

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2021



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

CITY OF SARASOTA, FLORIDA

**For the Fiscal Year Ended
September 30, 2021**



Prepared By
The Financial Administration Department

Kelly R. Strickland, CPA, CGFO
Director of Financial Administration



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City of Sarasota, Florida
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2021
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Introductory Section



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April 4, 2022

Honorable Mayor and City Commissioners,
Citizens of the City of Sarasota
Sarasota, Florida

Dear Mayor and City Commissioners:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Sarasota, Florida, for the fiscal year ending September 30, 2021. This report is presented in conformity with generally accepted accounting principles (GAAP), was prepared by the City's Financial Administration Department, and audited by an independent firm of certified public accountants, MSL, P.A., as mandated by both local ordinances and State Statute. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presented data, including all disclosures, rests with the management of the City. We believe the data as presented is accurate in all material respects and is reported in a manner designed to fairly set forth the financial position and results of operations of the City of Sarasota as measured by the financial activity of its various funds.

The City is required to undergo an annual single audit in conformity with the provisions of the *Government Audit Standards*, issued by the Comptroller General of the United States; the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550 Rules of the Auditor General, State of Florida. Information related to this single audit, including a schedule of expenditures of Federal awards and State financial assistance, the report of independent auditors on internal controls over financial reporting and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included.

City management is responsible for establishing and maintaining a system of internal controls designed to ensure the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

Profile of the City

The City of Sarasota, Florida, was incorporated in 1902, and later re-platted in 1912 to be formally incorporated as a City in 1912. The current Charter was approved by the voters of the City on September 3, 1996 with Ordinance No. 96-3951, and became effective November 1, 1996. The City has operated under the Commission - City Manager form of government since 1945. The City Commission consists of five elected citizens who are qualified voters in the City. The Commission appoints a professional City Manager, who is the chief administrative officer of the City, and directs the business of the City and its various departments. The Commission determines policy, adopts legislation, approves the City's budget, sets taxes and fees, appoints the City Auditor and Clerk and the City Attorney, as well as the members of all boards and committees.

The City provides a range of municipal services. The Public Safety operation includes police protection as well as building code compliance and zoning. Recreational services include the Lido Pool, Arlington Park Facilities, Robert L. Taylor Community Complex, various tennis courts located throughout the City, numerous neighborhood parks, a children's water park on the Bayfront, and a skateboard park. Public Works provides essential street and highway maintenance, traffic signalization as well as solid waste collection. The Public Utilities department provides drinking water and sewer treatment operations and reuse water for irrigation. In addition, the City operates two municipal auditoriums and the award winning 1,800 seat Van Wezel Performing Arts Hall. Other services provided include neighborhood development services, redevelopment, community development, special event permitting, as well as general administrative services. The City also provides an employee and retiree health center.

The financial statements in this report include the funds of all the activities under the jurisdiction of the City Commission. This includes the Community Redevelopment Agency (CRA), the Golden Gate Point Special District (GGP), the St. Armands Business Improvement District (BID), and the Downtown Improvement District (DID). The CRA provides for the rehabilitation, conservation and redevelopment of the Newtown Redevelopment area. The purpose of the GGP is to construct and maintain enhancements and improvements within the public right of way on Golden Gate Point. The BID was created as a dependent taxing authority with the power to levy up to two mills, with City Commission approval, for the purpose of purchasing supplemental services (maintenance, security, sanitation, promotions, infrastructure, and capital improvements). The boundaries of the BID are made up of all parcels of real property located within the Commercial Tourist Zone District in the vicinity of St. Armands Circle. The DID was created to improve the Downtown Core of the City and is governed by a board of five members, who are non-residential property owners subject to ad valorem taxation within the District and are appointed by the City Commission.

Local Economy

The City of Sarasota is located on the Gulf of Mexico on the southwest coast of Florida and covers an area of 25.9 square miles with an estimated population of 55,380. The City, once the winter home of the Ringling Brothers and Barnum & Bailey Circus, is a mecca for those seeking a high quality of life, and host to three growing universities with a student population of 4,500. The City is a major resort area with an average year-round temperature of 73° F and miles of pristine white sand beaches that beckon to the hundreds of thousands of tourists that visit year-round. The City is the winter home of the Baltimore Orioles major league baseball team. The City owns and operates the award-winning Van Wezel Performing Arts Hall, the premier showcase for the performing arts on Florida's southwest coast. In 2020, US News & World Report identified Sarasota as one of the top places to live in the U.S., ranking #16 in the nation and #1 in the State of Florida.

The City's functional (seasonal plus tourist) population swells to almost 100,000 during the winter months. The provision of tourist accommodations, restaurants, entertainment, financial institutions, and health services constitutes a major source of employment and contributes significantly to the stability of

the local economy. In 2021, employment figures rebounded from the negatively impacted 2020 COVID-19 figures. Additionally, Sarasota County had an unemployment rate of 3.7% in September 2021, lower than the statewide rate of 4.9% and the national rate of 4.8%.

In major publications, Sarasota continues to earn high ratings as a City that is economically vibrant while successfully managing its growth and providing a high quality of life. This includes excellent public and private K-12 schools and local universities, wonderful attractions, and excellent neighborhoods. The City of Sarasota has slowed urban sprawl by retaining and adding green space, supporting local culture, and zoning for a pedestrian friendly, vibrant higher density downtown that is guided by the principles of new urbanism.

The economy and housing market in Sarasota has been growing since the end of the Great Recession. Property tax revenue increased 4.71% over the previous year from \$38,226,955 in 2020 to \$40,028,474 in 2021. This is attributable to a \$591 million increase in taxable value. The current building boom, dubbed the Billion Dollar Boom, has approximately 7,500 units of some form of housing completed or recently underway. The unassigned fund balance in the General Fund is \$24.0 million, which is a 31% ratio to expenditures and an excellent funding level.

Long-Term Financial Planning

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests to the City Manager. The City Manager uses these requests as the starting point for developing the proposed budget. The City Manager then presents the proposed budget to the City Commission for review during several budget workshops throughout the summer months. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30th, the close of the City of Sarasota's fiscal year. The appropriated budget is prepared by fund and department (e.g., Police, Development Services, etc.). Department Heads may make budget transfers within their individual departments. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Relevant Financial Policies

The City Commission has adopted or amended financial policies with the purpose of maintaining a prudent level of financial resources to support the level of service the City provides to its residents. Policies cover the areas of contingency planning in the event of emergencies; debt management, including debt issuance and management, debt affordability and debt capacity; fees and charges that reflect the cost of City programs and the portion to be recovered from users; and revenue policy to ensure reliability and sufficiency of City revenues to support its operations. Two major rating institutions (Moody's Investors Service, and Fitch Ratings) have evaluated the City's financial management, economic conditions and administrative practices. In 2021, Fitch Ratings affirmed its ratings of the City's general obligation bonds of AA+ and AA1 for the City's special obligation bonds. The bond ratings reflect that the City's bonds are one tier away from the highest bond rating available.

Major Initiatives

During the year the City continued its activities to maintain the quality of life for its neighborhoods by resurfacing streets, increasing sidewalk connectivity and replacing the aging street light circuit. The Public Works Department accomplished several substantial projects such as the completion of the Lido Beach Renourishment project, the reconstruction of the Brewer Seawall providing for shoreline stabilization with stormwater connectivity and the upgrades to the Tony Saprito Fishing Pier. These three projects resulted in major improvements to Sarasota coastal life. Greater steps toward sidewalk connectivity were taken with the completion of the Coon Key Multi-Use Recreational Trail (MURT) and by constructing a new sidewalk on East Ave between Main Street and Fruitville Road. The completion

of the Fruitville Roundabout at U.S. 41 ushered in safer, improved traffic flow and now awaits a much-anticipated art installation in partnership with the Office of Public Art.

The Utilities Department has continued to deliver reliable and safe drinking water and wastewater service, as well as complete numerous capital improvement projects. Projects completed or substantially completed during the period include the Water Treatment Plant (WTP), Emergency Concentrate Disposal Piping (allowing the City to dispense with the final Florida Department of Environmental Protection consent/administrative order), Lift Station 87 (Phase III – final phase), Osprey Avenue Utilities and Roadway Improvements, rehabilitation and replacement of multiple sewer mains across the City, annual fire hydrant and valve rehabilitation, and annual wastewater and water treatment plant rehabilitation.

The Office of Housing and Community Development has continued administering federal funds to the benefit of low-income households and in predominantly low-income neighborhoods despite the continuing COVID-19 pandemic. A total of 40 households were assisted with home rehabilitation during fiscal year 2021 even though care had to be taken to maintain social distancing between homeowners and construction workers. Federal funds, both Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds were leveraged with State Housing Initiatives Partnership (SHIP) dollars to serve the low-income households, 3 of which were within City of Sarasota limits. Eleven of these households included special needs individuals (having either physical or developmental disabilities), and thirteen of the homeowners were aged 62 and over.

The Development Services Department experienced another very busy year, issuing 7,519 permits compared to last years' 7,425 permits, with a construction value of \$428 million, versus \$540 million construction value last year. The COVID-19 pandemic can be attributed to the pause of some pending commercial projects, which accounts for the lower construction value. However, the overall permit number issued has stayed consistently high.

Independent Audit

The City Charter, Article IV, Section 9, requires an annual audit of the City's financial statements by independent accountants selected by the City Commission. This requirement has been complied with and the independent auditors' report is included in the financial section of this report.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting to the City of Sarasota, Florida, for its Annual Comprehensive Financial Report for the fiscal year ending September 30, 2020. This was the fortieth consecutive year that the City has received this prestigious award. We are pleased to continue to achieve this distinction. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized 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 report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Award for Distinguished Budget

The City received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year beginning October 1, 2020 the same period covered by this Annual Comprehensive Financial Report. This was the thirty-first consecutive year that the City has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document

was judged to be proficient in several categories including policy documentation, financial planning, organization, and as a communications medium. We are pleased that we continue to achieve this distinction.

Award for Popular Annual Financial Report

The City received the GFOA’s Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for its annual financial report for the fiscal year ended September 30, 2020. This was the eighth year the City has received this prestigious award. In order to qualify for the award for Outstanding Achievement in Popular Annual Financial Reporting, the City’s PAFR was judged to be proficient in several categories, including creativity, presentation, reader appeal, understandability, and distribution.

Acknowledgments

This report represents countless hours of preparation and could not have been accomplished without the dedicated efforts of the employees of the Financial Administration Department. In closing, the continued interest and support by the Mayor and the members of the City Commission in the planning and guidance of the financial operations of the City is appreciated.

Sincerely,



Kelly R. Strickland, CPA, CGFO
Director of Financial Administration



Marlon Brown
City Manager



Government Finance Officers Association

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

Presented to

**City of Sarasota
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO

City of Sarasota Elected Officials • Fiscal Year 2021



Erik Arroyo
Mayor
District 3

Kyle Battie
Vice Mayor
District 1

Liz Alpert
Commissioner
District 2

Jennifer Ahearn-Koch
Commissioner
At-Large

Hagen Brody
Commissioner
At-Large

City of Sarasota Charter Officials • Fiscal Year 2021



City Manager
Marlon Brown

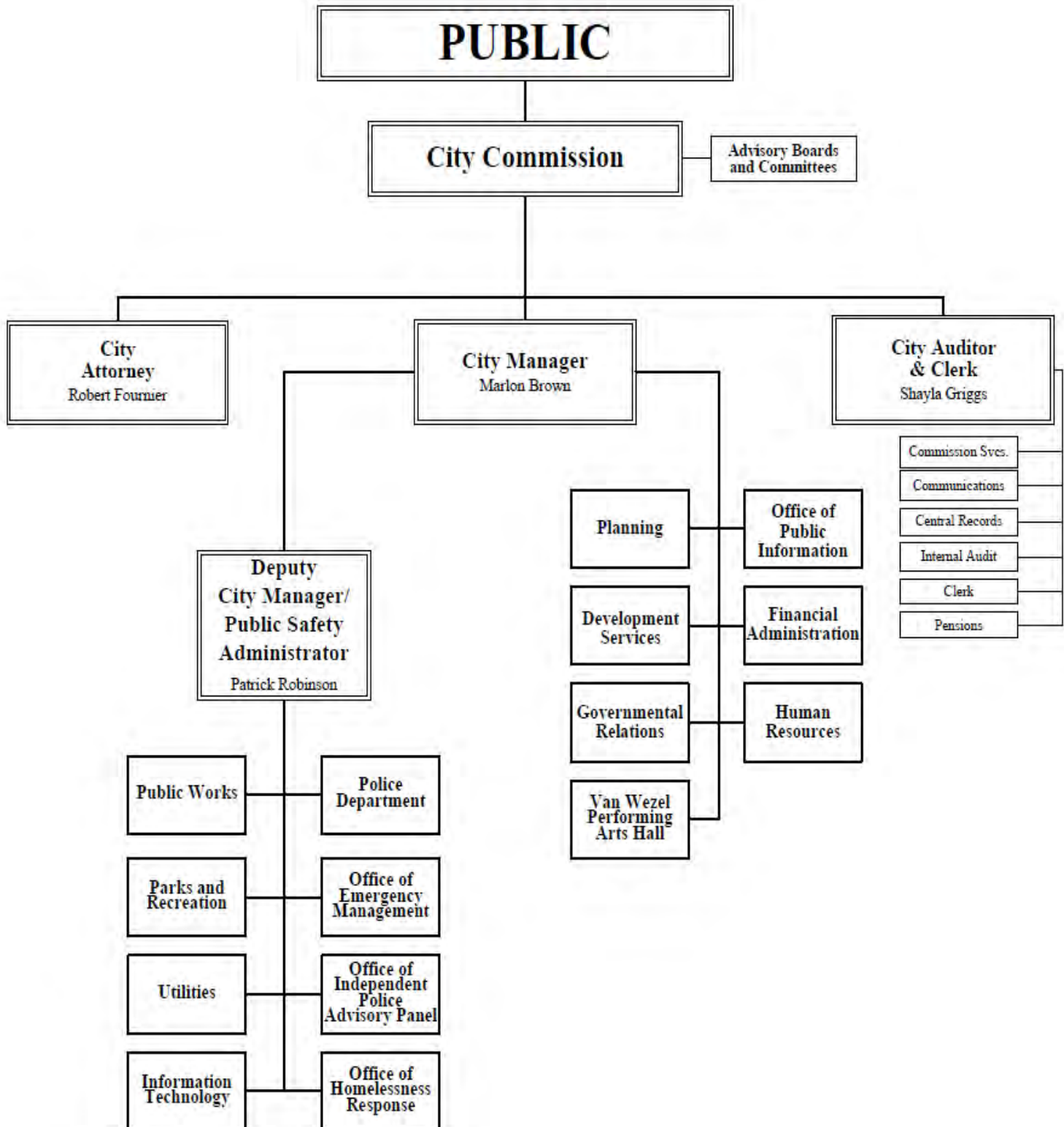
City Auditor & Clerk
Shayla Griggs

City Attorney
Robert Fournier, ESQ

City of Sarasota Department Directors - Fiscal Year 2021

Marlon Brown
Patrick Robinson
Mary Bensel
Steven Cover
Jerry Fogle
Doug Jeffcoat
Stacie Mason
Lucia Panica
William Riebe
Herminio Rodriguez
Kelly Strickland
Rex Troche

City Manager
Deputy City Manager
Executive Director - Van Wezel Performing Arts Hall
Director of Planning
Director of Parks & Recreation
Director of Public Works
Director of Human Resources
Director of Development Services
Director of Utilities
Director of Information Technology
Director of Financial Administration
Interim Chief of Police





Financial Section



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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Commission
City of Sarasota, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sarasota, Florida (the "City") as of and for the fiscal 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 Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the General Employees' Pension Plan, the Police Officers' Plan, or the Firefighters' Pension Plan, which represent 93%, 94% and 82% of the assets, net position, and revenues/additions of the aggregate remaining fund information, respectively. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the General Employees' Pension Plan, the Police Officers' Plan, or the Firefighters' Pension Plan, is based solely on the reports of those other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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 City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of the other auditors, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position and cash flows, where applicable, and the budgetary comparisons for the general fund and each major special revenue fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter – Correction of an error

As discussed in Note 19 to the financial statements, during the year ended September 30, 2021, the City made an adjustment to deferred inflows related to a special assessment in the parking management fund. This adjustment required the restatement of the October 1, 2020 net position. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The introductory section, combining and individual fund statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 fund statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Tampa, Florida

March 28, 2022



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Management's Discussion and Analysis

This section of the City of Sarasota's Annual Comprehensive Financial Report provides a narrative overview and analysis of the basic financial activities of the City as of and for the year ended September 30, 2021. The intent of the information presented here, in conjunction with the Letter of Transmittal, is to provide the reader with a clearer picture of the City's overall financial status.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$495,204,693 (*net position*). Of this amount, \$407,732,936 represents net investment in capital assets (*capital assets net of related debt*); \$64,856,540 is restricted for specific purposes (*restricted net position*) and the remaining portion represents unrestricted net position of \$22,615,217.
- The government's total net position increased by \$48,357,806 , or 3% for the year compared to an \$32,286,431 increase in the prior year.
- Total revenues were \$189,717,036, a decrease of \$(204,595) , or almost the same as last year.
- Total expenses were \$141,359,230, a decrease of \$(16,275,970) , or 10 % , from last year.
- Pension and OPEB related items represented a predominant portion of both deferred outflow and deferred inflow of resources. The City's employer contributions to its pension and OPEB plans of \$20,371,073, made in fiscal year 2021, after the measurement date of September 30, 2020, were reported as a deferred outflow of resources and will be recognized as an expense next year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$102,349,860, an increase of \$3,063,602 for the year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$23,977,595 or 31% of total General Fund expenditures, including transfers out.

Overview of the Financial Statements

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

Government-wide financial statements

The focus of the *government-wide financial statements* is on the overall financial position and activities of the City of Sarasota. Reporting is similar to that of a private-sector business. The City's government-wide financial statements include the *statement of net position* and *statement of activities*. As described below, these statements do not include the City's fiduciary funds because resources of these funds cannot be used to finance the City's activities. However, the financial statements of fiduciary funds are included in the City's fund financial statements because the City is financially accountable for those resources, even though they belong to other parties.

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

The *statement of activities* presents revenue and expenses and shows how the government's net position changed during the most recent fiscal year. All changes in net position are reported in a manner similar to

the approach used by a private-sector business in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, physical environment, transportation, culture and recreation, and economic environment. The business-type activities of the City include the water and sewer utility, the Van Wezel Performing Arts Hall, solid waste collection, auditoriums, and parking system.

The City's government-wide financial statements can be found on pages 34-35 of this report.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the General Fund, separate funds are established 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 fund financial statements consist of a balance sheet and a statement of revenues, expenditures, and changes in fund balances. These statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a short period after the end of the fiscal year. The difference between a fund's total assets plus deferred outflows of resources less total liabilities and deferred inflows of resources is labeled as the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. The statement of revenues, expenditures and changes in fund balances for governmental funds reports only those revenues and expenditures that were collected or paid during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in the governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because of the difference in accounting basis used to prepare fund financial statements and government-wide financial statements, there are often significant differences between the totals presented. For this reason, there is a reconciliation after the balance sheet that reconciles the total fund balances to the net position presented in the governmental activities column on the statement of net position. Also, there is a reconciliation after the statement of revenues, expenditures, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

The City presents in separate columns funds that are most significant to the City (major funds) and all other governmental funds are aggregated and reported in a single column (nonmajor funds). The City's governmental fund financial statements are presented on pages 36-41.

Proprietary funds

Proprietary fund financial statements consist of a statement of net position, statement of revenues, expenses, and changes in fund net position and statement of cash flows. These statements are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into enterprise funds and internal service funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer utility, performing arts hall, solid waste collection, golf course, auditoriums, and parking system. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses separate internal service funds to account for its fleet maintenance activities, management information systems, benefits and self-insurance programs, and its equipment replacement activities. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the major enterprise funds, which are Water and Sewer, Van Wezel Performing Arts Hall and Solid Waste Collection. The remaining nonmajor enterprise funds are combined and presented as other funds on the proprietary funds financial statements. All internal service funds are considered to be nonmajor funds and are combined into a single, aggregated presentation in the proprietary fund financial statements.

The proprietary fund financial statements can be found on pages 50-57 of this report.

Fiduciary funds

Fiduciary fund financial statements consist of a statement of fiduciary net position and a statement of changes in fiduciary net position. Assets held by the City for other parties, either as a trustee or as an agent, and that cannot be used to finance the City's own operating programs, are reported in the fiduciary funds. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 58-59 of this report.

Component Units

Discretely presented component unit financial statements can be found on pages 60-61 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 63-127 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 130-148 of this report.

Budgetary comparison schedules for combining statements of nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds begin on page 162.

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 by \$495,204,693 at the close of the most recent fiscal year. The following schedule is a summary of the Statement of Net Position found on page 34 of this report and provides comparable data for the previous fiscal year:

City of Sarasota's Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 149,753,895	\$ 140,059,057	\$ 93,936,232	\$ 85,506,284	\$ 243,690,127	\$ 225,565,341
Capital assets, net of depreciation	247,815,450	234,782,424	287,753,869	275,597,553	535,569,319	510,379,977
Total assets	397,569,345	374,841,481	381,690,101	361,103,837	779,259,446	735,945,318
Total deferred outflows of resources	29,618,766	29,581,546	9,741,397	9,787,611	39,360,163	39,369,157
Current and other liabilities	23,395,289	20,807,189	21,359,510	15,613,036	44,754,799	36,420,225
Long-term liabilities outstanding	127,990,152	163,193,067	125,191,780	125,126,064	253,181,932	288,319,131
Total liabilities	151,385,441	184,000,256	146,551,290	140,739,100	297,936,731	324,739,356
Total deferred inflows of resources	21,525,212	2,918,953	3,952,973	4,621,705	25,478,185	7,540,658
Net position:						
Net investment in capital assets	204,721,249	195,937,154	203,011,687 *	194,694,361	407,732,936	390,631,515
Restricted	60,660,381	61,378,044	4,196,159	3,898,276	64,856,540	65,276,320
Unrestricted	(11,104,172)	(39,811,380)	33,719,389	26,853,458	22,615,217	(12,957,922)
Total net position	\$ 254,277,458	\$ 217,503,818	\$ 240,927,235	\$ 225,446,095	\$ 495,204,693	\$ 442,949,913

At September 30, 2021, the City is able to report positive balances in all categories of net position except for the governmental activities unrestricted net position. The negative unrestricted net position for the governmental activities is due to the recording of pension and OPEB liabilities.

The largest portion of the City's net position, \$407,732,936 reflects its investment in capital assets (e.g., land, buildings, improvements, infrastructure and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should still 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.

A portion of the City's net position, \$64,856,540, represents resources that are subject to external restrictions on how they may be used. Of the total net position at September 30, 2021, an amount of \$22,615,217 represents unrestricted net position \$(11,104,172) for governmental activities and \$33,719,389 for business-type activities).

The following is a summary of the information presented in the Statement of Activities found on page 35 of this report:

City of Sarasota's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for services	\$ 28,641,569	\$ 16,590,740	\$ 69,486,486	\$ 76,074,185	\$ 98,128,055	\$ 92,664,925
Operating grants and contributions	8,309,299	14,508,680	5,217,767	1,177,517	13,527,066	15,686,197
Capital grants and contributions	970,181	5,235,540	113,847	--	1,084,028	5,235,540
General Revenues:						
Property taxes	40,028,474	38,226,955	--	--	40,028,474	38,226,955
Other taxes	31,094,826	28,045,458	--	--	31,094,826	28,045,458
Other	4,919,121	7,814,512	935,466	2,248,044	5,854,587	10,062,556
Total revenues	113,963,470	110,421,885	75,753,566	79,499,746	189,717,036	189,921,631
Expenses:						
Governmental Activities:						
General government	12,039,365	13,176,807	--	--	12,039,365	13,176,807
Public safety	35,881,363	44,550,602	--	--	35,881,363	44,550,602
Physical environment	330,396	60,484	--	--	330,396	60,484
Transportation	7,967,564	9,831,209	--	--	7,967,564	9,831,209
Culture & recreation	13,020,477	9,002,092	--	--	13,020,477	9,002,092
Economic environment	5,192,178	5,000,121	--	--	5,192,178	5,000,121
Human services	767,810	795,152	--	--	767,810	795,152
Interest on long-term debt	1,509,212	1,841,318	--	--	1,509,212	1,841,318
Business-type Activities:						
Water and Sewer	--	--	40,718,729	40,415,092	40,718,729	40,415,092
Van Wezel Performing Arts Hall	--	--	4,746,755	12,382,291	4,746,755	12,382,291
Solid Waste	--	--	13,994,106	13,362,371	13,994,106	13,362,371
Parking Management	--	--	4,661,439	4,808,990	4,661,439	4,808,990
Bobby Jones Golf Course	--	--	150,040	1,947,677	150,040	1,947,677
Municipal Auditoriums	--	--	379,796	460,994	379,796	460,994
Total expenses	76,708,365	84,257,785	64,650,865	73,377,415	141,359,230	157,635,200
Increase (decrease) in net position before other items	37,255,105	26,164,100	11,102,701	6,122,331	48,357,806	32,286,431
Transfers	(481,465)	(788,500)	481,465	788,500	--	--
Increase (decrease) in net position	36,773,640	25,375,600	11,584,166	6,910,831	48,357,806	32,286,431
Net position - beg. of year	217,503,818	192,128,218	225,446,095	218,535,264	442,949,913	410,663,482
Prior Period Adjustment	--	--	\$ 3,896,974	--	\$ 3,896,974	--
Net position - beg. of year restated	\$ 217,503,818	\$ 192,128,218	\$ 229,343,069	\$ 218,535,264	\$ 446,846,887	\$ 410,663,482
Net position - end of year	\$ 254,277,458	\$ 217,503,818	\$ 240,927,235	\$ 225,446,095	\$ 495,204,693	\$ 442,949,913

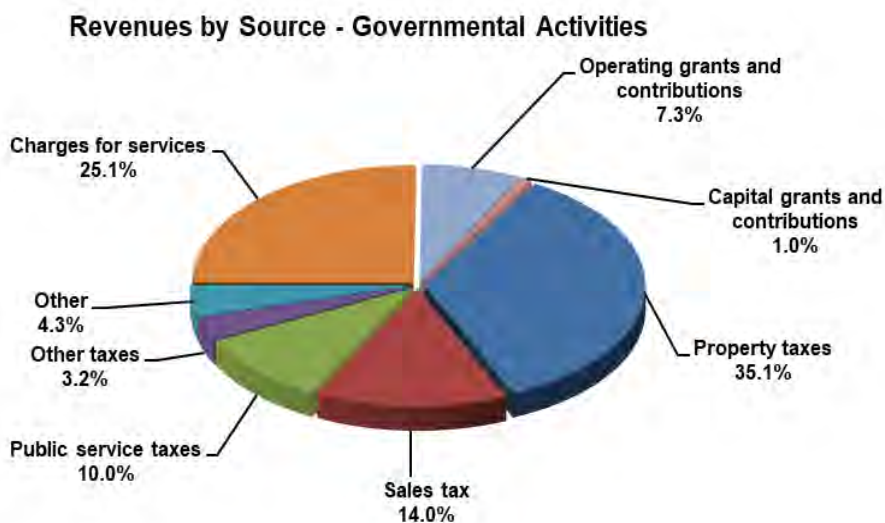
Governmental Activities

As shown on the previous page governmental activities increased the City's net position by \$36.8 million in 2021 compared to a \$25.4 million increase in 2020. A further detail of the expenses and program revenues for governmental activities in 2021 compared to 2020 is below:

Expenses and Net Program Revenue (Expense) - Governmental Activities

Program	2021			2020		
	Program			Program		
	Expenses	Revenues	Net	Expenses	Revenues	Net
General Government	\$ 12,039,365	\$ 19,726,897	\$ 7,687,532	\$ 13,176,807	\$ 1,443,814	\$ (11,732,993)
Public Safety	35,881,363	7,942,035	(27,939,328)	44,550,602	7,816,981	(36,733,621)
Physical Environment	330,396	547,963	217,567	60,484	2,229,535	2,169,051
Transportation	7,967,564	2,670,765	(5,296,799)	9,831,209	6,932,924	(2,898,285)
Culture and Recreation	13,020,477	1,970,703	(11,049,774)	9,002,092	9,093,209	91,117
Economic Environment	5,192,178	5,062,686	(129,492)	5,000,121	3,140,952	(1,859,169)
Human Services	767,810	-	(767,810)	795,152	-	(795,152)
Interest Expense	1,509,212	-	(1,509,212)	1,841,318	-	(1,841,318)
Total	\$ 76,708,365	\$ 37,921,049	\$ (38,787,316)	\$ 84,257,785	\$ 30,657,415	\$ (53,600,370)

The table above reveals that program revenues are not sufficient to cover expenses for any of the City's governmental activities for fiscal year 2021. This is not unusual; governmental activities are primarily funded with general revenues. The following graph shows the composition of revenues for the City's governmental activities:



The net program (expense) above was \$(38.8) million in 2021 and \$(53.6) million in 2020. These net program expenses must be funded from general revenues, transfers, or from beginning net position. The following is a comparison of these general revenue sources for the last two years:

General Revenues and Transfers

	2021	% of Total	2020	Increase (Decrease)	% change
General Revenues:					
Property taxes	\$ 40,028,474	52.98%	\$ 38,226,955	\$ 1,801,519	4.71%
Gasoline taxes	2,624,801	3.47%	2,469,133	155,668	6.30%
Sales taxes	16,005,912	21.18%	13,509,400	2,496,512	18.48%
Public service taxes	11,413,593	15.11%	11,095,087	318,506	2.87%
Business taxes	1,004,356	1.33%	928,899	75,457	8.12%
Other taxes	46,164	0.06%	42,939	3,225	7.51%
State revenue sharing	1,766,299	2.34%	1,936,476	(170,177)	-8.79%
Investment earnings	268,627	0.36%	3,976,458	(3,707,831)	-93.24%
Other	2,884,195	3.82%	1,901,578	982,617	51.67%
Net transfers	(481,465)	-0.64%	(788,500)	307,035	-38.94%
Total	\$ 75,560,956	100.00%	\$ 73,298,425	\$ 2,262,531	3.09%

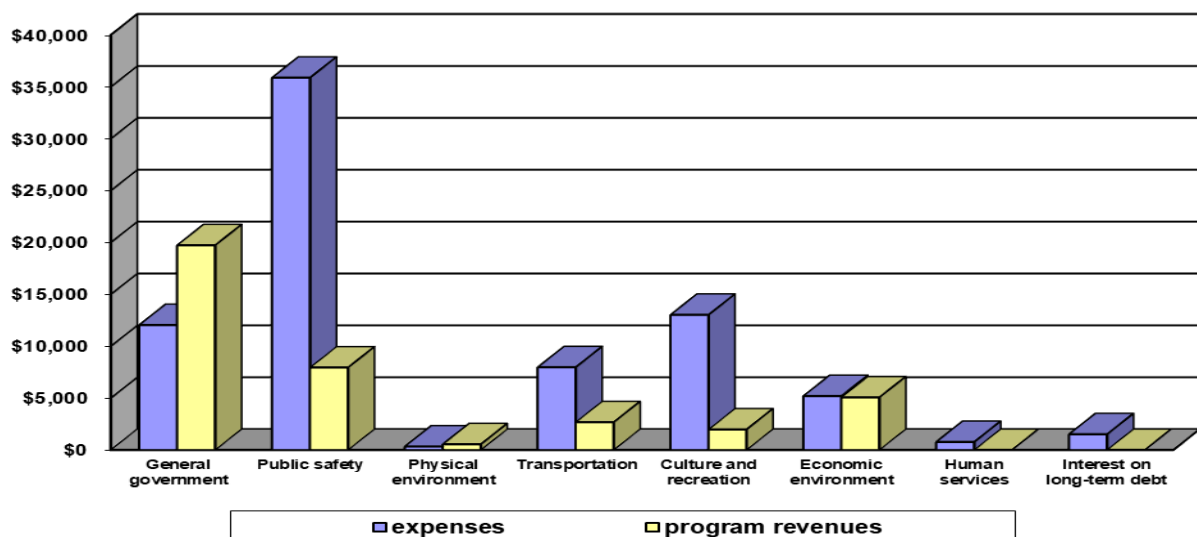
General revenues and transfers increased by \$2,262,531 from 2021 to 2020, as shown in the preceding table. The increase is attributed to the following:

- Property tax revenue increased \$1,801,519 , a 4.71% increase. The increase is a result of the City's assessed values rising 4.67% over last year and the City's overall millage rate for the current year decreased from 3.4971 mills to 3.4866 mills.
- Sales tax revenue increased \$2,496,512 for the year of recovery from the effects of the COVID-19 pandemic.

Investment earnings decreased \$(3,707,831) in 2021 as the fixed income market leveled out from a highly favorable previous year of returns.

The following chart compares expenses with program revenues for the City's governmental activities:

**Expenses and Program Revenues - Governmental Activities
(in thousands)**



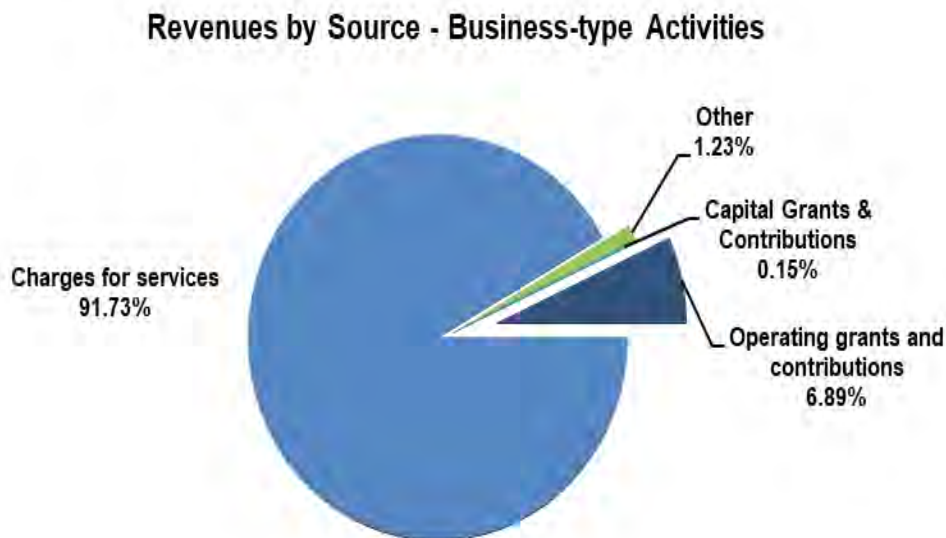
Business-type Activities

As stated previously, business-type activities increased the City's net position \$11,584,166 in 2021 compared to a change in net position of \$6,910,831 in 2020 as a result of operations. The following is a comparison for the last two years:

Changes in Net Position - Business-type Activities

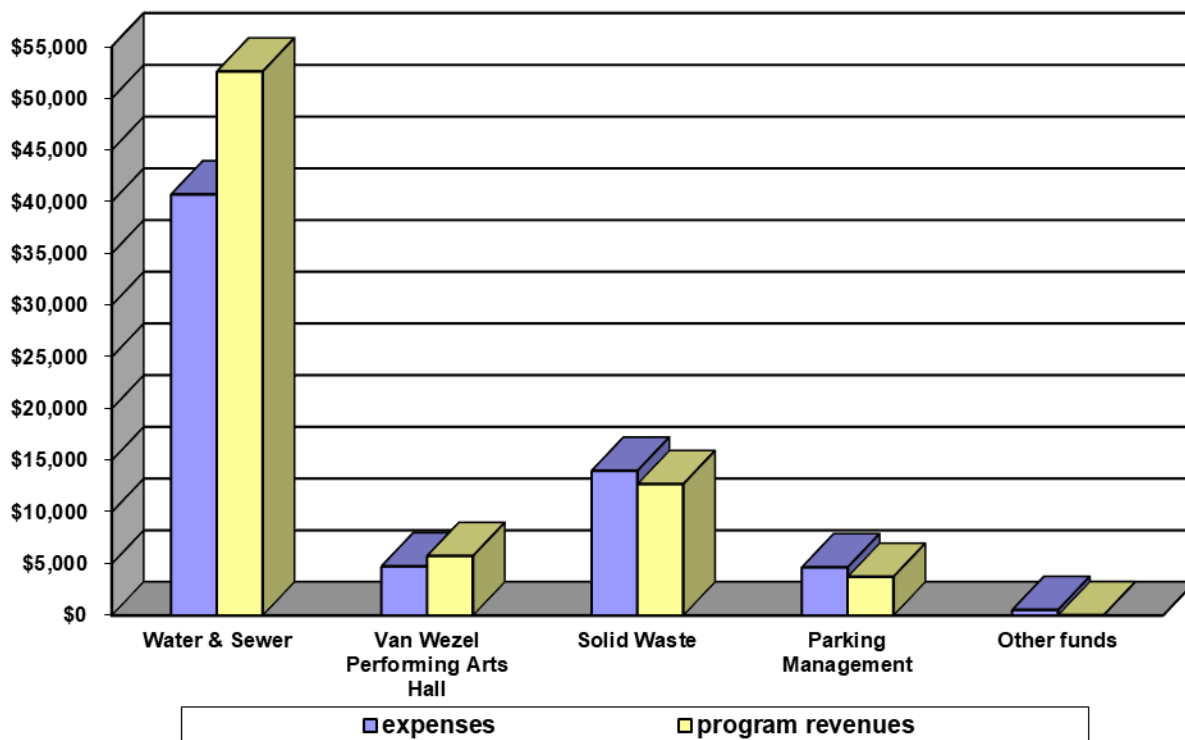
Program	2021			2020		
	Expenses	Program Revenue	Net	Expenses	Program Revenue	Net
Water and Sewer	\$ 40,718,729	\$ 52,599,532	\$ 11,880,803	\$ 40,415,092	\$ 48,754,804	\$ 8,339,712
Van Wezel	4,746,755	5,747,670	1,000,915	12,382,291	11,621,309	(760,982)
Solid Waste	13,994,106	12,699,074	(1,295,032)	13,362,371	12,298,105	(1,064,266)
Parking Management	4,661,439	3,739,766	(921,673)	4,808,990	2,857,059	(1,951,931)
Bobby Jones Golf Course	150,040	-	(150,040)	1,947,677	1,500,796	(446,881)
Municipal Auditoriums	379,796	32,058	(347,738)	460,994	219,629	(241,365)
Total	\$ 64,650,865	\$ 74,818,100	10,167,235	\$ 73,377,415	\$ 77,251,702	3,874,287
General Revenues			935,466			2,248,044
Net Transfers			481,465			788,500
Change in Net Position			<u>\$ 11,584,166</u>			<u>\$ 6,910,831</u>

The following graph shows the composition of revenues for the City's business-type activities:



The following chart compares expenses with program revenues for the City's business-type activities:

Expenses and Program Revenues - Business-type Activities
 (in thousands)



Financial Analysis of the City's Funds

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

Governmental funds

The fund financial statements for the governmental funds are provided on pages 36-41. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$102,349,860 an increase of \$3,063,602 for the year. Approximately 23% of this amount (\$23,977,595) constitutes unassigned fund balance, which is available for spending at the City's discretion subject to budgetary constraints, legal, or other requirements. The remainder of fund balance is nonspendable, restricted, committed or assigned to indicate that it is not available for new spending. Significant restrictions include: 1) restricted for infrastructure improvements (\$20,496,010), 2) restricted for community redevelopment (\$4,211,215), 3) restricted for building services (\$11,513,716), 4) restricted for transportation (\$7,930,232), and 5) restricted for Housing and Community Development (\$8,850,812).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$23,977,595, while total fund balance was \$33,743,956. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund

expenditures. Unassigned fund balance represents 31 % (or 3.7 months) of total General Fund expenditures and transfers out.

