

THE SUNRISE CITY

FORT PIERCE

Florida



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR

FISCAL YEAR ENDED SEPTEMBER 30, 2021

FORT PIERCE, FLORIDA

**ANNUAL
COMPREHENSIVE
FINANCIAL REPORT
of the
CITY OF FORT PIERCE, FLORIDA**



For Fiscal Year Ended September 30, 2021

Prepared by:

**Johnna S. Morris
Director of Finance**

City of Fort Pierce Finance Department

FORT PIERCE CITY HALL



Mission Statement

“To provide community leadership, quality public service, and a safe environment for all citizens, by an empowered team of employees motivated by pride in themselves and in their work.”

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- ◆ City Officials and Department Heads
- ◆ Finance Director's Letter of Transmittal
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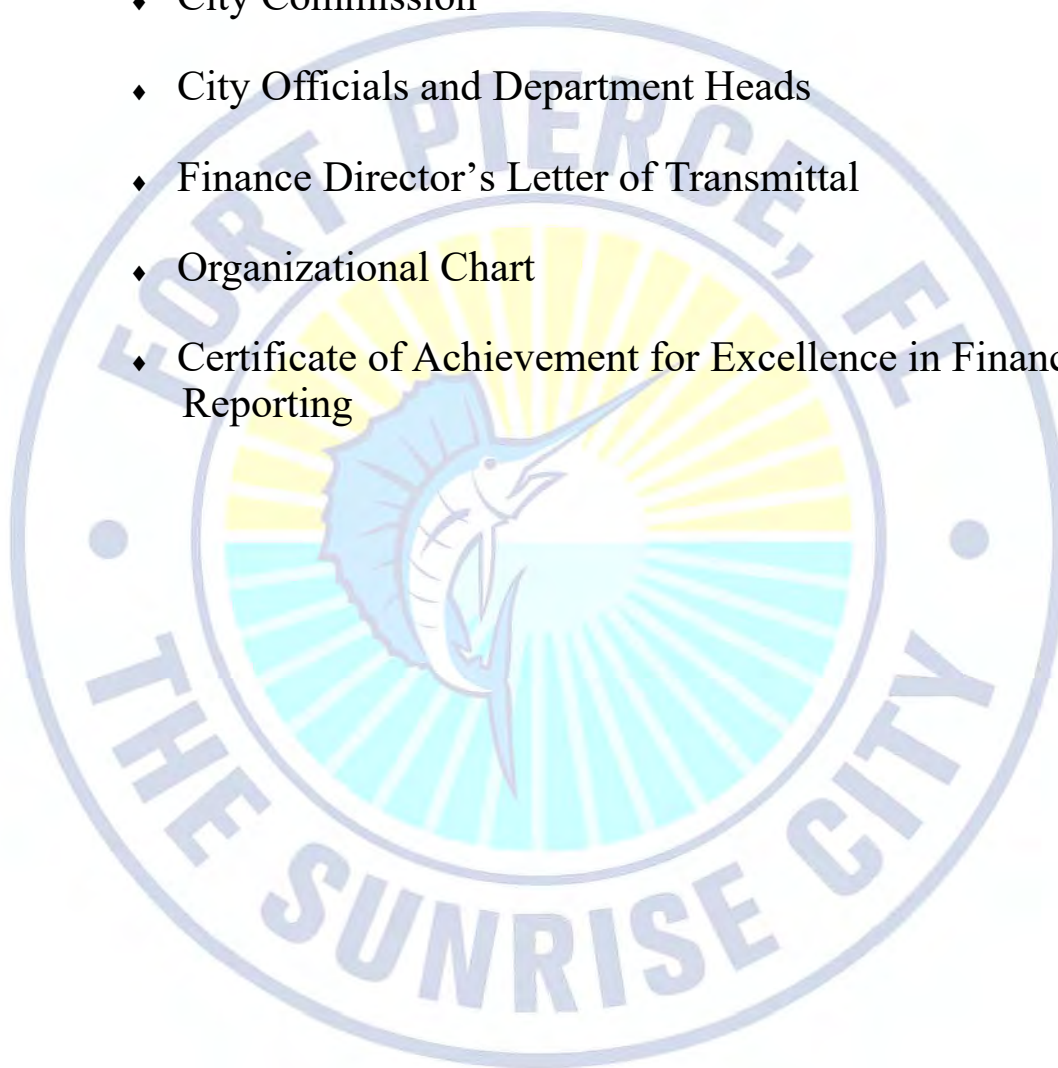




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CITY COMMISSION



Linda Hudson, Mayor



Rufus J. Alexander II



Jeremiah Johnson



Thomas K. Perona



Curtis Johnson, Jr.



CITY OFFICIALS



Nicholas Mimms, City Manager



Tanya Earley
City Attorney

Linda Cox
City Clerk

Johnna S. Morris, *Director of Finance*
Diane Hobley-Burney, *Chief of Police*
John R. Andrews, *City Engineer*
DeVoshay Johnson, *Information Technology Manager*
Paul Thomas *Building Official*
Jennifer Hofmeister, *Director, Planning Department*
Robert Reals, *Director, Public Works/Solid Waste*
Dean Kubitschek, *Marina Manager*
Peggy Arraiz, *Code Compliance Manager*
Daniel Visconti, *Golf Course Manager*
Sharon Engle, *Director, Sunrise Theatre*
Kevin Browning, *Human Resources Manager*



March 28, 2022

Honorable Mayor, Members of the
City Commission and Citizens
of the City of Fort Pierce, Florida

Dear Mayor, Commissioners, and Citizens:

It is our pleasure to submit this *Annual Comprehensive Financial Report* for the City of Fort Pierce, Florida for the fiscal year ended September 30, 2021. The report fulfills the requirements set forth in the *City Code of Ordinances, Florida Statutes*, Chapter 166.241; and the *Rules of the Florida Auditor General*, Chapter 10.550. The organization, form, and contents of this report, plus the accompanying financial statements and statistical tables, are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants, the State of Florida, the city Code of Ordinances, and the Government Finance Officers Association.

This report consists of management's representations concerning the finances of the City of Fort Pierce. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Florida Statutes and the *City Code of Ordinances* require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed by DiBartolomeo, McBee, Hartley & Barnes. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements,

but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

The Reporting Entity and Its Services

The City of Fort Pierce, Florida was incorporated in 1901 and covers an area of approximately 35.31 square miles. The City operates under an elected City Commission (5 members) and provides a full range of municipal services including general government, public safety, public improvements, planning and zoning, and related general and administrative services to over 48,038 residents. In addition, the City operates a solid waste enterprise activity, a marina, a golf course, a theatre, a building department and a stormwater utility fund. This report includes two component units and one related organization.

Component Units. The financial data of the City's two component units, the Fort Pierce Utilities Authority (FPUA), a proprietary fund, is discreetly presented, and the Community Redevelopment Agency (CRA), a governmental fund, is blended in the Combined Financial Statement. The FPUA is reported in a separate column to emphasize that it is legally separate from the City.

The FPUA provides electric, water, wastewater and natural gas services to residents and businesses of Fort Pierce. The CRA was established for the purpose of carrying out redevelopment activities for areas existing in the City that are defined as slum or blighted. The members of the FPUA governing board are appointed or removed from office by the Fort Pierce City Commission. The members of the governing board of the CRA are the Fort Pierce City Commissioners. The CRA's budget and the FPUA's budget and rates for service are subject to the approval of the City Commission. The CRA issues separate stand-alone financial statements which can be obtained from the CRA at 100 North US 1, P.O. Box 1480, Fort Pierce, Florida 34954. Complete financial statements of the FPUA can be obtained from its administrative office located at 206 South Sixth Street, Fort Pierce, Florida 34948.

Fort Pierce Retirement and Benefit System and the Municipal Police Officers' Retirement Trust Fund. The accounts of these two retirement plans are included in the annual comprehensive financial report as the General Employees' Retirement and Benefits System, and the Municipal Police Officers' Retirement Trust Fund. Both pension trust funds are governed by a separate Board of Trustees subject to the requirements of local ordinances and by applicable provisions of Florida Law which require participation in the respective governing authorities by certain key City officials. Additional criteria include the scope of public service provided by organizations which exist for the benefit of the employees of the City of Fort Pierce.

Related Organizations. The Mayor of Fort Pierce is responsible for appointing the members of the Board of the Fort Pierce Housing Authority (FPHA), but the City's accountability for this organization does not extend beyond making these appointments. The FPHA's operating and capital expenditures, including debt service, are funded entirely from federal grants and rentals. The City has no involvement in the determination of FPHA's budget or rental rates and has no obligation for FPHA's outstanding debt.

Economic Condition and Outlook

The City of Fort Pierce, Florida is located on the southeastern coast of the state in an area categorized as the Fort Pierce Metropolitan Statistical Area.

The major factors in the economy of Fort Pierce and surrounding St. Lucie County are agri-business, construction, retail and wholesale trade, light manufacturing, tourism, and sport and commercial fishing.

The sustained increase in the real estate market and the construction industry has had a positive impact on the local economy. The unemployment rate has been impacted along with the revenues generated by the businesses associated with the real estate and construction activities, continual, steady increases in these areas are still being experienced. The tourism industry in response to the COVID 19 pandemic is recovering from the significant downturn experienced last year.

For years, the local economy has counted on construction as the number one industry in the county. The downturn of the housing market, experienced in the prior years, had a significant impact on the percentage of unemployment. The current unemployment rate of 6.2% is down from 8.7% last year. The decrease in unemployment relates to the recovery from the pandemic.

Local business and community leaders continue to recruit new light industrial activity to the area. It is anticipated this type of activity will assist in improving the unemployment rate and the overall economy. City leaders are encouraging addition and expansion of restaurants and service facilities to meet the needs of the increased population.

Steady progress continues on expanding the capabilities of both the St. Lucie County Airport and the Port of Fort Pierce, and ecotourism activities which will act as catalysts in promoting future business and industrial growth.

The City continues its pursuit of an aggressive annexation program which in the past has increased the tax base, and also provided additional customers for the City's owned and operated utility systems. The City has annexed mostly agricultural land which was massive in area but provided very little tax base. All the enhanced activity resultant of the area's growth, while having a positive impact, also presents challenges for the future. The City will need to maintain the high level of service standards that are in effect through effective utilization of both natural and financial resources. A comprehensive plan has been developed to establish goals, objectives, and policies for growth management.

In 2010, as part of its annexation plan, the City annexed a distribution center on Jenkins Road granting a 10-year decreasing exemption from ad valorem taxes. The City continues to receive benefits from the annexation, such as attraction of other distribution centers and employment opportunities within the County. The percentage of lost revenue from the abatement is not significant in relation to the total ad valorem revenue received.

Major Initiatives

The pandemic and its impacts continued through fiscal year 2021; the City continued to deliver services to citizens while keeping citizens and staff safe. The City resumed residential rehabilitation projects through grant programs. The environmental cleanup of the H.D. King power plant downtown is complete. Using a \$1,700,000 brownfield grant the old plant was demolished and the property was cleaned-up. The city has contracted with a land developer to develop this site. Development plans include a hotel, retail space, and residential housing. Due to the pandemic, in fiscal year 2020, development of the site had been on hold, during fiscal year 2021 the developer and the City have been collaborating and moving the project forward. The City is moving forward to transform the Mean Court donated building into a community hub that will provide assistance to low-income residents in the area surrounding business incubation, home ownership, workforce development, and financial lending programs. The City continued its beautification by the addition more traffic cabinet wraps throughout the City and decorative lighting. The City installed a monument display outside City Hall to help residents stay informed. Using general funds, the City completed a significant rehabilitation on the animal shelter allowing the shelter to resume operations. Using grant funds, the multipurpose SUN trail in the Indian Hills Recreation area was started. The significant lighting, road and stormwater improvements are almost complete on North 17th St. Funding for this project is from restricted revenue, stormwater, and grant funds. Using restricted funds, the City completed the structural rehabilitation project on the Citrus Avenue bridge. The City's Engineering Department continues

to manage road improvements and stormwater projects throughout the City, including the North 8th roadway design, which is in progress. The Building department completed the buildout of a permitting hub.

As a result of maintaining the millage rate, the 2021 budget included funding for capital equipment. Prior to FY 2016, because of limited resources, little was budgeted to capital equipment. In 2021, the City was able to continue updating its technological and security equipment and continue road resurfacing. The capital additions were through operating revenue. The City’s long-term debt at 9/30/2021 was \$73,934,819.

2021-2022 Budget Issues

The City of Fort Pierce budget for fiscal 2022 increased from fiscal 2021. The budget for 2022 is \$47,513,496 and 2021 was \$43,323,874, an increase of \$4,189,622. The increase is attributable to the approximately \$1,722,000 increase in ad valorem revenue, approximately \$1,730,000 increase intergovernmental revenues, and approximately \$600,000 increase in miscellaneous revenue, transfers, and contributions.

The City’s taxable valuation is \$2,931,218,511 compared to last year’s final valuation of \$2,718,065,331. This represents an increase of approximately 7.84% or \$213,153,180 in taxable value. The City Commission elected to maintain the millage rate at 6.9000. The continued increase in property values and maintaining the millage rate helped balance the budget.

In 2016, the City Commission established an annual restricted amount to be used for capital projects and approved an interfund loan to fund a new capital improvement plan. The 2022 budget includes \$600,000 restricted revenue; \$400,000 to be used to finance capital improvements and purchases and \$200,000 to be used to repay the interfund loan.

There was no appropriation from fund balance to balance General Fund’s budget.

The 2022 budget (General Fund) included an increase in personnel services and benefits of \$1,086,329. This increase includes the addition of 11 new positions, and a cost-of-living increase for sworn officers, all bargaining and non-bargaining employees. Changes in benefits included the following assumptions: retirement rates for general members are 16.40%, down from 16.82%, Police officers’ retirement rates decreased to 12.94% down from 13.31% , and no change in health insurance nor dental insurance rates.

During FY 2018, through FY 2020, the City entered into capital leases to assist in the acquisition of capital assets. In FY 21 the City also refinanced some debt. These transactions resulted in a budget increase in debt payments of \$394,364. FY 21 budget includes an increase of \$335,000 relating to increases in infrastructure projects.

The budget includes a \$330,286 increase in tax increment financing relating to the increase in property values. Budgeted operating expenses overall increased by \$1,323,103 for all functional departments relating to increases in supplies, contract services and software maintenance.

Reserve Policy

The City adopted a formal policy setting the requirement as to the level of unreserved funding that should be set aside for unforeseen expenditures. The policy established and requires ten percent (10%) of General Fund’s annual budget be set aside and held for any unexpected costs.

Fiscal Year	Budget	10% Reserve	Beginning Fund Balance
2020	42,429,972	4,242,997	8,740,349
2021	43,323,873	4,332,387	9,826,140

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Fort Pierce, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2020. This was the thirty-second consecutive year the City of Fort Pierce has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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


Acknowledgments

I thank the Mayor and members of the City Commission for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

The preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the Finance Department. Special recognition is given to Karen Logue, the City's Chief Accountant and Wendy Rydzewski, Accountant.

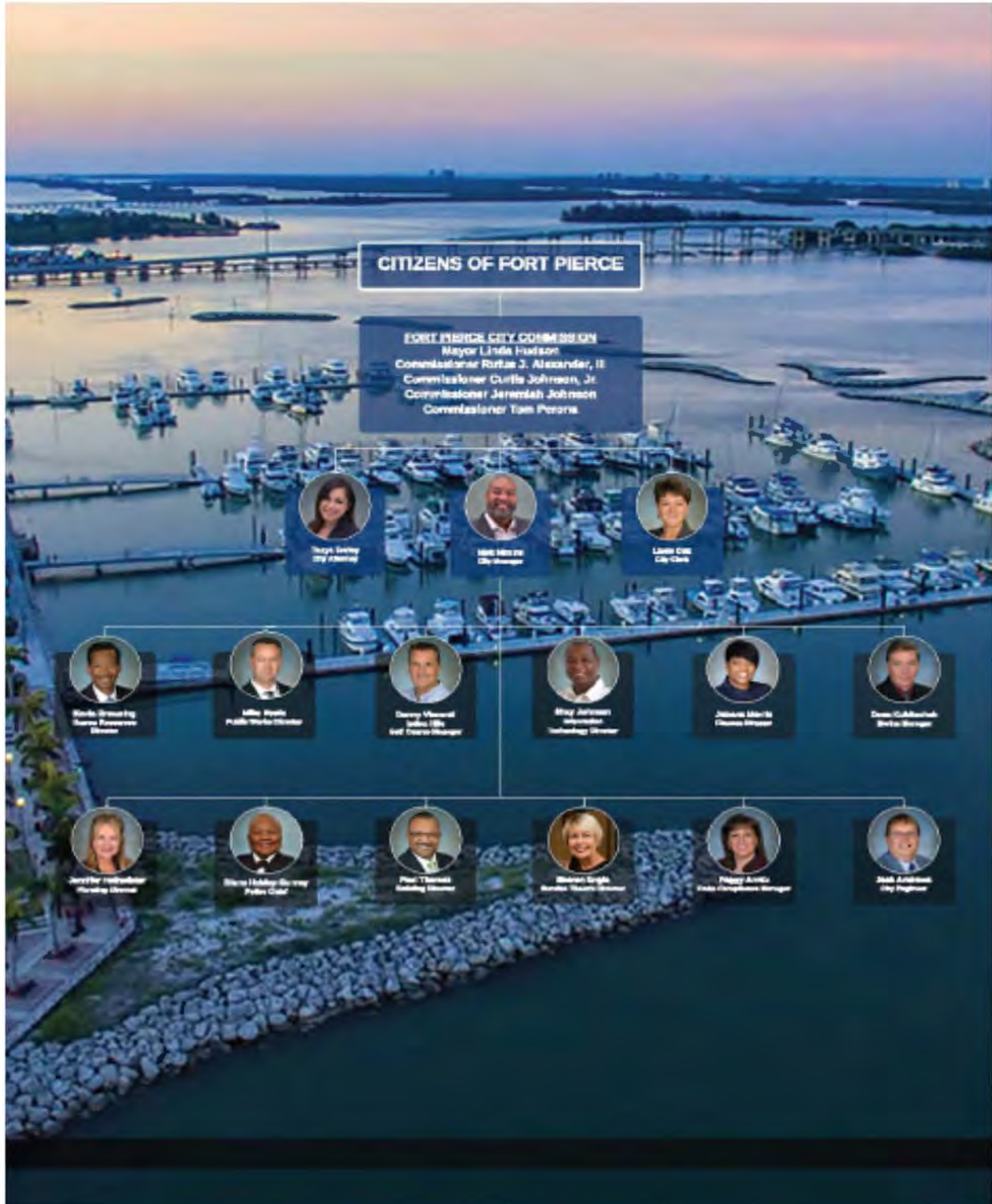
Sincere appreciation is extended to the firm of DiBartolomeo, McBee, Hartley & Barnes for their professional approach and high standard in the conduct of their independent audit of the City's financial records and transactions.

Respectfully submitted,



Johnna S. Morris
Director of Finance

CITY OF FORT PIERCE , FLORIDA ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Fort Pierce
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

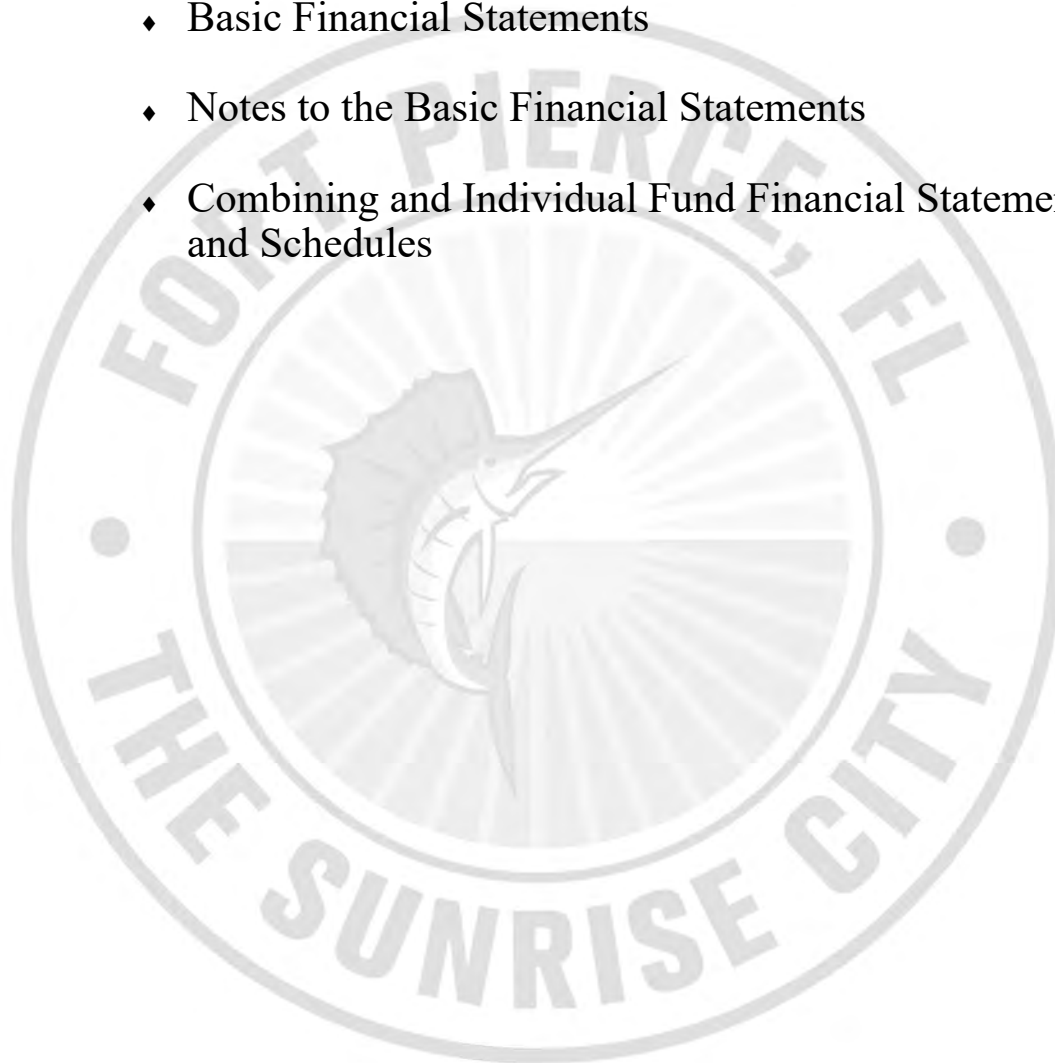
Christopher P. Morrill

Executive Director/CEO



I. *FINANCIAL SECTION*

- ◆ Report of Independent Certified Public Accountants
- ◆ Management Discussion and Analysis
- ◆ Basic Financial Statements
- ◆ Notes to the Basic Financial Statements
- ◆ Combining and Individual Fund Financial Statements and Schedules





Independent Auditors' Report

To the City Commission
Fort Pierce, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Pierce, Florida (the "City") as of and for the year ended September 30, 2021, 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 Statement

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the City Commission
Fort Pierce, Florida

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Pierce, Florida as of September 30, 2021, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, and Community Redevelopment Agency Fund, for the year 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 State of America require that the management's discussion and analysis, and pension and post-employment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

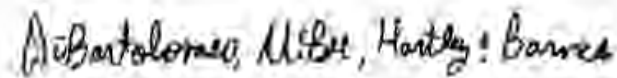
To the City Commission
Fort Pierce, Florida

The combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards and state financial assistance, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 nonmajor fund financial statements, and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no 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 24, 2022 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.



Certified Public Accountants
City of Fort Pierce
March 24, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Fort Pierce (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial positions, (d) identify any material deviations from the financial plans, and (e) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the front of this report and the City's financial statements which follow this section.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year by \$137,934,339 of which \$64,946,131 is governmental and \$72,988,208 is the total for business-type activities.
- The City's revenues for Governmental Activities at year end were \$54,295,759 an 7.39% increase, and expenses were \$43,319,751 a (2.08%) decrease before transfers in out of (\$65,532). Revenues exceeded expenses by \$10.98 million before transfers. The revenue increase from 2021 was \$3.72 million; this can be attributed to increases in the following: ad valorem and other taxes of \$0.95 million, intergovernmental revenue of \$0.91 million, charges for service of \$0.62 million, operating and capital grants and contributions of \$1.06 million, other taxes of \$0.24 million, and contribution from component unit of \$0.06 million offset by the (\$0.13) million decrease in unrestricted investment earnings. The decrease in expenses in comparison to last year was (\$0.92) million, resulting from decreases in the following: public safety (\$1.43) million, and general government of (\$0.60) million off set by increases in transportation \$0.22 million, economic environment \$0.75 million, culture and recreation \$0.10 million and interest on long-term debt \$0.03 million.
- Business-type funds revenues were \$24,287,873 an increase of 20.31% or \$4,099,316 before transfers in of \$65,532, and expenses were \$19,953,836, a decrease of (1.76%) or (\$358,112) from the previous year. The increase in revenue from the prior year is attributable to the increase in operating and capital grants and contributions of \$1.63 million and the increase in charges for services of \$2.49 million. The decrease in expenses in comparison to the prior year is attributable to decreases in the following: golf course of (\$0.07) million, and sunrise theatre of (\$1.29) million off set by the increase in solid waste of \$0.08 million, building department of \$0.25. marina of \$0.63 million, and stormwater of \$0.03 million.
- At the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$29,094,638, an increase of \$3,602,618. There were increases in the General Fund of \$1.08 million, special revenue fund of \$2.80 million, including an increase the community redevelopment agency fund of \$0.16 million. These increases were offset by a decrease in the debt service of (\$0.28 million).

The long-term debt, net of current portion, of the City on 9/30/21 was \$65,948,115 a decrease of \$7.92 million or 10.72%. The debt services requirements were met financially.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused sick leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, transportation, economic environment, culture and recreation, and interest on long-term debt. The business-type activities include refuse collection, a marina, a golf course, a theatre, and a stormwater utility and building fund.

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

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

government's near-term financing requirements.

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

Proprietary funds. The City maintains one of the two different types of proprietary funds.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City maintains six enterprise funds to account for the following operations: a solid waste collection and disposal system, a marina, a golf course, a theatre, a stormwater utility, and a building fund.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's compliance with its General Fund budget and the City's progress in funding its obligation to provide pension benefits to its employees. The combining and individual fund statements are included along with statistical, historic and trend information about the government's operations.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$137,934,339 at the close of the most recent fiscal year.

Approximately 85% of the City's net position reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Fort Pierce Net Position - FY 2021 and 2020

	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current and other Assets	36,181,155	30,364,950	7,370,980	1,917,989	43,552,135	32,282,939
Capital Assets	99,788,531	100,176,911	87,055,093	89,775,305	186,843,624	189,952,216
Total Assets	135,969,686	130,541,861	94,426,073	91,693,294	230,395,759	222,235,155
Deferred Outflows	4,597,611	6,303,314	489,800	671,353	5,087,411	6,974,667
Long-term Liabilities O/S	56,465,103	74,048,975	16,149,130	20,034,384	72,614,233	94,083,359
Other Liabilities	9,200,728	8,212,587	4,118,616	3,685,929	13,319,344	11,898,516
Total Liabilities	65,665,831	82,261,562	20,267,746	23,720,313	85,933,577	105,981,875
Deferred Inflows	9,955,335	547,958	1,659,919	55,695	11,615,254	603,653
Net Position:						
Net Invested in Capital Assets	47,627,381	41,589,919	69,981,401	70,914,575	117,608,782	112,504,494
Restricted	2,657,036	2,930,970	-	-	2,657,036	2,930,970
Unrestricted	14,661,714	9,514,766	3,006,807	(2,325,936)	17,668,521	7,188,830
Total Net Position	64,946,131	54,035,655	72,988,208	68,588,639	137,934,339	122,624,294

The City's net position increased by \$15,310,045 during the fiscal year, considering the restatement of net position discussed in Note U; which had a net effect of (\$4,661,158) on Governmental Fund net position. The net position of the Governmental Funds increased by \$10.9 million and business type funds increased by \$4.40 million. Assets of the Governmental Funds increased \$5.43 million, and liabilities decreased by (\$16.60) million. Deferred outflows of the Governmental Funds decreased by (\$1.70) million and deferred inflows increased by \$9.41 million. In the enterprise funds, the assets increased 2.98% or approximately \$2.73 million and liabilities decreased (14.56%) or approximately (\$3.45) million. Deferred outflows of the enterprise funds decreased by (\$0.18) million and deferred inflows increased by \$1.60 million.

City of Fort Pierce Statement of Activities- FY 2021 and 2020

	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2019</u>
Revenues						
Program Revenues						
Charges for Services	13,827,023	13,202,433	22,524,276	20,035,912	36,351,299	33,238,345
Operating grants and Contributions	1,220,020	1,245,979	1,096,610	-	2,316,630	1,245,979
Capital Grants and Contributions	1,090,400	-	646,931	113,331	1,737,331	113,331
General Revenues:						
Ad Valorem Taxes	18,060,334	17,112,787	-	-	18,060,334	17,112,787
Other Taxes	6,755,101	6,510,487	-	-	6,755,101	6,510,487
Unrestricted grants and contributions	-	-	-	-	-	-
Intergovernmental	6,592,822	5,684,209	-	-	6,592,822	5,684,209
Miscellaneous	291,273	300,350	-	-	291,273	300,350
Contributions from Component Units	6,342,445	6,276,267	-	-	6,342,445	6,276,267
Unrestricted investment earnings	116,341	241,621	20,056	39,314	136,397	280,935
Total Revenues	54,295,759	50,574,133	24,287,873	20,188,557	78,583,632	70,762,690

City of Fort Pierce Statement of Activities- FY 2021 and 2020 (Cont.)

	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Expenses						
General government	12,719,596	13,317,064	-	-	12,719,596	13,317,064
Public safety	16,401,467	17,827,436	-	-	16,401,467	17,827,436
Transportation	6,454,122	6,238,070	-	-	6,454,122	6,238,070
Economic Environment	2,312,522	1,561,735	-	-	2,312,522	1,561,735
Culture & recreation	2,947,750	2,849,467	-	-	2,947,750	2,849,467
Interest on long-term debt	2,484,294	2,446,784	-	-	2,484,294	2,446,784
Solid Waste	-	-	6,987,006	6,902,042	6,987,006	6,902,042
Marina	-	-	4,279,627	3,646,829	4,279,627	3,646,829
Stormwater	-	-	2,921,026	2,883,250	2,921,026	2,883,250
Golf Course	-	-	1,581,918	1,653,957	1,581,918	1,653,957
Sunrise Theatre	-	-	1,709,364	3,002,666	1,709,364	3,002,666
Building Department	-	-	2,474,895	2,223,204	2,474,895	2,223,204
Total Expenses	43,319,751	44,240,556	19,953,836	20,311,948	63,273,587	64,552,504
Increase (Decrease) in net position						
before transfers	10,976,008	6,333,577	4,334,037	(123,391)	15,310,045	6,210,186
Transfers In (Out)	(65,532)	701,604	65,532	(701,604)	-	-
Changes in net position	10,910,476	7,035,181	4,399,569	(824,995)	15,310,045	6,210,186
Net Position - Beginning	54,035,655	47,000,474	68,588,639	69,413,634	122,624,294	116,414,108
Net Position – Ending	<u>64,946,131</u>	<u>54,035,655</u>	<u>72,988,208</u>	<u>68,588,639</u>	<u>137,934,339</u>	<u>122,624,294</u>

Governmental activities. Governmental activities accounted for a positive increase of \$10,910,476 in net position of the City.

Revenues increased \$3.72 million or 7.36% in Fiscal Year 2021. There are increases in the several categories. Charges for service increased by \$0.62 million relating to the increase in tax incremental financing and rental revenue. Property values continue to increase, resulting in an increase of \$0.95 million in ad valorem revenue. Intergovernmental revenues increased by \$0.91 million relating to the infrastructure sales tax and interlocal revenue share. Capital grants and contributions increased by \$1.09 million related the donation of a facility. Contributions from component unit increased by \$0.07 million in direct relation to unit’s increase in revenues. Other taxes increased by \$0.24 million in relation to increase in fuel and utility taxes. The above increase to revenue is offset by a (\$0.13 million) decrease in unrestricted investment earnings reflective of the decline in interest rates. The (2.08%) or (\$0.92) million decrease in expenses was attributed to decreases in the following categories: public safety (\$1.43) million in relation to a reduction in the pension benefit liabilities, (\$0.60) in general government relating to the loss on fixed asset disposals and in fees relating to debt refinancing. The above decrease in expense is offset by an increase in expense for the following: transportation \$0.22 million related to a decrease in depreciation expense, economic environment \$0.75 million related to an increase in rehabilitation grants and consulting services, culture and recreation \$0.09 million related to the resumption of youth activities.

Business-type activities. The business-type activities include the activities of a stormwater utility program, golf course, city marina, theatre, solid waste operation and the building department. Revenues increased \$4.10 million relating to an increase in charges for services of \$2.49 million and an increase of \$1.63 million in operating and capital grants. Expenses decreased (\$0.36) million. The expenses for the theatre decreased (\$1.3) million and the golf course decreased (\$0.07) million. These decreases in expenses were offset by an increase in expenses of \$0.63 million in the marina, \$0.25 million in the building department, \$0.08 million in solid waste operations and \$0.04 million in stormwater utility.

Financial Analysis of the Government's Funds

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

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

The City maintains 26 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund and the Community Redevelopment Agency Fund. As of the end of the current fiscal year, the City's *governmental funds* reported combined ending fund balances of \$29,094,638 an increase of \$3,602,618 in comparison with the prior year. The non-spendable portion is \$61,326, restricted is \$17,544,747 \$4,976,118 is assigned and \$6,512,447 is unassigned and available for spending at the government's discretion.

The *general fund* is the chief operating fund of the City. The ending fund balance in 2021 is \$10,906,160, which increased \$1.08 million. The 11% increase relates to increases in tax and intergovernmental revenues while maintaining a tight control over expenditures. The increase in fund balance is reflective mainly in the change in the nonspendable and unassigned portions, which represents a decrease in prepaid expenses and a reduction in budget appropriations. The debt service fund balance is \$2,657,036 a decrease of \$0.27 million, which represents payment of principal and interest on debt. Finally, the fund balance in the special revenue funds at 9/30/2021 is \$15,531,442 an increase of \$2.80 million relating to the increase in funds reserved for special purposes and projects.

The city accounts for the community redevelopment agency fund as a special revenue fund. The activity in this fund represents redevelopment activities for certain areas existing in the City of Fort Pierce. The ending fund balance in 2021 is \$1,664,559 an increase of \$0.16 million from the prior year. The increase in fund balance is reflective in the restricted, which represents the increase in the tax incremental financing restricted for special projects.

Business Type Funds. The enterprise funds have unrestricted net position of \$3,006,807. Net investment in capital assets is \$69,981,401. There is no restricted fund balance. The combined net position totals \$72,988,208. The increase in net position of \$4.40 million compared to the prior year is reflective of the combined (\$0.73) million operating loss in marina and golf course, offset by the combined \$5.13 million operating gain in stormwater utility, solid waste operations, the sunrise theatre, and building department.

General Fund Budgetary Highlights

The General Fund 2021 budget revenue was \$43,923,873; the amount realized was \$46,299,124, an increase of \$2,375,251 or 5.41%. The expenditure budget was \$43,323,873, and the actual amount was \$45,219,104, an increase of \$1,895,231 or 4.37%. All the budget numbers are presented without the netting of transfers in this section. Differences between the original and final revenue and expenditure budget increased fund balance by \$1,080,020; listed below are the major notable amendments:

- \$1,013,017 or 4.26% increase in taxes; increases in ad valorem taxes \$208,416, local option taxes \$192,379, and utility and other taxes \$612,222.
- \$448,413 or 113.55% increase in other license and permits; increases in occupational license \$49,773 and increases in other fees of \$398,640 relating mainly to an increase in site plan revenue.
- \$1,568,754 or 29.48% increase in intergovernmental revenue; \$59,016 increase in state and federal grants relating to emergency mitigation reimbursement and environmental reimbursements, \$1,508,124 increase in state shared revenue, relating mainly to the ½ sales tax and the ½ infrastructure sales tax, \$35,343 more in state retirement contribution, \$47,039 decrease in payments in lieu and \$13,310 increase in other intergovernmental.
- \$153,935 or 49.87% increase in charges for services: \$130,040 increase in general government relating to culture and recreational activities and rentals, and \$21,552 in physical environment relating to administrative fees and local citations.
- \$746,342 net decrease in other revenues and other financing sources; \$94,765 increase in special assessments, \$23,143 increase in rents received, \$151,644 in administrative and contractual services relating mainly to reimbursement of expenditures, \$236,589 increase in other miscellaneous revenues mainly from the sale of scrap, settlements, and rebates, off-set by \$342,447 decrease in reimbursements by other funds, \$48,213 decrease in interest, \$64,178 decrease in contribution from component and \$797,627 decrease in transfer from other funds.
- \$1,895,231 or 4.37% increase in expenditures from various departments. The major increases were: \$1,772,684 relating to transfers for debt and transfer to restricted revenue for infrastructure sales transfer tax. \$338,994 in Culture and Recreation relating to supplies, contract services, and utilities. \$170,501 in MIS relating to equipment maintenance. \$223,242 in Public Safety relating to personnel services and benefits, and supplies. \$95,562 in City Attorney relating to contractual services. The above increases from budget were offset by decreases from budget for the following: Administration \$768,294 primarily relating to unused budget contingency, and Garage of \$110,399 relating to personnel and benefits.

Capital Asset and Debt Administration

Capital assets. The City's investments in *capital assets* for its governmental and business type activities as of September 30, 2021, amounts to \$186,843,624 (this is net of accumulated depreciation). Significant additions during the year consisted of a building, major stormwater

projects, street reconstruction and infrastructure projects, 3 new vehicles in the Building Department, bridge reconstruction, completion the construction of a new permitting hub for the Building department, the start of reconstruction and infrastructure improvements on several storm water and engineering projects, and various equipment and machinery. Notable disposals consisted of old computer equipment, parcels of land and old vehicles. See Note H for detail information on the primary government's Capital Assets.

