\$ 12,598
Claims Payable	-	-	-	-
Accrued Liabilities	204,845	152,668	141,347	48,193
Due to Other Funds	180,000	265,000	-	-
Compensated Absences	154,550	52,631	70,211	-
Unearned Revenue	123,966	1,697,801	-	-
OPEB Liability	19,514	14,500	14,149	5,747
Long-Term Liabilities Payable in One Year	-	613,654	-	-
Total Payable from Unrestricted Assets	2,812,789	3,080,928	509,411	66,538
Payable from Restricted Assets:				
Accrued Interest Payable	176,247	128,938	-	-
Deposits	383,664	335,155	65,553	-
Long-Term Liabilities Payable in One Year	2,188,458	1,296,322	117,086	-
Total Payable from Restricted Assets	2,748,369	1,760,415	182,639	-
Total Current Liabilities	5,561,158	4,841,343	692,050	66,538
Non-Current Liabilities				
Long-Term Liabilities Payable After One Year	19,195,180	13,321,478	1,639,202	-
OPEB Liability	348,911	259,256	252,977	102,749
Compensated Absences	103,033	35,087	46,807	-
Total Non-Current Liabilities	19,647,124	13,615,821	1,938,986	102,749
Total Liabilities	25,208,282	18,457,164	2,631,036	169,287
Deferred Inflows of Resources				
Pension Related	59,027	42,766	41,573	14,409
OPEB Related	62,261	46,263	45,142	18,335
Total Deferred Inflows of Resources	121,288	89,029	86,715	32,744
Net Position				
Net Investment in Capital Assets	60,944,002	106,004,616	4,225,201	32,554,868
Restricted for:				
Debt Service	1,941,385	1,167,384	-	-
Capital Projects	17,326,790	17,318,728	108,618	-
Pension	410,785	297,623	289,319	100,278
Land Held for Resale	-	-	-	-
Unrestricted	10,889,640	12,268,789	1,476,866	832,547
Total Net Position	\$ 91,512,602	\$ 137,057,140	\$ 6,100,004	\$ 33,487,693

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

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 754,831	\$ 83,599	\$ 3,549,320	\$ 1,198,244
-	-	-	645,218
414,099	88,496	1,049,648	23,100
-	368,580	813,580	914
-	36,799	314,191	10,933
-	-	1,821,767	-
-	5,625	59,535	1,949
4,460,000	-	5,073,654	-
5,628,930	583,099	12,681,695	1,880,358
88,403	-	393,588	-
265,000	2,137,314	3,186,686	-
-	-	3,601,866	-
353,403	2,137,314	7,182,140	-
5,982,333	2,720,413	19,863,835	1,880,358
-	-	34,155,860	-
-	100,581	1,064,474	34,853
-	24,532	209,459	7,288
-	125,113	35,429,793	42,141
5,982,333	2,845,526	55,293,628	1,922,499
-	29,532	187,307	6,308
-	17,948	189,949	6,219
-	47,480	377,256	12,527
-	223,465	203,952,152	223,917
-	-	3,108,769	-
-	-	34,754,136	-
-	205,521	1,303,526	43,901
3,576,107	-	3,576,107	-
(5,588,980)	3,953,917	23,832,779	3,269,303
\$ (2,012,873)	\$ 4,382,903	\$ 270,527,469	\$ 3,537,121

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

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Business-Type Activities				
	Major Funds				
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility	Stevens Plantation Dependent Special District
Operating Revenues					
Charges for Services	\$ 12,509,772	\$ 13,538,929	\$ 11,655,168	\$ 2,117,194	\$ -
Other	1,952,085	860,415	393,418	18,975	715,684
Total Operating Revenues	14,461,857	14,399,344	12,048,586	2,136,169	715,684
Operating Expenses					
Personnel Service	3,683,173	2,823,038	2,713,871	951,078	-
Materials and Supplies	1,990,770	413,695	641,058	54,694	-
Other Services and Charges	2,212,395	2,955,017	1,729,583	379,524	-
Contractual Services	980,793	412,146	4,766,154	32,919	-
Claims	-	-	-	-	-
Cost of Land Sales	-	-	-	-	483,008
Depreciation	3,899,216	5,994,178	675,137	1,229,370	-
(Total Operating Expenses)	(12,766,347)	(12,598,074)	(10,525,803)	(2,647,585)	(483,008)
Operating Income	1,695,510	1,801,270	1,522,783	(511,416)	232,676
Non-Operating Revenues (Expenses)					
Investment Income	483,021	433,142	27,830	10,363	5,928
Gain (Loss) on Sale of Capital Assets	14,024	9,924	(80,029)	14,572	-
Interest Expense	(591,802)	(383,548)	(13)	-	(284,325)
Total Non-Operating Revenues (Expenses)	(94,757)	59,518	(52,212)	24,935	(278,397)
Income Before Contributions and Transfers	1,600,753	1,860,788	1,470,571	(486,481)	(45,721)
Contributions and Transfers					
Capital Contributions	8,865,279	13,607,054	-	1,517,309	-
Transfers from Other Funds	-	-	-	-	450,000
Transfers to Other Funds	(1,124,261)	(1,097,737)	(992,483)	(459,798)	-
Total Contributions and Transfers	7,741,018	12,509,317	(992,483)	1,057,511	450,000
Change in Net Position	9,341,771	14,370,105	478,088	571,030	404,279
Net Position					
Beginning of Year	82,170,831	122,687,035	5,621,916	32,916,663	(2,417,152)
End of Year	\$ 91,512,602	\$ 137,057,140	\$ 6,100,004	\$ 33,487,693	\$ (2,012,873)

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

Business-Type Activities		Governmental
Non-Major Fund		Activities
Building Department	Total	Internal Service Funds
\$ 2,767,051	\$ 42,588,114	\$ 7,919,257
139,297	4,079,874	131,542
2,906,348	46,667,988	8,050,799
1,591,435	11,762,595	382,550
38,085	3,138,302	27,327
534,509	7,811,028	1,271,902
33,118	6,225,130	493,700
-	-	4,917,273
-	483,008	-
67,005	11,864,906	56,069
(2,264,152)	(41,284,969)	(7,148,821)
642,196	5,383,019	901,978
74,927	1,035,211	88,648
(2,780)	(44,289)	-
-	(1,259,688)	-
72,147	(268,766)	88,648
714,343	5,114,253	990,626
-	23,989,642	-
-	450,000	-
-	(3,674,279)	-
-	20,765,363	-
714,343	25,879,616	990,626
3,668,560	244,647,853	2,546,495
\$ 4,382,903	\$ 270,527,469	\$ 3,537,121

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 12,602,899	\$ 13,481,925	\$ 11,613,419	\$ 2,069,029
Cash Paid to Suppliers for Goods and Services	(3,897,875)	(3,760,664)	(7,043,203)	(378,081)
Cash Paid to Employees for Services	(3,666,179)	(2,815,163)	(2,715,092)	(970,564)
Cash Paid for Post-Closure Costs	-	-	(107,070)	-
Other Operating Revenues	1,952,085	860,415	393,418	18,975
Net Cash Provided by (Used in) Operating Activities	6,990,930	7,766,513	2,141,472	739,359
Cash Flows from Non-Capital Financing Activities				
Transfers from Other Funds	-	-	-	-
Transfers to Other Funds	(1,124,261)	(1,097,737)	(992,483)	(459,798)
Interfund Loan Payments	-	-	-	-
Net Cash Provided by (Used in) Non-Capital Financing Activities	(1,124,261)	(1,097,737)	(992,483)	(459,798)
Cash Flows from Capital and Related Financing Activities				
Property, Plant and Equipment Acquisitions	(4,369,293)	(3,131,163)	(325,947)	(120,636)
Impact Fees	6,841,600	8,616,958	-	-
Landfill Closure Costs	-	-	(85,771)	-
Principal Payments on Debt	(2,133,789)	(1,862,490)	-	-
Interest Payments on Debt	(609,700)	(402,983)	-	-
Proceeds from the Sale of Assets	14,024	10,090	11,126	14,572
Net Cash Provided by (Used in) Capital and Related Financing Activities	(257,158)	3,230,412	(400,592)	(106,064)
Cash Flows from Investing Activities				
Investment Income	483,021	433,142	27,817	10,363
Net Cash Provided by (Used in) Investing Activities	483,021	433,142	27,817	10,363
Net Increase (Decrease) in Cash and Cash Equivalents	6,092,532	10,332,330	776,214	183,860
Cash and Cash Equivalents, Beginning of Year	25,805,651	21,727,257	2,257,483	485,393
Cash and Cash Equivalents, End of Year	\$ 31,898,183	\$ 32,059,587	\$ 3,033,697	\$ 669,253

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

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ -	\$ 4,900,764	\$ 44,668,036	\$ 8,052,985
(595,455)	(532,675)	(16,207,953)	(6,010,815)
-	(1,607,847)	(11,774,845)	(393,815)
-	-	(107,070)	-
940,684	139,297	4,304,874	-
345,229	2,899,539	20,883,042	1,648,355
450,000	-	450,000	-
-	-	(3,674,279)	-
-	-	-	(1,000,008)
450,000	-	(3,224,279)	(1,000,008)
-	(106,883)	(8,053,922)	(74,062)
-	-	15,458,558	-
-	-	(85,771)	-
-	-	(3,996,279)	-
(1,321,827)	-	(2,334,510)	-
-	-	49,812	-
(1,321,827)	(106,883)	1,037,888	(74,062)
5,928	74,927	1,035,198	88,648
5,928	74,927	1,035,198	88,648
(520,670)	2,867,583	19,731,849	662,933
914,023	3,886,952	55,076,759	4,520,440
\$ 393,353	\$ 6,754,535	\$ 74,808,608	\$ 5,183,373

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA
(Concluded)

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
<u>Reconciliation of Cash and Cash Equivalents to Statement of Net Position</u>				
Total Unrestricted Cash and Investments Per the Statement of Net Position	\$ 11,910,407	\$ 13,109,382	\$ 1,103,238	\$ 669,253
Total Current Restricted Cash and Investments Per the Statement of Net Position	2,748,369	1,760,415	182,639	-
Total Non-Current Restricted Cash and Investments Per the Statement of Net Position	17,239,407	17,189,790	1,747,820	-
Cash and Cash Equivalents, End of Year	<u>\$ 31,898,183</u>	<u>\$ 32,059,587</u>	<u>\$ 3,033,697</u>	<u>\$ 669,253</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u>				
Operating Income (Loss)	\$ 1,695,510	\$ 1,801,270	\$ 1,522,783	\$ (511,416)
Bad Debt Expense	113,710	39,696	51,552	24,396
Depreciation	3,899,216	5,994,178	675,137	1,229,370
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):				
Accounts Receivable, Net	(19,903)	(38,495)	(40,220)	(59,066)
Prepays	14,823	6,983	(124)	(1,389)
Unbilled Utility Revenue	80,892	(30,200)	(16,253)	10,901
Inventories	19,069	(59,034)	-	-
Accounts and Retainage Payable	1,138,481	32,549	(64,906)	66,049
Customer Deposits	32,138	11,691	14,724	-
Other Deposits	-	-	-	-
Compensated Absences	50,562	16,052	19,451	-
Net Pension Liability	(66,540)	(24,532)	(47,954)	(35,545)
Other Postemployment Benefits	3,875	681	8,179	9,307
Accrued Liabilities	29,097	15,674	19,103	6,752
Net Cash Provided by (Used in) Operating Activities	<u>\$ 6,990,930</u>	<u>\$ 7,766,513</u>	<u>\$ 2,141,472</u>	<u>\$ 739,359</u>
<u>Schedule of Non-Cash Capital and Related Financing Activities</u>				
Contributions of Capital Assets	<u>\$ 2,023,679</u>	<u>\$ 4,990,096</u>	<u>\$ -</u>	<u>\$ 1,520,319</u>

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

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 39,950	\$ 4,617,221	\$ 31,449,451	\$ 5,183,373
353,403	2,137,314	7,182,140	-
-	-	36,177,017	-
<u>\$ 393,353</u>	<u>\$ 6,754,535</u>	<u>\$ 74,808,608</u>	<u>\$ 5,183,373</u>

\$ 232,676	\$ 642,196	\$ 5,383,019	\$ 901,978
-	3,601	232,955	175
-	67,005	11,864,906	56,070
(112,447)	(3,601)	(273,732)	2,186
-	(4,297)	15,996	490
-	-	45,340	-
-	-	(39,965)	-
-	73,733	1,245,906	698,721
-	-	58,553	-
225,000	2,137,314	2,362,314	-
-	26,363	112,428	(835)
-	(87,633)	(262,204)	(9,612)
-	19,230	41,272	(5,040)
-	25,628	96,254	4,222
<u>\$ 345,229</u>	<u>\$ 2,899,539</u>	<u>\$ 20,883,042</u>	<u>\$ 1,648,355</u>

<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,534,094</u>	<u>\$ -</u>
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The notes to the financial statements are an integral part of the financial statements.

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

	Employee Retirement Funds
Assets	
Cash and Cash Equivalents	\$ 3,901,516
Investments at Fair Value:	
Domestic Equities	56,096,558
Foreign Equities	18,305,428
Domestic Fixed Income Funds	28,689,573
Foreign Fixed Income	3,246,701
Non-Core Fixed Income	1,547,213
Real Estate	11,862,776
Alternatives	5,246,866
Total Investments at Fair Value	124,995,115
Total Assets	128,896,631
Net Position	
Restricted for Pensions	\$ 128,896,631

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

**STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

	Employee Retirement Funds
Additions	
Contributions:	
Employer	\$ 5,401,707
Employer from State	671,921
Employee	751,545
Miscellaneous	4,778
Total Contributions	<u>6,829,951</u>
Investment Income:	
Investment Earnings	10,517,291
Dividend Income	1,938,118
Total Income on Investments	<u>12,455,409</u>
Total Additions	<u>19,285,360</u>
Deductions	
Pension Payments	5,149,934
DROP Distribution	371,372
Refunds to Employees	711,059
Administration	704,415
(Total Deductions)	<u>(6,936,780)</u>
Net Increase	12,348,580
Net Position Restricted for Pensions	-
Beginning of Year	<u>116,548,051</u>
End of Year	<u><u>\$ 128,896,631</u></u>

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

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

Note 1 - Description of Funds and Summary of Significant Accounting Policies

The financial statements for the City of St. Cloud (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant City accounting policies are described below.

Reporting Entity

The City of St. Cloud, County of Osceola, State of Florida, is the City's official name. The City was originally established under the laws of the State of Florida in 1911. In 1967, the City adopted its current charter by legal authority of Sp. Acts, Chapter 65-2166, Section 1.02 of the Florida Statutes.

The City operates under a council-manager form of government and provides the following services, as authorized by its charter: public safety, public works, public utilities, culture, recreation, and community development.

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's Governing Board and: 1) it is able to impose its will on the organization, or 2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Management determined that the Stevens Plantation Improvement Project Dependent Special District and the Community Redevelopment Agency are component units that should be included in the City's financial statements.

Stevens Plantation Improvement Project Dependent Special District (the DSD)

The DSD was created by the City on August 21, 2003, via City Ordinance 2003-47, pursuant to Section 189.4041 of the Florida Statutes. The purpose of the DSD is to acquire land within its geographical boundary from the proceeds of tax-exempt debt for resale to developers in association with the Stevens Plantation Development (a mixed-use, master planned community encompassing approximately 590 acres within the City). The City Council serves as the Governing Board of the DSD and has advanced certain costs to the DSD as of September 30, 2020, that are to be repaid in future years. The DSD is included as a blended component unit in the accompanying government-wide financial statements of the City.

Community Redevelopment Agency (CRA)

The CRA was created pursuant to Chapter 163, Florida Statutes, City Ordinance 2005-78, and City Resolutions 2005-174R, 2005-175R, and 2005-178R. The City Council serves as the CRA Board and the City maintains operational responsibility for the CRA's activity. Although legally separate, the CRA is appropriately blended as a governmental fund type component unit into the primary government. Separate financial statements are issued for the CRA and can be obtained from the City's Office of Budget and Finance.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

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 non-fiduciary activities of the primary government and its component units. Except for nominal amounts, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments for services provided and other charges between the City's water, sewer, sanitation and stormwater functions, and various other functions of the government. Elimination of these charges would distort the direct cost and program revenues reported for the various functions concerned.

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

Fund Financial Statements

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 generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

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

The City operates the following major governmental funds:

- The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The **St. Cloud/OUC Interlocal Agreement Fund** accounts for the restricted and unrestricted resources associated with the City's agreement with Orlando Utilities Commission (the OUC) to operate the City's electric system.
- The **Mobility Fees Fund** accounts for fees collected from the City's mobility fee ordinance to be spent to increase the capacity of or provide new roads, pedestrian walkways, or trails.

The City reports the following major proprietary funds:

- The **Water Utility Fund** accounts for the fiscal activity of providing water services to residential and commercial customers.
- The **Sewer Utility Fund** accounts for the fiscal activity of providing wastewater services to residential and commercial customers.
- The **Sanitation Utility Fund** accounts for the operations and maintenance of the City's solid waste collection system.
- The **Stormwater Utility Fund** accounts for the operations, improvements, and maintenance of the storm drainage system.
- The **Stevens Plantation Dependent Special District** accounts for the acquisition of land within the DSD's geographical boundary from the proceeds of tax-exempt debt for resale to developers in association with the Stevens Plantation Development.

Additionally, the City reports the following fund types:

- The **Special Revenue Funds** account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes.
- The **Capital Projects Fund** accounts for the costs of constructing multiyear road paving, drainage, resurfacing, recreation facilities, and public building construction and renovation.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

- The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- The **Internal Service Funds** are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses Internal Service Funds to account for its fleet maintenance operations and self-insurance (health and workers' compensation) programs.
- The **Pension Trust Funds** account for the activities of the City's General Employees, Police Officers, and Firefighters Retirement Systems, which accumulate resources for pension benefit payments to qualified retiring employees. They are excluded from the government-wide financial statements because they are fiduciary in nature and do not represent resources available to the City for operations.

The City conforms all significant accounting policies to GAAP applicable to governmental units. The following is a summary of the more significant principles and practices used in the preparation of these financial statements:

Proprietary Funds

Proprietary funds distinguish operating revenues and expenses from non-operating 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 and of the City's Internal Service Funds are charges to customers for sales and services. Operating expenses for enterprise funds and the Internal Service 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 non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to generally use restricted resources first, then unrestricted resources as they are needed for their intended purposes; however, this decision is frequently made on a case-by-case basis based upon facts and circumstances.

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method state-wide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 2020, was 5.1128 mills.

Property taxes are billed and collected within the same fiscal period and are reflected on the modified accrual basis. Ad valorem taxes on property values have a lien assessment and due date of January 1, with the millage established during September. The fiscal year for which taxes are levied begins October 1. Taxes are billed in November (levied) with a maximum discount available through November 30, and become delinquent April 1. Tax certificates are issued for delinquent taxes on or before June 1. After sale, the tax certificates bear interest of 18% per year, or at any lower rate bid by the buyer. The tax certificate money is then sent to the appropriate taxing agency in accordance with its tax levy to complete its ad valorem tax revenue requirement.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

The City would accrue property tax receivables for unsold certificates if they were measurable and available. However, they are not measurable and available. As a result, there are no property tax receivables at September 30, 2020.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments held outside of the City's pooled cash system (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. All cash and investments held by the pooled cash system are considered cash equivalents for the cash flow statement.

Equity in Pooled Cash and Investments

The City utilizes a pooled cash and investment fund, which allows the various funds of the City to pool monies for investment purposes. Investment earnings are distributed monthly based on average monthly balances. Cash is maintained in an interest-bearing checking account at a local financial institution to maximize earnings on idle cash. The nature of the fund permits temporary negative cash balances upon overdrawing of cash available in individual funds, which are presented as interfund receivables and payables.

Capital Grants and Contributions

Accounts receivable from other governments include amounts due from grantors. Program and capital grants for capital assets are recorded as receivables and revenues at the time reimbursable costs are incurred. Revenues received in advance of costs being incurred are deferred. Capital grants and other contributions for capital asset additions to the proprietary funds are recorded as non-operating revenues. Contributed assets are recorded in the proprietary funds and in general capital assets at acquisition value at the time received.

Inventories and Prepaids

Inventories consist of materials and supplies used in the City's utility and general government operations and are valued using the weighted-average cost method, which approximates market value. The cost of inventories is accounted for by the consumption method, whereby inventory is recorded as expenditure when used. Appropriate allowances are recorded for obsolete and surplus items, when applicable. Payments made to vendors for services that will benefit periods beyond September 30, 2020, are recorded as prepaid items. These payments are recorded as expenditures or expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Property, plant and equipment with initial, individual costs that equal or exceed \$1,000 and estimated useful lives of over one year are recorded as capital assets. Roads, bridges, and sidewalks are capitalized when dedicated to the City within a new development or when their initial costs equal or exceed \$25,000 and possess estimated useful lives of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

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

Capital asset purchases are recorded as capital outlay expenditures in the fund level governmental funds in the year of acquisition.

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

Buildings and Improvements	8-50 Years
Utility Line Extensions	15-60 Years
Plant and Equipment	3-40 Years
Meters and Transformers	15-50 Years
Infrastructure	15-50 Years

Proprietary fund expenditures for repairs and maintenance are expensed when incurred. Additions, major renewals, and replacements, which increase the useful lives of the assets, are capitalized.

Compensated Absences

All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

In proprietary funds, the amount of compensated absences associated with employee vacations that are recorded as expenses represent the amounts paid during the year and accrued at year-end. The entire liability for compensated absences of these funds is reflected in the respective financial statements split between the current and non-current portions.

Compensated absences liabilities will be paid by several of the City's funds, including the General Fund, several of the enterprise funds, and the Internal Service Funds. Historically, 75% to 80% of these costs have been paid from the City's governmental funds, with the remaining 20% to 25% paid from its proprietary funds.

Utility Impact Fees

Utility impact fees are recorded as capital contributions and are restricted to expansion of system capacity.

Fund Balance Reporting

The City presenting the fund balances of the governmental funds in accordance with GASB Statement No. 54. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications under GASB Statement No. 54 are Non-Spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity to the level of restriction placed upon fund balance.

NOTES TO FINANCIAL STATEMENTS
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Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. The fund balance classifications are as follows:

Non-Spendable—Includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements. Examples of non-spendable amounts that cannot be used because of their form are long-term portion of loans to other funds, inventories, and prepaid amounts.

Spendable Fund Balance:

- ***Restricted***—Amounts are not available because of legally enforceable constraints, such as money awarded from criminal prosecution, money restricted based on creditors' requirements of loan agreements, and amounts restricted by law or enabling legislation.
- ***Committed***—Amounts of the fund balance are set aside by action of the City Council for a specific purpose and cannot be used for any other purpose (unless there is action by the City Council allowing for such use) and amounts specifically committed for use in satisfying contractual requirements. The City does not have any committed fund balance in the governmental funds.
- ***Assigned***—Amounts of the fund balance are intended to be used for a specific purpose to be made by City management in accordance with the City's established fund balance policy and based on recommendations by the City Council, advisory committees, or the senior management of the City, and also included amounts to be appropriated in the subsequent year budget.
- ***Unassigned***—Amounts of the fund balance will only appear in the General Fund or, if other governmental funds' expenditures are incurred in excess of amounts restricted, committed, or assigned for the purpose, the other governmental funds may have a negative unassigned fund balance.

The City Council established a Fund Balance Policy that required the unassigned fund balance be no less than twelve-and-a-half percent (12.5%) of General Fund operating expenditures. For the spending order of the fund balance, the City uses restricted amounts first, when both restricted and unrestricted fund balance is available, unless there are legal documents/contracts that prohibit this. Additionally, the City would first use committed fund balance, followed by assigned fund balance, and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Budgets and Budgetary Accounting

The annual operating budget serves as legal authorization for expenditures and the proposed means of financing them. The 2020 annual operating budget was prepared for all funds, except the following:

- **Pension Trust Funds**
These funds are not budgeted annually by the City Council.

NOTES TO FINANCIAL STATEMENTS
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The annual operating budgets are prepared on the same basis of accounting as that previously described for each fund. The budget is prepared by the City Manager, detailing all estimated income, including the proposed property tax levy and all proposed expenditures as deemed necessary and desirable. The City Council may adopt the budget, with or without amendment, increasing or decreasing programs or amounts after public hearing. Adoption of the budget by the City Council constitutes appropriation of the amounts specified as expenditures from the funds indicated and constitutes a levy of the property tax proposed. Budgetary control is legally maintained at the department level.

The City Manager is legally authorized to transfer part or all of the unencumbered appropriation balance within departments without seeking City Council approval. However, the City Manager must obtain approval from the City Council to transfer appropriations between departments or funds. Upon certification from the City Manager of excesses in revenue, the City Council may make supplemental appropriations for the year up to the amount of each excess. Supplemental appropriations were made during the year. If at any time during the year it appears probable to the City Manager that revenues will be insufficient to meet the amount appropriated, he shall notify the City Council who shall then take such further action as it deems necessary to prevent any deficit. Appropriations, except for open project appropriations and encumbrances, lapse at the end of each fiscal year. Contingency amounts may be used for any unforeseen purpose or emergency upon approval of City Council.