Revenues and transfers in for the City's General Fund increased by \$2,828,094 since the prior year. Key factors for the increases in revenue are:

- The General Fund's ad valorem tax revenue increased \$1,725,330. This is attributable primarily new construction within the City. The millage of 3.2632 mills remained the same as the previous year.
- Intergovernmental revenues (including Sales Tax increased by \$1,776,099 for the current year. This is attributable to a positive economic environment, after the initial effects of the COVID-19 Pandemic.

Other major increases in the General Fund include, Charges for Services \$344,757, Fines & Forfeitures \$584,496 and other miscellaneous revenues \$272,949.

- Investment Earnings decreased (1,305,454).

Expenditures and transfers out for the General Fund increased by \$126,565. This is a relatively small increase can be attributed to attrition savings from vacant positions and an effort by departments to to reduce costs by freezing unfilled positions, restrict travel, postpone capital purchases and other miscellaneous methods.

The General Fund financial statements also include the Parks and Recreation Special District Fund, which was created on November 5, 2018 as a dependent special district. On September 21, 2021, the district was rescinded. For fiscal year 2021, the Parks and Recreation District is reported as a part of the General Fund for financial statement purposes.

The Community Redevelopment Agency Fund accounts for the operations of the City of Sarasota Community Redevelopment Agency (CRA). The total revenues for the year were \$392,406 and included tax increment revenue of \$133,697, miscellaneous revenue of \$253,719, and investment earnings of \$4,990. Expenditures and transfers out of \$471,262 included the following:

• Newtown Rehab Historic Homes	\$117,000
• Fredd Atkins Plaza Improvement	67,417
• Blvd. of the Arts - Complete Street	50,754
• Salvation Army Street Teams	40,000
• Newtown Cultural Arts Center	34,068
• Economic Redevelopment Office	30,000
• Newtown Business Assistant Grants	28,147
• Newtown CRA Plan Revisit	24,381
• Robert L. Taylor Summer Youth Program	24,000
• Other Miscellaneous Project costs and Events	55,495

The Community Redevelopment Agency Fund has a fund balance of \$ 4,211,215 as of September 30, 2021, which is reserved for specific projects identified and approved in the CRA's annual budget.

The Housing & Community Development (OHCD) Fund administers Federal housing and community development programs both in the City and County. Total revenues for the current year were \$2,746,199 and expenditures and transfers out were \$2,180,517. During the year, OHCD partnered with non-profits to create housing for low-income households and assisted low-income homeowners with roof replacements, air conditioning units, plumbing and other repairs.

The Penny Sales Tax Fund accounts for the revenue from the one-cent local option sales surtax. Total revenues for the year were \$10,173,314 with \$10,170,314 coming from the Infrastructure Sales Surtax , and

\$3,000 for other miscellaneous income. Expenditures and transfers out for the year totaled \$13,468,651. The net decrease in fund balance was \$(3,295,337) resulting in a fund balance at the end of 2021 of \$20,496,010. Expenditures and transfers out for the current year included the following capital improvement projects:

• Housing Authority	\$2,523,602
• Saprito Pier	1,522,517
• The Bay - Park Improvements	1,431,991
• Debt service transfer out for Parks & Community Center projects	1,357,054
• Street reconstruction	1,056,072
• Parks and Recreation facility upgrades	817,975
• City Hall/Annex Building	776,139
• Police Vehicles	492,529
• Lighting improvements	457,174
• Lido Beach Pavilion Improvements	344,922
• Median Design-Coon Key/Washington	352,157
• Bobby Jones Golf Complex Renovation/Rebuild	282,665
• US41 & 10th Mobility and Roundabout	272,888
• Other miscellaneous projects	1,764,525

The Building Services Fund tracks the costs to administer the Florida Building Code. Revenues are specifically designated by Florida Statutes to pay the costs of building/development services. For the current year, licenses and permit fees were \$5,998,610, a \$840,217 increase from the prior year, as construction appears to be picking up in the City. Total revenues of \$6,843,808 also included \$827,331 for charges for services, and \$17,867 of investment earnings. Expenditures and transfers out for the year totaled \$6,479,205, resulting in a net increase in fund balance of \$364,603.

The Tourist Development Tax Fund is used to account for revenues received for beach maintenance, restoration, re-nourishment and erosion control. For the current year revenues totaled \$236,319, of which \$232,356 was tourist taxes and \$3,963 was investment earnings. Expenditures were \$234,797, all for the re-nourishment of the beach on Lido Key.

Enterprise funds

The fund financial statements for the City's enterprise funds provide essentially the same type of information found in the business-type activities column of the government-wide financial statements, but in more detail, and by fund. The following is a discussion of each fund's performance for fiscal year 2021, compared to the prior fiscal year.

Water & Sewer Fund

Water utility activities include water supply, treatment, storage and distribution. Sewer utility activities include collection, treatment, and disposal. This fund also includes a reclaimed water distribution system. All three activities require billing and collection, repair/maintenance, and other administrative functions. The Water & Sewer Fund reported a change in net position of \$12,051,147 for 2021 compared to a change in net position of \$10,046,085 for 2020.

Operating revenues of the Water and Sewer Fund increased \$3,902,426 for the current year. This increase is mainly attributed to a 3.5% rate increase.

Operating expenses for the Water and Sewer Fund increased by \$285,627, less than 1% change.

Van Wezel Performing Arts Hall Fund

This fund accounts for the revenues and expenses of a world class performing arts hall which provides a wide variety of entertainment, including performances by nationally and internationally known theater, ballet and musical groups. The fund reported a change in net position of \$1,015,476 for 2021 compared to a change in net position of \$(400,595) in 2020.

Operating revenues for the Van Wezel Performing Arts Hall decreased \$(10,023,985) in the current year. With the onset of the COVID-19 pandemic, performances were canceled, related performance fees and other performance expenses decreased, leading to an overall operating expense decrease of \$(7,635,165). The Van Wezel did obtain a \$5,324,420 Federal Government Shuttered Venue Operator Grant, which assisted with the Hall operational expenses during the COVID-19 pandemic.

Solid Waste Management Fund

Solid waste operations include the collection and disposal activities of refuse and recycling. The fund reported a change in net position of \$(1,089,152) for 2021 compared to a change in net position of \$(737,617) in 2020. The fund had an operating revenue increase of \$403,382 for the current year, compared to a revenue decrease of \$200,8491 for 2020. Operating expenses increased by \$645,776.

Parking Management Fund

Parking Management is responsible for oversight and maintenance of the City's four parking garages, 17 public parking lots, on street parking and enforcement of parking regulations. The fund reported a change in net position of \$(846,625) for 2021 compared to a change in net position of \$(1,897,334) in 2020.

The \$1,199,021 increase in operating revenues for 2021 were offset by a \$171,501 decrease in operating expenses. Contributing to the overall decrease in net position is the impact of the COVID-19 Pandemic on the economy. Also, no subsidies were provided to the Parking Management Fund in 2021.

Other factors concerning the finances of the proprietary funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Overall the General Fund revenue and transfers in budget was increased by \$5,827,231. This amount includes an increase of \$180,956 for CARES ACT funds, \$5,061,881 for American Rescue Plan Act (ARPA) funds, \$37,500 for various donations for Police services and \$113,535 from the closeout of the Bobby Jones Golf Club operating fund. The General Fund expenditure and transfers out budget increased for the year by \$8,265,244. The difference between the original expenditures budget and the final budget are summarized as follows:

- \$317,581 increase for outstanding encumbrances from 2020. These are items ordered in the prior year (using prior year budget) but have not yet been received.
- \$1,434,950 increase for reappropriations of project balances. These are the budget balances of projects that have not been completed as of 9/30/20.
- \$87,500 increase to complete integrations of the Engineering right-of-way permitting application process with the new building permit software.
- \$37,500 increase for expenses funded with Sarasota Police Department donations.
- \$8,788 increase to re-organize Planning department positions.
- \$78,000 increase to fund six temporary positions for the Emergency Rental Assistance Program.
- \$292,000 increase for the cost of an ADA Self Evaluation and Transition Plan.
- \$8,000 increase to re-appropriate unspent funding from the receipt of a grant for Community Resiliency.
- \$5,061,881 increase for expenses funded with ARPA funds.
- \$180,956 increase for expenses funded with CARES ACT funds.
- \$195,000 increase for additional subsidy to Municipal Auditoriums.
- \$10,014 increase for a Special Events Administrative Assistant.

Actual revenues and transfers in were less than final budget by \$(2,649,767) and actual expenditures and transfers out were less than budgeted expenditures by a total of \$9,239,568. This resulted in a positive budget variance of \$6,589,801. Most of this savings was achieved by higher than expected revenues and the committed efforts to control costs at all levels of management.

The final budget anticipated \$3,443,030 to be expended from available fund balance. However, although revenues were less than budgetary estimates, expenditures were also less than budgetary estimates as discussed above. This resulted in a positive change in fund balance of \$3,146,771, \$6,589,801 more than was anticipated by the final budget.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2021, is \$535,569,319 (net of accumulated depreciation). This investment in capital assets includes land, art collections, construction in progress, buildings, improvements, infrastructure, utility systems and equipment. The total increase (additions less retirements and depreciation) in the City's investment in capital assets for the current fiscal year was \$25,189,342 (a 6% increase for governmental activities and a 4.4 % increase for business-type activities).

The schedule below reflects the City's capital assets as of September 30, 2021 and 2020:

City of Sarasota's Capital Assets (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 41,206,351	\$ 41,206,351	\$ 11,869,613	\$ 11,869,613	\$ 53,075,964	\$ 53,075,964
Art collections	1,670,683	1,670,683	218,397	218,397	1,889,080	1,889,080
Buildings	47,548,721	49,426,703	41,749,965	43,622,935	89,298,686	93,049,638
Improvements and						
Infrastructure	100,173,066	107,719,762	8,700,763	8,962,668	108,873,829	116,682,430
Utility systems	--	--	149,485,644	148,015,435	149,485,644	148,015,435
Equipment	6,137,698	7,709,994	7,647,979	10,015,417	13,785,677	17,725,411
Construction in progress	51,078,928	27,048,932	68,081,508	52,893,088	119,160,436	79,942,020
Total	\$ 247,815,447	\$ 234,782,425	\$ 287,753,869	\$ 275,597,553	\$ 535,569,316	\$ 510,379,978

Additional information on the City's capital assets can be found in Note 6 on pages 92-93 of this report.

Major capital asset activity during the current fiscal year included the following:

- Various system additions and improvements were completed in the Water and Sewer Fund at a cost of \$9,646,093 and construction began on others at a cost of \$2,773,405
- The construction on the Bay has started and includes contributed capital of \$13,629,847. See note 18 for further information regarding this project.
- The construction of various streets and highways, such as construction on the US41 and Fruitville roundabout, total \$6,243,801.

Long-term debt

At the end of the current fiscal year, the City had total bonded debt outstanding of \$94,245,005. Of this amount, \$30,355,000 comprises debt backed by the full faith and credit of the City. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., special obligation bonds, and revenue bonds).

Two major rating institutions (Moody's Investors Service, and Fitch Ratings) have evaluated the City's financial management, economic conditions and administrative practices. The bond ratings reflect that the City's bonds have the characteristics of investment quality, as shown below:

	Moody's Investors Service	Fitch Ratings
General Obligation	Aa1	AA+
Special Obligation	Aa2	AA
Water and Sewer	Aa2	AA

The schedule below reflects the City's outstanding debt as of September 30, 2021 and 2020:

City of Sarasota's Outstanding Debt and Loans Payable

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 30,355,000	\$ 31,920,000	\$ --	\$ --	\$ 30,355,000	\$ 31,920,000
Special obligation bonds	12,085,005	12,507,117	--	--	12,085,005	12,507,117
Revenue bonds	--	--	51,805,000	56,175,000	51,805,000	56,175,000
Total bonds	42,440,005	44,427,117	51,805,000	56,175,000	94,245,005	100,602,117
Loans payable	--	--	32,672,974	23,394,022	32,672,974	23,394,022
Total bonds & loans	<u>\$ 42,440,005</u>	<u>\$ 44,427,117</u>	<u>\$ 84,477,974</u>	<u>\$ 79,569,022</u>	<u>\$ 126,917,979</u>	<u>\$ 123,996,139</u>

The City's total debt increased by \$2,921,840. The key factors in this increase are:

- \$9,278,952 of loan proceeds were drawn on a state revolving loan for the Lift Station 87 Project.
- Scheduled principal payments of \$6,357,112 were paid when due.

Additional information on the City's long-term debt can be found in Note 8 on pages 95-99 of this report.

Economic Factors and Next Year's Budget and Rates

The General Fund budget for the 2022 fiscal year was balanced utilizing \$2,058,174 of unassigned fund balance. The City's reserve policy states that the City will establish an unassigned fund balance in the General Fund for emergency purposes and/or liquidity purposes of two to three (17% to 25%) months of General Fund expenditures to indicate that it is in sound financial condition. The fund balance for 2022 will result in an estimated unassigned fund balance of \$23,985,223 at September 30, 2022, 30.7% of budgeted expenditures.

The City is faced with balancing strong growth in some revenue categories against others that can be highly volatile with significant fluctuations through economic cycles. As such, a thoughtful and disciplined approach to budgeting and spending is necessary. Factors considered in preparing the City's 2022 fiscal year budget were:

- The taxable value of commercial and residential property increased 6.43% from last year's certified valuation. The \$757 million increase in taxable value for 2021 is the tenth consecutive year that property values have increased.
- An adjustment to the roll-back rate of 3.1372mills was made to the General Fund property tax rate from 3.2632mills. Since the property valuation for the 2021 tax year increased, property tax revenue at the roll-back rate is expected to remain the same as the previous year.
- The City's population decreased slightly from 57,683 reported in 2020 to 55,380 for 2021.

- The City of Sarasota unemployment rate for September 2021 was 3.7%, a decrease of 1.5% from the September 2020 rate of 5.2%. The Sarasota County unemployment rate for September 2021 was 3.7%, a decrease of 1.5% from the 5.2% rate reported in September 2020 and lower than the State and Federal rates (3.9% and 4.7% respectively).

Requests for Information

This financial report is designed to provide users with a general overview of the City of Sarasota's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Financial Administration, Director, 1565 1st Street, Sarasota, Florida 34236 or telephone (941) 263-6407. You can also access our website at www.sarasotafl.gov.



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Basic Financial Statements



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Basic Financial Statements

This part of the City of Sarasota's annual comprehensive financial report represents a minimum combination of financial statements and note disclosures required for fair representation in conformity with Generally Accepted Accounting Principles (GAAP).

Contents

Government-Wide Financial Statements

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This focus of the Government-Wide Financial Statements is on the overall financial position and activities of the City. These financial statements incorporate all of the City's governmental and business-type activities, as well as its nonfiduciary component units. There are two basic government-wide financial statements: the Statement of Net Position and the Statement of Activities

Fund Financial Statements

36-59

The focus of the Fund Financial Statements have a short-term emphasis and for the most part, measure and account for cash and other assets that can be easily converted to cash. The Governmental Fund Financial Statements consist of a Balance Sheet/Statement of Net Position, and a Statement of Revenues, Expenditures and Changes in Fund Balance/Net Position

Component Unit Financial Statements

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Component Units are entities for which the City is considered to be financially accountable. In addition to the separate column in the Government-Wide Financial Statements, the Component Units Financial Statements include the Statement of Net Position and the Statement of Activities

Notes to the Financial Statements

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The Notes to the Financial Statements are a presentation of information integral to the financial statements and essential to a user's understanding of City's financial position.

City of Sarasota, Florida
Statement of Net Position
September 30, 2021

	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Cash and cash equivalents	\$ 20,593,676	\$ 15,515,442	\$ 36,109,118	\$ 273,222
Investments	118,771,969	64,105,657	182,877,626	1,575,277
Receivables (net):				
Accounts	2,525,082	5,302,252	7,827,334	--
Interest	178,285	102,945	281,230	2,419
Notes	148,207	--	148,207	--
Special assessments	87,101	3,896,974	3,984,075	--
Internal balances	1,451,611	(1,451,611)	--	--
Due from other governmental agencies	5,429,536	5,700,958	11,130,494	768
Inventories	95,030	118,614	213,644	--
Prepaid items	473,398	645,001	1,118,399	--
Capital assets:				
Non-depreciable	93,955,962	80,169,518	174,125,480	1,376
Depreciable (net)	153,859,488	207,584,351	361,443,839	914,449
Total assets	<u>397,569,345</u>	<u>381,690,101</u>	<u>779,259,446</u>	<u>2,767,511</u>
Deferred Outflows of Resources				
Related to refunding	1,655,853	659,538	2,315,391	--
Related to pension	21,745,770	6,612,522	28,358,292	--
Related to OPEB	6,217,143	2,469,337	8,686,480	--
Total deferred outflows of resources	<u>29,618,766</u>	<u>9,741,397</u>	<u>39,360,163</u>	<u>--</u>
Liabilities				
Accounts payable	5,609,285	7,342,959	12,952,244	98,430
Retainages payable	73,040	1,213,870	1,286,910	--
Liability for unpaid claims	3,486,243	--	3,486,243	--
Due to other governmental agencies	1,120,148	385,209	1,505,357	8
Accrued interest payable	453,244	701,295	1,154,539	--
Accrued wages	2,545,195	931,535	3,476,730	3,249
Unearned revenue	9,895,793	9,542,020	19,437,813	--
Customer deposits	212,341	1,242,622	1,454,963	--
Noncurrent liabilities:				
Due within one year	6,470,064	2,971,398	9,441,462	--
Due in more than one year	121,520,088	122,220,382	243,740,470	--
Total liabilities	<u>151,385,441</u>	<u>146,551,290</u>	<u>297,936,731</u>	<u>101,687</u>
Deferred Inflows of Resources				
Pension Related	10,575,755	57,689	10,633,444	--
OPEB Related	10,949,457	3,895,284	14,844,741	--
Total deferred inflows of resources	<u>21,525,212</u>	<u>3,952,973</u>	<u>25,478,185</u>	<u>--</u>
Net Position				
Net investment in capital assets	204,721,249	203,011,687	407,732,936	915,825
Restricted for:				
Infrastructure improvements	20,496,010	--	20,496,010	--
Community redevelopment	4,211,215	--	4,211,215	--
Housing and community development	8,850,812	--	8,850,812	--
Building services	11,513,716	--	11,513,716	--
Transportation	7,930,232	--	7,930,232	--
Law enforcement programs	561,264	--	561,264	--
Golden Gate Point streetscape	235,217	--	235,217	--
Tourist development	2,370,447	--	2,370,447	--
Grant programs	273,240	--	273,240	--
Economic development	2,903,481	--	2,903,481	--
Debt service	1,049,319	4,142,324	5,191,643	--
Construction	265,428	53,835	319,263	--
Unrestricted (deficit)	(11,104,172)	33,719,389	22,615,217	1,749,999
Total net position	<u>\$ 254,277,458</u>	<u>\$ 240,927,235</u>	<u>\$ 495,204,693</u>	<u>\$ 2,665,824</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
Statement of Activities
For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Governmental activities:								
General government	\$ 12,039,365	\$ 19,112,582	\$ 614,315	\$ --	\$ 7,687,532	\$ --	\$ 7,687,532	\$ --
Public safety:								
Police	25,198,399	335,181	1,130,443	--	(23,732,775)	--	(23,732,775)	--
Fire	3,148,569	--	147,461	--	(3,001,108)	--	(3,001,108)	--
Building inspections	6,827,823	5,819,864	--	--	(1,007,959)	--	(1,007,959)	--
Other public safety	706,572	509,086	--	--	(197,486)	--	(197,486)	--
Physical environment	330,396	87,168	460,795	--	217,567	--	217,567	--
Transportation	7,967,564	2,017,135	653,630	--	(5,296,799)	--	(5,296,799)	--
Culture and recreation	13,020,477	760,553	239,969	970,181	(11,049,774)	--	(11,049,774)	--
Economic environment	5,192,178	--	5,062,686	--	(129,492)	--	(129,492)	--
Human services	767,810	--	--	--	(767,810)	--	(767,810)	--
Interest and fiscal charges	1,509,212	--	--	--	(1,509,212)	--	(1,509,212)	--
Total governmental activities	<u>76,708,365</u>	<u>28,641,569</u>	<u>8,309,299</u>	<u>970,181</u>	<u>(38,787,316)</u>		<u>(38,787,316)</u>	
Business-type activities:								
Water and Sewer	40,718,729	52,599,532	--	--	--	11,880,803	11,880,803	--
Van Wezel	4,746,755	416,056	5,217,767	113,847	--	1,000,915	1,000,915	--
Solid Waste	13,994,106	12,699,074	--	--	--	(1,295,032)	(1,295,032)	--
Parking Management	4,661,439	3,739,766	--	--	--	(921,673)	(921,673)	--
Bobby Jones Golf Course	150,040	--	--	--	--	(150,040)	(150,040)	--
Municipal Auditoriums	379,796	32,058	--	--	--	(347,738)	(347,738)	--
Total business-type activities	<u>64,650,865</u>	<u>69,486,486</u>	<u>5,217,767</u>	<u>113,847</u>		<u>10,167,235</u>	<u>10,167,235</u>	
Total primary government	<u>\$ 141,359,230</u>	<u>\$ 98,128,055</u>	<u>\$ 13,527,066</u>	<u>\$ 1,084,028</u>	<u>(38,787,316)</u>	<u>10,167,235</u>	<u>(28,620,081)</u>	
Component Units:								
St. Armands Business Improvement District	\$ 550,429	--	--	--	--	--	--	\$ (550,429)
Downtown Improvement District	755,417	--	--	--	--	--	--	(755,417)
Total component units	<u>\$ 1,305,846</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>				<u>(1,305,846)</u>
General Revenues:								
Property taxes					40,028,474	--	40,028,474	1,063,290
Gasoline taxes					2,624,801	--	2,624,801	--
Sales tax					16,005,912	--	16,005,912	--
Public service taxes					11,413,593	--	11,413,593	--
Business licenses					1,004,356	--	1,004,356	--
Other taxes					46,164	--	46,164	--
State revenue sharing, unrestricted					1,766,299	--	1,766,299	--
Investment earnings					268,627	185,428	454,055	3,956
Miscellaneous					2,884,195	686,074	3,570,269	--
Gain on Capital Assets					--	63,964	63,964	--
Transfers					(481,465)	481,465	--	--
Total general revenues and transfers					<u>75,560,956</u>	<u>1,416,931</u>	<u>76,977,887</u>	<u>1,067,246</u>
Change in net position					36,773,640	11,584,166	48,357,806	(238,600)
Net position - beginning					217,503,818	225,446,095	442,949,913	2,904,424
Prior period adjustment (see note 19)					--	3,896,974	3,896,974	--
Net position - beginning (restated)					<u>217,503,818</u>	<u>229,343,069</u>	<u>446,846,887</u>	<u>2,904,424</u>
Net position - ending					<u>\$ 254,277,458</u>	<u>\$ 240,927,235</u>	<u>\$ 495,204,693</u>	<u>\$ 2,665,824</u>

The accompanying notes are an integral part of this statements.

City of Sarasota, Florida
 Governmental Funds
 Balance Sheet
 September 30, 2021

	General	Community Redevelopment Agency	Housing and Community Development
Assets			
Cash and Cash Equivalents	\$ 5,669,743	\$ 624,808	\$ 722,657
Investments	32,624,099	3,602,377	4,166,514
Receivables (net):			
Accounts	2,105,854	--	102,112
Interest	57,421	5,428	6,124
Notes	--	--	--
Special Assessments	--	--	--
Due from other Funds	150,255	--	--
Due from other Governmental Agencies	1,674,401	--	309,700
Advances to Other Funds	1,301,357	--	--
Inventories	29,397	--	--
Prepaid Items	420,532	--	3,468
Total assets	<u>\$ 44,033,059</u>	<u>\$ 4,232,613</u>	<u>\$ 5,310,575</u>
Liabilities			
Accounts Payable	\$ 1,995,678	\$ 21,398	\$ 14,568
Retainage Payable	--	--	--
Due to other Funds	--	--	--
Due to other Governmental Agencies	991,039	--	10,621
Advance from other Funds	--	--	--
Accrued Wages	2,227,991	--	31,385
Unearned Revenue	5,074,395	--	4,245,785
Customer Deposits	--	--	--
Total liabilities	<u>10,289,103</u>	<u>21,398</u>	<u>4,302,359</u>
Deferred Inflows of Resources			
Unavailable Revenue - Notes Receivable	--	--	--
Unavailable Revenue - Grants	--	--	228,130
Unavailable Revenue - Special Assessments	--	--	--
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>228,130</u>
Fund Balances			
Nonspendable:			
Inventory	29,397	--	--
Prepaid Expenditures	420,531	--	3,468
Restricted for:			
Infrastructure Improvements	--	--	--
Community Redevelopment	--	4,211,215	--
Housing and Community Development	--	--	776,618
Building Services	--	--	--
Transportation	--	--	--
Law Enforcement Programs	--	--	--
Golden Gate Point Streetscape	--	--	--
Tourist Development	--	--	--
Grant Programs	--	--	--
Economic Development	--	--	--
Debt Service	--	--	--
Construction	--	--	--
Committed to:			
Revenue Stabilization	2,640,554	--	--
Development Application System	--	--	--
Public Art	--	--	--
Citizens with Disabilities	--	--	--
Forestry	--	--	--
Affordable Housing	--	--	--
Law Enforcement	--	--	--
Culture and Recreation	--	--	--
Assigned to:			
Subsequent Year Expenditures	3,678,186	--	--
Other Purposes	2,997,693	--	--
Unassigned	<u>23,977,595</u>	<u>--</u>	<u>--</u>
Total fund balances	<u>33,743,956</u>	<u>4,211,215</u>	<u>780,086</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 44,033,059</u>	<u>\$ 4,232,613</u>	<u>\$ 5,310,575</u>

The accompanying notes are an integral part of this statement.

Building Services Fund	Tourist Development Tax	Penny Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 1,877,984	\$ 346,082	\$ 2,900,851	\$ 4,409,425	\$ 16,551,550
10,827,644	1,995,358	16,695,351	25,436,784	95,348,127
--	--	--	181,604	2,389,570
16,498	2,983	24,646	38,068	151,168
--	--	--	148,207	148,207
--	--	--	87,101	87,101
--	--	--	--	150,255
--	65,251	1,700,865	1,093,520	4,843,737
--	--	--	--	1,301,357
--	--	--	--	29,397
1,866	--	--	17,783	443,649
<u>\$ 12,723,992</u>	<u>\$ 2,409,674</u>	<u>\$ 21,321,713</u>	<u>\$ 31,412,492</u>	<u>\$ 121,444,118</u>
\$ 152,988	\$ 36,874	\$ 786,614	\$ 1,861,780	\$ 4,869,900
--	--	39,089	33,951	73,040
--	--	--	7,114	7,114
53,337	2,353	--	24,204	1,081,554
--	--	--	79,986	79,986
149,687	--	--	--	2,409,063
--	--	--	575,613	9,895,793
--	--	--	212,341	212,341
<u>356,012</u>	<u>39,227</u>	<u>825,703</u>	<u>2,794,989</u>	<u>18,628,791</u>
--	--	--	148,207	148,207
--	--	--	2,029	230,159
--	--	--	87,101	87,101
--	--	--	237,337	465,467
--	--	--	--	29,397
1,866	--	--	17,783	443,648
--	--	20,496,010	--	20,496,010
--	--	--	--	4,211,215
--	--	--	8,074,194	8,850,812
11,513,716	--	--	--	11,513,716
--	--	--	7,930,232	7,930,232
--	--	--	561,264	561,264
--	--	--	235,217	235,217
--	2,370,447	--	--	2,370,447
--	--	--	273,240	273,240
--	--	--	2,903,481	2,903,481
--	--	--	1,447,612	1,447,612
--	--	--	265,428	265,428
--	--	--	--	2,640,554
852,398	--	--	--	852,398
--	--	--	944,515	944,515
--	--	--	90,800	90,800
--	--	--	580,389	580,389
--	--	--	4,706,876	4,706,876
--	--	--	500	500
--	--	--	348,635	348,635
--	--	--	--	3,678,186
--	--	--	--	2,997,693
--	--	--	--	23,977,595
<u>12,367,980</u>	<u>2,370,447</u>	<u>20,496,010</u>	<u>28,380,166</u>	<u>102,349,860</u>
<u>\$ 12,723,992</u>	<u>\$ 2,409,674</u>	<u>\$ 21,321,713</u>	<u>\$ 31,412,492</u>	<u>\$ 121,444,118</u>



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City of Sarasota, Florida

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
As of September 30, 2021

Fund balances - total governmental funds		\$ 102,349,860
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	\$ 435,475,949	
Less accumulated depreciation	<u>(189,970,375)</u>	245,505,574
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Accrued interest payable	(453,244)	
General obligation bonds	(30,355,000)	
Special obligation bonds	(12,085,005)	
Capital lease payable	(404,745)	
Unamortized bond premium	<u>(1,474,788)</u>	(44,772,782)
Deferred outflow of resources are not reported in governmental funds.		
Unamortized loss on refunding		1,655,853
Unavailable revenue in governmental funds is susceptible to full accrual on the entity-wide statements.		
Grants	230,159	
Special assessments	148,207	
Mortgages receivable	<u>87,101</u>	465,467
Internal service funds are used by management to charge the costs of certain activities to individual funds.		
The net position of the internal service funds that are reported with governmental activities		17,470,922
Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the governmental funds.		
Net pension liability	(54,740,628)	
Deferred outflows of resources	21,159,929	
Deferred inflows of resources	<u>(10,570,644)</u>	(44,151,343)
Net OPEB liability and OPEB related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the governmental funds.		
Net OPEB liability	(19,736,183)	
Deferred outflows of resources	5,893,394	
Deferred inflows of resources	<u>(10,403,304)</u>	<u>(24,246,093)</u>
Net position of governmental activities		<u>\$ 254,277,458</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
 Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended September 30, 2021

	<u>General</u>	<u>Community Redevelopment Agency</u>	<u>Housing and Community Development</u>
Revenues			
Taxes	\$ 48,352,873	\$ 133,697	\$ --
Franchise fees	5,566,117	--	--
Special assessments	--	--	--
Licenses and permits	752,042	--	--
Intergovernmental	11,480,469	--	2,706,946
Charges for services	3,975,593	--	--
Charges to other funds	4,668,811	--	--
Fines and forfeits	1,396,728	--	--
Investment earnings	53,418	4,990	39,157
Miscellaneous	2,075,178	253,719	96
Total revenues	<u>78,321,229</u>	<u>392,406</u>	<u>2,746,199</u>
Expenditures			
General government	17,619,397	7,118	--
Public safety	40,056,494	168,786	--
Physical environment	1,867,476	--	--
Transportation	4,292,598	--	--
Culture and recreation	8,165,437	--	--
Current:			
Economic environment	259,033	34,068	2,174,938
Human services	780,202	40,000	--
Debt service:			
Principal payments	--	--	--
Interest and fiscal charges	--	--	--
Bond issuance costs	--	--	--
Contribution to other governments	49,170	--	--
Capital outlay	844,104	117,290	--
Total expenditures	<u>73,933,911</u>	<u>367,262</u>	<u>2,174,938</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,387,318</u>	<u>25,144</u>	<u>571,261</u>
Other financing sources (uses)			
Bond proceeds	--	--	--
Payment to bond escrow agent	--	--	--
Transfers in	1,701,655	--	--
Transfers out	<u>(2,942,202)</u>	<u>(104,000)</u>	<u>(5,579)</u>
Total other financing sources (uses)	<u>(1,240,547)</u>	<u>(104,000)</u>	<u>(5,579)</u>
Net change in fund balances	3,146,771	(78,856)	565,682
Fund balances - beginning	<u>30,597,185</u>	<u>4,290,071</u>	<u>214,404</u>
Fund balances - ending	<u>\$ 33,743,956</u>	<u>\$ 4,211,215</u>	<u>\$ 780,086</u>

The accompanying notes are an integral part of this statement.

Building Services Fund	Tourist Development Tax	Penny Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ --	\$ --	\$ --	\$ 3,959,854	\$ 52,446,424
--	--	--	--	5,566,117
--	--	--	6,821	6,821
5,998,610	--	--	2,369,959	9,120,611
--	232,356	10,170,314	7,452,632	32,042,717
827,331	--	--	87,443	4,890,367
--	--	--	--	4,668,811
--	--	--	102,090	1,498,818
17,867	3,963	--	78,434	197,829
--	--	3,000	205,240	2,537,233
<u>6,843,808</u>	<u>236,319</u>	<u>10,173,314</u>	<u>14,262,473</u>	<u>112,975,748</u>
188,076	--	16,441	2,239	17,833,271
5,675,792	--	--	428,642	46,329,714
--	3,158	--	999	1,871,633
--	--	842	589,810	4,883,250
--	--	--	269,075	8,434,512
--	--	2,523,602	1,225,353	6,216,994
--	--	--	--	820,202
--	--	393,224	2,696,112	3,089,336
--	--	23,381	1,484,970	1,508,351
--	--	--	60,945	60,945
--	--	--	826,599	875,769
257,837	231,639	9,124,815	4,897,696	15,473,381
<u>6,121,705</u>	<u>234,797</u>	<u>12,082,305</u>	<u>12,482,440</u>	<u>107,397,358</u>
<u>722,103</u>	<u>1,522</u>	<u>(1,908,991)</u>	<u>1,780,033</u>	<u>5,578,390</u>
--	--	--	6,869,000	6,869,000
--	--	--	(6,372,573)	(6,372,573)
--	--	--	2,667,764	4,369,419
<u>(357,500)</u>	<u>(3,964)</u>	<u>(1,386,346)</u>	<u>(2,581,043)</u>	<u>(7,380,634)</u>
<u>(357,500)</u>	<u>(3,964)</u>	<u>(1,386,346)</u>	<u>583,148</u>	<u>(2,514,788)</u>
364,603	(2,442)	(3,295,337)	2,363,181	3,063,602
12,003,377	2,372,889	23,791,347	26,016,985	99,286,258
<u>\$ 12,367,980</u>	<u>\$ 2,370,447</u>	<u>\$ 20,496,010</u>	<u>\$ 28,380,166</u>	<u>\$ 102,349,860</u>



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City of Sarasota, Florida

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds to
the Statement of Activities
For the Year Ended September 30, 2021

Net change in fund balances - total governmental funds \$ 3,063,602

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 depreciated over their estimated useful lives. Donation of Capital Assets are not financial resources to Governmental Funds, however, increase net position in the Statement of activities. Governmental Funds report the sale of Capital Assets as a financial source, however, in the statement of activities, only the gain or loss on the sale is reported.

Expenditures for capital assets	\$ 15,694,587	
Less current year depreciation	(11,265,279)	
Donation of Capital Assets	8,960,089	
Less Loss on Sale of Capital Assets	44,795	13,434,192

The collection of special assessments and receipt of repayment of long-term receivables provides current financial resources. Neither transaction, however, has any effect on net position of governmental activities.

Collection of special assessments	(6,821)	
Receipts on mortgages receivable	242,128	235,307

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repayments:		
General obligation bonds	1,565,000	
Special obligation bonds	1,131,112	
Refunded special obligation bonds	6,160,000	
Proceeds from special obligation bond issuance	(6,869,000)	
Capital lease	393,224	2,380,336

Some revenues and expenses reported in the statement of activities are not reported in the governmental funds because they have no effect on current financial resources

Grants	(1,201,002)	
Interest subsidy received before interest payment due	(29,981)	
Accrued interest	98,833	(1,132,150)

Governmental funds report the effect of bond insurance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of bond premium	175,602	
Amortization of deferred loss on refunding	(214,351)	(38,749)

Changes to net pension liability and pension related deferred outflows and inflows of resources do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds

13,545,463

Changes to net OPEB liability and OPEB related deferred outflows and inflows of resources do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds

832,170

Internal service funds are used by management to charge the costs of certain activities to individual funds.