City of Fort Pierce Capital Assets - FY 2021 and 2020 (net of depreciation)						
	Governmental Activities		Business Type Activities		Total	
	<u>2021</u>	<u>*2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>*2020</u>
Land & CIP	24,576,733	23,519,683	2,133,532	2,253,115	26,710,265	25,772,798
Buildings	25,479,684	25,129,143	7,229,559	7,794,508	32,709,243	32,923,651
Improvements Other than Buildings	24,109,815	23,143,610	74,972,813	76,383,693	99,082,628	99,527,303
Machinery & Equipment	4,806,975	6,378,335	2,719,189	3,343,989	7,526,164	9,722,324
Infrastructure	20,815,324	22,006,140	-	-	20,815,324	22,006,140
Total	99,788,531	100,176,911	87,055,093	89,775,305	186,843,624	189,952,216

*Beginning land was restated to reflect reduction of \$4,661,158 (See Note U)

Debt. At the end of the current fiscal year, the City had total long-term debt outstanding, net of current portion of \$65,948,115.

City of Fort Pierce Outstanding Debt Revenue Bonds, Revenue Notes, Intergovernmental Notes & Capital Leases						
	Governmental Activities		Business-type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue bonds, revenue notes, intergovernmental notes & capital leases	56,861,127	62,788,191	17,073,692	18,860,730	73,934,819	81,648,921
Less current portion	(6,036,618)	(5,877,239)	(1,950,086)	(1,906,332)	(7,986,704)	(7,783,571)
Long-term debt, net of current portion	50,824,509	56,910,952	15,123,606	16,954,398	65,948,115	73,865,350

The City's long-term debt, net of current portion debt decreased during the year by a net \$7.92 million. The Notes to the Financial Statements (Note I) has additional information on all debt activity.

All bonded debt is insured and carries ratings from Moody's of Aa3 issuer rating, as of September 30, 2021. No direct ad valorem tax-supported debt exists currently.

Economic Factors and Next Year's Budgets and Rates

The budget process for the 2022 budget began with a 9.67% increase or \$4,189,622 in the General Fund Budget, of which \$600,000 was restricted, the budget is balanced at \$47,513,496.

Some of the significant factors considered in preparing the City's Annual General Fund Budget for Fiscal Year 2022, that caused and closed the budget gap are listed below:

- In the General Fund, the City's taxable valuation is \$2,931,218,511 compared to last year's final valuation of 2,718,065,331 This represents an increase of approximately 7.84% or \$213,153,180 in taxable values. This increase in property values and the City Commission electing to maintain the millage rate at 6.9000 helped to balance the budget. Maintaining the millage rate generated \$1.40 million in property tax revenue, of which \$400,000 was restricted to be used to finance future capital projects and purchases and an additional \$200,000 is restricted to repay the interfund loan from FY 2016.
- The City budgeted an increase in general sales and use tax and franchise tax of \$0.33 million. In the prior fiscal year these items were reduced because of the pandemic, this years' budget adjusts the items back to normal.
- The City budgeted an increase of \$1.73 million in intergovernmental revenues. \$1.08 million of the increase relates to American Rescue Plan funds. The remaining \$0.65 million relates to budgeted increases in state revenue share.
- The City budgeted an increase of \$0.20 million in miscellaneous revenues relating to reimbursements.
- The City budgeted an increase of \$0.21 million relating to interfund transfers and an increase of \$0.20 million relating to contributions from Enterprise Funds. All other budgeted revenue items remained substantially the same as the prior year.
- The 2022 General Fund budget includes an increase of \$1.97 million in personnel costs and benefits relating to the addition of positions, raises, and changes in benefits. The budget contains the addition of 11 positions: 1 in the city clerk's office, 1 in information technology, 2 in code enforcement, 3 civilian positions in the police department, 3 police officers, and 1 position in public works. Budgeted pay increases include the greater of \$1.22 per hour or 2% for all non-bargaining employees and Teamsters represented employees and a cost-of-living increase for sworn officers. The retirement rate for general members is 16.40%, down from 16.82%, Police officers' retirement rate decreased to 12.94% down from 13.31%.

There were no significant changes in health insurance premiums nor dental insurance.

- The City budgeted an increase of \$1.50 million relating to operating expenses. \$0.33 million relating to the tax incremental financing expense, \$0.23 relating to contingency, \$0.10 million relating to Public works including increases in youth activities, contract services, and repair supplies, \$0.31 million relating to Code Enforcement supplies and service for the clean & safe initiative, \$0.04 million in Planning relating to contractual services and advertising, \$0.21 million in Information Technology relating to software maintenance, consulting services, advertising, and equipment rental, and \$0.05 million in City Attorney relating to consulting.
- The 2022 budget (General Fund) included an increase of \$0.34 million in capital projects relating to infrastructure improvements.
- The 2022 budget included an increase of \$0.39 million relating to the payment of debt, the increase relates to higher principal payments on refinanced debt and capital leases.
- The Fort Pierce Redevelopment Agency budget increased \$0.09 million from the prior year. The tax increment financing (TIF) continues to increase. The increase in property tax values and maintaining the millage rate resulted in an increase of \$.055 million; \$7.76 million up from \$7.21 million. This increase was off set by \$0.21 reduction in grant revenue and \$0.24 million budget appropriation. In the past, the budget was unable to support several special projects under historic preservation and restoration; funding for neighborhood and business grants; and other cultural and community events and functions. In prior years, to help balance the budget, transfers from General Fund were used. In FY 2022, because of the increase in tax revenues, no transfer was budgeted. In the 2022 budget, the Agency continues to allocate \$350,000 to fund school resources officers in schools within City boundaries. The 2022 budget includes the addition of 1 position and the reduction of 5 grant positions resulting in a reduction of budgeted personnel costs and benefits of \$0.23 million. The 2022 budget includes an increase of \$0.18 million in contingency, \$0.05 million in contractual fees relating to projects and \$0.01 million relating to the grant fund.
- As for the business-type activities, the Marina and Solid Waste had to make up their budget shortfalls by appropriating retained earnings of \$560,739 and \$96,572 respectively in FY 2022. Transfers from other funds were used to balance the budget of the Sunrise Theatre (\$450,000 from Redevelopment Agency). The Stormwater Utility, Building Department, and Golf Course were able to sufficiently fund their budgets with budgeted revenues.

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 in this report or requests for additional financial information should be addressed to the Finance Director, 100 North US 1, P. O. Box 1480, Fort Pierce, Florida 34954.

BASIC FINANCIAL STATEMENTS



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GOVERNMENT-WIDE FINANCIAL STATEMENTS



City of Fort Pierce, Florida
STATEMENT OF NET POSITION
September 30, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Fort Pierce Utilities Authority
ASSETS				
Current assets:				
Cash and investments	\$ 25,852,122	\$ 6,583,923	\$ 32,436,045	\$ 20,785,926
Receivables (net of allowance for uncollectibles)	2,485,020	2,193,183	4,678,203	13,049,383
Due from component unit	285,727	796,091	1,081,818	-
Internal balances	3,233,058	(3,233,058)	-	-
Due from other governments	1,232,256	691,067	1,923,323	913,956
Inventories and other current assets	61,326	49,767	111,093	6,931,990
Restricted Assets:				
Temporarily restricted:				
Cash and investments	52,773	276,987	329,760	28,463,068
Total current assets	<u>33,202,282</u>	<u>7,357,960</u>	<u>40,560,242</u>	<u>70,144,323</u>
Noncurrent assets:				
Prepaid Insurance	23,477	13,020	36,497	-
Notes Receivable	1,721,419	-	1,721,419	-
Net Pension Asset	1,233,977	-	1,233,977	-
FMPA working capital receivable	-	-	-	1,918,608
Preliminary surveys	-	-	-	62,225
Capital assets, not being depreciated:				
Land	22,955,053	674,008	23,629,061	9,557,000
Construction in progress	1,621,680	1,459,524	3,081,204	18,067,229
Capital assets (net of accumulated depreciation):				
Buildings	44,020,793	17,923,314	61,944,107	-
Improvements other than buildings	51,165,530	107,948,834	159,114,364	-
Equipment	19,462,743	12,186,620	31,649,363	-
Infrastructure	108,924,361	-	108,924,361	483,197,079
Accumulated depreciation	<u>(148,361,629)</u>	<u>(53,137,207)</u>	<u>(201,498,836)</u>	<u>(290,363,235)</u>
Total noncurrent assets	<u>102,767,404</u>	<u>87,068,113</u>	<u>189,835,517</u>	<u>222,438,906</u>
Total assets	<u>\$ 135,969,686</u>	<u>\$ 94,426,073</u>	<u>\$ 230,395,759</u>	<u>\$ 292,583,229</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	2,618,000	214,231	2,832,231	64,445
Pensions	1,700,219	222,915	1,923,134	1,442,943
Other post employment benefits	279,392	52,654	332,046	282,163
Total deferred outflows of resources	<u>4,597,611</u>	<u>489,800</u>	<u>5,087,411</u>	<u>1,789,551</u>

The accompanying notes are an integral part of this statement.

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Fort Pierce Utilities Authority
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 1,884,008	\$ 1,394,591	\$ 3,278,599	\$ 9,854,494
Unearned revenue	206,226	435,028	641,254	950,026
Accrued compensated absences	159,108	38,793	197,901	276,000
Capital leases payable	800,835	487,925	1,288,760	39,950
Due to other governments	582,758	-	582,758	501,082
Notes and revenue bonds-current	5,235,783	1,462,161	6,697,944	6,076,000
Accrued interest payable	279,237	23,131	302,368	791,966
Liabilities payable from restricted assets:				
Customer deposits	52,773	276,987	329,760	8,863,556
Total current liabilities	<u>9,200,728</u>	<u>4,118,616</u>	<u>13,319,344</u>	<u>27,353,074</u>
Noncurrent liabilities:				
Notes and bonds payable, net	49,696,964	14,484,122	64,181,086	47,640,562
Capital Leases	1,127,545	639,484	1,767,029	11,060
Accrued compensated absences	3,243,581	571,336	3,814,917	1,921,537
Other post employment benefits	2,195,049	413,683	2,608,732	1,178,400
Net Pension Liability	201,964	40,505	242,469	230,500
Total noncurrent liabilities	<u>56,465,103</u>	<u>16,149,130</u>	<u>72,614,233</u>	<u>50,982,059</u>
Total liabilities	<u>65,665,831</u>	<u>20,267,746</u>	<u>85,933,577</u>	<u>78,335,133</u>
DEFERRED INFLOWS OF RESOURCES				
Payments received in advance	-	-	-	1,985,047
Pensions	9,670,488	1,606,236	11,276,724	8,974,707
Other post employment benefits	284,847	53,683	338,530	26,318
Total deferred inflows of resources	<u>9,955,335</u>	<u>1,659,919</u>	<u>11,615,254</u>	<u>10,986,072</u>
NET POSITION				
Net Invested in capital assets	47,627,381	69,981,401	117,608,782	167,217,708
Restricted for:				
Capital improvement charges	-	-	-	5,874,721
Debt service and other	2,657,036	-	2,657,036	6,856,825
Unrestricted	<u>14,661,714</u>	<u>3,006,807</u>	<u>17,668,521</u>	<u>25,102,321</u>
Total net position	<u>\$ 64,946,131</u>	<u>\$ 72,988,208</u>	<u>\$ 137,934,339</u>	<u>\$ 205,051,575</u>

City of Fort Pierce, Florida
STATEMENT OF ACTIVITIES
Year ended September 30, 2021

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 12,719,596	\$ 1,552,220	\$ 22,177	\$ -
Public safety	16,401,467	859,996	426,148	-
Transportation	6,454,122	1,710,182	33,590	-
Economic environment	2,312,522	9,188,081	738,105	1,090,400
Culture and recreation	2,947,750	516,544	-	-
Interest on long-term debt	2,484,294	-	-	-
Total governmental activities	<u>43,319,751</u>	<u>13,827,023</u>	<u>1,220,020</u>	<u>1,090,400</u>
Business-type activities:				
Solid waste	6,987,006	7,895,230	-	-
Marina	4,279,627	4,162,114	-	-
Storm Water	2,921,026	3,828,246	-	646,931
Golf Course	1,581,918	1,212,072	-	-
Sunrise Theatre	1,709,364	703,333	1,096,610	-
Building Fund	2,474,895	4,723,281	-	-
Total business-type activities	<u>19,953,836</u>	<u>22,524,276</u>	<u>1,096,610</u>	<u>646,931</u>
Total primary government	<u>\$ 63,273,587</u>	<u>\$ 36,351,299</u>	<u>\$ 2,316,630</u>	<u>\$ 1,737,331</u>
Component units:				
Fort Pierce Utilities Authority	\$ 97,270,310	\$ 104,914,588	\$ 97,293	\$ 6,110,517
Total component units	<u>\$ 97,270,310</u>	<u>\$ 104,914,588</u>	<u>\$ 97,293</u>	<u>\$ 6,110,517</u>
General revenues:				
Ad valorem taxes				
General sales and use taxes				
Utility service and franchise taxes				
State revenue sharing-unrestricted				
Additional one cent sales taxes				
Insurance premium tax				
Contributions from component unit				
Miscellaneous				
Unrestricted investment earnings				
Transfers				
Total general revenues, and transfers				
Change in net position				
Net position - beginning (as restated)				
Net position - ending				

The accompanying notes are an integral part of this statement.

Net (expense) Revenue and Change in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Fort Pierce Utilities Authority
\$ (11,145,199)	\$ -	\$ (11,145,199)	\$ -
(15,115,323)	-	(15,115,323)	-
(4,710,350)	-	(4,710,350)	-
8,704,064	-	8,704,064	-
(2,431,206)	-	(2,431,206)	-
(2,484,294)	-	(2,484,294)	-
<u>(27,182,308)</u>	<u>-</u>	<u>(27,182,308)</u>	<u>-</u>
-	908,224	908,224	-
-	(117,513)	(117,513)	-
-	1,554,151	1,554,151	-
-	(369,846)	(369,846)	-
-	90,579	90,579	-
-	2,248,386	2,248,386	-
-	4,313,981	4,313,981	-
<u>\$ (27,182,308)</u>	<u>\$ 4,313,981</u>	<u>\$ (22,868,327)</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 13,852,088
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,852,088</u>
\$ 18,060,334	-	\$ 18,060,334	\$ -
2,192,379	-	2,192,379	-
4,562,722	-	4,562,722	-
1,636,818	-	1,636,818	-
4,520,661	-	4,520,661	-
435,343	-	435,343	-
6,342,445	-	6,342,445	(6,342,445)
291,273	-	291,273	5,270
116,341	20,056	136,397	2,483,084
(65,532)	65,532	-	-
<u>38,092,784</u>	<u>85,588</u>	<u>38,178,372</u>	<u>(3,854,091)</u>
<u>10,910,476</u>	<u>4,399,569</u>	<u>15,310,045</u>	<u>9,997,997</u>
<u>54,035,655</u>	<u>68,588,639</u>	<u>122,624,294</u>	<u>195,053,578</u>
<u>\$ 64,946,131</u>	<u>\$ 72,988,208</u>	<u>\$ 137,934,339</u>	<u>\$ 205,051,575</u>

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FUND FINANCIAL STATEMENTS

- ◆ **Governmental Funds**
- ◆ **Proprietary funds**
- ◆ **Fiduciary funds**



City of Fort Pierce, Florida
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2021

	General Fund	Community Redevelopment Agency
ASSETS		
Cash and investments	\$ 8,044,933	\$ 1,680,596
Accounts receivables	5,530,197	293,951
Liens receivables	4,907,511	-
Due from component unit	258,738	-
Due from other funds	3,402,057	-
Advances to other funds	-	-
Due from other governments	227,335	-
Inventories	61,326	-
Notes receivable	-	-
Total assets	\$ 22,432,097	\$ 1,974,547
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	\$ 1,441,516	\$ 15,203
Contracts payable - retainage	47,544	-
Deposits	52,773	-
Due to other funds	-	22,691
Advances from other funds	385,448	-
Revenue in advance	206,225	-
Total liabilities	2,133,506	37,894
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	9,392,431	272,094
Total Deferred Inflows	9,392,431	272,094
FUND BALANCES		
Nonspendable	61,326	-
Restricted	-	1,664,559
Assigned	4,332,387	-
Unassigned	6,512,447	-
Total fund balances	10,906,160	1,664,559
Total liabilities, deferred inflows of resources, and fund balances	\$ 22,432,097	\$ 1,974,547

The accompanying notes are an integral part of this statement.

Other Governmental Funds	Totals
\$ 16,179,365	\$ 25,904,894
35,975	5,860,123
-	4,907,511
26,989	285,727
-	3,402,057
639,148	639,148
1,004,921	1,232,256
-	61,326
1,721,419	1,721,419
<u>\$ 19,607,817</u>	<u>\$ 44,014,461</u>

\$ 911,727	\$ 2,368,446
50,774	98,318
-	52,773
400,008	422,699
-	385,448
-	206,225
<u>1,362,509</u>	<u>3,533,909</u>
1,721,389	11,385,914
<u>1,721,389</u>	<u>11,385,914</u>

-	61,326
15,880,188	17,544,747
643,731	4,976,118
-	6,512,447
<u>16,523,919</u>	<u>29,094,638</u>
<u>\$ 19,607,817</u>	<u>\$ 44,014,461</u>

City of Fort Pierce, Florida

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO
NET POSITION OF GOVERNMENTAL ACTIVITIES**

September 30, 2021

Total fund balance per this statement	\$	29,094,638
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 reported in the funds. The cost of the assets is \$248,150,160 and the accumulated depreciation is \$148,361,629		99,788,531
Deferred inflows related to pensions and other post employment benefits are not financial resources and therefore are not reported in governmental funds		(9,955,335)
Net pension asset is not a financial resource and therefore not reported in governmental funds		1,233,977
Long-term liabilities (capital lease obligations, intergovernmental notes, other post employment benefits, accrued compensated absences, and pension liability) of \$66,240,350 plus unamortized premiums of \$3,579,521 are not due and payable and therefore, are not reported in the funds.		(62,660,829)
Governmental funds do not report a liability for accrued interest until it is due and payable. Accrued interest must be reported as a liability in the government-wide financial statements.		(279,237)
Insurance costs related to debt issuances and deferred charges on refundings are financial uses in the fund statement; for full accrual, however these expenses are reported as non-current assets in the government-wide financial statements.		2,641,477
Deferred outflows related to pensions and other post employment benefits are not financial resources and therefore are not reported in governmental funds		1,979,611
Various receivables, (liens receivable, loans receivable, notes receivable, and due from other governments are not financial resources in the current period and therefore, are reported as unavailable revenue in the funds.		3,103,298
Net position of governmental activities	\$	<u>64,946,131</u>

The accompanying notes are an integral part of this statement.

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City of Fort Pierce, Florida
**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**
GOVERNMENTAL FUNDS
Year ended September 30, 2021

	General Fund	Community Redevelopment Agency
Revenues		
Taxes	\$ 24,815,435	\$ -
Licenses and permits	843,313	671
Intergovernmental	6,890,754	7,306,956
Charges for services	462,635	-
Fines and forfeitures	247,456	-
Contributions from component unit	6,342,445	-
Investment income	31,787	9,492
Other	2,528,078	227,253
Total revenues	<u>42,161,903</u>	<u>7,544,372</u>
Expenditures		
Current		
General government	14,124,075	-
Public safety	16,393,094	-
Transportation	3,302,055	-
Economic environment	-	723,567
Culture and recreation	2,757,528	-
Capital outlay	1,280,157	48,845
Debt service		
Principal	-	-
Interest and fees	14,988	-
Other	-	-
Total expenditures	<u>37,871,897</u>	<u>772,412</u>
Excess of revenues over (under) expenditures	4,290,006	6,771,960
Other financing sources (uses)		
Transfers in	4,137,221	-
Debt issuance	-	-
Premium on Issuance of Refunding Bonds	-	-
Payment on Current Refunding	-	-
Transfers out	(7,347,207)	(6,615,300)
Total other financing sources (uses)	<u>(3,209,986)</u>	<u>(6,615,300)</u>
Net change in fund balances	1,080,020	156,660
Fund balances - beginning of year	<u>9,826,140</u>	<u>1,507,899</u>
Fund balances - end of year	<u>\$ 10,906,160</u>	<u>\$ 1,664,559</u>

The accompanying notes are an integral part of this statement.

Other Governmental Funds	Totals
\$ -	\$ 24,815,435
325,946	1,169,930
1,527,874	15,725,584
-	462,635
-	247,456
-	6,342,445
75,064	116,343
3,139,390	5,894,721
<u>5,068,274</u>	<u>54,774,549</u>
-	14,124,075
755,726	17,148,820
-	3,302,055
1,524,385	2,247,952
-	2,757,528
2,165,128	3,494,130
5,908,787	5,908,787
2,178,648	2,193,636
329,999	329,999
<u>12,862,673</u>	<u>51,506,982</u>
(7,794,399)	3,267,567
25,359,358	29,496,579
6,875,000	6,875,000
1,075,583	1,075,583
(7,550,000)	(7,550,000)
<u>(15,599,604)</u>	<u>(29,562,111)</u>
<u>10,160,337</u>	<u>335,051</u>
2,365,938	3,602,618
<u>14,157,981</u>	<u>25,492,020</u>
<u>\$ 16,523,919</u>	<u>\$ 29,094,638</u>

City of Fort Pierce, Florida

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES**

Year ended September 30, 2021

Net change in fund balances-total governmental funds	\$ 3,602,618
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures, however, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation (\$4,627,773) exceeds capital outlay (\$3,494,130) in the current period.	(1,133,643)
Governmental funds do not report the acquisition value of donated capital assets in the fund statement. This is the acquisition value of contributed capital assets reported in the statement of activities.	1,090,400
Governmental funds report the sale of general capital assets as financial resources, the deletions of general capital assets is not reflected in the fund statement. This is the net amount of the proceeds and the adjusted basis of the assets deleted.	(345,137)
Repayment of bond and note principal (\$5,908,787) are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	5,908,787
Debt issuance (\$7,950,583) used to refund bonds (\$7,550,000) are other financing sources(uses) in the governmental funds, but increase(decrease) long-term liabilities in the Statement of Net Assets.	(400,583)
Compensated Absences of (\$13,966) reported in the Statement of Activities, do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.	13,966
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds interest expenditures are reported when due. This is the net amount between the prior and current year.	72,323
Governmental funds do not recognize expenditures for the Change in Net Pension Asset/Liability and OPEB each year. This represents the change in the Net Pension Liability and OPEB in the current year.	2,158,524
Bond insurance costs and discounts are reported as expenditures when paid. In the Statement of Net Position these costs are amortized. Current year amortization expense was (\$35,790)	(35,790)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This is the net amount between the prior and current year.	(20,989)
Change in Net position of governmental activities	<u>\$ 10,910,476</u>

The accompanying notes are an integral part of this statement.

City of Fort Pierce, Florida
**STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND**
Year ended September 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes	\$ 23,802,418	\$ 24,815,435	\$ 24,815,435	\$ -
Licenses and permits	394,900	843,313	843,313	-
Intergovernmental	5,322,000	6,890,754	6,890,754	-
Charges for services	308,700	462,635	462,635	-
Fines and forfeitures	310,000	247,456	247,456	-
Contributions from component unit	6,406,623	6,342,445	6,342,445	-
Investment income	80,000	31,787	31,787	-
Other	2,364,384	2,528,078	2,528,078	-
Total revenues	<u>38,989,025</u>	<u>42,161,903</u>	<u>42,161,903</u>	-
Expenditures				
General government	15,782,070	15,299,087	15,299,087	-
Public safety	16,289,985	16,513,227	16,513,227	-
Transportation	3,258,711	3,302,055	3,302,055	-
Culture and recreation	2,418,584	2,757,528	2,757,528	-
Total expenditures	<u>37,749,350</u>	<u>37,871,897</u>	<u>37,871,897</u>	-
Excess of revenues over expenditures	1,239,675	4,290,006	4,290,006	-
Other financing sources (uses)				
Capital lease proceeds	-	-	-	-
Transfers in	4,934,848	4,137,221	4,137,221	-
Transfers out	(5,574,523)	(7,347,207)	(7,347,207)	-
Total other financing sources (uses)	<u>(639,675)</u>	<u>(3,209,986)</u>	<u>(3,209,986)</u>	-
Net change in fund balances	600,000	1,080,020	1,080,020	-
Fund balance - beginning of year	<u>9,826,140</u>	<u>9,826,140</u>	<u>9,826,140</u>	-
Fund balance - end of year	<u>\$ 10,426,140</u>	<u>\$ 10,906,160</u>	<u>\$ 10,906,160</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

City of Fort Pierce, Florida

**STATEMENT OF SPECIAL REVENUE FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY**

Year ended September 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Intergovernmental	\$ 7,212,091	\$ 7,306,956	\$ 7,306,956	\$ -
Investment income	500	9,492	9,492	-
Other	397,933	227,924	227,924	-
Total revenues	<u>7,610,524</u>	<u>7,544,372</u>	<u>7,544,372</u>	<u>-</u>
Expenditures				
Current				
Economic environment	1,339,333	723,567	723,567	-
Capital outlay	-	48,845	48,845	-
Total expenditures	<u>1,339,333</u>	<u>772,412</u>	<u>772,412</u>	<u>-</u>
Excess of revenues over expenditures	6,271,191	6,771,960	6,771,960	-
Other financing sources (uses)				
Transfers out	<u>(6,199,284)</u>	<u>(6,615,300)</u>	<u>(6,615,300)</u>	<u>-</u>
Total other financing sources (uses)	(6,199,284)	(6,615,300)	(6,615,300)	-
Net change in fund balances	71,907	156,660	156,660	-
Fund balance - beginning of year	<u>1,507,899</u>	<u>1,507,899</u>	<u>1,507,899</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,579,806</u>	<u>\$ 1,664,559</u>	<u>\$ 1,664,559</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

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City of Fort Pierce, Florida
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
September 30, 2021

	Business-type Activities		
	Solid Waste	Marina	Storm Water
ASSETS			
CURRENT ASSETS			
Cash and investments	\$ 486,387	\$ 678,230	\$ -
Receivables - net of allowances:			
Accounts	643,218	126,899	1,227,941
Unbilled services	187,488	-	-
Due from component units	664,299	-	131,225
Due from other governments	-	-	691,067
Inventories and other current assets	-	32,581	-
Restricted Assets			
Cash and investments	-	208,829	-
	<u>1,981,392</u>	<u>1,046,539</u>	<u>2,050,233</u>
NON-CURRENT ASSETS			
Prepaid Insurance	-	-	13,020
Non-depreciable capital assets			
Land	-	9,197	-
Construction in progress	-	-	1,459,524
Depreciable capital assets			
Buildings	122,858	863,433	-
Improvements other than buildings	47,243	47,295,831	56,664,795
Equipment	9,615,615	193,137	1,085,563
Accumulated depreciation	<u>(7,574,181)</u>	<u>(15,250,463)</u>	<u>(19,198,916)</u>
	<u>2,211,535</u>	<u>33,111,135</u>	<u>40,023,986</u>
	<u>4,192,927</u>	<u>34,157,674</u>	<u>42,074,219</u>
DEFERRED OUTFLOWS			
Deferred charge on refunding	-	214,231	-
Pensions	93,885	19,344	-
OPEB	22,689	5,068	-
Total deferred outflows	<u>116,574</u>	<u>238,643</u>	<u>-</u>

The accompanying notes are an integral part of this statement.

<u>Golf Course</u>	<u>Sunrise Theatre</u>	<u>Building Fund</u>	<u>Business-type Activities Totals</u>
\$ 950	\$ 1,370,788	\$ 4,047,568	\$ 6,583,923
1,048	6,589	-	2,005,695
-	-	-	187,488
-	-	567	796,091
-	-	-	691,067
17,186	-	-	49,767
-	68,158	-	276,987
<u>19,184</u>	<u>1,445,535</u>	<u>4,048,135</u>	<u>10,591,018</u>
-	-	-	13,020
314,811	350,000	-	674,008
-	-	-	1,459,524
877,676	16,059,347	-	17,923,314
2,774,831	141,735	1,024,399	107,948,834
486,831	213,635	591,839	12,186,620
<u>(2,364,972)</u>	<u>(8,368,509)</u>	<u>(380,166)</u>	<u>(53,137,207)</u>
<u>2,089,177</u>	<u>8,396,208</u>	<u>1,236,072</u>	<u>87,068,113</u>
<u>2,108,361</u>	<u>9,841,743</u>	<u>5,284,207</u>	<u>97,659,131</u>
-	-	-	214,231
13,869	9,688	86,129	222,915
3,047	3,049	18,801	52,654
<u>16,916</u>	<u>12,737</u>	<u>104,930</u>	<u>489,800</u>

City of Fort Pierce, Florida
STATEMENT OF NET POSITION- (CONTINUED)
PROPRIETARY FUNDS
September 30, 2021

	Business-type Activities		
	Solid Waste	Marina	Storm Water
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	\$ 670,021	\$ 169,265	\$ 126,637
Contracts payable - retainage	-	-	145,952
Due to other funds	6,666	3,843	1,104,959
Accrued compensated absences	14,322	3,829	-
Revenue bonds and notes - current	-	468,061	994,100
Capital Lease Payable-current	487,925	-	-
Accrued interest - revenue bonds and notes	-	23,131	-
Liabilities payable from restricted assets			
Customer deposits	-	208,829	-
Revenue in Advance	-	-	-
	<u>1,178,934</u>	<u>876,958</u>	<u>2,371,648</u>
NON-CURRENT LIABILITIES			
Advances from other funds	-	253,700	-
Other Post Employment Benefits	178,258	39,816	-
Accrued compensated absences	228,743	89,989	-
Net Pension Liability	17,060	3,515	-
Capital Lease Payable	639,484	-	-
Revenue bonds and notes payable, net	-	6,949,342	7,534,780
	<u>1,063,545</u>	<u>7,336,362</u>	<u>7,534,780</u>
Total non-current liabilities	<u>1,063,545</u>	<u>7,336,362</u>	<u>7,534,780</u>
Total liabilities	<u>2,242,479</u>	<u>8,213,320</u>	<u>9,906,428</u>
DEFERRED INFLOWS			
Pensions	676,497	139,385	-
OPEB	23,132	5,167	-
Total deferred inflows	<u>699,629</u>	<u>144,552</u>	<u>-</u>
NET POSITION			
Net Invested in capital assets	1,084,126	25,693,732	31,482,086
Unrestricted	283,267	344,713	685,705
Total net position	<u>\$ 1,367,393</u>	<u>\$ 26,038,445</u>	<u>\$ 32,167,791</u>

The accompanying notes are an integral part of this statement.

			Business-type Activities Totals
Golf Course	Sunrise Theatre	Building Fund	
\$ 50,165	\$ 58,805	\$ 173,746	\$ 1,248,639
-	-	-	145,952
1,099,855	740,645	23,390	2,979,358
3,125	4,028	13,489	38,793
-	-	-	1,462,161
-	-	-	487,925
-	-	-	23,131
-	68,158	-	276,987
-	435,028	-	435,028
1,153,145	1,306,664	210,625	7,097,974
-	-	-	253,700
23,942	23,955	147,712	413,683
31,413	53,713	167,478	571,336
2,520	1,760	15,650	40,505
-	-	-	639,484
-	-	-	14,484,122
57,875	79,428	330,840	16,402,830
1,211,020	1,386,092	541,465	23,500,804
99,936	69,805	620,613	1,606,236
3,107	3,109	19,168	53,683
103,043	72,914	639,781	1,659,919
2,089,177	8,396,208	1,236,072	69,981,401
(1,277,963)	(734)	2,971,819	3,006,807
\$ 811,214	\$ 8,395,474	\$ 4,207,891	\$ 72,988,208

City of Fort Pierce, Florida
**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS**
Year ended September 30, 2021

	Business-type Activities		
	Solid Waste	Marina	Storm Water
Operating revenues			
Sales and charges for services	\$ 7,876,241	\$ 2,048,097	\$ 3,567,911
Gas and oil sales	-	1,348,251	-
Other	18,989	765,766	260,335
Total operating revenues	<u>7,895,230</u>	<u>4,162,114</u>	<u>3,828,246</u>
Operating expenses			
Personal services	1,880,783	373,794	-
General and administrative	80,000	-	323,173
Cost of goods and services sold	2,776,675	1,173,367	-
Depreciation	816,057	1,133,154	1,467,115
Other operating expenses	1,384,455	1,364,838	760,275
Total operating expenses	<u>6,937,970</u>	<u>4,045,153</u>	<u>2,550,563</u>
Operating income (loss)	957,260	116,961	1,277,683
Non-operating revenues (expenses)			
Investment income	884	2,607	9,965
Intergovernmental	-	-	-
Gain/Loss on disposition	(7,429)	-	-
Interest expense	(41,607)	(234,474)	(370,463)
Total non-operating revenues (expenses)	<u>(48,152)</u>	<u>(231,867)</u>	<u>(360,498)</u>
Income (loss) before transfers and capital contributions	909,108	(114,906)	917,185
Capital Contributions	-	-	646,931
Transfers in	-	-	-
Transfers out	(736,100)	(250,000)	-
CHANGE IN NET POSITION	173,008	(364,906)	1,564,116
Total net position - beginning	<u>1,194,385</u>	<u>26,403,351</u>	<u>30,603,675</u>
Total net position - end of year	<u>\$ 1,367,393</u>	<u>\$ 26,038,445</u>	<u>\$ 32,167,791</u>

The accompanying notes are an integral part of this statement.

			Business-type Activities Totals
Golf Course	Sunrise Theatre	Building Fund	
\$ 1,201,773	\$ 642,035	\$ 4,677,030	\$ 20,013,087
-	-	-	1,348,251
10,299	61,298	46,251	1,162,938
<u>1,212,072</u>	<u>703,333</u>	<u>4,723,281</u>	<u>22,524,276</u>
327,459	197,664	1,527,904	4,307,604
66,286	57,496	-	526,955
46,233	62,406	-	4,058,681
139,941	551,511	71,411	4,179,189
1,001,999	840,287	875,580	6,227,434
<u>1,581,918</u>	<u>1,709,364</u>	<u>2,474,895</u>	<u>19,299,863</u>
(369,846)	(1,006,031)	2,248,386	3,224,413
28	-	6,572	20,056
-	1,096,610	-	1,096,610
-	-	-	(7,429)
-	-	-	(646,544)
<u>28</u>	<u>1,096,610</u>	<u>6,572</u>	<u>462,693</u>
(369,818)	90,579	2,254,958	3,687,106
-	-	-	646,931
-	1,058,996	-	1,058,996
-	-	(7,364)	(993,464)
(369,818)	1,149,575	2,247,594	4,399,569
<u>1,181,032</u>	<u>7,245,899</u>	<u>1,960,297</u>	<u>68,588,639</u>
<u>\$ 811,214</u>	<u>\$ 8,395,474</u>	<u>\$ 4,207,891</u>	<u>\$ 72,988,208</u>

City of Fort Pierce, Florida
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year ended September 30, 2021

	Business-type Activities	
	Solid Waste	Marina
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 8,089,663	\$ 3,968,592
Receipts from rental property	-	211,790
Payments to suppliers for goods and services	(3,987,979)	(2,619,613)
Payments to employees for services	(1,459,111)	(277,273)
Payments for benefits on behalf of employees	(674,267)	(115,706)
Net cash provided (used) by operating activities	<u>1,968,306</u>	<u>1,167,790</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers in	-	-
Transfers (out)	(736,100)	(250,000)
Net cash provided (used) by noncapital financing activities	<u>(736,100)</u>	<u>(250,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(184,365)	(39,512)
Receipts from Intergovernmental	-	-
Bond and loan principal payments	(545,273)	(458,670)
Bond proceeds	-	-
Bond and loan interest payments	(41,607)	(217,420)
Net cash provided (used) by capital and related financing activities	<u>(771,245)</u>	<u>(715,602)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on cash and investments	884	2,607
Net cash provided (used) by investing activities	<u>884</u>	<u>2,607</u>
Net increase (decrease) in cash and investments	461,845	204,795
Cash and investments at beginning of year	24,542	682,264
Cash and investments at end of year	<u>\$ 486,387</u>	<u>\$ 887,059</u>
Cash and investments-unrestricted	\$ 486,387	\$ 678,230
Cash and investments-restricted	-	208,829
	<u>\$ 486,387</u>	<u>\$ 887,059</u>

The accompanying notes are an integral part of this statement.

				Business-type Activities Totals
Storm Water	Golf Course	Sunrise Theatre	Building Fund	
\$ 4,015,667	\$ 1,211,859	\$ 878,666	\$ 4,723,488	\$ 22,887,935
-	-	-	-	211,790
(2,019,953)	(858,181)	(1,323,313)	(949,258)	(11,758,297)
-	(154,772)	(161,654)	(1,006,186)	(3,058,996)
-	(178,934)	(63,747)	(516,335)	(1,548,989)
<u>1,995,714</u>	<u>19,972</u>	<u>(670,048)</u>	<u>2,251,709</u>	<u>6,733,443</u>
-	-	1,058,996	-	1,058,996
-	-	-	(7,364)	(993,464)
-	-	1,058,996	(7,364)	65,532
(918,041)	(20,000)	(120,735)	(183,752)	(1,466,405)
73,225	-	1,096,610	-	1,169,835
(9,445,600)	-	-	-	(10,449,543)
8,655,200	-	-	-	8,655,200
(370,463)	-	-	-	(629,490)
<u>(2,005,679)</u>	<u>(20,000)</u>	<u>975,875</u>	<u>(183,752)</u>	<u>(2,720,403)</u>
<u>9,965</u>	<u>28</u>	<u>-</u>	<u>6,572</u>	<u>20,056</u>
<u>9,965</u>	<u>28</u>	<u>-</u>	<u>6,572</u>	<u>20,056</u>
-	-	1,364,823	2,067,165	4,098,628
-	950	74,123	1,980,403	2,762,282
<u>\$ -</u>	<u>\$ 950</u>	<u>\$ 1,438,946</u>	<u>\$ 4,047,568</u>	<u>\$ 6,860,910</u>
\$ -	\$ 950	\$ 1,370,788	\$ 4,047,568	\$ 6,583,923
-	-	68,158	-	276,987
<u>\$ -</u>	<u>\$ 950</u>	<u>\$ 1,438,946</u>	<u>\$ 4,047,568</u>	<u>\$ 6,860,910</u>

City of Fort Pierce, Florida
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
Year ended September 30, 2021

	Business-type Activities	
	Solid Waste	Marina
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	\$ 957,260	\$ 116,961
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation expense	816,057	1,133,154
(Increase) decrease in accounts receivable	131,362	(15,323)
(Increase) decrease in due from component unit	63,071	-
(Increase) decrease in inventories and other current assets	70,606	7,652
(Increase) decrease in deferred outflows	83,124	12,663
Increase (decrease) in accounts payable and accrued liabilities	190,400	57,506
Increase (decrease) in due to other funds	-	(144,543)
Increase (decrease) in customer deposits	-	33,591
Increase (decrease) in other post employment benefits	(26,380)	(1,455)
Increase (decrease) in Net Pension Liability	(965,409)	(176,659)
Increase (decrease) in Deferred Inflows	673,962	139,784
Increase (decrease) in accrued compensated absences	(25,747)	4,459
Net cash provided (used) by operating activities	<u>\$ 1,968,306</u>	<u>\$ 1,167,790</u>

The accompanying notes are an integral part of this statement.