Encumbrances outstanding at year-end do not represent expenditures or liabilities under GAAP, but represent budgetary accounting controls that carry over to the next year. All budgets are prepared on a GAAP basis.

The actual results of operations are presented in accordance with GAAP, and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the goods or services are actually received and a liability is incurred.

Note 2 - Cash and Cash Equivalents

Pooled Cash and Investments

The City maintains a cash and investment pool that carries substantially all cash and investments of the City, and is used by all funds except the pension trust funds. Each fund's portion of the pool is displayed in the accompanying financial statements as "Cash and Investments". The cash and investments of the pension trust funds and agency fund are held separately from those other funds of the City. All cash and investments of the pool are considered cash equivalents for the statement of cash flows.

Cash Deposits

As of September 30, 2020, the City's cash deposits were entirely covered by federal depository insurance or by the banking network provided by Chapter 280 of the Florida Statutes. Florida Statutes provide for collateral pooling by banks and savings and loans and limit local government deposits to "authorized depositories". Therefore, all cash deposits held by banks can be classified as fully insured.

NOTES TO FINANCIAL STATEMENTS
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Investments

The City's investment policy is constructed with the objectives of: 1) preserving and protecting principal; 2) maintaining liquidity; and 3) earning interest on the invested funds, and allows the City to invest surplus money in instruments provided by Florida Statutes 166.261 and 218.415. Among them are U.S. Treasury bills, bonds, notes and their derivatives, federal agency securities, local government surplus trust funds, domestic time deposits, bankers' acceptance notes, commercial paper, repurchase agreements, federal securities trusts, collateralized mortgage obligations, corporate debt, asset-backed securities, taxable and tax-exempt securities, mortgage securities, and mutual funds made up of such securities.

As of September 30, 2020, the City's pooled investments (including pension trust funds) are summarized below:

Investments	Maturities		Fair Value	Rating	FMV Level
Cash and Equivalents			\$ 49,771,001	n/a	n/a
U.S. Treasury Obligations	0.31	Year Average	8,012,277	AAA	Level 2
U.S. Government Agencies	3.13	Year Average	10,407,975	AA	Level 2
Certificates of Deposit					
Negotiable Certificates of Deposit	1.05	Year Average	3,751,496	FDIC Insured	Level 2
State Board of Administration (SBA)					
Florida PRIME	0.13	Year Average	66,902,482	AAAm	n/a
Florida Municipal Investment Trust (FMIVT)					
1-3 Year Bond Fund	1.60	Year Average	639,843	AAAf/S2	Level 2
Florida Municipal Investment Trust (FMIVT)					
Intermediate High Quality Bond Fund	3.40	Year Average	750,611	AAAf/S3	Level 2
Florida Surplus Asset Fund Trust (FLSAFE)	0.17	Year Average	3,348,189	AAAm	n/a
Florida Fixed Income Trust (FLFIT)	0.35	Year Average	1,050,387	AAAf/S1	n/a
US Bank Money Market Account			88,403	n/a	n/a
			<u>144,722,664</u>		
Pension Funds:					
Cash and Equivalents			3,901,516		n/a
Domestic Equities			56,096,558		Level 1
Foreign Equities			18,305,428		Level 1
Domestic Fixed Income	6.50	Year Average	28,689,573	A+	Level 2
Foreign Fixed Income	9.41	Year Average	3,246,701	BB	Level 2
Non-Core Fixed Income	2.94	Year Average	1,547,213	Unrated	Level 3
Real Estate Income Funds			11,862,776		Level 3
Middle Market Debt					
Alternatives	2.47	Year Average	5,246,866		Level 1
Total Pension Funds			<u>128,896,631</u>		
Total Investments			<u><u>\$ 273,619,295</u></u>		

Cash and Investments Reported in Government-Wide:

Cash	\$ 49,771,001
Investments	<u>94,951,663</u>
Total Cash and Investments Reported in Government-Wide	<u><u>\$ 144,722,664</u></u>

Cash and Investments Reported in Fiduciary Funds:

Cash	\$ 3,901,516
Investments	<u>124,995,115</u>
Total Reported in Fiduciary Funds	<u><u>\$ 128,896,631</u></u>

NOTES TO FINANCIAL STATEMENTS
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Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value; Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Debt and equity securities, categorized as Level 1, are valued based on prices quoted in active markets for those securities. Debt securities and certificates of deposit, categorized as Level 2, are valued based on market-corroborated data. Private debt assets, categorized as Level 3, are valued using an independent pricing service or are valued in good faith by the general partner using such factors as financial statements, earnings forecasts, recent transactions in the same or similar securities and valuation information obtained from broker-dealers, recognized quotation services, or independent appraisal firms. Real estate assets, categorized as Level 3, use industry standard valuation approaches, which includes market analysis of comparable properties and/or financial modeling of unobservable inputs based on assumptions that are supported by property level actuals, budgets, internal market research, or periodic appraisals.

Florida PRIME and Florida Surplus Asset Fund Trust

The City's investments in the Florida Prime Investment Pool (Florida PRIME) and Florida Surplus Asset Trust Fund (FLSAFE) are similar to money market funds in which units are owned in the fund rather than the underlying investments. These investments are reported at amortized cost and meet the requirements of GASB Statement No. 31, as amended by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. There is no limitation or restrictions on withdrawals from Florida PRIME or FLSAFE; although in the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the funds' executive director may limit contributions to or withdrawals from the trust fund for a period of 48 hours.

Credit Risk

U.S. agencies are rated by Moody's Investors Service and Standard & Poor's. The City's investment policy limits investments in debt securities to at least an AA rating, by two of the three nationally recognized rating agencies, at the time of purchase and allows holding securities downgraded to A-. The City's pension investment policy requires 85% of the fixed income securities to have a minimum rating of investment grade or higher as reported by a major credit rating service.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City's investment policy, pursuant to Section 218.415(18), Florida Statutes, requires securities purchased by the City to be held in third-party safekeeping by an institution designated as the primary agent, which is qualified as a public depository, as defined in Chapter 280.02, Florida Statutes, from primary dealers (or their agents), as designated by the Federal Reserve Bank of New York or from an authorized secondary dealer/broker. The City's pension investments are held by the counterparty, not in the name of the City.

NOTES TO FINANCIAL STATEMENTS
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Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The weighted-average maturity of the City's investments is displayed with the fair value of the investments.

The City's investment policy sets limitations on instruments, diversification, and maturity based on whether the funds invested are short-term or long-term. All funds are considered short-term, except those reserved for capital projects, post-closure landfill monitoring, debt service reserves, designated impact fees and special assessment prepayments being held for debt retirement, and one-half of the contingencies of the general, utility tax, and gas tax funds.

Concentration of Credit Risk

■ **Non-Pension Investments**

More than 5% of the City's non-pension investments are in Florida PRIME, United States Treasury Obligations, and the Federal National Mortgage Association (FNMA). These investments are 74.59%, 7.43% and 5.82%, respectively, of the total non-pension investments of the City.

■ **General Employees' Pension**

More than 5% of the City's General Employees' Pension investments are in Euro Pacific Growth Fund, T Rowe Price Institutional Large Cap Core Growth Fund, Brandywine Global Dynamic US Large Cap Value Fund, Vanguard 500 Index Fund, and Intercontinental Real Estate Corporation. These investments are 14.91%, 12.06%, 7.87%, 6.15%, and 5.41%, respectively, of the total investments for the General Employees' Pension Fund.

■ **Police and Fire Pension**

More than 5% of the City's Police and Fire Pension Investments are in Euro Pacific Growth Fund, T Rowe Price Institutional Large Cap Core Growth Fund, Brandywine Global Dynamic US Large Cap Value fund, Vanguard 500 Index Fund, and Intercontinental Real Estate Corporation. These investments are 13.39%, 10.80%, 8.42%, 8.31%, and 5.05%, respectively, of the total investments for the Police and Fire Pension Fund.

Foreign Currency Risk

The pension trust fund investment policies limit foreign investments to no more than 25% of total fund assets for the General Employees' Pension Plan and 25% of total fund assets for the Police and Fire Pension Plan. At September 30, 2020, the General Employees' Pension Plan had \$11,755,920, or 17.38%, of the total fund assets and the Police and Fire Pension Plan had \$9,796,209, or 15.96%, of the total fund assets invested internationally.

NOTES TO FINANCIAL STATEMENTS
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Note 3 - Capital Assets

	Beginning Balance	Increases	(Decreases)	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 13,090,256	\$ -	\$ (139,297)	\$ 12,950,959
Right-of-Way	16,890,955	-	-	16,890,955
Construction in Progress	6,246,416	2,646,389	(4,014,078)	4,878,727
Total Capital Assets Not Being Depreciated	<u>36,227,627</u>	<u>2,646,389</u>	<u>(4,153,375)</u>	<u>34,720,641</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	75,644,303	3,507,275	(1,417,714)	77,733,864
Equipment	32,589,280	2,694,890	(2,619,954)	32,664,216
Electric Plant	44,536,988	-	(67,801)	44,469,187
Infrastructure (Roads and Streets)	91,521,153	1,971,745	-	93,492,898
Total Capital Assets Being Depreciated	<u>244,291,724</u>	<u>8,173,910</u>	<u>(4,105,469)</u>	<u>248,360,165</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(45,853,785)	(4,378,742)	1,080,573	(49,151,954)
Equipment	(23,992,803)	(2,450,399)	2,354,015	(24,089,187)
Electric Plant	(39,713,038)	(228,724)	56,843	(39,884,919)
Infrastructure (Roads and Streets)	(32,612,503)	(2,297,051)	-	(34,909,554)
Total Accumulated Depreciation	<u>(142,172,129)</u>	<u>(9,354,916)</u>	<u>3,491,431</u>	<u>(148,035,614)</u>
Total Capital Assets Being Depreciated, Net	<u>102,119,595</u>	<u>(1,181,006)</u>	<u>(614,038)</u>	<u>100,324,551</u>
Governmental Activities Capital Depreciated, Net	<u><u>\$ 138,347,222</u></u>	<u><u>\$ 1,465,383</u></u>	<u><u>\$ (4,767,413)</u></u>	<u><u>\$ 135,045,192</u></u>
Business-Type Activities				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 2,706,584	\$ -	\$ -	\$ 2,706,584
Right-of-Way	31,041	-	-	31,041
Construction in Progress	3,951,992	5,426,718	(3,015,035)	6,363,675
Total Capital Assets Not Being Depreciated	<u>6,689,617</u>	<u>5,426,718</u>	<u>(3,015,035)</u>	<u>9,101,300</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	47,762,344	1,200,045	(183,122)	48,779,267
Water/Sewer/Sanitation Utility Plant	287,139,928	9,871,901	-	297,011,829
Equipment	28,631,600	1,142,239	(1,972,312)	27,801,527
Total Capital Assets Being Depreciated	<u>363,533,872</u>	<u>12,214,185</u>	<u>(2,155,434)</u>	<u>373,592,623</u>
Less Accumulated Depreciation:				
Buildings	(12,601,806)	(476,386)	163,689	(12,914,503)
Water/Sewer/Sanitation Utility Plant	(98,780,344)	(9,696,563)	-	(108,476,907)
Equipment	(21,047,591)	(1,691,956)	1,844,588	(20,894,959)
Total Accumulated Depreciation	<u>(132,429,741)</u>	<u>(11,864,905)</u>	<u>2,008,277</u>	<u>(142,286,369)</u>
Total Capital Assets Being Depreciated, Net	<u>231,104,131</u>	<u>349,280</u>	<u>(147,157)</u>	<u>231,306,254</u>
Total Business-Type Activities Capital Assets, Net	<u><u>\$ 237,793,748</u></u>	<u><u>\$ 5,775,998</u></u>	<u><u>\$ (3,162,192)</u></u>	<u><u>\$ 240,407,554</u></u>

NOTES TO FINANCIAL STATEMENTS
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Depreciation Expense - Governmental Activities

General Government and Administration	\$ 316,581
Community Redevelopment Agency	11,711
Public Safety	1,967,723
Transportation	5,355,288
Parks and Recreation	1,175,367
Electric Plant - Interlocal	472,177
Capital Assets Held by the City's Internal Service	
Funds Charged to the Various Functions Based on	
Their Usage of the Assets	56,069

Total Depreciation Expense - Governmental Activities	<u>\$ 9,354,916</u>
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Depreciation Expense - Business-Type Activities

Water Utility	\$ 3,899,215
Sewer Utility	5,994,178
Sanitation Utility	675,137
Stormwater Utility	1,229,370
Building Department	67,005

Total Depreciation Expense - Business-Type Activities	<u>\$ 11,864,905</u>
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Note 4 - Defined Benefit Pension Plans

Plan Descriptions

The City maintains two separate, single-employer defined-benefit pension plans, one for police officers and firefighters, and a general employees' retirement plan that covers substantially all other full-time City employees. These plans are maintained as pension trust funds and are included as part of the City's reporting entity, using the accrual basis of accounting in accordance with GAAP. Plan member contributions are recognized in the period in which the contributions are due. Investments are reported at fair value. City ordinance and state law requires contributions to be determined by actuarial studies at least every three years. Stand-alone financial reports are not issued.

Membership of each plan consisted of the following at the date of the latest actuarial valuation, October 1, 2019, for general employees and for police officers and firefighters:

	<u>General</u>	<u>Police Officers and Firefighters</u>
Inactive Plan Members or Beneficiaries Currently		
Receiving Benefits	144	71
Inactive Plan Members Entitled to But		
Not Yet Receiving Benefits	207	25
Active Plan Members	331	164
Total	<u>682</u>	<u>260</u>

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General Employees' Retirement Plan

- **Plan Administration**—The General Employees' Retirement Plan (GERP) is a single-employer defined-benefit pension plan administered by a Board of Trustees, which acts as the administrator of the GERP. The Board consists of seven Trustees, three of whom shall be legal residents of the City who are appointed by the City Council and four of whom are Members of the GERP who are elected by a majority of the General Employees who are Members of the GERP and who vote in the election.

- **Plan Benefits**—The GERP provides retirement, termination, disability, and death benefits to GERP members and their beneficiaries.

Normal Retirement—Eligibility: Earlier of: 1) Age 60 and five years of Credited Service, or 2) the completion of 30 years of Credited Service, regardless of age.

Benefit Amount: 3.00% of Average Final Compensation (AFC) times Credited Service.

Early Retirement—Eligibility: Age 55 and five years of Credited Service.

Benefit Amount: Computed as for Normal Retirement, actuarially reduced to reflect payment prior to age 60.

Disability—Eligibility: Total and permanent disability as determined by the Board of Trustees.

Benefit Amount: Accrued benefit, actuarially reduced as for Early Retirement.

Pre-Retirement Death Benefits—Eligibility: Total and permanent disability as determined by the Board of Trustees.

Benefit Amount: Accrued benefit, actuarially reduced as for Early Retirement.

Vesting (Termination)—Less than five years: Refund of Member Contributions. Five years or more: Accrued benefit payable at age 60 or age 55 (reduced), or refund of Member Contributions.

Effective October 1, 2018, all participants in pay status (including DROP Retirees) on or before October 1, 2017, receive a one-time increase of 2% for each full year of retirement as of October 1, 2018, up to a maximum of 6%.

- **Contributions**—The City is required to contribute at an actuarially determined rate, or 10% of the employee's compensation, whichever is greater. GERP members contribute 1.0% of their annual covered salary. Contribution requirements are based upon the Normal (current year) Cost and amortization of the accrued past service liability as provided in Part VII of Chapter 112, Florida Statutes.

NOTES TO FINANCIAL STATEMENTS
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Police Officers' and Firefighters' Retirement Plan

- **Plan Administration**—The Police Officers' and Firefighters' Retirement Plan (PFRP) is a single-employer defined-benefit pension plan administered by a Board of Trustees, which acts as the administrator of the PFRP. The Board of Trustees consists of five Trustees, two of whom are legal residents appointed by the City Council, one of whom is a full-time Police Officer Member and one of whom is a full-time Firefighter Member who are elected by a majority of the Police Officers or Firefighters, respectively, who are Members of the PFRP and a fifth Trustee who is chosen by a majority of the first four Trustees.

- **Plan Benefits**—The PFRP provides retirement, disability, and death benefits to PFRP members and their beneficiaries.

Normal Retirement—Eligibility: Earlier of: 1) Age 55 and ten years of Credited Service, or 2) the completion of 25 years of Credited Service, regardless of age.

Benefit Amount: Average Final Compensation (AFC) times 3.75% times Credited Service plus an additional fraction of 3.75% where the numerator is hours of accrued sick leave and the denominator is annual scheduled work hours.

Early Retirement—Eligibility: Age 50 and ten years of Credited Service.

Benefit Amount: Accrued benefit, reduced 3% for each year that benefit commencement precedes normal retirement.

Disability—Eligibility: Total and permanent disability as determined by the Board of Trustees from date of hire (service incurred) or after ten years of Credited Service (non-service incurred).

Benefit Amount Service: Unreduced accrued benefit, but not less than 42% of AFC.

Benefit Amount Non-Service: Unreduced accrued benefit.

Pre-Retirement Death Benefits—Vested: Accrued benefit, payable for ten years beginning at the member's otherwise Early Retirement Date (reduced basis) or Normal Retirement Date (unreduced).

Non-Vested: Refund of member contributions.

Vesting (Termination)—Less than ten years of Service: Refund of Member Contributions. Ten years or more: Accrued benefit payable at otherwise Normal or Early (reduced) Retirement Date.

Cost of Living Adjustments (COLA)—For Members retiring after September 15, 2016, a 1.00% automatic lifetime COLA, beginning five years after retirement, for all retirees, including normal, DROP, early, line-of-duty disability, and their beneficiaries, but excluding vested terminated and non-duty-related disability retirees.

- **Contributions**—Plan members are required to contribute 5.55% of their annual covered salary. The City is required to contribute at actuarially determined rates or 10% of the employee's compensation, whichever is greater. Per City Code Section 54.76, the City Council may amend established

NOTES TO FINANCIAL STATEMENTS
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contribution requirements. Actuarially determined contribution rates are based upon the remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability as provided in Part VII of Chapter 112, Florida Statutes.

Plan Investments

The following was the Board of Trustees' adopted asset allocation policy as of September 30, 2020:

<u>Asset Class</u>	<u>Target Allocation</u>	
	<u>GERP</u>	<u>PFRP</u>
All Cap Value Equity	20%	20%
Broad Growth Equity	20%	20%
International Equity	15%	15%
Fixed Income (Core)	20%	20%
Fixed Income (Non-Core)	5%	5%
Global Bond	5%	5%
Real Estate	10%	10%
GTAA	5%	5%
Total	100%	100%

Concentrations

The plans did not hold investments in any one organization that represent 5 percent or more of the pension plans' fiduciary net position.

Rate of Return

For the year ended September 30, 2020, the annual money-weighted rate of return on pension plans investments, net of pension plans investment expense, are as follows:

	<u>GERP</u>	<u>PFRP</u>
Rate of Return	9.97%	10.00%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program (DROP)

When a member reaches normal retirement age, they may elect in writing to participate in the DROP for a maximum of five years. Participants elect to receive a credit equal to the monthly-calculated pension amount plus 6.5% Return On Investment (ROI) per annum, compounded monthly or Net ROI Return (total return net of brokerage commissions, management fees, and transaction costs). The balance of the participants' DROP accounts as of September 30, 2020, for GERP was \$907,259 and for PFRP \$944,919.

Net Pension Liability

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

	<u>GERP</u>	<u>PFRP</u>
Total Pension Liability	\$ 64,927,467	\$ 73,391,636
Plan Fiduciary Net Position	<u>(67,660,516)</u>	<u>(61,834,430)</u>
Sponsor's Net Pension Liability (Asset)	<u>\$ (2,733,049)</u>	<u>\$ 11,557,206</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	104.21%	84.25%

NOTES TO FINANCIAL STATEMENTS
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The measurement date for both plans was September 30, 2020. The measurement period and the reporting period for both plans was October 1, 2019 through September 30, 2020. The Sponsor's Net Pension Liability was measured as of September 30, 2020, which was the same date used for the Total Pension Liability.

Actuarial Assumptions

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2019, using the following actuarial assumptions:

	<u>GERP</u>	<u>PFRP</u>
Investment Rate of Return	7.75%	7.70%
Projected Salary Increases	Service Based	5.75%
Inflation Rate	2.50%	2.50%
Discount Rate	7.75%	7.70%

GERP

Mortality Rate:

Retiree Lives:

Female: PubG.H-2010 for Health Retirees

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

Healthy Active Lives:

Female: PubG.H-2010 for Employees

Male: PubG.H-2010 (Below Median) for Employees, set back one year.

Beneficiary Lives:

Female: PubG.H-2010 for Health Retirees

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

Disabled Lives:

PubG.H-2010 for disabled Retirees, set forward three years.

PFRP

Mortality Rate:

Healthy Active Lives:

Female: PubS.H-2010 (Below Median) for Employees, set forward one year. Prior year assumption: RP2000 Generational, 100% Combined Health White Collar, Scale BB.

Male: PubS.H-2010 (Below Median) for Employees, set back one year. Prior year assumption: RP2000 Generational, 10% Combined Healthy White Collar / 90% Combined Healthy Blue Collar, Scale BB.

Retiree Lives:

Female: PubS.H-2010 for Health Retirees, set forward one year. Prior year assumption: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: PubS.H-2010 for Health Retirees, set forward one year. Prior year assumption: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB.

Beneficiary Lives:

Female: PubG.H-2010 for Health Retirees. Prior year assumption: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: PubG.H-2010 for Healthy Retirees, set back one year. Prior year assumption: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB.

Disabled Lives:

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

All rates are projected generationally with Mortality Improvement Scale MP-2018.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plans 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 plans 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 pension plans' target asset allocation as of September 30, 2020, are summarized in the following table:

	GERP	PFRP
All Cap Value Equity	7.50%	7.50%
Broad Growth Equity	7.50%	7.50%
International Equity	8.50%	8.50%
Fixed Income (Core)	2.50%	2.50%
Fixed Income (Non-Core)	2.50%	2.50%
Global Bond	3.50%	3.50%
Real Estate	4.50%	4.50%
GTAA	3.50%	3.50%

Discount Rate

The discount rate used to measure the total pension liability for GERP and PFRP was 7.75% and 7.70%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' 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 plans investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate Assumption

	1% Decrease	Current Discount Rate	1% Increase
GERP	6.75%	7.75%	8.75%
Sponsor's Net Pension Liability (Asset)	\$ 5,358,400	\$ (2,733,049)	\$ (9,454,041)
PFRP	6.70%	7.70%	8.70%
Sponsor's Net Pension Liability	\$ 21,311,888	\$ 11,557,206	\$ 3,523,234

Changes in Net Pension Liability

The Changes in Net Pension Liability for the GERP are as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Reporting Period Ended September 30, 2019	\$ 60,236,239	\$ 62,097,243	\$ (1,861,004)
Change for a Year:			
Service Cost	1,830,118	-	1,830,118
Interest	4,698,858	-	4,698,858
Differences Between Expected and Actual Experience	1,025,549	-	1,025,549
Changes of Assumptions	8,561	-	8,561

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Contributions - Employer	\$ -	\$ 2,215,159	\$ (2,215,159)
Contributions - Employee	-	150,302	(150,302)
Net Investment Income	-	6,178,336	(6,178,336)
Benefit Payments, Including Refunds of Employee Contributions	(2,871,858)	(2,871,858)	-
Administrative Expense	-	(108,666)	108,666
Reporting Period Ended September 30, 2020	<u>\$ 64,927,467</u>	<u>\$ 67,660,516</u>	<u>\$ (2,733,049)</u>

The difference between Plan Fiduciary Net Position for the GERP presented above and the amounts presented in the financial statements are due to timing differences in certain accruals. These differences are not considered to be significant.

The Changes in Net Pension Liability for the PFRP are as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Reporting Period Ended September 30, 2019	\$ 65,644,104	\$ 54,848,354	\$ 10,795,750
Change for a Year:			
Service Cost	2,617,000	-	2,617,000
Interest	5,191,247	-	5,191,247
Share Plan Allocation	171,276	-	171,276
Differences Between Expected and Actual Experience	2,482,271	-	2,482,271
Changes of Assumptions	648,903	-	648,903
Contributions - Employer	-	3,686,111	(3,686,111)
Contributions - State	-	671,921	(671,921)
Contributions - Employee	-	595,032	(595,032)
Contributions - Buy Back	6,242	6,242	-
Net Investment Income	-	5,491,654	(5,491,654)
Benefit Payments, Including Refunds of Employee Contributions	(3,369,407)	(3,369,407)	-
Administrative Expense	-	(95,477)	95,477
Reporting Period Ended September 30, 2020	<u>\$ 73,391,636</u>	<u>\$ 61,834,430</u>	<u>\$ 11,557,206</u>

The difference between Plan Fiduciary Net Position for the PFRP presented above and the amounts presented in the financial statements are due to timing differences in certain accruals. These differences are not considered to be significant.