The net expense of the internal service funds is reported with governmental activities.		4,453,469
---	--	-----------

Change in net position of governmental activities

\$ 36,773,640

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 47,660,770	\$ 47,660,770	\$ 48,352,873	\$ 692,103
Franchise fees	5,280,863	5,280,863	5,566,117	285,254
Licenses and permits	1,017,637	1,017,637	752,042	(265,595)
Intergovernmental	8,936,992	14,613,188	11,480,469	(3,132,719)
Charges for services	4,087,148	4,087,148	3,975,593	(111,555)
Charges to other funds	4,668,803	4,668,803	4,668,811	8
Fines and forfeits	1,155,553	1,155,553	1,396,728	241,175
Investment earnings	420,000	420,000	53,418	(366,582)
Miscellaneous	1,605,555	1,643,055	2,075,178	432,123
Total revenues	<u>74,833,321</u>	<u>80,547,017</u>	<u>78,321,229</u>	<u>(2,225,788)</u>
Expenditures				
Current:				
General government	17,514,546	21,217,735	17,619,397	3,598,338
Public safety	41,182,544	42,264,277	40,056,494	2,207,783
Physical environment	2,265,908	2,287,627	1,867,476	420,151
Transportation	4,603,362	4,747,129	4,292,598	454,531
Culture and recreation	9,396,139	9,505,688	8,165,437	1,340,251
Economic environment	538,862	509,410	259,033	250,377
Human services	998,081	1,091,240	780,202	311,038
Contribution to other governments	48,738	49,170	49,170	--
Capital outlay	852,257	1,251,022	844,104	406,918
Total expenditures	<u>77,400,437</u>	<u>82,923,298</u>	<u>73,933,911</u>	<u>8,989,387</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,567,116)</u>	<u>(2,376,281)</u>	<u>4,387,318</u>	<u>6,763,599</u>
Other financing sources (uses)				
Transfers in	2,012,099	2,125,634	1,701,655	(423,979)
Transfers out	(450,000)	(3,192,383)	(2,942,202)	250,181
Total other financing sources (uses)	<u>1,562,099</u>	<u>(1,066,749)</u>	<u>(1,240,547)</u>	<u>(173,798)</u>
Net change in fund balance	(1,005,017)	(3,443,030)	3,146,771	6,589,801
Fund balance - beginning	<u>30,597,185</u>	<u>30,597,185</u>	<u>30,597,185</u>	<u>--</u>
Fund balance - ending	<u>\$ 29,592,168</u>	<u>\$ 27,154,155</u>	<u>\$ 33,743,956</u>	<u>\$ 6,589,801</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida

Community Redevelopment Agency

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 137,059	\$ 137,059	\$ 133,697	\$ (3,362)
Investment earnings	20,000	20,000	4,990	(15,010)
Miscellaneous	136,828	136,828	253,719	116,891
Total revenues	<u>293,887</u>	<u>293,887</u>	<u>392,406</u>	<u>98,519</u>
Expenditures				
Current:				
General government	7,118	7,118	7,118	--
Public safety	--	1,488,475	168,786	1,319,689
Transportation	--	17,317	--	17,317
Economic environment	44,068	319,659	34,068	285,591
Human services	40,000	40,000	40,000	--
Capital outlay:				
Capital outlay	165,932	2,463,422	117,290	2,346,132
Total expenditures	<u>257,118</u>	<u>4,335,991</u>	<u>367,262</u>	<u>3,968,729</u>
Excess (deficiency) of revenues over (under) expenditures	<u>36,769</u>	<u>(4,042,104)</u>	<u>25,144</u>	<u>4,067,248</u>
Other financing sources (uses)				
Transfers out	(54,000)	(104,000)	(104,000)	--
Total other financing sources (uses)	<u>(54,000)</u>	<u>(104,000)</u>	<u>(104,000)</u>	<u>--</u>
Net change in fund balance	(17,231)	(4,146,104)	(78,856)	4,067,248
Fund balance - beginning	<u>4,290,071</u>	<u>4,290,071</u>	<u>4,290,071</u>	<u>--</u>
Fund balance - ending	<u>\$ 4,272,840</u>	<u>\$ 143,967</u>	<u>\$ 4,211,215</u>	<u>\$ 4,067,248</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida

Housing and Community Development

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 2,792,627	\$ 9,866,884	\$ 2,706,946	\$ (7,159,938)
Investment earnings	--	--	39,157	39,157
Miscellaneous	--	--	96	96
Total revenues	<u>2,792,627</u>	<u>9,866,884</u>	<u>2,746,199</u>	<u>(7,120,685)</u>
Expenditures				
Current:				
Economic environment	2,776,201	9,849,168	2,174,938	7,674,230
Capital outlay:				
Capital outlay	16,426	17,716	--	17,716
Total expenditures	<u>2,792,627</u>	<u>9,866,884</u>	<u>2,174,938</u>	<u>7,691,946</u>
Excess (deficiency) of revenues over (under) expenditures	<u>--</u>	<u>--</u>	<u>571,261</u>	<u>571,261</u>
Other financing sources (uses)				
Transfers out	--	--	(5,579)	(5,579)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>(5,579)</u>	<u>(5,579)</u>
Net change in fund balance	--	--	565,682	565,682
Fund balance - beginning	<u>214,404</u>	<u>214,404</u>	<u>214,404</u>	<u>--</u>
Fund balance - ending	<u>\$ 214,404</u>	<u>\$ 214,404</u>	<u>\$ 780,086</u>	<u>\$ 565,682</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida

Building Services Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits	\$ 5,213,000	\$ 5,213,000	\$ 5,998,610	\$ 785,610
Charges for services	701,000	701,000	827,331	126,331
Investment earnings	5,000	5,000	17,867	12,867
Total revenues	<u>5,919,000</u>	<u>5,919,000</u>	<u>6,843,808</u>	<u>924,808</u>
Expenditures				
General government	210,260	389,751	188,076	201,675
Public safety	6,309,208	6,340,582	5,675,792	664,790
Capital outlay	405,934	5,274,573	257,837	5,016,736
Total expenditures	<u>6,925,402</u>	<u>12,004,906</u>	<u>6,121,705</u>	<u>5,883,201</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,006,402)</u>	<u>(6,085,906)</u>	<u>722,103</u>	<u>6,808,009</u>
Other financing sources (uses)				
Transfers out	<u>(357,500)</u>	<u>(357,500)</u>	<u>(357,500)</u>	<u>--</u>
Total other financing sources (uses)	<u>(357,500)</u>	<u>(357,500)</u>	<u>(357,500)</u>	<u>--</u>
Net change in fund balance	(1,363,902)	(6,443,406)	364,603	6,808,009
Fund balance - beginning	<u>12,003,377</u>	<u>12,003,377</u>	<u>12,003,377</u>	<u>--</u>
Fund balance - ending	<u>\$ 10,639,475</u>	<u>\$ 5,559,971</u>	<u>\$ 12,367,980</u>	<u>\$ 6,808,009</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida

Tourist Development Tax

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 669,750	\$ 3,059,190	\$ 232,356	\$ (2,826,834)
Investment earnings	--	--	3,963	3,963
Total revenues	<u>669,750</u>	<u>3,059,190</u>	<u>236,319</u>	<u>(2,822,871)</u>
Expenditures				
Physical environment	3,158	153,098	3,158	149,940
Capital outlay	666,592	4,652,654	231,639	4,421,015
Total expenditures	<u>669,750</u>	<u>4,805,752</u>	<u>234,797</u>	<u>4,570,955</u>
Excess (deficiency) of revenues over (under) expenditures	<u>--</u>	<u>(1,746,562)</u>	<u>1,522</u>	<u>1,748,084</u>
Other financing sources (uses)				
Transfers out	--	--	(3,964)	(3,964)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>(3,964)</u>	<u>(3,964)</u>
Net change in fund balance	--	(1,746,562)	(2,442)	1,744,120
Fund balance - beginning	<u>2,372,889</u>	<u>2,372,889</u>	<u>2,372,889</u>	<u>--</u>
Fund balance - ending	<u>\$ 2,372,889</u>	<u>\$ 626,327</u>	<u>\$ 2,370,447</u>	<u>\$ 1,744,120</u>

The accompanying notes are an integral part of this statement.



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City of Sarasota, Florida
Proprietary Funds
Statement of Net Position
September 30, 2021

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Van Wezel	Solid Waste	Parking Management
Assets				
Current assets:				
Cash and Cash Equivalents	\$ 9,567,714	\$ 2,217,571	\$ 680,437	\$ 78,201
Investments	44,679,073	12,761,759	3,923,101	409,418
Receivables (net):				
Accounts	4,514,117	431,401	306,315	50,419
Interest	71,819	18,905	5,794	851
Due from Other Funds	--	--	--	--
Due from Other Governmental Agencies	--	--	--	--
Inventories	117,850	764	--	--
Prepaid items	132,007	379,184	2,515	108,926
Total unrestricted current assets	<u>59,082,580</u>	<u>15,809,584</u>	<u>4,918,162</u>	<u>647,815</u>
Restricted current assets:				
Cash and Cash Equivalents	385,273	--	1,315	--
Cash with Fiscal Agents	1,708,517	--	--	857,778
Investments	2,221,317	--	7,582	--
Accrued Interest Receivable	4,721	--	--	734
Due from Other Governmental Units	5,698,267	--	--	--
Special Assessment Receivable	--	--	--	3,896,974
Total restricted current assets	<u>10,018,095</u>	<u>--</u>	<u>8,897</u>	<u>4,755,486</u>
Total current assets	<u>69,100,675</u>	<u>15,809,584</u>	<u>4,927,059</u>	<u>5,403,301</u>
Noncurrent asset:				
Capital assets:				
Non-depreciable:				
Land	6,040,560	525,000	--	4,219,053
Art Collections	--	218,397	--	--
Construction in Progress	67,292,999	592,354	--	196,155
Depreciable:				
Buildings	25,232,537	28,353,158	280,022	34,030,638
Improvements	350,341,424	1,297,825	3,794,655	5,413,994
Equipment	14,381,576	1,888,179	12,845,096	1,642,664
Less Accumulated Depreciation	<u>(234,174,848)</u>	<u>(21,727,083)</u>	<u>(11,083,581)</u>	<u>(7,718,435)</u>
Total capital assets (net of accumulated depreciation)	229,114,248	11,147,830	5,836,192	37,784,069
Other assets:				
Advance to Other Funds	--	--	--	--
Total noncurrent assets	<u>229,114,248</u>	<u>11,147,830</u>	<u>5,836,192</u>	<u>37,784,069</u>
Total assets	<u>298,214,923</u>	<u>26,957,414</u>	<u>10,763,251</u>	<u>43,187,370</u>
Deferred Outflows of Resources				
Related to Refunding	659,538	--	--	--
Related to Pension	5,683,324	--	929,198	--
Related to OPEB	1,555,674	287,050	412,398	164,807
Total deferred outflows of resources	<u>7,898,536</u>	<u>287,050</u>	<u>1,341,596</u>	<u>164,807</u>

The accompanying notes are an integral part of this statement.

Business-type Activities - Enterprise Funds		Governmental Activities -
Other Funds	Totals	Internal Service Funds
\$ 18,636	\$ 12,562,559	\$ 4,042,126
103,407	61,876,758	23,423,842
--	5,302,252	135,512
121	97,490	27,116
--	--	7,114
2,691	2,691	585,799
--	118,614	65,633
22,369	645,001	29,749
147,224	80,605,365	28,316,891
--	386,588	--
--	2,566,295	--
--	2,228,899	--
--	5,455	--
--	5,698,267	--
--	3,896,974	--
--	14,782,478	--
147,224	95,387,843	28,316,891
1,085,000	11,869,613	--
--	218,397	--
--	68,081,508	329,291
4,092,032	91,988,387	2,528,732
6,471,668	367,319,566	1,024,798
208,360	30,965,875	8,946,073
(7,985,530)	(282,689,477)	(10,519,018)
3,871,530	287,753,869	2,309,876
--	--	79,986
3,871,530	287,753,869	2,389,862
4,018,754	383,141,712	30,706,753
--	659,538	--
--	6,612,522	585,841
49,408	2,469,337	323,749
49,408	9,741,397	909,590

Continued

City of Sarasota, Florida
Proprietary Funds
Statement of Net Position
September 30, 2021

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Van Wezel	Solid Waste	Parking Management
Liabilities				
Current liabilities:				
Accounts Payable	4,561,370	197,289	530,695	223,353
Due to Other Funds	--	--	--	150,255
Due to Other Governmental Agencies	275,696	12,921	76,062	20,530
Liability for Unpaid Claims	--	--	--	--
Accrued Wages	586,641	102,947	161,583	68,346
Compensated Absences	500,588	35,199	90,133	35,426
Unearned Revenue	2,520,341	6,402,794	568,944	398
Capital Lease Payable	--	--	439,385	--
Total unrestricted current liabilities	<u>8,444,636</u>	<u>6,751,150</u>	<u>1,866,802</u>	<u>498,308</u>
Current liabilities payable from restricted assets:				
Accounts Payable	1,816,559	--	--	8,412
Retainages Payable	1,213,870	--	--	--
Accrued Interest Payable	443,517	--	--	257,778
Bonds Payable	1,265,000	--	--	600,000
Customer Deposits	1,230,185	--	8,897	--
Total current liabilities payable from restricted assets	<u>5,969,131</u>	<u>--</u>	<u>8,897</u>	<u>866,190</u>
Total current liabilities	<u>14,413,767</u>	<u>6,751,150</u>	<u>1,875,699</u>	<u>1,364,498</u>
Noncurrent liabilities:				
Advance from Other Funds	--	--	--	1,301,357
Compensated Absences	443,918	31,214	79,929	31,415
Capital Lease Debt	--	--	454,403	--
Bonds Payable and Unamortized Premium	68,687,974	--	--	14,513,475
Net OPEB Liability	4,704,804	903,353	1,354,567	532,033
Net Pension Liability	26,060,744	--	4,260,810	--
Total noncurrent liabilities	<u>99,897,440</u>	<u>934,567</u>	<u>6,149,709</u>	<u>16,378,280</u>
Total liabilities	<u>114,311,207</u>	<u>7,685,717</u>	<u>8,025,408</u>	<u>17,742,778</u>
Deferred Inflows of Resources				
Pension Related	49,581	--	8,108	--
OPEB Related	2,394,911	460,253	689,522	270,824
Total deferred inflows of resources	<u>2,444,492</u>	<u>460,253</u>	<u>697,630</u>	<u>270,824</u>
Net Position				
Net Investment in Capital Assets	160,379,330	11,147,830	4,942,401	22,670,596
Restricted:				
Debt Service	4,142,324	--	--	--
Construction	--	--	--	53,835
Unrestricted	24,836,106	7,950,664	(1,560,592)	2,614,144
Total net position	<u>\$ 189,357,760</u>	<u>\$ 19,098,494</u>	<u>\$ 3,381,809</u>	<u>\$ 25,338,575</u>

The accompanying notes are an integral part of this statement.

Business-type Activities - Enterprise Funds		Governmental Activities -
Other Funds	Totals	Internal Service Funds
5,281	5,517,988	739,385
--	150,255	--
--	385,209	38,594
--	--	3,486,243
12,018	931,535	136,132
5,667	667,013	2,880,299
49,543	9,542,020	--
--	439,385	--
<u>72,509</u>	<u>17,633,405</u>	<u>7,280,653</u>
--	1,824,971	--
--	1,213,870	--
--	701,295	--
--	1,865,000	--
3,540	1,242,622	--
<u>3,540</u>	<u>6,847,758</u>	<u>--</u>
<u>76,049</u>	<u>24,481,163</u>	<u>7,280,653</u>
--	1,301,357	--
5,026	591,502	2,554,227
--	454,403	--
--	83,201,449	--
156,716	7,651,473	1,072,917
--	30,321,554	2,686,360
<u>161,742</u>	<u>123,521,738</u>	<u>6,313,504</u>
<u>237,791</u>	<u>148,002,901</u>	<u>13,594,157</u>
--	57,689	5,111
79,774	3,895,284	546,153
<u>79,774</u>	<u>3,952,973</u>	<u>551,264</u>
3,871,530	203,011,687	2,309,876
--	4,142,324	--
--	53,835	--
(120,933)	33,719,389	15,161,046
<u>\$ 3,750,597</u>	<u>\$ 240,927,235</u>	<u>\$ 17,470,922</u>

City of Sarasota, Florida
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2021

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Van Wezel	Solid Waste	Parking Management
Operating revenues				
Charges for services	\$ 50,589,295	\$ 369,622	\$ 12,657,305	\$ 2,533,645
Connection fees	965,940	--	--	--
Rents	--	46,434	--	33,801
Fines	--	--	--	1,148,959
Miscellaneous	1,044,297	7,194	41,769	23,371
Total operating revenues	<u>52,599,532</u>	<u>423,250</u>	<u>12,699,074</u>	<u>3,739,776</u>
Operating expenses				
Personnel services	15,740,244	1,464,933	4,881,833	1,409,078
Contractual services	9,661,017	1,795,093	6,518,921	1,137,277
Repairs and maintenance	1,468,444	218,952	137,178	257,716
Supplies and materials	2,778,173	124,094	444,554	45,158
Depreciation	9,456,810	1,143,683	1,966,548	1,129,094
Other	33,000	--	--	230,000
Total operating expenses	<u>39,137,688</u>	<u>4,746,755</u>	<u>13,949,034</u>	<u>4,208,323</u>
Operating income (loss)	<u>13,461,844</u>	<u>(4,323,505)</u>	<u>(1,249,960)</u>	<u>(468,547)</u>
Nonoperating revenues (expenses)				
Grant income	--	5,324,420	--	--
Investment earnings	164,706	15,183	5,880	(210)
Interest expense	(1,505,574)	--	(45,072)	(451,466)
Loan and bond issue expense	(75,467)	--	--	(1,650)
Gain (loss) on disposition of capital assets	5,638	(622)	--	75,248
Total nonoperating revenues (expenses)	<u>(1,410,697)</u>	<u>5,338,981</u>	<u>(39,192)</u>	<u>(378,078)</u>
Income (loss) before capital contributions and transfers	12,051,147	1,015,476	(1,289,152)	(846,625)
Transfers in	--	--	200,000	--
Transfers out	--	--	--	--
Change in net position	12,051,147	1,015,476	(1,089,152)	(846,625)
Net position - beginning	177,306,613	18,083,018	4,470,961	22,288,226
Prior period adjustment (see note 19)	--	--	--	3,896,974
Net position - beginning (restated)	<u>177,306,613</u>	<u>18,083,018</u>	<u>4,470,961</u>	<u>26,185,200</u>
Net position - ending	<u>\$ 189,357,760</u>	<u>\$ 19,098,494</u>	<u>\$ 3,381,809</u>	<u>\$ 25,338,575</u>

The accompanying notes are an integral part of this statement.

Business-type Activities - Enterprise Funds		Governmental Activities -
Other Funds	Totals	Internal Service Funds
\$ 23	\$ 66,149,890	\$ 23,748,866
--	965,940	--
30,586	110,821	--
--	1,148,959	--
687,513	1,804,144	559,579
<u>718,122</u>	<u>70,179,754</u>	<u>24,308,445</u>
132,718	23,628,806	6,554,448
168,429	19,280,737	12,052,774
17,797	2,100,087	1,075,330
4,470	3,396,449	2,036,128
206,422	13,902,557	791,447
--	263,000	--
<u>529,836</u>	<u>62,571,636</u>	<u>22,510,127</u>
188,286	7,608,118	1,798,318
--	5,324,420	--
(131)	185,428	26,158
--	(2,002,112)	--
--	(77,117)	--
<u>(16,300)</u>	<u>63,964</u>	<u>99,243</u>
<u>(16,431)</u>	<u>3,494,583</u>	<u>125,401</u>
171,855	11,102,701	1,923,719
395,000	595,000	2,529,750
<u>(113,535)</u>	<u>(113,535)</u>	<u>--</u>
453,320	11,584,166	4,453,469
3,297,277	225,446,095	13,017,453
--	3,896,974	--
<u>3,297,277</u>	<u>229,343,069</u>	<u>13,017,453</u>
<u>\$ 3,750,597</u>	<u>\$ 240,927,235</u>	<u>\$ 17,470,922</u>

City of Sarasota, Florida
Proprietary Funds
Statement of Cash Flows
Year Ended September 30, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities -	
	Water and Sewer	Van Wezel	Solid Waste	Parking Management	Other Funds	Totals	Internal Service Funds
Cash flows from operating activities							
Cash received from customers and users	\$ 53,403,933	\$ 3,847,596	\$ 12,773,990	\$ 3,836,474	\$ 35,109	\$ 73,897,102	\$ 2,749,927
Cash received from other funds for goods and services	--	--	--	--	--	-	21,558,379
Cash payments to vendors for goods and services	(9,370,104)	(1,482,339)	(7,079,730)	(952,533)	(121,410)	(19,006,116)	(6,984,743)
Cash payments to employees for services	(15,730,040)	(1,951,584)	(4,375,640)	(1,433,858)	(224,194)	(23,715,316)	(6,539,611)
Cash payments to customers	(620,890)	--	--	--	--	(620,890)	--
Cash payments to other funds	(2,088,083)	(356,257)	(544,583)	(327,322)	(69,230)	(3,385,475)	(295,140)
Other	--	--	--	(230,000)	--	(230,000)	--
Claims paid	--	--	--	--	--	-	(8,018,220)
Net cash provided (used) by operating activities	25,594,816	57,416	774,037	892,761	(379,725)	26,939,305	2,470,592
Cash flows from noncapital financing activities							
Grants	--	5,324,420	--	--	--	5,324,420	--
Interfund loan borrowings	--	--	--	480,000	--	480,000	--
Transfers in	--	--	200,000	--	395,000	595,000	2,529,750
Transfers out	--	--	--	--	(113,535)	(113,535)	--
Repayment of loan to/from other fund	--	--	--	--	--	-	6,821
Interest on loan to/from other fund	--	--	--	--	--	-	4,039
Net cash provided (used) by noncapital financing activities	-	5,324,420	200,000	480,000	281,465	6,285,885	2,540,610
Cash flows from capital and related financing activities							
Proceeds from issuance of refunding bonds	10,245,000	--	--	--	--	10,245,000	--
Loan payment to bond escrow agent	(11,953,517)	--	--	--	--	(11,953,517)	--
Loan proceeds	9,242,076	--	--	--	--	9,242,076	--
Proceeds from capital lease	--	--	--	--	--	-	--
Acquisition of capital assets	(25,809,835)	(689,268)	(262,321)	(183,055)	(1,576)	(26,946,055)	(334,447)
Principal repayments	(2,440,000)	--	(424,863)	(580,000)	--	(3,444,863)	--
Interest paid	(1,206,113)	--	(45,072)	(526,356)	--	(1,777,541)	--
Fiscal charges paid	(75,467)	--	--	(1,650)	--	(77,117)	--
Proceeds from sale of capital assets	12,749	265	--	25,248	--	38,262	89,902
Proceeds from Insurance	--	--	--	50,000	--	50,000	--
Net cash used by capital and related financing activities	(21,985,107)	(689,003)	(732,256)	(1,215,813)	(1,576)	(24,623,755)	(244,545)
Cash flows from investing activities							
Interest on investments	235,617	24,322	13,501	(314)	150	273,276	37,946
Proceeds from sale and maturities of investments	--	--	--	--	--	-	246,555
Purchase of investments	(8,246,123)	(3,617,423)	(3,834,546)	(408,844)	91,575	(16,015,361)	(3,530,698)
Net cash provided (used) by investing activities	(8,010,506)	(3,593,101)	(3,821,045)	(409,158)	91,725	(15,742,085)	(3,246,197)
Net increase (decrease) in cash and cash equivalents	(4,400,797)	1,099,732	(3,579,264)	(252,210)	(8,111)	(7,140,650)	1,520,460
Cash and cash equivalents at beginning of year	16,062,301	1,117,839	4,261,016	1,188,189	26,747	22,656,092	2,521,666
Cash and cash equivalents at end of year	\$ 11,661,504	\$ 2,217,571	\$ 681,752	\$ 935,979	\$ 18,636	\$ 15,515,442	\$ 4,042,126

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
Proprietary Funds
Combining Statement of Cash Flows
Year Ended September 30, 2021

	Business-type Activities - Enterprise Funds					Totals	Governmental
	Water and Sewer	Van Wezel	Solid Waste	Parking Management	Other Funds		Internal Service Funds
Reconciliations of operating income (loss) to net cash provided (used) by operating activities							
Operating income (loss)	\$ 13,461,844	\$ (4,323,505)	\$ (1,249,960)	\$ (468,547)	\$ 188,286	\$ 7,608,118	\$ 1,798,318
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	9,456,810	1,143,683	1,966,548	1,129,094	206,422	13,902,557	791,447
Pension/OPEB expense	128,594	(268,079)	610,555	(30,931)	(773,597)	(333,458)	418,333
Net (increase) decrease in:							
Accounts receivable	(53,037)	(92,877)	39,641	96,698	--	(9,575)	(7,295)
Due from other governmental agencies	53,804	248,181	464	1,705	--	304,154	17,500
Inventories	(43,903)	12	--	--	5,541	(38,350)	(20,762)
Prepaid items	(10,048)	(95,332)	(266)	(7,018)	5,886	(106,778)	13,940
Net increase (decrease) in:							
Accounts payable	2,773,531	138,865	(530,330)	163,706	(8,243)	2,537,529	(519,759)
Retainages payable	(305,620)	--	--	--	--	(305,620)	--
Liability for unpaid claims	--	--	--	--	--	--	378,667
Due to other governmental agencies	14,684	7,817	6,472	1,903	(3,127)	27,749	3,698
Accrued wages	33,202	(34,130)	13,188	7,903	3,282	23,445	(312,882)
Compensated absences	(151,592)	(184,442)	(117,550)	(1,752)	(7,226)	(462,562)	(90,613)
Unearned revenue	299,237	3,517,223	32,145	--	3,051	3,851,656	--
Customer deposits	(62,690)	--	3,130	--	--	(59,560)	--
Total adjustments	12,132,972	4,380,921	2,023,997	1,361,308	(568,011)	19,331,187	672,274
Net cash provided (used) by operating activities:	\$ 25,594,816	\$ 57,416	\$ 774,037	\$ 892,761	\$ (379,725)	\$ 26,939,305	\$ 2,470,592
Noncash investing, capital, and financing activities							
Amortization of premium on issuance of bonds	\$ 127,031	--	--	66,638	--	\$ 193,669	--
Amortization of deferred loss on defeasance of debt	39,761	--	--	--	--	39,761	--

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
Fiduciary Funds
Statement of Fiduciary Net Position
September 30, 2021

	Pension and OPEB Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ 2,315,895	\$ 10,461
Investments:		
Money market funds	19,774,256	60,317
U.S. Government securities	39,297,959	--
Mortgage-backed securities	24,169,263	--
Collateralized mortgage oblig	2,160,541	--
Common and preferred stock	427,326,797	--
Corporate bonds and notes	84,669,852	--
Stock mutual funds	19,787,374	--
Bond mutual funds	2,334,208	--
Real estate funds	67,133,903	--
U.S. Government agency securities	13,015,128	--
Municipal securities	1,629,042	--
Foreign stocks	58,581,782	--
Master limited partnerships	337,086	--
Foreign mutual funds	4,344,742	--
Foreign bonds	550,124	--
Other equities	8,898,114	--
Total investments	<u>774,010,171</u>	<u>60,317</u>
Receivables (net):		
Contributions	1,375,048	--
Accounts	1,072,636	--
Interest and dividends	685,973	79
Total receivables	<u>3,133,657</u>	<u>79</u>
Other assets:		
Prepaid items	55,530	--
Investments-FMV adj	(83)	--
Total other assets	<u>55,447</u>	<u>--</u>
Total assets	<u>779,515,170</u>	<u>70,857</u>
Liabilities		
Accounts payable	1,191,766	70,725
Deferred revenue	157,241	--
Liability for unpaid claims	689,091	--
Due to Other Governments	40,376	--
Accrued liabilities	--	132
Total liabilities	<u>2,078,474</u>	<u>70,857</u>
Net Position		
Restricted for Pension benefits	715,740,292	--
Restricted for OPEB benefits	61,696,404	--
Total net position	<u>777,436,696</u>	<u>--</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
 Fiduciary Funds
 Statement of Changes in Fiduciary Net Position
 For the Year Ended September 30, 2021

	Pension and OPEB Trust Funds	Custodial Funds
Additions		
Contributions		
Plan members	\$ 4,566,444	\$ --
Employer		
City of Sarasota	21,791,896	--
Sarasota County	6,237,530	--
State of Florida	1,131,568	--
Other	580,896	--
Total contributions	<u>34,308,334</u>	<u>--</u>
Investment income		
Net increase		
in fair value of investments	129,537,737	--
Interest and dividends	15,059,089	24,864
Other	1,666,986	--
Total investment income	146,263,812	24,864
Less investment expense	<u>(4,126,786)</u>	<u>--</u>
Net investment income (loss)	142,137,026	24,864
Impact Fee collections for other governments	--	966,627
Insurance reimbursements	--	38,800
Miscellaneous Additions	--	839,906
Total additions	<u>176,445,360</u>	<u>1,870,197</u>
Deductions		
Benefits	49,094,062	--
Administrative expenses	2,721,749	--
Refunds of contributions	98,757	--
Payments of Impact Fees to other governments	--	966,500
Insurance disbursements on behalf of homeowners	--	38,800
Interest and Earnings Transfer	--	24,658
Miscellaneous Deductions	--	840,239
Total deductions	<u>51,914,568</u>	<u>1,870,197</u>
Net increase (decrease)	124,530,792	--
Net Position - beginning	<u>652,905,904</u>	<u>--</u>
Net position - ending	<u>\$ 777,436,696</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
 Component Units
 Statement of Net Position
 September 30, 2021

	St. Armands Business Improvement District	Downtown Improvement District	Total
Assets			
Cash and cash equivalents	\$ 114,965	\$ 158,257	\$ 273,222
Investments	662,836	912,441	1,575,277
Receivables (net):			
Interest	1,002	1,417	2,419
Due from other governmental agencies	70	698	768
Capital assets:			
Non-depreciable	1,376	--	1,376
Depreciable (net)	774,190	140,259	914,449
Total assets	<u>1,554,439</u>	<u>1,213,072</u>	<u>2,767,511</u>
Liabilities			
Accounts payable	54,895	43,535	98,430
Due to other governmental units	--	8	8
Accrued wages	--	3,249	3,249
Total liabilities	<u>54,895</u>	<u>46,792</u>	<u>101,687</u>
Net Position			
Net investment in capital assets	775,566	140,259	915,825
Unrestricted	723,978	1,026,021	1,749,999
Total net position	<u>\$ 1,499,544</u>	<u>\$ 1,166,280</u>	<u>\$ 2,665,824</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
 Component Units
 Statement of Activities
 For the Year Ended September 30, 2021

	St. Armands Business Improvement District	Downtown Improvement District	Total
Program expenses:			
Personal services	\$ 47,760	\$ 58,332	\$ 106,092
Contractual services	335,723	355,300	691,023
Repairs and maintenance	93,201	316,401	409,602
Supplies and materials	17,189	3,047	20,236
Depreciation	56,556	22,337	78,893
Total program expenses	<u>550,429</u>	<u>755,417</u>	<u>1,305,846</u>
Program profit (loss)	<u>(550,429)</u>	<u>(755,417)</u>	<u>(1,305,846)</u>
General revenues:			
Property taxes	334,004	729,286	1,063,290
Investment earnings	1,736	2,220	3,956
Total general revenues	<u>335,740</u>	<u>731,506</u>	<u>1,067,246</u>
Change in net position	(214,689)	(23,911)	(238,600)
Net position - beginning	1,714,233	1,190,191	2,904,424
Net position - ending	<u>\$ 1,499,544</u>	<u>\$ 1,166,280</u>	<u>\$ 2,665,824</u>

The accompanying notes are an integral part of this statement.



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Notes to the Financial Statements



NOTES TO THE FINANCIAL STATEMENTS

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Sarasota, Florida, (the City) was incorporated in 1902. The City is on the west coast of Florida, approximately half-way down the state and is comprised of 24 square miles with a population of 55,380. The City was created pursuant to the Laws of Florida, Chapter 73-618. The current charter was approved by a special act of the State of Florida legislature in 1973 and by the voters of the City at an election held September 6, 1996. The City operates under the Commission-Manager form of government and provides municipal services such as police protection, public works and all the necessary functions of general government. The City also has certain enterprise operations consisting of a water and sewer utility, a golf course, a performing arts hall, a solid waste collection service, a municipal auditorium and parking management.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. As required by generally accepted accounting principles, the accompanying financial statements present the City of Sarasota and its component units (entities for which the City is considered to be financially accountable).

Blended component units, although legally separate entities, are in substance part of the government's operations. Therefore, data from these units are presented with data of the City (the primary government). The discretely presented component units are aggregated and reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City. Each blended and discretely presented component unit has a September 30th year-end.

Blended Component Unit: The Community Redevelopment Agency (CRA) was created by the City Commission, pursuant to Florida Statutes, Section 163.357, to provide for the rehabilitation, conservation and redevelopment of certain areas within the City. The CRA operates under the guidance of the City Commission which meets separately as the CRA's governing body to approve the adoption of the annual budget, the issuance of debt, the execution of contracts and the payment of unbudgeted expenditures. The financial statements of the CRA have been included within the City's reporting entity as the Community Redevelopment Special Revenue Fund. Separate financial statements of the CRA are available.

The Bay, a home rule tax increment financing district, was approved by both the City and Sarasota County on November 2, 2020. The tax increment revenue may only be used for the design and construction of capital improvements within the Bay Park, including, but not necessarily limited to a new performing arts center. These revenues may also be used for new bicycle and pedestrian amenities within the District. The base year for the district is January 1, 2019 for a period of 30 years. Both the City and the County will contribute at the lower of 3.0892, or the City's or Sarasota County's millage. There has been no financial activity as of September 30, 2021.

The Golden Gate Point Special District (District) was created by the City Commission, pursuant to Florida Statutes, Section 189.4041. The purpose of the District is to construct and maintain enhancement and improvements within the public rights of way on Golden Gate Point. The City Commission is the governing board of the District which meets to approve the adoption of the annual budget, the issuance of debt, the execution of contracts and the payment of expenditures. The financial statements of the District have been included within the City's reporting entity as the Golden Gate Point Special Revenue Fund. Separate financial statements of the District are not available.

Discretely Presented Component Units: The St. Armands Business Improvement District (BID) was created by City Ordinance 02-4382 under Chapter 163.511 of the Florida Statutes. The boundaries of the BID are made up of all parcels of real property located within the CT Zone District in the vicinity of St. Armands Circle. The BID is a dependent taxing authority with the power to levy up to two mills, with City

Commission approval, for the purpose of purchasing supplemental services (maintenance, security, sanitation, promotions, infrastructure and capital improvements).

The Downtown Improvement District (DID) was created by City Ordinance 08-4832 under Chapter 189.4041 of the Florida Statutes. The boundaries of the DID includes all non-residential parcels within the downtown core of the City. The DID is a dependent taxing authority with the power to levy up to two mills, with City Commission approval, for the purpose of purchasing supplemental services (maintenance, security, sanitation, promotions, infrastructure and capital improvements).

The City Commission appoints the governing boards. The BID and DID are fiscally dependent on the City, and their financial statements are included in separate columns of the accompanying financial statements. Separate financial statements are not available. The BID and DID are accounted for as governmental fund types and use the same applicable accounting policies the City presents in the Notes to Financial Statements.

B. Government-Wide and Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements. The government-wide financial statements required under this statement (the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements so as not to distort financial results. Fiduciary funds are also excluded from the government-wide financial statements since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements (fund financial statements) are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The City's fiduciary funds are presented in the fund financial statements by type (pension/OPEB trust and custodial funds) but as noted above are not included in the government-wide statements. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentations.

Internal Service Funds of a government (which traditionally provide services primarily to other funds of the government) are presented in summary form as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate governmental activities.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Operating revenues shown for proprietary operations generally result from producing or providing goods and services such as water, sewer and solid waste collection. Operating expenses for these operations include all costs related to providing the service or product. These costs include salaries, supplies, travel, contract services, depreciation, administrative expenses and other expenses directly related to costs of services. All other revenue and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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. For this purpose, the City considers revenues to be available if they are collected within 60 days (90 days for grant revenue) of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Grant revenues are considered earned and are accrued simultaneously with the grant expenditure. In applying the susceptibility-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and substantially irrevocable; i.e., revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion. All other revenue items are considered to be measurable and available only when cash is received by the government.

Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employment benefit) trust funds, investment trust funds or private-purpose trust funds.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Most of the essential governmental services such as police protection, public works, street, highway and landscape maintenance and general administration are provided by the General Fund. The *Community Redevelopment Fund* is used to account for tax increment revenues that encourage development in the downtown and Newtown areas. The *Housing and Community Development Fund* accounts for a variety of affordable housing and community development programs funded by the Federal Department of Housing and Urban Development. The *Penny Sales Tax Fund* accounts for the revenue derived from a one cent local option infrastructure sales surtax imposed by Sarasota County, Florida. The *Building Services Fund* accounts for revenues and expenditures related to providing services to the development community including plans review, construction inspections, and development approval. The *Tourist Development Tax Fund* accounts for tourist development tax revenues and expenditures for tourist related projects.

The City reports the following major proprietary funds:

The *Water and Sewer Fund* accounts for the provision of water and sewer services to the residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, financing and related debt service and billing and collection. The *Van Wezel Performing Arts Hall Fund* accounts for revenues and expenses of a cultural center which provides a wide variety of entertainment, including performances by nationally known theater, ballet and musical groups, for which a significant portion is financed through user charges. The *Solid Waste Management Fund* accounts for the provision of solid waste collection and recycling activities to the residents and businesses of the City. The *Parking Management Fund* accounts for the operations of the City's on-street parking, parking garages and surface parking lots.

In addition, the City reports the following fund types:

Internal Service Funds account for services provided to other departments within the City on a cost reimbursement basis. These services include: information technology services, equipment maintenance services, equipment replacement services and general benefits and insurance services. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The excess revenue or expenses for the funds are allocated to the appropriate functional activity.

The *Pension Trust Funds* account for the activities of the General Employees' Defined Benefit Pension, Police Officers' Defined Benefit Pension, Firefighters' Defined Benefit Pension and General Employees Defined Contribution plans, which accumulate resources for pension benefit payments to qualified employees.

The *Other Post Employment Benefits Trust Fund* accounts for the future liability of costs for medical/prescription/dental coverage, extended life insurance coverage and benefits under the Employee Assistance Program available to retirees and their dependents.

The *Custodial Funds* account for impact fees collected from citizens and disbursed to Sarasota County.

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

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 Water and Sewer enterprise fund, the Van Wezel Performing Arts Hall enterprise fund, the Solid Waste enterprise fund and the Parking Management enterprise fund are charges to customers for sales and services. The Water and Sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. The principal operating revenues of the internal service funds are interfund charges. The operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City allocates charges for indirect services provided by General Fund departments based on a cost allocation plan. The costs are included in the program expense reported by functional activity in the Statement of Activities.

D. Cash and Cash Equivalents

The City maintains a cash and investment pool that is available for use by all funds. The City considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents for purposes of the statement of cash flows.

The City's cash and investment pool consists of United States Government securities, United States Government Agency securities, Federal Instrumentalities, Mortgage-Backed Securities, Florida Prime administered by the Florida State Board of Administration, money market funds and cash. Cash balances and requirements of all funds are considered in determining the amount to be invested. Interest earned on pooled cash and investments is allocated to funds based on their average daily balances.