				Business-type Activities Totals
Storm Water	Golf Course	Sunrise Theatre	Building Fund	
\$ 1,277,683	\$ (369,846)	\$ (1,006,031)	2,248,386	\$ 3,224,413
1,467,115	139,941	551,511	71,411	4,179,189
10,648	(1,048)	-	-	125,639
176,772	-	-	208	240,051
4,202	14,290	59,425	7,672	163,847
-	9,744	11,432	40,788	157,751
18,575	10,041	31,663	(76,881)	231,304
(959,281)	232,795	(450,095)	13,234	(1,307,890)
-	835	175,331	-	209,757
-	(1,584)	(3,707)	5,482	(27,644)
-	(129,861)	(115,181)	(706,062)	(2,093,172)
-	99,616	69,805	621,058	1,604,225
-	15,049	5,799	26,413	25,973
<u>\$ 1,995,714</u>	<u>\$ 19,972</u>	<u>\$ (670,048)</u>	<u>\$ 2,251,709</u>	<u>\$ 6,733,443</u>

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TRUST FUNDS

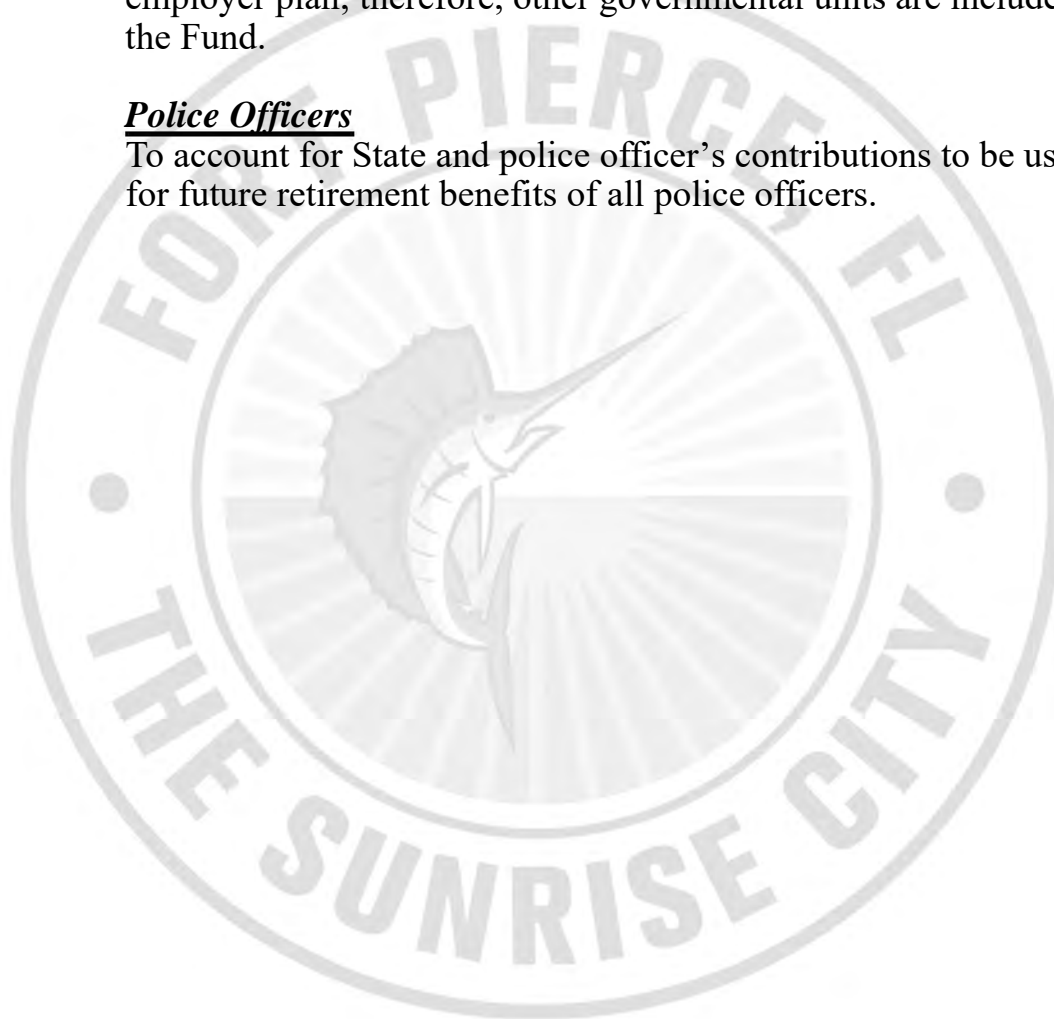
◆ Pension Trust

General Employees

To account for the accumulation of resources to be used for retirement benefits of all City employees. The City has a multi-employer plan; therefore, other governmental units are included in the Fund.

Police Officers

To account for State and police officer's contributions to be used for future retirement benefits of all police officers.



City of Fort Pierce, Florida
STATEMENT OF FIDUCIARY FUNDS NET POSITION
September 30, 2021

	Pension Trusts
ASSETS	
Cash and cash equivalents	\$ 425,454
Investments, at fair value:	
U.S. Government Securities	24,267,892
Mutual Funds	167,125,169
Municipal Bonds	317,884
Common Stock	15,858,751
Corporate Bonds	32,528,889
Real Estate Trust L.P.	23,118,490
Common Trust Fund	1,032,282
Money Market	2,399,056
Total investments	266,648,413
Total cash and investments	267,073,867
Accounts receivable	232,625
Accrued interest receivable	413,107
	267,719,599
LIABILITIES AND NET POSITION	
LIABILITIES	
Accounts payable and accrued liabilities	1,127,645
Total liabilities	1,127,645
NET POSITION-RESTRICTED FOR PENSION BENEFITS	\$ 266,591,954

The accompanying notes are an integral part of this statement.

City of Fort Pierce, Florida

STATEMENT OF CHANGES IN FIDUCIARY FUNDS NET POSITION

Year ended September 30, 2021

	<u>Pension Trusts</u>
ADDITIONS	
Contributions	
Employer	\$ 5,328,802
Employees	2,422,754
State-Via the General Fund	435,343
Total contributions	<u>8,186,899</u>
Investment income	
Interest	2,181,452
Dividends	1,851,477
Net appreciation in fair value of investments	39,916,779
Total investment income	<u>43,949,708</u>
Investment expenses	<u>(948,905)</u>
Net investment income	43,000,803
Total additions	51,187,702
DEDUCTIONS	
Retirement benefits paid	16,283,132
Refunds of employee contributions	271,288
Administrative expenses	288,035
Insurance expense	20,651
Total deductions	<u>16,863,106</u>
Net Increase(Decrease)	34,324,596
NET POSITION-RESTRICTED FOR PENSION	
BENEFITS	
Beginning of year	<u>232,267,358</u>
End of year	<u>\$ 266,591,954</u>

The accompanying notes are an integral part of this statement.

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NOTES TO THE FINANCIAL STATEMENTS



NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. REPORTING ENTITY

The City of Fort Pierce, Florida was incorporated in 1901 under the general law. This incorporation was validated by Act of the State Legislature, Chapter 5100, Acts 1901. The City covers an area of approximately 35.31 square miles and is located in St. Lucie County, Florida. The City operates under an elected City Commission (5 members) and provides services to its more than 48,038 residents in the form of law enforcement, street maintenance, solid waste, culture and recreation, planning and zoning, human resources and general administrative services.

The accompanying financial statements present the primary government and its component units. Component units are legally separate entities for which the primary government is financially accountable or entities which should be included in the City’s financial statements because of the nature and significance of their relationship with the primary government.

The decision to include a potential component unit in the City’s reporting entity is based on the criteria stated in GASB Statement No. 14 – *The Financial Reporting Entity*, as amended by GASB 39, “*Determining Whether Certain Organizations are Component Units*” and GASB 61, “*The Financial Reporting Entity; Omnibus an Amendment of GASB Statements No. 14 and No. 34*” which includes the ability to appoint a voting majority of an organization’s governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burden on the City, or the nature and significance of the relationship between the City and the organization is such that exclusion would cause the City’s financial statements to be incomplete.

Blended component units, although legally separate entities, are, in substance, part of the City’s operations. Accordingly, data from these component units are included with data of the primary government. The discretely presented component unit, on the other hand, is reported in a separate column in the financial statements to emphasize that it is legally separate from the City. The financial activities and balances for each blended and discretely presented component units are as of and for the period ended September 30, 2021.

A. BLENDED COMPONENT UNITS

Community Redevelopment Agency

The Community Redevelopment Agency (CRA) was established for the purpose of carrying out redevelopment activities for certain areas existing in the City of Fort Pierce. The members of the governing board are comprised of the Fort Pierce City Commission. The CRA’s budget is subject to approval by the City Commission and the primary government has operational responsibility for the CRA. Complete financial statements of the CRA can be obtained from the finance department office located at 100 North US #1, Fort Pierce, Florida 34950.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. REPORTING ENTITY (CONTINUED)

B. DISCRETELY PRESENTED COMPONENT UNIT

Fort Pierce Utilities Authority

The Fort Pierce Utilities Authority (Authority) provides electric, water, wastewater and natural gas services to residents and businesses of Fort Pierce and is responsible for the management and operations of the Manatee Observation and Education Center. The members of the governing board are appointed and/or removed from office by the Fort Pierce City Commission. The budget and rates for services are subject to the approval of the Commission. Complete financial statements of the Authority can be obtained from its administrative office located at 206 South Sixth Street, Fort Pierce, Florida 34948.

C. RELATED ORGANIZATION

Fort Pierce Housing Authority

The Mayor of Fort Pierce is responsible for appointing the members of the Board of the Fort Pierce Housing Authority (FPHA), but the City's accountability for this organization does not extend beyond making these appointments. The FPHA's operating and capital expenditures, including debt service, are financed entirely from federal grants and rentals. The City has no involvement in the determination of FPHA's budget or rental rates and has no obligation for FPHA's outstanding debt. Hence, the FPHA is not considered a component unit of the City, and no financial information is included in these financial statements.

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements include both government-wide financial statements (based on the City as a whole) and fund financial statements. Separate financial statements are provided for governmental funds, propriety funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

The Government-Wide Statement of Net Position reports all financial and capital resources of the City, excluding those reported in the fiduciary funds. It is displayed in the format of assets and deferred outflows less liabilities and deferred inflows, equals net position, with the assets and liabilities shown in order of their relative liquidity. Net position is required to be displayed in three components: (1) net investment in capital assets, (2) restricted, and (3) unrestricted. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The restricted component of net position consists of restricted assets reduced by liabilities related to those assets. Restricted assets are those with constraints placed on their use that are either: (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. The unrestricted component of net position is the net amount of the assets and liabilities that are not included in the determination of net investment in capital assets or the restricted component of net position.

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*.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The City chooses to eliminate the general and administrative charges between governmental activities to avoid a “doubling up” effect.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis of accounting*, as are the proprietary fund, and fiduciary 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

The measurement focus of the governmental funds (in the Fund Financial Statements) is upon determination of financial position and changes in financial position rather than upon net income.

These governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considered property taxes as available if they are collected within 60 days after year-end. A six-month availability period is used for revenue recognition for all other governmental fund revenues. 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.

Taxpayer-assessed property and other taxes, and charges for regularly billed or routinely provided services, are recorded as revenue when earned, taxpayer liability has been established and collectability is assured, or losses can be reasonably estimated. Licenses and fees, fines and forfeitures, and miscellaneous revenues are recorded when received in cash, because they are generally not measurable until actually received. Investment income from cash deposits is recorded as revenue when earned, since it is measurable and available.

The city reports the following major governmental funds:

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

The *community redevelopment agency-special revenue fund* accounts for the redevelopment of designated areas within the City. Financing is provided by an incremental increase in ad valorem taxes levied each year.

The government reports the following major proprietary funds:

Business type activities

The *solid waste fund* is used to account for the solid waste disposal services provided to the residents of the City.

The *marina fund* is used to account for the activities of a special recreation facility for the residents of the City and the surrounding area.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

The *storm water fund* is used to account for the storm water drainage and control services provided to the residents of the City.

The *golf course fund* is used to account for the activities of a special recreation facility for the residents of the City and the surrounding area.

The *sunrise theatre fund* is used to account for the activities of a historic theatre for the residents of the City and the surrounding area.

The *building fund* is used to account for the activities of a building department for the residents of the City.

Governmental activities

Additionally, the government reports the following fund types:

Fiduciary funds

The two pension trust funds account for the activities of the General Employees and the Police Officers' Pension Plans, which accumulate resources for pension benefit payments to qualified employees of the respective plans.

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-in-lieu of taxes and other charges between the government's solid waste disposal function and various other functions of the government. Elimination of these charges would distort the direct costs 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, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from 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 proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expense, 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 government's policy to use restricted resources first, then unrestricted resources, as they are needed.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE

a. Deposits and investments

The City has defined cash and cash equivalents to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes and local ordinances authorize the government and the component units to invest in various types of investments as discussed in a subsequent note.

Investments of the City, as well as for its component units, are reported at fair value within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

Investments include the State Board of Administration Pooled Trust Fund which operates in accordance with appropriate state laws and regulations. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value based on market indicators regarded as measures of equity or fixed income performance results. The City does not have a significant amount of investments valued at other than quoted market prices, except in the pension trust funds, amortization of premium and accretion of discount on investments purchased are not recorded over the term of the investment. The effect of this policy on the financial statements of the various funds is not significant. The reported value of the pool is the same as the fair value of the pool shares.

b. Receivables and payables

All trade receivables are shown net of an allowance for uncollectible accounts. Unbilled service receivables represent the estimated amount of accounts receivable for services that have not yet been billed. The amount represents a timing difference between the end of the financial statement cycle (month end) and the billing cycle (varying dates each billing period).

c. Due to/Due from

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

d. Inventories and prepaid items

Inventories are valued at cost (using average cost) in governmental type funds and the lower of cost (weighted average) or market in business-type funds. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as expenditures when consumed rather than when purchased.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (CONTINUED)

e. Restricted assets

Certain proceeds from bonds, notes, and loans, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants and restrictions. As a general rule these restricted assets are maintained in separate accounts.

The Fort Pierce Utilities Authority has similar restricted assets.

f. Capital assets

Capital assets, include property, plant, equipment, and infrastructure assets (e.g., road, bridges, sidewalks, and similar items), which are reported in the applicable governmental or business-type activities columns on the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, works of art, and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

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

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

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated lives:

Buildings and improvements	3-55 years
Improvements other than buildings	20-25 years
Equipment	3-20 years
Public domain infrastructure	15-75 years

g. Deferred outflows/inflows of resources

The Statement of Net Position includes a separate section for Deferred Outflows of Resources. This represents the usage of net position applicable to future periods and will be recognized as expenditures in the future period to which it applies. This category includes Deferred Charge on Refunding reported on the Government-wide Statement of Net Position. The deferred charge on refunding is the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or the refunding debt. This category also contains amounts related to pensions and OPEB for certain actuarially determined differences projected and actual investment earnings.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (CONTINUED)

g. Deferred outflows/inflows of resources(continued)

The Statement of Net Position also includes a separate section for Deferred Inflows of Resources. This represents the acquisition of net position applicable to future periods and will be recognized as revenue in the future period to which it applies. Currently, this category includes revenue received in advance, and amounts related to pensions and OPEB for certain actuarially determined differences between projected and actual experience.

Deferred Inflows of Resources in the Governmental Funds Balance Sheet include unavailable revenue. Unavailable revenue consists primarily of special assessment, loans and notes receivable. The city considers revenues available if they are collected within 60 days of the end of the fiscal year.

h. Compensated absences

Accumulated unpaid vacation and sick pay and the benefits associated with them are accrued when incurred in all proprietary fund types and in the component units. In governmental and Fiduciary fund types, the cost of vacation and sick pay is recognized when payments are made to employees or when matured, as a result of employee resignation or retirement.

All sick and vacation pay is accrued when incurred in the Government-Wide Financial Statements.

i. Other Post Employment Benefits

The City provides certain health care and life insurance benefits for retired employees. The primary government recognizes the costs associated with providing these benefits as claims are paid. In the Government-Wide Financial Statements and proprietary fund types in the Fund Financial statements, other post employment benefits are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

j. Long-term obligations

In the Government-Wide Financial Statements and propriety fund types in the Fund Financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as insurance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond insurance costs are reported as deferred charges and amortized over the term of the related debt.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION (CONTINUED)

j. Long-term obligations (continued)

In the Fund Financial Statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

k. Fund equity

The City implemented GASB No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions”, for the year ended September 30, 2011. The Statement requires the fund balance of governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

5. ACCOUNTING ESTIMATES

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

NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. Budgetary Information

The appropriated budget is the expenditure authority created by the appropriation ordinance which is signed into law along with related estimated revenues for the general fund, one major special revenue fund; community redevelopment agency fund, and the following non-major special revenue funds: police grant fund, state housing initiatives program fund, community development block grant fund, and hurricane housing recovery grant fund.

The amended budget reflects the appropriated budget for the general fund and certain special revenue funds. Budgets are not adopted for governmental funds other than the general fund and previously noted major and non-major special revenue funds. All annual appropriations lapse at fiscal year end.

The City follows these procedures in establishing the appropriated budget reflected in the financial statement:

- a. Prior to August 15, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to October 1, the budget is legally enacted through passage of an ordinance.
- d. Formal budgetary integration is employed as a management control device during the year for the general fund, certain major and non-major special revenue funds. Formal budgetary integration is not employed for debt service funds because effective budgetary control is alternately achieved through general obligation bond indenture provisions.
- e. Budgets for the general fund, certain major and non-major special revenue funds are adopted on a basis consistent with generally accepted accounting principles. (GAAP).
- f. The level of control (level at which expenditures may not exceed budget) is the department. Department heads may move budget appropriations from one line item to another line item within his/her department with the approval of the Director of Finance. Transfers of budget appropriations between departments must be approved by the Director of Finance and the City Manager. Any increase in budget over what was appropriated must be approved by the City Commission. Unexpended balances of appropriations lapse at year end.
- g. In accordance with past practices, after the close of the year, the budget has been amended to reflect changes in available revenues and transfers of appropriations between departments and programs.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE C – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

“Total fund balances” as reported on the City’s Governmental Funds Balance Sheet \$29,094,638 differs from the “net position” of governmental activities \$64,946,131 that are reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the Governmental Funds Balance Sheet. The effect of the differences is illustrated below.

Capital related items

When capital assets (land, buildings and improvements, infrastructure, machinery and equipment, and construction in progress that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position includes those capital assets among the assets of the city as a whole:

Cost of capital assets, not being depreciated	\$	24,576,733
Cost of capital assets, being depreciated		223,573,427
Accumulated depreciation		(148,361,629)
Total	\$	<u>99,788,531</u>

Other long-term asset items

Net pension asset is reported in the Statement of Position but not included in the governmental funds because it is not a current financial resource.

Net pension asset	\$	<u>1,233,977</u>
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Long-term debt transactions

Long-term liabilities applicable to the City’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2021 were:

Bonds and notes payable	\$	(54,932,747)
Capital lease obligations		(1,928,380)
Other post employment benefits		(2,195,049)
Net Pension Liability		(201,964)
Compensated absences		(3,402,689)
Total	\$	<u>(62,660,829)</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

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

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position (continued)

Accrued interest

Accrued liabilities in the Statement of Net Position differ from the amount reported in governmental funds due to accrued interest on bonds and revenue notes.

Bond and revenue notes	\$ <u><u>(279,237)</u></u>
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Prepaid Insurance and Deferred Charge on Refunding

Bond insurance costs and deferred charge on refunding in the Statement of Net Position differs from the amount reported in governmental funds because bond insurance costs and the difference between the carrying value of refunded debt and its reacquisition price are capitalized and amortized over the term of the bonds, whereas these costs are reported as expenditures in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance.

Net bond insurance costs	\$ <u><u>23,477</u></u>
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Net Deferred charge on refunding	\$ <u><u>2,618,000</u></u>
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Unavailable revenues

Unavailable revenues in the Statement of Net Position differ from the amount reported in governmental funds due to various receivables. Governmental fund financial statements report unearned revenues or revenues which are measurable but not available, as unavailable revenues. However, unavailable revenues in governmental funds are subject to full accrual on the government-wide financial statements.

Liens receivable	\$ 9,546,760
Loans receivable	55,302
Notes receivable	1,721,389
Due from other governments	62,460
Allowance for doubtful accounts	(8,282,613)
Deferred revenues	\$ <u><u>3,103,298</u></u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

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

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

Deferred Inflows and Outflows from Pension Activity

Deferred inflows and outflows related to pensions are not financial resources and are not reported in governmental funds.

Deferred Inflows-Pensions and OPEB	\$ (9,955,335)
Deferred Outflows-Pensions and OPEB	\$ 1,979,611

Elimination of inter-fund receivables/payables

Inter-fund receivables and payables in the amount of \$385,448 between governmental funds have been eliminated for the Statement of Net Position.

The “net change in fund balances” for government funds \$3,602,618 differs from the “change in net position” for governmental activities \$10,910,476 reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

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

Capital outlay	\$ 3,494,130
Depreciation expense	(4,627,773)
	<u>\$ (1,133,643)</u>

In the Statement of Activities, only the gain and loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the adjusted basis of the capital assets sold. Also, governmental funds do not show contributions of capital assets. Thus, the change in net assets differs from the change in fund balance by the acquisition value of the asset at date of contribution.

Net acquisition value of capital assets received from another government	\$ 1,090,400
Net book value of capital assets disposed	<u>\$ (345,137)</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

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

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

Long-term debt transactions

Repayments of principal on bonds, notes, and capital leases are reported as expenditures in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used. Principal payments reduce the liabilities in the Statement of Net Position, but do not result in an expense in the Statement of Activities.

Bond, notes, and capital lease principal payments	\$ <u>5,908,787</u>
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Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds. The amounts listed below are the net of prior and current fiscal years and are included in the Statement of activities.

Net change in other post employment benefits	\$ <u>(77,793)</u>
Net change in compensated absences	\$ <u>13,966</u>
Net interest adjustment	\$ <u>72,323</u>
Net Change in Pension Asset/Liability	\$ <u>2,236,317</u>

In the Statement of Activities, debt proceeds increase long-term liabilities. However, in the governmental funds, debt proceeds are treated as other financing sources (uses) since they provide current financial resources to governmental funds.

Debt Issuance	\$ (7,950,583)
Payment on current refunding	<u>7,550,000</u>
	<u>\$ (400,583)</u>

Bond issuance costs

Bond issuance costs are reported as expenditures in the governmental funds. However, in the Statement of Activities, the bond issuance costs are amortized over the terms of the bond agreement.

Amortization expenses	\$ <u>(35,790)</u>
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Deferred revenues

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Net change in Deferred Revenue	\$ <u>(20,989)</u>
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NOTE C – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

Reclassification and Eliminations

The General Fund recognizes revenues in the amount of \$1,203,553 for the general administrative charges to the various functions. These revenues and expenditures must be eliminated to avoid “double counting”. Transfers in and transfers out in the amount of \$29,496,579 between governmental activities are eliminated in the government-wide financial statements.

NOTE D – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments. The carrying amount of these deposits at September 30, 2021 was \$32,765,805 and the bank balance was \$29,108,200. The deposits are insured by federal depository insurance or collateralized under the provisions of Chapter 280, Florida Statutes.

Deposits - Florida statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral for their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits. The City had deposits only with qualifying institutions as of September 30, 2021, or with banks in which depository insurance was sufficient to cover the deposit balance.

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the City Finance Director. Cash equivalents consist of demand deposits, certificates of deposit, and money market accounts. Investments in the pooled fund consist of Repurchase agreements (overnight), Treasury notes, and Government securities.

The FPUA also invests in the SBA Florida PRIME Local Government Surplus Fund which are governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the SBA. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the SBA. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

The Florida PRIME has met the criteria as a “2a7-like” pool; this pool was assigned a rating of AAAM by the Standards and Poor’s Rating Service. The FPUA has a \$5,606,000 balance at September 30, 2021. The fair value of the position in the pool is valued the same as the pooled shares.

The Florida Municipal Investment Trust (Municipal Trust) was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust. The Municipal Trust is not a registrant with the Securities and Exchange Commission (SEC); however the board has adopted operating procedures consistent with the requirements for a “2a-7 like” pool.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – CASH AND INVESTMENTS (CONTINUED)

The City has implemented the GASB Statement No. 72 *Fair Value Measurement and Application* by categorizing its investments according to the fair market value hierarchy established by the statement. The hierarchy is based on the valuation input used to measure the fair value of the asset as follows:

- Level 1- inputs are quoted prices for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2- inputs-other than quoted prices included within level 1-debt securities classified as level 2 are valued using a matrix pricing technique.
- Level 3- unobservable inputs for an asset or liability.

A summary of pooled cash and investments as of September 30, 2021 is as follows:

	<u>Primary Government</u>	<u>Component Unit-FPUA</u>
Cash	\$ 2,716,977	\$ 7,402,994
Investments:		
Certificates of Deposit	-	2,715,000
State Board of Administration pooled trust fund	-	5,606,000
Florida Municipal Investment trust	54,233	-
Money market	-	7,323,000
Repurchase agreements	29,994,595	26,202,000
Total investments	<u>30,048,828</u>	<u>41,846,000</u>
Total pooled cash and investments	<u>\$ 32,765,805</u>	<u>\$ 49,248,994</u>

All investments held in the primary government and component unit at September 30, 2021 have maturity dates less than one year.

A summary of investments held in pension trust funds as of September 30, 2021 is as follows:

	<u>Fair Value Measurements</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Agencies	\$ 24,267,892	\$ -	\$ -
Municipal Bonds	317,884	-	-
Corporate obligations	-	32,528,889	-
Common stock	15,858,751	-	-
Mutual funds-equity	167,125,169	-	-
Real estate trust L.P.	-	-	23,118,490
Common trust fund	-	-	1,032,282
Money market funds	2,399,056	-	-
	<u>\$ 209,968,752</u>	<u>\$ 32,528,889</u>	<u>\$ 24,150,772</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – CASH AND INVESTMENTS (CONTINUED)

	Investment Maturities in Years					
	under 1	1-5	6-10	10-20	over 20	total
U.S. Agencies	\$ -	\$ 1,834,096	\$ 11,712,016	\$ 5,815,313	\$ 4,906,467	\$ 24,267,892
Municipal Bonds	-	-	-	-	317,884	317,884
Corporate obligations	-	11,694,794	10,905,077	5,103,898	4,825,120	32,528,889
Common stock	15,858,751	-	-	-	-	15,858,751
Mutual funds-equity	167,125,169	-	-	-	-	167,125,169
Real estate trust L.P.	23,118,490	-	-	-	-	23,118,490
Common trust fund	1,032,282	-	-	-	-	1,032,282
Money market funds	2,399,056	-	-	-	-	2,399,056
	<u>\$ 209,533,748</u>	<u>\$ 13,528,890</u>	<u>\$ 22,617,093</u>	<u>\$ 10,919,211</u>	<u>\$ 10,049,471</u>	<u>\$ 266,648,413</u>

Credit Risk. State law limits investments in corporate notes to the top two ratings issued by nationally recognized statistical ratings organizations (NRSROs). It is the City's policy to limit its investments in these investment types to A or better, with a maximum 15% discretionary allocation to BBB by Standard and Poor's. Money Market securities rated A1/P1 by Standard and Poor's/Moody's are allowed. The City has certain investments in an unrated 2a7-like investment pool administered by the Florida League of Cities.

As of September 30, 2021, the pension plans had the following fixed income investments with corresponding credit ratings:

	Credit Rating	Amount
Corporate Bonds	A1	1,900,845
Corporate Bonds	A2	8,677,644
Corporate Bonds	A3	5,684,883
Corporate Bonds	Aaa	2,439,760
Corporate Bonds	Aa1	839,298
Corporate Bonds	Aa2	962,555
Corporate Bonds	Aa3	1,588,785
Corporate Bonds	Baa1	6,326,291
Corporate Bonds	Baa2	2,806,175
Corporate Bonds	Baa3	333,051
Corporate Bonds	not rated	969,602
		<u>\$ 32,528,889</u>
Municipal Bonds	A2	<u>\$ 317,884</u>

NOTE D – CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy discourages long-term investments. For the City's pension plans, maturities are significantly longer. The pension system may invest in various mortgaged-backed securities, such as collateralized mortgage obligations. These securities are based on cash flows on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates.

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 pension funds consist of uninsured, unregistered investments held by a counterparty's trust department but not in the City's name.

Investments - The primary government, except for the Enterprise Fund and Expendable Pension Trust Funds, is authorized by Ordinance to invest in:

1. Local Governmental Surplus Trust Funds
2. Interest-bearing time deposits or savings accounts in banks organized under the laws of this State or the United States and doing business in this State as detailed in the investment policy of the City.
3. Deposits and certificates of deposit in out-of-state banks, savings and loan associations and other regulated financial institutions as may be required by contractual agreements when approved by the City Commission.
4. Negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government at the then prevailing price for such securities.
5. Repurchase Agreements, secured by the type of investment listed above, restricted as to acquisition, term, and market value.

The FPUA (a component unit) is authorized by resolution to invest in:

1. Local Government Surplus Trust Funds.
2. Negotiable direct obligations of the United States Government, or obligations, the principal and interest which are unconditionally guaranteed by the United States Government.
3. Obligations of the Federal Farm Credit Banks, the Federal Home Loan Mortgage Corporation, including Federal Home Loan Corporation participation certificates, or the Federal Home Loan Bank or its district banks, or obligations guaranteed by the Government National Mortgage Association, U. S. Treasury, agencies, and instrumentalities.
4. Repurchase Agreements secured by the type of investment listed above, restricted as to acquisition, term and market value.

NOTE D – CASH AND INVESTMENTS (CONTINUED)

5. Interest-bearing time deposits or savings accounts in banks organized under the laws of this State, in national banks organized under the laws of the United States and doing business and situated in this State, in savings and loan associations which are under State supervision, or in federal savings and loan associations located in this State and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.
6. Deposits and certificates of deposit in out-of-state banks, savings and loan associations and other regulated financial institutions insured by the FDIC.
7. Full faith and credit direct general obligations of any state, or unlimited tax direct obligations of any political subdivision thereof, the payment of which the full faith and credit of such political subdivision is pledged, provided that at the time of purchase such obligations are rated in either of the two highest rating categories by a nationally recognized bond rating agency.

The General Employees Pension Trust Fund is authorized by resolution to invest in:

1. Common and preferred stock issues.
2. Publicly traded Government, corporate, and agency bonds.
3. Publicly traded money market securities.

The Police Officers Pension Trust Fund is authorized by resolution to invest in:

1. Common and preferred stock issues. (Limited to holdings of less than five percent of any one entity's stock, and aggregate stock holdings of less than fifty percent of total plan assets.)
2. Publicly traded Government, corporate, and agency bonds.
3. Publicly traded money market securities.
4. Interest-bearing time deposits or savings accounts in banks organized under the laws of this State or the United States and doing business in this State as detailed in the investment policy of the Police Officers' Pension Trust Fund.

NOTE E - PROPERTY TAXES

The City's property tax is levied by St. Lucie County each November 1 on the assessed value listed as of the prior January 1 for real and personal property located in the City. Property taxes become a lien on the first day of the levy year and are due on or before March 31. Assessed values are established by the St. Lucie County Property Appraiser. The assessed value at January 1, 2021, upon which the 2020-2021 levy is based, was \$2,694,241,619.

The City is permitted by State law to levy taxes of up to 10 mills of assessed valuation for the General Fund. Taxes are levied at 6.9 mills for the General Fund for the fiscal year ended September 30, 2021.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE F - ACCOUNTS RECEIVABLE/NOTES RECEIVABLE

Accounts Receivable

Accounts receivable held by the primary government's enterprise funds and the FPUA (a component unit) are stated net of allowances for estimated uncollectibles of \$15,639 for the marina, \$27,235 for sanitation, \$0 for storm water, \$0 for golf course, and \$618,449 the FPUA, respectively. The general fund accounts receivable is stated net of allowance for estimated uncollectibles of \$8,282,613. No other allowance is provided for receivables held by governmental or fiduciary fund types because, in the opinion of management, all such accounts are collectible.

Notes Receivable

Notes Receivable is comprised of various down payment assistance loans as part of the City's redevelopment plan. The terms of the notes range from 5 to 30 years with interest rates from 0% to 5% based on the recipient's income level.

NOTE G - DUE FROM OTHER GOVERNMENTS

Amounts due from other governments include \$555,026 from U.S. Department of Housing & Urban Development, \$227,876 from Federal Department of Justice, \$3,846 from Federal Homeland Security, \$79,976 from Federal COVID grant, \$50,967 from St. Lucie County, \$773,676 from FEMA, \$99,121 from Florida Attorney General, \$72,500 from Florida Fish and wildlife, \$25,130 from Florida Department of Transportation, and \$6,295 due from St. Lucie County Housing Authority, \$28,910 due from the State of Florida.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE H - CAPITAL ASSETS

Capital asset activity of the **primary government** for the year ended September 30, 2021 was as follows:

Governmental Activities:

	<u>Beginning Balance *</u>	<u>Increases</u>	<u>Decreases</u>	<u>Contributions</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land(as restated)	\$ 23,135,325	\$ -	\$ (180,272)	\$ -	\$ 22,955,053
Construction in Progress	384,358	1,237,322	-	-	1,621,680
Total capital assets, not being depreciated	23,519,683	1,237,322	(180,272)	-	24,576,733
Capital assets, being depreciated:					
Buildings	42,764,354	228,139	(62,100)	1,090,400	44,020,793
Improvements other than buildings	49,282,203	1,883,327	-	-	51,165,530
Equipment	21,249,695	145,342	(1,932,294)	-	19,462,743
Infrastructure	108,924,361	-	-	-	108,924,361
Total	222,220,613	2,256,808	(1,994,394)	1,090,400	223,573,427
Less accumulated depreciation for:					
Buildings	(17,635,211)	(923,104)	17,206	-	(18,541,109)
Improvements other than buildings	(26,138,593)	(917,122)	-	-	(27,055,715)
Equipment	(14,871,360)	(1,596,731)	1,812,323	-	(14,655,768)
Infrastructure	(86,918,221)	(1,190,816)	-	-	(88,109,037)
Total accumulated depreciation	(145,563,385)	(4,627,773)	1,829,529	-	(148,361,629)
Total capital assets, being depreciated, net	76,657,228	(2,370,965)	(164,865)	1,090,400	75,211,798
Total capital assets, net(as restated)	<u>\$ 100,176,911</u>	<u>\$ (1,133,643)</u>	<u>\$ (345,137)</u>	<u>\$ 1,090,400</u>	<u>\$ 99,788,531</u>

* Beginning land has been restated to reflect a \$4,661,158 reduction for land not properly removed in prior years. (see note U)

Depreciation expense charged to functions/programs of the **primary government** (governmental activities) for the year ended September 30, 2021 was as follows:

Governmental activities:

General government	\$ 191,527
Public safety	745,359
Transportation	3,283,130
Economic environment	81,646
Culture and recreation	326,111
Total	<u>\$ 4,627,773</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE H - CAPITAL ASSETS (CONTINUED)

Business-type activities:

Business-type activities:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land	\$ 674,008	\$ -	\$ -	\$ -	\$ 674,008
Construction in Progress	1,579,107	918,040	-	(1,037,623)	1,459,524
Total capital assets, not being depreciated	2,253,115	918,040	-	(1,037,623)	2,133,532
Capital assets, being depreciated:					
Buildings	17,903,077	20,237	-	-	17,923,314
Improvements other than buildings	106,710,413	179,798		1,058,623	107,948,834
Equipment	12,979,378	348,329	(1,120,087)	(21,000)	12,186,620
Total	137,592,868	548,364	(1,120,087)	1,037,623	138,058,768
Less accumulated depreciation for:					
Buildings	(10,108,569)	(585,186)	-	-	(10,693,755)
Improvements other than buildings	(30,326,720)	(2,649,301)	-	-	(32,976,021)
Equipment	(9,635,389)	(944,702)	1,112,660	-	(9,467,431)
Total accumulated depreciation	(50,070,678)	(4,179,189)	1,112,660	-	(53,137,207)
Total capital assets, being depreciated, net	87,522,190	(3,630,825)	(7,427)	1,037,623	84,921,561
Total capital assets, net	\$ 89,775,305	\$ (2,712,785)	\$ (7,427)	\$ -	\$ 87,055,093

Additions to accumulated depreciation and depreciation expense charged to functions/programs of the **primary government** (business-type activities) for the year ended September 30, 2021 was as follows:

Solid waste	\$ 816,057
Marina	1,133,154
Stormwater	1,467,115
Golf course	139,941
Sunrise Theatre	551,511
Building Fund	71,411
Total	<u>\$ 4,179,189</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE H - CAPITAL ASSETS (CONTINUED)

Capital asset activity of the **FPUA** (a component unit) for the year ended September 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Utility Plant, not being depreciated:				
Land	\$ 9,556,000	\$ 1,000	\$ -	\$ 9,557,000
Construction Work in Progress	24,976,921	15,736,308	(22,646,000)	18,067,229
Total Utility Plant, not being depreciated	34,532,921	15,737,308	(22,646,000)	27,624,229
Utility Plant, being depreciated:				
Transmission, distribution and collection systems	359,851,710	16,844,369	(307,000)	376,389,079
Equipment	58,256,000	3,161,000	(392,000)	61,025,000
Structures and improvements	40,957,000	4,826,000	-	45,783,000
Total Utility Plant being depreciated	459,064,710	24,831,369	(699,000)	483,197,079
Less accumulated depreciation for:				
Transmission, distribution and collection systems	(210,526,591)	(10,719,644)	307,000	(220,939,235)
Equipment	(40,046,000)	(2,489,000)	392,000	(42,143,000)
Structures and improvements	(26,226,000)	(1,055,000)	-	(27,281,000)
Total accumulated depreciation	(276,798,591)	(14,263,644)	699,000	(290,363,235)
Total Utility Plant, being depreciated, net	182,266,119	10,567,725	-	192,833,844
Total Utility Plant, net	<u>\$ 216,799,040</u>	<u>\$ 26,305,033</u>	<u>\$ (22,646,000)</u>	<u>\$ 220,458,073</u>

Construction work in progress at September 30, 2021 consists principally of expansions and upgrades to the electric transmission and distribution system, water supply and distribution system, wastewater collection system, and gas distribution system.