Pension Expense

For the year ended September 30, 2020, the City recognized Pension Expense of \$1,710,182 and \$3,966,755 for the GERP and the PFRP, respectively, and total Pension Expense of \$5,676,937.

NOTES TO FINANCIAL STATEMENTS
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The pension liability from the governmental funds are typically liquidated in the General Fund.

Deferred Inflows and Deferred Outflows of Resources

On September 30, 2020, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
GERP		
Differences Between Expected and Actual Experience	\$ 1,041,336	\$ 53,101
Changes of Assumptions	39,770	-
Net Differences Between Projected and Actual Earnings on		
Pension Plan Investments	-	339,671
PFRP		
Differences Between Expected and Actual Experience	2,428,915	652,725
Changes of Assumptions	1,932,791	-
Net Differences Between Projected and Actual Earnings on		
Pension Plan Investments	-	63,097
Total	<u>\$ 5,442,812</u>	<u>\$ 1,108,594</u>

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>GERP</u>	<u>PFRP</u>
2021	\$ 67,377	\$ 778,895
2022	518,558	1,057,345
2023	380,326	641,559
2024	(277,927)	294,623
2025	-	426,152
Thereafter	-	447,310

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

Other Pension Plan Information

SCHEDULE OF PENSION PLAN NET POSITION AS OF SEPTEMBER 30, 2020

	General Employees' Retirement Fund	Police Officers' and Firefighters' Retirement Fund	Total
Assets			
Cash and Cash Equivalents	\$ 1,312,521	\$ 2,588,995	\$ 3,901,516
Investments at Fair Value:			
Domestic Equities	29,725,520	26,371,038	56,096,558
Foreign Equities	10,085,926	8,219,502	18,305,428
Domestic Fixed Income Funds	14,652,368	14,037,205	28,689,573
Foreign Fixed Income Funds	1,669,994	1,576,707	3,246,701
Non-Core Fixed Income	836,330	710,883	1,547,213
Real Estate	6,425,654	5,437,122	11,862,776
Alternatives	2,883,283	2,363,583	5,246,866
Total Investments at Fair Value	66,279,075	58,716,040	124,995,115
Total Assets	67,591,596	61,305,035	128,896,631
Net Position			
Restricted for Pensions	\$ 67,591,596	\$ 61,305,035	\$ 128,896,631

SCHEDULE OF THE CHANGE IN PENSION PLAN NET POSITION AS OF SEPTEMBER 30, 2020

Additions			
Contributions:			
Employer	\$ 2,215,159	\$ 3,186,548	\$ 5,401,707
Employer from State	-	671,921	671,921
Employee	150,271	601,274	751,545
Miscellaneous	2,213	2,565	4,778
Total Contributions	2,367,643	4,462,308	6,829,951
Investment Income:			
Investment Earnings	5,568,952	4,948,339	10,517,291
Dividend Income	1,035,002	903,116	1,938,118
Total Income on Investments	6,603,954	5,851,455	12,455,409
Total Additions	8,971,597	10,313,763	19,285,360
Deductions			
Pension Payments	2,353,427	2,796,507	5,149,934
Refunds to Employees	247,847	123,525	371,372
DROP Distribution	271,469	439,590	711,059
Administration	372,269	332,146	704,415
(Total Deductions)	(3,245,012)	(3,691,768)	(6,936,780)
Net Increase	5,726,585	6,621,995	12,348,580
Net Position Restricted for Pensions			
Beginning of Year	61,865,011	54,683,040	116,548,051
End of Year	\$ 67,591,596	\$ 61,305,035	\$ 128,896,631

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
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Deferred Compensation Fund

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

In October 1997, GASB issued Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. This statement allows the employer to not report the assets and liabilities in its financial statements if the employer has met the criteria of IRC Section 457, and does not retain fiduciary accountability for the plan assets. During 1998, the City amended its deferred compensation plan to reflect the changes in the IRC and, in the opinion of management, does not retain fiduciary accountability for plan assets.

Note 5 - Leasing Activities

The City is the lessor on various operating leases with individuals and businesses, which are renewable periodically. The rental income under these arrangements was \$594,059 for the year ended September 30, 2020. Assets under these leases are primarily land, buildings, and improvements, and are reported as such in the notes to the financial statements (see Note 3 - Capital Assets). As of September 30, 2020, the cost and accumulated depreciation on these assets was \$8,967,230 and \$3,660,980, respectively.

Note 6 - Long-Term Liabilities

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

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Revenue Bonds, Notes, and Capital Leases:					
Capital Improvement Bonds - 2010A	\$ 4,645,000	\$ -	\$ (2,260,000)	\$ 2,385,000	\$ 1,205,000
Capital Improvement Bonds - 2010B	34,015,000	-	(34,015,000)	-	-
PNC Finance - Capital Lease - 2016	252,963	-	(60,437)	192,526	62,269
Republic First Natl Corp - Capital Lease - 2016	189,811	-	(93,517)	96,294	96,294
Direct Borrowing and Direct Placement:					
Florida DEP Revolving Fund Note - 2002	116,807	-	(15,266)	101,541	15,717
Florida DEP Revolving Fund Note - 2005	708,746	-	(93,833)	614,913	96,203
Florida DEP Revolving Fund Note - 2006	960,062	-	(127,066)	832,996	130,288
Capital Improvement Revenue Note - 2019	-	35,585,000	(335,000)	35,250,000	1,335,000
Total Revenue Bonds, Notes, and Capital Leases	40,888,389	35,585,000	(37,000,119)	39,473,270	2,940,771
Add: Premium	(9,416)	4,011	-	(5,405)	3,921
Bonds, Notes, and Capital Leases, Net of Premium	40,878,973	35,589,011	(37,000,119)	39,467,865	2,944,692
Other Liabilities:					
Compensated Absences	1,552,221	1,331,981	(1,162,819)	1,721,383	1,032,830
Net OPEB Liability	2,388,239	-	(92,013)	2,296,226	121,624
Total Other Liabilities	3,940,460	1,331,981	(1,254,832)	4,017,609	1,154,454
Total Government Activities	\$ 44,819,433	\$ 36,920,992	\$ (38,254,951)	\$ 43,485,474	\$ 4,099,146
Business-Type Activities					
Utility Revenue Notes Payable for					
Direct Borrowing and Direct Placement:					
Water Utility:					
Florida DEP Revolving Fund Note - 2007-DW	\$ 10,427,426	\$ -	\$ (1,108,789)	\$ 9,318,637	\$ 1,138,458
Utility System Revenue Bonds - 2012A	12,110,000	-	(785,000)	11,325,000	805,000
SunTrust Revenue Note - 2013A	980,000	-	(240,000)	740,000	245,000
Total Water Utility	23,517,426	-	(2,133,789)	21,383,637	2,188,458
Sewer Utility:					
Florida DEP Revolving Fund Note - 2002	205,395	-	(23,021)	182,374	23,734
Florida DEP Revolving Fund Note - 2005	1,234,771	-	(141,387)	1,093,384	144,909
Florida DEP Revolving Fund Note - 2007-WW	14,188,779	-	(1,343,082)	12,845,697	1,376,333
SunTrust Revenue Note - 2013A	1,465,000	-	(355,000)	1,110,000	365,000
Total Sewer Utility	17,093,945	-	(1,862,490)	15,231,455	1,909,976
Total Utility Revenue Notes Payable for					
Direct Borrowing and Direct Placement	40,611,371	-	(3,996,279)	36,615,092	4,098,434
Stevens Plantation Dependent					
Special District Bonds	4,460,000	-	-	4,460,000	4,460,000
Total Utility Revenue Notes and					
Bonds Payable	45,071,371	-	(3,996,279)	41,075,092	8,558,434
Bonds and Notes, Net of Premium	45,071,371	-	(3,996,279)	41,075,092	8,558,434
Other Liabilities:					
Landfill Closure Liability	1,842,059	-	(85,771)	1,756,288	117,086
Compensated Absences	411,222	384,326	(271,898)	523,650	314,190
Net OPEB Liability	1,153,611	-	(29,602)	1,124,009	59,535
Total Other Liabilities	3,406,892	384,326	(387,271)	3,403,947	490,811
Total Business-Type Activities	\$ 48,478,263	\$ 384,326	\$ (4,383,550)	\$ 44,479,039	\$ 9,049,245

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
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The following is a schedule of bonds and notes outstanding at September 30, 2020:

Description of Bonds	Purpose of Issue	Issued	Outstanding	Rates
Governmental Activities				
Revenue Bonds and Notes:				
Capital Improvement - 2010A	Refunding	\$ 20,875,000	\$ 2,385,000	2.00 - 5.00%
PNC Finance	Capital Lease	513,518	192,526	3.03%
Republic First National Corp.	Capital Lease	458,972	96,294	3.04%
Direct Borrowing and Direct Placement:				
Florida DEP Revolving Fund Note - 2002	Capital Improvement	281,223	101,541	2.93%
Florida DEP Revolving Fund Note - 2005	Capital Improvement	1,770,791	614,913	2.51%
Florida DEP Revolving Fund Note - 2006	Capital Improvement	2,312,479	832,996	2.46-2.52%
Capital Imprv Rev Note, 2019	Capital Improvement	35,585,000	35,250,000	5.01-6.00%
Total Governmental Activities		\$ 61,796,983	\$ 39,473,270	
Business-Type Activities				
Revenue Notes Payable:				
Stevens Plantation Dependent Special District Bonds*	Capital Improvement	\$ 5,890,000	\$ 4,460,000	6.38%
Direct Borrowing and Direct Placement:				
Water Utility:				
Florida DEP Revolving Fund Note - 2007-DW	Capital Improvement	20,708,565	9,318,637	2.51-2.66%
Utility System Revenue Bonds - 2012A	Capital Improvement	15,500,000	11,325,000	2.75%
SunTrust Revenue Note - 2013A	Refunding	2,355,000	740,000	1.66%
Total Water Utility		38,563,565	21,383,637	
Sewer Utility:				
Florida DEP Revolving Fund Note - 2002	Capital Improvement	423,533	182,374	3.07%
Florida DEP Revolving Fund Note - 2005	Capital Improvement	2,647,931	1,093,384	2.40-2.51%
Florida DEP Revolving Fund Note - 2007-WW	Capital Improvement	26,600,625	12,845,697	2.38-3.10%
SunTrust Revenue Note - 2013A	Refunding	3,515,000	1,110,000	1.66%
Total Sewer Utility		33,187,089	15,231,455	
Total Business-Type Activities		\$ 77,640,654	\$ 41,075,092	

* In May 2013, the Bond Holders of the outstanding \$4,460,000 portion of the \$5,890,000 Stevens Plantation Improvement Project Dependent Special District Revenue Bonds, Series 2003 (the Bonds) received a Notice of Event Default because the Trustee did not receive sufficient payments from the District for principal and interest due May 1, 2013.

Debt service to maturity on the City's bonded indebtedness, for the direct placement, and direct borrowing is as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 1,577,208	\$ 933,221	\$ 4,098,434	\$ 911,215
2022	1,673,406	893,114	4,197,319	807,489
2023	1,714,762	850,563	4,302,983	701,149
2024	1,761,282	806,959	3,770,470	598,569
2025	1,797,968	762,173	3,869,829	499,805
2026-2030	8,519,826	3,152,440	14,216,057	1,067,069
2031-2035	9,285,000	2,048,256	2,160,000	59,813
2036-2040	10,470,000	810,260	-	-
2041-2045	-	-	-	-
Total	\$ 36,799,452	\$ 10,256,986	\$ 36,615,092	\$ 4,645,109

Debt service to maturity on the City's bonded indebtedness is as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 1,363,563	\$ 89,159	\$ 4,460,000	\$ -
2022	1,244,153	45,249	-	-
2023	66,102	2,004	-	-
2024	-	-	-	-
2025	-	-	-	-
2026-2030	-	-	-	-
2031-2035	-	-	-	-
2036-2040	-	-	-	-
2041-2045	-	-	-	-
Total	\$ 2,673,818	\$ 136,412	\$ 4,460,000	\$ -

NOTES TO FINANCIAL STATEMENTS
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The City has pledged certain revenues to repay certain bonds and notes outstanding as of September 30, 2020. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue, the amounts of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue, which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2020:

Description of Bonds	Pledge Revenue	Revenue Received	Principal and Interest Paid	Estimated Percentage Pledged	Outstanding Principal and Interest	Pledged Through
Governmental Activities						
Capital Improvement Revenue Bonds 2010A Series	1% Surcharge (Covenant to Appropriate)	N/A	\$ 1,258,034	N/A	\$ 1,305,918	2022
Capital Improvement Revenue Bonds 2010A Series	Traffic Impact Fee (Covenant to Appropriate)	N/A	\$ 1,156,804	N/A	\$ 1,200,844	2022
Capital Improvement Revenue Refundings Note, 2019 Series	Traffic Impact Fee (Covenant to Appropriate)	N/A	\$ 1,123,366	N/A	\$ 45,375,964	2040
Direct Borrowing and Direct Placement Florida DEP Revolving Fund Notes	Net Stormwater Revenue	\$ 2,127,557	\$ 280,079	13.16%	\$ 1,680,474	2026
Business-Type Activities						
Direct Borrowing and Direct Placement: Florida DEP Revolving Fund Notes - 2002, 2005, 2007 and SunTrust Utility Revenue Note - 2013A	Net Sewer Revenue	\$ 9,282,614	\$ 2,265,404	20.18%	\$ 16,860,907	2029
Florida DEP Revolving Fund Note - 2007 - DW and Utility System Revenue Bonds 2012A and SunTrust Utility Revenue Note - 2013A	Net Water Revenue	\$ 7,608,325	\$ 2,743,296	26.72%	\$ 24,399,292	2032

Estimated Landfill Closure Cost and Post-Closure Liability

The landfill closure was officially accepted and declared by the Florida Department of Environmental Protection on October 10, 2005. State and federal laws and regulations require the City to continue to perform certain maintenance and monitoring functions at the site for 30 years after closure. During operation of the landfill, the City annually funded a liability and an escrow account to cover estimated landfill closure costs and post-closure costs. Based upon full closure of the landfill, excess funds held in the escrow account over the originally estimated closure were withdrawn and deposited to the Sanitation Fund of the City. The remaining liability and escrow funds of \$1,756,288 and \$1,756,288, respectively, have been maintained to cover the post-closure costs estimated for the entire 30-year post-closure period. Actual costs may be different due to inflation, deflation, changes in technology, or changes in regulations.

Capital Leases

The City entered into lease agreements for financing the acquisition of two ambulances and a new fire truck. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

Asset	Governmental Activities
Vehicles and Accessories	\$ 972,490
(Accumulated Depreciation)	(623,936)
Total	\$ 348,554

NOTES TO FINANCIAL STATEMENTS
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CITY OF ST. CLOUD, FLORIDA

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020, were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>
2021	\$ 167,259
2022	68,105
2023	68,105
2024	-
2025	-
Total Minimum Lease Payments	303,469
(Less: Amount Representing Interest)	(14,649)
Present Value of Minimum Lease Payments	<u>\$ 288,820</u>

Advanced Refunding

The City issued \$35,585,000 in Refunding Revenue Note, Series 2019 dated October 17, 2019. The proceeds were used to advance refund the outstanding 2010B Capital Improvement BABs bonds.

Refunding escrow deposits were used to purchase SLGS in the amount of \$35,493,000 on October 17, 2019, with maturity dates of March 1st, 2019 and September 1st, 2020, with a par amount of \$977,406 and \$34,515,594, respectively, with a rate of 1.660%. The escrow funds were used to make the March and September interest payments and redeem the principal balance of \$34,015,000 for the Advances Refunding of 2010B Capital Improvement BABs on September 1, 2020.

As a result of the refunding, the City reduced its total debt service requirements which resulted in an economic gain of \$3,643,871.

Note 7 - Commitment and Contingencies

For Grants and Loans

Under the terms of federal and state grants and loans, periodic audits are required, and certain costs may be questioned as not allowable as expenditures under the terms of the grants, which could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will not be material.

Lawsuits

Various lawsuits and claims arising in the ordinary course of operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, the City Attorney has expressed his opinion that there will be no material effect on the City's financial position and/or that the City has sufficient insurance to cover any claims.

Construction Contracts

At September 30, 2020, the City had several uncompleted construction contracts. These contracts will be paid in future periods as work is performed. Payment will be made with proceeds from debt issues, impact fees, operating revenues, restricted cash on hand, and grants to be received. The remaining commitment on these construction contracts was approximately as follows:

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

Capital Projects Fund	\$ 739,245
Water Utility	85,485
Sewer Utility	91,081

Encumbrances

The City utilizes encumbrance accounting in its governmental funds. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which a purchase order, contract, or other commitment is issued. All unencumbered appropriations lapse at year-end.

Note 8 - Interfund Transfers and Payables

The following is a reconciliation of current and long-term interfund receivables and payables:

	<u>Due From</u>	<u>Due To</u>
Current Interfund		
General Fund	\$ 914	\$ -
Mobility Fee Fund	-	4,941,827
Water Utility Fund	-	180,000
Sewer Utility Fund	-	265,000
Building Department Fund	-	368,580
Internal Service Fund	-	914
Other Governmental Funds – Non-Major	11,253,939	5,498,532
Total Current Interfund Receivables and Payables	<u>\$ 11,254,853</u>	<u>\$ 11,254,853</u>
Long-Term Interfund Loan		
General Fund	\$ 1,504,990	\$ -
OUC Interlocal Agreement Fund	-	1,504,990
Total Long-Term	<u>\$ 1,504,990</u>	<u>\$ 1,504,990</u>

Vehicle Maintenance and Self-Insurance Funds received cash to cover upcoming operating expenses. All remaining interfund balances relate to the funding of various capital projects and are expected to be drawn down as the Capital Project Fund pays for construction costs.

The following is a reconciliation of interfund transfers:

	<u>Transfer In</u>	<u>Transfer (Out)</u>
Interfund Transfers		
General Fund	\$ 13,585,822	\$ (3,352,038)
OUC Interlocal Agreement Fund	-	(7,508,000)
Mobility Fee Fund	-	(1,160,000)
Water Utility Fund	-	(1,124,261)
Sewer Utility Fund	-	(1,097,737)
Sanitation Utility Fund	-	(992,483)
Stormwater Utility Fund	-	(459,798)
Steven's Plantation DSD	450,000	-
Non-Major Funds:		
Special Revenue Funds	3,856,665	(5,568,678)
Capital Projects Fund	3,117,328	(3,638,249)
Debt Service Fund	3,891,429	-
Total Interfund Transfers	<u>\$ 24,901,244</u>	<u>\$ (24,901,244)</u>

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

The interfund transfers to the Debt Service Fund were for funding of the City's long-term notes and bonds payable. The transfer from the OUC Interlocal Agreement Fund to the General Fund was to transfer revenue received within the year to cover general expenditures of the City.

Note 9 - Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters, for which the City carries commercial insurance. Insurance against losses is provided through various commercial carriers for the following types of risk:

- | | |
|--------------------------------------------------------|-----------------------|
| ■ General Liability | ■ Pollution Liability |
| ■ Property | ■ Automobile |
| ■ Public Officials' and Employment Practices Liability | ■ Crime |

The City's coverage for workers' compensation is under a retrospectively rated policy. Premiums are accrued based on the ultimate cost to date of the City's experience for this type of risk.

A detailed schedule of insurance in force is located in the statistical section.

There was no significant reduction in insurance coverage from the prior year. Also, there were no settlements in excess of coverage for the past three years.

In 2012, the City established a limited risk management program to help contain rising health insurance costs. In 2017, the City established a limited risk management program to help contain rising workers' comp insurance costs. The program consists of purchasing an aggregate stop loss and individual maximum claims reinsurance policy with the City being responsible for the claims not covered by the policy. Premiums collected are then deposited into the Internal Service Funds. All administrative, network, insurance, and claims costs are charged to the funds. If there were to be a shortage that would not be recovered through user fees over a reasonable period of time, then the excess would be charged to each fund and department based upon their portioned share.

Liabilities of the funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs) based on the estimated claims incurred as of September 30 and offset by an estimated recovery from the excess insurance. The results of the process to estimate the claims liability is not an exact amount as it is dependent on timing of claims being reported and processed through the system.

	Fiscal Year Ended	
	September 30, 2020	September 30, 2019
Unpaid Claims, Beginning of Fiscal Year	\$ 740,799	\$ 564,013
Incurred Claims (including IBNRs)	4,024,361	3,961,880
Claims Payments	(4,119,942)	(3,785,094)
Unpaid Claims, End of Fiscal Year	<u>\$ 645,218</u>	<u>\$ 740,799</u>

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

Note 10 - OUC Interlocal Agreement

Effective May 1, 1997, the City entered into an inter-local agreement with OUC, whereby OUC would operate the City's electric system for a period of 25 years. Terms of the agreement provide that all electric billings belong to OUC, with guaranteed payments from OUC to the City for the second preceding year's gross electric billings, not to go below \$2,361,000 per year. In December 2020, the agreement was extended for 10 years.

As a part of the agreement, the City sold to OUC the majority of its electric materials inventory and rolling stock. Virtually all employees of the City's Electric Fund were transferred to OUC, along with accrued benefits, including a transfer from the City's defined-benefit pension plan of the present value of the accrued pension benefit. Additionally, the City terminated the electric utility proprietary fund by transferring the fund's assets and liabilities to other funds and account groups of the City.

During fiscal year 2014, OUC discontinued the water and sewer billing portion of the agreement and discontinued use of the City's billing system. The City brought the water and sewer billing function back under City management.

Note 11 - Other Postemployment Benefits (OPEB)

The City of St. Cloud's Retiree Healthcare Plan (the Plan) is a single-employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet retirement eligibility requirements under one of the City's retirement plans to continue medical, vision, and dental insurance coverage as a participant in the City's Plan. For purposes of applying Paragraph 4 under GASB Statement No. 75, the Plan does not meet the requirements for an OPEB plan administered through a trust.

The City subsidizes the premium rates paid by retirees by allowing them to participate in the Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the Plan on average than those of active employees. The City does not offer any explicit subsidies for retiree coverage. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The Plan does not issue a stand-alone report. The authority for establishing and amending the funding policy rests with the City Council. No stand-alone financial report is issued.

Membership of the Plan consisted of the following:

<u>Date of Actuarial Valuation</u>	<u>September 30, 2019</u>
Retirees and Beneficiaries Receiving Benefits	23
Active Plan Members	509
Total	532

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

Changes in the Total OPEB Plan Liability

The following table shows the change in the City's OPEB Plan liability:

	Increase/ (Decrease) in Total OPEB Liability
Reporting Period Ended September 30, 2019	\$ 3,541,849
Changes for the Year:	
Service Cost	197,295
Interest	153,163
Differences Between Expected and Actual Experiences	(150,551)
Changes of Assumptions	(170,057)
Benefit Payments	(151,465)
Net Changes	(121,615)
Reporting Period Ended September 30, 2020	\$ 3,420,234

As of September 30, 2020, the total OPEB Plan liability was \$3,420,234 and assets held in trust were \$0, resulting in a funded ratio of 0.00 percent. The covered payroll (annual payroll of active participating employees) was \$25,448,244, and the ratio of the total OPEB Plan liability to the covered payroll was 13.44%.

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funding status of a plan and the annual required contributions of the employer are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future.

Demographic assumptions employed in the actuarial valuation were the same as those employed in the July 1, 2019, actuarial valuation of the Florida Retirements System (FRS) Benefit Pension Plan.

The mortality rates are mandated by Chapter 2015-157, Florida Statutes for pension plans. This law mandates the use of the assumptions used in either of the two most recent valuations of the FRS. The rates are those outlined in Milliman's July 1, 2019, FRS valuation report.

Retirement, termination, and disability rates are consistent with those used in corresponding pension plan valuations and align with rates resulting from recent experience studies (the study dates August 13, 2018, for the General Employees' Retirement System and the study dated August 13, 2018, for the Police Officers' and Firefighters' Retirement System).

Healthcare inflation rates reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

The discount rate used has been updated to utilize the mandated discount rate based on the 20-year Municipal Bond Rate as of the measurement date, as required under GASB Statement No. 75.

The valuation results were calculated using the Entry Age cost method. This is the required cost method under GASB Statement Nos. 74 and 75 standards.