E. Investments

For all funds, except the OPEB and pension trust funds, investments consist of U.S. Government securities, U.S. Government Agency securities, Federal Instrumentalities, Mortgage-Backed Securities, Florida Prime administered by the Florida State Board of Administration and money market funds. Investments of the OPEB and pension trust funds consist of U.S. Government securities, U.S. Government Agency securities, corporate bonds and notes, common and preferred stocks, mutual funds, foreign securities, real estate, and money market funds. All investments are reported at fair value using quoted market prices or the best estimate available. The difference between cost and fair value of investments held is recorded as net unrealized gains or losses and is included in net investment earnings.

F. Other Receivables

All trade receivables on the statement of net position are shown net of an allowance for uncollectible. Long-term notes receivable due to governmental funds represent loans to property owners for rehabilitation of properties. Recognition of governmental fund type revenues is deferred until they become current, in accordance with the modified accrual basis of accounting.

G. Interfund Receivables and Payables

During the course of its operations, the City has numerous transactions between funds to provide services, construct assets and service debt. To the extent that certain transactions between funds were not paid for or received as of September 30, 2021, balances of interfund receivables and payables expected to be liquidated within one year have been recorded as due from and due to other funds. Balances of interfund receivables and payables not expected to be liquidated within one year are recorded as advances to and advances from other funds. Balances of advances to other funds are reserved in the fund balances of the respective funds since these balances are not available for appropriation. Short-term interfund loans to eliminate cash deficits are classified as interfund receivables/payables. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

H. Inventories

Inventories are adjusted to annual and periodic counts and are valued at cost, which approximates market, using the average cost method. Inventory is accounted for using the consumption method, whereby inventories are recorded as expenditures when they are used.

I. Prepaid Items

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

J. Restricted Assets

Proceeds of the City's enterprise fund revenue bonds, as well as other resources set aside in accordance with bond covenants or local ordinance, are classified as restricted on the fund level balance sheets of the enterprise funds. These include the following: interest and sinking accounts used for accumulation of resources needed to meet debt service requirements as they become due; general reserve account used to accumulate resources to pay the cost of improvements, to pay the cost of purchasing or redeeming bonds, to pay the principal and interest on any obligations subordinate to the bonds issued under the resolution, to make up any deficiencies in any of the Accounts and to pay the cost of any item qualifying as an expenditure of the Renewal, Replacement and Improvement Account; and the utility construction accounts used for acquisition and construction of assets funded by revenue bond proceeds.

Restricted assets are not presented on the statement of net position of the governmental funds under the modified accrual basis of accounting; however, certain assets of these funds are restricted as to use. Such assets, consisting primarily of cash and receivables, include debt proceeds, permit fees, state and federal forfeiture awards, state and federal grants and amounts held for debt service. All applicable assets in the enterprise funds and in the governmental funds have been restricted in amounts sufficient to meet restrictive purposes.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial estimated useful life in excess of one year and an individual cost of more than \$1,000 for tangible personal property, buildings, improvements, infrastructure and utility systems. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, similar assets, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of the donation. (Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.) 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.

The City has a collection of art presented both in buildings and public outdoor spaces. The true value of the art is expected to either be maintained or enhanced over time and thus, the art is not depreciated. If individual pieces are lost or destroyed the loss is recorded.

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

<u>Assets</u>	<u>Years</u>
Buildings	30-50
Other improvements	10-20
Public domain infrastructure	10-40
System infrastructure	30
Vehicles	4
Office equipment	5
Computer equipment	3

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category:

- Deferred charges on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Differences between expected and actual experience with regard to economic and demographic factors in the measurement of the total pension liability and changes of assumptions about future economic or demographic factors or of other inputs. These amounts are deferred and included in collective pension expense, beginning in the current measurement period, 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 pensions through the pension plan (active employees and inactive employees) determined as of the beginning of the measurement period.
- Pension contributions subsequent to measurement date related to the net pension liability are reported as deferred outflows of resources until the next measurement date.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Unavailable revenues reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from the following sources: 1) Revenues that are not collected during the “availability period”. The City considers grant revenues to be available if they are collected within 90 days of the end of the current fiscal period; 2) An offset account to the long-term notes receivables and special assessments in the governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Differences between expected and actual experience with regard to economic and demographic factors in the measurement of the total pension liability. This amount is deferred and included in collective pension expense, beginning in the current measurement period, 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 pensions through the pension plan (active employees and inactive employees) determined as of the beginning of the measurement period.
- Net differences between projected and actual earnings on pension plan investments related to the net pension liability. Net differences between projected and actual earnings on pension plan investments identified during the measurement period are deferred and amortized as a component of pension expense in future periods.

M. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts 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 recorded as prepaid items and amortized over the term of the bonds using the bonds outstanding method, which approximates the effective interest method. Other bond issuance costs are expensed as incurred.

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. Premiums received on debt issuances are 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.

N. Compensated Absences

It is the City's policy to allow employees to accumulate unused vacation benefits up to certain maximum hours. Unused sick leave benefits cannot be accumulated. Unused vacation is paid upon an employee's termination. Earned but unpaid vacation benefits are recognized as an expense or expenditure in the Proprietary and Governmental Fund types when earned because the City has provided financial resources for the full amount through its budget process.

The City's Governmental Funds liability for accrued compensated absences is reported in the General Benefits and Insurance Internal Service Fund. This fund is reimbursed through payroll charges to the City's Governmental Funds. A liability for those amounts is reported in governmental funds only if they have matured as a result of employee resignations or retirements.

O. Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is presented in three components – net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings attributable to the acquisition, construction, or improvement of those assets. This component does not include the portion of debt attributable to the unspent proceeds.

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

Unrestricted – This component consists of net position that does not meet the definition of “invested in capital assets (net of related debt)”, and “restricted”.

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

P. Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

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

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

Committed Fund Balance – consists of amounts that can only be used for specific purposes imposed by formal action (resolution) of the City Commission, the City's highest level of decision making authority. The committed amounts cannot be used for any other purpose unless the City Commission removes or changes the limitation by taking the same form of action (resolution) it employed to previously commit those amounts.

Assigned Fund Balance – consists of amounts that are set aside with the intent to be used for a specific purpose by the City Manager or his designee as authorized in the annual budget resolution. In

governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. Assigned amounts cannot cause a deficit in unassigned fund balance.

Unassigned Fund Balance – consists of excess amounts that have not been classified in the previous four categories. All funds in this category also provide the resources necessary to meet unexpected expenditures and revenue shortfalls. The General Fund is the only fund that reports a positive unassigned fund balance amount.

When an expenditure is incurred, the City uses restricted amounts first when both restricted and unrestricted fund balances are available. Additionally, the City would first use unassigned fund balance, followed by committed fund balance and then assigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

In a governmental fund other than the General Fund, expenditures incurred for a specific purpose might exceed the amounts in the fund that are restricted, committed, and assigned to that purpose and a negative residual balance for that purpose may result. If that occurs, amounts assigned to other purposes in that fund should be reduced to eliminate the deficit. If the remaining deficit eliminates all other assigned amounts in the fund, or if there are no amounts assigned to other purposes, the negative residual amount should be classified as *unassigned* fund balance. A negative residual amount should not be reported for restricted, committed, or assigned fund balances in any fund.

Q. General Fund Revenue Stabilization Fund

Maintaining a General Fund Revenue Stabilization Fund is a necessity for sound financial management and fiscal accountability. The General Fund Revenue Stabilization Fund was established to minimize the impact of declines from economic conditions on major General Fund revenue sources. The General Fund Revenue Stabilization Fund was adopted by Resolution 16R-2544 on December 7, 2015. The General Fund Revenue Stabilization Fund fund balance is committed by the City Commission as set forth in the annual budget (and any amendments thereto) as a means to ensure funding to help mitigate cyclical downturns in the General Fund revenue base. The Revenue Stabilization Fund is based on the following seven principles that will guide the initial funding, subsequent funding, withdrawing and replenishment: (1) The maximum balance of the Revenue Stabilization Fund will be equal to three and a half percent of budgeted General Fund recurring revenues for the then current fiscal year, (2) The Revenue Stabilization Fund was financed initially through an additional transfer of \$590,833 of available resources from the General Fund Unassigned Fund Balance, (3) Subsequent transfers to the Revenue Stabilization Fund may be recommended by the City Manager and be based on the General Fund financial results of the most recently ended fiscal year or included as part of the City Manager's budget recommendations for the upcoming fiscal year, (4) Withdrawals from the Reserve can only be considered if there is an unexpected General Fund recurring revenue decline of at least three percent below the original budget projections for the then current fiscal year, (5) Only one-third of the anticipated General Fund recurring revenue decline can be recovered through a transfer from the Revenue Stabilization Fund in any one fiscal year, (6) No more than twenty-five percent of the balance in the Revenue Stabilization Fund can be withdrawn in any one fiscal year, (7) Withdrawals from the Revenue Stabilization Fund must be approved by the City Commission as a formal budget action. At September 30, 2021, the reserve had a balance of \$2,640,554.

R. Property Tax Calendar

The City levies property taxes each November 1st, which become a lien on real and personal property located in the City. Property taxes are based on the assessed values determined by the Sarasota County Property Appraiser as of the prior January 1st. The current year's levy is based on taxable assessed property values totaling \$11,827,986,000.

The State of Florida permits the City to levy taxes up to 10 mills of assessed property valuations for the General Fund. For the 2020-21 fiscal year, the City levied taxes of 3.2632 mills for the General Fund and an additional 0.2234 mills for debt service on general obligation bonds.

The Sarasota County Tax Collector collects property taxes on behalf of each municipality within county boundaries. All taxes are due from property owners on March 31st. Taxes become delinquent on April

1st. By May 31st of each year, either all taxes have been collected and remitted to the City or the delinquent taxes are raised by public auction of tax certificates. Due to this arrangement there are no material unremitted tax revenues at the end of the fiscal year. The major dates in this process are listed on the following table.

PROPERTY TAX CALENDAR	
July 1	Assessment roll validated
September 30	Millage resolution approved
October 1	Beginning of City's fiscal year for which tax is to be levied
November 1	Tax bills rendered and due
November 1 - March 31	Property taxes due with various discounts
April 1	Taxes delinquent and property subject to lien
May 31	Tax certificates sold by County

S. Implementation of Governmental Accounting Standards Statements

The following GASB Pronouncements have been issued but are not in effect for the City as of September 30, 2021:

GASB Statement No. 87, Leases. This standard will become effective for fiscal year end September 30, 2022. This standard changes the accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. This standard establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee government is required to recognize a lease liability and an intangible right-to-use asset and a lessor government is required to recognize a lease receivable and a deferred inflow of resources. Management is aware of this standard and intends to properly evaluate the impact and ensure that any accounting and reporting impact is properly addressed in the year the standard is required to be implemented.

GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period. This standard will become effective for fiscal year end September 30, 2022. This standard establishes accounting requirements for interest cost incurred before the end of a construction period. This standard also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. This standard is not expected to materially impact the City's financial statements.

GASB Statement No. 91, Conduit Debt obligations. This standard will become effective for fiscal year end September 30, 2023. This standard clarifies the existing definition of a conduit debt obligation, establishes a conduit obligation is not a liability of the issuer, establishes standards for accounting and financial reporting of additional commitments and voluntary commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations, and improving required note disclosures. This standard also addresses arrangements-often characterized as leases-that are associated with debt obligations. This standard is not expected to impact the City's financial statements.

GASB Statement 92, Omnibus 2020. This standard will become effective for fiscal year end September 30, 2022. This standard will enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics and includes specific provisions about the following: (1) The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reports; (2) Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit ("OPEB") plan; (3) The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That are not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits; (4) The

applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements; (5) Measurement of liabilities (and assets, if any) related to asset retirement obligations ("AROs") in a government acquisition; (6) Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; (7) Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and (8) Terminology used to refer to derivative instruments. This standard is not expected to impact the City's financial statements.

GASB Statement 93, *Replacement of Interbank Offered Rates*. This standard will become effective for fiscal year end September 30, 2022, with the exception of the removal of LIBOR as an appropriate benchmark interest rate which will become effective September 30, 2023. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an Interbank offered Rate ("IBOR"). This Statement achieves that objective by: (1) Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment; (2) Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; (3) Clarifying that the uncertainty related to the continued availability of IBORS does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable; (4) Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap; (5) Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap; and (6) Clarifying the definition of reference rate, as it is used in Statement 53, as amended. This standard is not expected to impact the City's financial statements.

GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This standard will become effective for fiscal year end September 30, 2023. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements ("PPPs"). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements ("APAs"). The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. This standard is not expected to impact the City's financial statements.

GASB Statement 96, *Subscription-Based Information Technology Arrangements*. This standard will become effective for fiscal year end September 30, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements ("SBITAs") for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and-a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This standard is not expected to impact the City's financial statements.

GASB Statement 97, *Certain Component Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal year end September 30, 2023, while all other requirements are effective immediately. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution OPEB plans, and employee benefit plans other than pension plans or OPEB plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code ("IRC") Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This standard is not expected to impact the City's financial statements.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, all special revenue and debt service funds, and the Penny Sales Tax Capital Projects Fund. All other capital projects funds adopt project-length budgets.

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

1. No later than the first regular City Commission meeting of September, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1st. The operating budget includes proposed expenditures and the means of financing the expenditures.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1st, the budget is legally enacted through passage of a resolution. The budget resolution restricts total expenditures by fund. Expenditures for any year may not exceed current year fund appropriations plus accumulated fund equity.
4. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Transfers of appropriations between funds require the approval of the City Commission. The transfer of appropriations between line items within the same department can be accomplished with Department Head and Budget Director approval.
5. All unencumbered and unexpended appropriations lapse at fiscal year-end. Encumbered appropriations also lapse, but may be honored by additional appropriations in the subsequent year's budget.
6. The City Commission has the power to revise its budget appropriations by resolution from time to time during the fiscal year; however, no revision may be made by transferring any encumbered funds unless such funds are first released or discharged from any such encumbrance.
7. Formal budgetary integration is employed as a management control device during the year for the general, special revenue and capital projects funds.
8. Budgets for the general, special revenue, debt service and capital projects funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general, special revenue and capital projects funds. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities. Encumbrances which the City intends to honor are appropriated as part of the subsequent year's budget.

Budgeted amounts are as originally adopted or amended by the City. Supplemental appropriations made during the fiscal year are included in the "Final Budget" columns on the statement of revenues, expenditures and changes in fund balances-budget and actual.

B. Deficit fund equity

The *Glen Oaks Debt Service Fund* had a deficit fund balance of \$84,932. This deficit will be eliminated with the collection of special assessments and interest earnings. The *Equipment Maintenance Internal Service Fund* had a net deficit fund balance of \$(572,448). The deficit in this fund was due to the allocation of its share of net pension liability for the General Employees' Pension Plan. The deficit will be eliminated by future revenues.

NOTE 3 - DEPOSITS AND INVESTMENTS

Cash and cash equivalents include cash on hand, amounts in demand and time deposits and short-term investments with original maturity dates within three months of the date acquired by the city. All of the City's deposits are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

The City maintains a cash and investment pool that is available for use by all funds, except the Pension Trust Funds. The deposits and investments of the Pension Trust Funds are held separately from those of other City funds. Interest income earned as a result of pooling is distributed monthly to the appropriate funds based on average daily balances.

The City's investment guidelines have been defined in a written investment policy and approved by the City Commission. The guidelines specify limits by instrument, and establish a diversified investment strategy and a minimum credit quality. It applies to all funds except the Pension Trust Funds. The direction of investment strategies, within policy limits, is established by an internal investment committee that meets quarterly.

The City's investment manager is authorized to invest in the State Board of Administration's Local Government Investment Pool (Florida Prime Fund), U.S. Government Securities, U.S. Government Agencies, Interest Bearing Time Deposit or Savings Accounts, Repurchase Agreements, Commercial Paper, State and/or Local Government Taxable and/or Tax-Exempt Debt, Intergovernmental Investment Pools, Corporate Obligations, FDIC Corporate Obligations, Supranationals, Asset-Backed Securities and Mortgage-Backed Securities (MBS). According to City policies, the Pension Trust Funds are also authorized to invest in common and preferred stock, mutual funds, convertible debentures, commercial paper, corporate bonds, foreign securities, real estate, and money market funds.

The Florida Prime Fund meets the criteria of an external investment pool that measures all of its investments at amortized cost for financial reporting purposes. The Florida Prime Fund is administered by the State Board of Administration and was created by Section 218.415, Florida Statutes. This investment pool operates under investment guidelines established by Section 215.47, Florida Statutes.

Fair Value Measurement of Investments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is also an exit price at a measurement date from the perspective of a market participant that controls the asset or is obligated for the liability.

The City uses fair value measurements for the initial recording and subsequent periodic remeasurement of certain assets on a recurring basis. Additionally, the City may be required to record at fair value other assets on a nonrecurring basis. The nonrecurring fair value adjustments typically involve application of lower-of-cost-or-fair-value or asset-impairment accounting.

The City holds less complex types of investments, which are measured at fair value on a recurring basis. The City categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; and Level 3 inputs are significant unobservable inputs.

A. City of Sarasota

As of September 30, 2021, the City had the following cash, cash equivalents and investments:

Portfolio / Investments	Fair Value	Weighted Average Maturity (Years)
Cash Deposits	\$ 26,936,639	Not Applicable
Certificate of Deposits	5,372,488	Not Applicable
Money Market Funds	2,090,633	0.01
Federal Agency Bonds/Notes	28,347,458	1.49
Federal Agency Commercial	6,803,016	1.83
Agency Mortgage-Backed Securities	6,501,101	7.76
Agency Collateralized Mortgage Obligations	629,090	15.50
Corporate Notes	27,432,718	2.12
Municipal Obligations	4,003,595	1.81
U.S Treasury Bonds/Notes	64,393,024	1.97
Supra-National Agency Bonds/Notes	9,524,234	2.03
Asset Backed Securities	9,020,429	2.42
Investment pools:		
Florida Palm	5,313,141	Not Applicable
Florida Prime	24,538,455	Not Applicable
Total Cash & Investments	\$ 220,906,021	
Portfolio weighted average maturity		2.19

City investments include cash and investments for the Primary Government, Component Units and Custodial Funds as follows:

Primary Government	
Statement of Net Position	
Cash and Cash Equivalents	\$ 36,109,118
Investments	182,877,626
Component Units	
Cash and Cash Equivalents	273,222
Investments	1,575,277
Custodial Funds	
Cash and Cash Equivalents	10,461
Investments	60,317
Total	\$ 220,906,021

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. When interest rates increase, the value of fixed rate securities fall. The inverse is also true, as interest rates fall, the value on fixed rate securities increase. The City manages its exposure to declines in fair market values by decreasing the weighted average maturity of its investment portfolio during periods of rising interest rates. The City's investment policy generally limits the weighted average maturity of the portfolio to a period of five years or less.

Credit Risk

Credit quality risk results from potential default of investments that are not financially sound. The investment policy limits investments in commercial paper to A-1/P-1 rated paper with the aggregate value not to exceed twenty percent of the total portfolio. The City's investments in United States Government Securities, United States Agencies, Federal Instrumentalities and Mortgage-Backed Securities are rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service. Money market funds are invested with financial institutions that comply with Chapter 280 of Florida Statutes, whereby the City is made whole by all participating banks should a principal loss be incurred by the City. Investments in Florida Prime are rated AAA by Standard & Poor's.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the quantity of the government's investment in a single issuer. The City's investment policy allows for investing in a variety of securities based on the issuer. The allowable concentration in any one issuer is based on the type of issuer - i.e., 25% for Mortgage-Backed Securities, 25% for the Florida Prime Fund, Interest Bearing Time Deposit or Savings Accounts, 50% Intergovernmental Investment Pools, 75% for United States Government Agencies, and up to 100% for United States Government Securities.

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. All United States Government securities, United States Government Agencies, and Mortgage-Backed securities are held by a third party custodial entity in the name of the City.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The City's investment policy does not permit investments in foreign securities.

Fair Value Measurement of Investments

The City has the following recurring fair value measurements as of September 30, 2021:

Investments	Fair Value	Level	
		1	2
Federal Agency Bonds/Notes	\$ 28,347,458	\$ -	\$ 28,347,458
Federal Agency Commercial	6,803,016	-	6,803,016
Agency Mortgage-Backed Securities	6,501,101	-	6,501,101
Agency Collateralized Mortgage Obligations	629,090	-	629,090
Corporate Notes	27,432,718	-	27,432,718
Municipal Obligations	4,003,595	-	4,003,595
U.S Treasury Bonds/Notes	64,393,024	64,393,024	-
Supra-National Agency Bonds/Notes	9,524,234	-	9,524,234
Asset Backed Securities	9,020,429	-	9,020,429
Total Investments by Fair Value Level	\$ 156,654,665	\$ 64,393,024	\$ 92,261,641
Investments Measured at Amortized Cost:			
Florida Palm	5,313,141		
Florida Prime	24,538,455		
	29,851,596		
Total Investments	\$ 186,506,261		

Debt securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 are valued using the following approaches:

- Federal Agency Bonds/Notes, Agency Mortgage-Backed Securities, Supra-National Agency Bonds/Notes, and Asset Backed Securities; Commercial Paper; quoted prices for identical securities in markets that are not active;
- Corporate and Municipal Bonds: quoted prices for similar securities in active markets;
- Agency Collateralized Mortgage Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices.

Investments in Florida Prime are valued at amortized cost and are not subject to the fair value hierarchy. There are no limitations or restrictions on participant withdrawals, including items such as redemption notices, maximum transaction amounts, and Florida Prime's authority to impose liquidity fees or redemption gates.

B. General Employees' Defined Benefit Pension Plan

As of September 30, 2021, the General Employees' Defined Benefit Pension Plan had the following cash, cash equivalents and investments:

<u>Portfolio / Investments</u>	<u>Fair Value</u>	<u>Duration (Years)</u>
Cash Deposits	\$ 749,509	Not Applicable
Money market funds	4,980,939	Not Applicable
U.S. Government securities	11,816,121	4.57
Common and preferred stock	89,088,379	Not Applicable
Corporate bonds and notes	7,809,090	4.43
Real estate funds	17,818,986	Not Applicable
Mortgage backed securities	9,553,294	24.46
Other equities	8,898,114	Not Applicable
Master Limited Partnerships	337,086	Not Applicable
Foreign stocks	31,320,084	Not Applicable
Total Cash & Investments	<u>\$ 182,371,602</u>	

Interest Rate Risk

The Plan manages exposure to declines in fair values through other methods such as evaluating the credit rating, diversifying the investments in the portfolio, and outside portfolio consulting. The Plan does not limit the weighted average maturity of its investment portfolio.

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan does not believe that they have a custodial risk exposure as all their securities are insured, registered, and held by an outside custodian.

Concentration of Credit Risk

The Plan does not allow for any investment in more than 10% (at market) of an investment manager's equity portfolio to be invested in the shares of a single corporate issuer. Investments in equity securities shall not exceed 75% of the market value of the total Plan assets. Except for Treasury and agency obligations, no more than 10% (at cost) of any investment manager's total fixed income portfolio shall be invested in the securities of a single issuer. No more than 17.5% (at market) of the Plan's assets may be invested in securities issued by corporations domiciled outside the United States.

Credit Risk

The Plan must operate in compliance with all applicable State and Federal laws concerning the investment of pension assets. All equity investments are limited to those issues that are traded on a major stock exchange or in over-the-counter securities for which there is an active market maker regulated by the NASD. Investments in corporate fixed income securities must hold a rating in one of the three highest classifications by a major rating service. If commercial paper is used, it must be rated A-1 or P-1. Ratings for the Plan's applicable securities are as follows:

	<u>September 30, 2021, Credit Ratings</u>	
	<u>S&P</u>	<u>Moody's</u>
US Government Securities	AA+	Aaa
US Government Agency Securities	AAA	Aaa...NR
Corporate Bonds	AA...BBB+	Aa1...Baa2

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan does not have a policy that addresses the risks associated with investments in foreign currency. The Plan holds \$31,320,084 in international investments. This amount represents approximately 17.24% of total Plan investments. Most of the foreign investments are denominated in U.S. dollars, therefore minimizing the foreign currency risk.

Fair Value Measurement of Investments

The Plan has the following recurring fair value measurements as of September 30, 2021:

Investments	Fair Value	Level		
		1	2	3
Debt Securities:				
US Government Securities	\$ 11,816,121	\$ 2,548,220	\$ 9,267,901	\$ --
Mortgage Backed Securities	9,553,294	--	9,553,294	--
Corporate Bonds and Notes	7,809,090	--	7,809,090	--
Total Debt Securities	29,178,505	2,548,220	26,630,285	--
Common and Preferred Stock	89,088,379	89,088,379	--	--
Real Estate Funds	9,019,892	--	--	9,019,892
Foreign Stocks	31,320,084	14,837,725	16,482,359	--
Master Limited Partnerships	337,086	337,086	--	--
Other Equities	8,898,114	8,898,114	--	--
Total Investments by Fair Value Level	\$ 167,842,060	\$ 115,709,524	\$ 43,112,644	\$ 9,019,892

Investments Measured at Net Asset Value (NAV):

Real Estate Funds	8,799,094
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Investments Not Subject to Level Disclosure:

Money Market Funds	4,980,939
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Total Investments	\$ 181,622,093
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Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique for similar securities. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. Real estate funds classified in Level 3 are valued using independent appraisers to determine the market value of the investments in the fund.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table:

Investment	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Investments Measured at Net Asset Value (NAV):				
Real Estate Funds (1)	\$ 8,799,094	\$ -	Quarterly	45 days
Total Investments Measured at NAV	\$ 8,799,094			

(1) *Real estate funds.* This type includes real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Capital commitments are accepted by the fund quarterly and are generally called from investors pro rata in the order of the quarter in which they are received. Shares are generally issued quarterly 45 days after quarter-end when that quarter's price per share is published. Redemption requests must be received by the Fund 45 days prior to quarter end, and to the extent the fund has liquid assets, redemption requests will be redeemed after quarter end when that quarter's per share price is published. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital.

C. Firefighters' Defined Benefit Pension Plan

As of September 30, 2021, the Firefighters' Defined Benefit Pension Plan had the following cash, cash equivalents and investments:

<u>Portfolio / Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Cash Deposits	\$ 613,047	N/A
Money Market Funds	3,763,087	N/A
U.S. Government agency securities	13,003,208	10.889
Common Stock	101,709,268	N/A
Corporate Bonds and Notes	24,299,951	8.725
Stock Mutual Funds	2,308,201	N/A
Real Estate Funds	19,591,186	N/A
Mortgage Backed Securities	1,117,431	23.407
Municipal Securities	214,572	19.265
Foreign Stocks	20,164,707	N/A
Foreign Bonds	317,991	2.170
Total Cash & Investments	<u>\$ 187,102,649</u>	

Interest Rate Risk

The Plan manages exposure to declines in fair values through other methods such as evaluating the credit rating, diversifying the investments in the portfolio, and outside portfolio consulting. The Plan does not limit the weighted average maturity of its investment portfolio.

Credit Risk

The Plan limits its short term investments to the following: money market or short term investment fund provided by the funds custodian; direct obligations of the United States Government with a maturity of one year or less; commercial paper issued by United States Corporations which have a maturity of 270 days or less and that is rated A-1 or higher by Standard & Poor's or P-1 or higher by Moody's; and Bankers Acceptances issued by the largest fifty banks in the United States. All equity investments are limited to fully and easily negotiable equity securities. All equity investments are limited to those issues that are traded on a major stock exchange. Investments in corporate fixed income securities are limited to those securities rated "A" or higher by Moody's or Standard & Poor's rating services. Investments in collateralized mortgage obligations are limited to 25% of the market value of the investment manager's total portfolio and are restricted to those issues backed by the full faith of the United States Government, an Agency thereof, or are rated AAA by a major rating service and PAC (planned amortization class), NAC (non-accelerated securities) or VADM (very accurately defined maturity) securities.

	<u>September 30, 2021, Credit Ratings</u>	
	<u>S&P</u>	<u>Moody's</u>
Government securities	-	Aaa
Municipal securities	AAA	A2
Mortgage backed securities	AAA	Aaa
Corporate bonds and notes	AAA...CCC+	Aaa...Baa1

Concentration of Credit Risk

The Plan does not allow for any investment in more than 6% (at market) of an investment manager's equity portfolio to be invested in the shares of a single corporate issuer. Investments in the shares of companies that have been publicly traded for less than one year are limited to no more than 10% of an investment manager's portfolio. Investments in securities (stocks, bonds, and cash equivalents) issued by corporations domiciled outside the United States shall not exceed 10% (at cost) of the Fund's total market value. No more than 10% (at cost) of any investment manager's total fixed income portfolio shall be invested in the securities of any single corporate issuer. No more than 10% (at time of purchase) of the Fund's total market value may be invested in real estate investments. All real estate investments are to be

made through participation in diversified commingled funds of real properties. Real estate investments shall be broadly diversified as to property type and location.

The Plan has concentrated its risk for cash by maintaining deposits which may at times exceed amounts covered by the Federal Deposit Insurance Corporation (FDIC). The Fund has not incurred losses related to these and believes it is not exposed to any significant risk on cash.

Custodial Credit Risk, Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan does not believe that they have a custodial risk exposure as all their securities are insured, registered, and held by an outside custodian.

Foreign Currency Risk

Investment in securities issued by foreign governments or corporations domiciled outside of the United States shall not exceed 25% of the Fund's total market value.

Fair Value Measurement of Investments

The Plan has the following recurring fair value measurements as of September 30, 2021:

Investments	Fair Value	Level		
		1	2	3
Debt Securities				
U.S. Government agency securities	\$ 13,003,208	\$ 3,379,065	\$ 9,624,143	\$ --
Municipal Securities	214,572	--	214,572	--
Mortgage Backed Securities	1,117,431	--	1,117,431	--
Corporate Bonds and Notes	24,299,951	--	24,299,951	--
Foreign Bonds	317,991	--	317,991	--
Total Debt Securities	38,953,153	3,379,065	35,574,088	--
Common Stock	101,709,268	92,455,864	9,253,404	--
Foreign Equities	20,164,707	11,537,036	8,627,671	--
Equity Mutual Funds	2,308,201	--	2,308,201	--
Real Estate Funds	19,591,186	--	--	19,591,186
Total Investments by Fair Value Level	\$ 182,726,515	\$ 107,371,965	\$ 55,763,364	\$ 19,591,186
Investments Not Subject to Level Disclosure				
Money Market Funds	3,763,087			
Total Investments	\$ 186,489,602			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Real estate funds classified in Level 3 are valued using independent appraisers to determine the market value of the investments in the fund.

D. Police Officers' Defined Benefit Pension Plan

As of September 30, 2021, the Police Officers' Defined Benefit Pension Plan had the following cash, cash equivalents and investments:

Portfolio / Investments	Fair Value	Duration (Years)
Cash Deposits	\$ 700,495	N/A
Money Market Funds	9,254,272	N/A
U. S. Government Securities	25,295,469	8.12
Common Stock	200,359,729	N/A
Corporate Bonds	43,836,484	4.31
Real Estate Mutual Funds	24,082,729	N/A
Mortgage and Asset Backed Securities	15,311,226	2.87
Municipal Securities	1,414,470	20.85
Foreign Mutual Funds	3,274,183	N/A
Total Cash & Investments	\$ 323,529,057	

Concentration

As of September 30, 2021, the Plan held investments in three mutual funds with aggregate amounts exceeding 5% of the market value of the Fund's assets. The three mutual funds had fair values totaling \$52,345,518, \$26,282,112 and \$24,082,729 as of September 30, 2021. The September 30, 2021 investment compliance report did not identify a concentration with any individual issuer in excess of investment policy guidelines.

Duration

Duration is the measure of fixed income cash flows using present value, weighted for cash flows as a percentage of the investment's full price. Effective duration makes assumptions regarding the most likely timing and amounts of variable cash flows arising from such investments as callable bonds, prepayments and variable-rate debt.

Credit Risk

The Plan limits its short term investments to the following: money market or short term investment funds provided by the funds custodian; commercial paper issued by United States Corporations which have a majority of 270 days or less and a rating of A-1 or higher by Standard & Poor's or P-1 or higher by Moody's. All equity investments are limited to fully and easily negotiable equity securities. In addition, investments in the shares of companies that have been publicly traded for less than one year are limited to no more than 15% of the market value of an investment manager's total equity portfolio. Investments in corporate fixed income securities are limited to those securities rate "A" or higher by Moody's or Standard & Poor's rating services. Investments in Collateralized Mortgage Obligations are limited to 25% of the market value of the investment manager's total portfolio and are restricted to those issues backed by the full faith or United States Government, and Agency thereof, or are rated AAA by a major rating service and PAC (planned amortization class), NAC (non-accelerated securities) or VADM (very accurately defined maturity) securities. Ratings for the Plan's applicable securities are as follows:

	September 30, 2021, Credit Ratings	
	S&P	Moody's
US Government Securities	AA+	Aaa
Corporate Bonds	AAA...BBB+	Aaa...Baa1

Rating information for mortgage and asset backed securities and bond mutual funds was not provided. No investments for which ratings were received were risk rated below investment policy guidelines as described above. The investment policy requires fixed income securities which are downgraded below the minimum rating by both Moody's and Standard & Poor's shall be sold at the earliest beneficial opportunity. Investment positions are reviewed by the Board of Trustees at their regular meetings.

Interest Rate Risk

The Plan manages exposure to declines in fair values through other methods such as evaluating the credit rating, diversifying the investments in the portfolio, and outside portfolio consulting. The Plan does

not limit the weighted average maturity of its investment portfolio.

Concentration of Credit Risk

The Plan states that no more than 5% (at market) of an investment manager's equity portfolio may be invested in the shares of a single corporate issuer. Investments in equity securities shall not exceed 75% of the market value of the total Plan assets. Investments in convertible securities (classified as equity investments) and are limited to 25% of the Plan's total portfolio value and no more than 10% of each investment managers convertible portfolio may be invested in shares of a single corporate issuer.

No more than 10% (at market) of an investment manager's total fixed income portfolio shall be invested in the securities of any single corporate issuer. Investments in securities (stocks, bonds and cash equivalents) issued by foreign governments or corporation domiciled outside the United States shall not exceed 25% of the market value of Plan assets. Investments in real estate shall not exceed 15% (at market) of the value of the total Plan assets.

The Plan maintains cash deposits at financial institutions which may, at times, exceed amounts covered by the Federal Deposit Insurance Corporation (FDIC). The plan has not experienced any losses in such accounts and believes they are not exposed to any significant credit risk to cash.

Custodial Credit Risk

For an investment, this is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan does not believe that they have a custodial risk exposure as all their securities are insured, registered, and held by an outside custodian.

Foreign Currency Risk

The Board of Trustees retains outside investment managers with the Fund's written investment policy. The Fund's Investment policy states that investments in securities issued by foreign governments or corporation domiciled outside the United States shall not exceed 25% of the market value of Fund assets. The investment policy specifically prohibits certain investments including interest rate swaps, limited partnerships of any kind, venture capital, and futures contracts. The investment policy also prohibits trading on margin and short selling.

Fair Value Measurement of Investments

The Plan has the following recurring fair value measurements as of September 30, 2021:

Investments	Fair Value	Level		
		1	2	3
Debt Securities				
US Government Securities	\$ 25,295,469	\$ --	\$ 25,295,469	\$ --
Mortgage and Asset Backed Securities	15,311,226	--	15,248,801	62,425
Municipal Securities	1,414,470	--	1,414,470	--
Corporate Bonds	43,836,484	5,179,302	38,657,182	--
Total Debt Securities	<u>85,857,649</u>	<u>5,179,302</u>	<u>80,615,922</u>	<u>62,425</u>
Common Stock	200,359,729	116,800,753	83,558,976	--
Foreign Mutual Funds	3,274,183	--	3,148,416	125,767
Real Estate Mutual Funds	24,082,729	--	--	24,082,729
Total Investments by Fair Value Level	<u>\$ 313,574,290</u>	<u>\$ 121,980,055</u>	<u>\$ 167,323,314</u>	<u>\$ 24,270,921</u>
Investments Not Subject to Level Disclosure				
Money Market Funds	<u>9,254,272</u>			
Total Investments	<u>\$ 322,828,562</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are

valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. Real estate funds classified in Level 3 are valued used independent appraisers to determine the market value of the investments in the fund.

There were no investments measured at net asset value (NAV) as of September 30, 2021.

(1) *Global opportunities growth*. This type includes investments in one fund that invests in companies large and small primarily located in Europe and the Pacific Basin. At least 80 percent of the funds' investments must be in non-U.S. equities in the financial, information technology, consumer discretionary, industrials, healthcare, consumer staples, materials, energy, telecommunications, utilities and real estate sectors. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.

E. OPEB Trust Fund

As of September 30, 2021, the OPEB Trust Fund had the following cash, cash equivalents and investments:

Portfolio / Investments	Fair Value	Weighted Average Maturity (Years)
Cash Deposits	\$ 252,844	Not Applicable
Money Market Funds	1,775,958	Not Applicable
U.S. Government Securities	2,186,369	0.16
U.S. Government Agency Securities	11,920	0.02
Common Stock Domestic	36,169,421	Not Applicable
Corporate Bonds Domestic	8,724,327	1.49
Real Estate Funds	5,641,002	Not Applicable
Mortgage Backed Securities	347,853	0.01
Common Stock Foreign	7,096,991	Not Applicable
Corporate Bonds Foreign	232,133	.04
Total Cash & Investments	\$ 62,438,818	
Portfolio weighted average maturity		2.14

Interest Rate Risk

The Plan manages exposure to declines in fair values through other methods such as evaluating the credit rating, diversifying the investments in the portfolio, and outside portfolio consulting. The Plan does not limit the weighted average maturity of its investment portfolio.

Credit Risk

The Plan limits its fixed income investments to marketable debt securities issued or guaranteed by the United States Government or its agencies, domestic corporations, asset-backed and commercial mortgage-backed securities, domestic banks and other US financial institutions. All securities must hold a rating in one of the 3 highest classifications by a major rating service. If commercial paper is used it must be rated A-1 or P-1. All equity securities are limited to securities listed on the New York, American and principal regional and foreign exchanges, and in over-the-counter securities for which there is an active market maker regulated by the NASD.

Concentration of Credit Risk

The Plan does not allow for any investment in more than 5% (at market) of an investment manager's equity portfolio to be invested in the shares of a single corporate issuer. Investments in equity securities shall not exceed 70% of the market value of the total Plan assets. Except for Treasury and agency obligations, no more than 10% (at cost) of any investment manager's total fixed income portfolio shall be invested in the securities of a single issuer. No more than 10% (at market) of the Funds' assets may be invested in securities issued by corporations domiciled outside the United States.