The **FPUA** has entered into contracts for the construction or expansion of various system assets as follows.

	<u>Project Total</u>	<u>Expended to Date</u>	<u>Remaining Commitment</u>	<u>Required Further Financing</u>
Wastewater	\$ 3,531,000	\$ 484,000	\$ 3,047,000	None
Electric	981,000	167,000	814,000	None
Water	558,000	157,000	401,000	None
Gas	42,000	22,000	20,000	None
Administration	279,000	271,000	8,000	None
FPUAnet	241,000	91,000	150,000	None
	<u>\$ 5,632,000</u>	<u>\$ 1,192,000</u>	<u>\$ 4,440,000</u>	

In addition, the component unit has entered into unit price contracts for the construction and renovation of system assets. These contracts are not firm commitments, and the contractors are utilized as needed. As of September 30, 2021, costs of \$357,000 were authorized under these contracts, \$89,000 has been spent, and authorized amounts of \$268,000 remained.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE I – LONG TERM OBLIGATIONS

Long-term liability activity of the **primary government** for the year ended September 30, 2021 was as follows:

	Beginning Balance 10/1/2020	Additions	Reductions	Ending Balance 9/30/2021	Amounts Due within One Year	Amounts Due after One Year
Governmental Activities:						
Notes, bonds payable, and loans:						
Revenue notes	\$ 34,880,916	\$ -	\$ 10,695,690	\$ 24,185,226	\$ 2,562,783	\$ 21,622,443
Revenue bonds	21,105,000	6,875,000	1,660,000	26,320,000	2,390,000	23,930,000
Section 108 Loan	1,131,000	-	283,000	848,000	283,000	565,000
Unamortized items	2,922,798	1,075,583	418,860	3,579,521	-	3,579,521
	<u>60,039,714</u>	<u>7,950,583</u>	<u>13,057,550</u>	<u>54,932,747</u>	<u>5,235,783</u>	<u>49,696,964</u>
Capital lease payable						
Capital lease payable	2,748,477	-	820,097	1,928,380	800,835	1,127,545
	<u>2,748,477</u>	<u>-</u>	<u>820,097</u>	<u>1,928,380</u>	<u>800,835</u>	<u>1,127,545</u>
Other Liabilities:						
Other post employment benefits	2,370,405	-	175,356	2,195,049	-	2,195,049
Net Pension Liability	11,612,030	-	11,410,066	201,964	-	201,964
Compensated absences	3,416,655	1,594,338	1,608,304	3,402,689	159,108	3,243,581
	<u>3,416,655</u>	<u>1,594,338</u>	<u>1,608,304</u>	<u>3,402,689</u>	<u>159,108</u>	<u>3,243,581</u>
Total governmental activities	<u>\$ 80,187,281</u>	<u>\$ 9,544,921</u>	<u>\$ 27,071,373</u>	<u>\$ 62,660,829</u>	<u>\$ 6,195,726</u>	<u>\$ 56,465,103</u>
Business-type Activities:						
Notes, bonds payable, and capital leases:						
Revenue notes	\$ 14,042,170	\$ 8,655,200	\$ 9,904,271	\$ 12,793,099	\$ 1,462,161	\$ 11,330,938
Revenue bonds	3,225,000	-	-	3,225,000	-	3,225,000
Unamortized items	(79,122)	-	(7,306)	(71,816)	-	(71,816)
	<u>17,188,048</u>	<u>8,655,200</u>	<u>9,896,965</u>	<u>15,946,283</u>	<u>1,462,161</u>	<u>14,484,122</u>
Capital lease payable						
Capital lease payable	1,672,682	-	545,273	1,127,409	487,925	639,484
	<u>1,672,682</u>	<u>-</u>	<u>545,273</u>	<u>1,127,409</u>	<u>487,925</u>	<u>639,484</u>
Other Liabilities:						
Other post employment benefits	441,327	-	27,644	413,683	-	413,683
Net Pension Liability	2,133,678	-	2,093,173	40,505	-	40,505
Compensated absences	584,157	302,763	276,791	610,129	38,793	571,336
	<u>584,157</u>	<u>302,763</u>	<u>276,791</u>	<u>610,129</u>	<u>38,793</u>	<u>571,336</u>
Total business activities	<u>\$ 22,019,892</u>	<u>\$ 8,957,963</u>	<u>\$ 12,839,846</u>	<u>\$ 18,138,009</u>	<u>\$ 1,988,879</u>	<u>\$ 16,149,130</u>

Compensated absences	Beginning Balance 10/1/2020	Additions	Reductions	Ending Balance 9/30/2021
Governmental Activities:				
General Fund	\$ 3,398,333	\$ 1,589,958	1,587,243	\$ 3,401,048
Community Development Block Grant	18,322	4,380	21,061	1,641
	<u>\$ 3,416,655</u>	<u>\$ 1,594,338</u>	<u>\$ 1,608,304</u>	<u>\$ 3,402,689</u>

The compensated absence liability, net pension liability and net other postemployment obligation attributed to governmental activities are being liquidated in the General Fund, and Community Development Block Grant.

NOTE I – LONG TERM OBLIGATIONS (CONTINUED)

Governmental Activities

The City has outstanding Revenue Bonds and Notes from direct borrowings and direct placements related to its governmental activities totaling \$50,505,226. The outstanding Revenue Bonds and Notes, or borrowing facilities are secured by the respective revenues and/or pledged revenues subject to budget and appropriation. The City's governmental activity bonds and notes that are secured by a pledge to budget and appropriate legally available non-ad valorem revenues require that the City ensure that before any additional borrowing or debt is incurred, (i) that the City's adjusted revenue for the immediately preceding fiscal year is equal to at least 200% of the Maximum Bond Service Requirement on all Debt to be outstanding following the issuance of such new Debt and (ii) 100% of any amounts owed for Policy Costs (as defined in various resolutions of the City), (iii) No additional Debt may be issued without the prior written consent of all applicable bond insurers if any Policy Costs are past due and owing.

Governmental Activities Direct Placements

The City's Revenue bonds of \$26,320,000 contain a provision defining the following events as a default: 1) failure to make payment, 2) dissolution, liquidation, or voluntary filing of bankruptcy, or 3) the City fails to perform any of the other covenants, conditions, agreements, and provisions contained in the bond or in the resolution. In the event of a default, which has not been remedied, after legal proceedings, pledged funds will be distributed. The Series 2021 Bonds includes an additional default provision (a) so long as the Outstanding Series 2015A note or any debt issued to refinance the Series 2015A (the Bank Debt) remain outstanding and contain a right of acceleration upon an event of default, the Series 2021 Bonds shall also be subject to acceleration in the event the Bank Debt is accelerated and (b) it shall be a default under the Bond Resolution unless and until such event of default with respect to the Bank Debt has been waived by the holder of the Bank Debt.

\$2,9353,000 Capital Improvement Revenue Refunding Bonds, Series 2010B-The Series 2010 Bonds were issued pursuant to Chapter 166, Part II, Florida Statutes, The City Charter, Chapter 159, Part VII, Florida Statutes, and Resolution No. 10-34 as supplemented for the purpose of (i) refunding all of the City's outstanding Capital Improvement Revenue Bonds, Series 1998, all of the City's outstanding Capital Improvement Revenue Refunding Bonds, Series 2001 and a portion of the City's outstanding Taxable Capital Improvement Revenue Refunding Bonds, Series 2008B (ii) financing the costs of issuance of the Series 2010 Bonds including the municipal bond insurance premium and reserve policy premium. The resolution provides for the creation and establishment of the following funds:

1. Reserve Fund – For deposit of an amount equal to the reserve requirement to be used only for the purpose of the payment of amortization installments, principal of, or interest on the outstanding bonds when the other monies are insufficient therefore, and for no other purpose. The "reserve account requirement" is defined as the lesser of (i) the maximum debt service requirement, (ii) 125% of the average annual debt service requirement, or (iii) 10% of the proceeds of the Series 2010 Bonds. As provided for in the resolution, the City elected to provide for the maximum reserve by purchasing a surety bond through Assured Guaranty municipal Corp.

NOTE I – LONG TERM OBLIGATIONS (CONTINUED)

The Series 2010 Bonds and interest thereon are payable from amounts the City has covenanted and agreed to appropriate in its annual budget by amendment if necessary, from non-ad valorem funds sufficient to pay principal of, redemption price, if any, and interest on the Series 2010 Bonds when due. Interest at 5.344% payable semi-annually and annual sinking fund installments of 400,000 through September 1, 2022. Current portion of bond is 400,000.

\$26,460,000 Capital Improvement Revenue and Refunding Bonds, Series 2019-The Series 2019 Bonds were issued for the purpose of: (i) advance refund the City's outstanding Capital Improvement Revenue Refunding Bonds, Series 2015, (ii) financing the cost of designing, permitting, constructing, reconstructing and equipping a marina project (iii) finance the costs of issuance of the Series 2019 bonds.

The Series 2019 Bonds and interest thereon are payable from amounts the City has covenanted and agreed to appropriate in its annual budget by amendment, if necessary, from non-ad valorem funds sufficient to pay principal of and interest on the Series 2019 Bonds when due. Interest at 5%, is payable semi-annually and sinking fund installments ranging from \$500,000 to \$2,180,000 through September 1, 2038. Proceeds used to defease the Series 2015 Capital Improvement Revenue Refunding Note, and finance costs of a marina project. Current portion is \$1,345,000.

This bond is split between Governmental activities (Original issue \$23,235,000) and Business type activities (Original issue \$3,225,000).

\$6,875,000 Fort Pierce Redevelopment Revenue Refunding Bonds, Series 2021-The Series 2021 Bonds were issued for the purpose of: (i) advance refund the City's outstanding Redevelopment Revenue Refunding Note, Series 2015B, (ii) finance the costs of issuance of the Series 2021bonds.

The Series 2021 Bonds and interest thereon are payable from and secured by a first lien and pledge upon the Tax Increment Revenues. Interest at 4%, is payable semi-annually and sinking fund installments ranging from \$580,000 to \$845,000 through May 1, 2031. Proceeds used to defease the Series 2015B Capital Improvement Revenue Refunding Note. Current portion is \$645,000.

Governmental Activities Direct Borrowings

The City's outstanding notes from direct borrowing and direct placements related to governmental activities of \$24,185,226 contains a provision defining events of default as the following: 1) failure to make payment, 2) The City fails to performs any of the other covenants, conditions, agreements, and provisions contained in the Note or the Agreement, 3) any proceedings are willfully instituted effecting a compromise between the City and its creditors for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statue now or hereinafter enacted, 4) an admission in writing of its inability to pay debts as become due, 5) bankruptcy, insolvency, or declaration a financial emergency, and 6) if any court assumes control of the City or a substantial part of its property for the relief or aid of debtors. Upon the occurrence of a default the notes shall bear interest at the default rate. Acceleration of payments is remedy for event 1 only for non-remedied defaults. Non-remedied defaults for events 2-6, allow Noteholders to pursue legal proceedings for specific performance of any covenant or agreement and recover all costs and expense for proceedings. These amounts are payable only from pledged revenues.

NOTE I – LONG TERM OBLIGATIONS (CONTINUED)

In addition to the above, the City's 2015 A note from direct borrowing and direct placement related to governmental activities, contain additional default events: a) a final judgement for the payment of money of \$1,000,000 or more (only if insurance is not available to cover the judgement), b) long term public debt ratings fall below Baa2 for Moody's or BBB for Fitch, or Standards & Poor's, c) the failure to adopt a budget depositing incremental revenue into the Redevelopment Trust Fund, and d) any breach of representations or warranties. These notes contain the same non-remedied defaults with the addition of an acceleration of payment for event B, and events 3, 4, 5&6 above. The 2021

\$20,000,000 Redevelopment Revenue Refunding Note, Series 2015A-The Series 2015 Notes were issued for the purpose of: (i) currently refunding the Fort Pierce Redevelopment Bonds, Series 2005 and advance refund the Fort Pierce Redevelopment Bonds, Series 2006 (ii) finance the costs of issuance of the Series 2015 notes.

The Series 2015 Notes and interest thereon are payable from and secured by a first lien and pledge upon the Tax Increment Revenues. Interest at 3.2%, payable semi-annually and sinking fund installments ranging from \$1,180,000 to \$1,615,000 through May 1, 2031. Proceeds used to refund the Fort Pierce Redevelopment Bonds, Series 2005 and 2006. Current portion is \$1,180,000.

Taxable Capital Improvement Revenue and Refunding Notes, Series 2020 A & B-The Series 2020 Notes were issued for the purpose of: (i) currently refund the City's outstanding Capital Improvement Revenue Note, Series 2014, (ii) advance refund the City's outstanding Taxable Capital Improvement Revenue Note, Series 2016A and Capital Improvement Revenue Notes, Series 2016B & 2016C (iii) finance the costs of issuance of the Series 2020 bonds.

The Series 2020 Notes and interest thereon are payable from amounts the City has covenanted and agreed to appropriate in its annual budget by amendment, if necessary, from non-ad valorem funds sufficient to pay principal of and interest on the Series 2020 Notes when due.

\$4,324,598 Series 2020A Notes with interest at 3.055%, payable semi-annually and sinking fund installments ranging from \$53,950 to \$701,902 through September 1, 2031. Proceeds used to defease the Series 2014 and 2016 Capital Improvement Revenue Notes. Current portion is \$0.

\$2,640,970 Series 2020B Notes with interest at 3.055%, payable semi-annually and sinking fund installments ranging from \$533,680 to \$869,492 through September 1, 2023. Proceeds were used to defease the Series 2014 and 2016 Capital Improvement Revenue Notes. Current portion is \$869,492.

\$7,316,363 Capital Improvement Revenue and Refunding Notes, Series 2020C-The Series 2020 Notes were issued for the purpose of: (i) advance refund the City's outstanding Capital Improvement Revenue Refunding Note, Series 2018 (ii) finance the costs of issuance of the Series 2020 bonds.

The Series 2020 Notes and interest thereon are payable from amounts the City has covenanted and agreed to appropriate in its annual budget by amendment, if necessary, from non-ad valorem funds sufficient to pay principal of and interest on the Series 2020 Notes when due. Interest at 1.264%, is payable semi-annually and sinking fund installments ranging from \$700,976 to \$734,572 through

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE I – LONG TERM OBLIGATIONS (CONTINUED)

September 1, 2030. Proceeds were used to defease the Series 2018 Capital Improvement Revenue Refunding Notes. The current portion is \$703,718 (513,291 governmental activities portion).

This note is split between Governmental activities (Original issue \$5,336,543) and Business type activities (Original issue \$1,979,820).

Governmental activities bonds and notes outstanding at September 30, 2021, consist of the following:

	<u>Purpose</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>Maximum Annual Debt Svc.</u>
Revenue Bonds:					
Taxable Capital Improvement Revenue Refunding Bonds, Series 2010B	Refunding	\$ 2,935,000	400,000	5.34%	410,688
Fort Pierce Capital Improvement Revenue and Refunding Bonds, 2019	Refunding	\$ 23,235,000	19,045,000	5.00%	2,297,250
Fort Pierce Redevelopment Revenue Refunding Bonds, 2021	Refunding	\$ 6,875,000	6,875,000	4.00%	878,800
		<u>\$ 33,045,000</u>	<u>\$ 26,320,000</u>		
Revenue Notes:					
Fort Pierce Redevelopment Revenue Refunding Notes, 2015A	Refunding	\$ 20,000,000	13,725,000	3.20%	1,666,680
Fort Pierce Capital Improvement Revenue Refunding Notes, 2020A	Refunding	\$ 4,324,598	4,324,598	3.055%	749,307
Fort Pierce Capital Improvement Revenue Refunding Notes, 2020B	Refunding	\$ 2,640,970	1,403,172	3.055%	892,602
Fort Pierce Capital Improvement Revenue Refunding Notes, 2020C	Refunding	\$ 5,336,543	4,732,456	1.26%	573,109
		<u>\$ 32,302,111</u>	<u>\$ 24,185,226</u>		
Other Direct Borrowings:					
Section 108 Loan Payable	<i>see note below</i>	<u>\$ 3,395,000</u>	<u>\$ 848,000</u>	2.70%	314,468

Section 108 Loan Payable-The City entered into a Loan Guarantee Assistance Contract with the Secretary of Housing and Urban Development in 2009, for the construction of a shopping center by a developer. The City then executed a mortgage receivable with the developer to ensure repayment of the debt. The Note Payable requires semi-annual interest payments at 2.7%. Annual principal payments begin in 2013 and continue to 2023. The loan is secured by future Community Development Block Grant funds in the event that the developer defaults. Current portion is \$283,000.

NOTE I – LONG TERM OBLIGATIONS (CONTINUED)

Business-Type Activities

The City has outstanding Revenue Bonds and Notes from direct borrowings related to its business type activities totaling \$16,018,099. The outstanding Revenue Bonds and Notes, or borrowing facilities are secured by the respective revenues and/or pledged revenues subject to budget and appropriation or a by the respective revenues from the operation of the related business-type activities.

The City's outstanding bonds of \$3,225,000 and notes from direct borrowings related to business type activities of \$4,243,499 contain the same provisions for events of defaults and remedies for non-remedied defaults as the direct borrowing and direct placements related to governmental activities. The City outstanding note from direct borrowings related to business type activities of \$8,549,600 also contains the same provisions for default events, but acceleration of payment is not a remedy. Under this note from direct borrowings the only remedy for non-remedied defaults is to pursue legal proceedings for pledged revenues and expenses.

\$3,225,000 Capital Improvement Revenue and Refunding Bonds, Series 2019-The Series 2019 Notes were issued for the purpose of: (i) advance refund the City's outstanding Capital Improvement Revenue Refunding Bonds, Series 2015, (ii) financing the cost of designing, permitting, constructing, reconstructing and equipping a marina project (iii) finance the costs of issuance of the Series 2019 bonds.

The Series 2019 Bonds and interest thereon are payable from amounts the City has covenanted and agreed to appropriate in its annual budget by amendment, if necessary, from non-ad valorem funds sufficient to pay principal of and interest on the Series 2019 Bonds when due. Interest at 5%, is payable semi-annually and sinking fund installments attributed to the marina, ranging from \$500,000 to \$575,000 through September 1, 2038. Current portion is \$0.

\$3,920,771 Capital Improvement Revenue Note, Series 2014- The Series 2014 Notes were issued for the purpose of: (i) financing the construction of improvements and rehabilitation of the city owned and operated marina (ii) finance the costs of issuance of the Series 2014 notes.

The Series 2014 Notes and interest thereon are payable from net marina revenues and the half-cent sales tax sufficient to pay principal of and interest on the Series 2014 Notes when due. Interest at 3.19% is payable semi-annually and annual principal payments ranging from 277,634 to 346,491 through December 1, 2029. Proceeds used for construction costs related to the city owned marina. Current portion of note is 277,634.

\$8,655,200 Stormwater Revenue Refunding Note, Series 2021- The Series 2021 Notes were issued for the purpose of: (i) refunding the Stormwater Utility System Revenue Note Series 2016 (ii) finance the costs of issuance of the Series 2021 notes.

The Series 2021 Notes and interest thereon are payable from and secured by a first lien and pledge upon the Stormwater revenues. Interest at 2.10% and principal are payable in monthly installments ranging from \$63,823 to \$98,267 through October 1, 2030. Proceeds were used to currently refund the 2016 Stormwater Utility Revenue Notes. The Current portion is \$994,100.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE I – LONG TERM OBLIGATIONS (CONTINUED)

\$1,979,820 Capital Improvement Revenue and Refunding Notes, Series 2020C-The Series 2020 Notes were issued for the purpose of: (i) advance refund the City’s outstanding Capital Improvement Revenue Refunding Note, Series 2018 (ii) finance the costs of issuance of the Series 2020 bonds.

The Series 2020 Notes and interest thereon are payable from amounts the City has covenanted and agreed to appropriate in its annual budget by amendment, if necessary, from non-ad valorem funds sufficient to pay principal of and interest on the Series 2020 Notes when due. Interest at 1.264%, is payable semi-annually and sinking fund installments ranging from \$190,427 to \$197,026 through September 1, 2030. Proceeds were used to defease the Series 2018 Capital Improvement Revenue Refunding Notes. The current portion is \$190,427.

Business type activities bonds and notes outstanding at September 30, 2021, consist of the following:

	<u>Purpose</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>Maximum Annual Debt Svc.</u>
Revenue Bonds:					
Fort Pierce Capital Improvement Revenue and Refunding Bonds, 2019	Refunding	\$ 3,225,000	3,225,000	5.00%	596,750
Revenue Notes:					
Capital Improvement Revenue Note,2014A	Construction at Marina	\$ 3,920,771	2,487,791	3.19%	354,781
Stormwater Revenue Refunding Note,2021	Refunding	\$ 8,655,200	8,549,600	2.10%	1,168,758
Fort Pierce Capital Improvement Revenue Refunding Notes, 2020C	Refunding	\$ 1,979,820	1,755,708	1.26%	214,275
		<u>\$ 14,555,791</u>	<u>\$ 12,793,099</u>		

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE I – LONG TERM OBLIGATIONS (CONTINUED)

Requirements to pay principal and interest on the **primary government's** obligations in each of the years/periods ending September 30, is as follows:

Governmental Activities:

	Revenue Bonds			Revenue Notes		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 2,390,000	\$ 1,156,202	\$ 3,546,202	\$ 2,562,783	\$ 1,050,780	\$ 3,613,563
2023	1,990,000	1,134,200	3,124,200	2,638,478	962,938	3,601,416
2024	2,090,000	1,040,500	3,130,500	2,479,012	885,000	3,364,012
2025	2,180,000	942,100	3,122,100	2,522,627	814,500	3,337,127
2026	2,285,000	839,450	3,124,450	2,575,044	740,500	3,315,544
2027-2031	13,205,000	2,474,400	15,679,400	11,407,282	848,310	12,255,592
2032	2,180,000	109,000	2,289,000	-	-	-
	<u>\$ 26,320,000</u>	<u>\$ 7,695,852</u>	<u>\$ 34,015,852</u>	<u>\$ 24,185,226</u>	<u>\$ 5,302,028</u>	<u>\$ 29,487,254</u>

Promissory Notes- Section 108 Loan

	Principal	Interest	Total
2022	\$ 283,000	\$ 24,224	\$ 307,224
2023	283,000	16,583	299,583
2024	282,000	8,347	290,347
	<u>\$ 848,000</u>	<u>\$ 49,154</u>	<u>\$ 897,154</u>

Business-Type Activities:

	Revenue Bonds			Revenue Notes		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ -	\$ 96,750	\$ 96,750	\$ 1,462,161	\$ 269,315	\$ 1,731,476
2023	-	96,750	96,750	1,496,547	236,875	1,733,422
2024	-	96,750	96,750	1,529,396	203,637	1,733,033
2025	-	96,750	96,750	1,558,253	169,661	1,727,914
2026	-	96,750	96,750	1,597,042	134,892	1,731,934
2027-2031	-	483,750	483,750	5,149,700	215,155	5,364,855
2032-2036	2,090,000	391,950	2,481,950	-	-	-
2037-2038	1,135,000	51,300	1,186,300	-	-	-
	<u>\$ 3,225,000</u>	<u>\$ 1,410,750</u>	<u>\$ 4,635,750</u>	<u>\$ 12,793,099</u>	<u>\$ 1,229,535</u>	<u>\$ 14,022,634</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE 1 – LONG TERM OBLIGATIONS (CONTINUED)

Defeasance of Revenue Bonds/Notes Payable

On February 25, 2021 the city refunded and defeased on a current basis the Series 2016 Stormwater Utility System Revenue Refunding Note maturing on October,1 2022 through October 1, 2030 amounting to \$8,420,000. The City used proceeds of \$8,655,200 from Series 2021 Stormwater Revenue Refunding Notes to currently defease the Series 2016 Notes and pay certain costs incurred in connection with issuing the bonds.

The difference in the cash flows of the old debt service compared to the new issue was a positive \$301,331. The economic gain (difference between the present value of the net debt service payments of the refunded and refunding debt) was \$195,734. The City refunded the issue to reduce debt service costs over the term of the loan.

On July 29, 2021 the city refunded and defeased on a current basis the Series 2015B Redevelopment Revenue Refunding note maturing on May 1, 2022 through May 1, 2031 amounting to \$7,550,000. The City used proceeds of \$7,950,583 from Series 2021 Redevelopment Revenue Refunding Bonds to currently defease the Series 2015B notes and pay certain costs incurred in connection with issuing the bonds.

The difference in the cash flows of the old debt service compared to the new issue was a positive \$560,456. The economic gain (difference between the present value of the net debt service payments of the refunded and refunding debt) was \$517,998. The City refunded the issue to reduce debt service costs over the term of the loan.

In prior years, the city defeased certain outstanding Redevelopment Revenue Bonds payable from tax increment revenues. The city also defeased certain Sunshine Governmental Financing Commission Revenue Notes payable from Non-Ad Valorem Revenues appropriated in the City's annual budget. For each issue, the City deposited proceeds of the refunding bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE 1 – LONG TERM OBLIGATIONS (CONTINUED)

At September 30, 2021 the following bonds are considered defeased:

<u>Bond Issue</u>	<u>Series</u>	<u>Beginning Balance 10-1-2020</u>	<u>Additions</u>	<u>Retirement</u>	<u>Ending Balance 9-30-2021</u>
Capital Improvement Bonds	2001	\$ 115,000	\$ -	\$ 115,000	\$ -
Redevelopment Revenue Bonds	2003	2,090,000	-	665,000	1,425,000
Capital Improvement Bonds	2008	19,880,000	-	1,195,000	18,685,000
Redevelopment Revenue Bonds	2006	12,145,000	-	765,000	11,380,000
Capital Improvement Revenue Refunding Bonds	2010	5,840,000	-	530,000	5,310,000
Capital Improvement Revenue Refunding Bonds	2015	23,750,000	-	1,650,000	22,100,000
Capital Improvement Revenue Refunding Notes	2016A	815,000	-	120,000	695,000
Capital Improvement Revenue Refunding Notes	2016B	630,000	-	50,000	580,000
Capital Improvement Revenue Refunding Notes	2016C	635,000	-	210,000	425,000
Capital Improvement Revenue Refunding Bonds	2018	6,650,000	-	585,000	6,065,000
		<u>\$ 72,550,000</u>	<u>\$ -</u>	<u>\$ 5,885,000</u>	<u>\$ 66,665,000</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE 1 – LONG TERM OBLIGATIONS (CONTINUED)

Component Unit

Bond obligations and Direct placements payable of the FPUA (a component unit) as of September 30, 2021 are as follows:

Revenue Bonds Payable at September 30, 2021 consist of:

\$10,223,254 Utilities Revenue Capital Appreciation Bonds, Series 1999B, collateralized by pledge of and first lien on the net revenues of the combined systems, yield varying from 5.80% to 5.90%. The accreted value at September 30, 2021 is \$15,930,000. The remaining principal to be paid totals \$21,625,000 in annual amounts ranging from \$4,335,000 to \$4,340,000 through October 1, 2024.

15,930,000

\$34,800,000 Utilities Refunding Revenue Bonds, Series 2009, collateralized by pledge of and first lien on the net revenues of the combined systems, interest varying from 4.0% to 5.00% on the remaining annual principal amounts ranging from \$1,420,000 to \$7,285,000 through October 1, 2029.

29,665,000

Revenue Bonds Payable

45,595,000

Direct Placements Payable at September 30, 2021 consist of:

\$9,545,000 Utilities Revenue Bonds, Series 2016, collateralized by pledge of and first lien on the net revenues of the combined systems, interest at 2.14%. The remaining annual principal amounts range from \$321,000 to \$3,451,000 through October 1, 2026.

\$ 8,153,000

Total Revenue Bonds and Direct Placements

53,748,000

Less: Unamortized portion of bond premium and discounts

31,000

Current portion payable from restricted assets

6,076,000

\$ 47,641,000

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE 1 – LONG TERM OBLIGATIONS (CONTINUED)

Component Unit

Bonds payable are reported net of any applicable discounts. Bond discounts are deferred and amortized over the life of the bonds using the effective interest method.

Unresolved events of default on direct placements for (a) failure to make payments of principal or interest, (b) dissolution or bankruptcy of FPUA, (c) defaults with the covenants, agreements or provisions of the bond resolution, or (d) if final judgement is rendered shall result in interest rates escalating to Prime plus 6% with and additional assessment of 6% on overdue amounts.

Long-term liability activity of the **FPUA** (a component unit) for the year ended September 30, 2021 was as follows:

	Balance 10/1/2020	Additions	Reductions	Balance 9/30/2021	Due within One Year
Revenue bonds	\$ 50,396,000	\$ 899,000	\$ (5,700,000)	\$ 45,595,000	\$ 5,755,000
Direct Placement	8,468,000	-	(315,000)	8,153,000	321,000
Deferred Amounts	(37,000)	-	6,000	(31,000)	-
Net Pension Liability	10,486,000	-	(10,255,000)	231,000	-
Capital Leases	84,889	-	(33,879)	51,010	39,950
Other Liabilities:					
Compensated absences	2,181,000	1,708,000	(1,692,000)	2,197,000	276,000
Other Post Employment Benefits	1,228,000	60,000	(110,000)	1,178,000	-
Total	\$ 72,806,889	\$ 2,667,000	\$ (18,099,879)	\$ 57,374,010	\$ 6,391,950

Requirements to pay principal and interest on the **FPUA** (a component unit) obligations in each of the years/periods ending September 30, 2021 are as follows

	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 5,755,000	\$ 1,351,000	\$ 7,106,000	\$ 321,000	\$ 168,000	\$ 489,000
2023	5,810,000	1,288,000	7,098,000	328,000	161,000	489,000
2024	5,875,000	1,224,000	7,099,000	335,000	153,000	488,000
2025	5,940,000	1,154,000	7,094,000	343,000	146,000	489,000
2026	2,985,000	1,004,000	3,989,000	3,375,000	74,000	3,449,000
2027-2030	20,645,000	1,900,000	22,545,000	3,451,000	-	3,451,000
	<u>47,010,000</u>	<u>\$ 7,921,000</u>	<u>\$ 54,931,000</u>	<u>\$ 8,153,000</u>	<u>\$ 702,000</u>	<u>\$ 8,855,000</u>

Future accretion on capital appreciation bonds

	(1,415,000)	1,415,000	-	-	-	-
	<u>\$ 45,595,000</u>	<u>\$ 9,336,000</u>	<u>\$ 54,931,000</u>	<u>8,153,000</u>	<u>\$ 702,000</u>	<u>\$ 8,855,000</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE I – LONG TERM OBLIGATIONS (CONTINUED)

Component Unit

Significant Bond Covenants for Utilities Revenue Bonds

The Series 1999, 2009, and 2016 bond issues provide that the Authority accumulate monthly 1/6 of the amount of all interest becoming due on the next semi-annual interest payment date, and 1/12 of the amount of principal which will become due and payable on the next principal maturity date. Additionally, FPUA's Master Bond Resolution requires renewal and replacement, emergency reserve, and debt service reserve subaccount funds with minimum requirements of \$500,000, \$900,000 and \$5,457,000, respectively. These reserves are funded in the amounts of \$500,000, \$900,000, and \$5,457,000, respectively, at September 30, 2021.

Redemption Options Prior to Maturity

The 2016 Utilities Refunding Bonds, maturing on October 1, 2026 with an interest rate of 2.14% are redeemable at any time at the option of FPUA. Any full or partial prepayment will carry a fee equal to the greater of (i) 1% of the principal balance multiplied by the number of years remaining or (ii) a "yield maintenance Fee".

The Series 2009 Bonds maturing in the year 2029 with an interest rate of 4.70% are redeemable, prior to their stated date of maturity, at the option of the Authority, on or after October 1, 2014. The Series 2009 Bonds maturing on or after October 1, 2020 (excluding those maturing in the year 2029 with an interest rate of 4.7%) are redeemable, prior to their stated date of maturity, at the option of the Authority, on or after October 1, 2019 at par plus accrued interest to the redemption date.

NOTE J - INTERFUND ADVANCES, RECEIVABLES, PAYABLES, AND TRANSFERS

Advances

During the year ending September 30, 2015, the Section 108 Debt Service fund advanced approximately \$1,090,000 to the Marina Fund to aid in the construction of new docks. Terms of the loan require 96 monthly payments of \$12,903, including interest at 3%. At September 30, 2021, the long-term portion of the advance was \$253,700.

During the year ending September 30, 2016, the Section 108 Debt Service fund advanced approximately \$1,400,000 to the General Fund to aid in the construction of infrastructure improvements. Terms of the loan require 96 monthly payments of \$16,421, including interest at 3%. At September 30, 2021, the long-term portion of the advance was \$385,448.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

**NOTE J - INTERFUND ADVANCES, RECEIVABLES, PAYABLES, AND TRANSFERS
(CONTINUED)**

The composition of interfund balances as of and for the year ended September 30, 2021, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor	\$ 400,008
General	Community Redevelopment Agency	22,691
General	Solid Waste	6,666
General	Marina	3,843
General	Stormwater	1,104,959
General	Golf Course	1,099,855
General	Sunrise Theatre	740,645
General	Building Fund	23,390
		<u>\$ 3,402,057</u>

Amounts due to the General Fund include general and administrative charges and various reimbursements.

Due to the primary government from the component units:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
General fund	FPUA	\$ 258,738
Nonmajor	FPUA	26,989
Solid waste fund	FPUA	664,299
Storm Water fund	FPUA	131,225
Building fund	FPUA	567
		<u>\$ 1,081,818</u>

Inter-fund transfers:

	<u>General</u>	<u>Sunrise Theatre</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Transfers out:				
General	\$ -	\$ 11,496	\$ 7,335,711	\$ 7,347,207
Community Redevelopment Agency	3,236,684	675,000	2,703,616	6,615,300
Solid Waste	511,100	225,000	-	736,100
Marina	250,000	-	-	250,000
Building	7,364	-	-	7,364
Nonmajor	132,073	147,500	15,320,031	15,599,604
	<u>\$ 4,137,221</u>	<u>\$ 1,058,996</u>	<u>\$ 25,359,358</u>	<u>\$ 30,555,575</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE J - INTERFUND ADVANCES, RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Transfers into the Nonmajor funds were for debt service payments made from the various debt service funds. There was also a transfer from one Nonmajor fund into several new Nonmajor funds. The transfers into the Sunrise Theatre from several funds was to provide support for operations and capital expenses. The General Fund received a transfer from the Community Redevelopment Agency Fund to subsidize redevelopment district projects and related debt. The General Fund also received an annual transfer from the Solid Waste Fund, Marina Fund, and Building Fund.

NOTE K - TRANSACTIONS WITH COMPONENT UNITS

Fort Pierce Utilities Authority (a discretely presented component unit)

Transactions occur throughout the year in the ordinary course of operations between the City and the Fort Pierce Utilities Authority (FPUA) (a proprietary fund and component unit of the City). A summary of significant transactions follows:

Vehicle Maintenance - The City charges the FPUA, on a monthly basis, for fuel used by FPUA vehicles.

Non-metered and Metered Service Charges - The FPUA bills the City, on a monthly basis, for all nonmetered and metered services.

Charges to City residents for sanitation and utility taxes are included on the FPUA's monthly billing statements to customers as a service to the City. The FPUA acts only as an agent with all cash collections relating to the charges forwarded directly to the City. The City is charged \$187,200 annually by the FPUA for performance of these services.

Total charges to the City for nonmetered and metered services for the year ended September 30, 2021, were approximately \$1,702,000. Total disbursements made to the City by the FPUA, including payments of utility tax and sanitation charges collected during year ended September 30, 2021, were approximately \$11,748,000. Amounts receivable from the FPUA at September 30, 2021 were approximately \$1,082,000.

The Fort Pierce City Charter, Article XII, Section 178, provides that each year the Utility Authority shall pay to the City of Fort Pierce a sum equal to six percent of gross revenues derived from the operation of the utilities for the preceding fiscal year. The city commission, by majority vote, may agree to accept a lesser percentage. For purposes of this section the Charter defines gross revenues as all income derived from retail sales of electricity, gas, and wastewater disposal; wholesale and retail sales of water; gains on sales of assets, interest, rents, royalties, dividends, and management fees. Where a power cost adjustment or purchase gas adjustment is utilized, gross income shall mean the amount billed based upon the applicable rate without a debit or credit for the cost adjustment. For the year ended September 30, 2021, the amount transferred to the General Fund under this provision was \$6,342,445.

NOTE L - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City's risk management program mainly encompasses obtaining property and liability insurance through commercial insurance carriers. During the year ended September 30, 2021, the City paid premiums of approximately \$2,653,819 to commercial insurance carriers for provisions of various liability, property, casualty and workers compensation insurance. The City has various deductible amounts ranging from \$500 to \$25,000 on various policies. At year-end, the City did not have any significant claims, and past claims have not exceeded insurance coverage in any of the past three years. There were no significant changes in coverage retention, or limits during the fiscal year. The General Fund handles property claims for the City and absorbs the loss for any amounts below the deductible amounts.

The City contracted with Blue Cross and Blue Shield of Florida for health insurance for its employees, effective June 1, 2008. Prior to June 1, 2008, the City was a self-insurer for the health and accident claims of its employees. The City closed the Internal Service Fund as of September 30, 2009 and accordingly, no current claims liability is reported.

NOTE M - EMPLOYEE RETIREMENT SYSTEMS

The City participates in two retirement and benefit plans. The General Employees' Retirement and Benefit System covers all primary government and component unit employees. The Municipal Police Officers' Retirement Trust Fund covers the City's police officers. The City and The Utilities Authority, a component unit, offer a Deferred Retirement Option Plan (DROP).

Currently an annual actuarial evaluation is performed for both Plans. The most recent actuarial valuations were performed for the year ended September 30, 2021. Other information regarding contributions and funding progress is included as supplementary information to this report.

The City accounts for both plans as pension trust funds; therefore, they are accounted for in substantially the same manner as proprietary funds with an economic resources measurement focus and the accrual basis of accounting. Plan member contributions, employer contributions and contributions from other entities are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with terms of the plans. Plan assets are valued at fair market value for financial statement purposes.

The defined benefit plans do not issue stand-alone financial reports and are not included in any other retirement system's or entity's financial report. Financial statements for the individual pension plans are presented below since separate GAAP financial reports have not been issued for the individual plans.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Below is a summary of all pension related items in the aggregate across governmental, business-type and component unit activities. Details related to these items are presented separately for each plan on the following pages.