On September 30, 2020, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Experience	\$ -	\$ 133,823
Changes of Assumptions	-	444,170
Employer Contributions Subsequent to the Measurement Date	181,159	-
Total	<u><u>\$ 181,159</u></u>	<u><u>\$ 577,993</u></u>

The Deferred Outflows of Resources related to OPEB totaling \$181,159 resulting from the City's contributions to the Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended September 30,</u>	
2021	\$ (80,879)
2022	(80,879)
2023	(80,879)
2024	(80,879)
2025	(80,879)
Thereafter	(173,598)

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 2.58%	Current Discount Rate 3.58%	1% Increase 4.58%
Total OPEB Liability	\$ 3,771,725	\$ 3,420,234	\$ 3,112,541

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 3.00%-6.50%	Healthcare Cost Trend Rate 4.00%-7.50%	1% Increase 5.00%-8.50%
Total OPEB Liability	\$ 3,048,098	\$ 3,420,234	\$ 3,864,901

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

Note 12 - Deficit Net Position

As of September 30, 2020, the Road Impact Fees Fund, the Stevens Plantation Dependent Special District, and the Motor Pool Internal Service Fund had deficit net position of \$78,478, \$2,012,873, and \$65,247, respectively.

Note 13 - Fund Balance Reporting

GASB Statement No. 54 requires portions of governmental fund balances to be classified as shown in Note 1 - Description of Funds and Summary of Significant Accounting Policies. A detailed schedule of governmental fund balances is as follows:

Fund Balances	General Fund	OUC/St. Cloud Interlocal Fund	Mobility Fee Fund	Total Other Governmental Funds	Total All Governmental Funds
Non-Spendable					
Inventory	\$ 162,148	\$ -	\$ -	\$ -	\$ 162,148
Prepaid Items	269,805	-	-	846	270,651
Long-Term Receivable	1,504,990	-	-	-	1,504,990
Restricted for					
Economic Development	-	-	-	351	351
Community Redevelopment	-	-	-	2,594,578	2,594,578
Transportation	-	-	16,127,647	1,258,007	17,385,654
Federal Equitable Funds	13,174	-	-	-	13,174
Law Enforcement	16,135	-	-	-	16,135
Capital Projects	-	-	-	27,912,140	27,912,140
Debt Service	-	-	-	386,925	386,925
Assigned to					
Subsequent Year's Budget	3,383,003	-	-	-	3,383,003
Economic Development	-	903,150	-	528,681	1,431,831
Unassigned	8,209,189	-	-	(78,478)	8,130,711
Total Fund Balances	<u>\$ 13,558,444</u>	<u>\$ 903,150</u>	<u>\$ 16,127,647</u>	<u>\$ 32,603,050</u>	<u>\$ 63,192,291</u>

Note 14 - COVID-19

In December 2019, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic resulting in federal, state, and local governments and private entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay-at-home orders and advisories, and quarantining of people who may have been exposed to the virus.

At this point, we cannot reasonably estimate the duration and severity of this pandemic, which could have an adverse impact on the City.

Note 15 - Subsequent Events

Subsequent to year-end, the City finalized their purchase of real property known as the Hastings Ranch and Farm consisting of 219.44 acres in the amount of \$5,750,000 using parks and recreation impact fee funds. The property will be utilized to provide additional recreational areas for the public.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
Revenues				
Taxes	\$ 15,996,010	\$ 15,996,010	\$ 16,098,082	\$ 102,072
Permits and Fees	1,807,293	1,807,293	1,801,734	(5,559)
Intergovernmental Revenues	5,636,508	5,636,508	4,718,031	(918,477)
Charges for Services	4,650,074	4,650,074	3,886,287	(763,787)
Fines and Forfeitures	105,800	105,800	105,044	(756)
Grants	587,070	629,468	908,102	278,634
Investment Income	154,000	154,000	264,027	110,027
Other Revenue	2,533,668	2,533,668	433,422	(2,100,246)
Total Revenues	31,470,423	31,512,821	28,214,729	(3,298,092)
Expenditures				
Current:				
City Council	749,294	749,294	445,041	304,253
City Manager	1,047,852	1,150,650	794,869	355,781
City Clerk	830,740	863,065	600,328	262,737
Human Resources	806,378	806,378	475,175	331,203
Finance	1,277,204	1,277,204	783,940	493,264
Procurement	764,083	790,169	233,621	556,548
Information Technology	1,523,756	1,583,362	1,062,898	520,464
Planning/Zoning	1,506,078	1,614,524	940,489	674,035
Building Maintenance	1,365,660	1,418,180	711,948	706,232
Police	16,143,034	16,382,324	16,316,937	65,387
Fire	9,691,397	9,788,711	9,719,158	69,553
Public Works	2,106,972	2,085,233	1,934,025	151,208
Parks and Recreation	4,601,959	4,620,068	3,918,648	701,420
Capital Outlay	291,680	827,305	285,143	542,162
(Total Expenditures)	(42,706,087)	(43,956,467)	(38,222,220)	5,734,247
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(11,235,664)	(12,443,646)	(10,007,491)	2,436,155
Other Financing Sources (Uses)				
Transfers from Other Funds	13,585,822	13,585,822	13,585,822	-
Transfers to Other Funds	(3,352,038)	(3,352,038)	(3,352,038)	-
Sale of Capital Assets	-	-	14,314	14,314
Insurance Recoveries	-	-	219,082	219,082
Total Other Financing Sources (Uses)	10,233,784	10,233,784	10,467,180	233,396
Net Change in Fund Balances	(1,001,880)	(2,209,862)	459,689	2,669,551
Fund Balance, Beginning of Year	13,098,755	13,098,755	13,098,755	-
Fund Balance, End of Year	\$ 12,096,875	\$ 10,888,893	\$ 13,558,444	\$ 2,669,551

Note to Schedule:

The annual operating budgets of the City of St. Cloud, Florida (the City) are prepared on a basis consistent with the City's basic financial statements, which are presented in accordance with generally accepted accounting principles.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OUC INTERLOCAL AGREEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
Revenues				
Payments from Other Governments	\$ 7,579,892	\$ 7,579,892	\$ 7,579,892	\$ -
Investment Income	19,000	19,000	43,010	24,010
Total Revenues	<u>7,598,892</u>	<u>7,598,892</u>	<u>7,622,902</u>	<u>24,010</u>
Expenditures				
Current:				
Economic Environment	-	500,000	49,000	451,000
(Total Expenditures)	<u>-</u>	<u>(500,000)</u>	<u>(49,000)</u>	<u>451,000</u>
Excess of Revenues Over Expenditures	<u>7,598,892</u>	<u>7,098,892</u>	<u>7,573,902</u>	<u>475,010</u>
Other Financing Sources (Uses)				
Transfers to Other Funds	(7,058,000)	(7,576,178)	(7,508,000)	68,178
Total Other Financing Sources (Uses)	<u>(7,058,000)</u>	<u>(7,576,178)</u>	<u>(7,508,000)</u>	<u>68,178</u>
Net Change in Fund Balances	540,892	(477,286)	65,902	543,188
Fund Balance, Beginning of Year	<u>837,248</u>	<u>837,248</u>	<u>837,248</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,378,140</u>	<u>\$ 359,962</u>	<u>\$ 903,150</u>	<u>\$ 543,188</u>

Note to Schedule:

The annual operating budgets of the City of St. Cloud, Florida (the City) are prepared on a basis consistent with the City's basic financial statements, which are presented in accordance with generally accepted accounting principles.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MOBILITY FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Permits and Fees	\$ 4,636,650	\$ 4,636,650	\$ 6,017,958	\$ 1,381,308
Investment Income	28,350	28,350	229,058	200,708
Total Revenues	<u>4,665,000</u>	<u>4,665,000</u>	<u>6,247,016</u>	<u>1,582,016</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,665,000</u>	<u>4,665,000</u>	<u>6,247,016</u>	<u>1,582,016</u>
Other Financing Sources (Uses)				
Transfers to Other Funds	<u>(1,160,000)</u>	<u>(1,160,000)</u>	<u>(1,160,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(1,160,000)</u>	<u>(1,160,000)</u>	<u>(1,160,000)</u>	<u>-</u>
Net Change in Fund Balances	3,505,000	3,505,000	5,087,016	1,582,016
Fund Balance, Beginning of Year	<u>11,040,631</u>	<u>11,040,631</u>	<u>11,040,631</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 14,545,631</u>	<u>\$ 14,545,631</u>	<u>\$ 16,127,647</u>	<u>\$ 1,582,016</u>

Note to Schedule:

The annual operating budgets of the City of St. Cloud, Florida (the City) are prepared on a basis consistent with the City's basic financial statements, which are presented in accordance with generally accepted accounting principles.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION
LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES' RETIREMENT PLAN
LAST 10 FISCAL YEARS *
(UNAUDITED)
CITY OF ST. CLOUD, FLORIDA

	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability								
Service Cost	\$ 1,830,118	\$ 1,644,685	\$ 1,475,949	\$ 1,353,872	\$ 1,719,953	\$ 1,610,096	\$ 1,542,990	\$ 1,428,694
Interest	4,698,858	4,408,210	4,051,364	3,838,179	3,755,454	3,506,599	3,229,460	2,968,071
Change in Benefit Terms	-	1,103,540						
Differences Between Expected and Actual Experience	1,025,549	233,383	330,362	(265,504)	(742,927)	(487,223)	-	-
Changes in Assumptions	8,561	-	-	166,757	280,136	-	-	-
Contributions - Buy Back	-	-	-	15,216	16,475	4,115	-	-
Benefit Payments, Including Refunds of Employee Contributions	(2,871,858)	(2,570,974)	(2,479,987)	(2,479,651)	(1,682,941)	(1,582,585)	(1,168,051)	(1,319,345)
Net Change in Total Pension Liability	4,691,228	4,818,844	3,377,688	2,628,869	3,346,150	3,051,002	3,604,399	3,077,420
Total Pension Liability - Beginning	60,236,239	55,417,395	52,039,707	49,410,838	46,064,688	43,013,686	39,409,287	36,331,867
Total Pension Liability - Ending (a)	\$ 64,927,467	\$ 60,236,239	\$ 55,417,395	\$ 52,039,707	\$ 49,410,838	\$ 46,064,688	\$ 43,013,686	\$ 39,409,287
Plan Fiduciary Net Position								
Contributions - Employer	\$ 2,215,159	\$ 2,720,561	\$ 2,339,380	\$ 2,142,198	\$ 1,996,026	\$ 2,427,915	\$ 2,069,336	\$ 2,145,635
Contributions - Employee	150,302	142,820	121,357	110,834	104,401	105,253	107,804	145,360
Contributions - Buy Back	-	-	-	15,216	16,475	4,115	-	-
Net Investment Income	6,178,336	2,821,009	3,917,769	5,986,946	3,488,201	799,602	4,435,658	3,920,904
Benefit Payments, Including Refunds of Employee Contributions	(2,871,858)	(2,570,974)	(2,479,987)	(2,479,651)	(1,682,941)	(1,582,585)	(1,168,051)	(1,319,345)
Administrative Expense	(108,666)	(94,851)	(73,591)	(88,341)	(72,563)	(60,839)	(55,446)	(67,453)
Net Change in Plan Fiduciary Net Position	5,563,273	3,018,565	3,824,928	5,687,202	3,849,599	1,693,461	5,389,301	4,825,101
Plan Fiduciary Net Position - Beginning	62,097,243	59,078,678	55,253,750	49,566,548	45,716,949	44,023,488	38,634,187	33,809,086
Plan Fiduciary Net Position - Ending (b)	67,660,516	62,097,243	59,078,678	55,253,750	49,566,548	45,716,949	44,023,488	38,634,187
Net Pension Liability - Ending (a) - (b)	\$ (2,733,049)	\$ (1,861,004)	\$ (3,661,283)	\$ (3,214,043)	\$ (155,710)	\$ 347,739	\$ (1,009,802)	\$ 775,100
Plan Fiduciary Net Position as a Percentage of the Liability of Total Pension Liability	104.21%	103.09%	106.61%	106.18%	100.32%	99.25%	102.35%	98.03%
Covered Payroll	\$ 14,983,974	\$ 14,290,919	\$ 12,126,709	\$ 11,180,449	\$ 10,440,155	\$ 11,036,601	\$ 10,016,147	\$ 9,406,554
Net Pension Liability as a Percentage of Covered Payroll	-18.24%	-13.02%	-30.19%	-28.75%	-1.49%	3.15%	-10.08%	8.24%

Notes to Schedule:

Changes of Benefit Term:

Effective October 1, 2018, all participants in pay status (including DROP Retirees) on or before October 1, 2017, receive an on-time increase of 2% for each full year of retirement as of October 1, 2018, up to a maximum of 6%.

Changes of Assumptions:

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019, actuarial valuation for non-special-risk lives, with appropriate risk and collar adjustments made based on plan demographics.

For measurement date September 30, 2017, as required by Chapter 2015-157, Laws of Florida, the assumed rates of mortality have been changed from those in the July 1, 2015, Florida Retirement System (FRS) valuation report, to those used in the July 1, 2016 FRS valuation report.

For measurement date September 30, 2016, the following assumption changes have been made and were adopted based on recommendations from August 8, 2016, experience study:

1. Salary Scale - was changed from a flat 6% assumption to one based on service that starts at 9% and grades down to 4%.
2. Turnover - was changed from an age based assumption of one based on service.
3. Mortality - was changed to be the same as the FRS uses for non-special risk as required by State Law.
4. Investment Return - was lowered from 8% to 7.75%, net of investment related expenses.
5. Retirement Rates - were changed to reflect early retirement rates of 5% per year and a graded retirement assumption for Members reaching eligibility based on age. 100% retirement rates are still assumed upon completion of 30 years of credited service.
6. Inflation Rate - was lowered from 3% to 2.5%, matching the long-term inflation assumption utilized by the plan's investment consultant.

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2013 forward.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION
LIABILITY AND RELATED RATIOS
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS *
CITY OF ST. CLOUD, FLORIDA

	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability								
Service Cost	\$ 2,617,000	\$ 2,066,573	\$ 1,891,141	\$ 1,829,376	\$ 1,743,397	\$ 1,534,345	\$ 1,309,112	\$ 1,209,341
Interest	5,191,247	4,932,417	4,646,449	4,337,544	3,975,751	3,527,267	3,331,345	3,146,732
Change in Excess State Money	-	-	-	-	(845,672)	167,060	179,991	-
Share Plan Allocation	171,276	41,515	61,968	41,835	-	-	-	-
Changes of Benefit Terms	-	(6,576)	-	-	2,314,678	-	-	-
Differences Between Expected and Actual Experience	2,482,271	(913,814)	299,766	180,857	110,348	267,013	-	-
Changes of Assumptions	648,903	765,708	396,811	195,056	1,685,690	393,847	367,974	-
Contributions - Buy Back	6,242	15,595	10,257	14,687	63,525	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(3,369,407)	(3,309,850)	(2,930,568)	(2,669,047)	(2,509,759)	(2,041,422)	(2,838,979)	(1,597,248)
Net Change in Total Pension Liability	7,747,532	3,591,568	4,375,824	3,930,308	6,537,958	3,848,110	2,349,443	2,758,825
Total Pension Liability - Beginning	65,644,104	62,052,536	57,676,712	53,746,404	47,208,446	43,360,336	41,010,893	38,252,068
Total Pension Liability - Ending (a)	\$ 73,391,636	\$ 65,644,104	\$ 62,052,536	\$ 57,676,712	\$ 53,746,404	\$ 47,208,446	\$ 43,360,336	\$ 41,010,893
Plan Fiduciary Net Position								
Contributions - Employer	\$ 3,686,111	\$ 2,898,931	\$ 2,418,708	\$ 2,417,281	\$ 2,289,411	\$ 2,416,007	\$ 2,287,355	\$ 1,816,519
Contributions - State	671,921	609,613	567,489	499,334	465,507	444,890	457,821	439,351
Contributions - Employee	595,032	542,212	452,315	451,550	394,913	376,980	347,291	304,741
Contributions - Buy Back	6,242	15,595	10,257	14,687	63,525	-	-	-
Net Investment Income	5,491,654	2,384,142	3,375,968	5,260,231	2,923,518	669,442	3,777,453	3,286,743
Benefit Payments, Including Refunds of Employee Contributions	(3,369,407)	(3,309,850)	(2,930,568)	(2,669,047)	(2,509,759)	(2,041,422)	(2,838,979)	(1,597,248)
Administrative Expense	(95,477)	(102,056)	(119,395)	(62,715)	(59,280)	(79,079)	(63,897)	(53,592)
Net Change in Plan Fiduciary Net Position	6,986,076	3,038,587	3,774,774	5,911,321	3,567,835	1,786,818	3,967,044	4,196,514
Plan Fiduciary Net Position - Beginning	54,848,354	51,809,767	48,034,993	42,123,672	38,555,837	36,769,019	32,801,975	28,605,461
Plan Fiduciary Net Position - Ending (b)	61,834,430	54,848,354	51,809,767	48,034,993	42,123,672	38,555,837	36,769,019	32,801,975
Net Pension Liability - Ending (a)-(b)	\$ 11,557,206	\$ 10,795,750	\$ 10,242,769	\$ 9,641,719	\$ 11,622,732	\$ 8,652,609	\$ 6,591,317	\$ 8,208,918
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.25%	83.55%	83.49%	83.28%	78.37%	81.67%	84.80%	80.00%
Covered Payroll	\$ 10,721,291	\$ 9,769,589	\$ 8,149,826	\$ 8,136,139	\$ 7,743,398	\$ 7,806,883	\$ 6,809,621	\$ 5,975,318
Net Pension Liability as a Percentage of Covered Payroll	107.80%	110.50%	125.68%	118.50%	150.10%	110.83%	96.79%	137.38%

Notes to Schedule:

Changes of Benefit Terms:

For measurement date September 30, 2019, amounts reported as changes of benefit terms resulted from the provisions of Chapter 112.1816, Florida Statutes. The Statutes state that, effective July 1, 2019, a death or disability (under the plan's definition of total and permanent disability) for a Firefighter due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer will be treated as duty-related.

For the year ended September 30, 2016, Ordinance 2016-15, adopted and effective March 10, 2016, amended the Plan primarily for compliance with requirements under the Internal Revenue Code, in addition to implementation of a Share Plan. A letter of no actuarial impact was submitted for this amendment.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION
LIABILITY AND RELATED RATIOS
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS *
CITY OF ST. CLOUD, FLORIDA
(Concluded)

Notes to Schedule: *(Concluded)*

Changes of Benefit Terms: (Concluded)

Ordinance 2016-50, adopted and effective September 15, 2016, amended the plan for the following items:

1. A one-time increase in benefits for certain retirees and beneficiaries.
2. An automatic cost-of-living adjustment for certain future retirees and beneficiaries.
3. An increase in the Member Contribution Rate.

Changes of Assumptions:

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019, actuarial valuation for non-special-risk lives, with appropriate risk and collar adjustments made based on plan demographics.

Additionally, the investment return was lowered from 7.8% to 7.7% per year compounded annually, net of investment related expenses.

For measurement date September 30, 2019, amounts reported as changes of assumptions resulted from lowering the investment return from 7.9% to 7.8%.

For measurement date September 30, 2018, based on results of an Experience Study dated August 13, 2018, the Board has adopted the following changes in conjunction with the October 1, 2018, valuation:

- Retirement Rates - The rates for Normal and Early Retirement were modified to reflect historical participant behavior.
- Withdrawal Rates - The assumed rates of turnover changed from an age-based table to a service-based table, based on historical participant behavior.
- Disability Rates - The assumed rates of Disability were doubled to reflect historical experience.
- Investment Return - Lowered from 8.00% to 7.90%.

For measurement date September 30, 2017, as required by Chapter 2015-157, Florida Statutes, the assumed rate of mortality has been changed from those in the July 1, 2015 FRS valuation report, to those used in the July 1, 2016 FRS valuation report.

For the year ended September 30, 2016, the investment return assumption has been decreased from 8.09% to 8%.

Pursuant to the provisions of Chapter 2015-157, Florida Statutes, the assumed rate of mortality was changed to the assumption used by the FRS.

The inflation assumption rate was lowered from 3% to 2.5%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

For the year ended September 30, 2015, the investment return assumptions has been lowered from 8.17% to 8.09%

For the year ended September 30, 2014, the investment return assumptions has been lowered from 8.25% to 8.17%

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2013 forward.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF EMPLOYER CONTRIBUTIONS
GENERAL EMPLOYEES' RETIREMENT PLAN AND
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
CITY OF ST. CLOUD, FLORIDA**

GENERAL EMPLOYEES' RETIREMENT PLAN

	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contributions	\$ 2,219,126	\$ 1,880,685	\$ 1,508,563	\$ 1,675,949	\$ 1,795,707	\$ 1,981,908	\$ 2,069,336	\$ 2,145,635
Contributions in Relation to the								
Actuarially Determined Contributions	2,215,159	2,720,561	2,339,380	2,142,198	1,996,026	2,427,915	2,069,336	2,145,635
Contributions Deficiency (Excess)	\$ 3,967	\$ (839,876)	\$ (830,817)	\$ (466,249)	\$ (200,319)	\$ (446,007)	\$ -	\$ -
Covered Payroll	\$ 14,983,974	\$ 14,290,919	\$ 12,126,709	\$ 11,180,449	\$ 10,440,155	\$ 11,036,601	\$ 10,016,147	\$ 9,406,554
Contributions as a Percentage of								
Covered Payroll	14.78%	19.04%	19.29%	19.16%	19.12%	22.00%	20.66%	22.81%

POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN

	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined Contributions	\$ 4,243,487	\$ 3,746,637	\$ 2,989,357	\$ 2,712,589	\$ 2,471,693	\$ 2,515,377	\$ 2,565,185	\$ 2,094,349
Contributions in Relation to the								
Actuarially Determined Contributions	4,186,756	3,342,485	2,862,262	2,860,835	2,732,965	2,693,837	2,565,185	2,094,349
Contributions Deficiency (Excess)	\$ 56,731	\$ 404,152	\$ 127,095	\$ (148,246)	\$ (261,272)	\$ (178,460)	\$ -	\$ -
Covered Payroll	\$ 10,721,291	\$ 9,769,589	\$ 8,149,826	\$ 8,136,139	\$ 7,743,398	\$ 7,806,883	\$ 6,809,621	\$ 5,975,318
Contributions as a Percentage of								
Covered Payroll	39.05%	34.21%	35.12%	35.16%	35.29%	34.51%	37.67%	35.05%

Notes to Schedules:

Methods and Assumptions Used to Determine Contribution Rates:

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

Methods and assumptions used to determine contribution rates:

	General Employees' Retirement Plan	Police Officers' and Firefighters' Retirement Plan
Valuation Date	October 1, 2018	October 1, 2018
Funding Method	Entry Age Normal Actuarial Cost Method	Entry Age Normal Actuarial Cost Method
Asset Smoothing Methodology	Four-Year Geometric Average of Market Value Returns (Net-of-Fees)	Four-Year Geometric Average of Market Value Returns (Net-of-Fees)
Salary Increase	Years of Service <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="text-align: center;"> <div><1</div> <div>1</div> <div>2</div> <div>3-9</div> <div>10+</div> </div> </div> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="text-align: center;"> <div>% Increase</div> <div>9.0%</div> <div>7.0%</div> <div>5.0%</div> <div>4.5%</div> <div>4.0%</div> </div> </div> </div>	5.75% per Annum
Discount Rate	7.75%	7.70%

Changes in Assumption:

Since the prior measurement date, there have been no significant changes in assumptions.

* GASB Statement No. 68 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2013 forward.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF INVESTMENT RETURNS
GENERAL EMPLOYEES' RETIREMENT PLAN AND
POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN
LAST 10 FISCAL YEARS *
(UNAUDITED)
CITY OF ST. CLOUD, FLORIDA**

GENERAL EMPLOYEES' RETIREMENT PLAN

For the Year Ended September 30:	2020	2019	2018	2017	2016	2015	2014	2013
Annual Money-Weighted Rate of Return Net of Investment Expense	<u>9.97%</u>	<u>4.75%</u>	<u>7.09%</u>	<u>12.11%</u>	<u>7.61%</u>	<u>1.79%</u>	<u>11.26%</u>	<u>11.35%</u>

POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN

For the Year Ended September 30:	2020	2019	2018	2017	2016	2015	2014	2013
Annual Money-Weighted Rate of Return Net of Investment Expense	<u>10.00%</u>	<u>4.60%</u>	<u>7.04%</u>	<u>12.44%</u>	<u>7.61%</u>	<u>1.80%</u>	<u>11.53%</u>	<u>11.22%</u>

* GASB Statement No. 67 was adopted for the 2014 Fiscal Year and 10-year trend information will be developed from 2013 forward.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGE IN OTHER POSTEMPLOYMENT BENEFITS (OPEB)
LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS *
CITY OF ST. CLOUD, FLORIDA

Reporting Period Ended	2020	2019	2018
Service Cost	\$ 197,295	\$ 207,500	\$ 220,490
Interest	153,163	133,657	113,192
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(150,551)	-	-
Changes of Assumptions	(170,057)	(193,283)	(214,017)
Benefit Payments	(151,465)	(139,599)	(128,367)
Net Change in Total OPEB Liability	(121,615)	8,275	(8,702)
Total OPEB Liability - Beginning	3,541,849	3,533,574	3,542,276
Total OPEB Liability - Ending	\$ 3,420,234	\$ 3,541,849	\$ 3,533,574
Covered Payroll**	\$ 25,448,244	\$ 22,274,951	\$ 21,185,596
Sponsor's Total OPEB Liability as a Percentage of Covered Payroll	13.44%	15.90%	16.68%

* GASB Statement No. 75 was adopted for the 2018 Fiscal Year and 10-year trend information will be developed from 2018 forward.