Custodial Credit Risk

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

party. The Plan does not believe that they have a custodial risk exposure as all their securities are insured, registered, and held by an outside custodian.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The plan does not have a policy that addresses the risks associated with investments in foreign currency. The trust fund holds \$7,329,124 in foreign investments. This amount represents approximately 11% of total trust fund investments. Many of the foreign investments are denominated in U.S. dollars, therefore minimizing the foreign currency risk.

Fair Value Measurement of Investments

The Plan has the following recurring fair value measurements as of September 30, 2021:

Investments	Fair Value	Level		
		1	2	3
U.S. Government Securities	\$ 2,186,369		\$ 2,186,369	
U.S. Government Agency Securities	11,920		11,920	
Common Stock Domestic	36,169,421	36,169,421		
Corporate Bonds Domestic	8,724,327		8,724,327	
Mortgage Backed Securities	347,853		347,853	
Common Stock Foreign	7,096,991	7,096,991		
Corporate Bonds Foreign	232,133		232,133	
Private Real Estate Fund	5,641,002			5,641,002
Total Investments by Fair Value Level	\$ 60,410,016	\$ 43,266,412	\$ 11,502,602	\$ 5,641,002

Common, preferred and foreign stock classified in Level 1 are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 are valued using the following approaches:

- U.S. Government, U.S. Government Agency, and Mortgage Backed Securities: quoted prices for identical securities in markets that are not active;
- Corporate Bonds: quoted prices for similar securities in active markets;
- Foreign Bond Mutual Funds: published fair value per share (unit) for each fund.

Private Real Estate Fund classified in Level 3 are valued using independent appraisers to determine the market value of the investments in the fund.

F. General Employees Defined Contribution Retirement Plan

As of September 30, 2021, the General Employees Defined Contribution Retirement Plan had the following cash, cash equivalents and investments:

Portfolio/Investments	Fair Value	Weighted Average Maturity (Years)
Cash and Cash Equivalents	\$ -	Not Applicable
Stock mutual funds	17,479,173	Not Applicable
Bond mutual funds	2,334,208	2.70
Foreign mutual funds	1,070,559	Not Applicable
Total Cash & Investments	\$ 20,883,940	
Portfolio weighted average maturity		2.70

The General Employees Defined Contribution Plan utilizes the same investment guidelines as those used for the General Employees' Pension Plan investments. Interest rate risk, credit risk, concentration of credit risk, custodial credit risk, and foreign currency risk are the same as those that have been disclosed for City investments.

Fair Value Measurement of Investments

The Plan has the following recurring fair value measurements as of September 30, 2021:

Investments	Fair Value	Level	
		1	2
Stock Mutual Funds	\$ 17,479,173	\$ --	\$ 17,479,173
Bond Mutual Funds	2,334,208	--	2,334,208
Foreign Mutual Funds	1,070,559	--	1,070,559
Total Investments by Fair Value Level	\$ 20,883,940	\$ --	\$ 20,883,940

Domestic, Bond and Foreign Mutual Funds classified in Level 2 are valued using published fair value per share (unit) for each fund.

G. Discretely Presented Component Units

The *St. Armands Business Improvement District and Downtown Improvement District* utilizes the same investment guidelines as those used for City investments. Interest rate risk, credit risk, concentration of credit risk, custodial credit risk, and foreign currency risk are the same as those that have been disclosed for City investments.

Reconciliation of Cash and Investments

A reconciliation of cash and investments as shown on the Statement of Net Position and Statement of Fiduciary Net Position follows:

	Statement of Net Position	Statement of Fiduciary Net Position	Total
Primary Government			
Cash and cash equivalents	\$ 36,109,118	\$ 2,326,356	\$ 38,435,474
Investments	182,877,626	774,070,488	956,948,114
Total	\$ 218,986,744	\$ 776,396,844	\$ 995,383,588
Component Unit			
Cash and cash equivalents	\$ 273,222		\$ 273,222
Investments	1,575,277		1,575,277
Total	\$ 1,848,499		1,848,499
Total			\$ 997,232,087

NOTE 4 - RECEIVABLES AND UNEARNED REVENUE

A. Receivables

Receivables as of year-end for the City's governmental activities, individual major governmental funds, nonmajor governmental funds in the aggregate, internal service funds in the aggregate and applicable allowances for uncollectible accounts, are as follows (no allowance for uncollectibles was needed):

	Accounts	Interest	Notes	Special Assessments	Total
General Fund	\$ 2,105,854	\$ 57,421	\$ --	\$ --	\$ 2,163,275
Community Redevelopment	--	5,428	--	--	5,428
Housing and Community Devl	102,112	6,124	--	--	108,236
Penny Sales Tax	--	24,646	--	--	24,646
Building Services Fund	--	16,498	--	--	16,498
Tourist Development Tax	--	2,983	--	--	2,983
Nonmajor Governmental Funds	181,604	38,068	148,207	87,101	454,980
Internal Service Funds	135,512	27,116	--	--	162,628
Total receivables	<u>\$ 2,525,082</u>	<u>\$ 178,284</u>	<u>\$ 148,207</u>	<u>\$ 87,101</u>	<u>\$ 2,938,674</u>

The interfund receivable in the General Fund was partially eliminated in the conversion from governmental funds balance sheet and internal service funds statement of net position to the governmental activities statement of net position.

Receivables for the City's business-type activities, including individual major funds and allowances for uncollectibles accounts are as follows:

	Water and Sewer	Van Wezel	Solid Waste	Parking Management	Other Funds	Total
Receivables-unrestricted:						
Accounts (billed)	\$ 1,978,558	\$ 431,401	\$ 424,919	\$ 77,695	\$ --	\$ 2,912,573
Accounts (unbilled)	2,707,802	--	--	--	--	2,707,802
Allowance for uncollectibles	(172,243)	--	(118,604)	(27,276)	--	(318,123)
Accounts (net)	4,514,117	431,401	306,315	50,419	--	5,302,252
Interest	71,819	18,905	5,794	851	121	97,490
Receivables-Restricted:						
Interest	\$ 4,721	--	--	\$ 734	--	5,455
Total receivables (net)	<u>\$ 4,590,657</u>	<u>\$ 450,306</u>	<u>\$ 312,109</u>	<u>\$ 52,004</u>	<u>\$ 121</u>	<u>\$ 5,405,197</u>

B. Special assessments receivable

Glen Oaks Estates Special Assessment

In 2011, the City Commission approved to design and construct a privacy wall and related improvements for the Glen Oaks Estates Subdivision with a special assessment. The assessment was levied against the property located within the Glen Oaks Estates Subdivision Special Assessment District. The special assessment receivables, which are recorded in a debt service fund, are to be collected over a twenty year period with interest earnings of 4.3%. The special assessment receivable at September 30, 2021, is \$87,101.

St. Armands Parking Garage Special Assessment

In 2016, the City Commission approved construction of a parking garage on St. Armands Key. The City Commission also adopted an assessment resolution for the imposition and levying of a special assessment on commercial properties in the St. Armands assessment area to fund a portion of the costs associated with construction of the parking garage. Under the resolution, the City has pledged a special assessment proceeds to the payment of principal and interest on the St. Armands Paid Parking Area Revenue Bonds Series 2017A. The special assessment receivables are to be collected over a twenty year period beginning with the 2017 fiscal year. The annual assessment is \$260,000 plus administrative costs and the special assessment receivable at September 30, 2021 is \$3,900,000.

The City anticipates Net Parking Revenues (and Assessments as described above with respect to the Series 2017A Bonds) will be collected in an amount sufficient to cover debt service on the Series 2017 Bonds. However, in the event the 2017A Pledged Funds and the 2017B Pledged Funds are insufficient to cover debt service on the Series 2017 Bonds, the City covenanted and agreed and has a positive and affirmative duty to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues, amounts sufficient to pay principal and interest on the Series 2017 Bonds.

C. Unearned revenue

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds and business-type funds also defer revenue recognition in connection with resources that have been received, but not yet earned (unearned). As of September 30, 2021, the various components of unearned revenue reported in the governmental funds and business-type funds were as follows:

Governmental Funds:	Unearned
Grant drawdowns prior to meeting all eligibility requirements	\$ 9,351,515
Prepaid occupational licenses	531,763
Receipts for future services	253
Rental receipts not yet earned	12,262
Total unearned revenue for governmental funds	\$ 9,895,793
Business-type Funds:	
Van Wezel ticket sales	\$ 4,002,152
Solid Waste collections billed in advance	568,944
Water and Sewer impact & connection fees	2,520,340
Grant receipts not yet earned	1,099,640
Unused gift certificates	589,325
Rental receipts not yet earned	254,394
Receipts for future services	507,225
Total unearned revenue for business-type funds	\$ 9,542,020

NOTE 5 - INTERFUND BALANCES

Interfund balances at September 30, 2021, consisted of the following amounts:

A. Due to/from other funds:

The City reports interfund balances between funds. The total of all balances agrees with the sum of interfund balances presented in the statements of net position/balance sheet for governmental funds and for proprietary funds. This balance is an interfund receivable that is expected to be liquidated within one year.

Due to General Fund from:		
Parking Management	\$	150,255
Due to Internal Service Funds from:		
Nonmajor Governmental Funds	\$	7,114

B. Advances from/to other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Parking Management	\$ 1,301,357
Internal Service	Nonmajor Governmental Funds	\$ 79,986

The General Fund provided an advance to the Parking Management Fund for the purchase of 40 parking pay stations and 20 multi-head meters for the St. Armand's Parking Area and 41 parking pay stations, 25 multi-head meters, and 5 single space station for the Downtown Parking Area. The repayment of the advance began in the 2018-19 fiscal year with an extended maturity in 2032.

The General Benefits and Insurance Internal Service Fund provided an advance to the Glen Oaks Estates Subdivision Special Assessment District for the design and construction of a wall. The repayment of the advance began in the 2011-12 fiscal year with a final maturity in 2031.

C. Interfund transfers:

The City reports interfund transfers between many of its funds. The sum of all transfers presented in the following schedule agrees with the sum of interfund transfers presented in the governmental and proprietary fund financial statements. Interfund transfers for the year ended September 30, 2021, consisted of the following:

<u>Transfer</u>	<u>Purpose</u>	<u>Amount</u>	
Transfers to General Fund from:			
Community Redevelopment	Program Funding	\$ 54,000	
Housing and Community Development	Investment Earnings	5,579	
Nonmajor Enterprise Funds	Program Funding	113,535	
Tourist Development Tax	Investment Earnings	3,964	
Building Service Funds	Program funding	357,500	
Nonmajor Governmental Funds	Program Funding	1,140,855	
Nonmajor Governmental Funds	Investment Earnings	<u>26,222</u>	
Total transfers to General fund			\$ 1,701,655
Transfers to Nonmajor Governmental Funds from:			
General Fund	Program funding	17,452	
Penny Sales Tax Fund	Debt service	1,357,054	
Penny Sales Tax Fund	Program funding	29,292	
Nonmajor Governmental Funds	Program funding	189,727	
Community Redevelopment Agency	Program funding	50,000	
Nonmajor Governmental Funds	Debt service	<u>1,024,239</u>	
Total transfers to Nonmajor Governmental Funds			2,667,764
Transfers to Solid Waste Fund from:			
Nonmajor Governmental Funds	Program funding		200,000
Transfers to Internal Service Fund from:			
General Fund	Program funding		2,529,750
Transfers to Nonmajor Enterprise Funds from:			
General Fund	Operating subsidies		395,000
Total transfers to Nonmajor Enterprise Funds			395,000
Total interfund transfers in			<u>\$ 7,494,169</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021, was as follows:

	Beginning Balance	Additions and Transfers*	Retirements and Transfers	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 41,206,351	\$ --	\$ --	\$ 41,206,351
Art collections	1,670,683	--	--	1,670,683
Construction in progress	27,048,932	24,084,026	54,030	51,078,928
Total capital assets not being depreciated	<u>69,925,966</u>	<u>24,084,026</u>	<u>54,030</u>	<u>93,955,962</u>
Capital asset being depreciated:				
Buildings	78,300,569	15,040	--	78,315,609
Improvements and infrastructure	240,571,107	133,014	--	240,704,121
Equipment	34,851,998	926,270	449,117	35,329,151
Total capital assets being depreciated	<u>353,723,674</u>	<u>1,074,324</u>	<u>449,117</u>	<u>354,348,881</u>
Less accumulated depreciation for:				
Buildings	28,873,866	1,893,022	--	30,766,888
Improvements and infrastructure	132,851,346	7,679,709	--	140,531,055
Equipment	27,142,004	2,940,813	891,364	29,191,453
Total accumulated depreciation	<u>188,867,216</u>	<u>12,513,544</u>	<u>891,364</u>	<u>200,489,396</u>
Total capital assets being depreciated, net	<u>164,856,458</u>	<u>(11,439,220)</u>	<u>(442,247)</u>	<u>153,859,485</u>
Governmental Activities capital assets, net	<u>\$ 234,782,424</u>	<u>\$ 12,644,806</u>	<u>\$ (388,217)</u>	<u>\$ 247,815,447</u>
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 11,869,613	\$ --	\$ --	\$ 11,869,613
Art collections	218,397	--	--	218,397
Construction in progress	52,893,088	20,489,581	5,301,161	68,081,508
Total capital assets not being depreciated	<u>64,981,098</u>	<u>20,489,581</u>	<u>5,301,161</u>	<u>80,169,518</u>
Capital asset being depreciated:				
Buildings	91,974,783	13,604	--	91,988,387
Improvements	16,942,603	222,073	--	17,164,676
Utility systems	340,498,072	9,656,818	--	350,154,890
Equipment	30,388,451	9,960,898	9,383,476	30,965,873
Total capital assets being depreciated	<u>479,803,909</u>	<u>19,853,393</u>	<u>9,383,476</u>	<u>490,273,826</u>
Less accumulated depreciation for:				
Buildings	48,351,848	1,886,574	--	50,238,422
Improvements	7,979,935	483,978	--	8,463,913
Utility systems	192,482,637	8,186,751	142	200,669,246
Equipment	20,373,034	3,345,254	400,394	23,317,894
Total accumulated depreciation	<u>269,187,454</u>	<u>13,902,557</u>	<u>400,536</u>	<u>282,689,475</u>
Total capital assets being depreciated, net	<u>210,616,455</u>	<u>5,950,836</u>	<u>8,982,940</u>	<u>207,584,351</u>
Business-type Activities capital assets, net	<u>\$ 275,597,553</u>	<u>\$ 26,440,417</u>	<u>\$ 14,284,101</u>	<u>\$ 287,753,869</u>

City of Sarasota, Florida
Notes to the Financial Statements
September 30, 2021

	Beginning Balance	Additions and Transfers	Retirements and Transfers	Ending Balance
Discretely Presented Component Units:				
St. Armands Business Improvement District				
Capital assets not being depreciated:				
Art collections	\$ 1,376	\$ --	\$ --	\$ 1,376
Total capital assets not being depreciated	1,376	--	--	1,376
Capital assets being depreciated:				
Improvements	1,508,809	--	--	1,508,809
Equipment	67,616	--	--	67,616
Total capital assets being depreciated	1,576,425	--	--	1,576,425
Less accumulated depreciation for:				
Improvements	678,490	56,130	--	734,620
Equipment	67,189	426	--	67,615
Total accumulated depreciation:	745,679	56,556	--	802,235
Total capital assets being depreciated, net	830,746	(56,556)	--	774,190
Component unit capital assets, net	\$ 832,122	\$ (56,556)	\$ --	\$ 775,566
Downtown Improvement District				
Capital assets being depreciated:				
Improvements	\$ 562,392	\$ --	\$ --	\$ 562,392
Equipment	15,011	1,630	--	16,641
Total capital assets being depreciated	577,403	1,630	--	579,033
Less accumulated depreciation for:				
Improvements	399,860	23,741	--	423,601
Equipment	14,947	226	--	15,173
Total accumulated depreciation:	414,807	23,967	--	438,774
Total capital assets being depreciated, net	162,596	(22,337)	--	140,259
Component unit capital assets, net	\$ 162,596	\$ (22,337)	\$ --	\$ 140,259

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:	
General government	\$ 1,131,264
Public safety	2,244,458
Physical environment	1,554,825
Transportation	5,485,539
Culture and recreation	1,282,462
Economic environment	22,478
Human Services	1,072
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	791,446
Total depreciation expense - governmental activities*	<u>\$ 12,513,544</u>
Business-type activities:	
Water and Sewer	\$ 9,456,810
Van Wezel	1,143,683
Solid Waste	1,966,548
Parking	1,129,094
Other	206,422
Total depreciation expense - business-type activities*	<u>\$ 13,902,557</u>

*The amounts reported in additions and transfers in the disclosure of capital assets by government function includes other items, such as transfers, and depreciation.

NOTE 7 – CAPITAL LEASE

The City previously entered into a master tax exempt lease purchase agreement on December 9, 2015, with U.S. Bancorp Government Leasing and Finance, Inc. to finance the purchase of police vehicles and related equipment. An addendum was made on March 18, 2019 to the master tax-exempt lease purchase agreement for \$1,180,000 to purchase 26 police vehicles. This lease agreement has a final maturity date of March 19, 2022, bears interest at 2.93%, and qualifies as a capital lease for accounting purposes and therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. The capital assets acquired through the capital lease are as follows:

	Governmental Activities
Equipment	\$ 1,180,000
Less: accumulated depreciation	(737,500)
Carrying value	<u>\$ 442,500</u>

In addition, on September 21, 2018, the city entered into a \$2,126,716 Master Tax Exempt Lease with U.S. Bancorp Government Leasing and Finance, Inc. to finance the purchase of solid waste equipment. The lease agreement has a final maturity date of September 21, 2023, bears interest at 3.418%, and qualifies as a capital lease for accounting purposes and therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. The capital assets acquired through the capital lease are as follows:

	Business Type Activities
Equipment	\$ 2,126,716
Less: accumulated depreciation	(911,450)
Carrying value	<u>\$ 1,215,266</u>

The following is a schedule of the future minimum lease payments for this capital lease, and the present value of the net minimum lease payments at September 30, 2021:

	Governmental Activities	Business Type Activities
Year ending September 30,		
2022	\$ 416,604	\$ 469,935
2023	-	469,935
Total minimum lease payments	<u>416,604</u>	<u>939,870</u>
Less: amount representing interest	(11,859)	(46,081)
Present value of net minimum lease payments	<u>\$ 404,745</u>	<u>\$ 893,789</u>

NOTE 8 - LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended September 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental Activities:					
Bonds payable:					
General obligation bond	\$ 30,030,000	\$ --	\$ 1,340,000	\$ 28,690,000	\$ 1,390,000
General obligation bond*	1,890,000	--	225,000	1,665,000	225,000
Special obligation bond	6,160,000	--	6,160,000	--	--
Special obligation bond*	6,347,117	6,869,000	1,131,112	12,085,005	1,570,020
Total bonds payable	<u>44,427,117</u>	<u>6,869,000</u>	<u>8,856,112</u>	<u>42,440,005</u>	<u>3,185,020</u>
Capital lease**	797,969	--	393,224	404,745	404,745
Unamortized premium	1,650,390	--	175,602	1,474,788	--
Compensated absences	5,860,501	5,434,526	5,860,501	5,434,526	2,880,299
Net OPEB liability	33,876,244	--	13,067,144	20,809,100	--
Net pension liability	76,580,846	--	19,153,858	57,426,988	--
Long-term liabilities	<u>\$ 163,193,067</u>	<u>\$ 12,303,526</u>	<u>\$ 47,506,441</u>	<u>\$ 127,990,152</u>	<u>\$ 6,470,064</u>
Business-type Activities:					
Revenue bonds	\$ 28,675,000	\$ --	\$ 14,150,000	\$ 14,525,000	\$ 600,000
Revenue bond*	27,500,000	10,245,000	465,000	37,280,000	1,265,000
Total bonds payable	<u>56,175,000</u>	<u>10,245,000</u>	<u>14,615,000</u>	<u>51,805,000</u>	<u>1,865,000</u>
Loans payable**	23,394,022	9,278,952	--	32,672,974	--
Capital lease**	1,318,651	--	424,863	893,788	439,385
Unamortized premium	1,138,611	--	550,136	588,475	--
Compensated absences	1,721,077	1,258,515	1,721,077	1,258,515	667,013
Net OPEB liability	13,220,759	--	5,569,286	7,651,473	--
Net pension liability	28,157,944	2,163,610	--	30,321,554	--
Long-term liabilities	<u>\$ 125,126,064</u>	<u>\$ 22,946,077</u>	<u>\$ 22,880,362</u>	<u>\$ 125,191,779</u>	<u>\$ 2,971,398</u>

*Per GASB 88, this debt meets the definition of a direct placement

**Per GASB 88, this debt meets the definition of a direct borrowing

City of Sarasota, Florida
Notes to the Financial Statements
September 30, 2021

Bonds and notes outstanding at September 30, 2021, consist of the following:

Description of Debt	Amount Outstanding	
	Governmental Activities	Business-type Activities
<u>General Obligation Bond</u>		
\$33,855,000 General Obligation Refunding Bonds, Series 2015, were issued to advance refund all of the City's General Obligation Bonds, Series 2007 maturing on and after July 1, 2018. Ad valorem taxes are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.84% and the principal is repaid annually with a final maturity of \$2,030,000 on July 1, 2037.	\$ 28,690,000	
<u>General Obligation Bond - Direct Placement</u>		
\$2,700,000 General Obligation Bonds, Series 2016, were issued to advance refund all of the City's General Obligation Bonds Series 2008 maturing on and after May 1, 2017. Ad valorem taxes from the Golden Gate Point Streetscape Special District are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 2.115% and the principal is repaid annually with a final maturity of \$250,000 on May 1, 2028.	1,665,000	
<u>Special Obligation Bonds - Direct Placement</u>		
\$6,869,000 Sales Tax Payments Refunding Revenue Bond, Series 2020 were issued to refund all of the City's Build America Economic Development Bonds, Series 2010 issued for the purpose of rehabilitation of the Ed Smith Sports Stadium Complex. An economic development grant and Federal interest subsidy are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 1.84% and the principal is repaid annually with a final maturity of \$490,000 on February 1, 2037.	6,869,000	
\$21,066,000 Build America Capital Improvement Revenue Bonds, Series 2009, were issued for construction of the R. L. Taylor Community Complex, land acquisition for Payne Park, and the construction of the Palm Avenue Parking Garage project. Penny sales tax, tax increment revenue and Federal interest subsidy are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.68% and the principal is repaid annually with a final maturity of \$1,414,927 on November 1, 2024.	5,216,005	
<u>Revenue Bonds</u>		
\$13,595,000 St. Armands Paid Parking Area Improvements Revenue Bonds, Series 2017A, were issued for the purpose of constructing a parking garage within the St. Armands Circle business district. An Annual Special Assessment and net parking revenues of the St. Armands Paid Parking Area will be used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.47% and the principal is repaid annually with a final maturity of \$690,000 on October 1, 2038.		12,610,000
\$2,075,000 St. Armands Paid Parking Area Improvements Revenue Bonds, Series 2017 B, were issued for the purpose of constructing improvements in the St. Armands Paid Parking Area. Net parking revenues of the St. Armands Paid Parking Area will be used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.17% and the principal is repaid annually with a final maturity of \$135,000 on October 1, 2038.		1,915,000
<u>Revenue Bonds - Direct Placement</u>		
\$4,730,000 Water & Sewer System Revenue Refunding Bonds, Series 2015, were issued to advance refund all of the outstanding Water and Sewer System Revenue Refunding Bonds, Series 2005. The net revenues from the Water and Sewer System are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 2.31% and the principal is repaid annually with a final maturity of \$520,000 on October 1, 2025.		2,500,000

City of Sarasota, Florida
Notes to the Financial Statements
September 30, 2021

Description of Debt (continued)	Amount	Outstanding
	Governmental Activities	Business-type Activities
\$24,535,000 Water & Sewer Revenue Refunding Bonds, Series 2019, were issued to advance refund of all the outstanding Water and Sewer System Revenue Bonds, Series 2010B. The net revenues from the Water and Sewer System are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.38% and the principal is repaid annually starting October 1, 2021 with a final maturity of \$1,850,000 on October 1, 2040.		24,535,000
\$10,245,000 Water & Sewer System Revenue Refunding Bonds, Series 2021, were issued to advance refund all of the outstanding Water and Sewer System Revenue Refunding Bonds, Series 2011. The net revenues from the Water and Sewer System are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 1.053% and the principal is repaid annually with a final maturity of \$1,460,000 on October 1, 2028.		10,245,000
Loans Payable - Direct Borrowing		
\$1,530,342 Drinking Water State Revolving Fund, Wastewater Loan DW580240 was issued for a waterline at Lift Station 87. The net revenues from the Water and Sewer system are used to pay semi-annual principal and interest payments. The first semi-annual principal and interest payment is due August 15, 2022 with interest at 1.24%. The final payment of \$59,943 is due February 15, 2042.		1,530,342
\$31,142,632 Clean Water State Revolving Fund, Wastewater Loan WW580230 was issued for the construction of wastewater and re-claimed water facilities. The net revenues from the Water and Sewer system are used to pay semi-annual principal and interest payments. The first semi-annual principal and interest payment is due May 15, 2022 with interest at 0.25%. The final payment of \$877,293 is due November 15, 2041.		31,142,632
Total bonds and loans	<u>\$ 42,440,005</u>	<u>\$ 84,477,974</u>

The City complies with Federal arbitrage regulations and has no rebate liability due as of September 30, 2021.

Annual debt service requirements for Governmental Activities as of September 30, 2021, are as follows:

Fiscal Year	Governmental Activities						Total
	General Obligation Bond		Special Obligation Bond		Capital Lease		
	Principal	Interest	Principal	Interest	Principal	Interest	
2022	\$ 1,390,000	\$ 1,141,444			\$ 404,745	\$ 11,859	\$ 2,531,444
2023	1,450,000	1,085,844			--	--	2,535,844
2024	1,520,000	1,013,344			--	--	2,533,344
2025	1,600,000	937,344			--	--	2,537,344
2026	1,675,000	857,344			--	--	2,532,344
2027-2031	9,475,000	3,106,289			--	--	12,581,289
2032-2036	9,550,000	1,355,775			--	--	10,905,775
2037	2,030,000	71,050			--	--	2,101,050
Total	<u>\$ 28,690,000</u>	<u>\$ 9,568,434</u>			<u>\$ 404,745</u>	<u>\$ 11,859</u>	<u>\$ 38,258,434</u>

Fiscal Year	Governmental Activities						Total
	General Obligation Bond Direct Placement		Special Obligation Bond Direct Placement		Capital Lease Direct Borrowing		
	Principal	Interest	Principal	Interest	Principal	Interest	
2022	\$ 225,000	\$ 35,215	\$ 1,570,020	\$ 388,220	\$ 404,745	\$ 11,859	\$ 2,635,060
2023	230,000	30,456	1,645,712	310,645	--	--	2,216,813
2024	235,000	25,592	1,725,347	229,110	--	--	2,215,049
2025	240,000	20,621	1,808,926	142,721	--	--	2,212,268
2026	240,000	15,545	401,000	94,475	--	--	751,020
2027-2031	495,000	15,757	2,121,000	357,797	--	--	2,989,554
2032-2036	--	--	2,323,000	153,502	--	--	2,476,502
2037	--	--	490,000	4,508	--	--	494,508
Total	<u>\$ 1,665,000</u>	<u>\$ 143,186</u>	<u>\$ 12,085,005</u>	<u>\$ 1,680,978</u>	<u>\$ 404,745</u>	<u>\$ 11,859</u>	<u>\$ 15,990,774</u>

City of Sarasota, Florida
Notes to the Financial Statements
September 30, 2021

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included in the totals for governmental activities. Payments on the General Obligation Bonds are made by the Debt Service Funds. Payments on the Special Obligation Bonds and Capital Lease are made by the Penny Sales Tax Fund. For the governmental activities, compensated absences are liquidated by the General Benefits and Insurance Internal Service Fund. This fund is reimbursed through payroll charges to the City's governmental funds where the employee vacation benefits are earned. The Net OPEB liability and Net Pension Liability attributed to the Governmental Activities will be liquidated by the General Fund.

Annual debt service requirements for Business-Type Activities as of September 30, 2021, are as follows:

Fiscal Year	Business-Type Activities					Total
	Revenue Bonds		Revenue Bond Direct Placement			
	Principal	Interest	Principal	Interest		
2022	\$ 600,000	\$ 504,356	\$ 2,975,000	\$ 978,500	\$ 5,057,856	
2023	625,000	481,081	2,670,000	920,164	4,696,245	
2024	645,000	456,531	2,715,000	866,910	4,683,441	
2025	675,000	431,006	2,765,000	812,560	4,683,566	
2026	695,000	404,506	2,805,000	757,145	4,661,651	
2027-2031	3,925,000	1,573,905	6,825,000	3,288,398	15,612,303	
2032-2036	4,700,000	802,996	7,870,000	2,137,514	15,510,510	
2037-2041	2,660,000	123,013	8,655,000	746,221	12,184,234	
Total	\$ 14,525,000	\$ 4,777,394	\$ 37,280,000	\$ 10,507,412	\$ 67,089,806	

Fiscal Year	Business-Type Activities					Total
	Capital Leases Direct Borrowing		Loans Payable Direct Borrowing			
	Principal	Interest	Principal	Interest		
2022	\$ 439,385	\$ 30,550	\$ 891,325	\$ 47,144	\$ 1,408,404	
2023	454,404	15,532	1,786,033	90,905	2,346,874	
2024	-	-	1,790,559	86,379	1,876,938	
2025	-	-	1,795,106	81,832	1,876,938	
2026	-	-	1,799,673	77,264	1,876,938	
2027-2031	-	-	5,184,115	317,073	5,501,188	
2032-2036	-	-	9,184,999	199,689	9,384,688	
2037-2041	-	-	9,305,161	79,527	9,384,688	
2042	-	-	936,002	1,233	937,235	
Total	\$ 893,789	\$ 46,082	\$ 32,672,974	\$ 981,046	\$ 33,656,655	

Future Revenues that are Pledged

The City has pledged future revenue sources for various debt issues. The following table provides a summary of the pledged revenues for the City's outstanding debt issues:

Source of Revenue Pledged	Governmental Activities	Business-Type Activities	
	Penny Sales Tax	Water & Sewer Net Revenue	Parking Management
Revenue Pledged Thru	11/1/2024	10/1/2040	1/1/2038
Total Principal and Interest Outstanding	\$ 13,765,985	\$ 68,382,261	\$ 19,302,397
Current Year Principal and Interest Paid	1,542,721	4,223,972	1,115,556
Current Year Revenue	10,170,314	22,918,654	524,929
Description of Debt	Series 2009 and 2020 Special Obligation Bonds	Water & Sewer Utility Revenue Bonds issued 2010-2019	Series 2017 Revenue Bonds
Purpose of Debt	Land and Capital Improvements	Construction and Refunding Bonds	St. Armands Parking Garage
Debt Coverage	6.59	5.43	0.47

Defeased Debt

The City has defeased certain bonds by placing the proceeds of new bonds in irrevocable trust accounts to provide for all future debt service payments on the old bonds. All such defeasements have been in prior years. The assets of the trust accounts and the liability for the defeased bonds are not included in the City's financial statements.

On September 30, 2021, outstanding bonds which are considered defeased in substance were:

Governmental Activities

Build America Economic Development Bonds, Series 2010	\$5,895,000
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Business-type Activities:

Water & Sewer Revenue Bonds	Series 2011	\$10,135,000
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Build America Economic Development Bonds - Series 2010

On December 16, 2020 the City issued \$6,869,000 of Sales Tax Payments Refunding Bond with an interest rate of 1.84%. The bonds were issued for the purpose of providing funds to pay certain costs and expenses related to the issuance of the bonds. The City, in effect will reduce its aggregate debt service payments by The bonds were issued for the purpose of providing significant upfront savings to be used for capital improvements at Ed Smiths Stadium. While maintaining the same debt service payments and debt term, the City was able to provide additional present value funding of \$897,423 for the project.

Water & Sewer Revenue Bonds - Series 2011

On September 23, 2021 the City issued \$10,245,000 of Water and Sewer Revenue Refunding Bonds with an interest rate of 1.053%. The City in effect will reduce its aggregate debt service payments by \$1,288,820 over the next 7 years and obtain an economic gain (difference between the present value aof the old debt and new debt) of \$1,239,219.

State Revolving Fund Loans

On June 9, 2017, the City entered into a loan agreement with the Florida Water Pollution Control Financing Corporation for \$25,000,000 at 0.25 percent. The loan proceeds are to be disbursed to the City as costs are incurred for the construction of wastewater and reclaimed water facilities. On November 6, 2017, the City entered into an amendment(1) to increase the loan by \$2,840,000, and on December 14, 2020 the City entered into another amendment (2) to increase the loan by \$5,709,344 for a total loan amount of \$33,549,344. As of September 30, 2021, the City has drawn down \$31,142,632 of the loan proceeds.

On June 22, 2017, the City entered into a loan agreement with the Florida Department of Environmental Protection for \$1,551,000 at 1.24 percent. On March 8, 2021 the City entered into an amendment(1) to increase the loan by \$543,193 for a total loan amount of \$2,094,193. The loan proceeds are to be disbursed to the City as costs are incurred for construction associated with drinking water facilities. As of September 30, 2021, the City has drawn down \$1,530,342 of the loan proceeds.

Both loans are 20-year loans with the first principal and interest payment due when the final draw is made from the loan proceeds.

NOTE 9 - COMPLIANCE WITH RATE COVENANT AND OTHER PROVISIONS

Water and Sewer Revenue Bonds

The Water and Sewer System Revenue Bond Resolution contains the provision that rates and charges for water and sewer service shall be adjusted as it shall appear necessary, so that the net revenues will be sufficient to provide an amount in each fiscal year at least equal to the greater of:

- (i) 100% of all amounts required to be deposited to the Bond Service, Redemption, Reserve, Renewal, Replacement and Improvement, and the General Reserve Accounts pursuant to clauses (a), (b), (c), (d) and (e) of Section 505 of the Bond Resolution for the then current fiscal year, or
- (ii) 125% of the maximum principal and interest requirements for any future fiscal year.

The net revenues generated by the Water and Sewer System are sufficient to satisfy the above rate coverage requirement. The Administration of the City believes that it is in full compliance with Section 708 and all other covenants of the Water and Sewer System Revenue Bond Resolution.

Water and Sewer System Revenue Bond Resolution

The following is a synopsis of the terms of the Water and Sewer System Revenue Bond Resolution which describes the various accounts required to be established; the extent to which use of cash therein is restricted for the benefit of the bondholders; the sequence in which specified amounts of cash from net income are to be transferred into such accounts; special reserve subaccounts to be established within given accounts and the limitations on amounts required to be accumulated; and investment authorizations and related restrictions. The accounts established are listed as follows:

Revenue Account - All revenues of the system are collected by the City and deposited as received into a depository to the credit of the Revenue Account.

Interest and Sinking Account - All debt service requirements are recorded in this account. Three separate subaccounts designated the Bond Service Account, Redemption Account and Reserve Account are established to further delineate the exact purpose of said monies.

Renewal, Replacement and Improvement Account - For paying the cost of unusual or extraordinary maintenance or repairs, the cost of renewals and replacements, the cost of acquiring, installing or replacing equipment, the cost of improvements and providing for the local share of any Federal or State assistance program.

General Reserve Account - To pay the cost of improvements, to pay the cost of purchasing or redeeming bonds, to pay the principal and interest on any obligations subordinate to the bonds issued under the resolution, to make up any deficiencies in any of the Accounts and to pay the cost of any item qualifying as an expenditure of the Renewal, Replacement and Improvement Account.

Flow of Cash from Net Revenues - The Finance Director shall, on or before the 20th day of each month, withdraw the balance remaining in the Revenue Account, less an amount to be held for the payment of current expenses, and deposit the sum withdrawn to the credit of the following accounts in said order:

- (a) to the Bond Service Account, one-sixth of the amount of interest payable on the bonds of each series on the next interest payment date and one-twelfth of the next maturing installment of principal on all serial bonds outstanding;
- (b) to the Redemption Account, one-twelfth of the next maturing installment of principal on all term bonds outstanding;
- (c) to the Reserve Account, such amount, if any, of any balance remaining, equal to the Reserve Account requirement which shall mean the maximum principal and interest coming due in the current or any subsequent fiscal year; provided, however, that the amount so deposited in respect of a

deficiency in the Reserve Account upon any monthly withdrawal from the Revenue Account need not exceed one-sixtieth (1/60th) of the Reserve Account requirement;

(d) to the credit of Renewal, Replacement and Improvement Account, such amount, if any, of any balance remaining; provided that the amount deposited to the credit of said account in each month shall not be less than an amount equal to one-twelfth of eight per centum (1/12 of 8%) of the revenues for the preceding fiscal year if at the time of such deposit the unencumbered balance of said account is less than \$1,000,000; and provided further that the City Commission by resolution may establish maximum deposits to the credit of the Renewal, Replacement and Improvement Account for a period of time necessary to insure a regular flow of deposits to the General Reserve Account for the purpose of said Account;

(e) to the General Reserve Account, the balance, if any, remaining after making the deposits under clauses (a), (b), (c) and (d) above; provided, however, the amount of net impact fees will be deposited to an impact fee subaccount within the General Reserve Account.

If the amount deposited in any month to the credit of any of the accounts shall be less than the amount required to be deposited under the foregoing provision of this section, the requirement, therefore, shall nevertheless be cumulative and the amount of any deficiency in any month shall be added to the amount otherwise required to be deposited in each month thereafter until such time as all such deficiencies have been made up.

Security for Deposits - All monies deposited with a depository shall be held in trust and guaranteed by the Federal Deposit Insurance Corporation or other Federal Agencies and any monies in excess of said guarantee shall be secured by setting aside government obligations or other marketable securities, with the approval of the Finance Director, having a market value not less than the amount of such deposits, or in such other manner as permitted by applicable State of Florida or federal laws.

Investments - Monies held for the credit of the various accounts are invested and reinvested by the Finance Director as follows:

Construction, revenue, bond service, redemption, reserve, renewal, replacement and improvement and general reserve accounts: investment obligations or time deposits which mature or are subject to redemption not later than the dates that monies held for the credit of these accounts are required for the purposes intended. However, investments for the Reserve Account are subject to redemption not later than the date of maturity of the bonds issued.