	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Pension Expense</u>
Municipal Police Officers' Retirement Trust Fund	1,233,977	-	588,742	1,661,611	(69,741)
General Employee Retirement and Benefit System (City Portion)	-	242,469	1,334,392	9,615,113	694,896
Subtotal	1,233,977	242,469	1,923,134	11,276,724	625,155
General Employee Retirement and Benefit System (FPUA Portion)	-	230,500	1,442,943	8,974,707	631,723
Total	<u>1,233,977</u>	<u>472,969</u>	<u>3,366,077</u>	<u>20,251,431</u>	<u>1,256,878</u>

The General Employees' Retirement and Benefit System

Plan Description

The General Employees' Retirement and Benefit System (the System) is a cost-sharing multiple-employer PERS defined benefit plan administered by the City covering all municipal employees, including the Fort Pierce Utilities authority employees (FPUA). The System does not issue a stand-alone financial report but is included in the Pension Trust Fund of the City's financial statements. Participation in the Plan is compulsory for all full-time employees of the City, who are eligible upon employment.

Upon retirement, members are entitled to an annual retirement benefit, payable for life, of total service times 3.0% of final average salary, based upon the highest five consecutive years of the last ten years for General Employees and Utilities Authority.

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Plan Changes effective for October 1, 2012

For members hired prior to October 1, 2012:

- Benefits vest 100% after five years of service.
- Overtime hours included in compensation are limited to 300 hours per year.
- Payments for unused sick/vacation time are limited to the September 30, 2012 balance.
- Maximum pension benefit paid is the lesser of \$100,000 or 75% of final five year average.

Plan Changes effective for October 1, 2018 (retroactive change)

For members hired after October 1, 2012:

- Benefits vest 100% after five years of service.(10 year of service before retroactive change)
- Overtime hours included in compensation are limited to 300 hours per year.
- Maximum pension benefit paid is the lesser of \$100,000 or 75% of final five year average.

Police receive 3.0% of final average salary, based upon the highest five years out of the last ten years. (Optional benefit forms are available on an actuarial equivalent basis.) The system also provides death and disability benefits. These benefit provisions and all other requirements are established and may be amended by State Statute and City ordinance. Ad hoc increases in benefits may be granted periodically by a decision of the Retirement Board with the approval of the City Commission.

Funding Policy

Per City Code Section 2-279 and 2-280, the City and FPUA employees are required to contribute 5.16% and 6.16% respectively of their annual salary to the System whether or not they are subject to collective bargaining. The employer is required to contribute actuarially determined amounts which, together with member contributions, are sufficient to fund the System. Administrative costs are financed through investment earnings.

The System funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and actuarial accrued liability are determined using an attained age actuarial funding method. Unfunded actuarial accrued liabilities are being amortized at a level percent of payroll over periods of 1-30 years.

Membership

At September 30, 2021, the Plan's membership consisted of: (1) 554 retirees and beneficiaries currently receiving benefits and 44 terminated employees entitled to benefits but not yet receiving them; (2) 318 vested active employees; and (3) 237 non-vested active employees.

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Benefits

The plan provides retirement, termination, disability, and death benefits to all full time employees.

Normal Retirement- Eligibility occurs at 25 years of service regardless of age, or at age 60 (55 for police officers) with 5 years of service. Retirees receive of 3% of final average salary times total service with a maximum of \$100,000 per year.

Non-Duty Disability Retirement- Benefits occur after 5 years of service; computed as a normal retirement based upon service and final average salary at date of disability.

Duty Disability Retirement- No service requirement; computed as a normal retirement based upon service projected to the end of the duty disability period and final average salary at the time of disability.

Non-Duty Pre-Retirement Death Benefit- Benefits occur after 5 years of service; computed as a normal retirement but actuarially reduced in accordance with a 100% joint and survivor election.

Duty Pre-Retirement Death Benefit- No age of service requirement benefits begin upon termination of workers compensation; benefits paid at the same amount that was paid by workers' compensation to the spouse until death, or to unmarried children under 18 and dependents of parents.

Deferred Retirement Option Plan- Eligibility is based on normal retirement. The maximum participation period is 5 years, but not beyond 30 years of service. The benefit is calculated as normal retirement but based on service and final average salary at the date of the DROP election. Member contributions cease and monthly benefits accumulate in a self-directed DROP account and are payable upon termination of employment.

Contributions

For the Three years ended 2019, 2020 and 2021, employer contributions to the Plan, all made in accordance with actuarially determined requirements, were \$5,240,707 \$5,343,484 and \$5,328,802 which was 16.20%, 16.10% and 15.87% respectively, of annual covered payroll.

The total payroll for employees covered by the System for the year ended September 30, 2021 was \$33,584,778 which includes \$15,654,081 for Fort Pierce Utilities Authority employees. One hundred percent of required contributions were actually made for 2019, 2020 and 2021.

Pension Payable

At September 30, 2021, the City reported payable's to the pension for their final payroll of the fiscal year of \$116,713 (including member contributions of \$29,565) for the City and the final payroll of the fiscal year \$100,445 (including member contributions of \$27,709) for FPUA.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Investments

Investments are reported at fair value and are managed by third party money managers. Investments that do not have established market values are reported at estimated fair market value.

Best estimates of real rates of return for each major asset class included in the plan's target asset allocation as of September 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Allocation-weighted Long-term Expected Real Rate of Return
Large Cap Equity	26%	4.25%	1.11%
Small/Mid Cap Equity	12%	4.25%	0.53%
Global Ex-US Equity	25%	4.55%	1.14%
Domestic Fixed Income	27%	-0.50%	-0.14%
Real Estate	10%	3.50%	-0.35%
	100%		2.29%

For the year ended September 30, 2021, the annual money-weighted rate of return, net of investment expenses was 19.00%.

Pension Liabilities, Pension Expense and Deferred Outflows and Inflows of Resources

At September 30, 2021, the City and Fort Pierce Utilities Authority (FPUA) reported their proportional share of the following:

	City	Component Unit FPUA
Net Pension Liability	242,469	230,500
Employer Allocation Percentage	51.27%	48.74%
Proportional Share of Plan Pension Expense	694,876	631,723

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The City and FPUA reported proportional shares of deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government:		
Difference between Expected and Actual Experience	774,648	313,039
Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments	-	9,127,658
Change of Assumptions	559,744	-
Changes in Proportion and Differences between Employer Contributions and Share of Contributions	-	174,416
	<u>1,334,392</u>	<u>9,615,113</u>
Component Unit-FPUA:		
Difference between Expected and Actual Experience	736,412	297,587
Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments	-	8,677,120
Change of Assumptions	532,115	-
Changes in Proportion and Differences between Employer Contributions and Share of Contributions	174,416	-
	<u>1,442,943</u>	<u>8,974,707</u>
	<u>2,777,335</u>	<u>18,589,820</u>

Deferred outflows and inflows of resources by year to be recognized in future pension expenses:

Year Ending September 30	Net Deferred Outflows of Resources		
	City	Component Unit FPUA	Total
2022	(1,869,192)	(1,768,961)	(3,638,153)
2023	(1,320,257)	(1,198,186)	(2,518,443)
2024	(2,680,486)	(2,335,238)	(5,015,724)
2025	(2,410,786)	(2,229,379)	(4,640,165)
Thereafter	-	-	-
TOTAL	<u>\$ (8,280,721)</u>	<u>\$ (7,531,764)</u>	<u>\$ (15,812,485)</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions

The annual required contribution for the current year was determined as part of the September 30, 2020 actuarial valuation of the Plan. The following methods and assumptions were used to determine the contribution rates:

Valuation date	Actuarially determined contribution rates are calculated as of September 30, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level Percent of Payroll, closed
Remaining amortization period	1-30 years as of September 30, 2019
Asset valuation method	4-year smoothed market
Wage Inflation	4.0%
Salary increases	General & Utilities Authority; 4.0% to 6.5%, including inflation Police; 4.2% to 8.0%
Investment rate of return	7.75%
Long-term municipal bond rate	2.19%
Retirement Age	Age and service-based tables that are specific to the type of eligibility condition.
Mortality	The Florida Retirement System(FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB.
Cost-of-living Adjustment	COLA's are granted if the investment return exceeds the investment return assumption and the cummulative actuarial gains and losses since 1995 are positive. Because the cummulative gains and losses are (40.3) million, the COLA provision is assumed to not operate for the indefinite future.

Notes: There were no changes in plan provisions or actuarial assumptions during the year.

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Discount Rate

A single discount rate of 7.5% is used to measure the total pension liability. This single rate was based on the expected rate of return on pension plan investments of 7.5%. The projection of cash flows used to determine this single discount rate assumes that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Pension Liability

The following presents the City's proportional share of the plan's net pension liability, calculated using a single discount rate of 7.5%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

	1% Decrease 6.50%	Current Single Discount Rate Assumption 7.50%	1% Increase 8.50%
Total Pension Liability	\$ 274,379,393	\$ 247,134,603	224,134,980
Net Position Restricted for Pensions	246,661,634	246,661,634	246,661,634
Net Pension Liability	<u>\$ 27,717,759</u>	<u>\$ 472,969</u>	<u>\$ (22,526,654)</u>
Primary Government	\$ 14,209,568	\$ 242,469	\$ (11,548,337)
Component Unit-FPUA	13,508,191	230,500	(10,978,317)
	<u>\$ 27,717,759</u>	<u>\$ 472,969</u>	<u>\$ (22,526,654)</u>

Municipal Police Officers' Retirement Trust Fund

Plan Description

The Municipal Police Officers' Retirement Trust Fund (the Fund) is a single employer defined benefit plan administered by the City for the benefit of its police officers. The Fund is established under the provisions of Chapter 185 Florida Statutes. The Fund does not issue a stand-alone financial report, but is included in the Pension Trust Fund of the City's financial statements. Participation in the Plan is compulsory for all certified police officers of the City, who are eligible upon employment.

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Police officers with ten or more years of continuous service with the police department are eligible for benefits. On April 15, 1985, the Fort Pierce City Commission approved an amendment to the benefit provisions of the Pension Trust. Prior to the amendment, all police officers who were eligible for benefits had the option to accept a lump sum in cash or the purchase of an annuity equal to the value of the lump sum payment at the date of retirement.

The amendment allows lump sum payments only to participants hired prior to December 17, 1984.

These benefit provisions and all other requirements are established and may be amended by State Statute and City Ordinance. Ad hoc increases in benefits may be granted periodically by a decision of the Police Retirement Board with approval by the City Commission.

Membership

As of September 30, 2021, Plan membership consisted of: (1) 46 retirees and beneficiaries currently receiving benefits and 1 terminated employee entitled to benefits but not yet receiving them; (2) 35 vested active employees; and (3) 71 non-vested active employees.

Funding Policy

Contribution requirements for the Plan are established and may be amended by State law and City ordinance. Contributions for the Plan are financed principally by contributions from the State of Florida, which are financed by a .85% excise tax on casualty insurance premiums on policies covering property within the corporate limits of City of Fort Pierce, as provided under provisions of Chapter 185, Florida Statutes. Current year contributions to the plan from the State of Florida were \$435,343. The revenue and corresponding expense are recorded in the general fund. In accordance with City Code Section 2-389 each Plan member is required to make contributions of 7% of their salaries to the Plan. The funding policy for the Plan is actuarially determined in that an annual actuarial valuation is made to determine if State and employee contributions are sufficient to fund the Plan. The City is not required to contribute in any way to the Plan. Administrative costs are financed through investment earnings.

The actuarial valuation as of September 30, 2021 found anticipated revenues to be sufficient to fund the current year benefits provided by the Plan in accordance with the provisions of Chapter 185, Florida Statutes.

Benefits

The plan provides retirement, termination, disability, and death benefits to all full time police officers.

Normal Retirement- Benefits occur at age 55 with 10 years of service, or 25 years of service. Retirees receive the greater of 2% of final average salary times total service with a maximum of \$1,000 per month, or 1% of final average salary times credited service up to 30 years.

Early Retirement-Benefits occur at age 45 with 10 years of service. Retirees receive 2% of final average salary times total service, with a maximum benefit of \$1,000 per month. The pension is reduced by 3% for each complete year retirement age precedes 55.

Disability Retirement- Benefits occur after 10 years of service. A lump sum payment equal to the actuarial equivalent of pension benefit the member accrued as of the date of disability.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Pre-Retirement Death Benefit- Benefits occur after 10 years of service. A lump sum payment equal to the actuarial equivalent of pension benefits to which the deceased member would have been entitled at normal retirement age.

Deferred Retirement Option Plan- Eligibility is based on normal retirement. The maximum participation period is 5 years, but not beyond 30 years of service. The monthly pension is calculated with normal retirement based on frozen years of service and final average salary at the time the member elects to participate in DROP.

Pension Payable

At September 30, 2021, the City reported a payable to the police pension related to employee contributions of \$15,467 withheld from the City's final payroll of the fiscal year.

Investments

Investments are reported at fair value and are managed by third party money managers. Investments that do not have established market values are reported at estimated fair market value.

Best estimates of real rates of return for each major asset class included in the plan's target asset allocation as of September 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Allocation-weighted Long-term Expected Real Rate of Return
Large Cap Equity	15%	8.40%	1.30%
Small/Mid Cap Equity	14%	8.90%	1.30%
Global Ex-US Equity	15%	3.80%	0.60%
Domestic Fixed Income	25%	2.70%	0.70%
MLP	6%	7.00%	0.40%
High Yield	6%	5.60%	0.30%
Convertible Bonds	8%	7.80%	0.60%
REITS	5%	8.30%	0.40%
Real Estate	5%	5.60%	0.30%
Cash	1%	0.50%	0.00%
	100%		5.90%

For the year ended September 30, 2021, the annual money-weighted rate of return, net of investment expenses was 19.77%.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Pension Asset/Liabilities, Pension Expense(credit) and Deferred Outflows and Inflows of Resources

At September 30, 2021, the City reported an asset of \$1,233,977 for its share of the net pension asset. The net pension asset was measured at September 30, 2021 with an actuarial valuation date of September 30, 2021.

For the year ended September 30, 2021, the city recognized pension expense (credit) of (\$69,741). The City reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	542,857	269,378
Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments		1,347,683
Change of Assumptions	45,885	44,550
Total Deferred Outflows/Inflows of Resources	<u>588,742</u>	<u>1,661,611</u>

Deferred outflows and inflows of resources by year to be recognized in future pension expenses:

Year Ending September 30	Net Deferred Outflows of Resources
2022	(199,582)
2023	(228,939)
2024	(310,710)
2025	(366,857)
2026	44,630
Thereafter	(11,411)
TOTAL	<u>\$ (1,072,869)</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Net Pension Liability and Plan Fiduciary Net Position

The components of the net pension liability and plan fiduciary net position of the City at September 30, 2021, were as follows:

Total Pension Liability:	
Service cost	\$ 592,564
Interest	1,265,102
Difference between actual & expected experience	(148,313)
Benefit payments	(896,499)
Refunds	(90,165)
Net Change in Total Pension Liability	<u>722,689</u>
Total Pension Liability-Beginning	<u>17,973,653</u>
Total Pension Liability-Ending (a)	<u><u>\$ 18,696,342</u></u>
Plan Fiduciary Net Position:	
Contributions-employer	\$ -
Contributions-employer (from state)	435,343
Contributions-Employee(Including buyback contributions)	533,239
Net investment income	3,164,372
Benefit payments	(896,499)
Refunds	(90,165)
Administrative expense	(32,581)
Net Change in Plan Fiduciary Net Position	<u>3,113,709</u>
Plan Fiduciary Net Position-Beginning	<u>16,816,610</u>
Plan Fiduciary Net Position-Ending (b)	<u><u>\$ 19,930,319</u></u>
Net Pension Liability(Asset)-Ending (a) - (b)	(1,233,977)

Sensitivity of Pension Liability

The following presents the plan's net pension liability, calculated using a single discount rate of 7%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher:

1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
<u>\$ 1,023,886</u>	<u>\$ (1,233,977)</u>	<u>\$ (3,115,220)</u>

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions

The annual required contribution for the current year was determined as part of the September 30, 2020 actuarial valuation of the Plan. The following methods and assumptions were used to determine the contribution rates:

Valuation date	September 30, 2020
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll, closed
Remaining amortization period	22 years (single equivalent amortization period)
Asset valuation method	4-year smoothed market
Inflation rate	2.5%
Salary increases	3.5% to 6.5% depending on completed years of service including inflation
Investment rate of return	7.00%
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition

Mortality

PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table(for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table(for postretirement mortality), with separate rates for males and females and ages set forward one year, with mortality improvements projected for all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and post retirement mortality are based on the Below Median Healthy tables. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System(FRS). Florida Statutes Chapter 112.63(1)(f) mandates the use of the mortality tables used in either of the two most recently published actuarial valuation reports of FRS.

Discount Rate

A single discount rate of 7% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7%) was applied to all periods of projected benefit payments to determine the total pension liability.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

City of Fort Pierce, Florida
**COMBINING STATEMENT OF
FIDUCIARY FUNDS NET POSITION**
September 30, 2021

	Pension Trusts		Total
	General Employees	Police Officers	
ASSETS			
Cash and cash equivalents	\$ -	\$ 425,454	\$ 425,454
Investments, at fair value:			
U.S. Government Securities	24,267,892	-	24,267,892
Mutual Funds	149,071,155	18,054,014	167,125,169
Municipal Bonds	317,884	-	317,884
Common Stock	15,858,751	-	15,858,751
Corporate Bonds	32,528,889	-	32,528,889
Real Estate Trust L.P.	23,118,490	-	23,118,490
Common Trust Fund	-	1,032,282	1,032,282
Money Market	1,981,699	417,357	2,399,056
Total investments	<u>247,144,760</u>	<u>19,503,653</u>	<u>266,648,413</u>
Total cash and investments	247,144,760	19,929,107	267,073,867
Accounts receivable	217,158	15,467	232,625
Accrued interest receivable	413,098	9	413,107
Total assets	<u>\$ 247,775,016</u>	<u>\$ 19,944,583</u>	<u>\$ 267,719,599</u>
LIABILITIES			
Accounts payable and accrued liabilities	<u>\$ 1,113,382</u>	<u>\$ 14,263</u>	<u>\$ 1,127,645</u>
NET POSITION-RESTRICTED FOR PENSION BENEFITS			
	<u>\$ 246,661,634</u>	<u>\$ 19,930,320</u>	<u>\$ 266,591,954</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

City of Fort Pierce, Florida
**COMBINING STATEMENT OF CHANGES
IN FIDUCIARY FUNDS NET POSITION**
Year ended September 30, 2020

	Pension Trusts		Total
	General Employees	Police Officers	
ADDITIONS			
Contributions			
Employer	\$ 5,328,802	\$ -	\$ 5,328,802
Employees	1,889,515	533,239	2,422,754
State-via the general fund	-	435,343	435,343
Total contributions	<u>7,218,317</u>	<u>968,582</u>	<u>8,186,899</u>
Investment income			
Interest	2,095,807	85,645	2,181,452
Dividends	1,539,922	311,555	1,851,477
Net appreciation (depreciation) in fair value of investments	37,058,160	2,858,619	39,916,779
Total investment income	<u>40,693,889</u>	<u>3,255,819</u>	<u>43,949,708</u>
Investment expenses	(858,857)	(90,048)	(948,905)
Net investment income	<u>39,835,032</u>	<u>3,165,771</u>	<u>43,000,803</u>
Total increases	47,053,349	4,134,353	51,187,702
DEDUCTIONS			
Retirement benefits paid	15,386,633	896,499	16,283,132
Refunds of employee contributions	181,123	90,165	271,288
Administrative expenses	254,055	33,980	288,035
Insurance expense	20,651	-	20,651
Total deductions	<u>15,842,462</u>	<u>1,020,644</u>	<u>16,863,106</u>
Net Increase (Decrease)	31,210,887	3,113,709	34,324,596
NET POSITION-RESTRICTED FOR PENSION BENEFITS			
Beginning of year	<u>215,450,747</u>	<u>16,816,611</u>	<u>232,267,358</u>
End of year	<u>\$ 246,661,634</u>	<u>\$ 19,930,320</u>	<u>\$ 266,591,954</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE N - POST-EMPLOYMENT HEALTH CARE BENEFITS

In addition to providing pension benefits, the City provides certain health care and life insurance benefits for retired employees. Substantially all of the City’s employees may become eligible for those benefits if they reach normal retirement age while working for the City. The primary government recognizes the costs associated with providing these benefits as premiums are paid. The FPUA (a component unit) recognizes the cost as it is incurred. Premiums paid by retirees for the primary government and for the FPUA total approximately \$314,230 and \$229,055, respectively.

Section 112.0801, Florida Statutes, as amended by Sections 1 and 2 of Chapter 87-373, Laws of Florida, requires all public employers to allow their retirees to participate in the same health group plan or self-insurance plan offered to their active employees.

Plan Description

The Other Post Employment Benefit plan is a single-employer benefit plan administered by the City. Retiree’s are charged the same rate by the insurance company as active employees. Premiums charged by the insurance company are a blended rate based on the experience of younger active employees and older retired employees. Since retirees actually have higher costs yet pay the same rate as younger active employees, the city actually subsidizes the cost of the retirees’ health insurance coverage.

Funding Policy

As of September 30, 2021, the most recent actuarial measurement date, the city’s and FPUA’s plans were unfunded.

Membership

At September 30, 2021, the City’s Plan membership consisted of: (1) 48 retirees and beneficiaries, and (2) 316 active employees. At September 30, 2021, the FPUA’s Plan membership consisted of: (1) 56 retirees and beneficiaries, and (2) 263 active employees.

OPEB Liabilities, OPEB Expense and Deferred Outflows and Inflows of Resources

At September 30, 2021, the City and FPUA reported an OPEB liability of \$2,608,732, and \$1,178,400. The net OPEB liability was measured at September 30, 2021 with an actuarial valuation date of September 30, 2020.

For the year ended September 30, 2021, the city and FPUA recognized OPEB expense of \$204,302, and \$109,610, respectively.

	Primary Government	Component Unit FPUA
OPEB Expense:		
Service Cost	\$ 122,224	\$ 32,796
Interest on the Total OPEB Liability	67,946	27,862
Recognition of Outflow(Inflow) of of Resources Due to Liabilities	14,132	48,952
	<u>\$ 204,302</u>	<u>\$ 109,610</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE N - POST-EMPLOYMENT HEALTH CARE BENEFITS(CONTINUED)

Recognition of Deferred Outflows and Inflows of Resources

Differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period. At the beginning of the current measurement period, the expected remaining service lives of all active employees in the plan was approximately 2,699 years. Additionally, the total plan membership (active employees and inactive employees) was 364. As a result, the average of the expected remaining service lives for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 7.4138 years.

The City and FPUA reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Primary Government:		
Difference between Expected and Actual Experience	82,396	303,024
Change of Assumptions	249,650	35,506
	<u>332,046</u>	<u>338,530</u>
Component Unit-FPUA:		
Difference between Expected and Actual Experience	76,591	22,153
Change of Assumptions	205,572	-
Difference between Expected and Actual Experience	-	4,165
	<u>282,163</u>	<u>26,318</u>

Deferred outflows and inflows of resources by year to be recognized in future OPEB expenses:

Year Ending September 30	Net Deferred Outflows of Resources	
	Primary Government	Component Unit FPUA
	<u> </u>	<u> </u>
2022	14,132	48,952
2023	14,132	48,952
2024	14,132	48,952
2025	17,718	55,385
2026	(11,793)	39,287
Thereafter	(54,804)	14,316
TOTAL	<u>\$ (6,483)</u>	<u>\$ 255,844</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE N - POST-EMPLOYMENT HEALTH CARE BENEFITS(CONTINUED)

Net OPEB Liability

	Primary Government	Component Unit FPUA
Total OPEB Liability:		
Service cost	\$ 122,224	\$ 32,796
Interest	67,946	27,862
Benefit change	-	-
Difference between actual & expected experience	(350,270)	(4,816)
Changes of assumptions	64,107	
Benefit payments	(107,007)	(105,378)
Net Change in Total OPEB Liability	(203,000)	(49,536)
Total OPEB Liability-Beginning	2,811,732	1,227,936
Total OPEB Liability-Ending (a)	\$ 2,608,732	\$ 1,178,400
Covered Payroll	18,626,310	17,472,000
Net OPEB Liability as a Percentage of Covered Employee Payroll	14.01%	6.74%

Actuarial Assumptions and Methods

Valuation date	September 30, 2020
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll, open 30-year period
Wage Inflation	2.5%
Salary increases	General : 4.0% to 6.5%, including inflation Police; 4% to 8%
Retirement Age	Age and service-based tables that are specific to the type of eligibility condition.
Mortality	The Florida Retirement System(FRS) mortality tables which use variations of the fully generational PUB-2010 Headcount Wighted Mortality Tables with projection scale MP. 2018 amd dosabled mortality tables which use variations of static PUB-2010 Headcount Weighted Mortality Tables with projection scale MP-2018.
Health Care Trend Rates	Trend starting at 7.50% and gradually decreasing to an ultimate trend rate of 4.0%
Aging Factors	Based on the 2013 SOA Study "Health Care Costs-From Birth to Death"
Expenses	Administrative expenses are included in the premium costs
Notes	There were no benefit changes during the year. Assumption changes include: 1) resetting the trend, 2) adjusting the single discount rate from 2.41% to 2.19%, 3) updating the mortality tables

NOTE N - POST-EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Discount Rate

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 2.19% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”). The discount rate was 2.41% as of the prior measurement date.

Sensitivity of Total OPEB Liability

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan’s total OPEB liability, calculated using a discount rate of 2.19%, as well as what the plan’s total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

Sensitivity of the Total OPEB Liability to the Discount Rate Assumption		
1% Decrease	Current Single Discount Rate Assumption	1% Increase
1.19%	2.19%	3.19%
\$ 2,874,493	\$ 2,608,732	\$ 2,367,389

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the plan’s total OPEB liability, calculated using the assumed trend rates as well as what the plan’s total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

Sensitivity of Total OPEB Liability to Healthcare Cost Rate Assumption		
1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
\$ 2,314,865	\$ 2,608,732	\$ 2,945,378

NOTE O - DEFERRED COMPENSATION PLAN

The primary government (the City) and the component unit (the Authority) offer employees a deferred compensation Plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation assets are not available to employees until termination, retirement, death, or unforeseeable emergency.

During the year ended September 30, 1997, the assets in the plan were transferred into trust funds. The assets are protected by the trust agreement from any claims on the employer and from any use by the employer other than paying benefits to employees and their beneficiaries in accordance with the plan. In accordance with GASB Statement No. 32, the plan's assets and related liability were removed from the City and the Authority balance sheets as of September 30, 1997.

NOTE P - CONTRACT COMMITMENTS

FPUA, the “Authority” (a component unit)

FMPA All-requirements Power Supply Project

As of January 1, 1998, the Authority became a participant in Florida Municipal Power Agency’s (FMPA) All-Requirements Power Supply Project (hereinafter referred to as ARP). The Authority has agreed to purchase all capacity and energy necessary for their electric system from FMPA’s ARP during the term of the contract. The contract is a 30 year evergreen, automatically renewing on October 1 of each year unless notification is provided one year prior to the automatic extension date.

Prior to being involved in the ARP, the Authority had Project Support Contracts and Power Sales Contracts with FMPA regarding Stanton Unit No. 1 (Stanton and Tri-City Projects) and Stanton Unit No. 2, coal-fired plants constructed by the Orlando Utilities Commission. The Authority’s resources which have been assigned include the contracts with FMPA related to Stanton Unit No. 1 and Stanton Unit No. 2, and part of the contract with Florida Gas Transmission for the purchase of firm capacity natural gas. (See below). The contracts related to the St. Lucie Project, detailed below, have not been assigned; however, as of January 1, 1998, the Authority’s share of transmission costs related to the St. Lucie Project has been assigned to the ARP.

FMPA St. Lucie Project

The Authority has entered into agreements with the Florida Municipal Power Agency (FMPA), of which it is a member, and with certain other members of FMPA, for entitlement to capacity, energy and transmission services from Florida Power & Light Company's St. Lucie Unit No. 2 (the Unit), which is located on South Hutchinson Island near Fort Pierce, and through a reliability exchange agreement in St. Lucie Unit No. 1, located on the same site. Pursuant to a Power Sales Contract and a Project Support Contract, the Authority has acquired an entitlement share of FMPA's allocation of these services. The Power Sales Contract requires payments for each month in which capacity, energy, or transmission services are available from the St. Lucie Project. Payments due each month are based upon an annual budget. Once each year the excess or deficiency of payments related to actual cost is calculated and applied to the monthly statements from FMPA to the Authority.

The Power Sales Contract will remain in effect until the latest of (i) the date principal of, premium, if any, and interest on all bonds of the Unit have been paid or funds are set aside for the payment thereof, (ii) the date the Unit is decommissioned or finally disposed of as an electric generating unit pursuant to the Participation Agreement or FMPA's interest in the Unit is terminated pursuant to the Participation Agreement or otherwise disposed of, or (iii) the date all obligations or FMPA under the Participation Agreement have been paid, performed or provided for.

In any month when electric capacity, energy, or transmission services are not made available to the Authority, payment is made to FMPA under a Project Support Contract in a like amount as would have been due under the Power Sales Contract.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE P - CONTRACT COMMITMENTS(CONTINUED)

Purchases under these contracts are accounted for as operating expenses by the Authority. Total cost included in operating expenses for the year ended September 30, 2021 is \$6,582,000. The Authority is committed under the agreements to payments totaling \$6,510,000 for the year ending September 30, 2021.

Florida Gas Transmission

The Authority executed an All Requirements Gas Service Agreement with Florida Gas Utility (FGU) on January 15, 2002. As a member of the All Requirements project, the Authority is required to purchase natural gas and the firm capacity needed for its delivery through FGU. The firm capacity of natural gas is the availability of the pipeline required to transport the natural gas to the Authority. This agreement will remain in effect until cancelled by the Authority.

On July 3, 2012, the Authority acquired additional firm capacity from the City of Sunrise, Florida in order to meet the needs of new industrial customers. This agreement will remain in effect until cancelled by the Authority. In fiscal 2016, additional firm capacity was made available from FGT and the Authority exercised rights to obtain this capacity. An additional 96,800 MMBtu of capacity was obtained. With the additional capacity, the amount of Sunrise capacity was reduced by 45,300 MMBtu via a revised interlocal agreement with the City of Sunrise. In fiscal 2022, FPUA will be entitled to firm capacity of 566,412 MMBtu, and will commit to purchase 207,960 MMBtu of natural gas at a cost of \$859,000. The amounts purchased under these contracts for fiscal 2021 and fiscal 2020 were \$1,936,000 and 1,330,000, respectively.

FMPA Treasure Coast Energy Center

The Authority has entered into an agreement with FMPA to manage and operate their newly developed facility located in St. Lucie County near Fort Pierce. The Treasure Coast Energy Center (TCEC) is a natural gas fueled power generation site. The initial terms of this agreement(s) commenced on July 24, 2007 and expired on September 30, 2011, after which the agreement becomes a one-year evergreen protecting both parties from a long term commitment. The agreement has been extended for the year ended September 30, 2021.

The Authority has been engaged to manage, operate, and maintain the TCEC. TCEC employees are on the payroll of the Authority and all costs associated with them are reimbursed bi-weekly by FMPA. TCEC employee costs and revenue for Fiscal 2021 totaled \$1,968,000.

NOTE Q - CONTINGENT LIABILITIES

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

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE R - LEASES

Operating Leases:

The city entered into a 5 year agreement effective August 2018, for body camera equipment and support at \$7,500 per month extending to August 2023.

The City entered into a 25 year lease agreement, effective October 2012, with the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida. The City, as lessee, agrees to certain conditions for the use of sovereign submerged land for the purpose of operating the Marina under an operating lease expiring September 23, 2037. Per the agreement, annual lease payments may be adjusted due to a change in the 5 year average consumer price index.

Minimum future rental payments under operating leases for each of the years/period ending September 30 are as follows:

2022	\$	122,302
2023		114,802
2024		32,302
2025		32,302
2026		32,302
Thereafter		355,322
	\$	<u>689,332</u>

Rent expense for the above referenced leases was \$140,900 for the year ended September 30, 2021.

Capital Leases:

The City has entered into lease agreements as lessee for financing the acquisition of vehicles and certain equipment. These lease agreements qualify as capital leases for accounting purposes and accordingly have been recorded at the present value of their future minimum lease payments as of the inception date. Aggregate cost and accumulated depreciation of assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities
Machinery and Equipment	\$ 3,983,898	\$ 2,621,330
Less: accumulated depreciation	(2,180,031)	(1,508,011)
Total	<u>\$ 1,803,867</u>	<u>\$ 1,113,319</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE R – LEASES(CONTINUED)

The future minimum lease obligations and net present value of these minimum lease payments as of September 30, 2021, were as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2022	\$ 897,832	\$ 511,875
2023	513,010	234,596
2024	421,950	234,596
2025	266,596	195,496
2026	-	-
	<u>2,099,388</u>	<u>1,176,563</u>
Less: Amount representing interest	(171,008)	(49,154)
Present value of future minimum lease payments	<u>\$ 1,928,380</u>	<u>\$ 1,127,409</u>

FPUA(component unit) entered into a five-year capital lease on January 14, 2018 for equipment capitalized at \$154,000. The interest/maintenance costs for 2021 were \$12,000. The Future minimum lease payments for this capital lease are as follows:

	<u>Amount</u>
2022	45,468
2023	<u>11,367</u>
	56,835
Less: Amount representing interest	(5,825)
Present value of future minimum lease payments	<u>\$ 51,010</u>

NOTE S - OPERATING LESSOR

In December 2018, the City, as lessor, entered into an agreement with the Winking Star Fish LLC. (the “tenant”), the lessee, to construct and operate a restaurant facility (Crabby’s Dockside) located at the City’s public marina and docking facility. Commencement of the lease began on June 25,2020, the date of occupancy and extends for a 20 year term, with 2, 5 year renewal options. Rent is payable monthly on the first day of each month. The lease terms call for an annual base rent of \$160,356 for the 1st year and a 2% increase for subsequent years. In addition to the base rent the lease calls for an additional percentage of the tenant’s gross revenues over the break point. When tenant’s annual year-to-date revenues exceed the break points of \$2,500,000 for food, \$600,000 for alcohol, and \$100,000 for ice-cream percentage rent is equal to 2%, 7% and 5% respectively of the tenant’s gross revenue. The City collected \$211,517 from the tenant for the year ended September 30, 2021.

NOTE S - OPERATING LESSOR (CONTINUED)

On December 15, 2005 the City's Redevelopment Agency, as a lessor, entered into an agreement with Ianco, LLC (the "tenant"), the lessee, to rent the restaurant facility located on the western side of the City's public marina and docking facility. Ianco, LLC, with the permission of the Agency, assigned the lease to Salty4Eleven, LLC DBA Cobb's Landing. The original lease agreement expired on June 30, 2021, and at that time both parties agreed to exercise the 5-year renewal option stated in the original lease. Rent is payable monthly within five business days of the closing of any monthly period. Rent is computed at the greater of 7.25% of all gross revenues or \$6,500 per month. From October 2020 through March 2021, in response to the pandemic, the City agreed to reduce the percentage from 7.25% to 4%. The City collected \$190,290 from the tenant for the year ended September 30, 2021.

NOTE T-FUND BALANCE

The City implemented GASB No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions", for the year ended September 30, 2011. The Statement requires the fund balance of governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

As of September 30, 2021, the fund balances of the governmental funds are classified as follows:

Non-spendable- Amounts that cannot be spent because they are not in spendable form, or because they are legally or contractually required to be maintained intact.

Restricted- Amounts can be used only for specific purposes because of a constitutional provision, enabling legislation, or externally imposed constraints by creditors, grantors, contributors, or other governments.

Committed- Amounts can be used only for specific purposes because of a formal action (ordinance) of the City Commission, the highest level of decision making authority. Commitments may be changed or lifted only by the City Commission taking the same formal action (ordinance) that imposed the original constraint.

Assigned- Amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes as determined by the City Commission.

Unassigned- Residual amount retained in the general fund that has not been otherwise classified.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to be spent first. When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first from committed, second from assigned, and lastly from unassigned balances.

Through a resolution, the City Commission established a minimum fund balance of ten percent of annual operating budgeted expenditures in the general fund to be held for unexpected unforeseen expenditures. The Commission reviews the policy annually to determine if adjustments are necessary.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE T-FUND BALANCE (CONTINUED)

As of September 30, 2021, the fund balances of the governmental funds are:

FUND BALANCES	<u>General Fund</u>	<u>Community Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
Nonspendable:				
Inventories	\$ 61,326	\$ -	\$ -	\$ 61,326
Restricted for:				
Law Enforcement	-	-	185,734	185,734
Debt Service	-	-	2,017,888	2,017,888
Grant-CDBG	-	-	670,704	670,704
Redevelopment Projects	-	1,664,559	-	1,664,559
State Housing Initiatives	-	-	301,407	301,407
Grant-Administration	-	-	429,385	429,385
Impact Fees-Capital Improv.	-	-	5,709,744	5,709,744
PSFRD-Capital Improv.	-	-	66,204	66,204
Park Improvements	-	-	1,241,205	1,241,205
Special Projects	-	-	1,611,426	1,611,426
Capital Improvement:				
Roads	-	-	600,000	600,000
Infrastructure	-	-	2,926,208	2,926,208
Theatre Restoration	-	-	120,283	120,283
Assigned to:				
10% Reserve Policy	4,332,387	-	-	4,332,387
Art in Public Places	-	-	4,583	4,583
Advances to Other Funds	-	-	639,148	639,148
Unassigned:	6,512,447	-	-	6,512,447
	<u>\$ 10,906,160</u>	<u>\$ 1,664,559</u>	<u>\$ 16,523,919</u>	<u>\$ 29,094,638</u>

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE U – PRIOR PERIOD ADJUSTMENT

During the current year, the City performed an extensive review of land and discovered that several donated/sold land parcels were not properly removed from capital assets. These errors occurred prior to October 1, 2018. The effect of the corrections to the City’s change in net position as of September 30, 2017, and earlier years, would be an overall reduction to the City’s change in net position by \$4,661,158.