** Fiscal Year 2018 Covered Payroll projected based on actual Fiscal Year 2017 Covered Payroll.

Notes to Schedules:

Differences Between Expected and Actual Experience

Differences between expected and actual experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2019.

Changes of Assumptions

Covered payroll is projected to the fiscal year-end based on actual payroll as of the valuation date using applicable salary increase assumptions.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.

The following are the discount rates used in each period:

Fiscal Year 2020	3.58%
Fiscal Year 2019	4.18%
Fiscal Year 2018	3.64%
Fiscal Year 2017	3.06%

Also reflected as assumption changes, are updated health care cost and premiums, updated health care cost trend rates, and updated mortality rates.

There are no assets accumulated in a trust to pay related benefits.

SUPPLEMENTAL INFORMATION

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Special Revenue Funds			
	Economic Development Fund	County Gas Tax Fund	Parks and Recreation Impact Fees Fund	Police and Fire Impact Fees Fund
Assets				
Cash and Investments	\$ 553,610	\$ 2,035,119	\$ 7,436,589	\$ 6,057,810
Cash with Agent	-	-	-	-
Other Receivables, Net	-	-	-	-
Due from Other Governments	-	101,181	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenditures and Deposits	846	-	-	-
Total Assets	<u>554,456</u>	<u>2,136,300</u>	<u>7,436,589</u>	<u>6,057,810</u>
Liabilities and Fund Balances				
Liabilities				
Accounts and Retainage Payable	4,243	35,992	-	-
Accrued Liabilities	5,335	-	-	-
Due to Other Funds	-	842,301	1,655,102	-
Unearned Revenues	15,000	-	-	-
Total Liabilities	<u>24,578</u>	<u>878,293</u>	<u>1,655,102</u>	<u>-</u>
Fund Balances				
Non-Spendable	846	-	-	-
Restricted	351	1,258,007	5,781,487	6,057,810
Assigned	528,681	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>529,878</u>	<u>1,258,007</u>	<u>5,781,487</u>	<u>6,057,810</u>
Total Liabilities and Fund Balances	<u>\$ 554,456</u>	<u>\$ 2,136,300</u>	<u>\$ 7,436,589</u>	<u>\$ 6,057,810</u>

Special Revenue Funds					
Road Impact Fees Fund	Community Redevelopment Agency Fund	One Percent Surcharge Fund	Capital Projects Fund	Debt Service Fund	Total
\$ -	\$ 2,937,378	\$ 5,660,080	\$ 1,843,971	\$ 298,961	\$ 26,823,518
-	-	1,515	-	-	1,515
8,179	-	-	-	-	8,179
-	-	437,501	72,364	87,964	699,010
-	-	-	11,253,939	-	11,253,939
-	-	-	-	-	846
<u>8,179</u>	<u>2,937,378</u>	<u>6,099,096</u>	<u>13,170,274</u>	<u>386,925</u>	<u>38,787,007</u>
-	4,856	233,028	368,143	-	646,262
-	6,349	-	4,455	-	16,139
78,633	331,595	2,590,901	-	-	5,498,532
8,024	-	-	-	-	23,024
<u>86,657</u>	<u>342,800</u>	<u>2,823,929</u>	<u>372,598</u>	<u>-</u>	<u>6,183,957</u>
-	-	-	-	-	846
-	2,594,578	3,275,167	12,797,676	386,925	32,152,001
-	-	-	-	-	528,681
(78,478)	-	-	-	-	(78,478)
<u>(78,478)</u>	<u>2,594,578</u>	<u>3,275,167</u>	<u>12,797,676</u>	<u>386,925</u>	<u>32,603,050</u>
<u>\$ 8,179</u>	<u>\$ 2,937,378</u>	<u>\$ 6,099,096</u>	<u>\$ 13,170,274</u>	<u>\$ 386,925</u>	<u>\$ 38,787,007</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

	Special Revenue Funds			
	Economic Development Fund	County Gas Tax Fund	Parks and Recreation Impact Fees Fund	Police and Fire Impact Fees Fund
Revenues				
Taxes	\$ -	\$ 1,262,546	\$ -	\$ -
Permits and Fees	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Impact Fees	-	-	2,064,658	1,887,230
Grants	-	-	-	-
Investment Income	9,446	38,639	108,373	81,362
Other Revenue	189,117	-	-	-
Total Revenues	198,563	1,301,185	2,173,031	1,968,592
Expenditures				
Current:				
General Government	457	-	-	-
Public Safety	-	-	-	4,253
Transportation	42	379,238	-	-
Economic Environment	228,994	-	-	-
Capital Outlay	1,346	64,077	-	14,862
Principal Payments	-	-	-	-
Interest and Fees	-	-	-	-
(Total Expenditures)	(230,839)	(443,315)	-	(19,115)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,276)	857,870	2,173,031	1,949,477
Other Financing (Uses) Sources				
Transfers to Other Funds	-	(643,000)	-	-
Transfers from Other Funds	-	-	1,010,000	89,816
Refunding Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Sale of Capital Assets	-	-	-	6,382
Insurance Recoveries	-	-	-	-
Total Other Financing (Uses) Sources	-	(643,000)	1,010,000	96,198
Net Change in Fund Balances	(32,276)	214,870	3,183,031	2,045,675
Fund Balances, Beginning of Year	562,154	1,043,137	2,598,456	4,012,135
Fund Balances, End of Year	\$ 529,878	\$ 1,258,007	\$ 5,781,487	\$ 6,057,810

Special Revenue Funds					
Road Impact Fees Fund	Community Redevelopment Agency Fund	One Percent Surcharge Fund	Capital Projects Fund	Debt Service Fund	Total
\$ -	\$ -	\$ 4,538,000	\$ -	\$ -	\$ 5,800,546
1,185	-	-	-	-	1,185
-	959,949	-	-	87,963	1,047,912
-	-	-	-	-	3,951,888
-	-	21,676	98,750	-	120,426
98,785	43,524	111,415	22,699	-	514,243
-	-	-	-	-	189,117
99,970	1,003,473	4,671,091	121,449	87,963	11,625,317
-	-	-	-	-	457
-	-	66,056	-	-	70,309
-	29,445	-	-	-	408,725
-	503,436	-	-	-	732,430
-	-	1,618,368	2,646,390	-	4,345,043
-	-	-	-	2,985,118	2,985,118
-	-	-	-	1,087,982	1,087,982
-	(532,881)	(1,684,424)	(2,646,390)	(4,073,100)	(9,630,064)
99,970	470,592	2,986,667	(2,524,941)	(3,985,137)	1,995,253
(2,235,085)	(150,000)	(2,540,593)	(3,638,249)	-	(9,206,927)
2,538,432	218,417	-	3,117,328	3,891,429	10,865,422
-	-	-	-	35,585,000	35,585,000
-	-	-	-	(35,493,000)	(35,493,000)
-	423,019	20,671	-	-	450,072
-	-	25,603	-	-	25,603
303,347	491,436	(2,494,319)	(520,921)	3,983,429	2,226,170
403,317	962,028	492,348	(3,045,862)	(1,708)	4,221,423
(481,795)	1,632,550	2,782,819	15,843,538	388,633	28,381,627
\$ (78,478)	\$ 2,594,578	\$ 3,275,167	\$ 12,797,676	\$ 386,925	\$ 32,603,050

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Investment Income	\$ 9,446	\$ 1,200	\$ 8,246
Other Revenue	189,117	188,748	369
Total Revenues	<u>198,563</u>	<u>189,948</u>	<u>8,615</u>
Expenditures			
Operating Expenditures	229,493	652,127	422,634
Capital Outlay	1,346	2,500	1,154
(Total Expenditures)	<u>(230,839)</u>	<u>(654,627)</u>	<u>423,788</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>(32,276)</u>	<u>(464,679)</u>	<u>432,403</u>
Net Change in Fund Balances	(32,276)	(464,679)	432,403
Fund Balance, Beginning of Year, as Restated	<u>562,154</u>	<u>562,154</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 529,878</u></u>	<u><u>\$ 97,475</u></u>	<u><u>\$ 432,403</u></u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COUNTY GAS TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Taxes	\$ 1,262,546	\$ 1,423,538	\$ (160,992)
Investment Income	38,639	23,321	15,318
Total Revenues	<u>1,301,185</u>	<u>1,446,859</u>	<u>(145,674)</u>
Expenditures			
Operating Expenditures	379,238	552,742	173,504
Capital Outlay	64,077	73,979	9,902
(Total Expenditures)	<u>(443,315)</u>	<u>(626,721)</u>	<u>183,406</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>857,870</u>	<u>820,138</u>	<u>37,732</u>
Other Financing (Uses)			
Transfers to Other Funds	(643,000)	(650,000)	7,000
Total Other Financing (Uses)	<u>(643,000)</u>	<u>(650,000)</u>	<u>7,000</u>
Net Change in Fund Balances	214,870	170,138	44,732
Fund Balance, Beginning of Year	<u>1,043,137</u>	<u>1,043,137</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 1,258,007</u></u>	<u><u>\$ 1,213,275</u></u>	<u><u>\$ 44,732</u></u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PARKS AND RECREATION IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Impact Fees	\$ 2,064,658	\$ 1,746,100	\$ 318,558
Investment Income	108,373	34,081	74,292
Total Revenues	<u>2,173,031</u>	<u>1,780,181</u>	<u>392,850</u>
 Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>2,173,031</u>	<u>1,780,181</u>	<u>392,850</u>
 Other Financing (Uses) Sources			
Transfers from Other Funds	1,010,000	1,010,000	-
Total Other Financing (Uses) Sources	<u>1,010,000</u>	<u>1,010,000</u>	<u>-</u>
 Net Change in Fund Balances	3,183,031	2,790,181	392,850
 Fund Balance, Beginning of Year	<u>2,598,456</u>	<u>2,598,456</u>	<u>-</u>
 Fund Balance, End of Year	<u><u>\$ 5,781,487</u></u>	<u><u>\$ 5,388,637</u></u>	<u><u>\$ 392,850</u></u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
POLICE AND FIRE IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Impact Fees	\$ 1,887,230	\$ 1,474,925	\$ 412,305
Investment Income	81,362	16,084	65,278
Total Revenues	<u>1,968,592</u>	<u>1,491,009</u>	<u>477,583</u>
Expenditures			
Operating Expenditures	4,253	9,200	4,947
Capital Outlay	14,862	82,974	68,112
(Total Expenditures)	<u>(19,115)</u>	<u>(92,174)</u>	<u>73,059</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,949,477</u>	<u>1,398,835</u>	<u>550,642</u>
Other Financing (Uses) Sources			
Transfers from Other Funds	89,816	89,815	1
Sale of Capital Assets	6,382	-	6,382
Total Other Financing (Uses) Sources	<u>96,198</u>	<u>89,815</u>	<u>6,383</u>
Net Change in Fund Balances	2,045,675	1,488,650	557,025
Fund Balance, Beginning of Year	<u>4,012,135</u>	<u>4,012,135</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 6,057,810</u>	<u>\$ 5,500,785</u>	<u>\$ 557,025</u>

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ROAD IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Permits and Fees	\$ 1,185	\$ -	\$ 1,185
Investment Income	98,785	75,800	22,985
Total Revenues	<u>99,970</u>	<u>75,800</u>	<u>24,170</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>99,970</u>	 <u>75,800</u>	 <u>24,170</u>
 Other Financing (Uses) Sources			
Transfers to Other Funds	(2,235,085)	(2,474,053)	238,968
Transfers from Other Funds	2,538,432	2,538,432	-
Total Other Financing (Uses) Sources	<u>303,347</u>	<u>64,379</u>	<u>238,968</u>
 Net Change in Fund Balances	 403,317	 140,179	 263,138
 Fund Balance, Beginning of Year	 <u>(481,795)</u>	 <u>(481,795)</u>	 <u>-</u>
 Fund Balance, End of Year	 <u><u>\$ (78,478)</u></u>	 <u><u>\$ (341,616)</u></u>	 <u><u>\$ 263,138</u></u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ 959,949	\$ 959,949	\$ -
Investment Income	43,524	28,000	15,524
Total Revenues	<u>1,003,473</u>	<u>987,949</u>	<u>15,524</u>
Expenditures			
Current:			
Operating Expenditures	532,881	787,644	254,763
Capital Outlay	-	275,000	275,000
(Total Expenditures)	<u>(532,881)</u>	<u>(1,062,644)</u>	<u>529,763</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>470,592</u>	<u>(74,695)</u>	<u>545,287</u>
Other Financing (Uses) Sources			
Transfers from Other Funds	218,417	218,417	-
Transfers to Other Funds	(150,000)	(150,000)	-
Sale of Capital Assets	423,019	-	423,019
Total Other Financing (Uses) Sources	<u>491,436</u>	<u>68,417</u>	<u>423,019</u>
Net Change in Fund Balances	962,028	(6,278)	968,306
Fund Balance, Beginning of Year	<u>1,632,550</u>	<u>1,632,550</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,594,578</u>	<u>\$ 1,626,272</u>	<u>\$ 968,306</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ONE PERCENT SURCHARGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Taxes	\$ 4,538,000	\$ 5,531,364	\$ (993,364)
Grants	21,676	-	21,676
Investment Income	111,415	35,564	75,851
Total Revenues	<u>4,671,091</u>	<u>5,566,928</u>	<u>(895,837)</u>
Expenditures			
Current:			
Operating Expenditures	66,056	207,243	141,187
Capital Outlay	1,618,368	4,616,529	2,998,161
(Total Expenditures)	<u>(1,684,424)</u>	<u>(4,823,772)</u>	<u>3,139,348</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,986,667</u>	<u>743,156</u>	<u>2,243,511</u>
Other Financing Sources (Uses)			
Transfers to Other Funds	(2,540,593)	(2,946,186)	405,593
Sale of Capital Assets	20,671	-	20,671
Insurance Recoveries	25,603	25,602	1
Total Other Financing Sources (Uses)	<u>(2,494,319)</u>	<u>(2,920,584)</u>	<u>426,265</u>
Net Change in Fund Balances	492,348	(2,177,428)	2,669,776
Fund Balance, Beginning of Year	<u>2,782,819</u>	<u>2,782,819</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 3,275,167</u></u>	<u><u>\$ 605,391</u></u>	<u><u>\$ 2,669,776</u></u>

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Grants	\$ 98,750	\$ 186,225	\$ (87,475)
Investment Income	22,699	-	22,699
Total Revenues	<u>121,449</u>	<u>186,225</u>	<u>(64,776)</u>
Expenditures			
Capital Outlay	2,646,390	5,496,062	2,849,672
(Total Expenditures)	<u>(2,646,390)</u>	<u>(5,496,062)</u>	<u>2,849,672</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,524,941)</u>	<u>(5,309,837)</u>	<u>2,784,896</u>
Other Financing Sources (Uses)			
Transfers to Other Funds	(3,638,249)	(3,638,249)	-
Transfers from Other Funds	3,117,328	3,568,355	(451,027)
Total Other Financing Sources (Uses)	<u>(520,921)</u>	<u>(69,894)</u>	<u>(451,027)</u>
Net Change in Fund Balances	(3,045,862)	(5,379,731)	2,333,869
Fund Balance, Beginning of Year	<u>15,843,538</u>	<u>15,843,538</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 12,797,676</u></u>	<u><u>\$ 10,463,807</u></u>	<u><u>\$ 2,333,869</u></u>

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Intergovernmental Revenues	\$ 87,963	\$ 642,970	\$ (555,007)
Total Revenues	<u>87,963</u>	<u>642,970</u>	<u>(555,007)</u>
Expenditures			
Debt Service:			
Principal Payments	2,985,118	2,985,121	3
Interest and Fees	1,087,982	1,841,813	753,831
(Total Expenditures)	<u>(4,073,100)</u>	<u>(4,826,934)</u>	<u>753,834</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,985,137)</u>	<u>(4,183,964)</u>	<u>198,827</u>
Other Financing Sources			
Transfers from Other Funds	3,891,429	4,091,964	(200,535)
Refunding Bonds Issued	35,585,000	92,000	35,493,000
Payment to Refunded Bond Escrow Agent	(35,493,000)	-	(35,493,000)
Total Other Financing Sources	<u>3,983,429</u>	<u>4,183,964</u>	<u>(200,535)</u>
Net Change in Fund Balances	(1,708)	-	(1,708)
Fund Balances, Beginning of Year	<u>388,633</u>	<u>388,633</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 386,925</u>	<u>\$ 388,633</u>	<u>\$ (1,708)</u>

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Motor Pool Fund	Self- Insurance Fund Health	Self- Insurance Fund Workers' Comp	Total
Assets				
Current Assets				
Cash and Investments	\$ -	\$ 2,057,066	\$ 3,126,307	\$ 5,183,373
Prepaid Expenses	1,556	88	-	1,644
Total Current Assets	<u>1,556</u>	<u>2,057,154</u>	<u>3,126,307</u>	<u>5,185,017</u>
Non-Current Assets				
Net Pension Asset	43,901	-	-	43,901
Capital Assets:				
Property, Plant and Equipment	423,678	181,185	-	604,863
(Accumulated Depreciation and Amortization)	(320,636)	(60,310)	-	(380,946)
Total Capital Assets - Cost Less Depreciation	103,042	120,875	-	223,917
Total Non-Current Assets	<u>146,943</u>	<u>120,875</u>	<u>-</u>	<u>267,818</u>
Total Assets	<u>148,499</u>	<u>2,178,029</u>	<u>3,126,307</u>	<u>5,452,835</u>
Deferred Outflows of Resources				
Pension Related	17,363	-	-	17,363
OPEB Related	1,949	-	-	1,949
Total Deferred Outflows of Resources	<u>19,312</u>	<u>-</u>	<u>-</u>	<u>19,312</u>
Liabilities and Net Position				
Current Liabilities				
Accounts Payable	141,494	1,053,380	3,370	1,198,244
Claims Payable	-	254,218	391,000	645,218
Accrued Expenses	23,100	-	-	23,100
Due to Other Funds	914	-	-	914
Compensated Absences	10,933	-	-	10,933
OPEB Liability	1,949	-	-	1,949
Total Current Liabilities	<u>178,390</u>	<u>1,307,598</u>	<u>394,370</u>	<u>1,880,358</u>
Long-Term Liabilities				
Compensated Absences	7,288	-	-	7,288
OPEB Liability	34,853	-	-	34,853
Total Long-Term Liabilities	<u>42,141</u>	<u>-</u>	<u>-</u>	<u>42,141</u>
Total Liabilities	<u>220,531</u>	<u>1,307,598</u>	<u>394,370</u>	<u>1,922,499</u>
Deferred Inflows of Resources				
Pension Related	6,308	-	-	6,308
OPEB Related	6,219	-	-	6,219
Total Deferred Inflows of Resources	<u>12,527</u>	<u>-</u>	<u>-</u>	<u>12,527</u>
Net Position				
Net Investment in Capital Assets	103,042	120,875	-	223,917
Restricted for:				
Pension	43,901	-	-	43,901
Unrestricted	(212,190)	749,556	2,731,937	3,269,303
Total Net Position	<u>\$ (65,247)</u>	<u>\$ 870,431</u>	<u>\$ 2,731,937</u>	<u>\$ 3,537,121</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA**

	Motor Pool Fund	Self- Insurance Fund Health	Self- Insurance Fund Workers' Comp	Total
Operating Revenues				
Charges for Services	\$ 1,044,739	\$ 5,950,621	\$ 923,897	\$ 7,919,257
Other	-	131,542	-	131,542
Total Operating Revenues	<u>1,044,739</u>	<u>6,082,163</u>	<u>923,897</u>	<u>8,050,799</u>
Operating Expenses				
Personnel Service	382,550	-	-	382,550
Materials and Supplies	27,327	-	-	27,327
Other Services and Charges	631,479	542,288	98,135	1,271,902
Contractual Services	122	441,863	51,715	493,700
Claims	-	4,892,503	24,770	4,917,273
Depreciation and Amortization	51,888	4,181	-	56,069
Total Operating Expenses	<u>1,093,366</u>	<u>5,880,835</u>	<u>174,620</u>	<u>7,148,821</u>
Operating (Loss) Income	<u>(48,627)</u>	<u>201,328</u>	<u>749,277</u>	<u>901,978</u>
Non-Operating Revenues				
Investment Earnings	-	41,352	47,296	88,648
Total Non-Operating Revenues (Expenses)	<u>-</u>	<u>41,352</u>	<u>47,296</u>	<u>88,648</u>
Income Before Transfers	<u>(48,627)</u>	<u>242,680</u>	<u>796,573</u>	<u>990,626</u>
Change in Net Position	<u>(48,627)</u>	<u>242,680</u>	<u>796,573</u>	<u>990,626</u>
Net Position, Beginning of Year	<u>(16,620)</u>	<u>627,751</u>	<u>1,935,364</u>	<u>2,546,495</u>
Net Position, End of Year	<u>\$ (65,247)</u>	<u>\$ 870,431</u>	<u>\$ 2,731,937</u>	<u>\$ 3,537,121</u>

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2020
CITY OF ST. CLOUD, FLORIDA

	Motor Pool Fund	Self- Insurance Fund Health	Self- Insurance Fund Workers' Comp	Total
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 1,044,564	\$ 6,084,524	\$ 923,897	\$ 8,052,985
Cash Paid to Suppliers	(576,896)	(5,096,738)	(337,181)	(6,010,815)
Cash Paid to Employees for Services	(393,815)	-	-	(393,815)
Net Cash Provided by (Used in) Operating Activities	73,853	987,786	586,716	1,648,355
Cash Flows from Non-Capital Financing Activities				
Interfund Loan Receipts (Payments)	209	(1,000,217)	-	(1,000,008)
Net Cash Provided by (Used in) Non-Capital Financing Activities	209	(1,000,217)	-	(1,000,008)
Cash Flows from Capital and Related Financing Activities				
Property, Plant and Equipment Acquisitions	(74,062)	-	-	(74,062)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(74,062)	-	-	(74,062)
Cash Flows from Investing Activities				
Investment Earnings	-	41,352	47,296	88,648
Total Cash Flows from Investing Activities	-	41,352	47,296	88,648
Net Increase (Decrease) in Cash and Cash Equivalents	-	28,921	634,012	662,933
Cash and Cash Equivalents, Beginning of Year	-	2,028,145	2,492,295	4,520,440
Cash and Cash Equivalents, End of Year	\$ -	\$ 2,057,066	\$ 3,126,307	\$ 5,183,373
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (48,627)	\$ 201,328	\$ 749,277	\$ 901,978
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Depreciation and Amortization	51,888	4,182	-	56,070
Bad Debt Expense	175	-	-	175
Changes in Assets Decrease (Increase) and Liabilities Increase (Decrease):				
Accounts Receivable	(175)	2,361	-	2,186
Prepays	(1,556)	(88)	2,134	490
Accounts Payable	83,413	780,003	(164,695)	698,721
Accrued Expenses	4,222	-	-	4,222
Compensated Absences	(835)	-	-	(835)
Net OPEB Liability	(9,612)	-	-	(9,612)
Net Pension Liability	(5,040)	-	-	(5,040)
Total Adjustments	122,480	786,458	(162,561)	746,377
Net Cash Provided by (Used in) Operating Activities	\$ 73,853	\$ 987,786	\$ 586,716	\$ 1,648,355

STATISTICAL SECTION

Statistical tables differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. They reflect social and economic data, financial trends and the fiscal capacity of the government.