NOTE 10 - RESTRICTED ASSETS

The balances of restricted asset accounts in the enterprise funds at September 30, 2021, are as follows:

<u>Water and Sewer</u>		
Revenue Account - Customer deposits	\$ 1,230,185	
Interest & Sinking Account	3,091,170	
Construction Accounts	<u>5,696,740</u>	10,018,095
<u>Solid Waste</u>		
Customer Deposits		8,897
<u>Parking Management</u>		
Construction Accounts		4,755,486
Total		<u><u>\$ 14,782,478</u></u>

NOTE 11 - SELF-INSURANCE PROGRAMS

The City's self-insurance programs are accounted for as an Internal Service Fund, which was established to account for and finance its uninsured risks of loss. All funds of the City participate in the program and make payments to the General Benefits and Insurance Fund. Fund revenues are primarily contributions from other funds for amounts needed to pay insurance premiums, anticipated self-insured losses and administrative expenses.

Group Health is a plan providing medical and dental coverage for employees and retirees. The employee's health benefits are accounted for in the General Benefits and Insurance Internal Service Fund. The retiree health benefits are partially funded and accounted for in the OPEB Trust Fund.

The total claims liability of \$3,486,243 at September 30, 2021, includes \$1,934,164 for workers compensation, \$720,676 for group health, \$200,406 for police liability and \$630,997 for general and automotive liability. This claims liability is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated annually to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The City is self-insured for the following types of risk exposures which are limited by insurance coverage as noted:

General and Automotive Liability - The City is fully self-insured for general and automotive liability coverage and is relying on state statutes, which limit damage awards against state and local governments to \$200,000 per claim and \$300,000 per occurrence. However, there have been specific instances when the state legislature has overridden the statutes.

Group Health - The City provides employees/retirees medical and dental coverage through a self-funded health plan. The City is self-insured for health claims on a per individual basis up to \$250,000 annually. The City has insurance coverage for claims in excess of \$250,000.

Workers' Compensation - The City is self-insured for workers' compensation claims on a per occurrence basis up to \$500,000. The City has insurance coverage for claims in excess of \$500,000.

Law Enforcement Death Benefit - This program provides a maximum benefit of \$225,000 for law enforcement that are intentionally killed as a consequence of performing their duties. The City is fully self-insured for this benefit.

Police Liability - This program provides indemnification to police officers while acting on behalf of the City. The City is partially self-insured on a per claim basis up to \$25,000 and for amounts in excess of \$1,000,000. The City has insurance coverage for claims between these two limits.

The claims liability accrued at September 30, 2021, for the self-insurance programs do not include automotive liability and law enforcement death benefit.

The City obtains an annual actuarial review on its group health, workers' compensation, general liability, fleet/auto liability and police liability self-insurance programs. Although in the past, the level of funding for some of the City's self-insurance programs have not been based upon actuarial computations for a variety of reasons, the actuarial reviews verified that the programs are adequately funded and the future philosophy will be to fund at the recommended discounted rate determined within the actuarial report.

Changes in claims liability amounts were as follows:

	General Benefits and Insurance Fund		OPEB Trust Fund	
	Year ended 9/30/20	Year ended 9/30/21	Year ended 9/30/20	Year ended 9/30/21
Unpaid claims, beginning of year	\$ 2,791,859	\$ 3,107,576	\$ 521,674	\$ 539,689
Incurred claims (including IBNRs)	7,036,508	8,396,887	5,343,003	5,341,700
Claim payments	(6,720,791)	(8,018,220)	(5,324,988)	(5,192,298)
Unpaid claims, end of year	<u>\$ 3,107,576</u>	<u>\$ 3,486,243</u>	<u>\$ 539,689</u>	<u>\$ 689,091</u>

The City purchases commercial insurance for property damage. There were no significant reductions in coverage from prior year. There were no settlements of property damage claims in excess of insurance coverage in each of the past three years.

NOTE 12 - COMMITMENTS

Construction/consulting commitments

The City has active construction and other projects as of September 30, 2021. At year end the City's commitments with contractors and consultants are as follows:

	Spent to-date	Remaining Commitment
<u>Business-type Activities:</u>		
Osprey Avenue Utility and Road Improvement	\$ 7,060,719	\$ 2,915,363
Osprey, Alta Vista, Pomelo Gravity Main Replacement	7,946,312	1,840,891
Sanitary Sewer Lateral Lining & Rehabilitation	1,414,362	685,638
Total	<u>\$ 16,421,393</u>	<u>\$ 5,441,892</u>

Encumbrances

The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to contracts not yet performed and purchase orders not yet filled (executory contracts; and open purchase orders). Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities but, rather, as restricted, committed, or assigned governmental fund balance. As of September 30, 2021, total governmental fund encumbrance balances for the City are as follows:

Governmental Activities:	
General Fund	\$ 2,997,693
Penny Sales Tax	5,582,906
Community Redevelopment	601,303
Housing and Community Development	2,000
Tourist Development Tax	227,128
Development Services	727,650
Nonmajor Governmental Funds	1,793,326
Total	<u>\$ 11,932,006</u>
Component Units:	
Downtown Improvement District	\$ -
St. Armands Business District	21,650
Total	<u>\$ 21,650</u>

Operating Leases

There are no commitments under operating lease agreements for equipment and building during the next fiscal year.

Interlocal Agreement Fire/EMS Services

On November 21, 1995, the City entered into an agreement with Sarasota County for the consolidation of fire, communications and emergency medical services. The City and Sarasota County are mutually interested in providing professional fire, emergency medical service (EMS) protection, emergency communications for the dispatch of law enforcement, fire emergency management personnel, and other services to the citizens and properties within their respective jurisdictions. The common objective is to improve efficiency and technical capability while reducing the overall cost of such services to the citizenry. The County is responsible for operating and maintaining the Fire/EMS facilities. All facilities and improvements shall remain the property of the City and the City will continue to pay debt service on the facilities and properties with certain limitations.

The City and County entered into a new agreement effective October 1, 2003, that remains in effect until September 30, 2023. The agreement will renew automatically for successive additional periods of twenty years. Either party may terminate this agreement with at least 365 days written notice during the following time periods: from August 1, 2021, to September 30, 2021. The new agreement provides for the City to pay to the Firefighters' Pension Plan the lesser amount of the monies equivalent to the sum total of the Share Distribution paid to firefighters and the surviving spouse of firefighters that retired prior to January 1, 1996, or the required Employer's annual contribution to that plan. In addition, the City agrees each fiscal year to pay to the Firefighters' Pension Plan the lesser amount of either \$500,000 or the amount of the required Employer's annual contributions, less the amount of the City's payment to fund the Share Distribution in excess of \$1,700,000. In addition, each fiscal year for which the required Employer's annual contribution, less the amount of the City's payment to fund the Share Distribution, exceeds \$2,200,000, the County and City shall pay to the Firefighters' Pension Plan monies equivalent to the amount of the excess as follows: 67% by the County and 33% by the City. For the current fiscal year the required contribution from the City was \$3,060,758.

Sports Complex Interlocal Agreement

The City owned a Major League Baseball (MLB) spring training complex which was accounted for as an enterprise fund. The sports complex had been used for MLB spring training since it was completed in 1989. The sports complex required substantial renovation in order to attract a MLB team to conduct spring training at the facility. The City transferred ownership of the sports complex to the County for one dollar on November 10, 2009. In addition, the City provided the County with \$9,753,524 that was used for the renovation of the stadium. This funding came from grant funds and the proceeds of bonds issued by the City. Funding for the bond principal and interest payments will come from a Florida Office of Tourism, Trade and Economic Development grant.

The County has entered into a 30 year lease agreement with the Baltimore Orioles Major League Baseball team to use the sports complex as its spring training site. The County and the Baltimore Orioles designed and completed a substantial renovation to the sports complex. The City will have no further obligation to provide funding for the operation, maintenance or capital repairs and improvements while the sports complex is under County ownership.

The County shall have the obligation to transfer ownership of the sports complex back to the City in the event that: (1) Major League spring training activities at the sports complex are discontinued by the Baltimore Orioles for a period of two years and no other MLB club agrees to use the sports complex for spring training activities, and (2) the County has repaid any and all debt issued in connection with the substantial renovation of the sports complex or any future capital repair or improvement; provided, however, that the County shall not issue debt having payment obligations that extend beyond the term of the lease, or any lease extension, between the County and the Baltimore Orioles. In order to effectuate this obligation the City must first notify the County in writing that it is of the opinion that the two above-described events have occurred, including a demand that ownership of the sports complex be transferred back to the City. The purchase price to be paid by the City to the County at the time of transfer shall be one dollar.

Upon transfer of the sports complex back to the City, the sports complex shall be used for public recreational or other public use. In the event that the City desires to make the sports complex available for non-public uses the County shall have the option to purchase or lease the sports complex from the City. If the sports complex is purchased, the purchase price to be paid by the County to the City at the time of

transfer shall be the appraised value of the sports complex land exclusive of the value of the improvements, assuming its use as a publicly owned sports complex. If the sports complex is leased, the rent to be paid by the County to the City shall be established on the basis that is a land lease only and shall exclude the value of the improvements.

NOTE 13 - CONTINGENCIES

COVID-19 Pandemic

The COVID-19 pandemic has created economic turmoil. Beginning in March 2020, the City was impacted by the pandemic, both operationally and financially. Significant declines in the financial markets and economic activity have taken a toll on the major revenues of the City, primarily Sales Tax and Charges for Services. At the onset of the pandemic, many recreational and cultural activities provided by the City were curtailed. As the fiscal year ended and the new fiscal year begins, many of these activities are have been re-established and are almost operating at full capacity. The City has taken measures to budget accordingly for Fiscal Year 2022 with the anticipation of lower revenues and corresponding expenditures. The long-term effect of this pandemic is expected to be significant but is not quantifiable at this time.

Grant Programs

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.

Other

The City is engaged in numerous other legal actions alleging damages as a result of acts or omissions of the City, its officers, agents or employees with a potential liability of up to \$1,000,000. The administration of the City believes that the ultimate outcome will not have a material adverse effect on the City.

NOTE 14 – DEFINED BENEFIT RETIREMENT PLANS

The City maintains three defined benefit, public employee retirement plans. Assets are held separately and may be used only for the payment of benefits to the members and administrative expenses of the respective plans. The Plans are administered by a separate Board of Trustees. The City Commission approves all plan provisions and amendments. Each Plan's financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due and a formal commitment to provide contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. The Plans issue stand alone, audited financial reports financial statements including all required note disclosures and supplementary information. The pension plan's fiduciary net position in the City's annual financial report has been determined on the same basis used in the pension plan's stand-alone financial reports. The stand alone reports may be obtained from the City of Sarasota City Auditor and Clerk's website at <https://www.sarasotafl.gov/government/city-auditor-and-clerk>.

Previously, the General Employees', Police Officers' and Firefighters' Defined Benefit Pension Plans implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. In addition to other disclosures, the GASB requires the following schedules be included in the Required Supplementary Information section of this report for the General Employees' and Police Officers' Defined Benefit Pension Plans:

- A 10-year schedule of changes in the net pension liability,
- A 10-year schedule of contributions, and
- A 10-year schedule of the annual money-weighted rate of return on pension plan investments.

The GASB requires the following schedules be included in the Required Supplementary Information section of this report for the Firefighters' Defined Benefit Pension Plan:

- A 10-year schedule of the City's proportionate share of the net pension liability,
- A 10-year schedule of City contributions.

Until a full 10-year trend is compiled, the Plans will present information for those years for which information is available.

GASB Statement No. 68 allows a measurement date for employers that is no earlier than the employer's prior fiscal year end. The City chooses to use the prior fiscal year's measurement date for its defined benefit retirement plans. This insures that the City's annual report can be issued on a timely basis.

A. General Employees Defined Benefit Pension Plan

Plan administration. The City of Sarasota General Employees' Defined Benefit Pension Plan, a defined benefit single-employer public employee retirement plan, is administered by the Plan's Board of Trustees in accordance with Chapter 24, Article II, of the Sarasota City Code, 1986, as restated on November 16, 2009. The Plan's Board of Trustees consists of the City Auditor and Clerk, the Finance Director, four (4) members of the Plan, and a trustee who is a legal resident of the City and appointed by the City Commission.

Plan membership. The Plan is closed to new members. At September 30, 2021, membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	427
Inactive plan members entitled to but not yet receiving benefits	14
Active plan members	<u>134</u>
Total	<u>575</u>

Benefits provided. The Plan covers permanent, probationary and full time City of Sarasota employees who are not members of the Police Officers' or Firefighters' Pension Plans and were hired prior to September 7, 2011. The Plan also covers some previous City employees that became Sarasota County employees through consolidation. Members may retire as early as age 55 with 10 years of service. Such a retiree would receive a retirement benefit based upon a percentage of average annual earnings during the highest 4 years of the last 10 years of employment prior to the date of retirement multiplied by the years of service. The retirement benefit percentage increases based upon the retiree's age up to a maximum of 2.5 percent at age 65, or after 30 years of service regardless of age. The Plan provides disability benefits as if the participant retired at age 65, providing that 10 years of credited service has been attained. If an employee separates service from the City before achieving 10 years of credited service, the employee will receive his contributions plus 4.5 percent interest compounded annually.

Contributions. Plan members are required to contribute 6 percent of their annual pay to the Plan and the City and County contribution must be at least 8 percent of annual payroll. The Plan's Board of Trustees has elected to change to a dollar-based contribution determination method, therefore \$7,053,657 is required to be contributed by the City and County for the fiscal year ending September 30, 2021. The actuarially determined City & County contribution is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

During the year ending September 30, 2021, contributions were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of September 30, 2020. Contributions totaling \$7,579,808 were from the following sources; the City and County contributed \$7,053,657 and plan members contributed \$526,151.

Deferred retirement option plan. Effective November 20, 2000, the City approved an ordinance creating a deferred retirement option plan (DROP). In lieu of terminating employment, any member may elect to defer receipt of such service retirement pension and to participate in the DROP. A member's participation in the DROP may not exceed sixty months beginning at the time the election becomes effective. A

member may participate only once. An account is established for each member participating in the DROP. The member's DROP account consists of the monthly retirement benefit the member would have received had they terminated their employment and the earnings on those amounts. The accounts of members that entered the DROP prior to December 28, 2011, will be credited with interest at an effective rate of six and one-half (6 ½) percent per annum compounded quarterly. The accounts of members that entered the DROP on or after December 28, 2011, will be credited with interest at an effective rate of two (2) percent per annum compounded quarterly. The accrued benefit at September 30, 2021, was \$1,835,905 and is included in net position restricted for pensions.

Investment policy. All investments of the Plan must be consistent with the investment policy adopted by the Plan's Board of Trustees. The policy is structured to maximize the financial return to the Plan consistent with the risks incumbent in each investment and is structured to establish and maintain an appropriate diversification of the Plan's assets. Investments of the Plan are comprised of money market funds, U.S. Government securities, U.S. Government agency securities, common and preferred stocks, corporate bonds and notes, real estate funds, and foreign stocks as authorized by Plan policies. The investments as of September 30, 2021, for the Plan are reported in Note 3.

Rate of return. For the year ended September 30, 2021, the annual money-weighted rate of return on Plan investments, net of Plan investment expense was 22.8 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Actuarial assumptions. The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of September 30, 2020.

The total pension liability was rolled forward from the valuation date to the plan year ending September 30, 2021 using the following actuarial assumptions applied to all measurement periods:

Inflation	2.30%
Salary increases	4.70% to 6.30% depending on age, including inflation
Investment rate of return	6.55%, net of pension plan investment expense

As of September 30, 2021, mortality tables use are based on the Pub-2010 Headcount Weighted Mortality Table for Annuitants (for postretirement mortality), with mortality improvement projected for healthy lives to all future years after 2010 using Scale MP-2018. No mortality improvement is projected for disabled lives.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2021, (see the discussion of the Plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	1.56%
Domestic equity	6.59%
International equity	5.40%
Real estate	4.77%
Infrastructure	3.37%

Discount rate. A single discount rate of 6.55 percent was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Plan investments of 6.55 percent. The projection of cash flows used to determine this single discount rate assumed that plan members 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 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 Plan investments (6.55%) was applied to all periods of projected benefit payments to determine the total pension liability.

The single discount rate was developed as follows:

Single discount rate	6.55%
Long-term expected rate of return	6.55%
Long-term municipal bond rate	2.41%
Last year ending September 30 in the 2021 to 2120 projection period for which projected benefit payments are fully funded	2120

* Source: Fixed income municipal bonds with 20 years to maturity that include only federally tax exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of September 30, 2020. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the Plan's net pension liability, calculated using a single discount rate of 6.55%, 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 (5.55)%	Current Discount Rate (6.55%)	1% Increase (7.55)%
Net pension liability	\$ 81,683,375	\$ 57,874,183	\$ 37,793,700

Changes in the Net Pension Liability. The changes in Net Pension Liability for the General Employees Defined Benefit Pension Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability / (Asset)
Balance at September 30, 2019*	\$ 212,103,046	\$ 154,601,485	\$ 57,501,561
Changes for the year:			
Service cost	1,982,410	--	1,982,410
Interest on the total pension liability	14,006,563	--	14,006,563
Differences between expected and actual experience	(330,324)	--	(330,324)
Changes of assumptions	646,384	--	646,384
Contributions from the employer	--	6,743,159	(6,743,159)
Contributions non-employer contributing entity	--	51,476	(51,476)
Contributions from employees	--	601,108	(601,108)
Net investment income	--	8,754,075	(8,754,075)
Administrative expenses	--	(217,407)	217,407
Other	--	--	-
Benefit payments, including refunds of employee contributions	(14,198,169)	(14,198,169)	--
Net changes	2,106,864	1,734,242	372,622
Balance at September 30, 2020*	\$ 214,209,910	\$ 156,335,727	\$ 57,874,183

*Measurement date

Net pension liability. The net pension liability is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoother actuarial value of assets that is often encountered in actuarial valuations

performed to determine the employer's contribution requirement). The components of the net pension liability at September 30, 2020, were as follows:

Total pension liability	\$	214,209,910
Plan fiduciary net position		<u>156,335,727</u>
Net pension liability	\$	<u>57,874,183</u>
Plan fiduciary net position as a percentage of the total pension liability		72.98%

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2021, the City recognizes pension expense of \$6,500,926 for the General Employees Defined Benefit Pension Plan (GEDBPP). At September 30, 2021, the City has deferred outflows and deferred inflows of resources related to the GEDBPP as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ --	\$ 110,108
Changes in assumptions	215,461	--
Contributions to the pension plan subsequent to the measurement date	5,855,246	--
Net difference between projected and actual earnings on pension plan investments	<u>5,410,878</u>	<u>--</u>
Total	<u>\$ 11,481,585</u>	<u>\$ 110,108</u>

\$5,855,246 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended September 30,	Deferred Outflows/(Inflows) of Resources
2022	\$ 469,285
2023	2,082,409
2024	2,660,505
2025	304,032

B. Firefighters Defined Benefit Pension Plan

Plan administration. The City of Sarasota Firefighters' Defined Benefit Pension Plan, a defined benefit cost-sharing multiple employer public employee retirement plan, is administered in accordance with Chapter 24, Article II, of the Sarasota City Code, 1986, as restated on November 16, 2009. On January 1, 1996, the City's Fire/Rescue Department was consolidated with Sarasota County, as such the Plan is closed to new entrants. The Plan remains intact with Sarasota County and the City of Sarasota making the employer contributions.

Florida Statute Chapter 175 requires that the Board of Trustees be comprised of two members appointed by the City Commission, two members elected by a majority of the firefighters who are members of the Plan, and a fifth member chosen by a majority of the other members and administratively appointed by the City Commission.

Plan membership. The Plan is closed to new members. At September 30, 2021, membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	<u>160</u>
Total	<u>160</u>

Benefits provided. The Plan covers former City of Sarasota firefighters who are employed by Sarasota County as a result of the consolidation. Any Plan member who has creditable service of 10 years and has attained age 50 or has creditable service of 25 years, regardless of age, is eligible for normal retirement. Such a retiree would receive a normal retirement benefit of 3 percent of average annual earnings during the highest 3 years of service during the last 10 years of service multiplied by the years of service. The pension benefit cannot exceed the average taxable earnings for the last 3 years of employment.

The Plan provides disability benefits for both duty related and not duty related disabilities. Disability caused by performance of duties is computed at 3 percent of average compensation multiplied by years of service (minimum 25 years), and, at all times, must be equal to at least fifty percent of the base salary for a journeyman fire medic top step. A not in line of duty disability is computed at 2.5 percent of average compensation multiplied by years of service plus 5 percent of the firefighter's last monthly salary for each eligible child.

The Plan provides death benefits for both duty related and not duty related deaths. Death caused by performance of duties is computed at two-thirds of 3 percent of average compensation multiplied by the years of service (minimum 25 years) plus 5 percent of the firefighters' last monthly salary for each eligible child. A not in line of duty death is computed at two-thirds of 2.5 percent of average compensation multiplied by years of service plus 5 percent of the firefighters' last monthly salary for each eligible child.

Contributions. Plan members are required to contribute 8 percent of their annual salary to the Plan. Other contributions are received from the State of Florida, Sarasota County and the City. The State of Florida contribution results from the City's share of insurance tax. The County of Sarasota and the City contribute an amount to make the fund actuarially sound.

The City makes contributions to the Plan in accordance with a funding schedule outlined in an Interlocal Agreement with Sarasota County. The City's contractually required contribution rate for the year ended September 30, 2021, was 33 percent of an actuarially determined amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the Plan from the City were \$3,272,004 for the year ended September 30, 2021.

The State of Florida makes contributions from taxes on casualty insurance premiums. The City recognized its portion of these on-behalf payments from the State as revenue and personnel expenditures in the City's General Fund before they were recorded as contributions in the Firefighters' Pension Plan.

Investment policy. All investments of the Plan must be consistent with the investment policy adopted by the Plan's Board of Trustees. The policy is structured to maximize the financial return to the Plan consistent with the risks incumbent in each investment and is structured to establish and maintain an appropriate diversification of the Plan's assets. Investments of the Plan are comprised of money market funds, U.S. Government securities, U.S. Government agency securities, municipal securities, common stock, corporate bonds and notes, real estate funds, and foreign stocks as authorized by Plan policies. The investments as of September 30, 2021, for the Plan are reported in Note 3.

Rate of return. For the year ended September 30, 2021, the annual money-weighted rate of return on Plan investments, net of Plan investment expense was 9.71%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Actuarial assumptions. The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of September 30, 2020. The total pension liability was

rolled forward from the valuation date to the plan year ending September 30, 2021 using the following actuarial assumptions applied to all measurement periods:

Inflation	3.75%
Salary increases	3.75% to 6.75% including inflation
Investment rate of return	6.85%

Mortality rates were based on the PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set-forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018..

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2021, (see the discussion of the Plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity securities	6.60%
Fixed income securities	1.50%
Real estate	5.60%
Infrastructure	5.70%
International Equity	5.60%

Discount rate. A single discount rate of 6.85% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Plan investments of 6.85%. The projection of cash flows used to determine this single discount rate assumed that plan members 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 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 Plan investments (6.85%) was applied to all periods of projected benefit payments to determine the total pension liability.

The single discount rate was developed as follows:

Single discount rate	6.85%
Long-term expected rate of return	6.85%
Long-term municipal bond rate *	2.19%
Last year ending September 30 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121

* Source: Fixed income municipal bonds with 20 years to maturity that include only federally tax exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of September 30, 2020. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability, calculated using a single discount rate of 6.85%, as well as what the City's proportionate share of the 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:

	Net Pension Liability		
	1% Decrease (5.85)%	Current Discount Rate (6.85%)	1% Increase (7.85)%
City of Sarasota's proportionate share of net pension liability	\$ 13,205,307	\$ 6,599,395	\$ 1,080,137

Net pension liability. At September 30, 2021, the City reported a liability of \$6,599,395 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the Plan relative to the projected contributions of all participating employers actuarially determined. At September 30, 2021, the City's proportion was 33 percent, which was the same proportion measured as of September 30, 2020.

Pension plan fiduciary net position. Detailed information about the Plan's fiduciary net position is available in the separately issued Firefighters Defined Benefit Pension Plan financial report.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2021, the City will recognize pension expense of \$(2,287,977) for the Firefighters Defined Benefit Pension Plan (FFDBPP). At September 30, 2021, the City has deferred outflows and deferred inflows of resources related to the FFDBPP as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions to the pension plan subsequent to the measurement date	\$ 3,272,004	\$ --
Net difference between projected and actual earnings on pension plan investments	2,240,073	-
Total	<u>\$ 5,512,077</u>	<u>\$ -</u>

\$3,272,004 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources of resources related to pensions will be recognized as pension expense as follows:

Year Ended September 30,	Deferred Outflows/(Inflows) of Resources
2021	\$ 370,152
2022	683,798
2023	866,502
2024	319,622
Total	<u>\$ 2,240,073</u>

C. Police Officers Defined Benefit Pension Plan

Plan administration. The City of Sarasota Police Officers' Defined Benefit Pension Plan, a defined benefit single-employer public employee retirement plan, is administered by the Plan's Board of Trustees in accordance with Chapter 24, Article II of the Sarasota City Code, 1986, as amended and restated.

Florida Statute Chapter 185 requires that the Board of Trustees be comprised of two members appointed by the City Commission, two members elected by a majority of the police officers who are members of the Plan, and a fifth member chosen by a majority of the other members and administratively appointed by the City Commission.

The Plan also provides for compliance with Chapter 185, Florida Statutes to ensure the Plan will continue to qualify for funding under F.S. 185.08 in the event a change to the statute is effective before the Plan can be amended. The City Commission may not amend the Plan to reduce the vested accrued benefit of members or beneficiaries.

Plan membership. At September 30, 2021, membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	227
Inactive plan members entitled to but not yet receiving benefits	7
Active plan members	<u>158</u>
Total	<u>390</u>

Benefits provided. The Plan provides disability benefits for both duty related and non-duty related disabilities. If the Board determines that the disability was caused by performance of duty, the pension is calculated the same as if he or she had taken normal retirement after a minimum of 25 years of service. The Plan calls for minimum payments to in the line of duty disability recipients and their beneficiaries. Disability for police officers injured not in the line of duty is computed at 2.50% of average compensation multiplied by years of service (maximum of forty years), plus 5% of police officers' last monthly salary for each eligible child.

If any police officer is killed as a result of performing duties, the beneficiaries are entitled to the same monthly pension as if the deceased had taken a normal retirement after a minimum of 25 years of service. If any police officer dies of causes not directly related to performing duties, the beneficiaries are entitled to receive the same monthly pension as if the deceased had received disability benefits not in the line of duty and then died.

If an employee separates from the City before achieving 10 years of credited service, the employee will receive the full amount of his or her contributions plus regular interest. This will be a complete discharge of benefits under the Plan. If an employee separates service from the City after 10 years of credited service they may receive a pension starting at age 55, a refund of contributions and interest, or receive a reduced retirement pension starting any time after age 50.

Other contributions are received from the State of Florida and the City. The State of Florida contribution results from the City's share of insurance tax. The City contributes an amount to make the Plan actuarially sound, but not less than 8% of payroll.

If a member served as a police officer with the City during a period of previous employment or if a member served as a police officer for any other municipal, county or state law enforcement department in the United States, he or she may contribute an actuarially determined amount to the Plan to effectively purchase those prior service years. However, the member may not purchase prior police service that is counted for retirement benefits from another pension plan. The prior service time must be for at least one year and there is no maximum limit. In addition, the Plan also accepts rollovers of eligible pension accounts solely for the purpose of purchasing credited service.

The Fund also provides for compliance with Chapter 185, *Florida Statutes* to ensure the Fund will continue to qualify for funding under Florida Statute 185.08 in the event a change to the statute is effective before the Fund can be amended. The City Commission may not amend the Fund to reduce the vested accrued benefit of members of beneficiaries.

On December 8, 2017, the City approved Ordinance 17-5232 which establishes a defined contribution plan (a "share plan") to provide special benefits to police officers and retirees with a determination of eligibility made each plan year beginning October 1.

Under the provision of the ordinance, the initial amount to be allocated to the share plan shall be \$421,898, which reflects 50% of the accumulated excess premium tax revenues that have not been allocated to fund benefits as of September 30, 2018.

In any plan year, following the initial funding of share accounts in which annual premium tax revenues exceed \$773,572, the individual share account of each active police officer or DROP participant who was a member of the share plan on the preceding September 30, shall be credited with an equal share of 50% of the excess. For the year ended September 30, 2019, the share plan had a balance of \$328,735

Contributions. Participants are required to contribute 8 percent of their annual salary to the Plan. If an employee separates service from the City before achieving 10 years of credited service, the employee will receive his contributions plus 5 percent regular interest compounded annually. Other contributions are received from the State of Florida and the City. The State of Florida contribution results from the City's share of insurance tax. The City contributes an amount to make the fund actuarially sound, but not less than 8 percent of payroll. The projection of benefits for financial reporting purposes *does not* explicitly incorporate the potential effects of legal or contractual funding limitations.

During the year ended September 30, 2021, contributions totaling \$8,452,597 were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of September 30, 2020. The City contributed \$6,558,763; the State of Florida contributed \$678,608 and the employees contributed \$1,215,226.

The State of Florida makes contributions from taxes on casualty insurance premiums. The City recognized these on-behalf payments from the State as revenue and personnel expenditures in the City's General Fund before they were recorded as contributions in the Police Officers' Pension Plan.

Deferred retirement option plan. Effective December 21, 1998, the City approved an ordinance creating a deferred retirement option plan (DROP). In lieu of terminating employment as a police officer, any member may elect to defer receipt of such service retirement pension and to participate in the DROP. A member's participation in the DROP may not exceed sixty months beginning at the time the election becomes effective. A member may participate only once.

A separate general ledger account is created for each member participating in the DROP to track earnings, contributions and payments. The member's DROP account consists of the monthly retirement benefit the member would have received had they terminated their employment as a police officer and the earnings of those amounts. To maximize earnings potential for each DROP participant, the funds are pooled with the investments in the Fund.

For members who entered the DROP prior to October 1, 2012, the member elects to receive either interest at a fixed rate of 6.5% per annum, compounded quarterly, or the actual net rate of investment return realized by the pension Fund. For those who entered the DROP on or after October 1, 2012, the member elects to receive either interest at a fixed interest rate of 2.5% per annum compounded quarterly, or the actual rate of investment return realized by the pension Fund. The DROP amount included as a component of net position at September 30, 2021 was \$374,599.

Investment policy. All investments of the Plan must be consistent with the investment policy adopted by the Plan's Board of Trustees. The policy is structured to maximize the financial return to the Plan consistent with the risks incumbent in each investment and is structured to establish and maintain an appropriate diversification of the Plan's assets. Investments of the Plan are comprised of money market funds, U.S. Government securities, U.S. Government agency securities, municipal securities, common and preferred stocks, stock mutual funds, bond mutual funds, corporate bonds, real estate mutual funds, and foreign mutual funds as authorized by Plan policies. The investments as of September 30, 2021, for the Plan are reported in Note 3.

Rate of return. For the year ended September 30, 2021, the annual money-weighted rate of return on Plan investments, net of Plan investment expense was 11.60%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Actuarial assumptions. The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of September 30, 2020. The total pension liability was rolled forward from the valuation date to the Plan year ending September 30, 2021, using the following actuarial assumptions applied to all measurement periods:

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Inflation	2.30%
Salary increases	5.20% to 19.30% depending on service, including inflation
Investment rate of return	6.75%

RP-2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for postretirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Special Risk Class members in the July 1, 2018 actuarial valuation 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.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2021, (see the discussion of the Plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	10.67%
Bonds	5.46%
International equity	6.39%
Real estate	7.87%
Infrastructure	9.33%

Discount rate. A single discount rate of 6.75% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan members 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 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 Plan investments (6.75%) was applied to all periods of projected benefit payments to determine the total pension liability.

The single discount rate was developed as follows:

Single discount rate	6.75%
Long-term expected rate of return	6.75%
Long-term municipal bond rate *	2.41%
Last year ending September 30 in the 2021 to 2120 projection period for which projected benefit payments are fully funded	2120

* Source: Fidelity General Obligation AA rate as of September 30, 2020, which is the rate for Fixed Income Market Data/Yield Curve Data for Municipal Bonds with 20 years to maturity that included only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index." Fidelity notes that the municipal curves are constructed using option-adjusted analytics across a diverse population of over 10,000 tax exempt municipal securities.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the Plan's net pension liability, calculated using a single discount rate of 6.75%, 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 (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 61,985,403	\$ 23,274,393	\$ (8,443,057)

City of Sarasota, Florida
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Changes in the Net Pension Liability. The changes in Net Pension Liability for the Police Officers Defined Benefit Pension Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability / (Asset)
Balance at September 30, 2019*	\$ 283,893,990	\$ 247,380,144	\$ 36,513,846
Changes for the year:			
Service cost	4,168,051	--	4,168,051
Interest on the total pension liability	19,536,863	--	19,536,863
Differences between expected and actual experience	3,512,888	--	3,512,888
Changes of assumptions	(3,245,192)	--	(3,245,192)
Contributions from the employer	--	7,997,559	(7,997,559)
Contributions from employees	--	1,153,896	(1,153,896)
Net investment income	--	28,302,786	(28,302,786)
Administrative expenses	--	(217,186)	217,186
Benefit payments, including refunds of employee contributions	(13,689,456)	(13,689,456)	--
Other	--	(24,992)	24,992
Net changes	10,283,154	23,522,607	(13,239,453)
Balance at September 30, 2020*	<u>\$ 294,177,144</u>	<u>\$ 270,902,751</u>	<u>\$ 23,274,393</u>

*Measurement date

Net pension liability. The net pension liability is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoother actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement). The components of the net pension liability at September 30, 2020, were as follows:

Total Pension liability	\$ 294,177,144
Plan fiduciary net position	270,902,751
Net Pension liability	<u>\$ 23,274,393</u>
Plan fiduciary net position as a percentage of the total Pension liability	92.09%

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2020, the City will recognize pension expense of \$6,308,392 for the Police Officers Defined Benefit Pension Plan (PODBPP). At September 30, 2020, the City has deferred outflows and deferred inflows of resources related to the PODBPP as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,961,640	\$ 355,212
Contributions to the Pension Plan subsequent to the measurement date	7,386,690	--
Changes in Assumptions	--	2,467,007
Net difference between projected and actual earning on Pension plan investments	--	7,701,115
Total	<u>\$ 10,348,330</u>	<u>\$ 10,523,334</u>

\$7,386,690 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended

September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended September 30,	Deferred Outflows/(Inflows) of Resources
2022	\$ (3,879,965)
2023	(1,455,129)
2024	4,098
2025	(2,230,698)

D. Summary of All Defined Benefit Pension Plans

The actuarial valuation of the liabilities and the measurement date were determined as of the September 30, 2020. These liabilities were used for GASB Statement No. 68 purposes for the reporting period ending September 30, 2021. Using a measurement date of September 30, 2020 allows for more timely reporting at the end of the year.

Totals for the City's single employer and cost-sharing multiple employer pension plans for the 2021 fiscal year are summarized below:

	Defined Benefit Pension Plans			
	General Employees	Fire- Fighters	Police Officers	Total
Net pension liability	\$ 57,874,183	\$ 6,599,395	\$ 23,274,393	\$ 87,747,971
Deferred outflows of resources related to pensions	11,481,585	5,512,077	10,348,330	27,341,992
Deferred inflows of resources related to pensions	110,108	-	10,523,334	10,633,442
Pension expense	7,766,528	(2,287,977)	6,308,392	11,786,943

Totals by funds are as follows:

	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
Governmental activities	\$ 57,426,988	\$ 20,729,594	\$ 10,575,755	\$ 7,717,965
Business-type activities	30,320,983	6,612,398	57,687	4,068,978
Totals	<u>\$ 87,747,971</u>	<u>\$ 27,341,992</u>	<u>\$ 10,633,442</u>	<u>\$ 11,786,943</u>

NOTE 15 – GENERAL EMPLOYEES DEFINED CONTRIBUTION RETIREMENT PLAN

Plan description. The General Employees Defined Contribution Retirement Plan was established as a single employer, public employee, retirement plan to provide income to all participating General Employees hired on or after September 7, 2011. All Plan provisions, including benefits, eligibility, vesting, etc., were established by City Ordinance 11-4988. The City Commission approves all plan provisions and amendments. The Plan does not issue a stand-alone financial report and is not included in any other retirement system's or entity's financial report.

The Plan's financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due and a formal commitment to provide contributions has been made. Benefits and refunds are recognized when due and payable in accordance with terms of the Plan.

All investments are directed by Plan members, including the non-vested portion of the City's contributions, if any. Plan members may elect to allocate investments among mutual funds, money market funds, and fixed income funds. Investments are reported at fair value.

Membership. General Employees Defined Contribution Retirement Plan membership at September 30, 2021, is as follows:

Active employees (vested and non-vested)	398
Retired and terminated members maintaining balances	<u>182</u>
Total	<u>580</u>

Benefits. Member contributions are 100% vested at all times. Employer contributions become vested after five years of employment.

Funding policy. Members are required to contribute 6% of covered salary (regular pay only) to the Plan, and the City is required to match this contribution percentage. A Participant may elect to make an additional deferral of his or her compensation to a 457(b) Deferred Compensation Plan. In such event, the City shall match 100% of up to the first 2% electively deferred by the Participant, for a total match of 8%. While the Participant's elective deferral shall be deposited into a 457(b) Deferred Compensation Plan, the contributions made by the City shall be deposited into the Defined Contribution Plan. During 2021, actual contributions were \$1,336,903 from employees, \$1,334,956 from the City, \$1,785 from Sarasota County and \$325,747 from other.

The City contributed an additional \$58,007 to fund administrative expenses for the plan. This contribution was from current year forfeitures for employees that have terminated before five years of employment.

Financial Statements of the General Employees Defined Contribution Retirement Plan:

Statement of Plan Net Position

Assets		
Cash and cash equivalents		\$ -
Investments:		
Stock Mutual Funds		17,479,173
Bond mutual funds		2,334,208
Foreign mutual funds		1,070,559
Total investments		<u>20,883,940</u>
Receivables (net):		
Accounts		466,260
Interest and dividends		(135)
Total receivables		<u>466,125</u>
Total assets		<u>21,350,065</u>
Liabilities		
Accounts payable		<u>3,000</u>
Due to other governmental unit		<u>40,376</u>
Total liabilities		<u>43,376</u>
Net Position		
Restricted for pension benefits		<u>\$ 21,306,689</u>

Statement of Changes in Plan Net Position

Additions		
Contributions:		
Plan members		\$ 1,336,903
Employer		
City of Sarasota		1,334,956
Sarasota County		1,785
Other		325,747
Total contributions		<u>2,999,391</u>
Investment income:		
Net increase in fair value of investments		1,784,407
Interest and Dividend		1,818,995
Other		23,066
Total investment income		<u>3,626,468</u>
Less Investment Income		(157,755)
Net investment income		<u>3,468,713</u>
Total additions		<u>6,468,104</u>
Deductions		
Benefits		1,610,714
Administration expenses		58,007
Total deductions		<u>1,668,721</u>
Net increase		4,799,383
Net position - beginning of year		<u>16,507,306</u>
Net position - end of year		<u>\$ 21,306,689</u>

NOTE 16 - OTHER POST-EMPLOYMENT BENEFITS PLAN

A. Plan Description

The City Commission established the Other Post-Employment Benefits (OPEB) Trust Fund for the purpose of accumulating, investing, and managing funds necessary to meet the costs of providing health and/or life insurance to retirees and their dependents. The plan is a single-employer defined benefit OPEB plan administered by the City to provide medical and life insurance benefits to eligible retirees and their dependents. The plan is administered by a separate oversight committee. The City Commission approves all plan provisions and amendments. Separate financial statements of the plan are not available.