To correct land reported in capital assets, an adjustment to beginning net assets has been reported as a correction of an error as follows:

	Governmental Activities	Business-type Activities	Total
Beginning Net Position	\$ 58,696,813	\$ 68,588,639	\$ 127,285,452
Correction of an error	<u>(4,661,158)</u>	<u>-</u>	<u>(4,661,158)</u>
Beginning Net Position-Restated	<u>\$ 54,035,655</u>	<u>\$ 68,588,639</u>	<u>\$ 122,624,294</u>

NOTE V – TAX ABATEMENTS

The city provides tax abatements under the Economic Development Ad Valorem Tax Exemption program (EDATE). The city established the EDATE program by ordinance in accordance with Florida Statutes Section 196.1995. The abatements are up to 100% of the assessed value of all improvements to real property and are used to attract and/or expand businesses. The City entered into an EDATE agreement in 2010 with Wal-Mart related to the distribution center and annexation of the property into the City. The agreement does not include any recapture provisions. The agreement allowed for tax abatements of 100% for years 1 -6, 90% for year 7, 60% for year 8, 40% for year 9, and 20% for year 10. At September 30, 2021, the final year of the agreement, the abated taxes related to the distribution center were approximately \$56,327.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE W - RESTRICTED ASSETS

Certain assets are restricted by bond resolution and some have been classified as restricted in accordance with governmental accounting standards for enterprise funds.

The restricted assets of the **primary government** as of September 30, 2021 are as follows:

	<u>Governmental Activities:</u>	<u>Business type Activities:</u>	<u>Total</u>
Cash and investments:			
Customer deposits	\$ 52,773	\$ 276,987	\$ 329,760
	<u>\$ 52,773</u>	<u>\$ 276,987</u>	<u>\$ 329,760</u>

The restricted assets of the **FPUA** (a component unit) as of September 30, 2021, are as follows:

Cash and investments:		
Principal and interest on debt service	\$ 6,867,966	
Capital Improvement charges	5,874,721	
Debt service	5,456,825	
Emergency reserve	900,000	
Renewal and replacement reserve	500,000	
Customer security deposits	8,863,556	
	<u>\$ 28,463,068</u>	

NOTE X – CONDUIT DEBT OBLIGATIONS

The City issued Capital Improvement Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public’s interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the facilities transfers to the private-sector entity served by the bond issuance. The City, the State, and any political subdivisions thereof are not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2021, all outstanding Capital Improvement Revenue Bond have been fully repaid and the City has no conduit debt obligations outstanding.

NOTE Y- SUBSEQUENT EVENTS AND UNCERTAINTIES

Management has performed an analysis of the activities and transactions subsequent to September 30, 2021 to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended September 30, 2021. Management has performed their analysis through March 24, 2022, the date the financial statements were available for issuance.

After fiscal year end the City was awarded approximately \$13.5 million dollars from the Federal Government for The Coronavirus State and Local Fiscal Recovery Funds as part of the American

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE Y– SUBSEQUENT EVENTS AND UNCERTAINTIES (CONTINUED)

Rescue Plan. The City plans to use the fund for infrastructure projects, refuse collection trucks, broadband initiatives, enterprise resource planning software, and public safety technology. Funds under this award must be obligated by December 31, 2024 and expended by December 31, 2026.

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REQUIRED SUPPLEMENTARY INFORMATION

- ◆ **GASB Statement 75**
- ◆ **GASB Statement 67**
- ◆ **GASB Statement 68**



City of Fort Pierce, Florida
GASB STATEMENT 75 REQUIREMENT SUPPLEMENTARY INFORMATION
City of Ft. Pierce Other Post Employment Benefits
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
September 30, 2021
(Unaudited)

Primary Government	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability:				
Service cost	\$ 122,224	\$ 122,692	\$ 99,678	\$ 107,243
Interest	67,946	75,171	85,282	78,531
Benefit change	-	-	-	-
Difference between actual & expected experience	(350,270)	-	113,730	31,535
Assumption changes	64,107	(3,721)	324,670	(71,941)
Benefit payments	<u>(107,007)</u>	<u>(109,092)</u>	<u>(147,030)</u>	<u>(170,274)</u>
Net Change in Total OPEB Liability	(203,000)	85,050	476,330	(24,906)
Total OPEB Liability-Beginning	<u>2,811,732</u>	<u>2,726,682</u>	<u>2,250,352</u>	<u>2,275,258</u>
Total OPEB Liability-Ending (a)	<u>\$ 2,608,732</u>	<u>\$ 2,811,732</u>	<u>\$ 2,726,682</u>	<u>\$ 2,250,352</u>
Covered Payroll	18,626,310	16,903,846	16,903,846	17,543,452
Net OPEB Liability as a Percentage of Covered Payroll	14.01%	16.63%	16.13%	12.83%
Component Unit-FPUA				
Service cost	\$ 32,796	\$ 29,458	\$ 26,709	\$ 19,960
Interest	27,862	32,928	37,439	33,195
Benefit change	-	-	-	-
Difference between actual & expected experience	-	-	132,631	(50,737)
Assumption changes	(4,816)	281,710	-	-
Implicit rate subsidy	<u>(105,378)</u>	<u>(105,378)</u>	<u>(63,859)</u>	<u>(40,626)</u>
Net Change in Total OPEB Liability	(49,536)	238,718	132,920	(38,208)
Total OPEB Liability-Beginning	<u>1,227,936</u>	<u>989,218</u>	<u>856,298</u>	<u>894,506</u>
Total OPEB Liability-Ending (a)	<u>\$ 1,178,400</u>	<u>\$ 1,227,936</u>	<u>\$ 989,218</u>	<u>\$ 856,298</u>
Covered Payroll	17,472,000	17,191,000	16,496,863	15,838,042
Net OPEB Liability as a Percentage of Covered Payroll	6.74%	7.14%	6.00%	5.41%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, OPEB plans should present information for those years for which information is available.

GASB STATEMENT 75 REQUIREMENT SUPPLEMENTARY INFORMATION

September 30, 2021

(Unaudited)

ACTUARIAL ASSUMPTIONS AND METHODS

Valuation date	September 30, 2020
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll, open 30-year period
Wage Inflation	2.5%
Salary increases	General : 4.0% to 6.5%, including inflation Police; 4% to 8%
Retirement Age	Age and service-based tables that are specific to the type of eligibility
Mortality	The Florida Retirement System(FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB.
Health Care	
Trend Rates	Trend starting at 7.5% and gradually decreasing to an ultimate trend rate of 4%
Aging Factors	Based on the 2013 SOA Study "Health Care Costs-From Birth to Death"
Expenses	Administrative expenses are included in the premium costs
Notes	There were no benefit changes during the year. Assumption changes include: 1) resetting the trend, 2) adjusting the single discount rate from 2.41% to 2.19%, and 3) updating mortality tables.

City of Fort Pierce, Florida
Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios
General Employees Retirement and Benefits System
September 30, 2021

	2021	2020	2019	2018
Total Pension Liability:				
Service cost	\$ 5,089,433	\$ 5,021,652	\$ 4,901,223	\$ 4,568,028
Interest	18,079,684	17,321,038	16,847,951	16,278,951
Benefit change	-	-	174,512	-
Difference between actual & expected experience	(422,338)	2,776,075	(997,275)	521,525
Assumption changes	1,430,177	-	-	-
Benefit payments	(15,386,633)	(14,749,739)	(14,176,818)	(13,532,573)
Refunds	(181,123)	(409,856)	(428,152)	(248,781)
Net Change in Total Pension Liability	8,609,200	9,959,170	6,321,441	7,587,150
Total Pension Liability-Beginning	238,525,403	228,566,233	222,244,792	214,657,642
Total Pension Liability-Ending (a)	\$ 247,134,603	\$ 238,525,403	\$ 228,566,233	\$ 222,244,792
Plan Fiduciary Net Position:				
Contributions-employer	\$ 5,328,802	\$ 5,343,484	\$ 5,240,707	\$ 4,909,654
Contributions-member	1,889,515	1,870,451	1,818,969	1,690,811
Net investment income	39,835,032	19,265,084	5,280,406	19,626,060
Benefit payments	(15,386,633)	(14,749,739)	(14,176,818)	(13,532,573)
Refunds	(181,123)	(409,856)	(428,152)	(248,781)
Administrative expense	(232,885)	(222,249)	(249,712)	(207,265)
Other	(41,821)	(40,331)	(56,759)	(46,756)
Net Change in Plan Fiduciary Net Position	31,210,887	11,056,844	(2,571,359)	12,191,150
Plan Fiduciary Net Position-Beginning	215,450,747	204,393,903	206,965,262	194,774,112
Plan Fiduciary Net Position-Ending (b)	\$ 246,661,634	\$ 215,450,747	\$ 204,393,903	\$ 206,965,262
Net Pension Liability-Ending (a) - (b)	472,969	23,074,656	24,172,330	15,279,530
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	99.81%	90.33%	89.42%	93.12%
Covered Payroll	33,584,778	33,184,229	32,342,994	30,176,465
Net Pension Liability as a Percentage of Covered Payroll	1.41%	69.54%	74.74%	50.63%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present those years for which information is available.

2017	2016	2015	2014
\$ 4,587,528	\$ 4,329,645	\$ 4,044,804	\$ 4,049,351
15,490,335	14,668,388	14,241,759	13,874,945
-	-	-	-
344	(620,021)	-	(500,696)
9,957,279	5,168,979	-	(335,946)
(13,168,952)	(12,884,323)	(12,528,070)	(11,877,048)
(257,587)	(492,348)	(287,469)	(307,836)
16,608,947	10,170,320	5,471,024	4,902,770
198,048,695	187,878,375	182,407,351	177,504,581
<u>\$ 214,657,642</u>	<u>\$ 198,048,695</u>	<u>\$ 187,878,375</u>	<u>\$ 182,407,351</u>

\$ 4,565,884	\$ 4,211,311	\$ 4,093,268	\$ 4,356,127
1,669,207	1,533,510	1,473,091	1,493,529
19,013,825	16,472,191	2,984,072	16,939,786
(13,168,952)	(12,884,323)	(12,528,070)	(11,877,048)
(257,587)	(492,348)	(287,469)	(307,836)
(209,251)	(217,891)	(176,341)	(199,552)
(45,031)	(50,240)	(44,893)	(47,555)
11,568,095	8,572,210	(4,486,342)	10,357,451
183,206,017	174,633,807	179,120,149	168,762,698
<u>\$ 194,774,112</u>	<u>\$ 183,206,017</u>	<u>\$ 174,633,807</u>	<u>\$ 179,120,149</u>

19,883,530	14,842,678	13,244,568	3,287,202
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90.74%	92.51%	92.95%	98.20%
29,789,176	27,295,114	26,139,109	26,380,878

66.75%	54.38%	50.67%	12.46%
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City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
 General Employee's Retirement and Benefit System
 September 30, 2021
 (Unaudited)

CITY OF FT. PIERCE
SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY

	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>
Employer's Proportion of the Net Pension Liability(Asset)	242,469	12,588,665	12,566,225	7,871,592	9,793,225	8,187,612	7,716,429
Employer's Proportionate share of the Net Pension Liability(Asset)	51.27%	54.56%	51.99%	51.52%	49.25%	55.16%	58.26%
Employer's Covered Payroll	17,930,697	17,369,719	17,335,972	16,775,936	16,580,599	14,786,848	13,707,805
Employer's Proportionate share of the Net Pension Liability(Asset) as a Percentage of Covered Payroll	1.35%	72.47%	72.49%	46.92%	59.06%	55.37%	56.29%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	99.81%	90.33%	89.42%	93.12%	90.74%	92.51%	92.95%

FORT PIERCE UTILITY AUTHORITY(component unit)
SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY

	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>
Employer's Proportion of the Net Pension Liability(Asset)	230,500	10,485,991	11,606,105	7,407,938	10,090,305	6,655,066	5,528,139
Employer's Proportionate share of the Net Pension Liability(Asset)	48.73%	45.44%	48.01%	48.48%	50.75%	44.84%	41.74%
Employer's Covered Payroll	15,654,081	15,814,510	15,007,022	13,400,529	13,208,577	12,508,266	12,431,304
Employer's Proportionate share of the Net Pension Liability(Asset) as a Percentage of Covered Payroll	1.47%	66.31%	77.34%	55.28%	76.39%	53.21%	44.47%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	99.81%	90.33%	89.42%	93.12%	90.74%	92.51%	92.95%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present those years for which information is available.

City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
 General Employee's Retirement and Benefit System
 September 30, 2021
 (Unaudited)

**CITY OF FT. PIERCE
 SCHEDULE OF CONTRIBUTIONS**

Fiscal Year Ending	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
9/30/2014	2,302,840	2,302,840	-	14,546,191	15.83%
9/30/2015	2,006,447	2,006,447	-	13,707,805	14.64%
9/30/2016	2,172,613	2,172,613	-	14,786,848	14.69%
9/30/2017	2,418,554	2,418,554	-	16,580,599	14.59%
9/30/2018	2,507,774	2,507,774	-	16,775,936	14.95%
9/30/2019	2,523,920	2,523,920	-	17,335,972	14.56%
9/30/2020	2,568,448	2,568,448	-	17,369,719	14.79%
9/30/2021	2,753,445	2,753,445	-	17,930,697	15.36%

**FORT PIERCE UTILITY AUTHORITY(component unit)
 SCHEDULE OF CONTRIBUTIONS**

Fiscal Year Ending	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
9/30/2014	2,053,287	2,053,287	-	11,834,687	17.35%
9/30/2015	2,086,821	2,086,821	-	12,431,304	16.79%
9/30/2016	2,038,699	2,038,699	-	12,508,266	16.30%
9/30/2017	2,147,330	2,147,330	-	13,208,577	16.26%
9/30/2018	2,401,880	2,401,880	-	13,400,529	17.92%
9/30/2019	2,716,787	2,716,787	-	15,007,022	18.10%
9/30/2020	2,775,035	2,775,035	-	15,814,510	17.55%
9/30/2021	2,575,357	2,575,357	-	15,654,081	16.45%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present those years for which information is available.

City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
 General Employee's Retirement and Benefit System
 September 30, 2021
 (Unaudited)

Notes to Schedule of Contributions:

Valuation date	Actuarially determined contribution rates are calculated as of September 30, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level Percent of Payroll, closed
Remaining amortization period	1-30 years as of September 30, 2019
Asset valuation method	4-year smoothed market
Wage Inflation	4.0%
Salary increases	General & Utilities Authority; 4.0% to 6.5%, including inflation Police; 4.2% to 8.0%
Investment rate of return	7.75%
Long-term municipal bond rate	2.19%
Retirement Age	Age and service-based tables that are specific to the type of eligibility condition.
Mortality	The Florida Retirement System(FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB.
Cost-of-living Adjustment	COLA's are granted if the investment return exceeds the investment return assumption and the cumulative actuarial gains and losses since 1995 are positive. Because the cumulative gains and losses are (40.3) million, the COLA provision is assumed to not operate for the indefinite future.
Notes	There were no changes in plan provisions or actuarial assumptions during the year.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present those years for which information is available.

City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
 General Employee's Retirement and Benefit System
 September 30, 2021
 (Unaudited)

SCHEDULE OF INVESTMENT RETURNS MULTIYEAR*

Annual money-weighted rate of return, net of investment expense:	Annual Return
Fiscal year ending September 30, 2014	10.48%
Fiscal year ending September 30, 2015	1.75%
Fiscal year ending September 30, 2016	9.86%
Fiscal year ending September 30, 2017	11.79%
Fiscal year ending September 30, 2018	9.38%
Fiscal year ending September 30, 2019	2.65%
Fiscal year ending September 30, 2020	9.61%
Fiscal year ending September 30, 2021	19.00%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

City of Fort Pierce, Florida
Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Municipal Police Officers' Retirement Trust Fund
September 30, 2021

	2021	2020	2019	2018
Total Pension Liability:				
Service cost	\$ 592,564	\$ 582,493	\$ 565,351	\$ 548,415
Interest	1,265,102	1,206,126	1,154,457	1,067,784
Benefit change	-	-	-	-
Difference between actual & expected experience	(148,313)	508,291	(213,853)	297,338
Assumption changes	-	65,004	-	-
Benefit payments	(896,499)	(719,495)	(697,198)	(637,505)
Refunds	(90,165)	(164,491)	(39,638)	(95,647)
Net Change in Total Pension Liability	722,689	1,477,928	769,119	1,180,385
Total Pension Liability-Beginning	17,973,653	16,495,725	15,726,606	14,546,221
Total Pension Liability-Ending (a)	\$18,696,342	\$17,973,653	\$16,495,725	\$15,726,606
Plan Fiduciary Net Position:				
Contributions-employer	\$ -	\$ -	\$ -	\$ -
Contributions-Employer(State)	435,343	412,335	402,063	367,113
Contributions-member	533,239	536,158	569,137	502,051
Net investment income	3,164,372	1,018,216	723,841	780,019
Benefit payments	(896,499)	(719,495)	(697,198)	(637,505)
Refunds	(90,165)	(164,491)	(39,638)	(95,647)
Administrative expense	(32,581)	(39,627)	(39,355)	(35,078)
Other	-	-	-	-
Net Change in Plan Fiduciary Net Position	3,113,709	1,043,096	918,850	880,953
Plan Fiduciary Net Position-Beginning	16,816,610	15,773,514	14,854,664	13,973,711
Plan Fiduciary Net Position-Ending (b)	\$19,930,319	\$16,816,610	\$15,773,514	\$14,854,664
Net Pension Liability-Ending (a) - (b)	(1,233,977)	1,157,043	722,211	871,942
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	106.60%	93.56%	95.62%	94.46%
Covered Payroll	7,617,698	7,659,401	8,130,527	7,172,157
Net Pension Liability as a Percentage of Covered Payroll	-16.20%	15.11%	8.88%	12.16%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

2017	2016	2015	2014
\$ 492,850	\$ 498,450	\$ 498,038	\$ 592,432
1,000,403	952,685	916,626	861,104
-	-	-	-
206,823	(66,499)	(158,912)	(9,847)
(155,930)	-	-	305,956
(566,773)	(540,270)	(561,863)	(729,776)
(40,689)	(293,992)	(121,468)	(132,922)
936,684	550,374	572,421	886,947
13,609,537	13,059,163	12,486,742	11,599,795
<u>\$ 14,546,221</u>	<u>\$ 13,609,537</u>	<u>\$ 13,059,163</u>	<u>\$ 12,486,742</u>

\$ -	\$ -	\$ -	\$ -
329,933	302,837	265,449	248,113
487,044	471,774	452,740	449,881
1,130,702	1,000,576	(232,886)	896,529
(566,773)	(540,270)	(561,863)	(729,776)
(40,689)	(293,992)	(121,468)	(132,922)
(34,525)	(36,110)	(30,114)	(65,371)
-	-	-	-
1,305,692	904,815	(228,142)	666,454
12,668,019	11,763,204	11,991,346	11,324,892
<u>\$ 13,973,711</u>	<u>\$ 12,668,019</u>	<u>\$ 11,763,204</u>	<u>\$ 11,991,346</u>

572,510	941,518	1,295,959	495,396
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96.06%	93.08%	90.08%	96.03%
6,957,771	6,739,629	6,450,909	6,426,871

8.23%	13.97%	20.09%	7.71%
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City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
Municipal Police Officers' Retirement Trust Fund
September 30, 2021
(Unaudited)

SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ending	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
9/30/2014	285,353	248,113	37,240 *	6,426,871	3.86%
9/30/2015	198,688	265,449	(66,761)	6,450,909	4.11%
9/30/2016	173,208	302,837	(129,629)	6,739,629	4.49%
9/30/2017	186,468	329,933	(143,465)	6,957,771	4.74%
9/30/2018	200,820	367,113	(166,293)	7,172,157	5.12%
9/30/2019	256,925	402,063	(145,138)	8,130,527	4.95%
9/30/2020	280,334	412,335	(132,001)	7,659,401	5.38%
9/30/2021	254,431	435,343	(180,912)	7,617,698	5.71%

* This deficiency is satisfied through the use of an excess contribution reserve, which was built up by contributions in excess of the Actuarially Determined Contribution in previous years.

City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
Municipal Police Officers' Retirement Trust Fund
September 30, 2021
(Unaudited)

Notes to Schedule of Contributions

Valuation date	September 30, 2020
Notes	Actuarial determined contribution rates are calculated as of October 1, which is the beginning of the fiscal year in which contributions are reported.
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll, closed
Remaining amortization period	22 years (single equivalent amortization period)
Asset valuation method	4-year smoothed market
Inflation rate	2.5%
Salary increases	3.5% to 6.5% depending on completed years of service, including inflation
Investment rate of return	7.00%
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition
Mortality	PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for postretirement mortality), with separate rates for males and females and ages set forward one year, with mortality improvements projected for all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and post retirement mortality are based on the Below Median Healthy tables. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS). Florida Statutes Chapter 112.63(1)(f) mandates the use of the mortality tables used in either of the two most recently published actuarial valuation reports of FRS.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

SCHEDULE OF INVESTMENT RETURNS MULTIYEAR*

Annual money-weighted rate of return, net of investment expense:	Annual Return
Fiscal year ending September 30, 2014	9.3%
Fiscal year ending September 30, 2015	-3.5%
Fiscal year ending September 30, 2016	9.57%
Fiscal year ending September 30, 2017	10.68%
Fiscal year ending September 30, 2018	6.47%
Fiscal year ending September 30, 2019	5.29%
Fiscal year ending September 30, 2020	6.95%
Fiscal year ending September 30, 2021	19.77%

* This schedule is presented to illustrate the requirement to show information for those years for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.

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COMBINING AND INDIVIDUAL FUND STATEMENTS



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GENERAL FUND

The General Fund is used to account for all sources and uses of financial resources applicable to the general operations of the City of fort pierce. All general operating revenue which are not restricted as to use are recorded in the General Fund.



City of Fort Pierce, Florida
**SCHEDULE OF GENERAL FUND REVENUES AND
OTHER FINANCING SOURCES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND**
Year ended September 30, 2021

	Budgeted Amounts		Actual
	Original	Final	
Revenues			
Taxes			
Ad valorem	\$ 17,851,918	\$ 18,060,334	\$ 18,060,334
General sales and use	2,000,000	2,192,379	2,192,379
Franchise	3,950,500	4,562,722	4,562,722
	<u>23,802,418</u>	<u>24,815,435</u>	<u>24,815,435</u>
Licenses and permits			
Occupational licenses	275,000	324,773	324,773
Other	119,900	518,540	518,540
	<u>394,900</u>	<u>843,313</u>	<u>843,313</u>
Intergovernmental revenue			
State grants	-	36,839	36,839
Federal grants	-	22,177	22,177
State shared revenue	4,800,000	6,308,124	6,308,124
State retirement contribution	400,000	435,343	435,343
County shared revenue	45,000	58,310	58,310
In lieu of taxes	77,000	29,961	29,961
	<u>5,322,000</u>	<u>6,890,754</u>	<u>6,890,754</u>
Charges for services			
General government	215,700	345,740	345,740
Physical environment	93,000	114,552	114,552
Economic environment	-	2,343	2,343
	<u>308,700</u>	<u>462,635</u>	<u>462,635</u>
Fines and forfeitures			
Court cases	10,000	7,167	7,167
Code violation	300,000	240,289	240,289
	<u>310,000</u>	<u>247,456</u>	<u>247,456</u>
Other			
Contributions from component unit	6,406,623	6,342,445	6,342,445
Investment income	80,000	31,787	31,787
Rents	27,500	50,643	50,643
Administrative and contractual services	536,784	688,428	688,428
Reimbursements by other funds	1,546,000	1,203,553	1,203,553
Special assessments	27,500	122,265	122,265
Impact fees	-	-	-
Miscellaneous	226,600	463,189	463,189
	<u>8,851,007</u>	<u>8,902,310</u>	<u>8,902,310</u>
Total revenues	38,989,025	42,161,903	42,161,903
Other financing sources			
Transfers in	4,934,848	4,137,221	4,137,221
Capital lease proceeds	-	-	-
Total other financing sources	<u>4,934,848</u>	<u>4,137,221</u>	<u>4,137,221</u>
Total revenues, other financing sources,	<u>\$ 43,923,873</u>	<u>\$ 46,299,124</u>	<u>\$ 46,299,124</u>

City of Fort Pierce, Florida
**SCHEDULE OF GENERAL FUND EXPENDITURES
AND OTHER FINANCING USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND**
Year ended September 30, 2021

	Budgeted Amounts		Actual
	Original	Final	
Expenditures			
General Government			
Legislative			
City Commission	\$ 248,489	\$ 249,124	\$ 249,124
Executive			
City Manager	891,904	905,241	905,241
City Clerk	329,841	326,095	326,095
Financial and administrative			
General administration	8,528,009	7,759,715	7,759,715
Finance	897,062	922,530	922,530
MIS	1,210,686	1,381,187	1,381,187
Purchasing	309,252	316,220	316,220
Human Resources	449,765	473,404	473,404
Legal counsel			
City Attorney	524,018	619,580	619,580
Comprehensive planning			
Planning	582,262	594,093	594,093
Public works			
Director	118,714	146,330	146,330
Garage	698,493	588,094	588,094
Building maintenance	993,575	1,017,474	1,017,474
	<u>15,782,070</u>	<u>15,299,087</u>	<u>15,299,087</u>
Public safety			
Law enforcement			
Police	5,700,000	5,857,817	5,857,817
Police- Operations	8,185,717	8,179,694	8,179,694
Police- Support Operations	1,250,000	1,205,333	1,205,333
Code Enforcement	1,154,268	1,270,383	1,270,383
	<u>16,289,985</u>	<u>16,513,227</u>	<u>16,513,227</u>
Transportation			
Road and street facilities			
Engineering	1,256,578	1,267,917	1,267,917
Street maintenance	2,002,133	2,034,138	2,034,138
	<u>3,258,711</u>	<u>3,302,055</u>	<u>3,302,055</u>
Culture and recreation			
Parks and recreation	2,085,838	2,423,315	2,423,315
Riverwalk Center	332,746	334,213	334,213
	<u>2,418,584</u>	<u>2,757,528</u>	<u>2,757,528</u>
Total expenditures	37,749,350	37,871,897	37,871,897
Other financing uses			
Transfers out	5,574,523	7,347,207	7,347,207
Total expenditures and other financing uses	<u>\$ 43,323,873</u>	<u>\$ 45,219,104</u>	<u>\$ 45,219,104</u>

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NONMAJOR GOVERNMENTAL FUNDS



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The City does not have an appropriated budget for special revenue funds.

◆ **Police Grant Fund**

This fund is used to account for all Federal and State Grants received for the purpose of Law Enforcement.

◆ **The Law Enforcement Trust Fund**

This fund is used to account for the assets confiscated by the Police Department. The money generated from the sale of confiscated property is used solely for the City's law enforcement system and is legally restricted for that purpose.

◆ **State Housing Initiative Program (SHIP)**

This fund is used to record assistance received from the State of Florida for housing assistance for the City's low and moderate income citizens.

◆ **Federal Major Grant Program (CDBG)**

This fund is used to account for major grants administered by Grants Administration to record grant income and related eligible expenditures.

◆ **Hurricane Housing Recovery Grant Fund**

This fund is used to account for hurricane housing assistance program revenue, down payment assistance, rehabilitation assistance and donation grants.

◆ **Restricted Revenue Fund**

This fund is used to account for all revenue that is restricted as to the purpose the money generated can be utilized.

◆ **Parks MSTU Fund**

This fund is used to account for all parks MSTU revenue that is restricted as to purpose the money generated can be utilized.

NONMAJOR GOVERNMENTAL FUNDS (CONT'D)

SPECIAL REVENUE FUNDS (CONT'D)

- ◆ **Stormwater Impact Fee Fund**
This fund is used to account for all stormwater impact fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Road Impact Fee Fund**
This fund is used to account for all road impact fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Parks Impact Fee Fund**
This fund is used to account for all parks impact fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Building Impact Fee Fund**
This fund is used to account for all building impact fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Solid Waste Impact Fee Fund**
This fund is used to account for all solid waste impact fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Half-Cent Infrastructure Fund**
This fund is used to account for half-cent infrastructure fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Clean and Safe Fund**
This fund is used to account for all clean and safe initiative revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Theatre Restoration Fee Fund**
This fund is used to account for all theatre restoration fee revenue that is restricted for capital improvements at the Sunrise Theatre.

NONMAJOR GOVERNMENTAL FUNDS (CONT'D)

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The City does not have an appropriated budget for debt service funds.

◆ **Capital Improvement Revenue Refunding Bond Fund, Series 2010**

A&B

This fund is used to account for the accumulation of monies to pay \$6,825,000 2010 Series A and \$2,935,000 2010 Series B of the Capital Improvement Revenue Refunding Bonds, Series 2010 issue. FPRA TIF funds are pledged for the payments of principal and interest due from 2014-2030.

◆ **Section 108 Note Payable**

This fund is used to account for the accumulation of monies to pay \$3,395,000 Section 108 Loan. Proceeds of a note payable from a shopping center with a pledge from the Community Development Block is used for the payment of principal and interest due from 2012-2024.

◆ **Fort Pierce Redevelopment Revenue Refunding Note Fund, Series 2015**

A

This fund is used to account for the accumulation of monies to pay \$20,000,000 Series 2006 of the Redevelopment Bonds. FPRA TIF funds are pledged for the payments of principal and interest due from 2016-2031.

◆ **Capital Lease**

This fund is used to account for the accumulation of monies to pay \$4,023,864 of capital lease obligations.

◆ **Capital Improvement Revenue and Refunding Bonds, Series 2019**

This fund is used to retire \$26,890,000 Series 2015 of the Capital Improvement Revenue Refunding Note, finance the cost of projects, and pay certain expense related to the issue. Non-Ad Valorem revenues are appropriated for the payment of principal and interest due from 2019 - 2038.

NONMAJOR GOVERNMENTAL FUNDS (CONT'D)

DEBT SERVICE FUNDS (CONT'D.)

- ◆ **Capital Improvement Revenue Refunding Note Fund, Series 2020A**
This fund is used to account for the accumulation of monies to pay \$4,324,598, Series 2014 of the Capital Improvement Revenue Refunding Bonds. Non-Ad Valorem revenues are appropriated for the payment of principal and interest due from 2020-2031.
- ◆ **Capital Improvement Revenue Refunding Note Fund, Series 2020B**
This fund is used to account for the accumulation of monies to pay \$2,640,970 Series 2016 A, B. and C of the Capital Improvement Revenue Refunding Note. Non-Ad Valorem revenues are appropriated for the payment of principal and interest due from 2020-2023.
- ◆ **Capital Improvement Revenue Refunding Note Fund, Series 2020C**
This fund is used to account for the accumulation of monies to pay \$7,316,363 Series 2018 of the Capital Improvement Revenue Refunding Note. Non-Ad Valorem revenues are appropriated for the payment of principal and interest due from 2020-2030.
- ◆ **Redevelopment Revenue Refunding Bonds, Series 2021**
This fund is used to account for the accumulation of monies to pay \$7,550,000 of the Series 2015 B Capital Improvement Revenue Refunding Bond. FPRA TIF funds are pledged for the payment of principal and interest due from 2021-2031.

City of Fort Pierce, Florida
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2021

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and investments	\$ 14,161,477	\$ 2,017,888	\$ 16,179,365
Accounts Receivable	35,975	-	35,975
Due from component unit	26,989	-	26,989
Advance to other funds	-	639,148	639,148
Due from other governments	1,004,921	-	1,004,921
Prepays	-	-	-
Notes Receivable	1,721,419	-	1,721,419
	<u>16,950,781</u>	<u>2,657,036</u>	<u>19,607,817</u>
Total assets	<u>\$ 16,950,781</u>	<u>\$ 2,657,036</u>	<u>\$ 19,607,817</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued liabilities	\$ 911,727	\$ -	\$ 911,727
Contracts payable - retainage	50,774	-	50,774
Due to other funds	400,008	-	400,008
	<u>1,362,509</u>	<u>-</u>	<u>1,362,509</u>
Total liabilities	<u>1,362,509</u>	<u>-</u>	<u>1,362,509</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	1,721,389	-	1,721,389
	<u>1,721,389</u>	<u>-</u>	<u>1,721,389</u>
FUND BALANCES			
Restricted	13,862,300	2,017,888	15,880,188
Assigned	4,583	639,148	643,731
	<u>13,866,883</u>	<u>2,657,036</u>	<u>16,523,919</u>
Total fund balances	<u>13,866,883</u>	<u>2,657,036</u>	<u>16,523,919</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 16,950,781</u>	<u>\$ 2,657,036</u>	<u>\$ 19,607,817</u>

City of Fort Pierce, Florida
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
Year ended September 30, 2021

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$ 1,527,874	\$ -	\$ 1,527,874
Licenses and permits	325,946	-	325,946
Investment income	33,379	41,685	75,064
Miscellaneous	3,064,728	74,662	3,139,390
Total revenues	4,951,927	116,347	5,068,274
Expenditures			
Current			
Public safety	755,726	-	755,726
Economic environment	1,524,385	-	1,524,385
Capital Outlay	2,165,128	-	2,165,128
Debt service			
Principal	-	5,908,787	5,908,787
Interest and fees	-	2,178,648	2,178,648
Other	-	329,999	329,999
Total expenditures	4,445,239	8,417,434	12,862,673
Excess of revenues over (under) expenditures	506,688	(8,301,087)	(7,794,399)
Other financing sources (uses)			
Transfers in	10,110,979	15,248,379	25,359,358
Debt issuance	-	6,875,000	6,875,000
Premium on Issuance of Refunding Bonds	-	1,075,583	1,075,583
Payment on Current Refunding	-	(7,550,000)	(7,550,000)
Transfers out	(7,977,795)	(7,621,809)	(15,599,604)
Total other financing sources (uses)	2,133,184	8,027,153	10,160,337
Net change in fund balances	2,639,872	(273,934)	2,365,938
Fund balance - beginning of year	11,227,011	2,930,970	14,157,981
Fund balance - end of year	\$ 13,866,883	\$ 2,657,036	\$ 16,523,919

City of Fort Pierce, Florida
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
September 30, 2021

	Police Grants Fund	Law Enforcement Trust Fund	State Housing Initiatives Program (S.H.I.P.)	Community Development Block Grant	Hurricane Housing Recovery Grant Fund
ASSETS					
Cash and investments	\$ -	\$ 147,175	\$ 343,420	\$ 144,840	\$ 431,054
Accounts Receivable	30,175	-	-	-	50
Due from component unit	-	-	-	-	-
Due from other governments	429,289	-	-	555,027	-
Notes receivable	-	-	29,704	290,265	1,401,450
Total assets	<u>\$ 459,464</u>	<u>\$ 147,175</u>	<u>\$ 373,124</u>	<u>\$ 990,132</u>	<u>\$ 1,832,554</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued liabilities	\$ 20,931	\$ -	\$ 41,987	\$ 29,187	\$ 1,719
Contracts payable - retainage	-	-	-	-	-
Due to other funds	399,976	-	26	6	-
Total liabilities	<u>420,907</u>	<u>-</u>	<u>42,013</u>	<u>29,193</u>	<u>1,719</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	<u>-</u>	<u>-</u>	<u>29,704</u>	<u>290,235</u>	<u>1,401,450</u>
FUND BALANCES					
Restricted	38,557	147,175	301,407	670,704	429,385
Assigned	-	-	-	-	-
Total fund balances	<u>38,557</u>	<u>147,175</u>	<u>301,407</u>	<u>670,704</u>	<u>429,385</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 459,464</u>	<u>\$ 147,175</u>	<u>\$ 373,124</u>	<u>\$ 990,132</u>	<u>\$ 1,832,554</u>

Restricted Revenue Fund	Parks MSTU Fund	Stormwater Impact Fee Fund	Road Impact Fee Fund	Parks Impact Fee Fund	Building Impact Fee Fund	Solid Waste Impact Fee Fund
\$ 1,972,712	\$ 1,220,600	\$ 51,052	\$ 3,234,143	\$ 1,569,712	\$ 782,365	\$ 209,739
5,750	-	-	-	-	-	-
-	-	-	-	-	-	-
-	20,605	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 1,978,462</u>	<u>\$ 1,241,205</u>	<u>\$ 51,052</u>	<u>\$ 3,234,143</u>	<u>\$ 1,569,712</u>	<u>\$ 782,365</u>	<u>\$ 209,739</u>

\$ 598,762	\$ -	\$ -	\$ 127,165	\$ -	\$ -	\$ -
16,839	-	-	10,100	-	-	-
-	-	-	-	-	-	-
<u>615,601</u>	<u>-</u>	<u>-</u>	<u>137,265</u>	<u>-</u>	<u>-</u>	<u>-</u>

-	-	-	-	-	-	-
1,358,278	1,241,205	51,052	3,096,878	1,569,712	782,365	209,739
4,583	-	-	-	-	-	-
<u>1,362,861</u>	<u>1,241,205</u>	<u>51,052</u>	<u>3,096,878</u>	<u>1,569,712</u>	<u>782,365</u>	<u>209,739</u>
<u>\$ 1,978,462</u>	<u>\$ 1,241,205</u>	<u>\$ 51,052</u>	<u>\$ 3,234,143</u>	<u>\$ 1,569,712</u>	<u>\$ 782,365</u>	<u>\$ 209,739</u>

City of Fort Pierce, Florida
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2021

	Half-Cent Infrastructure Fund	Clean and Safe Fund	Theatre Restoration Fee Fund	Total Nonmajor Special Revenue Funds
ASSETS				
Cash and investments	\$ 3,042,019	\$ 892,363	\$ 120,283	\$ 14,161,477
Accounts Receivable	-	-	-	35,975
Due from component unit	-	26,989	-	26,989
Due from other governments	-	-	-	1,004,921
Notes receivable	-	-	-	1,721,419
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 3,042,019</u>	<u>\$ 919,352</u>	<u>\$ 120,283</u>	<u>\$ 16,950,781</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued liabilities	\$ 91,976	\$ -	\$ -	\$ 911,727
Contracts payable - retainage	23,835	-	-	50,774
Due to other funds	-	-	-	400,008
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>115,811</u>	<u>-</u>	<u>-</u>	<u>1,362,509</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	1,721,389
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES				
Restricted	2,926,208	919,352	120,283	13,862,300
Assigned	-	-	-	4,583
Total fund balances	<u>2,926,208</u>	<u>919,352</u>	<u>120,283</u>	<u>13,866,883</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,042,019</u>	<u>\$ 919,352</u>	<u>\$ 120,283</u>	<u>\$ 16,950,781</u>

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City of Fort Pierce, Florida
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
Year ended September 30, 2021