**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION

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

Contents	Page
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	92
Revenue Capacity	
<i>These schedules contain information to help the reader access the factors related to the City's most significant local revenue sources, property tax, and sanitation revenue.</i>	102
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.</i>	108
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.</i>	116
Operating Information	
<i>These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.</i>	119

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

CITY OF ST. CLOUD
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014
Governmental Activities:				
Net Investment in Capital Assets	\$ 82,583,045	\$ 83,793,736	\$ 80,684,971	\$ 85,331,016
Restricted	30,691,610	22,362,220	24,252,783	21,461,732
Unrestricted	10,056,103	10,054,846	8,689,621	6,972,600
Total Governmental Activities Net Position	<u>\$ 123,330,758</u>	<u>\$ 116,210,802</u>	<u>\$ 113,627,375</u>	<u>\$ 113,765,348</u>
Business-Type Activities:				
Net Investment in Capital Assets	\$ 132,062,034	\$ 131,137,117	\$ 137,555,487	\$ 141,169,776
Restricted	6,600,008	8,048,342	8,438,669	7,952,299
Unrestricted	(1,680,544)	4,431,718	6,069,480	5,502,670
Total Business-Type Activities Net Position	<u>\$ 136,981,498</u>	<u>\$ 143,617,177</u>	<u>\$ 152,063,636</u>	<u>\$ 154,624,745</u>
Primary Government:				
Net Investment in Capital Assets	\$ 214,645,079	\$ 214,930,853	\$ 218,240,458	\$ 226,500,792
Restricted	37,291,618	30,410,562	32,691,452	29,414,031
Unrestricted	8,375,559	14,486,564	14,759,101	12,475,270
Total Government Net Position	<u>\$ 260,312,256</u>	<u>\$ 259,827,979</u>	<u>\$ 265,691,011</u>	<u>\$ 268,390,093</u>

2015	2016	2017	2018	2019	2020
\$ 84,202,671	\$ 85,880,700	\$ 87,972,999	\$ 93,017,432	\$ 98,669,983	\$ 97,971,031
21,727,219	23,894,073	30,078,552	33,378,737	39,195,441	48,780,445
604,507	(1,511,563)	11,891	2,537,652	4,781,245	6,467,944
<u>\$ 106,534,397</u>	<u>\$ 108,263,210</u>	<u>\$ 118,063,442</u>	<u>\$ 128,933,821</u>	<u>\$ 142,646,669</u>	<u>\$ 153,219,420</u>
\$ 151,857,889	\$ 158,947,255	\$ 166,769,263	\$ 180,191,229	\$ 197,342,570	\$ 203,952,152
10,834,748	14,121,470	22,125,273	25,548,508	34,226,595	42,742,538
(1,737,439)	4,624,644	2,789,769	7,778,743	13,078,688	23,832,779
<u>\$ 160,955,198</u>	<u>\$ 177,693,369</u>	<u>\$ 191,684,305</u>	<u>\$ 213,518,480</u>	<u>\$ 244,647,853</u>	<u>\$ 270,527,469</u>
\$ 236,060,560	\$ 244,827,955	\$ 254,742,262	\$ 273,208,661	\$ 296,012,553	\$ 301,923,183
32,561,967	38,015,543	52,203,825	58,927,245	73,422,036	91,522,983
(1,132,932)	3,113,081	2,801,660	10,316,395	17,859,933	30,300,723
<u>\$ 267,489,595</u>	<u>\$ 285,956,579</u>	<u>\$ 309,747,747</u>	<u>\$ 342,452,301</u>	<u>\$ 387,294,522</u>	<u>\$ 423,746,889</u>

CITY OF ST. CLOUD
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014
Expenses				
Governmental Activities:				
General Government	\$ 5,953,856	\$ 5,570,429	\$ 6,794,742	\$ 6,699,618
Public Safety	15,902,498	15,371,634	16,112,807	18,302,419
Transportation	5,437,602	5,919,165	6,733,514	6,906,016
Parks and Recreation	3,699,492	3,754,797	3,723,262	4,005,833
Economic Environment	507,637	472,221	453,250	1,003,322
Electric System	1,563,612	1,138,813	1,006,715	966,718
Interest and Fees	3,396,063	3,159,424	3,036,766	3,266,350
Total Governmental Activities Expenses	36,460,760	35,386,483	37,861,056	41,150,276
Business-Type Activities:				
Water Utility	6,576,268	7,144,701	7,285,644	9,117,346
Sewer Utility	9,794,747	10,666,597	9,945,058	10,583,868
Sanitation Utility	7,944,076	8,103,475	7,985,952	8,645,749
Stormwater Utility	1,361,107	1,319,998	1,428,549	1,542,745
Development Special District	885,429	830,792	834,784	2,818,270
Building Department	-	-	-	-
Total Business-Type Activities Expenses	26,561,627	28,065,563	27,479,987	32,707,978
Total Primary Government Expenses	\$ 63,022,387	\$ 63,452,046	\$ 65,341,043	\$ 73,858,254
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 2,207,635	\$ 666,069	\$ 600,440	\$ 638,914
Public Safety	2,113,209	2,104,907	2,510,798	3,800,955
Parks and Recreation	472,224	516,935	606,861	653,553
Electric System	8,284,534	8,841,788	8,670,138	8,291,746
Operating Grants and Contributions	856,405	945,158	1,012,627	929,685
Capital Grants and Contributions	2,021,925	2,697,937	3,527,608	5,295,196
Total Governmental Activities				
Program Revenues	15,955,932	15,772,794	16,928,472	19,610,049
Business-Type Activities:				
Charges for Services:				
Water Utility	6,912,214	7,079,078	7,948,291	8,823,640
Sewer Utility	7,624,962	7,980,977	8,468,777	8,693,581
Sanitation Utility	8,365,473	9,131,690	8,475,746	8,396,471
Stormwater Utility	1,479,377	1,535,675	1,587,630	1,544,259
Development Special District	-	418	-	1,579,500
Building Department	-	-	-	-
Operating Grants and Contributions	247,498	14,500	9,000	28,311
Capital Grants and Contributions	1,525,898	2,705,633	9,722,779	7,855,974
Total Business-Type Activities				
Program Revenues	26,155,422	28,447,971	36,212,223	36,921,736
Total Primary Government Program Revenues	\$ 42,111,354	\$ 44,220,765	\$ 53,140,695	\$ 56,531,785

2015	2016	2017	2018	2019	2020
\$ 5,957,502	\$ 4,946,449	\$ 5,483,691	\$ 5,352,138	\$ 6,664,995	\$ 5,903,303
19,760,542	23,098,871	22,074,869	23,119,191	26,392,331	27,934,401
6,955,858	6,707,860	6,398,831	7,160,776	7,671,124	7,639,113
4,390,950	4,398,586	4,489,325	4,828,059	5,252,656	5,008,231
370,796	552,186	415,412	445,148	642,925	769,691
966,718	315,708	1,557,188	894,125	699,213	472,177
2,656,112	2,581,830	2,500,440	2,402,654	2,275,732	1,166,069
41,058,478	42,601,490	42,919,756	44,202,091	49,598,976	48,892,985
10,453,220	10,960,222	11,550,809	12,216,311	13,196,615	13,344,125
10,416,969	10,622,167	11,156,101	11,613,763	12,140,863	12,971,698
9,163,140	9,263,695	10,030,131	10,881,717	11,673,867	10,605,845
1,513,019	1,764,047	2,225,592	2,132,730	2,432,995	2,633,013
1,867,943	764,474	1,677,999	1,750,321	760,866	767,333
-	-	-	1,281,754	1,758,767	2,266,932
33,414,291	33,374,605	36,640,632	39,876,596	41,963,973	42,588,946
\$ 74,472,769	\$ 75,976,095	\$ 79,560,388	\$ 84,078,687	\$ 91,562,949	\$ 91,481,931
\$ 658,094	\$ 758,852	\$ 869,902	\$ 881,452	\$ 1,061,749	\$ 975,210
3,437,009	4,541,906	5,677,410	4,171,948	4,454,629	4,859,895
800,219	748,009	798,307	812,796	799,604	379,500
6,037,029	6,467,419	6,860,168	7,285,569	7,009,383	7,579,892
1,775,572	874,952	960,078	994,344	1,465,076	818,683
3,782,450	6,870,964	7,955,513	12,666,902	15,241,261	12,097,943
16,490,373	20,262,102	23,121,378	26,813,011	30,031,702	26,711,123
9,932,740	11,069,722	12,894,803	12,884,069	13,826,534	14,460,327
9,576,991	10,455,509	11,397,816	11,995,161	12,904,153	14,399,344
9,343,414	10,244,028	11,078,291	12,207,178	12,358,305	11,996,998
1,675,477	1,777,726	1,805,823	1,891,786	2,012,811	2,117,139
1,260,000	7,787	8,011	-	-	-
-	-	-	2,592,556	3,111,893	2,906,348
11,446	893,355	744,000	1,336,259	160,384	717,214
9,860,932	16,784,716	18,149,610	23,016,662	31,221,199	24,060,260
41,661,000	51,232,843	56,078,354	65,923,671	75,595,279	70,657,630
\$ 58,151,373	\$ 71,494,945	\$ 79,199,732	\$ 92,736,682	\$ 105,626,981	\$ 97,368,753

CITY OF ST. CLOUD
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)
(Concluded)

	2011	2012	2013	2014
Net (Expense)/Revenue				
Governmental Activities	\$ (20,504,828)	\$ (19,613,689)	\$ (20,932,584)	\$ (21,540,227)
Business-Type Activities	(406,205)	382,408	8,732,236	4,213,758
Total Primary Government Net Expense	<u><u>\$ (20,911,033)</u></u>	<u><u>\$ (19,231,281)</u></u>	<u><u>\$ (12,200,348)</u></u>	<u><u>\$ (17,326,469)</u></u>
General Revenues and Other				
Changes in Net Position				
Governmental Activities:				
General Revenues:				
Property Taxes	\$ 6,368,670	\$ 5,724,332	\$ 5,527,393	\$ 5,979,320
Intergovernmental, Unrestricted	3,368,915	3,734,137	3,517,151	3,850,890
Other Taxes	7,136,940	7,363,315	8,220,292	9,173,342
Investment Income	913,453	618,217	92,726	379,388
Miscellaneous	554,460	986,651	648,564	1,010,226
Transfers	2,109,231	(5,932,919)	343,073	1,659,984
Total Governmental Activities	<u>20,451,669</u>	<u>12,493,733</u>	<u>18,349,199</u>	<u>22,053,150</u>
Business-Type Activities:				
Investment Income	280,290	320,353	57,295	66,650
Miscellaneous	94,461	-	-	-
Transfers	(2,109,231)	5,932,919	(343,073)	(1,659,984)
Total Business-Type Activities	<u>(1,734,480)</u>	<u>6,253,272</u>	<u>(285,778)</u>	<u>(1,593,334)</u>
Total Primary Government General				
Revenues and Other Changes in				
Net Position	<u><u>\$ 18,717,189</u></u>	<u><u>\$ 18,747,005</u></u>	<u><u>\$ 18,063,421</u></u>	<u><u>\$ 20,459,816</u></u>
Change in Net Position				
Governmental Activities	\$ (53,159)	\$ (7,119,956)	\$ (2,583,385)	\$ 512,923
Business-Type Activities	(2,140,685)	6,635,680	8,446,458	2,620,424
Total Primary Government Change				
in Net Position	<u><u>\$ (2,193,844)</u></u>	<u><u>\$ (484,276)</u></u>	<u><u>\$ 5,863,073</u></u>	<u><u>\$ 3,133,347</u></u>

2015	2016	2017	2018	2019	2020
\$ (24,568,105)	\$ (22,339,388)	\$ (19,798,378)	\$ (17,389,080)	\$ (19,567,274)	\$ (22,181,862)
8,246,709	17,858,238	19,437,722	26,047,075	33,631,306	28,068,684
<u>\$ (16,321,396)</u>	<u>\$ (4,481,150)</u>	<u>\$ (360,656)</u>	<u>\$ 8,657,995</u>	<u>\$ 14,064,032</u>	<u>\$ 5,886,822</u>

\$ 6,524,415	\$ 7,263,646	\$ 7,889,505	\$ 8,949,522	\$ 10,170,449	\$ 11,741,556
4,206,415	4,512,622	4,848,217	5,895,419	6,381,177	5,658,982
9,074,772	9,545,394	9,743,963	10,406,248	10,758,255	10,157,070
558,801	385,495	318,793	615,028	1,478,383	1,050,336
847,325	1,037,481	1,197,474	399,359	660,190	922,390
2,641,419	1,323,563	5,630,658	1,955,487	3,831,668	3,224,279
<u>23,853,147</u>	<u>24,068,201</u>	<u>29,628,610</u>	<u>28,221,063</u>	<u>33,280,122</u>	<u>32,754,613</u>

287,235	203,496	183,272	486,183	1,329,735	1,035,211
-	-	-	-	-	-
<u>(2,641,419)</u>	<u>(1,323,563)</u>	<u>(5,630,658)</u>	<u>(1,955,487)</u>	<u>(3,831,668)</u>	<u>(3,224,279)</u>
<u>(2,354,184)</u>	<u>(1,120,067)</u>	<u>(5,447,386)</u>	<u>(1,469,304)</u>	<u>(2,501,933)</u>	<u>(2,189,068)</u>

<u>\$ 21,498,963</u>	<u>\$ 22,948,134</u>	<u>\$ 24,181,224</u>	<u>\$ 26,751,759</u>	<u>\$ 30,778,189</u>	<u>\$ 30,565,545</u>
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\$ (714,958)	\$ 1,728,813	\$ 9,830,232	\$ 10,831,983	\$ 13,712,848	\$ 10,572,751
5,892,525	16,738,171	13,990,336	24,577,771	31,129,373	25,879,616

<u>\$ 5,177,567</u>	<u>\$ 18,466,984</u>	<u>\$ 23,820,568</u>	<u>\$ 35,409,754</u>	<u>\$ 44,842,221</u>	<u>\$ 36,452,367</u>
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CITY OF ST. CLOUD
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2011	2012	2013	2014
General Fund				
Non-Spendable	\$ 2,370,452	\$ 2,518,046	\$ 2,451,601	\$ 2,442,265
Restricted	246,604	125,959	35,011	710,839
Assigned	2,133,340	3,179,659	2,704,016	4,087,045
Unassigned	4,571,432	3,273,644	3,939,062	3,407,545
Total General Fund	\$ 9,321,828	\$ 9,097,308	\$ 9,129,690	\$ 10,647,694
All Other Governmental Funds				
Non-Spendable	\$ 7,716,532	\$ 371,689	\$ 392,900	\$ 380,195
Restricted	36,647,714	29,011,044	26,969,155	23,213,807
Assigned	3,689,701	2,349,509	1,540,480	1,094,998
Unassigned	-	-	-	-
Total All Other Governmental Funds	\$ 48,053,947	\$ 31,732,242	\$ 28,902,535	\$ 24,689,000

Note:

Beginning in fiscal year 2011, fund balance classifications have been revised due to the implementation of GASB Statement No. 54.

2015	2016	2017	2018	2019	2020
\$ 2,028,328	\$ 1,801,074	\$ 1,836,846	\$ 1,777,917	\$ 1,973,964	\$ 1,936,943
310,896	892,953	1,265,947	39,938	42,573	29,309
4,231,520	207,172	31,854	1,433,135	1,001,880	3,383,003
2,918,251	7,281,247	10,169,034	10,697,849	10,080,338	8,209,189
<u>\$ 9,488,995</u>	<u>\$ 10,182,446</u>	<u>\$ 13,303,681</u>	<u>\$ 13,948,839</u>	<u>\$ 13,098,755</u>	<u>\$ 13,558,444</u>
\$ 507,310	\$ 1,638	\$ 1,305	\$ 1,522	\$ 2,705	\$ 846
22,957,746	26,191,375	30,249,805	32,516,986	39,339,956	48,279,648
1,249,540	808,919	260,379	341,686	1,398,640	1,431,831
-	-	(146,821)	(108,404)	(481,795)	(78,478)
<u>\$ 24,714,596</u>	<u>\$ 27,001,932</u>	<u>\$ 30,364,668</u>	<u>\$ 32,751,790</u>	<u>\$ 40,259,506</u>	<u>\$ 49,633,847</u>

CITY OF ST. CLOUD
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2011	2012	2013	2014
Revenues				
Taxes	\$ 14,073,338	\$ 13,688,810	\$ 13,747,685	\$ 14,691,833
Licenses and Permits	2,468,250	2,614,851	3,213,534	3,207,093
Intergovernmental	3,764,674	4,299,705	4,310,955	4,505,628
Charges for Services	3,472,421	2,005,328	2,172,825	10,982,679
Fines and Forfeitures	249,220	305,678	227,983	188,216
Grants	81,800	90,181	461,348	1,923,534
Investment Income	913,382	618,221	92,707	318,742
Other Revenues	990,751	3,194,486	2,338,838	1,689,454
Total Revenues	34,298,370	35,659,046	35,236,013	37,507,179
Expenditures				
Current:				
General Government	4,829,790	5,981,125	6,262,085	4,895,805
Public Safety	14,764,873	14,204,511	14,878,555	16,984,759
Physical Environment	-	-	-	304
Transportation	2,464,536	2,543,154	2,309,765	2,407,052
Parks and Recreation	2,602,977	2,685,031	2,776,356	2,882,584
Economic Environment	507,637	474,680	454,552	1,003,322
Capital Outlay	15,457,839	12,909,124	4,164,800	5,956,120
Debt Service:				
Principal Retirement	3,341,488	4,315,931	4,466,055	4,407,950
Interest and Fees	3,235,797	3,158,796	3,045,367	3,313,472
Debt Issuance Costs	1,844,282	-	-	-
(Total Expenditures)	(49,049,219)	(46,272,352)	(38,357,535)	(41,851,368)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,750,849)	(10,613,306)	(3,121,522)	(4,344,189)
Other Financing Sources (Uses)				
Issuance of Debt	54,890,000	-	-	-
Bond Premium	948,402	-	-	-
Payment to Refunded Bond Escrow Agent	(21,340,000)	-	-	-
Transfers in/from Other Funds	13,962,060	15,253,836	14,797,585	14,662,831
Transfers (out)/(to) Other Funds	(11,852,829)	(21,186,755)	(14,473,388)	(13,014,173)
Sale of Capital Assets	-	-	-	-
Insurance Recoveries	-	-	-	-
Other Financing Sources (Uses)	36,607,633	(5,932,919)	324,197	1,648,658
Net Change in Fund Balances	\$ 21,856,784	\$ (16,546,225)	\$ (2,797,325)	\$ (2,695,531)
Debt Service as a Percentage of Non-Capital Expenditures	19.6%	22.4%	22.0%	21.5%

	2015	2016	2017	2018	2019	2020
\$	15,599,187	\$ 16,809,041	\$ 17,633,468	\$ 19,355,770	\$ 20,928,705	\$ 21,898,628
	3,686,839	6,848,369	8,359,304	8,356,146	11,957,241	11,772,765
	4,887,562	5,164,335	5,580,674	6,538,387	7,071,498	5,765,943
	8,958,552	9,478,806	10,230,842	10,838,656	11,048,764	11,466,179
	150,204	190,264	205,461	153,285	162,109	105,044
	1,075,282	373,532	685,407	443,684	1,215,078	1,028,528
	558,801	385,422	317,261	615,028	1,478,386	1,050,338
	1,496,163	1,700,547	1,596,474	851,678	1,037,675	622,539
	36,412,590	40,950,316	44,608,891	47,152,634	54,899,456	53,709,964
	4,933,674	5,291,917	6,120,256	5,448,154	6,314,706	6,047,977
	18,560,826	19,708,851	20,443,363	21,308,489	24,124,422	26,107,192
	-	-	-	-	-	-
	2,352,860	1,844,756	1,536,532	1,880,374	2,209,756	2,342,751
	3,239,828	3,245,669	3,447,659	3,763,598	4,050,481	3,918,648
	370,884	550,898	422,255	451,677	638,426	781,430
	4,518,763	4,190,641	6,277,401	8,057,599	8,936,769	4,630,186
	2,678,142	2,892,145	3,055,355	2,794,661	2,574,751	2,985,118
	2,658,275	2,540,894	2,452,757	2,371,289	2,255,245	1,087,982
	-	-	-	-	-	-
	(39,313,252)	(40,265,771)	(43,755,578)	(46,075,841)	(51,104,556)	(47,901,284)
	(2,900,662)	684,545	853,313	1,076,793	3,794,900	5,808,680
	-	972,490	-	-	-	35,585,000
	-	-	-	-	-	-
	-	-	-	-	-	(35,493,000)
	17,264,505	19,916,711	28,485,467	18,210,264	23,228,627	24,451,244
	(14,983,741)	(18,592,959)	(22,854,809)	(16,254,777)	(20,365,895)	(21,226,965)
	-	-	-	-	-	464,386
	-	-	-	-	-	244,685
	2,280,764	2,296,242	5,630,658	1,955,487	2,862,732	4,025,350
\$	(619,898)	\$ 2,980,787	\$ 6,483,971	\$ 3,032,280	\$ 6,657,632	\$ 9,834,030
	15.3%	15.1%	14.7%	13.6%	11.5%	9.4%

CITY OF ST. CLOUD
Sanitation Revenue Indicators
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Annual Tonnage										
City	22,856	20,654	21,616	22,622	23,805	25,135	27,416	29,155	29,706	31,005
Non-City	74,238	70,568	64,042	58,888	68,648	71,276	74,718	80,859	78,638	73,692
Total	97,095	91,222	85,658	81,510	92,453	96,411	102,134	110,014	108,344	104,697
Rates										
City	\$ 43	\$ 44	\$ 44	\$ 44	\$ 47	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42
Non-City	43	44	44	44	47	47	49	49	51	51
Customers										
Residential	13,998	15,277	15,011	15,048	15,669	16,874	17,420	18,533	19,660	20,795
Commercial	388	418	442	459	458	278	567	309	338	325
Shared Containers	-	-	-	-	-	142	143	153	157	159
Dumpsters	332	340	364	362	361	326	380	346	404	390
Rates										
Curbside:										
Residential	\$ 17	\$ 17	\$ 17	\$ 17	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18	\$ 20
Commercial	17	17	17	17	18	18	18	18	18	20
Additional	100	100	100	100	100	100	100	100	100	100
Dumpsters	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable

Note: In 2011, the charge for an additional trash bin changed to a \$100 one-time fee (Res. 2011-128R Exh A).

CITY OF ST. CLOUD
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2011	\$ 1,260,138,855	\$ 1,857,245,020	\$ 75,868,896	\$ 89,587,224
2012	1,130,021,903	1,701,176,314	68,259,867	83,016,192
2013	1,096,284,020	1,669,866,208	70,515,273	364,835,412
2014	1,140,657,725	1,777,302,566	69,154,635	379,884,058
2015	1,249,263,227	1,999,034,036	71,600,022	392,169,804
2016	1,402,905,315	2,271,106,956	69,847,916	387,216,147
2017	1,529,793,107	2,481,494,926	67,108,420	384,641,893
2018	1,721,422,794	2,756,485,576	77,202,223	512,965,691
2019	1,973,204,723	3,187,568,228	72,843,938	524,883,070
2020	2,301,699,575	3,725,971,390	86,429,409	540,484,533

Source: Osceola County Property Appraiser (DR-403V)

Notes: This schedule reflects values corresponding with the fiscal year(s) in which taxes are levied and payable.

Centrally Assessed Property consists of railroad and telegraph systems, which are assessed by the State of Florida. Currently, the City of St. Cloud does not have Centrally Assessed Property.

Centrally Assessed Property		Total			Percent of Total
Assessed Value	Estimated Actual Value	Assessed Value	Direct Tax Rate	Estimated Actual Value	Assessed Value to Total Estimated Actual Value
\$ -	\$ -	\$ 1,336,007,751	4.9128	\$ 1,946,832,244	68.6%
-	-	1,198,281,770	4.9128	1,784,192,506	67.2%
-	-	1,166,799,293	4.9128	2,034,701,620	57.3%
-	-	1,209,812,360	5.1128	2,157,186,624	56.1%
-	-	1,320,863,249	5.1128	2,391,203,840	55.2%
-	-	1,472,753,231	5.1128	2,658,323,103	55.4%
-	-	1,596,901,527	5.1128	2,866,136,819	55.7%
-	-	1,798,625,017	5.1128	3,269,451,267	55.0%
-	-	2,046,048,661	5.1128	3,712,451,298	55.1%
-	-	2,388,128,984	5.1128	4,266,455,923	56.0%

CITY OF ST. CLOUD
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

City Direct Rates				Overlapping Rates		
Fiscal Year	Basic Rate	General Obligation Debt Service	Total Direct Rate	Osceola County	Osceola County School District	South Florida Water Management
2020	5.1128	-	5.1128	7.1635	6.0260	0.2675
2019	5.1128	-	5.1128	7.1858	6.4110	0.2936
2018	5.1128	-	5.1128	7.1997	6.7490	0.3100
2017	5.1128	-	5.1128	7.1928	6.9050	0.3307
2016	5.1128	-	5.1128	7.2186	7.2610	0.3551
2015	5.1128	-	5.1128	7.1839	7.3750	0.3842
2014	5.1128	-	5.1128	7.1958	7.5090	0.4110
2013	4.9128	-	4.9128	7.1966	7.3230	0.4289
2012	4.9128	-	4.9128	7.1949	7.5770	0.4363
2011	4.9128	-	4.9128	7.1962	7.7150	0.6240

Source: Osceola County Tax Collector

Note: This schedule reflects rates corresponding with the fiscal year(s) in which taxes are levied and payable.