The City chooses to use the prior fiscal year's measurement date for its OPEB Plan. This insures that the City's annual report can be issued on a timely basis.

All full time employees of the City of Sarasota who satisfy the vesting, disability, early or normal retirement provisions of the applicable retirement plans may be eligible for post-employment benefits. Furthermore, certain individuals who transferred from the City to the County are eligible for certain benefits under the City's OPEB plan. These include certain Fire Rescue employees, and other former employees who were transferred to Sarasota County through a consolidation of services. They continue to be members of the City's Pension Plans, but are not covered under the City's benefit plans while an active employee. However, upon retirement under the City's pension plans, they may transfer to the City's benefit plans (medical, prescription and dental only; no life insurance) for coverage during their retirement years.

Membership in the plan consisted of the following at September 30, 2020:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	689
Inactive Plan Members Entitles to But Not Yet Receiving Benefits	13
Active Plan Members	<u>720</u>
Total	<u><u>1,422</u></u>

B. Summary of Significant Accounting Policies

Basis of Accounting. The plan's financial statements are prepared using the accrual basis of accounting. Separate financial statements of the plan are not available. Employee and employer contributions are recognized as revenues when due and a formal commitment to provide contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Investments are reported at fair value using quoted market prices or the best estimate available.

C. Funding Policy and Contributions

The contribution requirements of plan members and the City are established and may be amended by the City Commission. The contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the City Commission. These contributions are neither mandated nor guaranteed. The City has retained the right to unilaterally modify its payment for retiree health care and life insurance benefits. The projection of benefits for financial reporting purposes *does not* explicitly incorporate the potential effects of legal or contractual funding limitations.

For the 2021 fiscal year, the City contributed \$3,902,133 to the plan, and plan members receiving benefits contributed \$1,488,164. Retiree-only coverage is offered to plan members at no cost or up to \$137.94 per month based upon pension benefit and type of plan selected. Dependent coverage is offered at \$485.66 to \$1,108.09 per month depending on the plan selected. Rates vary based upon the type of plan selected by the retiree.

D. Net OPEB Liability

Actuarial Assumptions. The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25% Intermediate, 2.50% Long-Term
Salary Increase	4.70% - 19.30% depending on plan type, age and years of service
Investment Rate of Return	6.00%
Healthcare cost trend rates	Based on the Getzen Model, with trend starting at 6.50% and gradually decreasing to an ultimate trend rate of 4.24%.

Mortality tables used for Regular Class and Special Risk Class members in the July 1, 2018 actuarial valuation of the Florida Retirement System (FRS), including generational projections of improvements. They are based on the results of a statewide experience study covering the period 2008 through 2013.

The actuarial assumptions used in the September 30, 2021, valuation were based on the results of an actuarial experience study performed as of September, 30, 2020.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of September 30, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
Domestic equity	6.50%	60%
Fixed Income	0.64%	20%
International Equity	5.42%	10%
Real Estate	5.18%	10%

Discount rate. A single discount rate of 6.00% was used to measure the total OPEB liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 6.00%. 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 OPEB 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 OPEB plan investments (6.00%) was applied to all periods of projected benefit payments to determine the total OPEB liability.

The single discount rate was developed as follows:

The single discount rate	6.00%
Long-term expected rate of return	6.00%
Long-term municipal bond rate	2.41%
Last year ending September 30 in the 2020 to 2119 projection period for which projected benefit payments are fully funded	2120

* Source: Fidelity General Obligation AA rate as of September 30, 2020, which is the rate for Fixed Income Market Data / Yield Curve Data for Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index." Fidelity notes that the municipal curves are constructed using option-adjusted analytics across a diverse population of over 10,000 tax exempt municipal securities.

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Sensitivity of the Net OPEB Liability to changes in the discount rate. The following presents the Net OPEB Liability of the City, as well as what the City's Net OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (7.0 percent) than the current discount rate:

	1% Decrease (5.00)%	Current Discount Rate (6.00)%	1% Increase (7.00)%
Net OPEB Liability	\$ 36,880,528	\$ 28,461,147	\$ 21,385,533

Sensitivity of the Net OPEB Liability to changes in the healthcare cost trend rates. The following presents the Net OPEB Liability of the City, as well as what the City's Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (5.50% decreasing to 3.24%) or 1% point higher (7.50% decreasing to 5.24%) than the current healthcare cost trend rates:

	1% Decrease (5.50% decreasing to 3.24%)	Current Discount Rate Trend Rate Assumption	1% Increase (7.50% decreasing to 5.24%)
Net OPEB Liability	\$ 20,920,079	\$ 28,461,147	\$ 37,332,125

Changes in the Net OPEB Liability. The changes in Net OPEB Liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	OPEB Fiduciary Net Position	Net OPEB Liability / (Asset)
Balance at September 30, 2019*	\$ 95,409,519	\$ 48,312,516	\$ 47,097,003
Changes for the year:			
Service cost	669,112	-	669,112
Interest on the total OPEB liability	5,618,706	-	5,618,706
Changes of benefit terms	-		-
Differences between expected and actual experience	246,899	-	246,899
Changes of assumptions	(17,270,069)	-	(17,270,069)
Contributions from the employer	-	4,985,000	(4,985,000)
Contributions from employees	-	-	-
Net investment income	-	2,978,625	(2,978,625)
OPEB Plan Administrative expenses	-	(63,121)	63,121
Benefit payments, including refunds of employee contributions	(5,360,858)	(5,360,858)	-
Net changes	(16,096,210)	2,539,646	(18,635,856)
Balance at September 30, 2020*	\$ 79,313,309	\$ 50,852,162	\$ 28,461,147

*Measurement date

Net OPEB liability. The Total OPEB Liability as of September 30, 2021 is based on results of an actuarial valuation date of September 30, 2020 and rolled forward using generally accepted actuarial procedures. The components of the Net OPEB Liability as of September 30, 2021, were as follows.

Total OPEB liability	\$ 79,313,309
Plan fiduciary net position	50,852,162
Net OPEB liability	<u>\$ 28,461,147</u>
Plan fiduciary net position as a percentage of the total OPEB liability	64.12%

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB. For the year ended September 30, 2021, the City will recognize OPEB expense of \$1,583,140, for the Other Post-Employment Benefits (OPEB) Trust Fund. At September 30, 2021, the City has deferred outflows and deferred inflows of resources related to the OPEB are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 258,575	\$ 749,935
Assumption Changes	4,525,776	13,595,586
Contributions to the OPEB Plan subsequent to Measurement date	3,857,133	--
Net difference between projected and actual earning on Pension plan investments	--	142,209
Total	<u>\$ 8,641,484</u>	<u>\$ 14,487,730</u>

\$3,857,133 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended September 30,</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2022	\$ (1,882,217)
2023	(2,457,165)
2024	(2,810,024)
2025	(2,553,973)

E. Summary of OPEB Plan

The actuarial valuation of the liabilities was determined as of October 1, 2018 (based on the actuarial valuation results as reported in the October 1, 2019 actuarial valuation report dated May 1, 2020) and "rolled-forward" to the September 30, 2020 measurement date. These liabilities are used for GASB Statement No. 75 reporting for the reporting period ending September 30, 2021. Using a measurement date of September 30, 2020 allows for timelier reporting at the end of the year. An additional deferred outflow of \$45,000 for retiree life insurance is included below that is not included in the actuarially determined amounts above.

Totals for the City's OPEB Plan for the 2021 fiscal year are summarized below:

	<u>Net OPEB Liability</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>OPEB Expense</u>
Governmental activities	\$ 19,736,186	\$ 6,217,143	\$ 10,949,457	\$ 1,092,367
Business-type activities	8,724,961	2,469,337	3,895,284	490,773
Totals	<u>\$ 28,461,147</u>	<u>\$ 8,686,480</u>	<u>\$ 14,844,741</u>	<u>\$ 1,583,140</u>

Financial Statements of the Other Post-Employment Benefits Plan:

Statement of Plan Net Position

Assets		
Cash and cash equivalents		\$ 252,844
Investments:		
Money market funds		1,775,958
U.S. Government securities		2,186,369
U.S. Government agency securities		11,920
Common and preferred stock		36,169,421
Corporate bonds and notes		8,724,327
Real estate mutual funds		5,641,002
Mortgage backed securities		347,853
Foreign stocks		7,096,991
Foreign bonds mutual funds		232,133
Total investments		<u>62,185,974</u>
Receivables (net):		
Interest and dividends		102,006
Prepaid Items		1,929
Total assets		<u>62,542,753</u>
Liabilities		
Accounts payable		157,258
Liability for unpaid claims		689,091
Total liabilities		<u>846,349</u>
Net Position		
Restricted for OPEB benefits		<u>\$ 61,696,404</u>

Statement of Changes In Plan Net Position

Additions		
Contributions:		
Plan members		\$ 1,488,164
Employer		
City of Sarasota		3,902,133
Other		205,255
Total contributions		<u>5,595,552</u>
Investment income :		
Net increase in fair value of investments		10,527,753
Interest and dividends		1,014,999
Total investment income		<u>11,542,752</u>
Less investment expense		(443,447)
Net investment income		<u>11,099,305</u>
Total additions		<u>16,694,857</u>
Deductions		
Benefits		3,919,664
Administrative expenses		1,930,951
Refund of Contributions		-
Total deductions		<u>5,850,615</u>
Net increase		10,844,242
Net position - beginning of year		<u>50,852,162</u>
Net position - end of year		<u>\$ 61,696,404</u>

NOTE 17 - DISCRETELY PRESENTED COMPONENT UNITS

St. Armands Business Improvement District - Balance Sheet for September 30, 2021:

Assets	
Cash and cash equivalents	\$ 114,965
Investments	662,836
Receivables (net):	
Interest	1,002
Due from other governmental agencies	70
Total assets	<u>778,873</u>
Liabilities	
Accounts Payable	54,895
Due to other governmental agencies	-
Accrued wages	-
Total liabilities	<u>54,895</u>
Fund Balance	
Unassigned	<u>723,978</u>
Total fund balance	<u>723,978</u>
 Total liabilities and fund balance	 <u>\$ 778,873</u>

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual for the fiscal year ended September 30, 2021:

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Ad valorem taxes	\$ 331,793	\$ 331,793	\$ 334,003	\$ 2,210
Investment earnings (loss)	5,500	5,500	1,736	(3,764)
Miscellaneous	--	--	--	--
Total revenues	<u>337,293</u>	<u>337,293</u>	<u>335,739</u>	<u>(1,554)</u>
Expenditures				
Current:				
Economic environment	350,926	1,057,296	438,107	619,189
Capital outlay:				
Economic environment	--	284,710	55,765	228,945
Total expenditures	<u>350,926</u>	<u>1,342,006</u>	<u>493,872</u>	<u>848,134</u>
Net change in fund balance	(13,633)	(1,004,713)	(158,133)	846,580
Fund balance - beginning	<u>882,111</u>	<u>882,111</u>	<u>882,111</u>	<u>--</u>
Fund balance - ending	<u>\$ 868,478</u>	<u>\$ (122,602)</u>	<u>\$ 723,978</u>	<u>\$ 846,580</u>

Reconciliation to Statement of Net Position:

Fund balance - ending	\$ 723,978
Capital assets	1,577,801
Less accumulated depreciation	(802,235)
Net position - ending	<u>\$ 1,499,544</u>

Reconciliation to Statement of Activities:

Net change in fund balance	\$ (158,133)
Expenditures for capital assets	
Current year depreciation	(56,556)
Change in net position	<u>\$ (214,689)</u>

Downtown Improvement District – Balance Sheet for September 30, 2021.

Assets	
Cash and cash equivalents	\$ 158,257
Investments	912,441
Receivables (net):	
Interest	1,417
Due from other governmental agencies	698
Total assets	<u>1,072,813</u>
Liabilities	
Accounts Payable	43,535
Due to other governmental agencies	8
Accrued wages	3,249
Total liabilities	<u>46,792</u>
Fund Balance	
Unassigned	<u>1,026,021</u>
Total fund balance	<u>1,026,021</u>
Total liabilities and fund balance	<u>\$ 1,072,813</u>

Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual for the fiscal year ended September 30, 2021.

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Ad valorem taxes	\$ 721,395	\$ 721,395	\$ 729,286	\$ 7,891
Investment earnings	5,000	5,000	2,220	(2,780)
Miscellaneous			-	
Total revenues	<u>726,395</u>	<u>726,395</u>	<u>731,506</u>	<u>5,111</u>
Expenditures				
Current:				
Economic environment	372,492	491,798	733,076	241,278
Capital outlay:				
Economic environment	184,875	36,744	--	(36,744)
Total expenditures	<u>557,367</u>	<u>528,542</u>	<u>733,076</u>	<u>204,535</u>
Net change in fund balance	169,028	197,854	(1,570)	(199,424)
Fund balance - beginning	<u>1,027,595</u>	<u>1,027,595</u>	<u>1,027,595</u>	<u>--</u>
Fund balance - ending	<u>\$ 1,196,623</u>	<u>\$ 1,225,449</u>	<u>\$ 1,026,025</u>	<u>\$ (199,424)</u>
Reconciliation to Statement of Net Position:				
Fund balance - ending			\$ 1,026,025	
Capital assets			579,033	
Less accumulated depreciation			(438,774)	
Net position - ending			<u>\$ 1,166,284</u>	
Reconciliation to Statement of Activities:				
Net change in fund balance			\$ (1,570)	
Expenditures for capital assets			--	
Current year depreciation			(22,337)	
Change in net position			<u>\$ (23,907)</u>	

NOTE 18 - THE BAY

The Project

The Bay is a community, City, and Park Conservancy initiative to transform 53 acres of city-owned land, that is mostly parking lot, into a signature public park along the Sarasota Bay. Once complete, The Bay will include a wide range of park uses that will be open and accessible, free and welcoming, to the citizens and visitors of the City. The preliminary cost estimate for a 50+ acre park at The Bay is \$100 - \$150 million, or \$2-\$3 million dollars an acre, to be developed in phases as plans are finalized and approved, and funds raised. The estimated capital cost for Phase 1 is \$22 - \$33 million. The Bay will be funded from a combination of private philanthropic gifts and government sources. Phase 1 will be funded 80% from philanthropy and 20% from government sources.

Home Rule Tax Increment Financing (TIF) District

On November 2, 2020, both the City of Sarasota and the Sarasota county Commissions voted to finalize an interlocal agreement to create a home rule tax increment financing (TIF) district for The Bay. The tax increment revenue may only be used for the design and construction of capital improvements within the Bay Park, including, but not necessarily limited to a new performing arts center. These revenues may also be used for new bicycle and pedestrian amenities within the District. The base year of the district is January 1, 2019 for a period of 30 years. Both the City and the County will contribute at their adopted millage rate.

As of September 30, 2021, the City has expended \$2,373,000. along with contributions of \$13,629,847 from the Park Conservancy for a total output of \$16,002,847 towards Phase 1 of the project.

NOTE 19 - PRIOR PERIOD ADJUSTMENTS

Parking Management

The Parking Management enterprise fund beginning net position as of September 30, 2020 has been restated. This has an effect on the Proprietary Statement of Net Position and the Proprietary Statement of Revenues, Expenses and Changes in Net Position. The adjustment relates to the special assessment to support the repayment of the St. Armands Paid Parking Revenue Bonds Series 2017A, and collected over 20 years. The special assessment was recorded as a receivable and deferred inflow at the time the bonds were sold. It was determined the full \$5,200,000 of projected revenue should have been recorded as of September 30, 2018. The remaining balance to be collected as of September 30, 2020 was \$3,896,974. Beginning Net Position as of September 30, 2020 has been restated from \$22,288,226 to \$26,185,200.

NOTE 20 - SUBSEQUENT EVENT

Bobby Jones Golf Club Project and Nature Preserve

The City Commission voted on January 10, 2022 to approve granting a conservation easement over approximately 261 acres of the Bobby Jones Golf Club Property through a partnership with the Conservation Foundation of the Gulf Coast. The conservation easement outlines prohibited uses of the property including transferring development rights, subdividing, residential or industrial, etc. The easement reserves the City's rights to restore the 27-hole golf course currently planned (or increase holes up to 45 in the future if desired) and outlines operations and maintenance requirements. Additionally, the agreement limits the amount of impervious surface and identifies approved public facility uses. Overall, the easement protects the land from development in perpetuity while ensuring best management practices to conserve the conservation values of the site.

Also, at the same meeting, the City Commission approved the renovation of the Bobby Jones Golf Club which includes a 27-hole golf course, clubhouse and other related buildings. Financing of \$20,000,000 for the construction project was also approved.



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**REQUIRED SUPPLEMENTARY
INFORMATION**

**General Employees' Defined Benefit
Pension Plan**

**Firefighters' Defined Benefit
Pension Plan**

**Police Officers' Defined Benefit
Pension Plan**

Other Post Employment Benefits Plan

City of Sarasota, Florida

General Employees' Defined Benefit Pension Plan

Required Supplementary Information

Schedule of Changes in the Plan's Net Pension Liability and Related Ratios

Last Seven Fiscal Years

Fiscal Year Measurement Date	2021	2020	2019
	9/30/2020	9/30/2019	9/30/2018
Total Pension Liability			
Service Cost	\$ 1,982,410	\$ 2,125,447	\$ 2,026,714
Interest on the Total Pension Liability	14,006,563	13,943,309	13,841,183
Benefit Changes	--	--	--
Difference Between Actual & Expected Experience	(330,324)	(66,942)	(1,473,489)
Assumption Changes	646,384	2,174,917	55,565
Benefit Payments (discounted to beginning of year)	(14,198,169)	(14,211,262)	(11,825,587)
Refunds (discounted to beginning of year)	--	--	--
Net Change in Total Pension Liability	<u>2,106,864</u>	<u>3,965,469</u>	<u>2,624,386</u>
Total Pension Liability - Beginning	<u>212,103,046</u>	<u>208,137,577</u>	<u>205,513,191</u>
Total Pension Liability - Ending (a)	<u>\$ 214,209,910</u>	<u>\$ 212,103,046</u>	<u>\$ 208,137,577</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 6,794,635	\$ 6,844,845	\$ 6,726,147
Contributions - Employee	601,108	640,783	691,469
Net Investment Income	8,754,075	(818,083)	13,334,308
Benefit Payments	(14,198,169)	(14,211,262)	(11,825,587)
Refunds	--	--	--
Administrative Expense	(217,407)	(240,566)	(226,911)
Other	--	--	17,629
Net Change in Plan Fiduciary Net Position	<u>1,734,242</u>	<u>(7,784,283)</u>	<u>8,717,055</u>
Plan Fiduciary Net Position - Beginning	<u>154,601,485</u>	<u>162,385,768</u>	<u>153,668,713</u>
Plan Fiduciary Net Position - Ending (b)	<u>156,335,727</u>	<u>154,601,485</u>	<u>162,385,768</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 57,874,183</u>	<u>\$ 57,501,561</u>	<u>\$ 45,751,809</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	72.98%	72.89%	78.02%
Covered Payroll	\$ 10,001,259	\$ 10,663,586	\$ 11,504,110
Net Pension Liability as a Percentage of Covered Payroll	578.67%	539.23%	397.70%

Notes to Schedule:

The 2015 fiscal year was the year of implementation of GASB Statement No. 68. Ten year trend information will be presented for future fiscal years.

2018	2017	2016	2015
9/30/2017	9/30/2016	9/30/2015	9/30/2014
\$ 1,969,896	\$ 2,064,530	\$ 2,119,194	\$ 2,036,380
13,552,863	12,846,131	12,569,430	12,150,963
--	--	--	--
931,914	(1,020,056)	251,857	74,622
2,166,525	7,732,264	--	1,949,249
(11,504,081)	(11,456,287)	(10,452,370)	(9,957,849)
--	--	(12,822)	(124,586)
7,117,117	10,166,582	4,475,289	6,128,779
198,396,074	188,229,492	183,754,203	177,625,424
<u>\$ 205,513,191</u>	<u>\$ 198,396,074</u>	<u>\$ 188,229,492</u>	<u>\$ 183,754,203</u>

\$ 6,387,239	\$ 6,422,747	\$ 6,249,607	\$ 6,011,590
717,631	748,107	767,707	791,009
18,226,619	10,327,046	(3,099,197)	13,236,828
(11,504,081)	(11,456,287)	(10,452,370)	(9,957,849)
--	--	(12,822)	(124,586)
(191,836)	(183,110)	(157,689)	(166,043)
211,681	9,429	3,488	2,621
13,847,253	5,867,932	(6,701,276)	9,793,570
139,821,460	133,953,528	140,654,804	130,861,234
<u>153,668,713</u>	<u>139,821,460</u>	<u>133,953,528</u>	<u>140,654,804</u>

<u>\$ 51,844,478</u>	<u>\$ 58,574,614</u>	<u>\$ 54,275,964</u>	<u>\$ 43,099,399</u>
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74.77%	70.48%	71.17%	76.55%
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\$ 11,960,517	\$ 12,206,056	\$ 12,528,532	\$ 13,183,483
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433.46%	479.88%	433.22%	326.92%
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City of Sarasota, Florida
 General Employees' Defined Benefit Pension Plan
 Required Supplementary Information
 Schedule of Contributions
 Last Ten Fiscal Years

Fiscal Year	2021	2020	2019	2018
Actuarially Determined Contribution	\$ 7,053,657	\$ 6,766,262	\$ 6,813,954	\$ 6,726,147
Actual Contribution	7,053,657	6,794,635	6,844,845	6,726,147
Contribution Deficiency (Excess)	\$ --	\$ (28,373)	\$ (30,891)	\$ --
Covered Payroll	\$ 8,826,557	\$ 10,001,259	\$ 10,663,586	\$ 11,504,110
Actual Contribution as a % of Covered Payroll	79.91%	67.94%	64.19%	58.47%

Notes to Schedule:

Valuation Date 9/30/2019
Measurement Date 9/30/2020

Actuarial determined contribution rates are calculated as of September 30, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age, Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	16 years (single equivalent period)
Asset Valuation Method	5-year smoothed market
Inflation	2.3%
Salary Increases	4.7% to 6.3% depending on age, including inflation
Investment Rate of Return	6.8%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for postretirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Regular Class members in the July 1, 2018 actuarial valuation 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.

Other Information:

Notes:

See Discussion of Valuation Results in the September 30, 2019 Actuarial Valuation Report.

2017	2016	2015	2014	2013	2012
\$ 6,387,239	\$ 6,422,747	\$ 6,249,607	\$ 6,011,590	\$ 3,969,365	\$ 3,626,629
6,387,239	6,422,747	6,249,607	6,011,590	3,969,365	3,626,629
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
\$	\$	\$	\$	\$	\$
11,960,517	12,206,056	12,528,532	13,183,483	13,956,483	16,061,250
53.40%	52.62%	49.88%	45.60%	28.44%	22.58%

City of Sarasota, Florida
General Employees' Defined Benefit Pension Plan
Required Supplementary Information
Schedule of Investment Returns
Last Ten Fiscal Years

Year Ended September 30,	Annual Money Weighted Rate of Return, Net of Investment Expense
2014	10.41%
2015	2.33%
2016	7.89%
2017	13.41%
2018	8.90%
2019	(0.50)%
2020	5.90%
2021	22.97%

Notes to Schedule:

The 2014 fiscal year was the year of implementation of GASB Statement No. 68. Ten year trend information will be presented for future fiscal years.



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City of Sarasota, Florida

Firefighters' Defined Benefit Pension Plan

Required Supplementary Information

Schedule of the City's Proportionate Share of the Net Pension Liability

Last Seven Fiscal Years

Fiscal Year Measurement Date	2021	2020	2019
	9/30/2020	09/30/2019	09/30/2018
City's proportion of the net pension liability	33%	33%	33%
City's proportionate share of the net pension liability	\$ 6,599,395	\$ 6,599,395	\$ 10,244,442
City's proportionate share of covered payroll	\$ -	\$ -	\$ 64,319
City's proportionate share of the net pension liability as a percentage of its covered payroll	N/A	N/A	15,927.56%
Plan fiduciary net position as a percentage of the total pension liability	88.78%	82.72%	83.43%

Notes to Schedule:

The 2015 fiscal year was the year of implementation of GASB Statement No. 68. Ten year trend information will be presented for future fiscal years.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>09/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
33%	33%	33%	33%
\$ 12,309,642	\$ 15,473,385	\$ 14,181,419	\$ 10,079,433
\$ 93,478	\$ 130,406	\$ 185,339	\$ 355,773
13,168.52%	11,865.57%	7,651.63%	2,833.11%
79.63%	74.39%	75.13%	81.49%

City of Sarasota, Florida
 Firefighters' Defined Benefit Pension Plan
 Required Supplementary Information
 Schedule of City Contributions
 Last Eight Fiscal Years

Fiscal Year	2021	2020	2019	2018
Contractually required contribution	\$ 3,088,345	\$ 3,130,285	\$ 3,137,645	\$ 3,135,876
Contributions in relation to the contractually required contribution	\$ 3,088,345	3,130,284	3,137,646	2,968,399
Contribution deficiency (excess)*	\$ -	\$ -	\$ (1)	\$ 167,478
City's proportionate share of covered payroll	\$ -	\$ -	\$ -	\$ 64,319
Contributions as a percentage of covered payroll	N/A	N/A	N/A	4615.12%

Notes:

* Cumulative Contributions Deficiency of \$12,368 is being held as accrued expense.
 Accrued expenses are being added to the Actuarial Determined Contribution.

Notes to Schedule:

Valuation Date 9/30/2019
Measurement Date 9/30/2020

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method Entry-Age Normal
 Amortization Method Level Dollar, Closed
 Remaining Amortization Period 4 years beginning October 1, 2019
 Asset Valuation Method 3-year smoothed market
 Wage Inflation 3.75%
 Salary Increases 3.75% to 6.75% including inflation
 Investment Rate of Return 6.85%
 Retirement Age Age and Experience-based table of rates 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.

Other Information:

Cost-of-living Adjustment 3.5% annual increase assumed. 50% minimum of the Top Step Base Pay for current County firefighters.

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

2017	2016	2015	2014
\$ 2,296,267	\$ 2,073,403	\$ 2,558,238	\$ 2,825,047
<u>2,286,547</u>	<u>2,199,466</u>	<u>2,574,844</u>	<u>2,832,736</u>
<u>\$ 9,719</u>	<u>\$ (126,062)</u>	<u>\$ (16,606)</u>	<u>\$ (7,689)</u>
\$ 93,478	\$ 130,406	\$ 185,339	\$ 355,773
2,446.09%	1,686.63%	1,389.27%	796.22%

City of Sarasota, Florida

Police Officers' Defined Benefit Pension Plan

Required Supplementary Information

Schedule of Changes in the Plan's Net Pension Liability and Related Ratios

Last Seven Fiscal Years

Fiscal Year	2021	2020	2019
Measurement Date	9/30/2020	9/30/2019	9/30/2018
Total Pension Liability			
Service Cost	\$ 4,168,051	\$ 3,890,552	\$ 4,261,892
Interest on the Total Pension Liability	19,536,863	18,852,295	18,415,452
Benefit Changes	--	--	--
Difference Between Actual & Expected Experience	3,512,888	760,661	(1,687,251)
Assumption Changes	(3,245,192)	--	(256,101)
Benefit Payments	(13,609,169)	(13,980,104)	(14,592,869)
Refunds	(80,287)	(51,169)	2,422
Other	--	--	--
Net Change in Total Pension Liability	10,283,154	9,472,235	6,143,545
Total Pension Liability - Beginning	283,893,990	274,421,755	268,278,210
Total Pension Liability - Ending (a)	\$ 294,177,144	\$ 283,893,990	\$ 274,421,755
Plan Fiduciary Net Position			
Contributions - Employer	\$ 7,279,326	\$ 7,163,346	\$ 7,533,010
Contributions - State	718,233	671,192	655,750
Contributions - Employee	1,153,896	1,093,665	1,059,114
Net Investment Income	28,302,786	6,203,055	23,830,934
Benefit Payments	(13,609,169)	(13,980,104)	(14,592,869)
Refunds	(80,287)	(51,169)	2,422
Administrative Expense	(217,186)	(204,259)	(194,785)
Other	(24,992)	--	(38,998)
Net Change in Plan Fiduciary Net Position	23,522,607	895,726	18,254,578
Plan Fiduciary Net Position - Beginning	247,380,144	246,484,418	228,229,840
Plan Fiduciary Net Position - Ending (b)	\$ 270,902,751	\$ 247,380,144	\$ 246,484,418
Net Pension Liability - Ending (a) - (b)	\$ 23,274,393	\$ 36,513,846	\$ 27,937,337
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.09%	87.14%	89.82%
Covered Payroll	\$ 14,255,899	\$ 12,632,276	\$ 11,838,600
Net Pension Liability as a Percentage of Covered Payroll	163.26%	289.05%	235.99%

Notes to Schedule:

The 2015 fiscal year was the year of implementation of GASB Statement No. 68. Ten year trend information will be presented for future fiscal years.

The 2015 fiscal year reflects a benefit change of \$3,008,519. This is attributable to reinterpretation of an Ordinance for the normal form of payment. The Ordinance was reinterpreted to consider the normal form of payment for years of service earned prior to October 1, 2012 to be a joint and 2/3 survivor form of payment (for married participants) instead of 10 years certain and life. Benefits for police officers who retired after October 1, 2012 have been revised to reflect this Ordinance reinterpretation.

2018	2017	2016	2015
9/30/2017	9/30/2016	9/30/2015	9/30/2014
\$ 3,907,539	\$ 3,628,723	\$ 3,290,606	\$ 3,150,996
17,664,728	16,888,141	16,366,292	15,888,805
--	--	3,008,519	--
2,999,965	(744,518)	(1,917,061)	(838)
--	4,218,388	--	--
(12,588,537)	(13,458,060)	(13,454,067)	(12,738,564)
(20,772)	--	(7,000)	(7,368)
(421,898)	--	--	--
<u>11,541,025</u>	<u>10,532,674</u>	<u>7,287,289</u>	<u>6,293,031</u>
<u>256,737,185</u>	<u>246,204,511</u>	<u>238,917,222</u>	<u>232,624,191</u>
<u>\$ 268,278,210</u>	<u>\$ 256,737,185</u>	<u>\$ 246,204,511</u>	<u>\$ 238,917,222</u>

\$ 9,223,890	\$ 8,619,081	\$ 7,864,404	\$ 7,678,913
624,648	597,419	570,973	544,301
1,141,920	895,489	825,351	760,571
24,697,643	16,087,436	1,171,981	18,842,891
(12,588,537)	(13,458,060)	(13,454,067)	(12,738,564)
(20,772)	--	(7,000)	(7,368)
(194,995)	(178,617)	(189,057)	(189,834)
--	(27,740)	--	--
<u>22,883,797</u>	<u>12,535,008</u>	<u>(3,217,415)</u>	<u>14,890,910</u>
<u>205,346,043</u>	<u>192,811,035</u>	<u>196,028,450</u>	<u>181,137,540</u>
<u>\$ 228,229,840</u>	<u>\$ 205,346,043</u>	<u>\$ 192,811,035</u>	<u>\$ 196,028,450</u>

<u>\$ 40,048,370</u>	<u>\$ 51,391,142</u>	<u>\$ 53,393,476</u>	<u>\$ 42,888,772</u>
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85.07%	79.98%	78.31%	82.05%
\$ 12,737,375	\$ 10,873,428	\$ 9,806,160	\$ 9,507,138
314.42%	472.63%	544.49%	451.12%

City of Sarasota, Florida

Police Officers' Defined Benefit Pension Plan
 Required Supplementary Information
 Schedule of Contributions
 Last Ten Fiscal Years

Fiscal Year	2021	2020	2019	2018	2017
Actuarially Determined Contribution	\$ 7,224,811	\$ 7,997,559	\$ 7,834,538	\$ 8,188,760	\$ 9,848,538
Actual Contribution	7,237,371	7,997,559	7,834,538	8,188,760	9,848,538
Contribution Deficiency (Excess)	\$ (12,560)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 13,649,746	\$ 14,255,899	\$ 12,632,276	\$ 11,838,600	\$ 12,737,375
Actual Contribution as a % of Covered Payroll	53.02%	56.10%	62.02%	69.17%	77.32%

Valuation Date 9/30/2019

Measurement Date 9/30/2020

Notes: Actuarially determined contribution rates are calculated as of September 30, which is two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	16 years
Asset Valuation Method	5-year smoothed market
Inflation	2.3%
Salary Increases	5.2% to 19.3% depending on age, including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the Florida Retirement System (FRS) in their July 1, 2019 actuarial valuation (with mortality improvements projected to all future years as after 2010 using Scale MP-2018. Florida Statutes Chapter 112.63(1)(f) mandates the use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Other Information:

Notes: See Discussion of Valuation Results in the September 30, 2020 Actuarial Valuation Report.

Notes to Schedule:

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

2016	2015	2014	2013	2012
\$ 9,120,631	\$ 8,415,647	\$ 8,207,512	\$ 5,869,827	\$ 5,416,725
9,216,500	8,435,377	8,223,214	5,869,827	5,416,725
<u>\$ (95,869)</u>	<u>\$ (19,730)</u>	<u>\$ (15,702)</u>	<u>\$ --</u>	<u>\$ --</u>
\$ 10,873,428	\$ 9,806,160	\$ 9,507,138	\$ 9,558,125	\$ 9,412,000
84.76%	86.02%	86.50%	61.41%	57.55%

City of Sarasota, Florida
Police Officers' Defined Benefit Pension Plan
Required Supplementary Information
Schedule of Investment Returns
Last Ten Fiscal Years

Year Ended September 30,	Annual Money Weighted Rate of Return, Net of Investment Expense
2012	2.50%
2013	7.10%
2014	9.70%
2015	0.50%
2016	8.60%
2017	12.30%
2018	10.70%
2019	2.50%
2020	11.60%
2021	23.2%

City of Sarasota, Florida

Other Post Employment Benefits Plan

Required Supplementary Information

Schedule of Changes in the Plan's Net OPEB Liability and Related Ratios

Last Four Fiscal Years

Fiscal Year	2021	2020	2019	2018
Measurement Date	9/30/2020	9/30/2019	9/30/2018	9/30/2017
Total OPEB Liability				
Service Cost	\$ 669,112	\$ 593,781	\$ 488,228	\$ 486,094
Interest on the Total OPEB Liability	5,618,706	5,213,053	5,096,255	5,105,715
Benefit Changes	-	-	11,512,075	-
Difference Between Expected & Actual Experience	246,899	(1,402,051)	239,324	-
Assumption changes	(17,270,069)	6,446,242	4,017,204	-
Benefit Payments	(5,360,858)	(6,267,998)	(5,789,342)	(5,563,504)
Net Change in Total OPEB Liability	(16,096,210)	4,583,027	15,563,744	28,305
Total OPEB Liability - Beginning	95,409,519	90,826,492	75,262,748	75,234,443
Total OPEB Liability - Ending (a)	\$ 79,313,309	\$ 95,409,519	\$ 90,826,492	\$ 75,262,748
Plan Fiduciary Net Position				
Contributions - Employer	\$ 4,985,000	\$ 4,546,603	\$ 4,470,562	\$ 4,416,200
Net Investment Income	2,978,625	527,489	5,961,741	4,663,650
Benefit Payments	(5,360,858)	(6,267,998)	(5,789,342)	(5,563,504)
Administrative Expense	(63,121)	(61,283)	(75,135)	(82,393)
Net Change in Plan Fiduciary Net Position	2,539,646	(1,255,189)	4,567,826	3,433,953
Plan Fiduciary Net Position - Beginning	48,312,516	49,567,705	44,999,879	41,565,926
Plan Fiduciary Net Position - Ending (b)	\$ 50,852,162	\$ 48,312,516	\$ 49,567,705	\$ 44,999,879
Net OPEB Liability - Ending (a) - (b)	\$ 28,461,147	\$ 47,097,003	\$ 41,258,787	\$ 30,262,869
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	64.12%	50.64%	54.57%	59.79%
Covered Employee Payroll	\$ 45,291,917	\$ 43,674,583	\$ 40,402,318	\$ 36,113,256
Net OPEB Liability as a Percentage of Covered Employee Payroll	62.84%	107.84%	102.12%	83.80%

Notes to Schedule:

The 2018 fiscal year was the year of implementation of GASB Statement No.75.

Ten year trend information will be presented for future fiscal years.

City of Sarasota, Florida
 Other Post Employment Benefits Plan
 Required Supplementary Information
 Schedule of Contributions
 Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Actuarially Determined Contribution	\$ 3,857,133	\$ 4,937,787	\$ 4,499,315	\$ 4,409,716	\$ 4,300,937
Contribution in relation to the actuarially determined contribution	3,857,133	4,985,000	4,546,603	4,470,562	4,416,200
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (47,213)</u>	<u>\$ (47,288)</u>	<u>\$ (60,846)</u>	<u>\$ (115,263)</u>
Covered Employee Payroll Contributions as a % of Covered Employee Payroll	\$ 48,758,086 7.91%	\$ 45,291,917 11.01%	\$ 43,674,583 10.41%	\$ 40,402,318 11.07%	\$ 36,113,256 12.23%

Notes to Schedule:

Valuation Date	10/1/2019
Measurement Date	9/30/2020
Roll Forward Procedures	Standard actuarial procedures were applied to roll forward the liability from the Valuation Date to the Measurement Date.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25% intermediate, 2.50% long-term
Discount Rate	6.00%, the resulting Single Discount Rate based on the expected rate of return on OPEB plan investments as of September 30, 2020 at 6.00% and the long-term municipal bond rate as of September 30, 2020 at 2.41%
Salary Increases	4.70% to 19.3% depending on plan, including inflation; varies by plan type, age and years of service.
Retirement Age Mortality	Experience-based tables of rates that are specific to the type of eligibility condition. Mortality tables used for Regular Class and Special Risk Class members in the July 1, 2018 actuarial valuation of the Florida Retirement System, including generational projections of improvements. They are based on the results of a statewide experience study covering the period 2008 through 2013.
Health Care Cost Trend	Starting at 6.50% and gradually decreasing according to the Getzen Model to an ultimate trend rate of 4.24%.
Aging Factors Expenses	Based on the 2013 SOA Study "Health Care Costs-From Birth to Death" Investment returns are net of the investment expenses; and, Health Plan Administrative expenses directly related to the delivery of benefits are offsets to benefits are included in the per capita costs.