	Police Grants Fund	Law Enforcement Trust Fund	State Housing Initiatives Program (S.H.I.P.)	Community Development Block Grant	Hurricane Housing Recovery Grant Fund
Revenues					
Intergovernmental	\$ 422,899	\$ -	\$ 202,211	\$ 566,088	\$ 17,110
Licenses and permits	-	-	-	-	-
Investment income	16	371	1,109	2,375	3,480
Miscellaneous	107,681	-	70,292	-	-
Total revenues	530,596	371	273,612	568,463	20,590
Expenditures					
Current					
Public safety	752,579	3,147	-	-	-
Economic environment	-	-	491,674	574,566	-
Capital outlay	10,700	-	-	-	-
Total expenditures	763,279	3,147	491,674	574,566	-
Excess of revenues over (under) expenditures	(232,683)	(2,776)	(218,062)	(6,103)	20,590
Other financing sources (uses)					
Transfers in	241,016	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	241,016	-	-	-	-
Net change in fund balances	8,333	(2,776)	(218,062)	(6,103)	20,590
Fund balance - beginning of year	30,224	149,951	519,469	676,807	408,795
Fund balance - end of year	\$ 38,557	\$ 147,175	\$ 301,407	\$ 670,704	\$ 429,385

<u>Restricted Revenue Fund</u>	<u>Parks MSTU Fund</u>	<u>Stormwater Impact Fee Fund</u>	<u>Road Impact Fee Fund</u>	<u>Parks Impact Fee Fund</u>	<u>Building Impact Fee Fund</u>	<u>Solid Waste Impact Fee Fund</u>
\$ 14,348	\$ 305,218	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
17,981	781	86	2,367	1,077	565	151
226,672	-	45,847	1,710,182	583,157	233,725	57,564
<u>259,001</u>	<u>305,999</u>	<u>45,933</u>	<u>1,712,549</u>	<u>584,234</u>	<u>234,290</u>	<u>57,715</u>
-	-	-	-	-	-	-
401,304	22,400	-	34,235	-	206	-
238,379	-	81,003	353,945	-	-	-
<u>639,683</u>	<u>22,400</u>	<u>81,003</u>	<u>388,180</u>	<u>-</u>	<u>206</u>	<u>-</u>
(380,682)	283,599	(35,070)	1,324,369	584,234	234,084	57,715
-	957,606	86,122	1,772,509	985,478	548,281	152,024
<u>(7,698,222)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(7,698,222)	957,606	86,122	1,772,509	985,478	548,281	152,024
(8,078,904)	1,241,205	51,052	3,096,878	1,569,712	782,365	209,739
9,441,765	-	-	-	-	-	-
<u>\$ 1,362,861</u>	<u>\$ 1,241,205</u>	<u>\$ 51,052</u>	<u>\$ 3,096,878</u>	<u>\$ 1,569,712</u>	<u>\$ 782,365</u>	<u>\$ 209,739</u>

City of Fort Pierce, Florida
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**
NONMAJOR SPECIAL REVENUE FUNDS
Year ended September 30, 2021

	Half-Cent Infrastructure Fund	Clean and Safe Fund	Theatre Restoration Fee Fund	Total Non-Major Special Revenue Funds
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ 1,527,874
Licenses and permits	-	325,946	-	325,946
Investment income	2,191	666	163	33,379
Miscellaneous	-	-	29,608	3,064,728
	<u>2,191</u>	<u>326,612</u>	<u>29,771</u>	<u>4,951,927</u>
Expenditures				
Current				
Public safety	-	-	-	755,726
Economic environment	-	-	-	1,524,385
Capital outlay	1,481,101	-	-	2,165,128
Total expenditures	<u>1,481,101</u>	<u>-</u>	<u>-</u>	<u>4,445,239</u>
Excess of revenues over (under) expenditures	(1,478,910)	326,612	29,771	506,688
Other financing sources (uses)				
Transfers in	4,405,118	724,813	238,012	10,110,979
Transfers out	-	(132,073)	(147,500)	(7,977,795)
Total other financing sources (uses)	<u>4,405,118</u>	<u>592,740</u>	<u>90,512</u>	<u>2,133,184</u>
Net change in fund balances	2,926,208	919,352	120,283	2,639,872
Fund balance - beginning of year	-	-	-	11,227,011
Fund balance - end of year	<u>\$ 2,926,208</u>	<u>\$ 919,352</u>	<u>\$ 120,283</u>	<u>\$ 13,866,883</u>

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City of Fort Pierce, Florida

**STATEMENT OF SPECIAL REVENUE FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
POLICE GRANTS FUND**

Year ended September 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Intergovernmental	\$ 560,109	\$ 422,899	\$ 422,899	\$ -
Investment income	-	16	16	-
Other	80,000	107,681	107,681	-
Total revenues	<u>640,109</u>	<u>530,596</u>	<u>530,596</u>	<u>-</u>
Expenditures				
Current				
Economic environment	498,502	752,579	752,579	-
Capital outlay	191,607	10,700	10,700	-
Total expenditures	<u>690,109</u>	<u>763,279</u>	<u>763,279</u>	<u>-</u>
Excess of revenues over (under) expenditures	(50,000)	(232,683)	(232,683)	-
Other financing sources (uses)				
Transfers in	<u>50,000</u>	<u>241,016</u>	<u>241,016</u>	<u>-</u>
Total other financing sources (uses)	50,000	241,016	241,016	-
Net change in fund balances	-	8,333	8,333	-
Fund balance - beginning of year	<u>30,224</u>	<u>30,224</u>	<u>30,224</u>	<u>-</u>
Fund balance - end of year	<u>\$ 30,224</u>	<u>\$ 38,557</u>	<u>\$ 38,557</u>	<u>\$ -</u>

City of Fort Pierce, Florida

**STATEMENT OF SPECIAL REVENUE FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
STATE HOUSING INITIATIVES PROGRAM(SHIP)**

Year ended September 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Intergovernmental	\$ 325,000	\$ 202,211	\$ 202,211	\$ -
Investment income	500	1,109	1,109	-
Other	5,000	70,292	70,292	-
Total revenues	<u>330,500</u>	<u>273,612</u>	<u>273,612</u>	<u>-</u>
Expenditures				
Current				
Economic environment	330,500	491,674	491,674	-
Total expenditures	<u>330,500</u>	<u>491,674</u>	<u>491,674</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	(218,062)	(218,062)	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(218,062)	(218,062)	-
Fund balance - beginning of year	<u>519,469</u>	<u>519,469</u>	<u>519,469</u>	<u>-</u>
Fund balance - end of year	<u>\$ 519,469</u>	<u>\$ 301,407</u>	<u>\$ 301,407</u>	<u>\$ -</u>

City of Fort Pierce, Florida

**STATEMENT OF SPECIAL REVENUE FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT**

Year ended September 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Intergovernmental	\$ 963,018	\$ 566,088	\$ 566,088	\$ -
Investment income	500	2,375	2,375	-
Other	7,500	-	-	-
Total revenues	<u>971,018</u>	<u>568,463</u>	<u>568,463</u>	<u>-</u>
Expenditures				
Current				
Economic environment	1,047,493	574,566	574,566	-
Capital outlay	-	-	-	-
Total expenditures	<u>1,047,493</u>	<u>574,566</u>	<u>574,566</u>	<u>-</u>
Excess of revenues over(under) expenditures	(76,475)	(6,103)	(6,103)	-
Other financing sources (uses)				
Transfers in	<u>76,475</u>	-	-	-
Total other financing sources (uses)	76,475	-	-	-
Net change in fund balances	-	(6,103)	(6,103)	-
Fund balance - beginning of year	<u>676,807</u>	<u>676,807</u>	<u>676,807</u>	<u>-</u>
Fund balance - end of year	<u>\$ 676,807</u>	<u>\$ 670,704</u>	<u>\$ 670,704</u>	<u>\$ -</u>

City of Fort Pierce, Florida

**STATEMENT OF SPECIAL REVENUE FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
HURRICANE HOUSING RECOVERY GRANT FUND**

Year ended September 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 17,110	\$ 17,110	\$ -
Investment income	250	3,480	3,480	-
Other	338,500	-	-	-
Total revenues	<u>338,750</u>	<u>20,590</u>	<u>20,590</u>	<u>-</u>
Expenditures				
Current				
Economic environment	<u>301,250</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>301,250</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	37,500	20,590	20,590	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	<u>(37,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	(37,500)	-	-	-
Net change in fund balances	-	20,590	20,590	-
Fund balance - beginning of year	<u>408,795</u>	<u>408,795</u>	<u>408,795</u>	<u>-</u>
Fund balance - end of year	<u>\$ 408,795</u>	<u>\$ 429,385</u>	<u>\$ 429,385</u>	<u>\$ -</u>

City of Fort Pierce, Florida
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2021

	Capital Improvement Refunding 2010	Section 108 Loan	Fort Pierce Redevelopment Refunding 2015	Capital Lease	Capital Improvement Refunding 2019
ASSETS					
Cash and investments	\$ 831,379	\$ 199,184	\$ 515,568	\$ -	\$ 95,624
Advance to other funds	-	639,148	-	-	-
Total Assets	<u>\$ 831,379</u>	<u>\$ 838,332</u>	<u>\$ 515,568</u>	<u>\$ -</u>	<u>\$ 95,624</u>

LIABILITIES AND FUND BALANCES

FUND BALANCES

Restricted	831,379	199,184	515,568	-	95,624
Assigned	-	639,148	-	-	-
Total fund balance	<u>831,379</u>	<u>838,332</u>	<u>515,568</u>	<u>-</u>	<u>95,624</u>
Total liabilities and fund balance	<u>\$ 831,379</u>	<u>\$ 838,332</u>	<u>\$ 515,568</u>	<u>\$ -</u>	<u>\$ 95,624</u>

Capital Improvement Refunding 2020A	Capital Improvement Refunding 2020B	Capital Improvement Refunding 2020C	Fort Pierce Redevelopment Refunding 2021	Total Nonmajor Debt Service Funds
\$ 316,785	\$ 28,028	\$ 31,320	\$ -	\$ 2,017,888
-	-	-	-	639,148
<u>\$ 316,785</u>	<u>\$ 28,028</u>	<u>\$ 31,320</u>	<u>\$ -</u>	<u>\$ 2,657,036</u>
316,785	28,028	31,320	-	2,017,888
-	-	-	-	639,148
<u>316,785</u>	<u>28,028</u>	<u>31,320</u>	<u>-</u>	<u>2,657,036</u>
<u>\$ 316,785</u>	<u>\$ 28,028</u>	<u>\$ 31,320</u>	<u>\$ -</u>	<u>\$ 2,657,036</u>

City of Fort Pierce, Florida
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE**
NONMAJOR DEBT SERVICE FUNDS
 Year Ended September 30, 2021

	Capital Improvement Refunding 2010	Section 108 Loan	Fort Pierce Redevelopment Refunding 2015	Capital Lease	Capital Improvement Refunding 2019
Revenues					
Investment income	\$ 3,136	\$ 25,961	\$ 4,452	\$ -	\$ 4,661
Miscellaneous	-	-	-	74,662	-
Total revenues	3,136	25,961	4,452	74,662	4,661
Expenditures					
Debt service					
Principal	380,000	283,000	1,775,000	820,097	1,280,000
Interest and fees	41,683	31,468	809,335	121,703	1,016,250
Other	825	-	-	-	400
Total expenditures	422,508	314,468	2,584,335	941,800	2,296,650
Excess of revenues over (under) expenditures	(419,372)	(288,507)	(2,579,883)	(867,138)	(2,291,989)
Other financing sources (uses)					
Transfers in	421,683	-	10,134,409	867,138	2,296,250
Debt issuance	-	-	-	-	-
Premium on Issuance of Refunding B	-	-	-	-	-
Payment on Current Refunding	-	-	(7,550,000)	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	421,683	-	2,584,409	867,138	2,296,250
Net change in fund balances	2,311	(288,507)	4,526	-	4,261
Fund balances - beginning of year	829,068	1,126,839	511,042	-	91,363
Fund balances - end of year	\$ 831,379	\$ 838,332	\$ 515,568	\$ -	\$ 95,624

Capital Improvement Refunding 2020A	Capital Improvement Refunding 2020B	Capital Improvement Refunding 2020C	Fort Pierce Redevelopment Refunding 2021	Total Nonmajor Debt Service Funds
\$ 962	\$ 1,525	\$ 988	\$ -	\$ 41,685
-	-	-	-	74,662
962	1,525	988	-	116,347
-	859,399	511,291	-	5,908,787
54,663	37,265	66,281	-	2,178,648
-	-	-	328,774	329,999
54,663	896,664	577,572	328,774	8,417,434
(53,701)	(895,139)	(576,584)	(328,774)	(8,301,087)
54,663	896,663	577,573	-	15,248,379
-	-	-	6,875,000	6,875,000
-	-	-	1,075,583	1,075,583
-	-	-	-	(7,550,000)
-	-	-	(7,621,809)	(7,621,809)
54,663	896,663	577,573	328,774	8,027,153
962	1,524	989	-	(273,934)
315,823	26,504	30,331	-	2,930,970
\$ 316,785	\$ 28,028	\$ 31,320	\$ -	\$ 2,657,036

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STATISTICAL SECTION



NONMAJOR GOVERNMENTAL FUNDS (CONT'D)

A-1 STATISTICAL TABLES

This section of the City of Fort Pierce's Comprehensive Annual Report contains information to assist the reader in understanding the financial Statements, notes to the financial and other supplemental information.

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

Revenue Capacity - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

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

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

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

MISCELLANEOUS STATISTICS

September 30, 2021

Date of Incorporation:	February 2, 1901	City of Fort Pierce Population:	
Adoption of City Charter:	1957	1940	8,040
Form of Govt:	Commission/City Manager	1950	13,502
Fiscal Year:	October 1, 2020 through September 30, 2021	1960	25,113
Area:	35.31 square miles as of 9/30/2021	1970	29,721
		1980	33,802
Number of Employees:	671.0	1990	36,830
City	379.0	2000	38,401
Utilities Authority	292.0	2010	41,590
Police Protection:		Recreation:	
Number of Stations	2	Acres of Public Parks	294.3
Number of Arresting Personnel	111	Miles of Public Beach	2.3
		Baseball Practice Fields	23
Fire Protection:		Basketball Courts	11
(County wide)		Boat Ramps	10
Number of Stations	17	Football Fields	1
Number of Firemen & Officers	403	Playgrounds	12
		Municipal Pools	2
Infrastructure:		Racquetball/Handball Courts	2
City Buildings	25	Shuffleboard Courts	1
Cemeteries (not City owned)	5	Tennis Courts	18
City Bridges	15		
*Vehicle	6	Utilities Customers:	
*Pedestrian	9	Electric	28,830
Traffic Lights	211	Water	21,420
*Flashing Lights	32	Wastewater	15,830
*Traffic & Caution Lights	179	Natural Gas	4,200
Street Lights	5,348		
Miles of:		County Schools Enrollment: *	
*Paved Streets	182.4	ESE (all grades)	6,407
*Unpaved Streets	3.0	Elementary , Non ESE	18,204
Total Streets	185.4	Middle , Non ESE	10,056
Canals	10.1	High School , Non ESE	13,017
Curbs and Gutters	122.8	Total Enrollment	47,684
Seawalls	1.1		
Sidewalks	113.9	Solid Waste Customers:	
Storm Sewers	75.2	Commercial	1,848
Building Permits New Construction:	325	Residential	12,768
Construction Valuation	\$ 142,062,470	Public	23

Sources: City of Fort Pierce financial records, St. Lucie County Fire District records, Ft. Pierce Utilities Authority, St. Lucie County School records and Bureau of Business and Economic Research.

*St. Lucie County School Board figures are the most recent printed at time of publication.

City of Fort Pierce, Florida
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year			
	2021	2020	2019	2018
Governmental activities				
Net invested in capital assets	\$ 47,627,381	\$ 46,251,077	\$ 43,122,969	\$ 41,656,393
Restricted	2,657,036	2,930,970	3,428,020	2,347,896
Unrestricted	14,661,714	9,514,766	5,110,643	6,103,498
Adjustment to record net pension liability	*	-	-	-
Adjustment to record net OPEB liability	**	-	-	-
Total governmental activities net Position	\$ 64,946,131	\$ 58,696,813	\$ 51,661,632	\$ 50,107,787
Business type activities				
Net invested in capital assets	\$ 69,981,401	\$ 70,914,575	\$ 68,807,409	\$ 68,117,114
Restricted	-	-	2,387,689	-
Unrestricted	3,006,807	(2,325,936)	(1,781,464)	685,832
Adjustment to record net pension liability	*	-	-	-
Adjustment to record net OPEB liability	**	-	-	-
Total business-type activities net Position	\$ 72,988,208	\$ 68,588,639	\$ 69,413,634	\$ 68,802,946
Primary Government				
Net invested in capital assets	\$ 117,608,782	\$ 117,165,652	\$ 111,930,378	\$ 109,773,507
Restricted	2,657,036	2,930,970	5,815,709	2,347,896
Unrestricted	17,668,521	7,188,830	3,329,179	6,789,330
Adjustment to record net pension liability	*	-	-	-
Adjustment to record net OPEB liability	**	-	-	-
Adjustment to prior period	***	(4,661,158)	-	-
Total primary government net Position	\$ 137,934,339	\$ 122,624,294	\$ 121,075,266	\$ 118,910,733

Source: Statement of Net Position

* Implementation of GASB 68

** Implementation of GASB 75

*** Correction of error (land)

Fiscal Year						
2017	2016	2015	2014	2013	2012	
\$ 41,206,642	\$ 39,077,396	\$ 37,055,350	\$ 34,114,524	\$ 32,136,904	\$ 30,700,782	
2,906,878	5,300,896	6,911,826	7,644,201	3,612,651	4,469,991	
2,817,495	4,960,007	5,825,232	9,166,286	12,820,034	14,694,145	
-	-	-	(1,761,220)	-	-	
(1,017,916)	-	-	-	-	-	
\$ 45,913,099	\$ 49,338,299	\$ 49,792,408	\$ 49,163,791	\$ 48,569,589	\$ 49,864,918	
\$ 68,530,285	\$ 69,349,261	\$ 72,258,131	\$ 66,234,195	\$ 65,104,588	\$ 53,122,423	
-	-	-	-	-	-	
180,432	1,271,085	4,277,533	13,349,535	12,551,494	13,672,962	
-	-	-	(270,999)	-	-	
(216,887)	-	-	-	-	-	
\$ 68,493,830	\$ 70,620,346	\$ 76,535,664	\$ 79,312,731	\$ 77,656,082	\$ 66,795,385	
\$ 109,736,927	\$ 108,426,657	\$ 109,313,481	\$ 100,348,719	\$ 97,241,492	\$ 83,823,205	
2,906,878	5,300,896	6,911,826	7,644,201	3,612,651	4,469,991	
2,997,927	6,231,092	10,102,765	22,515,821	25,371,528	28,367,107	
-	-	-	(2,032,219)	-	-	
-	-	-	(2,032,219)	-	-	
-	-	-	-	-	-	
\$ 115,641,732	\$ 119,958,645	\$ 126,328,072	\$ 126,444,303	\$ 126,225,671	\$ 116,660,303	

City of Fort Pierce, Florida
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year			
	2021	2020	2019	2018
Expenses				
Government activities:				
General government	\$ 12,719,596	\$ 13,317,064	\$ 12,478,803	\$ 12,453,169
Public Safety	16,401,467	17,827,436	18,718,692	16,341,557
Transportation	6,454,122	6,238,070	6,743,878	6,382,606
Economic Environment	2,312,522	1,561,735	1,779,196	1,526,508
Culture and recreation	2,947,750	2,849,467	3,013,258	2,773,173
Interest of long-term debt	2,484,294	2,446,784	3,163,194	2,891,268
Total government activities expenses	<u>\$ 43,319,751</u>	<u>\$ 44,240,556</u>	<u>\$ 45,897,021</u>	<u>\$ 42,368,281</u>
Business-type activities				
Solid Waste	\$ 6,987,006	\$ 6,902,042	\$ 6,778,735	\$ 6,745,265
Marina	4,279,627	3,646,829	4,375,846	4,180,073
Storm Water	2,921,026	2,883,250	3,321,553	3,275,415
Golf Course	1,581,918	1,653,957	1,628,188	1,432,238
Sunrise Theater	1,709,364	3,002,666	3,666,296	3,832,927
Building Fund	2,474,895	2,223,204	1,857,393	1,632,847
Total business-type activities	<u>\$ 19,953,836</u>	<u>\$ 20,311,948</u>	<u>\$ 21,628,011</u>	<u>\$ 21,098,765</u>
Total primary government expenses	<u>\$ 63,273,587</u>	<u>\$ 64,552,504</u>	<u>\$ 67,525,032</u>	<u>\$ 63,467,046</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 1,552,220	\$ 1,477,614	\$ 1,496,288	\$ 1,581,796
Public Safety	859,996	648,949	624,537	915,607
Transportation	1,710,182	949,025	750,443	580,770
Economic Environment	9,188,081	9,723,818	7,883,792	6,452,713
Culture and recreation	516,544	403,027	700,526	425,848
Operating grants and contributions	1,220,020	1,245,979	832,985	3,922,855
Capital grants and contributions	1,090,400	-	-	-
Total governmental activities program revenue:	<u>\$ 16,137,443</u>	<u>\$ 14,448,412</u>	<u>\$ 12,288,571</u>	<u>\$ 13,879,589</u>
Business-type activities				
Charges for services:				
Solid Waste	\$ 7,895,230	\$ 7,681,585	\$ 7,648,557	\$ 7,806,315
Marina	4,162,114	2,733,006	3,470,692	3,635,137
Storm Water	3,828,246	3,888,785	2,845,271	2,691,049
Golf Course	1,212,072	1,262,210	1,151,369	1,127,258
Sunrise Theater	703,333	1,845,847	2,466,477	2,415,352
Building Fund	4,723,281	2,624,479	2,336,544	2,158,592
Operating grants and contributions	1,096,610	-	-	1,433,973
Capital grants and contributions	646,931	113,331	2,890,929	351,428
Total business-type activities	<u>\$ 24,267,817</u>	<u>\$ 20,149,243</u>	<u>\$ 22,809,839</u>	<u>\$ 21,619,104</u>
Total primary government revenues	<u>\$ 40,405,260</u>	<u>\$ 34,597,655</u>	<u>\$ 35,098,410</u>	<u>\$ 35,498,693</u>
Net (Expense) Revenue				
Governmental activities	(27,182,308)	(29,792,144)	(33,608,450)	(28,488,692)
Business-type activities	<u>\$ 4,313,981</u>	<u>\$ (162,705)</u>	<u>\$ 1,181,828</u>	<u>\$ 520,339</u>
Total primary government net expenses	<u>\$ (22,868,327)</u>	<u>\$ (29,954,849)</u>	<u>\$ (32,426,622)</u>	<u>\$ (27,968,353)</u>

Fiscal Year						
2017	2016	2015	2014	2013	2012	
\$ 12,679,532	\$ 10,188,059	\$ 9,615,174	\$ 9,098,006	\$ 9,073,474	\$ 9,368,691	
16,426,201	15,293,734	15,130,557	14,753,228	14,305,679	13,758,635	
6,224,923	5,868,560	5,729,773	6,071,542	6,263,011	6,277,776	
1,104,259	1,262,385	1,513,335	1,110,448	1,774,472	3,361,379	
2,529,937	2,153,169	2,206,744	2,522,271	2,231,912	2,268,586	
3,567,822	4,624,442	3,778,626	3,754,510	3,727,940	3,821,411	
\$ 42,532,674	\$ 39,390,349	\$ 37,974,209	\$ 37,310,005	\$ 37,376,488	\$ 38,856,478	
\$ 6,235,640	\$ 5,689,842	\$ 5,708,431	\$ 5,264,288	\$ 4,974,739	\$ 5,440,958	
4,078,834	3,512,275	3,344,558	2,610,077	2,605,281	2,155,455	
5,202,294	7,939,853	5,658,447	6,130,795	3,368,903	3,241,933	
1,553,141	1,510,721	1,574,074	1,587,070	1,658,894	1,610,301	
4,376,238	4,595,335	4,440,222	4,080,883	4,223,143	4,173,135	
1,304,815	1,194,096	1,175,458	1,014,511	1,004,080	951,656	
\$ 22,750,962	\$ 24,442,122	\$ 21,901,190	\$ 20,687,624	\$ 17,835,040	\$ 17,573,438	
\$ 65,283,636	\$ 63,832,471	\$ 59,875,399	\$ 57,997,629	\$ 55,211,528	\$ 56,429,916	
\$ 2,127,748	\$ 1,180,822	\$ 1,107,288	\$ 489,335	\$ 1,578,442	\$ 451,139	
402,673	559,349	478,889	391,592	434,898	335,806	
299,620	246,932	116,573	87,391	28,068	18,850	
6,883,000	7,296,531	6,047,847	3,904,780	4,876,129	5,021,998	
254,567	166,683	177,797	200,402	126,687	133,913	
1,422,785	385,082	1,823,584	4,169,400	1,013,850	2,968,721	
-	-	527,089	3,599,755	1,635,302	1,311,204	
\$ 11,390,393	\$ 9,835,399	\$ 10,279,067	\$ 12,842,655	\$ 9,693,376	\$ 10,241,631	
\$ 6,676,775	\$ 6,544,120	\$ 6,376,443	\$ 6,264,167	\$ 6,348,420	\$ 6,139,701	
3,729,402	2,856,262	2,196,705	1,737,088	1,800,958	1,920,455	
2,724,106	2,708,419	3,259,131	2,707,758	2,598,840	2,679,764	
979,461	1,235,869	1,373,744	1,417,093	1,418,505	1,439,569	
2,765,443	3,342,281	3,539,762	2,959,181	2,887,153	3,066,474	
1,369,165	1,360,416	1,231,122	1,276,557	1,053,183	845,845	
712,500	-	-	-	-	-	
	407,561	1,959,954	7,142,646	13,354,340	10,145,196	
\$ 18,956,852	\$ 18,454,928	\$ 19,936,861	\$ 23,504,490	\$ 29,461,399	\$ 26,237,004	
\$ 30,347,245	\$ 28,290,327	\$ 30,215,928	\$ 36,347,145	\$ 39,154,775	\$ 36,478,635	
(31,142,281)	(29,554,950)	(27,695,142)	(24,467,350)	(27,683,112)	(28,614,847)	
\$ (3,794,110)	\$ (5,987,194)	\$ (1,964,329)	\$ 2,816,866	\$ 11,626,359	\$ 8,663,566	
\$ (34,936,391)	\$ (35,542,144)	\$ (29,659,471)	\$ (21,650,484)	\$ (16,056,753)	\$ (19,951,281)	

General Revenues and Other Changes in Net Position

	Fiscal Year			
	2021	2020	2019	2018
Governmental Activities:				
Taxes				
Ad valorem tax	\$ 18,060,334	\$ 17,112,787	\$ 15,823,291	\$ 15,118,042
General Sales and use tax	2,192,379	2,062,075	2,220,408	2,129,418
Utility service and franchise	4,562,722	4,448,412	4,358,981	4,332,987
State Revenue Sharing	1,636,818	1,413,886	1,525,975	1,445,623
Additional one-cent sales tax	4,520,661	3,857,988	3,034,894	1,898,973
Unrestricted grants and contributions	435,343	412,335	402,063	367,113
Component unit transfer	6,342,445	6,276,267	6,125,454	6,138,645
Miscellaneous	291,273	300,350	423,093	412,663
Unrestricted investment earnings	116,341	241,621	590,597	530,441
Extraordinary Item			-	
Transfers	(65,532)	701,604	657,539	309,475
Total government activities	\$ 38,092,784	\$ 36,827,325	\$ 35,162,295	\$ 32,683,380
Business-type activities				
Investment earnings	\$ 20,056	\$ 39,314	\$ 86,399	\$ 98,252
Insurance proceeds-unrestricted				
Miscellaneous				
Transfers	65,532	(701,604)	(657,539)	(309,475)
Total business-type activities	\$ 85,588	\$ (662,290)	\$ (571,140)	\$ (211,223)
Total primary government	\$ 38,178,372	\$ 36,165,035	\$ 34,591,155	\$ 32,472,157
 Change in Net Position				
Governmental Activities	\$ 10,910,476	\$ 7,035,181	\$ 1,553,845	\$ 4,194,688
Business-type activities	4,399,569	(824,995)	610,688	309,116
Total primary government	\$ 15,310,045	\$ 6,210,186	\$ 2,164,533	\$ 4,503,804

Source: Statement of Activities

		Fiscal Year									
		2017	2016	2015	2014	2013	2012				
\$	13,973,397	\$	13,171,397	\$	11,882,126	\$	11,958,161	\$	10,082,823	\$	10,009,972
	2,059,076		2,082,894		2,072,741		2,084,479		2,183,003		2,268,673
	4,314,862		4,261,492		4,209,187		4,213,534		4,456,865		4,708,357
	1,392,722		1,323,800		1,282,595		1,211,575		1,166,983		1,153,572
	1,776,224		1,666,089		1,603,223		1,495,885		1,378,666		1,330,114
	329,933		302,837		265,449		248,113		249,148		241,799
	5,968,785		5,809,302		5,735,240		5,605,157		5,365,879		4,767,268
	417,715		201,096		259,054		91,884		346,124		196,028
	312,404		305,599		166,607		193,528		243,884		191,827
	-		-		-		-		-		-
	(1,810,121)		(23,665)		847,537		815,331		914,408		1,243,024
\$	28,734,997	\$	29,100,841	\$	28,323,759	\$	27,917,647	\$	26,387,783	\$	26,110,634
\$	74,360	\$	48,211	\$	34,799	\$	44,148	\$	64,567	\$	79,883
									84,179		665,346
	1,810,121		23,665		(847,537)		(815,331)		(914,408)		(1,243,024)
\$	1,884,481	\$	71,876	\$	(812,738)	\$	(771,183)	\$	(765,662)	\$	(497,795)
\$	30,619,478	\$	29,172,717	\$	27,511,021	\$	27,146,464	\$	25,622,121	\$	25,612,839
\$	(2,407,284)	\$	(454,109)	\$	628,617	\$	3,450,297	\$	(1,295,329)	\$	(2,504,213)
	(1,909,629)		(5,915,318)		(2,777,067)		2,045,683		10,860,697		8,165,771
\$	(4,316,913)	\$	(6,369,427)	\$	(2,148,450)	\$	5,495,980	\$	9,565,368	\$	5,661,558

City of Fort Pierce, Florida
Fund Balances, Government Funds
Last Ten Fiscal Years

	Fiscal Year			
	2021	2020	2019	**2018
General Fund				
Nonspendable	\$ 61,326	\$ 393,603	\$ 52,692	\$ 403,855
Restricted	-	-	-	-
Committed	-	-	462,950	836,909
Assigned	4,332,387	4,242,997	4,242,997	3,890,961
Unassigned	6,512,447	5,189,540	3,981,710	4,518,827
Unreserved	-	-	-	-
Total General Fund	<u>\$ 10,906,160</u>	<u>\$ 9,826,140</u>	<u>\$ 8,740,349</u>	<u>\$ 9,650,552</u>
All Other Government Funds				
Special Revenue:				
Restricted	\$ 15,526,859	\$ 12,719,054	\$ 9,410,349	\$ 7,262,071
Nonspendable	-	11,273	14,196	14,261
Assigned	-	4,583	4,583	4,583
Committed	-	-	-	-
Debt Service:				
Restricted	2,017,888	1,965,204	2,145,172	757,718
Assigned	643,731	965,766	1,282,848	1,590,178
Capital projects:				
Restricted	-	-	-	-
Total all other governmental funds	<u>\$ 18,188,478</u>	<u>\$ 15,665,880</u>	<u>\$ 12,857,148</u>	<u>\$ 9,628,811</u>
Total governmental and general funds	<u>\$ 29,094,638</u>	<u>\$ 25,492,020</u>	<u>\$ 21,597,497</u>	<u>\$ 19,279,363</u>

* Implementation of GASB 54 in 2011

** Implementation of GASB 74 in 2018

Source: Balance Sheet Governmental Funds

Fiscal Year						
2017	2016	2015	2014	2013	2012	
\$ 347,570	\$ 316,714	\$ 74,213	\$ 295,821	\$ 78,134	\$ 260,206	
-	-	-	-	-	-	
710,407	550,000	550,000	723,134	1,219,933	1,219,933	
3,688,620	3,582,326	3,582,326	3,404,652	3,232,604	3,232,604	
1,423,048	403,281	255,096	(126,374)	(286,355)	95,628	
-	-	-	-	-	-	
<u>\$ 6,169,645</u>	<u>\$ 4,852,321</u>	<u>\$ 4,461,635</u>	<u>\$ 4,297,233</u>	<u>\$ 4,244,316</u>	<u>\$ 4,808,371</u>	
\$ 6,068,627	\$ 4,445,596	\$ 2,493,441	\$ 2,339,723	\$ 1,184,459	\$ 1,434,093	
12,067	16,573	-	18,429	1,084	16,437	
4,584	184,984	184,984	184,984	190,062	190,062	
-	-	290,254	130,783	946,613	544,490	
1,019,095	2,974,093	3,750,413	3,722,988	991,103	1,561,513	
1,887,820	-	-	-	-	-	
-	2,326,803	3,161,413	3,921,213	2,621,548	2,908,478	
<u>\$ 8,992,193</u>	<u>\$ 9,948,049</u>	<u>\$ 9,880,505</u>	<u>\$ 10,318,120</u>	<u>\$ 5,934,869</u>	<u>\$ 6,655,073</u>	
<u>\$ 15,161,838</u>	<u>\$ 14,800,370</u>	<u>\$ 14,342,140</u>	<u>\$ 14,615,353</u>	<u>\$ 10,179,185</u>	<u>\$ 11,463,444</u>	

City of Fort Pierce, Florida
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	2021	2020	2019	2018
Revenues				
Taxes	\$ 24,815,435	\$ 23,623,274	\$ 22,402,679	\$ 21,580,447
Licenses, fees and permits	1,169,930	843,397	804,478	907,438
Intergovernmental	15,725,584	14,750,257	12,875,765	13,198,242
Charges for services	462,635	302,697	431,027	382,717
Fines and penalties	247,456	387,801	363,464	552,145
Contributions from component units	6,342,445	6,276,267	6,125,454	6,138,645
Investment earnings	116,343	241,621	590,594	530,441
Other revenues	5,894,721	5,897,805	4,633,692	3,730,516
Total revenues	<u>\$ 54,774,549</u>	<u>\$ 52,323,119</u>	<u>\$ 48,227,153</u>	<u>\$ 47,020,591</u>
Expenditures				
General government	14,124,075	13,869,729	12,897,475	12,259,917
Public safety	17,148,820	16,648,464	16,885,445	15,608,843
Transportation	3,302,055	3,078,572	3,145,704	3,074,578
Economic environment	2,247,952	1,469,508	1,679,942	1,435,852
Culture and recreation	2,757,528	2,464,639	2,530,491	2,444,590
Capital outlay	3,494,130	5,566,761	2,034,264	3,032,948
Debt service:				
Principal	5,908,787	5,325,842	5,185,396	4,742,039
Interest	2,193,636	2,338,879	2,676,241	2,476,039
Other	329,999	180,953	67,673	113,527
Total expenditures	<u>\$ 51,506,982</u>	<u>\$ 50,943,347</u>	<u>\$ 47,102,631</u>	<u>\$ 45,188,333</u>
Excess of Revenues over and (under) expenditures	<u>\$ 3,267,567</u>	<u>\$ 1,379,772</u>	<u>\$ 1,124,522</u>	<u>\$ 1,832,258</u>
Other Financing sources (Uses)				
Transfers in	\$ 29,496,579	\$ 15,680,193	\$ 16,494,082	\$ 10,966,769
Transfers out	(29,562,111)	(14,978,589)	(15,836,543)	(10,657,294)
Issuance of debt/Capital Lease	6,875,000	13,937,184	28,232,772	6,869,010
Premium/Discount on issuance of debt	1,075,583	-	-	-
Proceeds from refunding	-	-	-	-
Payment on Current Refunding	(7,550,000)	-	-	-
Payment on Advance Refunding	-	(12,124,037)	(27,696,699)	(4,893,218)
Total sources (uses)	<u>\$ 335,051</u>	<u>\$ 2,514,751</u>	<u>\$ 1,193,612</u>	<u>\$ 2,285,267</u>
Special Item-Sale of Land				
Net change in fund balances	<u>\$ 3,602,618</u>	<u>\$ 3,894,523</u>	<u>\$ 2,318,134</u>	<u>\$ 4,117,525</u>
Debt service as a percentage of non capital expenditures	16.9%	16.9%	17.4%	17.1%

SOURCE: Statement of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year						
2017	2016	2015	2014	2013	2012	
\$ 20,347,337	\$ 19,515,783	\$ 18,164,053	\$ 18,256,174	\$ 16,722,691	\$ 16,987,002	
390,963	374,499	435,346	333,806	327,558	353,390	
10,448,502	9,899,947	10,661,557	15,104,540	11,384,520	11,338,211	
285,520	288,911	261,508	226,708	215,829	195,748	
189,139	301,765	245,930	202,277	222,445	193,114	
5,968,785	5,809,302	5,735,240	5,605,157	5,365,879	4,767,268	
312,404	305,599	166,607	193,528	243,884	196,028	
5,476,101	5,088,808	3,656,005	4,734,719	2,977,234	2,799,953	
\$ 43,418,751	\$ 41,584,614	\$ 39,326,246	\$ 44,656,909	\$ 37,460,040	\$ 36,830,714	
12,538,429	10,409,135	10,013,455	10,151,988	9,764,941	10,351,426	
15,253,746	13,870,188	13,873,313	14,032,891	13,453,506	12,972,368	
3,068,423	2,747,800	2,684,573	3,122,509	3,089,871	3,058,459	
1,021,717	1,182,662	1,434,987	1,033,042	1,735,007	3,277,492	
2,217,612	1,902,214	1,948,803	2,150,857	1,968,202	1,943,145	
3,263,816	3,253,508	3,575,611	10,185,718	3,765,513	2,383,608	
4,289,252	3,788,108	3,151,895	2,718,000	2,168,000	1,820,000	
3,107,687	3,935,165	3,760,086	3,647,762	3,709,460	3,761,440	
71,193	552,254	4,273	72,534	4,207	28,763	
\$ 44,831,875	\$ 41,641,034	\$ 40,446,996	\$ 47,115,301	\$ 39,658,707	\$ 39,596,701	
\$ (1,413,124)	\$ (56,420)	\$ (1,120,750)	\$ (2,458,392)	\$ (2,198,667)	\$ (2,765,987)	
\$ 15,746,154	\$ 10,826,011	\$ 13,675,604	\$ 14,954,554	\$ 11,239,805	\$ 10,639,613	
(17,560,935)	(10,982,301)	(12,828,067)	(14,139,223)	(10,325,397)	(9,396,589)	
3,589,373	-	-	-	-	-	
-	-	-	-	-	-	
-	59,370,000	-	6,079,229	-	-	
-	(17,400,000)	-	-	-	-	
-	(41,299,060)	-	-	-	-	
1,774,592	\$ 514,650	847,537	6,894,560	914,408	1,243,024	
361,468	\$ 458,230	(273,213)	4,436,168	(1,284,259)	(1,522,963)	
17.8%	20.1%	18.7%	17.2%	16.4%	15.0%	