CITY OF ST. CLOUD
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2019/2020 (a)			Fiscal Year 2010/2011 (b)		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Progress Residential Borrower, LLC	\$ 27,884,377	1	1.17%			
Soleil Blu West Eleven, LLC	24,710,100	2	1.03%			
Osceola Sc, LLC/St Cloud Regional Medical Center	20,146,467	3	0.84%			
IH3/IH4/Ih5/IH6 Property Florida, LP	18,233,210	4	0.76%			
2013-1/2017-1/2017-2/2018-2/2018-3/2018-4/2019-1						
IH Borrower, LP	13,043,104	5	0.55%			
Lennar Homes, LLC	12,127,455	6	0.51%			
Wal-Mart Stores East, LP	11,928,443	7	0.50%	\$ 12,484,371	2	0.64%
The Mark MHP, Ltd./Sugar Mill MHP, Ltd./Mill North, LLC	11,457,777	8	0.48%			
Mattamy Orlando, LLC	10,363,100	9	0.43%			
Mercury Marine #7/Brunswick Corp	10,280,281	10	0.43%			
Osceola, LLC/St Cloud Regional Medical Center				17,817,263	1	0.80%
Sembler/Sembler-Treasure FI				10,555,400	3	0.60%
Inland Diversified, LLC				9,418,500	4	0.54%
Embarq Corporation				9,367,028	5	0.49%
Stevens Plantation				8,915,503	6	0.49%
Mercury Marine				8,096,536	7	0.48%
Prime Homes, Ltd.				7,533,700	8	0.46%
Home Depot, Inc.				7,420,394	9	0.45%
Publix Center Trust, Inc.				6,752,719	10	0.44%
Total Taxable Assessed Value	160,174,314		6.71%	98,361,414		5.39%
Total Taxable Assessed Value all Other Taxpayers	2,227,954,670		93.29%	1,237,646,337		94.61%
Total Taxable Assessed Value all Taxpayers	\$ 2,388,128,984		100.00%	\$ 1,336,007,751		100.00%

(a) The fiscal year ended September 30, 2020, tax levy is based on the 2019 taxable value.

(b) The fiscal year ended September 30, 2011, tax levy is based on the 2010 taxable value.

Source: Osceola County Property Appraiser

CITY OF ST. CLOUD
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 6,589,821	\$ 6,335,376	96.14%	\$ 33,294	\$ 6,368,670	96.64%
2012	5,926,418	5,690,535	96.02%	33,797	5,724,332	96.59%
2013	5,725,653	5,513,129	96.29%	14,261	5,527,390	96.54%
2014	6,193,240	5,958,031	96.20%	21,289	5,979,320	96.55%
2015	6,785,871	6,506,571	95.88%	17,844	6,524,415	96.15%
2016	7,539,265	7,243,253	96.07%	20,393	7,263,646	96.34%
2017	8,161,308	7,870,071	96.43%	19,434	7,889,505	96.67%
2018	9,193,298	8,907,454	96.89%	42,068	8,949,522	97.35%
2019	10,461,038	10,161,389	97.14%	9,060	10,170,449	97.22%
2020	12,210,026	11,729,490	96.06%	12,066	11,741,557	96.16%

Sources: Osceola County Tax Collector
City of St. Cloud Finance Department

CITY OF ST. CLOUD
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Type Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Revenue Bonds	Special Assessment Bonds	Revenue Bonds				
2011	\$ 67,100,888	\$ -	\$ 56,562,709		\$ 123,663,597	12.68%	3,446
2012	62,784,957	-	69,618,819		132,403,776	12.85%	3,510
2013	58,318,905	-	66,600,479		124,919,384	11.80%	3,189
2014	53,910,955	-	63,477,977		117,388,932	10.53%	2,959
2015	51,334,604	-	60,228,808		111,563,412	9.03%	2,700
2016	49,356,603	-	56,498,966		105,855,569	8.03%	2,462
2017	46,271,334	-	52,779,183		99,050,517	6.84%	2,197
2018	43,447,700	-	48,972,187		92,419,887	5.96%	1,987
2019	40,878,973	-	45,071,371		85,950,344	5.09%	1,795
2020	39,467,865	-	41,075,092		80,542,957	N/A	1,582

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

N/A = Not available at time of publication.

CITY OF ST. CLOUD
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year⁽¹⁾	Limited General Obligation Bonds	Total	Percentage of Actual Taxable Value of Property	Per Capita
2020				
2019				
2018				
2017				
2016				
2015				
2014				
2013				
2012				
2011				

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

⁽¹⁾ There was no general bonded debt in these fiscal years.

CITY OF ST. CLOUD
Direct and Overlapping Governmental Activities Debt
as of September 30, 2020
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Overlapping (2)	Estimated Share of Direct and Overlapping Debt (2)
Overlapping Debt			
School District of Osceola County Florida			
Long-Term Debt (1)			
Self Supporting State Bonds			
Series 2011ARFD	\$ 455,000	8.4067%	\$ 46,771
Series 2014A	947,000	8.4067%	90,558
Series 2017ARFD	742,000	8.4067%	67,011
Series 2020	215,000	8.4067%	67,011
District Revenue Bonds			
Sales Tax Revenue Bonds, Series 2015	20,051,000	8.4067%	1,869,372
Sales Tax Revenue Bonds, Series 2017	11,380,000	8.4067%	1,137,413
Capital Outlay Sales Tax Revenue Bonds, Series 2017	76,680,000	8.4067%	6,574,495
Certificates of Participation			
Series 2013A	27,700,000	8.4067%	2,434,490
Series 2014A	3,605,000	8.4067%	290,703
Series 2015A	4,855,000	8.4067%	463,674
Series 2017A	49,770,000	8.4067%	4,460,141
Series 2020A	6,340,000	8.4067%	4,460,141
Qualified School Construction Bonds			
Series 2010A	40,500,000	8.4067%	3,265,878
Education Benefit Districts			
Bellalago Benefit District	8,254,205	8.4067%	697,493
Total Osceola County School District (1)	251,494,205	8.4067%	25,925,151
Osceola County			
Limited General Obligation Debt			
Series 2015	6,300,000	8.4067%	1,037,420
Series 2020	9,580,000	8.4067%	586,648
Total Osceola County	15,880,000	8.4067%	1,624,068
Subtotal - Overlapping Debt	267,374,205	8.4067%	27,549,219
Direct Debt			
City of St. Cloud	40,878,973	100.0000%	40,878,973
Total Direct and Overlapping Debt	\$ 308,253,178		\$ 68,428,192

Sources: Osceola County Finance Department
Osceola County School Board Finance Department
City of St. Cloud Finance Department

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of St. Cloud, Florida. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying debt of each overlapping government.

(1) Excluding Capital Leases, Installment Purchases, Compensated Absences, and Estimated Insurance Claims Payable.

(2) Allocated on the basis of assessed values used for the purpose of ad valorem taxation.

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Governmental-Type Activities

One Percent Surcharge Revenue Notes

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2011	\$ 2,877,183	\$ -	\$ 2,877,183	\$ 432,395	\$ 337,893	3.74
2012	3,266,193	-	3,266,193	885,632	369,549	2.60
2013	3,504,152	-	3,504,152	906,470	351,837	2.78
2014	3,785,580	-	3,785,580	932,518	324,643	3.01
2015	4,133,978	-	4,133,978	1,574,195	359,650	2.14
2016	4,438,492	-	4,438,492	1,648,686	289,724	2.29
2017	4,661,119	-	4,661,119	1,710,363	225,089	2.41
2018	5,135,595	-	5,135,595	1,421,411	173,139	3.22
2019	5,419,234	-	5,419,234	1,143,507	114,970	4.31
2020	4,649,414	-	4,649,414	1,177,370	80,664	3.70

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

Revenue pledge transferred to 1% surcharge from Utility tax beginning in 2015.

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Governmental-Type Activities

Gas Tax Revenue Bonds

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service (1)	Debt Service		Coverage
				Principal	Interest	
2011	\$ 1,181,603	\$ 296,013	\$ 1,181,603	\$ 386,505	\$ 119,502	2.34
2012	1,169,365	334,815	1,169,365	400,931	105,076	2.31
2013	1,317,560	340,590	1,317,560	416,055	90,061	2.60
2014	1,302,546	599,530	1,302,546	202,950	77,129	4.65
2015	1,315,950	496,930	1,315,950	208,142	71,937	4.70
2016(2)	1,794,354	1,007,362	1,794,354	213,467	66,612	6.41
2017	1,817,205	1,373,430	1,817,205	218,928	61,151	6.49
2018	1,916,167	1,634,928	1,916,167	224,529	55,550	6.84
2019	2,033,207	-	2,033,207	230,273	49,806	7.26
2020	2,082,100	-	2,082,100	236,165	43,914	7.43

(1) Gas tax revenue bonds are paid prior to operating expenses.

(2) Funding source changed to Stormwater revenue in FY2016.

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

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Governmental-Type Activities

Traffic Impact Fee Bonds

Fiscal Year	Gross Revenues (1)		Operating Expenses (2)		Net Revenue Available for Debt Service	Debt Service		Coverage
						Principal	Interest	
2011	\$	1,700,807	\$	50,350	\$ 1,650,457	\$ 397,605	\$ 2,048,109	0.67
2012		1,797,459		15,812	1,781,647	814,368	2,306,684	0.57
2013		1,393,492		-	1,393,492	833,530	2,290,397	0.45
2014		1,221,292		-	1,221,292	857,482	2,265,391	0.39
2015		1,472,656		-	1,472,656	895,805	2,226,588	0.47
2016		3,201,916		-	3,201,916	941,314	2,183,235	1.02
2017		3,265,589		-	3,265,589	979,637	2,145,583	1.04
2018		4,137,457		-	4,137,457	1,003,589	2,120,373	1.32
2019		6,610,945		-	6,610,945	1,051,493	2,072,589	2.12
2020		6,346,987		-	6,346,987	1,417,630	862,540	2.78

(1) Total Revenues (including interest)

(2) Total Operating Expenses Exclusive of Depreciation

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

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Business-Type Activities

Water Utility Revenue Bonds

Fiscal Year	Gross Revenues (1)		Operating Expenses (2)		Net Revenue Available for Debt Service	Debt Service		Coverage
						Principal	Interest	
2011	\$	7,651,514	\$	3,877,965	\$ 3,773,549	\$ 1,260,982	\$ 569,531	2.06
2012		8,052,183		4,202,819	3,849,364	1,179,692	648,278	2.11
2013		9,723,906		4,146,469	5,577,437	1,333,101	941,821	2.45
2014		10,551,428		5,288,846	5,262,582	1,311,355	890,730	2.39
2015		11,676,597		5,970,689	5,705,908	1,391,668	857,043	2.54
2016		12,777,184		6,141,334	6,635,850	1,927,661	814,893	2.42
2017		14,614,213		6,660,795	7,953,418	1,979,350	764,876	2.90
2018		14,764,541		7,156,715	7,607,826	2,026,755	716,363	2.77
2019		16,111,439		8,266,460	7,844,979	2,079,895	664,492	2.86
2020		16,475,456		8,867,131	7,608,325	2,133,789	609,507	2.77

- (1) Total operating revenues (including interest) as of FY 2010
(in prior years pledged revenue included other non-operating income).
Impact fee revenue included does not exceed debt service on eligible portion of loan(s).
- (2) Total operating expenses exclusive of depreciation.

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

CITY OF ST. CLOUD
Pledged-Revenue Coverage
Last Ten Fiscal Years

Business-Type Activities

Sewer Utility Revenue Bonds

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2011	\$ 8,450,880	\$ 4,877,186	\$ 3,573,694	\$ 2,073,311	\$ 838,565	1.23
2012	8,937,915	5,225,946	3,711,969	1,264,197	1,341,048	1.42
2013	10,718,872	5,056,485	5,662,387	2,658,008	722,936	1.67
2014	10,366,495	5,648,292	4,718,203	1,811,147	659,549	1.91
2015	11,904,870	5,287,600	6,617,270	1,857,504	612,831	2.68
2016	12,638,003	5,099,130	7,538,873	1,802,180	564,647	3.19
2017	13,440,582	5,376,924	8,063,658	1,740,432	522,654	3.56
2018	13,321,254	5,418,713	7,902,541	1,780,242	486,691	3.49
2019	14,574,125	5,823,048	8,751,077	1,820,920	446,575	3.86
2020	15,886,510	6,603,896	9,282,614	1,862,491	402,913	4.10

- (1) Total operating revenues (including interest) as of FY 2010
(in prior years pledged revenue included other non-operating income).
Impact fee revenue included does not exceed debt service on eligible portion of loan(s).
- (2) Total operating expenses exclusive of depreciation.

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

CITY OF ST. CLOUD
Demographic and Economic Statistics
Last Ten Calendar Years

Year	CITY OF ST. CLOUD		OSCEOLA COUNTY			
	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2011	35,884	\$ 975,004	\$ 27,171	35.6	56,543	11.3%
2012	37,723	1,030,441	27,316	35.6	55,832	9.4%
2013	39,171	1,058,361	27,019	35.5	57,538	7.2%
2014	39,674	1,114,363	28,088	35.9	58,851	6.4%
2015	41,316	1,235,803	29,911	36.4	60,125	5.7%
2016	42,998	1,318,534	30,665	36.5	62,648	4.8%
2017	45,094	1,447,337	32,096	35.7	67,796	3.6%
2018	46,519	1,551,223	33,346	35.7	71,901	3.3%
2019	47,874	1,687,941	35,258	36.7	69,332	3.0%
2020	50,897	N/A	N/A	36.0	68,519	13.3%

Sources: (1) University of Florida Bureau of Economic and Business Research (BEBR) <http://bebr.ufl.edu>
(2) Bureau of Economic Analysis <https://www.bea.gov>
Per Capita shown for Osceola County. Personal Income for St. Cloud determined by multiplying per capita by City population.
(3) Florida Legislature Office of Economic and Demographic Research <http://edr.state.fl.us>
Median age shown for Osceola County.
(4) Osceola County School Board; <http://www.osceola.k12.fl.us>; Enrollment shown is for Osceola County.
(5) Unemployment rate shown for Osceola County.
N/A = Not available at time of publication.

CITY OF ST. CLOUD
Principal Employers
Osceola County, Florida
Current Year and Nine Years Ago

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
School District of Osceola County	8,832	1	8.91%	6,061	1	6.39%
Walt Disney Company - Osceola County Offices	3,700	2	3.73%	3,123	2	3.29%
Orange Lake Resorts and Holiday Inn Club Vacations	2,600	3	2.62%			
Osceola Regional Medical Center	1,900	4	1.92%			
Adventist Health System	1,658	5	1.67%			
Gaylord Palms Resort and Convention Center	1,624	6	1.51%	1,433	10	1.51%
Westgate Vacation Villas	1,500	7	1.41%	1,500	9	1.58%
Osceola County Government	1,399	8	1.22%	2,352	3	2.48%
Valencia College - Osceola	1,213	9	1.21%			
Wilson Resort Management	1,200	10	0.97%			
Florida Hospital Celebration and Kissimme				1,750	8	1.85%
Wal-Mart Stores, Inc.				2,318	4	2.44%
Wyndham Hotels				2,239	5	2.36%
Holiday Inn Hotels				1,792	6	1.89%
Publix Supermarkets				1,759	7	1.86%
Total Largest Employers	25,626 ⁽¹⁾		25.17%	24,327		25.65%
Total All Other Employers	62,543			70,480		
Total Employment	88,169 ⁽²⁾			94,807 ⁽³⁾		

Sources: ⁽¹⁾ Florida Department of Economic Opportunity (DEO) <http://www.myflorida.com/agency>
⁽²⁾ Florida Department of Economic Opportunity (DEO), Local Area Unemployment Statistics (LAUS)
⁽³⁾ Osceola County Comprehensive Annual Financial Report - Fiscal Year 2011

CITY OF ST. CLOUD
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Council Members	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
City Clerk	5.50	5.50	6.50	6.50	6.50	6.50	6.00	6.00	7.50	8.00
City Manager	5.00	5.00	1.00	3.00	3.00	4.00	9.00	10.00	12.50	16.50
Human Resources	7.00	7.00	7.00	7.00	7.00	6.00	7.00	7.00	7.00	8.00
Information Technology	12.50	12.50	12.50	12.50	13.00	13.00	12.00	13.00	13.00	10.00
Finance & Accounting	19.00	19.00	19.00	19.00	18.00	34.50	18.00	19.50	18.00	19.00
Building & Permitting	30.00	30.00	30.00	30.00	30.00	21.00	22.00	25.00	30.00	34.00
Planning & Zoning	12.00	11.00	12.00	12.00	13.00	8.00	8.00	10.00	19.00	16.00
Public Safety										
Police										
Sworn Officers	77.00	77.00	80.50	80.50	83.00	83.50	83.50	87.50	98.50	100.50
Civilians	52.50	52.00	52.00	54.00	54.00	55.50	63.50	62.50	64.50	65.50
Fire										
Sworn Officers	33.00	33.00	36.00	35.00	48.00	48.00	48.00	46.00	50.00	58.00
Civilians	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Emergency Services	20.00	20.00	20.00	20.00	20.00	20.00	20.00	24.00	24.00	19.00
Public Works										
Engineering	10.00	10.00	12.00	10.00	8.00	7.00	7.00	5.00	5.00	6.00
Street Maintenance	15.00	15.00	16.00	16.00	16.00	16.00	15.00	15.00	16.00	18.00
Fleet Maintenance	4.00	5.00	6.00	6.00	7.00	7.00	7.00	7.00	8.00	7.00
Traffic Control	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Turf & Landscape	20.00	20.00	19.00	19.00	20.00	17.50	9.50	13.50	13.50	14.00
Parks & Recreation	79.00	76.50	75.50	74.00	74.50	71.50	72.50	72.50	78.50	75.00
Water	75.50	75.50	77.50	79.50	96.50	77.00	90.00	90.00	95.00	92.50
Sewer	11.00	11.00	10.00	10.00	12.00	12.00	12.00	12.00	13.00	13.00
Sanitation	30.00	34.00	34.00	35.00	35.00	35.00	37.00	37.00	37.00	37.00
Total	527.50	528.50	536.00	538.50	574.00	552.50	556.50	572.00	619.50	626.50

Source: City of St. Cloud Annual Budget
Funded Full Time Equivalents

CITY OF ST. CLOUD
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government:										
Building Permits Issued	1,869	1,822	2,085	2,428	2,590	3,195	3,825	5,782	4,944	4,416
Building Inspections Conducted	7,502	6,692	11,533	12,102	12,903	17,087	21,698	28,940	43,536	35,769
Police:										
Physical Arrests	1,288	1,086	1,284	1,327	1,293	1,188	1,435	1,109	1,102	1,287
Citations	3,142	3,250	6,581	5,188	4,370	3,519	3,170	5,260	5,983	5,864
Calls for Service	67,743	73,345	69,645	69,785	83,829	83,109	85,186	90,667	95,432	92,906
Fire:										
EMS Responses	3,060	3,131	4,192	3,279	4,211	4,238	4,530	4,672	5,026	5,236
Fires Emergencies	1,413	1,437	1,620	1,313	1,371	1,487	1,735	1,813	1,835	2,074
Inspections	541	558	741	1,030	1,293	1,235	1,061	1,355	1,327	1,380
Refuse Collection:										
Refuse Collected (tons per year)	22,856	25,333	26,949	30,459	31,043	33,153	35,460	37,143	72,603	41,170
Refuse - Transfer Station (tons per year)	97,095	91,498	93,841	92,180	92,465	98,172	103,305	112,909	216,214	94,853
Other Public Works:										
Street Resurfacing (miles)	3	3	3	3	1	3	-	3	4	1
Potholes Repaired (yards)	1,572	1,232	2,064	5,029	4,850	5,317	4,100	3,600	3,376	2,448
Parks & Recreation:										
Camp Registrations	3,700	3,459	3,398	2,998	4,102	5,799	4,661	5,281	3,844	589
Pool Memberships	265	223	267	322	432	182	755	448	774	318
Private Use Rentals	200	113	160	178	252	315	427	496	650	437
Boat Basin Rentals	105	102	98	109	118	200	552	546	509	527
Potable Water:										
Total Average Connections/Customers	19,997	20,279	21,200	22,282	22,887	24,255	25,602	26,978	28,020	30,573
Average Annual Daily Consumption (MGD)	6	6	6	7	5	5	6	6	6	6
Wastewater:										
Total Connections	14,164	14,469	15,035	15,261	16,437	17,437	18,512	19,772	20,619	23,176
Average Annual Daily Sewage Treatment (MGD)	5	5	5	5	5	5	5	5	5	5
Reclaim Water:										
Total Connections	3,439	3,632	3,865	4,129	4,845	5,191	5,567	6,726	7,204	8,857

Note: Boat basin rentals reported above are an annual average for the year indicated.

Source: Various City of St. Cloud Departments

CITY OF ST. CLOUD
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police:										
Stations (Square Footage)	25,938.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0
Training Facilities (Square Footage)	3,986.0	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,689.0
Marked Vehicles	59.0	62.0	65.0	65.0	63.0	61.0	69.0	73.0	92.0	88.0
Unmarked Vehicles	23.0	24.0	28.0	36.0	39.0	32.0	36.0	38.0	35.0	43.0
Special Operation Vehicles	4.0	4.0	9.0	12.0	14.0	16.0	19.0	22.0	24.0	26.0
Fire:										
Stations	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Fire Trucks/Engines	6.0	6.0	6.0	6.0	6.0	5.0	6.0	6.0	6.0	6.0
Fire Rescue Vehicles (Ambulances)	5.0	5.0	5.0	5.0	5.0	5.0	7.0	8.0	8.0	8.0
Public Relations Vehicles						2.0	2.0	2.0	2.0	2.0
Refuse Collection:										
Collection Trucks	24.0	24.0	24.0	26.0	26.0	26.0	30.0	27.0	33.0	28.0
Public Works:										
Storm Sewers (Miles)	139.3	140.1	140.0	141.5	142.9	145.8	153.0	200.0	156.8	345.0
Paved Miles	146.3	147.0	147.4	148.8	174.4	175.4	161.3	200.0	190.4	345.0
Unpaved Miles	-	-	-	-	-	-	1.2	1.2	1.2	10
Parks and Recreation:										
Parks	13.0	13.0	13.0	15.0	15.0	15.0	16.0	17.0	18.0	19.0
Park Acreage	241.0	241.0	241.0	287.0	287.0	291.4	419.4	420.4	421.4	640.4
Boat Slips	143.0	143.0	143.0	143.0	143.0	143.0	143.0	143.0	143.0	143.0
Playgrounds	11.0	11.0	11.0	11.0	11.0	11.0	13.0	13.0	14.0	14.0
Baseball Fields	13.0	13.0	13.0	13.0	13.0	13.0	14.0	14.0	14.0	14.0
Soccer Fields	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Community Centers	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	6.0	6.0
Urban Agricultural Area	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Water:										
Water Mains (Miles)	280.2	282.7	289.0	290.9	295.4	301.4	317.7	331.1	346.6	355.4
Fire Hydrants	2,000.0	2,075.0	2,137.0	2,180.0	2,211.0	2,279.0	2,450.0	2,594.0	2,738.0	2,867.0
Storage Capacity (Millions of Gallons)	5.2	5.1	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Treatment Capacity (Millions of Gallons)	17.7	16.3	15.8	15.8	15.8	15.8	15.8	15.8	15.8	15.8
Wastewater:										
Sanitary Sewers (Miles)	168.5	169.0	172.0	175.0	246.7	257.9	271.2	285.3	300.2	306.4
Treatment Capacity (Millions of Gallons)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	7.6	7.6

Note: Beginning in FY2020, roadways are tracked by lane mile.

Source: Various City of St. Cloud Departments

CITY OF ST. CLOUD
Commercial Construction Value
and Residential Construction Value
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Commercial Construction Value</u>	<u>Residential Construction</u>	
		<u>Number of Units</u>	<u>Value</u>
2011	\$ 4,081,316	257	\$ 49,759,459
2012	2,715,051	22	44,368,321
2013	7,068,724	644	72,072,288
2014	1,069,463	732	76,172,287
2015	4,035,475	788	101,991,287
2016	16,804,745	663	106,951,632
2017	11,365,658	748	230,969,900
2018	22,245,440	880	275,378,601
2019	26,416,791	1,234	407,186,844
2020	28,982,394	1,030	344,472,052

Notes:

Source: City of St. Cloud Building Department

CITY OF ST. CLOUD
Tourist Statistical Data for Osceola County
Estimated Number of Overnight Visitors and Mode of Transportation
Last Ten Years

Year⁽¹⁾	Air Visitors	Auto Visitors	Train/Bus Visitors	Total Visitors	% Change
2011	3,555,000	2,395,000	73,000	6,023,000	12.41%
2012	3,746,000	2,676,000	77,000	6,499,000	7.90%
2013	3,709,000	3,047,000	81,000	6,837,000	5.20%
2014	3,876,000	3,185,000	84,000	7,154,000	4.64%
	Room Nights	Occupancy	Total Economic Impact	Total Visitors	% Change
2015 ⁽²⁾	7,525,300	72.40%	\$ 4,546,247,300	6,100,000	N/A
2016 ⁽³⁾	7,149,000	73.20%	\$ 5,431,139,000	7,460,000	22.30%
2017 ⁽³⁾	7,545,000	75.60%	\$ 5,934,129,000	7,901,000	5.91%
2018 ⁽⁴⁾	10,216,000	62.20%	\$ 6,000,000,000	8,600,000	8.85%
2019	10,446,000	63.60%	\$ 5,300,000,000	9,200,000	6.98%
2020	6,500,000	45.70%	\$ 5,000,000,000	6,000,000	-34.78%

Notes:

⁽¹⁾ Data is on calendar year basis.

⁽²⁾ Experience Kissimmee hired a new vendor for fiscal year 2015, the new vendor used different methodology in their calculations. Information about visitors by air, auto, or train/bus is not available.

⁽³⁾ Data consists of 11 calendar months

⁽⁴⁾ Since 2018 data is calculated on calendar year.

Source:

Osceola County; Experience Kissimmee

CITY OF ST. CLOUD
Insurance Coverage
September 30, 2020

Types of Coverage		Coverages and Limits		Deductibles
A.	General Liability Insurance			
	1 Bodily Injury and Property Damage Limit	\$	1,000,000 Per Occurrence	\$ -
	2 Personal Injury and Advertising Injury Limit		Included Per Person or Organization	\$ -
	3 Products & Completed Operations		Included	\$ -
	4 General Aggregate Limit	\$	1,000,000	\$ -
	5 Employee Benefits Liability, per person	\$	1,000,000 Per Occurrence	\$ -
	6 Employee Benefits Liability, Aggregate Limit	\$	1,000,000	\$ -
	7 Fire Damage Limit		Included	\$ -
	8 Law Enforcement Liability	\$	1,000,000 Per Person/Occurrence/Aggregate	\$ 25,000
	9 Cyber Liability Insurance	\$	1,000,000	\$ 2,500
B.	Property			
	1 Building and Contents Limit, per schedule	\$	117,765,583	\$ 25,000 or 2% For Named Storm
	a. Flood (Excess of NFIP where available)	\$	1,000,000 Per Occurrence/Aggregate	\$ 25,000
	b. Boiler & Machinery	\$	50,000,000	\$ 25,000
	2 Inland Marine			
	a. Unscheduled Blanket Inland Marine	\$	1,940,718	\$ 10,000
	b. Scheduled Inland Marine	\$	2,757,912	\$ 10,000
	c. Contractor's Mobile Equipment		Included	\$ 10,000
	d. Electronic Data Processing Equipment		Included	\$ 10,000
	e. Emergency Services Portable Equipment		Included	\$ 10,000
	f. Fine Arts		Included	\$ 10,000
	g. Rented, Borrowed, Leased Equipment	\$	200,000	\$ 10,000
	h. Valuable Papers		Included	\$ 10,000
	i. Watercraft	\$	13,786	\$ 10,000
C.	Automobile			
	1 Physical Damage Comprehensive/Collision Coverage		Actual Cash Value	\$ 5,000
	2 Automobile Liability	\$	1,000,000	\$ 5,000
	3 Personal Injury Protection		Statutory	\$ 5,000
D.	Public Officials			
	1 Employment Practices Liability	\$	1,000,000 Per Claim/Aggregate	\$ 25,000
	2 Professional Liability	\$	1,000,000 Per Claim/Aggregate	\$ 25,000
E.	Crime			
	1 Employee Dishonesty	\$	1,000,000 Per Loss	\$ 10,000
	2 On Premises/In Transit	\$	50,000 Per Loss	\$ 5,000
	3 Forgery or Alteration	\$	250,000 Per Loss	\$ 5,000
	4 Computer Fraud	\$	1,000,000 Per Loss	\$ 10,000
	5 Funds Transfer	\$	1,000,000 Per Loss	\$ 10,000
	6 Claim Expense	\$	5,000	\$ -
F.	Environmental (Pollution)			
	1 Above Ground Storage Tanks, per schedule	\$	1,000,000	\$ 25,000
G.	Workers' Compensation			
	1 Compensation Benefits	Statutory	City is self insured up to \$500,000 per occurrence	
	2 Employers Liability:		Excess coverage for losses over \$ 500,000, per occurrence	
	a. Each Accident	\$	1,000,000	\$ -
	b. Disease - Policy Limit	\$	1,000,000	\$ -
	c. Disease - Each Employee	\$	1,000,000	\$ -
H.	Fiduciary Fund			
	Travelers Casualty and Surety Company of America	\$	1,000,000	\$ 5,000
	Cancer Fund Fire Fighter Insurance			
	First Diagnosis-Class 1	\$	25,000	\$ -
	Accidental Death	\$	75,000	\$ -
	First Diagnosis-Class 3	\$	25,000	\$ -

CITY OF ST. CLOUD
Insurance Coverage
September 30, 2020

Types of Coverage		Coverages and Limits		Deductibles
A.	General Liability Insurance			
	1 Bodily Injury and Property Damage Limit	\$	1,000,000 Per Occurrence	\$ -
	2 Personal Injury and Advertising Injury Limit		Included Per Person or Organization	\$ -
	3 Products & Completed Operations		Included	\$ -
	4 General Aggregate Limit	\$	1,000,000	\$ -
	5 Employee Benefits Liability, per person	\$	1,000,000 Per Occurrence	\$ -
	6 Employee Benefits Liability, Aggregate Limit	\$	1,000,000	\$ -
	7 Fire Damage Limit		Included	\$ -
	8 Law Enforcement Liability	\$	1,000,000 Per Person/Occurrence/Aggregate	\$ 25,000
	9 Cyber Liability Insurance	\$	1,000,000	\$ 2,500
B.	Property			
	1 Building and Contents Limit, per schedule	\$	117,765,583	\$ 25,000 or 2% For Named Storm
	a. Flood (Excess of NFIP where available)	\$	1,000,000 Per Occurrence/Aggregate	\$ 25,000
	b. Boiler & Machinery	\$	50,000,000	\$ 25,000
	2 Inland Marine			
	a. Unscheduled Blanket Inland Marine	\$	1,940,718	\$ 10,000
	b. Scheduled Inland Marine	\$	2,757,912	\$ 10,000
	c. Contractor's Mobile Equipment		Included	\$ 10,000
	d. Electronic Data Processing Equipment		Included	\$ 10,000
	e. Emergency Services Portable Equipment		Included	\$ 10,000
	f. Fine Arts		Included	\$ 10,000
	g. Rented, Borrowed, Leased Equipment	\$	200,000	\$ 10,000
	h. Valuable Papers		Included	\$ 10,000
	i. Watercraft	\$	13,786	\$ 10,000
C.	Automobile			
	1 Physical Damage Comprehensive/Collision Coverage		Actual Cash Value	\$ 5,000
	2 Automobile Liability	\$	1,000,000	\$ 5,000
	3 Personal Injury Protection		Statutory	\$ 5,000
D.	Public Officials			
	1 Employment Practices Liability	\$	1,000,000 Per Claim/Aggregate	\$ 25,000
	2 Professional Liability	\$	1,000,000 Per Claim/Aggregate	\$ 25,000
E.	Crime			
	1 Employee Dishonesty	\$	1,000,000 Per Loss	\$ 10,000
	2 On Premises/In Transit	\$	50,000 Per Loss	\$ 5,000
	3 Forgery or Alteration	\$	250,000 Per Loss	\$ 5,000
	4 Computer Fraud	\$	1,000,000 Per Loss	\$ 10,000
	5 Funds Transfer	\$	1,000,000 Per Loss	\$ 10,000
	6 Claim Expense	\$	5,000	\$ -
F.	Environmental (Pollution)			
	1 Above Ground Storage Tanks, per schedule	\$	1,000,000	\$ 25,000
G.	Workers' Compensation			
	1 Compensation Benefits	Statutory	City is self insured up to \$500,000 per occurrence	
	2 Employers Liability:		Excess coverage for losses over \$ 500,000, per occurrence	
	a. Each Accident	\$	1,000,000	\$ -
	b. Disease - Policy Limit	\$	1,000,000	\$ -
	c. Disease - Each Employee	\$	1,000,000	\$ -
H.	Fiduciary Fund			
	Travelers Casualty and Surety Company of America	\$	1,000,000	\$ 5,000
	Cancer Fund Fire Fighter Insurance			
	First Diagnosis-Class 1	\$	25,000	\$ -
	Accidental Death	\$	75,000	\$ -
	First Diagnosis-Class 3	\$	25,000	\$ -

CITY OF ST. CLOUD
Insurance Coverage
September 30, 2020

<u>Types of Coverage</u>		<u>Coverages and Limits</u>		<u>Deductibles</u>	
I.	Group Health				
	1 PPO Coverage -- Preferred Plan			Office Co-pay	\$ 30
				Specialist Co-pay	\$ 45
				Hospital	Ded + Coins
				Rx - Tier 1	\$ 10
				Rx - Tier 2	\$ 30
				Rx - Tier 3	\$ 50
				Emer. Room	\$ 300
				Co-Ins.	80/20
				Max. out of Pocket	\$ 4,000 Individual
					\$ 8,000 Family
				Deductible	\$ 1,250 Individual
					\$ 2,500 Family
	2 PPO Coverage -- Standard Plan			Office Co-pay	\$ 30
				Specialist Co-pay	\$ 55
				Hospital	Ded + Coins
				Rx - Tier 1	\$ 10
				Rx - Tier 2	\$ 30
				Rx - Tier 3	\$ 50
				Emer. Room	\$ 300
				Co-Ins.	80/20
				Max. out of Pocket	\$ 5,000 Individual
					\$ 10,000 Family
				Deductible	\$ 1,750 Individual
					\$ 3,500 Family
J.	Group Life and Accidental Death and Dismemberment Insurance	1 times annual earnings rounded to the next higher multiple of \$1,000 Maximum amount of \$100,000 AD&D 3 times annual salary if wearing seatbelt			
K.	Accidental Death and Dismemberment <i>(Statutory Death Benefit Coverages for Police Officers and Firefighters)</i>	<ul style="list-style-type: none"> Line of Duty Coverage Principal Sum: \$75,000.00 Fresh Pursuit Coverage Principal Sum: \$150,000.00 Unlawful and Intentional Coverage Principal Sum: \$225,000 			
L.	Employee Long-Term Disability	66-2/3 benefit percentage of own occupation period of disability up to 3 years Maximum: \$5,000; Minimum: \$100 Partial disability included			
M.	Group Dental Insurance				
	Low Plan	Preventative Procedures		100/0	
		Basic Procedures	Co-Ins.	80/20	
		Major Procedures	Co-Ins.	50/50	
		Orthodontia	Co-Ins.	50/50	
		Year Deductible (In Network)		Individual \$0 / Family \$0	
		Year Deductible (Out of Network)		Individual \$50 / Family \$150	
		Annual Max		\$ 1,000	
		Annual Max Ortho		\$ 1,000	
	High Plan	Preventative Procedures		100/0	
		Basic Procedures	Co-Ins.	100/0	
		Major Procedures	Co-Ins.	60/40	
		Orthodontia	Co-Ins.	50/50	
		Year Deductible (In Network)		Individual \$0 / Family \$0	
		Year Deductible (Out of Network)		Individual \$50 / Family \$150	
		Annual Max		\$ 1,500	
		Annual Max Ortho		\$ 2,000	
N.	Fiduciary Liability				
	Police Officers & Firefighters	\$ 1,000,000	\$	-	
	General Employees	\$ 1,000,000	\$	-	

CITY OF ST. CLOUD
Miscellaneous Statistical Data
September 30, 2020

CITY OF ST. CLOUD, FLORIDA

(UNAUDITED)

Date of Incorporation

March 4, 1911

Original Charter Adopted

September 12, 1967

Present Charter Adopted

January 27, 1994

Re-published on February 11, 2010

Most Recent Referendum

March 17, 2009

Form of Government

Council - Manager

Terms of Office

Mayor/Councilman and Four Councilmen - Staggered Four-Year Terms

Boundary Areas

Municipality - 23.53 Square Miles

Electric Service Area - 150 Square Miles

COMPLIANCE SECTION

Additional elements of the report prepared
in accordance with the provisions of the
Uniform Guidance and the Rules of the Auditor
General of the State of Florida

COMPLIANCE SECTION

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

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, 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 St. Cloud, Florida (the City) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 26, 2021.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operations 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 City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards* which consist of:

2020-1—Notice of Event of Default

The U.S. Bank National Association acts as trustee (the Trustee) for the Stevens Plantation Improvement Project Dependent Special District (the District). The District was formed in 2003 and is presented as a blended component unit of the City. In May 2013, the Bond Holders of the outstanding \$4,460,000 portion of the \$5,890,000 Stevens Plantation Improvement Project Dependent Special District Revenue Bonds, Series 2003 (the Bonds) received a Notice of Event of Default because the Trustee did not receive sufficient payments from the District for the payment of the: (i) interest due on the Bonds on May 1, 2013; and (ii) principal maturity on the Bonds due and payable on May 1, 2013, and the amounts on deposit in the Revenue Fund and the Reserve account were insufficient to pay the interest and principal on the Bonds due and payable on May 1, 2013. No subsequent payments have been made since the notice of default, except for partial interest payments made in June 2017 of \$710,812 and February 2020 for \$1,321,827 for interest accrued during the period November 1, 2011 through October 31, 2019.

The Trustee has been made aware that the District's failure to make such a payment arises from the failure by the District, as the owner of certain real property within the District, to consummate sales of the property to third parties and distribute certain net proceeds of such sales to the Trustee. Therefore, the District is not in compliance with certain provisions of the Bonds.

Management's corrective action plan can be found in management's response letter.

Additionally, we noted certain other matters that we have reported to management in a separate letter dated March 26, 2021.

The City's responses to the management letter comments identified in our audit are described in the accompanying schedule. We did not audit the City's response and, accordingly, we express no opinion on it.

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

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

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



March 26, 2021
Ocala, Florida

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

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

We have examined the City of St. Cloud, Florida (the City) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2020, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

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

This report 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 Members of the City Council, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.



March 26, 2021
Ocala, Florida

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MANAGEMENT LETTER

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

Report on the Financial Statements

We have audited the financial statements of the City of St. Cloud, Florida (the City) as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 26, 2021.

Auditor's Responsibility

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; and Chapter 10.550, *Rules of the Auditor General*.

Other Reports and Schedules

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 26, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report except as noted below on the following table:

Tabulation of Uncorrected Audit Findings		
Current Year Findings	2018-19 FY Findings	2017-18 FY Findings
2020-1	2019-1	2018-1
2020-2	2019-3	2018-2

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. These disclosures can be found in Note 1 to the financial statements.

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The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

MANAGEMENT LETTER

Financial Condition and Management

- Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. In connection with our audit, we noted financial condition concerns with the Steven's Plantation Dependent Special District. Additional information can be found in the management letter comment 2020-2.
- Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. See attached list of the management letter comments.

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

MANAGEMENT LETTER

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



March 26, 2021
Ocala, Florida

MANAGEMENT LETTER COMMENTS

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

During the course of our audit, the following items came to our attention. These items involve primarily operational matters, which, if improved, will result in more efficient and effective operations:

2020-2—Stevens Plantation Dependent Special District

The Stevens Plantation Dependent Special District (the District) was created by the City of St. Cloud, Florida (the City) on August 21, 2003, via City Ordinance 2003-47, pursuant to Section 189.4041 of the Florida Statutes. The purpose of the District is to acquire land within its geographical boundary from the proceeds of tax-exempt debt for resale to developers in association with the Stevens Plantation Development (a mixed-use, master planned community encompassing approximately 590 acres within the City). The District is included as a blended component unit in the accompanying government-wide financial statements of the City.

Our review of the financial condition of the District indicates that there are several issues management needs to continue to address. These issues as of September 30, 2020, consist of the following:

- Bonds Payable of the District of \$4,460,000, are currently in default. We recommend that management continue to work with both legal and bond counsel to determine the legal liability associated with the default and the plans to address how to resolve the defaulted status of the Bonds.
- Land Held for Sale is currently reported in the accounting records at \$3,576,107, which is based on the historic values at which the land was purchased for resale. We recommend management reevaluate the carrying value of the land based on current appraised values and determine possible impairments.
- The District has obtained Interfund borrowings from both the General Fund and OUC Interlocal Agreement Fund to cover the deficit and meet the operating needs of the fund for several years. In prior years, a majority of this balance (approximately \$9,500,000) was reclassified from an Interfund borrowing to a permanent transfer of funds. An additional \$450,000 was transferred during 2020 for the payment of 2017 tax assessments and other expenses of the District, while none of the advance was repaid in the current year. We recommend that the City continue to monitor the future potential for recovery of these advances and consider the source of funds and recoverability of future advances to the District.

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The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

MANAGEMENT LETTER COMMENTS

- Through notifications from the Stevens Plantation Community Development District (the CDD) and review of their September 30, 2018 Audit Report, the CDD is not in compliance with certain provisions of their bond indentures for their Special Assessment Revenue Bonds, Series 2003A and 2003B, including those relating to: 1) collecting assessments to provide payment of debt service, and 2) making its semi-annual debt service principal and interest payments. The District holds land held for sale that is assessed annually by the CDD for operations maintenance and their proportion of the infrastructure improvements purchased through the issuance of the bonds. Through 2013, the District had paid their annual assessments; however, after that time, the Tax Collector has sold tax certificates each year to satisfy delinquent taxes and assessments on the properties owned by the District. Since then, the City has satisfied tax certificates as required to avoid foreclosure of District owned property. The District has made no subsequent assessments, except for specific parcels sold since 2013. Additionally, there are restrictions on the land such that if there are any land sales, a portion of the sales proceeds are required to be submitted to the CDD for payment on the 2003B bonds. During the 2013 fiscal year, the District received notice from the CDD that the remaining assessment value of \$6,445,676 was due and payable for the 2003B bonds. Since 2013, the District has paid \$3,182,360 from land sales to the CDD.

We recommend that management continue to work with legal and bond counsel to resolve these issues addressing the financial stability and legal liability associated with the indebtedness associated with the District including its relationship with the CDD.

2020-3—Capital Assets

Capital Asset subsidiary ledgers and schedules are a key component to accurate financial reporting, encompassing detail data on fixed asset acquisitions, disposals, depreciation, and asset management for each fund of the City. Timely and accurate ongoing management of those records is integral to the financial reporting process. During our audit, we noted that the completion and reconciliation of capital asset records was not available until after the timing of planned audit fieldwork, resulting in a delay in the completion of the audit. Additionally, our audit procedures revealed several necessary adjustments to the capital asset data. We recognize that delays are attributed to turnover in the accounting position responsible for capital assets and that the City has subsequently filled the position to aid in the timely and accurate maintenance of capital asset schedules.

Additionally, during our audit, we noted a building previously acquired by the Community Redevelopment Agency (the CRA) was sold during the fiscal year. The building, however, had not been properly removed from the CRA's asset listing. Based upon our inquiries, we were informed that the detail information and forms were not submitted to the finance department, so the building asset was not removed from the subsidiary system. This resulted in a required audit adjust of approximately \$400,000 to remove the asset from the subsidiary ledgers.

We recommend that management review the year-end close processes related to fixed assets to ensure timely reporting and preparation of the year-end financial statements.

The Honorable Members of the City Council
City of St. Cloud
St. Cloud, Florida

MANAGEMENT LETTER COMMENTS

2020-4—Florida Building Code

During the previous year, Florida Statute 553.80 was amended related to the enforcement of the Florida Building Code.

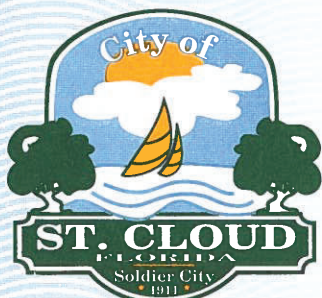
F.S. 553.80 7(a) - "A local government may not carry forward an amount exceeding the average of its operating budget for enforcing the Florida Building Code for the previous four fiscal years. For purposes of this subsection, the term "operating budget" does not include reserve amounts. Any amount exceeding this limit must be used as authorized in subparagraph (a)2".

F.S. 553.80 7(a)2 states "A local government must use any excess funds that it is prohibited from carrying forward to rebate and reduce fees".

For the year ended September 30, 2020, the City appears to have an excess carryforward balance exceeding the limit noted in the Florida Statute 553.80. As of the issuance of the audit report, the City has yet to reduce fees or issue refunds per the Florida Statute 553.80. We would recommend management review the Florida Statute and ensure they take the necessary steps to be in compliance with the Florida Statutes.



March 26, 2021
Ocala, Florida



Celebrating Small Town Life

March 26, 2021

Auditor General's Office
Local Government Section
Claude Denson Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Re: RESPONSE TO AUDITOR'S MANAGEMENT LETTER COMMENTS

Dear Ladies and Gentlemen:

The following is the City of St. Cloud's response to the independent auditor's management letter for the Auditor's Comments:

2020-1 —Stevens Plantation Dependent Special District Notice of Event of Default

St. Cloud's Response:

The City agrees with the Auditor's comments.

Bonds Payable of the District is currently in default

The City and the Dependent Special District (DSD) have continued to aggressively market the property for sale at the highest possible value, while urging the bondholders to work with the District toward extinguishment of the bond obligations as part of future land sale transactions. Recently there has been increased private interest to purchase the land held by the District, whereupon the net proceeds will be distributed in accordance with the Trust Agreement toward repayment of the bonds.

2020-02—Stevens Plantation Dependent Special District

St. Cloud's Response:

In FY2020, the City had no advances as it relates to the payment of District tax assessments. The City made a direct transfer for the payment of the 2017 delinquent taxes due. The direct transfer was decided due to the inability to guarantee collection of funds from the District. Budget Amendment Resolution depicted the Council's approval for the needed transfer which is also transparent in the financial statements as well as in Note 8. Any future tax payment obligations of the District, for which the City agrees to pay, will be paid in the same manner with restricted funds for Economic Development. As a subsequent event, the St. Cloud City Council approved a Budget Amendment Resolution to pay the assessed taxes as due. The payment for the 2018 taxes has been made

2020-3 —Capital Assets Completion and reconciliation of capital asset records was not available until after audit fieldwork, resulting in a delay in the completion of the audit. Additionally, a building acquired by the CRA had not been properly removed from the CRA's asset listing. A required audit adjustment of approximately \$400,000 to remove the asset from the subsidiary ledgers.

St. Cloud's Response:

The City agrees with the Auditor's comments.

The City has an established Fixed Asset policy which was updated in FY2020 and is in place with additional adherence to capitalize items that are purchased, constructed, or fabricated in-house, including major modifications or improvements to any of these items within 10 days of placing in circulation. Practices that rely on manual entry into a spreadsheet or stand-alone database which can be prone to errors has been eliminated. In addition, work to the asset management tool that tracks in the central database integrating to other systems containing information such as approvals, acquisitions, physical location, is being updated to provide a robust reporting flow. Fixed asset sub ledger/detailed records will be reconciled to the general ledger on a periodic basis. Reconciliations include coordination among the budget, accounting, engineering, project management, and technical staff in the development and maintenance of fixed assets. A monthly confirmation of any sales or purchase of property as it relates to the CRA has been implemented to ensure timely verification and transfer of assets.

2020-4 —Florida Building Code

For the year ending September 30, 2020 the City appears to have an excess carry forward balance exceeding the limit noted in the Florida Statute 553.80 7(a)

St. Cloud's Response:

The City agrees with the Auditor's comments.

The City initiated according to section 553.80 (7) of the Florida Statutes, that the existing surplus can only be used to finance allowable activities related to enforcement of the Florida Building Code. The course of action presented is that the City will need to refund fees to the permit holders after review of revenues in the third quarter. The Building Department Director will work with the City Manager and Director of Finance to establish an appropriate fee schedule that will be periodically updated.

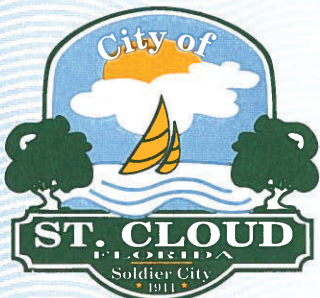
Additionally, the Capital Improvement Program has been updated as it relates to the Building Fund needs. Through this review, three million in capital projects have been identified to be expensed this fiscal year to spend down the reserves and be in compliance.

Sincerely,

CITY OF ST. CLOUD



Wendy C. Collazo, CPM, CGFO
Finance Director



March 26, 2021

AFFIDAVIT

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BEFORE ME, the undersigned authority, personally appeared (Wendy C. Collazo), who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer (Finance Director) of The City of St. Cloud Florida which is a local jurisdiction (city) of the State of Florida;
2. The city of St. Cloud Florida adopted Ordinance No. 2017-08 which eliminated the Transportation Impact Fee and established the Mobility Fee on 02/23/2017 to be effective on 05/29/2017.
3. The city of St. Cloud Florida adopted Resolution No. 2017-028R adopting the Mobility Fee Schedule and current discount percentages on 2/23/2017 to be effective on 5/29/2017.
4. The City of St. Cloud has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.


FURTHER AFFIANT SAYETH NAUGHT.


(Wendy C. Collazo)

STATE OF FLORIDA
COUNTY OF OSCEOLA

SWORN TO AND SUBSCRIBED before me this 26 day of March, 2020.




NOTARY PUBLIC
Print Name Kellie M. Brabant

Personally known X or produced identification _____

Type of identification produced: _____

My Commission Expires:

August 22, 2021