City of Ft. Pierce, Florida
Changes In Net Position, Fiduciary Funds
Last Ten Fiscal Years

	Fiscal Year			
	2021	2020	2019	2018
Additions				
Employer	\$ 5,328,802	\$ 5,343,484	\$ 5,240,707	\$ 4,909,654
Employees	2,422,754	2,406,609	2,388,106	2,192,861
State	435,343	412,335	402,063	367,113
Other				
Investment income (net of expenses)	\$ 43,000,803	\$ 20,283,302	\$ 6,004,246	\$ 20,351,634
Total additions to plan net position	\$ 51,187,702	\$ 28,445,730	\$ 14,035,122	\$ 27,821,262
Deductions				
Benefit payments	\$ 16,283,132	\$ 15,469,233	\$ 14,874,016	\$ 14,170,078
Refunds	271,288	574,347	467,789	344,428
Administrative expenses	288,035	281,557	325,176	215,247
Other expenses	20,651	20,651	20,651	19,406
Total deductions from plan net position	\$ 16,863,106	\$ 16,345,788	\$ 15,687,632	\$ 14,749,159
Change in net position	\$ 34,324,596	\$ 12,099,942	\$ (1,652,510)	\$ 13,072,103

Source: Combining Statement of Changes in Fiduciary Funds Net Position

Fiscal Year						
2017	2016	2015	2014	2013	2012	
\$ 4,565,884	\$ 4,211,312	\$ 4,093,268	\$ 4,356,127	\$ 4,266,803	\$ 3,566,751	
2,156,251	2,005,283	1,925,831	1,943,411	1,920,330	1,874,591	
329,933	302,837	265,449	248,113	249,148	241,799	
	-	-	-	-	-	
\$ 20,081,849	\$ 17,392,106	\$ 2,511,123	\$ 17,721,192	\$ 21,583,070	\$ 26,881,779	
\$ 27,133,917	\$ 23,911,538	\$ 8,795,671	\$ 24,268,843	\$ 28,019,351	\$ 32,564,920	
\$ 13,736,690	\$ 13,389,859	\$ 12,959,826	\$ 12,606,823	\$ 11,993,098	\$ 10,874,268	
298,276	786,340	408,937	440,758	585,930	346,839	
206,760	204,174	153,522	176,528	134,550	129,911	
19,406	19,406	21,601	20,829	19,416	18,992	
\$ 14,261,132	\$ 14,399,779	\$ 13,543,886	\$ 13,244,938	\$ 12,732,994	\$ 11,370,010	
\$ 12,872,785	\$ 9,511,759	\$ (4,748,215)	\$ 11,023,905	\$ 15,286,357	\$ 21,194,910	

City of Fort Pierce, Florida
Assessed Value and Actual Value of Taxable Property
Last Ten Years

Fiscal Year Ended September 30,	Real Property	Personal Property	Centrally Assessed Property
2021	\$ 3,333,122,315	\$ 223,371,179	\$ 11,666,236
2020	3,168,531,958	217,284,499	11,786,499
2019	2,973,396,245	206,673,280	11,674,621
2018	2,807,904,420	200,953,767	11,459,927
2017	2,656,205,901	199,752,821	10,889,970
2016	2,519,792,781	201,769,117	9,950,405
2015	2,420,424,296	178,560,253	8,259,241
2014	2,369,027,251	196,294,919	7,180,208
2013	2,375,689,997	192,499,439	7,381,630
2012	2,463,908,875	209,865,288	7,135,634

Less: Exemption	Total Taxable Assessed Value	Total Direct Tax Rate
\$ 873,918,111	\$ 2,694,241,619	6.9000
835,533,570	2,562,069,386	6.9000
813,001,897	2,378,742,249	6.9000
777,186,255	2,243,131,859	6.9000
759,747,984	2,107,100,708	6.9000
744,102,164	1,987,410,139	6.9000
718,951,717	1,888,292,073	6.5786
707,506,816	1,864,995,562	6.6050
707,571,187	1,867,999,879	5.7131
707,684,181	1,973,225,616	5.4674

City of Fort Pierce, Florida
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	County Parks MSTU	Co Public Transit MSTU	Erosion District E	Law Enf. Jail, Judicial Sys	Co General Revenue Fund	St. Lucie County Port Bond	Childrens Services Council	St Lucie Co Fire District
2021	0.2313	0.1269	0.1763	3.2324	4.2077	-	0.4765	3.0000
2020	0.2313	0.1269	0.1497	3.2324	4.3077	-	0.4765	3.0000
2019	0.2313	0.1269	0.0925	3.4538	4.1077	-	0.4765	3.0000
2018	0.2313	0.1269	0.0925	3.4538	4.1077	-	0.4765	3.0000
2017	0.2313	0.1269	0.0925	3.2838	4.1077	-	0.4765	3.0000
2016	0.2313	0.1269	0.0925	3.2699	4.1273	0.0154	0.4765	3.0000
2015	0.2313	0.1269	0.0925	3.2699	3.7764	0.0154	0.4765	3.0000
2014	0.2313	0.1269	0.0925	3.9699	2.9221	0.0154	0.4872	3.0000
2013	0.2313	0.1269	0.0925	3.9699	2.9221	0.0154	0.4872	2.6500
2012	0.2313	0.1269	0.0925	3.9699	2.9221	0.0154	0.4872	2.6500

Source: St. Lucie County Property Appraisers Office

FL Inland Navigation Dist	City of Fort Pierce	County School District	Mosquito Control	S FL Water Mgmt District	Environ Signif Land Bond	Everglades Constructio n Project	Total
0.0320	6.9000	6.9490	0.1352	0.2675	-	-	25.7348
0.0320	6.9000	7.1220	0.1806	0.2795	-	-	26.0386
0.0320	6.9000	6.3350	0.2164	0.2936	-	-	25.2657
0.0320	6.9000	6.5740	0.2164	0.3100	-	-	25.5211
0.0320	6.9000	6.9270	0.2164	0.3307	-	-	25.7248
0.0320	6.9000	7.2830	0.2413	0.3551	-	-	26.1512
0.0345	6.5786	7.2410	0.2522	0.3842	-	-	25.4794
0.0345	6.6050	7.2570	0.4065	0.4110	-	-	25.5593
0.0345	5.7131	7.7710	0.2036	0.4289	-	-	24.6464
0.0345	5.4674	7.8780	0.2036	0.4363	-	-	24.5151

City of Fort Pierce, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
2021	\$ 18,754,651	\$ 18,005,932	96.01%
2020	17,678,279	16,913,982	95.68%
2019	16,485,272	15,811,194	95.91%
2018	16,142,879	15,686,319	97.17%
2017	14,596,858	13,990,878	95.85%
2016	13,439,692	13,134,433	97.73%
2015	12,437,017	11,869,802	95.44%
2014	12,386,111	11,676,648	94.27%
2013	10,736,076	10,021,382	93.34%
2012	10,846,887	10,009,972	92.28%

Sources: City of Fort Pierce Finance Records,
St. Lucie County Tax records DR420

Total Collections to Date

Collections in Subsequent Years	Amount	Percentage of Levy
\$ 54,402	\$ 18,060,334	96.30%
198,805	17,112,787	96.80%
12,097	15,823,291	95.98%
178,690	15,865,010	98.28%
(17,481)	13,973,397	95.73%
36,964	13,171,397	98.00%
12,303	11,882,105	95.54%
279,204	11,955,852	96.53%
61,442	10,082,823	93.92%
46,554	10,056,526	92.71%

**City of Fort Pierce, Florida
Principal Revenue Payers - Property Tax
Current Year and Nine Years Ago**

2021			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Wal-Mart Stores East LP c/o Walr	78,261,675	1	2.90478%
HCA Attn: Tax Dept	29,420,964	2	1.09199%
Bellsouth Telecommunication % Jæ	26,026,627	3	0.96601%
Ehden NV C/O Fraga Properties	23,865,728	4	0.88581%
Lawnwood Medical Center % DuCl	22,630,403	5	0.83995%
Destin Beach Inc % Carmela Bell	17,898,391	6	0.66432%
Landings Fort Pierce LLC	16,608,201	7	0.61643%
Treasure Cay Properties LLC	16,198,805	8	0.60124%
Orange Blossom Investment LLC	13,704,785	9	0.50867%
Woods Family Limited Ptr II AT&T	13,092,830	10	0.48596%
Cornerstone Ft Pierce Development Quality Asset Mgmt Company Boca Ven Land of Ft Pierce Inc			
Total	<u>\$ 257,708,410</u>		<u>9.5652%</u>

* Total assessed valuation is \$ 2,694,241,619

2012		
Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
58,752,675	2	2.9775%
29,252,675	3	1.4825%
71,389,475	1	3.6179%
17,728,003	5	0.8984%
12,177,737	8	0.6171%
20,215,281	4	1.0245%
16,599,304	6	
		0.0000%
12,516,179	7	0.6343%
12,014,841	9	0.6089%
10,542,747	10	0.5343%
<u>\$ 261,188,917</u>		<u>12.3954%</u>

\$ 1,973,225,616

City of Fort Pierce, Florida
State Revenue Sharing Funds
Last Ten Fiscal Years

Fiscal Year	State Revenue Sharing	1/2 Cent Sales Tax	Mobile Home License	Beverage License	Fuel Tax Refund	1/2 Cent Infrastructure Tax*	Total Receipts
2021	\$ 1,636,818	2,348,920	57,032	46,081	47,532	2,171,741	6,308,124
2020	1,413,886	1,995,480	50,053	48,513	47,741	1,862,508	5,418,180
2019	1,525,976	1,996,320	47,214	51,267	47,095	1,038,574	4,706,445
2018	1,445,623	1,898,973	45,579	45,403	56,434	-	3,492,012
2017	1,392,722	1,776,224	37,548	47,214	53,834	-	3,307,542
2016	1,323,800	1,666,089	38,013	36,752	53,354	-	3,118,008
2015	1,282,595	1,603,223	39,544	41,793	62,255	-	3,029,410
2014	1,211,575	1,495,885	36,372	39,118	54,071	-	2,837,021
2013	1,166,983	1,378,666	36,427	50,183	59,449	-	2,691,708
2012	1,153,572	1,330,114	37,212	32,681	57,159	-	2,610,738

Source: City of Fort Pierce Finance Records

* Implemented in 2019

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**City of Fort Pierce, Florida
Fort Pierce Redevelopment Agency
Taxable Value Of Each District
Last Ten Fiscal Years**

AGENCY	Fiscal Year				
	2021	2020	2019	2018	2017
City of Fort Pierce					
CRA 1 (Res 82-25) *	57,667,123	55,818,945	54,796,766	53,285,719	50,541,442
CRA 2 (Res 95-89)	3,554,305	3,519,215	3,304,951	3,196,843	3,150,181
CRA 3 (Res 96-15)	5,324,263	4,950,521	4,186,715	4,085,487	3,942,324
CRA 4 (Res 01-98) *	849,884,830	791,359,128	710,835,016	673,134,776	632,670,747
CFP Total	916,430,521	855,647,809	773,123,448	733,702,825	690,304,694
St. Lucie County					
CRA 1 (Res 82-25) **	57,592,123	55,743,945	54,721,766	53,500,126	50,720,476
CRA 2 (Res 95-89)	3,587,795	3,540,121	3,304,951	3,196,843	3,150,181
CRA 3 (Res 96-15)	5,324,263	4,950,521	4,186,715	4,085,487	3,942,324
CRA 4 (Res 01-98) **	846,196,512	787,656,659	707,204,424	669,506,626	629,469,959
SLC Total	912,700,693	851,891,246	769,417,856	730,289,082	687,282,940

* City with historic but no senior exemption

** County with senior but no historic exemption

Fiscal Year				
2016	2015	2014	2013	2012
47,636,647	48,076,622	49,234,611	51,157,598	54,952,729
2,742,460	2,742,460	2,591,500	2,477,100	2,590,239
3,853,477	3,853,477	3,173,700	3,467,600	3,832,104
589,287,949	592,159,262	561,639,632	561,948,017	577,410,385
643,520,533	646,831,821	616,639,443	619,050,315	638,785,457
47,840,681	49,841,776	49,765,511	52,074,098	55,982,929
2,742,460	2,742,460	2,591,500	2,477,100	2,590,239
3,853,477	3,853,477	3,173,700	3,467,600	3,832,104
586,114,655	571,482,215	558,849,211	559,212,624	574,247,439
640,551,273	627,919,928	614,379,922	617,231,422	636,652,711

City of Fort Pierce, Florida
Legal Debt Margin Information
September 30, 2021

	Fiscal Year			
	2021	2020	2019	2018
Debit Limit	\$ 67,000,000	\$ 67,000,000	\$ 67,000,000	\$ 67,000,000
Total Net Debt Applicable to Limit * (1)	47,173,115	52,590,350	55,338,710	58,465,244
Debit Margin	\$ 19,826,885	\$ 14,409,650	\$ 11,661,290	\$ 8,534,756
Total net debt applicable to the limit as a percentage of debt limit	70.408%	78.493%	82.595%	87.262%

* Includes all net long-term debt except debt obligations of the Community Redevelopment Agency.
(1) debt includes unamortized items

NOTE: The City Charter does not set a limit of bond indebtedness as a percentage of assessed valuation.
The Charter does allow the City to borrow an aggregate of \$67,000,000.

City of Fort Pierce
Direct and Overlapping Governmental Activities Debt
September 30, 2021

Jurisdiction	Governmental Bonded Debt Outstanding	Percent Applicable to City*	Total Applicable to City
Overlapping Debt:			
St. Lucie County	136,319,429	12.84%	17,503,866
St. Lucie County District School Board**	177,292,000	12.35%	21,887,528
Overlapping Debt Totals	313,611,429		39,391,395
Direct Debt:			
City of Fort Pierce (1)	54,932,747	100.00%	54,932,747
Capital Leases	1,928,380	100.00%	1,928,380
Total Direct Debt	56,861,127		56,861,127
Total direct and overlapping debt	370,472,556		96,252,522

Sources: St. Lucie County

* The percent applicable to the City is calculated using property taxable value ratios

** School Board: Exemptions for Economic Development and
Additional Homestead are not included.

(1) City direct debt includes unamortized items

Sources: St. Lucie County School Board
St. Lucie County Clerk of Court
St. Lucie County Property Appraiser
City of Fort Pierce Finance Department

Fiscal Year						
2017	2016	2015	2014	2013	2012	
\$ 67,000,000	\$ 67,000,000	\$ 67,000,000	\$ 67,000,000	\$ 67,000,000	\$ 67,000,000	\$ 67,000,000
60,365,683	60,736,702	59,086,556	61,940,246	53,835,180	59,250,000	
\$ 6,634,317	\$ 6,263,298	\$ 7,913,444	\$ 5,059,754	\$ 13,164,820	\$ 7,750,000	
90.098%	90.652%	88.189%	92.448%	80.351%	88.433%	

City of Fort Pierce, Florida
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities

Fiscal Year		Redevelopment Bonds	Sales Tax Increment Bonds	Non-ad Valorum	Capital Leases
2021	\$	20,600,000	-	34,332,747	1,928,380
2020		23,050,000	-	36,989,714	2,748,477
2019		24,770,000	-	39,642,639	1,674,225
2018		26,435,000	-	43,231,987	1,656,683
2017		28,045,000	-	45,720,773	52,886
2016		32,000,000	-	42,296,369	-
2015		30,330,000	-	43,419,477	-
2014		31,670,000	-	40,192,143	-
2013		32,875,000	-	40,665,143	-
2012		34,080,000	490,000	41,138,143	-

Source: City of Fort Pierce Financial Statements

** Debt includes unamortized items

Business-Type Activities

Marina	Storm water	Solid Waste	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
7,417,403	8,528,880	-	1,127,409	73,934,819	4.09%	1,539
7,871,070	9,316,978	-	1,672,682	81,648,921	5.03%	1,771
8,070,875	10,214,676	-	851,820	85,224,235	6.08%	1,850
5,230,204	11,942,374	-	1,203,685	89,699,933	7.02%	1,968
5,361,342	11,970,000	-	1,471,677	92,621,679	7.72%	2,045
5,598,333	13,745,000	-	-	93,639,702	8.21%	2,105
5,827,371	13,935,000	-	-	93,511,848	8.20%	2,102
1,846,857	14,570,000	-	-	88,279,000	7.67%	2,025
1,846,857	15,185,000	-	-	90,572,000	7.59%	2,178
1,846,857	15,775,000	-	-	93,330,000	6.93%	2,226

City of Fort Pierce, Florida
Pledged Revenue Coverage
Last Ten Fiscal Years

Governmental Activities

Non-ad Valorum Bonds

Fiscal Year	Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2021	\$ 35,618,953	\$ 22,980,507	\$ 12,638,447	\$ 1,676,190	\$ 360,636	6.20
2020	35,328,942	23,939,200	11,389,742	1,480,522	422,704	5.98
2019	36,289,980	21,725,083	14,564,897	1,493,396	1,322,522	5.17
2018	29,828,824	19,680,890	10,147,934	1,244,692	1,347,312	3.92
2017	32,811,589	20,322,433	12,489,156	967,987	1,325,055	5.45
2016	30,423,143	16,406,115	14,017,028	530,000	1,119,194	8.50
2015	29,088,947	16,279,220	12,809,727	1,255,000	2,038,348	3.89
2014	30,042,740	15,262,366	14,780,374	1,185,000	2,105,055	4.49
2013	27,430,244	14,139,760	13,290,484	190,000	2,112,561	5.77
2012	25,997,176	14,636,799	11,360,377	185,000	2,119,967	4.93

Redevelopment Bonds ³

Fiscal Year	Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2021	\$ 7,544,371	\$ 3,260,720	\$ 4,283,651	\$ 3,129,500	\$ 1,776,149	0.87
2020	7,492,647	3,148,729	4,343,918	3,351,611	1,770,830	0.85
2019	7,081,572	3,497,785	3,583,787	3,409,000	1,022,002	0.81
2018	6,033,664	3,179,060	2,854,604	2,884,000	1,124,766	0.71
2017	7,349,601	4,228,262	3,121,339	2,848,500	1,117,279	0.79
2016	8,192,527	2,511,834	5,680,693	2,685,000	1,542,822	1.34
2015	7,461,479	4,225,896	3,235,583	1,295,000	1,432,781	1.19
2014	8,321,415	5,173,422	3,147,993	1,205,000	1,479,406	1.17
2013	5,453,289	2,523,697	2,929,592	1,205,000	1,524,331	1.07
2012	5,294,961	2,683,020	2,611,941	1,160,000	1,567,581	0.96

Sales Tax Increment Bonds

Fiscal Year	Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2021	\$ 2,348,920	\$ -	\$ 2,348,920	\$ -	\$ -	-
2020	1,995,480	-	1,995,480	-	-	-
2019	1,996,320	-	1,996,320	-	-	-
2018	1,898,973	-	1,898,973	-	-	-
2017	1,776,224	-	1,776,224	-	-	-
2016	1,666,089	-	1,666,089	-	-	-
2015	1,603,223	-	1,603,223	-	-	-
2014	1,495,886	-	1,495,886	-	-	-
2013	1,378,666	-	1,378,666	490,000	9,800	2.76
2012	1,330,144	-	1,330,144	475,000	28,506	2.64

*** No bonds outstanding

¹ Revenues: Less Grants, Capital leases, Transfers. Also, Restricted Revenues, Local Option Gas Tax and Impact Fees

² Expenses: Governmental Expenditures and Public Safety Debt Financed from the Sources, and Ad Valorem Credit which started in 2004

³ Funded by (TIF) Tax Increment Funds

⁴ Statement of Revenues, Expenses and Changes in Fund Net Position-Proprietary Funds

Total Operating Revenues + Total non-operating revenues (expenses) less

Total operating expenses (less depr)

Note: Non Ad Valorum Debt: 2001 & 2002 the City of Fort Pierce paid before maturity 2.5 million in Long-Term Debt

Business Activities ⁴

Marina Bonds

Fiscal Year	Revenue		Less: Operating Expenses		Net Available Revenue		Debt Service		Coverage		
							Principal	Interest			
2021	\$	4,164,721	\$	3,161,999	\$	1,002,722	\$	458,670	\$	234,474	1.45
2020		2,749,941		2,501,347		248,594		424,920		255,208	0.37
2019		3,458,992		2,841,350		617,642		267,620		181,293	1.38
2018		3,646,597		2,849,827		796,770		267,369		174,335	1.80
2017		3,086,148		2,474,008		612,140		244,619		208,933	1.35
2016		2,569,916		1,846,488		723,428		236,990		245,716	1.50
2015		2,203,948		2,183,515		20,433		229,038		223,573	0.05
2014		1,749,369		1,666,599		82,770		-		92,343	0.90
2013		1,812,467		1,754,527		57,940		-		92,343	0.63
2012		1,938,537		1,737,132		201,405		-		92,343	2.18

Storm Water Bonds

Fiscal Year	Revenue		Less: Operating Expenses		Net Available Revenue		Debt Service		Coverage		
							Principal	Interest			
2021	\$	3,579,877	\$	1,083,449	\$	2,496,429	\$	1,025,600	\$	370,463	1.79
2020		3,889,632		1,126,776		2,762,856		900,000		296,960	2.31
2019		2,699,775		1,660,427		1,039,348		1,730,000		322,335	0.51
2018		2,750,689		1,612,191		1,138,498		-		351,332	3.24
2017		2,765,987		3,550,865		(784,878)		855,000		371,055	(0.64)
2016		2,747,322		4,856,140		(2,108,818)		950,000		542,329	(1.41)
2015		2,693,352		1,521,214		1,172,138		635,000		628,375	0.93
2014		2,718,550		2,538,854		179,696		635,000		657,605	0.14
2013		2,598,840		1,249,161		1,349,679		615,000		679,336	1.04
2012		2,736,435		1,153,251		1,583,184		590,000		703,935	1.22

City of Fort Pierce, Florida
Demographic and Economic Statistics
Last Ten Calendar Year

Calendar Year	City of Ft. Pierce Population	Personal Income	Median Household Income *	School Enrollment**, ***	Unemployment Rate
2021	48,038	1,807,381,712	37,624	47,684	6.2%
2020	46,103	1,622,733,394	35,198	39,872	8.7%
2019	46,071	1,402,631,595	30,445	40,160	5.7%
2018	45,581	1,277,407,525	28,025	40,160	5.9%
2017	45,295	1,200,453,385	26,503	41,458	6.5%
2016	44,484	1,140,347,340	25,635	41,589	8.4%
2015	43,601	1,151,676,814	26,414	40,764	10.4%
2014	43,074	1,193,968,206	27,719	40,951	13.7%
2013	42,645	1,347,496,710	31,598	45,781	10.1%
2012	41,993	1,296,281,917	30,869	46,453	10.9%

* U. S. Department of Commerce, Bureau of Economic Analysis (FRED)

** St. Lucie County School Board (Countywide)

*** St. Lucie County School Board figures are the most recent printed at time of publication.

City of Fort Pierce, Florida
Principal Employers
Current Year and Nine Years Ago

Employer*	2021			2012		
	Employees	Rank	Percentage of Total County Employment Within the City Limits	Employees*	Rank	Percentage of Total County Employment Within the City Limits
School Board of St Lucie County	5,564	1	6.96%	4,478	1	21.26%
Indian River State College	2,338	2	2.92%	625	4	2.97%
Lawnwood Regional Medical Ctr & Heart Institut	1,615	3	2.02%	1,350	2	6.41%
Wal-Mart Distribution Center	890	4	1.11%	669	3	3.18%
St. Lucie County	797	5	1.00%			
Convey Health Solutions	450	6	0.56%			
St. Lucie County Fire District	434	7	0.54%	434	5	2.06%
City of Fort Pierce	384	8	0.48%	350	7	1.66%
MAXIMUS	354	9	0.44%			
Fort Pierce Utilities Authority	283	10	0.35%	275	9	1.31%
United States Postal Service				275	8	1.31%
Tropicana Products Inc				330	6	1.57%
Pursuit Boats				200	10	0.95%
Total	13,109		16.40%	8,986		42.67%
Total industry jobs in St. Lucie County	79,956			21,061		

Sources: Economic Development Council (EDC) of St. Lucie County
Florida Department of Economic Opportunity

* The information uses the most recent EDC data FY 2021 is not available at this time.

City of Fort Pierce, Florida
Full-time Equivalent City Government Employees by Function/ Program
Last Ten Fiscal Years

Function / Program	Fiscal Year			
	2021	2020	2019	2018
Primary government:				
Government activities:				
General government	74.0	77.0	74.0	69.5
Public safety	173.0	178.0	183.0	174.0
Transportation	25.0	26.0	26.0	26.0
Economic environment	8.0	3.0	3.0	3.0
Culture and recreation	31.0	31.0	29.0	26.0
Total governmental activities	311.0	315.0	315.0	298.5
Business type activities				
Building Inspections	18.0	18.0	18.0	18.0
Marina	7.0	7.0	7.0	6.5
Solid Waste	34.0	35.0	35.0	33.0
Golf Course	3.0	3.0	2.0	2.0
Sunrise Theatre	6.0	8.0	7.0	7.0
Total Business type activities	68.0	71.0	69.0	66.5
Total all activities	379.0	386.0	384.0	365.0

Source: City of Fort Pierce Budget Document

Fiscal Year					
2017	2016	2015	2014	2013	2012
69.5	65.5	68.0	69.0	69.0	71.0
170.5	166.5	167.0	164.0	164.0	155.0
25.0	25.0	26.0	26.0	26.0	26.0
2.0	2.0	2.0	2.0	6.0	8.0
26.0	26.0	26.0	26.0	26.0	26.0
293.0	285.0	289.0	287.0	291.0	286.0
13.0	11.0	11.0	12.0	12.0	12.0
6.5	5.0	5.0	5.0	6.0	6.0
33.0	33.0	33.0	33.0	34.0	34.0
12.5	12.5	13.0	13.0	16.0	16.0
7.0	7.0	7.0	6.0	8.0	8.0
72.0	68.5	69.0	69.0	76.0	76.0
365.0	353.5	358.0	356.0	367.0	362.0

City of Fort Pierce, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year			
	2021	2020	2019	2018
<u>Function/Program</u>				
Police/Code Enforcement				
Physical arrests	2,740	2,825	2,863	2,690
Parking Violations	701	377	633	593
Traffic Violations	2,005	2,408	2,727	2,895
Fire (County wide)				
Emergency responses	54,603	49,418	48,995	39,736
Fires calls	5,339	4,889	4,965	3,754
Refuse collections				
Refuse collected (tons per day)	146	138	133	137
Other public works				
Street resurfacing (miles)	2	1	3	2
Potholes repaired *	284	191	322	222
Parks and recreation				
Athletic fields permits issued	261	126	274	450
River Walk Center permits issued	112	73	106	101
Garden Club permits issued	78	38	56	59
Maravilla permits issued	87	65	93	90
Special Events	214	168	145	154
Old City Hall	-	8	36	39

Sources: Various City of Fort Pierce departments

Notes: * Work orders issued

*** Data not available

Fiscal Year					
2017	2016	2015	2014	2013	2012
2,520	2,626	2,975	3,189	3,064	2,899
316	433	341	298	230	211
3,310	6,496	9,984	8,791	5,619	4,782
47,000	45,796	43,045	40,033	39,189	34,161
6,301	4,928	4,659	4,483	4,229	3,629
134	124	133	131	129	201
2	2	1	1	1	-
222	412	440	428	478	215
287	269	280	278	218	358
91	97	85	64	66	69
65	57	48	33	20	19
82	86	92	66	56	47
143	168	163	186	151	150
38	34	26	***	***	***

City of Fort Pierce, Florida
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	Fiscal Year			
	2021	2020	2019	2018
Police				
Stations	2	2	2	2
Sworn Officers	111	113	119	119
Fire				
Stations	17	17	17	17
Firefighters	403	401	386	389
Refuse collections				
Commercial	1,848	1,839	1,814	1,792
Residential	12,768	12,566	12,273	12,073
Public	23	24	23	32
Other public works				
Streets (miles)	185	185	185	152
Streetlights	5,348	5,313	5,313	5,313
Traffic signals	211	211	211	211
Parks and recreations				
Acreage	294.3	294.3	294.3	294.3
Playgrounds	12	12	12	12
Baseball/football fields/basketball courts	35	35	35	35
Tennis/handball/racquetball/shuffleboard	21	21	21	21
Community Centers	2	2	2	2
Miles of public beach	2.3	2.3	2.3	2.3
Pools	2	2	2	2
Utility Customers				
Electric	28,830	28,500	28,300	28,300
Water	21,420	20,700	20,400	20,220
Wastewater	15,830	15,300	15,200	15,100
Natural Gas	4,200	4,100	4,100	4,130

Sources: Various City of Fort Pierce departments and Fort Pierce Utilities Authority

* Parks Transferred to the City from St. Lucie County

Fiscal Year					
2017	2016	2015	2014	2013	2012
2	3	3	3	3	3
121	115	115	118	115	107
17	17	17	17	18	18
380	389	386	370	370	364
1,786	1,751	1,730	1,685	1,695	1,675
11,993	12,173	11,871	11,611	11,550	11,427
30	30	30	30	32	35
141	141	185	179	152	152
5,327	5,313	5,313	5,313	5,313	5,106
211	211	211	177	177	177
294.3	294.3	294.3	294.3	294.3	294.3
12	12	12	11	12	12
35	35	35	24	23	23
21	21	21	21	21	21
2	2	2	2	2	2
2.3	2.3	2.3	2.3	2.3	2.3
2	2	2	2	2	2
28,300	28,100	28,096	27,630	27,770	28,413
20,100	19,750	19,756	19,250	19,280	19,394
15,100	15,000	14,987	14,640	14,450	14,842
4,150	4,225	4,223	4,180	4,190	4,039

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AUDITORS' REPORTS



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

To the City Commission
City of Fort Pierce, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Pierce, Florida (the "City") as of and for the year ended September 30, 2021, 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 24, 2022.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

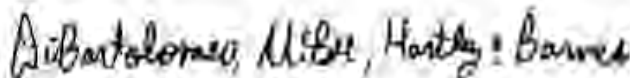
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Fort Pierce, Florida's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Fort Pierce, Florida
March 24, 2022

City of Fort Pierce, Florida
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the year ended September 30, 2021

Description	CFDA/ CSFA Number	Contract Grant Number	Expenditures	Pass-Through to Sub- Recipients
<u>FEDERAL PROGRAMS:</u>				
<u>U.S. Department of Housing and Urban Development</u>				
<i>Direct Program:</i>				
Community Development Block Grant Entitlement	14.218	B19-MC-12-0031	\$ 171,648	-
Community Development Block Grant Entitlement	14.218	B20-MC-12-0031	394,440	-
			566,088	-
<u>U.S. Department of Justice</u>				
<i>Direct Program:</i>				
Bullet Proof Vests	16.607		13,849	-
Public Safety Partnership and Community Policing	16.710	2020-UMWX0457	208,333	-
Edward Byrne Memorial Justice Assistance	16.738	2020-DJ-BX-0200	20,788	-
<i>Indirect Program:</i>				
<i>Passed through Florida Attorney General:</i>				
Victims of Crime Act	16.575	VOCA-2020-FPPD-00606	143,584	-
<i>Passed through Florida Department of Law Enforcement:</i>				
Edward Byrne Memorial Competitive Grant Program	16.738	2020-JAGC-STLU-1-Y5-078	21,972	-
Edward Byrne Memorial Justice Assistance	16.738	2020-JAGC-STLU-4-5R-137	4,407	-
			412,933	-
<u>The Department of the Treasury:</u>				
<i>Passed through St. Lucie County, Florida:</i>				
Corona Virus Aid, Relief and Economic Sec. Act	21.019	C20-08-461	88,035	-
<u>Small Business Administration</u>				
<i>Direct Program:</i>				
Shutter Venue Operator Grant Program	59.075	SBAHQ21SV007081	1,096,610	-
<u>Department of Homeland Security</u>				
<i>Passed through Florida Division of Emergency management:</i>				
Public Assistance Grant	97.036	Z1604	22,177	-
<u>Federal Emergency Management Administration:</u>				
<i>Passed through Florida Division of Emergency management:</i>				
Hazard Mitigation Grant Program	97.039	FEMA-DR-4283-FL/ DEM-18-HM-10-56-02-H0108	646,931	-
TOTAL FEDERAL FINANCIAL ASSISTANCE			\$ 2,832,774	\$ -
<u>STATE PROJECTS:</u>				
<u>Florida Department of Transportation</u>				
Florida Shared-Use Nonmotorized Trail Network Prog.	55.038	G1A83	\$ 33,590	-
Florida Highway Beautification	55.039	G1422	15,000	-
<u>Florida Housing Finance Agency:</u>				
State Housing Initiatives Partnership Program	40.901		102,655	-
Coronavirus Relief Fund	40.901	117-2020	99,506	99,506
<u>Department of State</u>				
General Program Support 2021	45.061	21.c.ps.180.239	31,794	-
TOTAL STATE FINANCIAL ASSISTANCE			\$ 282,545	\$ 99,506

City of Fort Pierce, Florida
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**
For the year ended September 30, 2021

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance was prepared to include the activity of all federal and state awards of the City of Fort Pierce, Florida and is presented on the accrual method of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE B-INDIRECT COST RATE

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

NOTE C-CONTINGENCY

Project expenditures are subject to audit and adjustment. If any expenditures were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of the City. In the opinion of management, all project expenditures included on the accompanying schedule are in compliance with the terms of the project agreements and applicable federal and state laws and regulations.

Independent Auditor's Report on Compliance For Each Major Federal Awards Program and on Internal Control Over Compliance Required by Uniform Guidance

To the City Council
City of Fort Pierce, Florida

Report on Compliance for Each Major Federal Program

We have audited the compliance of the City of Fort Pierce, Florida with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal awards programs for the year ended September 30, 2021. The City of Fort Pierce, Florida's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its Federal programs applicable to its Federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City of Fort Pierce, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A. Bartolomeo, M. Bee, Hartley & Barred

Certified Public Accountants
Fort Pierce, Florida
March 24, 2022

I. Summary of Auditor Findings

1. The independent certified public accountant's report expresses an unmodified opinion on the combined financial statements of the City of Fort Pierce, Florida.
2. No material weaknesses or significant deficiencies were disclosed during the audit of the financial statements.
3. No instances of non-compliance material to the financial statements were disclosed during the audit.
4. No material weaknesses were disclosed during the audit of the major federal awards programs.
5. The independent certified public accountant's report on compliance for the major federal awards programs expresses an unmodified opinion.
6. There were no audit findings relative to the major federal awards programs.
7. The programs tested as major programs were as follows:

Federal Programs:

CFDA Number: 59.075 Shutter Venue Operator Grant Program
97.039 Hazard Mitigation Grant Program

The threshold for distinguishing between Type A and Type B programs was \$750,000 for major federal programs

8. The City of Fort Pierce, Florida was determined to be a low risk auditee for federal program testing pursuant to Uniform Guidance.

II. Financial Statement Findings

There were no financial statement findings required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

III. Federal Program Findings and Questioned Costs

There were no audit findings that are required to be reported in accordance with CFR 200.516(a)

IV. Summary Schedule of Prior Audit Findings

There were no prior audit findings.

Independent Accountant's Report on Compliance With Section 218.415, Florida Statutes

To the City Commission
Fort Pierce, Florida

We have examined the City's compliance with the requirements of Section 218.415, Florida Statutes with regards to the City's investments during the year ended September 30, 2021. 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 with Section 218.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, 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.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee Hartley & Barnes, P.A.
Fort Pierce, Florida
March 24, 2022

Management Letter

To the City Commission
City of Fort Pierce, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Fort Pierce, Florida, as of and for the year ended September 30, 2021, and have issued our report thereon dated March 24, 2022.

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 24, 2022, 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. There were no findings or recommendations noted in the preceding annual financial audit.

Official Title and Legal Authority

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

The City was created, established, and incorporated under the City Charter, as adopted by Laws of Florida Chapter 65-1351 and is further governed by state and local laws and regulations. The City also has two component units, the Fort Pierce Utility Authority (discretely presented) and the Community Redevelopment Agency (blended). The voters of the City of Fort Pierce, Florida authorized the organization of the Fort Pierce Utilities Authority at a special election held May 30, 1972. City Ordinance No. F-399 (as amended by City Ordinances G-295, 296, and 297) defines the powers, duties and responsibilities of the Authority. City Ordinance No. H-239 created the Community Redevelopment Agency and delegated powers to the Agency in accordance with Florida Law and State Statutes Chapter 163.

Financial Condition

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

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City of Fort Pierce, Florida'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.

Special District Component Units

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

Specific Special District Information – City of Ft. Pierce Community Redevelopment Agency

The required reporting items in accordance with Section 218.39(3)(c), Florida Statutes for the City of Ft. Pierce Community Redevelopment Agency (the CRA) have been reported in the separately issued audited financial statements of the CRA.

Other Matters

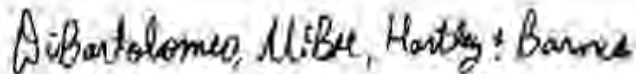
Section 10.554(1)(i)2, Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such findings.

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

Purpose of this letter

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

Very truly yours,



Certified Public Accountants

Fort Pierce, Florida

March 24, 2022



AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Johnna S. Morris, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the City of Fort Pierce which is a local government entity of the State of Florida;
2. City of Fort Pierce adopted Ordinance No. L-61 implementing an impact fee; and
3. City of Fort Pierce has complied and, as of the date of this affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FUTHER AFFIANT SAYETH NAUGHT.



 Johnna S. Morris, Director of Finance

STATE OF FLORIDA
COUNTY OF SAINT LUCIE

SWORN TO AND SUBSCRIBED before me this 28 day of March, 2022.



 NOTARY PUBLIC

Print Name Wendy Rydzewski

Personally known or produced identification _____

Type of identification produced _____

My Commission Expires:



WENDY RYDZEWSKI
Notary Public
State of Florida
Comm# HH234275
Expires 2/28/2026