2016	2015	2014	2013	2012
\$ 4,137,688	\$ 4,236,625	\$ 12,615,000	\$ 11,771,000	\$ 11,114,000
4,251,888	5,244,971	8,579,868	8,617,750	7,999,205
<u>\$(114,200)</u>	<u>\$ (1,008,346)</u>	<u>\$ 4,035,132</u>	<u>\$ 3,153,250</u>	<u>\$ 3,114,795</u>
\$ 33,574,133	\$ 33,991,862	\$ 30,245,410	\$ 25,210,833	\$ 27,478,450
12.66%	15.43%	28.37%	34.18%	29.11%

City of Sarasota, Florida

Other Post Employment Benefits Plan

Required Supplementary Information

Schedule of Investment Returns

Last Ten Fiscal Years

Year Ended September 30,	Annual Money Weighted Rate of Return, Net of Investment Expense
2011	(5.50)%
2012	16.88%
2013	13.78%
2014	9.65%
2015	3.73%
2016	9.62%
2017	11.19%
2018	13.25%
2019	1.05%
2020	6.15%



Combining and Individual Fund Statements and Schedules



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Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for revenues derived from specific sources which are restricted to finance specific activities.

State Housing Initiative Partnership (SHIP) - To account for revenue received from the Florida Housing Finance Corporation to be used for affordable housing needs.

Gas Tax - To account for the proceeds of a local option gas tax on motor fuels and special fuels that is restricted to transportation.

Special Law Enforcement (forfeiture) - To account for revenue received from fines or sale of property forfeited that is restricted for law enforcement purposes only.

Golden Gate Point - To account for revenues and expenditures related to the construction and maintenance of enhancements and improvements within the public rights of way on Golden Gate Point.

Multi-Modal Transportation Impact - To account for Impact Fees collected and expenditures restricted for the purpose of acquisition, expansion, and development of the public facilities identified in the Capital Improvement Program.

Miscellaneous Grants - To account for several miscellaneous grants which have a single purpose and require minimal special accounting requirements.

Multi-Purpose - To account for miscellaneous revenues that are legally restricted to expenditures for a particular purpose.

Nonmajor Governmental Funds

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for the payment of principal, interest, and related costs, on long-term general and special obligation debt and loans payable.

2015 General Obligation Bonds - To account for the accumulation of resources for the payment of principal and interest on the 2015 General Obligation Bonds issued to advance refund 2007 General Obligation Bonds maturing on or after 7/1/2018.

2016 General Obligation Bonds - To account for the accumulation of resources for the payment of principal and interest on the 2016 General Obligation Bonds.

2009 Build America - To account for the accumulation of resources for the payment of principal and interest on funds borrowed for the acquisition of land (Payne Park), construction of the Palm Parking Garage, and construction of the Robert L. Taylor Community Complex.

2010 Sales Tax Payment Revenue Bonds - To account for funds received for the purpose of financing a portion of the cost of the reconstruction of the Ed Smith Stadium Complex.

Glen Oaks - To account for funds received for the purpose of financing a portion of the cost of the reconstruction of a privacy wall for the Glen Oaks Estates Subdivision.

2020 Sales Tax Payment Revenue Refunding Bonds - To account for the accumulation of resources for the payment principal and interest on the 2020 Sales Tax Payment Revenue Refunding Bonds, issued to refund the 2010 Sales Tax Payment Revenue Bonds, originally issued for the purpose of financing a portion of the Ed Smith Stadium Complex.

Nonmajor Governmental Funds

Capital Projects Fund

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital and Extraordinary Maintenance - To account for funds appropriated for major capital facilities, improvements, and equipment.

2009 Build America Bonds - To account for funds received for the proceeds of bonds issued to build a community center and acquire land for a park and parking garage.

2010 Stadium Bonds - To account for funds received from the Build America Bond Series 2010 (issue date 12/16/10) for the purpose of financing a portion of the cost of the construction, reconstruction and renovation of the Ed Smith Stadium Complex.

City of Sarasota, Florida
 Nonmajor Governmental Funds
 Combining Balance Sheet
 September 30, 2021

Special Revenue Funds

	State Housing Initiative Partnership	Gas Tax	Special Law Enforcement (Forfeiture)	Golden Gate Point	Multi-Modal Transportation Impact Fees
Assets					
Cash and Cash Equivalents	\$ 1,209,401	\$ 506,056	\$ 36,725	\$ 34,920	\$ 587,329
Investments	6,972,877	2,917,693	211,746	201,336	3,386,275
Receivables (net):					
Accounts	--	--	--	--	--
Interest	10,276	4,279	329	311	5,078
Notes	--	--	--	--	--
Special Assessments	--	--	--	--	--
Due from other Governmental Agencies	--	389,289	--	--	--
Prepaid Items	17,783	--	--	--	--
Total assets	\$ 8,210,337	\$ 3,817,317	\$ 248,800	\$ 236,567	\$ 3,978,682
Liabilities					
Accounts Payable	\$ 100,936	\$ 337,016	\$ --	\$ 1,350	\$ 22,650
Retainage Payable	9,005	17,412	--	--	--
Due to other Funds	--	--	--	--	--
Due to other Governmental Agencies	--	--	--	--	--
Advance from other Funds	--	--	--	--	--
Unearned Revenue	--	--	--	--	--
Customer Deposits	--	--	--	--	--
Total liabilities	109,941	354,428	--	1,350	22,650
Deferred Inflows of Resources					
Unavailable Revenue - Notes Receivable	--	--	--	--	--
Unavailable Revenue - Grants	--	--	--	--	--
Unavailable Revenue - Special Assessments	--	--	--	--	--
Total deferred inflows of resources	--	--	--	--	--
Fund Balances					
Nonspendable:					
Prepaid Expenditures	17,783	--	--	--	--
Restricted for:					
Housing and Community Development	8,074,194	--	--	--	--
Transportation	--	3,462,889	--	--	3,956,032
Law Enforcement Programs	--	--	248,800	--	--
Golden Gate Point Streetscape	--	--	--	235,217	--
Grant Programs	--	--	--	--	--
Debt Service	--	--	--	--	--
Construction	--	--	--	--	--
Committed to:					
Public Art	--	--	--	--	--
Citizens with Disabilities	--	--	--	--	--
Forestry	--	--	--	--	--
Affordable Housing	8,419	--	--	--	--
Law Enforcement	--	--	--	--	--
Economic Development	--	--	--	--	--
Culture and Recreation	--	--	--	--	--
Total fund balances (deficit)	8,100,396	3,462,889	248,800	235,217	3,956,032
Total liabilities, deferred inflows of resources and fund balances	\$ 8,210,337	\$ 3,817,317	\$ 248,800	\$ 236,567	\$ 3,978,682

Special Revenue Funds		Debt Service Funds				
Miscellaneous Grants	Multi-Purpose	2015 General Obligation Bonds	2016 General Obligation Bonds	2009 Build America	2010 Sales Tax Payment Rev. Bonds	Glen Oaks
\$ 240,377	\$ 1,528,805	\$ 95,456	\$ 32,107	\$ 7,039	\$ --	\$ 318
1,388,137	8,826,749	550,361	185,115	40,582	--	1,834
--	181,604	--	--	--	--	--
2,353	13,187	822	277	60	--	16
--	148,207	--	--	--	--	--
--	--	--	--	--	--	87,101
514,150	189,979	102	--	--	--	--
--	--	--	--	--	--	--
<u>\$ 2,145,017</u>	<u>\$ 10,888,531</u>	<u>\$ 646,741</u>	<u>\$ 217,499</u>	<u>\$ 47,681</u>	<u>\$ --</u>	<u>\$ 89,269</u>
\$ 395,208	\$ 1,004,620	\$ --	\$ --	\$ --	\$ --	\$ --
7,534	--	--	--	--	--	--
--	--	--	--	--	--	7,114
24,204	--	--	--	--	--	--
--	--	--	--	--	--	79,986
--	575,613	--	--	--	--	--
193,875	18,466	--	--	--	--	--
<u>620,821</u>	<u>1,598,699</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>87,100</u>
--	148,207	--	--	--	--	--
2,029	--	--	--	--	--	--
--	--	--	--	--	--	87,101
<u>2,029</u>	<u>148,207</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>87,101</u>
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	511,311	--	--	--	--	--
--	312,464	--	--	--	--	--
--	--	--	--	--	--	--
273,240	--	--	--	--	--	--
--	--	646,741	217,499	47,681	--	(84,932)
--	--	--	--	--	--	--
944,515	--	--	--	--	--	--
--	90,800	--	--	--	--	--
--	580,389	--	--	--	--	--
21,163	4,677,294	--	--	--	--	--
--	500	--	--	--	--	--
61,785	2,841,696	--	--	--	--	--
221,464	127,171	--	--	--	--	--
<u>1,522,167</u>	<u>9,141,625</u>	<u>646,741</u>	<u>217,499</u>	<u>47,681</u>	<u>--</u>	<u>(84,932)</u>
<u>\$ 2,145,017</u>	<u>\$ 10,888,531</u>	<u>\$ 646,741</u>	<u>\$ 217,499</u>	<u>\$ 47,681</u>	<u>\$ --</u>	<u>\$ 89,269</u>

(continued)

City of Sarasota, Florida
 Nonmajor Governmental Funds
 Combining Balance Sheet
 September 30, 2021

	Debt Service Funds	Capital Project Funds		
	2020 Sales Tax Refunding Loan	Capital and Extraordinary Maintenance	2009 Build America Bonds	Total Nonmajor Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 91,624	\$ 13,468	\$ 25,800	\$ 4,409,425
Investments	528,256	77,073	148,750	25,436,784
Receivables (net):				
Accounts	--	--	--	181,604
Interest	743	115	222	38,068
Notes	--	--	--	148,207
Special Assessments	--	--	--	87,101
Due from other Governmental Agencies	--	--	--	1,093,520
Prepaid Items	--	--	--	17,783
Total assets	<u>\$ 620,623</u>	<u>\$ 90,656</u>	<u>\$ 174,772</u>	<u>\$ 31,412,492</u>
Liabilities				
Accounts Payable	\$ --	\$ --	\$ --	\$ 1,861,780
Retainage Payable	--	--	--	33,951
Due to other Funds	--	--	--	7,114
Due to other Governmental Agencies	--	--	--	24,204
Advance from other Funds	--	--	--	79,986
Unearned Revenue	--	--	--	575,613
Customer Deposits	--	--	--	212,341
Total liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,794,989</u>
Deferred Inflows of Resources				
Unavailable Revenue - Notes Receivable	--	--	--	148,207
Unavailable Revenue - Grants	--	--	--	2,029
Unavailable Revenue - Special Assessments	--	--	--	87,101
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>237,337</u>
Fund Balances				
Nonspendable:				
Prepaid Expenditures	--	--	--	17,783
Restricted for:				
Housing and Community Development	--	--	--	8,074,194
Transportation	--	--	--	7,930,232
Law Enforcement Programs	--	--	--	561,264
Golden Gate Point Streetscape	--	--	--	235,217
Grant Programs	--	--	--	273,240
Debt Service	620,623	--	--	1,447,612
Construction	--	90,656	174,772	265,428
Committed to:				
Public Art	--	--	--	944,515
Citizens with Disabilities	--	--	--	90,800
Forestry	--	--	--	580,389
Affordable Housing	--	--	--	4,706,876
Law Enforcement	--	--	--	500
Economic Development	--	--	--	2,903,481
Culture and Recreation	--	--	--	348,635
Total fund balances (deficit)	<u>620,623</u>	<u>90,656</u>	<u>174,772</u>	<u>28,380,166</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 620,623</u>	<u>\$ 90,656</u>	<u>\$ 174,772</u>	<u>\$ 31,412,492</u>



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City of Sarasota, Florida

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended September 30, 2021

	Special Revenue Funds				
	State Housing Initiative Partnership	Gas Tax	Special Law Enforcement (Forfeiture)	Golden Gate Point	Multi-Modal Transportation Impact Fees
Revenues					
Taxes	\$ --	\$ --	\$ --	\$ 167,007	\$ --
Special assessments	--	--	--	--	--
Licenses and permits	--	--	--	--	1,101,561
Intergovernmental	3,158,494	2,624,801	--	--	--
Charges for services	--	--	--	--	--
Fines and forfeits	--	--	37,759	--	--
Investment earnings	34,588	5,046	450	489	2,887
Miscellaneous	231	--	--	--	33,679
Total revenues	<u>3,193,313</u>	<u>2,629,847</u>	<u>38,209</u>	<u>167,496</u>	<u>1,138,127</u>
Expenditures					
General government	--	--	--	--	--
Public safety	--	--	89,081	--	--
Physical environment	--	--	--	--	--
Transportation	--	458,281	--	102,470	29,059
Culture and recreation	--	--	--	--	--
Economic environment	1,176,772	--	--	--	253
Current:					
Debt service:					
Principal payments	--	--	--	--	--
Interest and fiscal charges	--	--	--	--	--
Bond issuance costs	--	--	--	--	--
Contribution to other governments	--	--	--	--	--
Capital outlay	19,800	1,066,219	--	57,260	145,429
Total expenditures	<u>1,196,572</u>	<u>1,524,500</u>	<u>89,081</u>	<u>159,730</u>	<u>174,741</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,996,741</u>	<u>1,105,347</u>	<u>(50,872)</u>	<u>7,766</u>	<u>963,386</u>
Other financing sources (uses)					
Bond proceeds	--	--	--	--	--
Payment to bond escrow agent	--	--	--	--	--
Transfers in	--	--	--	--	--
Transfers out	--	(1,429,852)	--	--	(80,517)
Total other financing sources (uses)	<u>--</u>	<u>(1,429,852)</u>	<u>--</u>	<u>--</u>	<u>(80,517)</u>
Net change in fund balances	1,996,741	(324,505)	(50,872)	7,766	882,869
Fund balances (deficit) - beginning	<u>6,103,655</u>	<u>3,787,394</u>	<u>299,672</u>	<u>227,451</u>	<u>3,073,163</u>
Fund balances (deficit) - ending	<u>\$ 8,100,396</u>	<u>\$ 3,462,889</u>	<u>\$ 248,800</u>	<u>\$ 235,217</u>	<u>\$ 3,956,032</u>

Special Revenue Funds		Debt Service Funds				
Miscellaneous Grants	Multi-Purpose	2015 General Obligation Bonds	2016 General Obligation Bonds	2009 Build America	2010 Sales Tax Payment Rev. Bonds	Glen Oaks
\$ --	\$ 1,004,356	\$ 2,519,048	\$ 269,443	\$ --	\$ --	\$ --
--	--	--	--	--	--	6,821
1,190,079	78,319	--	--	--	--	--
1,669,337	--	--	--	--	--	--
275	87,168	--	--	--	--	--
200	64,131	--	--	--	--	--
5,937	23,693	36	324	--	833	3,546
173,129	(1,799)	--	--	--	--	--
<u>3,038,957</u>	<u>1,255,868</u>	<u>2,519,084</u>	<u>269,767</u>	<u>--</u>	<u>833</u>	<u>10,367</u>
--	2,239	--	--	--	--	--
306,213	33,348	--	--	--	--	--
999	--	--	--	--	--	--
--	--	--	--	--	--	--
237,784	31,291	--	--	--	--	--
1,615	46,713	--	--	--	--	--
--	--	1,340,000	225,000	1,131,112	--	--
--	--	1,196,369	40,678	223,863	--	4,039
--	--	--	--	--	--	--
--	7,522	--	--	--	--	--
1,922,288	1,597,010	--	--	--	--	--
<u>2,468,899</u>	<u>1,718,123</u>	<u>2,536,369</u>	<u>265,678</u>	<u>1,354,975</u>	<u>--</u>	<u>4,039</u>
<u>570,058</u>	<u>(462,255)</u>	<u>(17,285)</u>	<u>4,089</u>	<u>(1,354,975)</u>	<u>833</u>	<u>6,328</u>
--	--	--	--	--	--	--
--	--	--	--	--	--	--
261,471	25,000	--	--	1,357,054	--	--
(506,444)	(39,692)	--	--	--	(520,576)	--
<u>(244,973)</u>	<u>(14,692)</u>	<u>--</u>	<u>--</u>	<u>1,357,054</u>	<u>(520,576)</u>	<u>--</u>
325,085	(476,947)	(17,285)	4,089	2,079	(519,743)	6,328
<u>1,197,082</u>	<u>9,618,572</u>	<u>664,026</u>	<u>213,410</u>	<u>45,602</u>	<u>519,743</u>	<u>(91,260)</u>
<u>\$ 1,522,167</u>	<u>\$ 9,141,625</u>	<u>\$ 646,741</u>	<u>\$ 217,499</u>	<u>\$ 47,681</u>	<u>\$ --</u>	<u>\$ (84,932)</u>

(continued)

City of Sarasota, Florida

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended September 30, 2021

	Debt Service Funds	Capital Projects Funds			Total Nonmajor Governmental Funds
	2020 Sales Tax Refunding Loan	Capital and Extraordinary Maintenance	2009 Build America Bonds	2010 Stadium Bonds	
Revenues					
Taxes	\$ --	\$ --	\$ --	\$ --	\$ 3,959,854
Special assessments	--	--	--	--	6,821
Licenses and permits	--	--	--	--	2,369,959
Intergovernmental	--	--	--	--	7,452,632
Charges for services	--	--	--	--	87,443
Fines and forfeits	--	--	--	--	102,090
Investment earnings	--	303	294	8	78,434
Miscellaneous	--	--	--	--	205,240
Total revenues	--	303	294	8	14,262,473
Expenditures					
General government	--	--	--	--	2,239
Public safety	--	--	--	--	428,642
Physical environment	--	--	--	--	999
Transportation	--	--	--	--	589,810
Culture and recreation	--	--	--	--	269,075
Economic environment	--	--	--	--	1,225,353
Current:					
Debt service:					
Principal payments	--	--	--	--	2,696,112
Interest and fiscal charges	20,021	--	--	--	1,484,970
Bond issuance costs	60,945	--	--	--	60,945
Contribution to other governments	819,077	--	--	--	826,599
Capital outlay	--	70,000	19,690	--	4,897,696
Total expenditures	900,043	70,000	19,690	--	12,482,440
Excess (deficiency) of revenues over (under) expenditures	(900,043)	(69,697)	(19,396)	8	1,780,033
Other financing sources (uses)					
Bond proceeds	6,869,000	--	--	--	6,869,000
Payment to bond escrow agent	(6,372,573)	--	--	--	(6,372,573)
Transfers in	1,024,239	--	--	--	2,667,764
Transfers out	--	(303)	--	(3,659)	(2,581,043)
Total other financing sources (uses)	1,520,666	(303)	--	(3,659)	583,148
Net change in fund balances	620,623	(70,000)	(19,396)	(3,651)	2,363,181
Fund balances (deficit) - beginning	--	160,656	194,168	3,651	26,016,985
Fund balances (deficit) - ending	\$ 620,623	\$ 90,656	\$ 174,772	\$ --	\$ 28,380,166



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City of Sarasota, Florida

State Housing Initiative Partnership Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 1,425,000	\$ 1,425,000	\$ 3,158,494	\$ 1,733,494
Investment earnings	--	--	34,588	34,588
Miscellaneous	--	--	231	231
Total revenues	<u>1,425,000</u>	<u>1,425,000</u>	<u>3,193,313</u>	<u>1,768,313</u>
Expenditures				
Current:				
Economic environment	1,424,750	5,278,941	1,176,772	4,102,169
Capital outlay:				
Capital outlay	250	40,864	19,800	21,064
Total expenditures	<u>1,425,000</u>	<u>5,319,805</u>	<u>1,196,572</u>	<u>4,123,233</u>
Net change in fund balance	--	(3,894,805)	1,996,741	5,891,546
Fund balance - beginning	<u>6,103,655</u>	<u>6,103,655</u>	<u>6,103,655</u>	<u>--</u>
Fund balance - ending	<u>\$ 6,103,655</u>	<u>\$ 2,208,850</u>	<u>\$ 8,100,396</u>	<u>\$ 5,891,546</u>

City of Sarasota, Florida

Gas Tax Special Revenue Fund

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

Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 2,547,300	\$ 2,547,300	\$ 2,624,801	\$ 77,501
Investment earnings	--	--	5,046	5,046
Total revenues	<u>2,547,300</u>	<u>2,547,300</u>	<u>2,629,847</u>	<u>82,547</u>
Expenditures				
Current:				
Transportation	134,500	595,433	458,281	137,152
Capital outlay:				
Capital outlay	<u>1,063,500</u>	<u>4,094,019</u>	<u>1,066,219</u>	<u>3,027,800</u>
Total expenditures	<u>1,198,000</u>	<u>4,689,452</u>	<u>1,524,500</u>	<u>3,164,952</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,349,300</u>	<u>(2,142,152)</u>	<u>1,105,347</u>	<u>3,247,499</u>
Other financing sources (uses)				
Transfers out	<u>(1,340,599)</u>	<u>(1,424,809)</u>	<u>(1,429,852)</u>	<u>(5,043)</u>
Total other financing sources (uses)	<u>(1,340,599)</u>	<u>(1,424,809)</u>	<u>(1,429,852)</u>	<u>(5,043)</u>
Net change in fund balance	8,701	(3,566,961)	(324,505)	3,242,456
Fund balance - beginning	<u>3,787,394</u>	<u>3,787,394</u>	<u>3,787,394</u>	<u>--</u>
Fund balance - ending	<u>\$ 3,796,095</u>	<u>\$ 220,433</u>	<u>\$ 3,462,889</u>	<u>\$ 3,242,456</u>

City of Sarasota, FloridaSpecial Law Enforcement Forfeiture Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2021

	<u>Final</u>	<u>Variance with Final Budget Actual Amounts</u>	<u>Positive (Negative)</u>
Revenues			
Fines and forfeits	\$ 19,200	\$ 37,759	\$ 18,559
Investment earnings	--	450	450
Total revenues	<u>19,200</u>	<u>38,209</u>	<u>19,009</u>
Expenditures			
Current:			
Public safety	138,190	89,081	49,109
Capital outlay:			
Capital outlay	<u>40,150</u>	--	<u>40,150</u>
Total expenditures	<u>178,340</u>	<u>89,081</u>	<u>89,259</u>
Net change in fund balance	(159,140)	(50,872)	108,268
Fund balance - beginning	<u>299,672</u>	<u>299,672</u>	<u>--</u>
Fund balance - ending	<u>\$ 140,532</u>	<u>\$ 248,800</u>	<u>\$ 108,268</u>

City of Sarasota, Florida

Golden Gate Point Special Revenue Fund

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

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 166,000	\$ 166,000	\$ 167,007	\$ 1,007
Investment earnings	1,000	1,000	489	(511)
Total revenues	<u>167,000</u>	<u>167,000</u>	<u>167,496</u>	<u>496</u>
Expenditures				
Current:				
Transportation	146,064	123,314	102,470	20,844
Capital outlay:				
Capital outlay	<u>19,500</u>	<u>92,250</u>	<u>57,260</u>	<u>34,990</u>
Total expenditures	<u>165,564</u>	<u>215,564</u>	<u>159,730</u>	<u>55,834</u>
Net change in fund balance	1,436	(48,564)	7,766	56,330
Fund balance - beginning	<u>227,451</u>	<u>227,451</u>	<u>227,451</u>	<u>--</u>
Fund balance - ending	<u>\$ 228,887</u>	<u>\$ 178,887</u>	<u>\$ 235,217</u>	<u>\$ 56,330</u>

City of Sarasota, Florida

Multi-Modal Transportation Impact Fees Special Revenue Fund

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

Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and permits	\$ 500,000	\$ 500,000	\$ 1,101,561	\$ 601,561
Investment earnings	25,000	25,000	2,887	(22,113)
Miscellaneous	--	33,679	33,679	--
Total revenues	<u>525,000</u>	<u>558,679</u>	<u>1,138,127</u>	<u>579,448</u>
Expenditures				
Transportation	21,290	60,744	29,059	31,685
Economic environment	--	345	253	92
Current:				
Capital outlay:				
Capital outlay	1,350,000	3,018,028	145,429	2,872,599
Total expenditures	<u>1,371,290</u>	<u>3,079,117</u>	<u>174,741</u>	<u>2,904,376</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(846,290)</u>	<u>(2,520,438)</u>	<u>963,386</u>	<u>3,483,824</u>
Other financing sources (uses)				
Transfers out	--	(80,517)	(80,517)	--
Total other financing sources (uses)	<u>--</u>	<u>(80,517)</u>	<u>(80,517)</u>	<u>--</u>
Net change in fund balance	(846,290)	(2,600,955)	882,869	3,483,824
Fund balance - beginning	<u>3,073,163</u>	<u>3,073,163</u>	<u>3,073,163</u>	<u>--</u>
Fund balance - ending	<u>\$ 2,226,873</u>	<u>\$ 472,208</u>	<u>\$ 3,956,032</u>	<u>\$ 3,483,824</u>

City of Sarasota, Florida

Miscellaneous Grants Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits	\$ --	\$ 1,007,778	\$ 1,190,079	\$ 182,301
Intergovernmental	500,004	2,286,033	1,669,337	(616,696)
Charges for services	--	1,688	275	(1,413)
Fines and forfeits	--	--	200	200
Investment earnings	20	20	5,937	5,917
Miscellaneous	--	137,000	173,129	36,129
Total revenues	<u>500,024</u>	<u>3,432,519</u>	<u>3,038,957</u>	<u>(393,562)</u>
Expenditures				
Public safety	--	414,313	306,213	108,100
Physical environment	--	100,000	999	99,001
Culture and recreation	30,000	175,824	237,784	(61,960)
Current:				
Economic environment	--	3,643	1,615	2,028
Capital outlay:				
Capital outlay	--	3,812,071	1,922,288	1,889,783
Total expenditures	<u>30,000</u>	<u>4,505,851</u>	<u>2,468,899</u>	<u>2,036,952</u>
Excess (deficiency) of revenues over (under) expenditures	<u>470,024</u>	<u>(1,073,332)</u>	<u>570,058</u>	<u>1,643,390</u>
Other financing sources (uses)				
Transfers in	--	261,652	261,471	(181)
Transfers out	(500,004)	(500,004)	(506,444)	(6,440)
Total other financing sources (uses)	<u>(500,004)</u>	<u>(238,352)</u>	<u>(244,973)</u>	<u>(6,621)</u>
Net change in fund balance	(29,980)	(1,311,684)	325,085	1,636,769
Fund balance - beginning	<u>1,197,082</u>	<u>1,197,082</u>	<u>1,197,082</u>	<u>--</u>
Fund balance - ending	<u>\$ 1,167,102</u>	<u>\$ (114,602)</u>	<u>\$ 1,522,167</u>	<u>\$ 1,636,769</u>

City of Sarasota, Florida

Multi-Purpose Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 861,200	\$ 861,200	\$ 1,004,356	\$ 143,156
Licenses and permits	45,000	45,000	78,319	33,319
Intergovernmental	--	25,000	--	(25,000)
Charges for services	--	--	87,168	87,168
Fines and forfeits	40,000	40,000	64,131	24,131
Investment earnings	--	--	23,693	23,693
Miscellaneous	2,000	2,000	(1,799)	(3,799)
Total revenues	<u>948,200</u>	<u>973,200</u>	<u>1,255,868</u>	<u>282,668</u>
Expenditures				
General government	2,239	2,239	2,239	--
Public safety	35,000	115,080	33,348	81,732
Physical environment	--	51,500	--	51,500
Culture and recreation	55,000	167,898	31,291	136,607
Current:				
Economic environment	852,000	3,578,161	46,713	3,531,448
Contribution to other governments	9,000	9,000	7,522	1,478
Capital outlay:				
Capital outlay	--	2,653,616	1,597,010	1,056,606
Total expenditures	<u>953,239</u>	<u>6,577,494</u>	<u>1,718,123</u>	<u>4,859,371</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,039)</u>	<u>(5,604,294)</u>	<u>(462,255)</u>	<u>5,142,039</u>
Other financing sources (uses)				
Transfers in	--	25,000	25,000	--
Transfers out	--	(25,000)	(39,692)	(14,692)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>(14,692)</u>	<u>(14,692)</u>
Net change in fund balance	(5,039)	(5,604,294)	(476,947)	5,127,347
Fund balance - beginning	<u>9,618,572</u>	<u>9,618,572</u>	<u>9,618,572</u>	<u>--</u>
Fund balance - ending	<u>\$ 9,613,533</u>	<u>\$ 4,014,278</u>	<u>\$ 9,141,625</u>	<u>\$ 5,127,347</u>

City of Sarasota, Florida

2015 General Obligation Bonds Debt Service Fund

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

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,538,044	\$ 2,538,044	\$ 2,519,048	\$ (18,996)
Investment earnings	10,000	10,000	36	(9,964)
Total revenues	<u>2,548,044</u>	<u>2,548,044</u>	<u>2,519,084</u>	<u>(28,960)</u>
Expenditures				
Debt service:				
Principal payments	1,340,000	1,340,000	1,340,000	--
Interest and fiscal charges	<u>1,198,044</u>	<u>1,198,044</u>	<u>1,196,369</u>	<u>1,675</u>
Total expenditures	<u>2,538,044</u>	<u>2,538,044</u>	<u>2,536,369</u>	<u>1,675</u>
Net change in fund balance	10,000	10,000	(17,285)	(27,285)
Fund balance - beginning	<u>664,026</u>	<u>664,026</u>	<u>664,026</u>	<u>--</u>
Fund balance - ending	<u>\$ 674,026</u>	<u>\$ 674,026</u>	<u>\$ 646,741</u>	<u>\$ (27,285)</u>

City of Sarasota, Florida

2016 General Obligation Bonds Debt Service Fund

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

Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 268,005	\$ 268,005	\$ 269,443	\$ 1,438
Investment earnings	1,000	1,000	324	(676)
Total revenues	<u>269,005</u>	<u>269,005</u>	<u>269,767</u>	<u>762</u>
Expenditures				
Debt service:				
Principal payments	225,000	225,000	225,000	--
Interest and fiscal charges	42,974	42,974	40,678	2,296
Total expenditures	<u>267,974</u>	<u>267,974</u>	<u>265,678</u>	<u>2,296</u>
Net change in fund balance	1,031	1,031	4,089	3,058
Fund balance - beginning	<u>213,410</u>	<u>213,410</u>	<u>213,410</u>	<u>--</u>
Fund balance - ending	<u>\$ 214,441</u>	<u>\$ 214,441</u>	<u>\$ 217,499</u>	<u>\$ 3,058</u>

City of Sarasota, Florida

2009 Build America Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment earnings	\$ 2,000	\$ 2,000	\$ --	\$ (2,000)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>--</u>	<u>(2,000)</u>
Expenditures				
Debt service:				
Principal payments	1,131,112	1,131,112	1,131,112	--
Interest and fiscal charges	<u>227,315</u>	<u>227,315</u>	<u>223,863</u>	<u>3,452</u>
Total expenditures	<u>1,358,427</u>	<u>1,358,427</u>	<u>1,354,975</u>	<u>3,452</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,356,427)</u>	<u>(1,356,427)</u>	<u>(1,354,975)</u>	<u>1,452</u>
Other financing sources (uses)				
Transfers in	<u>1,357,054</u>	<u>1,357,054</u>	<u>1,357,054</u>	<u>--</u>
Total other financing sources (uses)	<u>1,357,054</u>	<u>1,357,054</u>	<u>1,357,054</u>	<u>--</u>
Net change in fund balance	627	627	2,079	1,452
Fund balance - beginning	<u>45,602</u>	<u>45,602</u>	<u>45,602</u>	<u>--</u>
Fund balance - ending	<u>\$ 46,229</u>	<u>\$ 46,229</u>	<u>\$ 47,681</u>	<u>\$ 1,452</u>

City of Sarasota, Florida

2010 Sales Tax Payments Revenue Bonds Debt Service Fund

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

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ 2,000	\$ --	\$ 833	\$ 833
Total revenues	<u>2,000</u>	<u>--</u>	<u>833</u>	<u>833</u>
Expenditures				
Debt service:				
Principal payments	265,000	--	--	--
Interest and fiscal charges	<u>246,127</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total expenditures	<u>511,127</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(509,127)</u>	<u>--</u>	<u>833</u>	<u>833</u>
Other financing sources (uses)				
Transfers in	500,004	--	--	--
Transfers out	<u>--</u>	<u>(519,743)</u>	<u>(520,576)</u>	<u>(833)</u>
Total other financing sources (uses)	<u>500,004</u>	<u>(519,743)</u>	<u>(520,576)</u>	<u>(833)</u>
Net change in fund balance	(9,123)	(519,743)	(519,743)	--
Fund balance - beginning	<u>519,743</u>	<u>519,743</u>	<u>519,743</u>	<u>--</u>
Fund balance - ending	<u>\$ 510,620</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

City of Sarasota, Florida

Glen Oaks Debt Service Fund

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

Year Ended September 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special assessments	\$ 10,970	\$ 10,970	\$ 6,821	\$ (4,149)
Investment earnings	--	--	3,546	3,546
Total revenues	<u>10,970</u>	<u>10,970</u>	<u>10,367</u>	<u>(603)</u>
Expenditures				
Debt service:				
Principal payments	6,891	6,891	--	6,891
Interest and fiscal charges	<u>4,078</u>	<u>4,078</u>	<u>4,039</u>	<u>39</u>
Total expenditures	<u>10,969</u>	<u>10,969</u>	<u>4,039</u>	<u>6,930</u>
Net change in fund balance	1	1	6,328	6,327
Fund balance (deficit) - beginning	<u>(91,260)</u>	<u>(91,260)</u>	<u>(91,260)</u>	<u>--</u>
Fund balance (deficit) - ending	<u>\$ (91,259)</u>	<u>\$ (91,259)</u>	<u>\$ (84,932)</u>	<u>\$ 6,327</u>

City of Sarasota, Florida

2020 Sales Tax Refunding Loan

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

Year Ended September 30, 2021

	<u>Final</u>	<u>Variance with Final Budget Actual Amounts</u>	<u>Positive (Negative)</u>
Expenditures			
Interest and fiscal charges	\$ 85,946	\$ 20,021	\$ 65,925
Bond issuance costs	63,500	60,945	2,555
Contribution to other governments	819,077	819,077	--
Total expenditures	<u>968,523</u>	<u>900,043</u>	<u>68,480</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(968,523)</u>	<u>(900,043)</u>	<u>68,480</u>
Other financing sources (uses)			
Bond proceeds	6,869,000	6,869,000	--
Payment to bond escrow agent	(6,372,573)	(6,372,573)	--
Transfers in	1,019,747	1,024,239	4,492
Total other financing sources (uses)	<u>1,516,174</u>	<u>1,520,666</u>	<u>4,492</u>
Net change in fund balance	547,651	620,623	72,972
Fund balance - beginning	<u>--</u>	<u>--</u>	<u>--</u>
Fund balance - ending	<u>\$ 547,651</u>	<u>\$ 620,623</u>	<u>\$ 72,972</u>

Nonmajor Enterprise Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis is financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Bobby Jones Golf Course - To account for the revenues and expenses of operating a complete 36 hole municipal golf course and a 9 hole executive course financed entirely by user charges.

Municipal Auditoriums - To account for the operations of the City's civic center complex and the Payne Park auditorium.

City of Sarasota, Florida
Nonmajor Enterprise Funds
Combining Statement of Net Position
September 30, 2021

Assets	Bobby Jones Golf Course	Municipal Auditoriums	Total
Current assets:			
Cash and Cash Equivalents	\$ 4,119	\$ 14,517	\$ 18,636
Investments	23,746	79,661	103,407
Receivables (net):			
Interest	27	94	121
Due from Other Governmental Agencies	2,691	--	2,691
Prepaid items	--	22,369	22,369
Total unrestricted current assets	<u>30,583</u>	<u>116,641</u>	<u>147,224</u>
Restricted current assets:			
Total restricted current assets	<u>--</u>	<u>--</u>	<u>--</u>
Total current assets	<u>30,583</u>	<u>116,641</u>	<u>147,224</u>
Noncurrent assets:			
Capital assets			
Land	910,000	175,000	1,085,000
Buildings	1,224,872	2,867,160	4,092,032
Improvements	6,011,807	459,861	6,471,668
Equipment	142,786	65,574	208,360
Less Accumulated Depreciation	<u>(5,475,121)</u>	<u>(2,510,409)</u>	<u>(7,985,530)</u>
Total capital assets (net of accumulated depreciation)	<u>2,814,344</u>	<u>1,057,186</u>	<u>3,871,530</u>
Total assets	<u>2,844,927</u>	<u>1,173,827</u>	<u>4,018,754</u>
Deferred Outflows of Resources			
Related to OPEB	<u>9,247</u>	<u>40,161</u>	<u>49,408</u>
Total deferred outflows of resources	<u>\$ 9,247</u>	<u>\$ 40,161</u>	<u>\$ 49,408</u>

City of Sarasota, Florida
Nonmajor Enterprise Funds
Combining Statement of Net Position
September 30, 2021

	Bobby Jones Golf Course	Municipal Auditoriums	Total
Liabilities			
Current liabilities:			
Accounts Payable	--	5,281	5,281
Due to Other Governmental Agencies	(2,826)	2,826	--
Accrued Wages	--	12,018	12,018
Compensated Absences	--	5,667	5,667
Unearned Revenue	33,092	16,451	49,543
Total unrestricted current liabilities	<u>30,266</u>	<u>42,243</u>	<u>72,509</u>
Current liabilities payable from restricted assets:			
Customer Deposits	290	3,250	3,540
Total current liabilities payable from restricted assets	<u>290</u>	<u>3,250</u>	<u>3,540</u>
Total current liabilities	<u>30,556</u>	<u>45,493</u>	<u>76,049</u>
Noncurrent liabilities			
Compensated Absences	--	5,026	5,026
Net OPEB Liability	55,006	101,710	156,716
Total noncurrent liabilities	<u>55,006</u>	<u>106,736</u>	<u>161,742</u>
Total liabilities	<u>85,562</u>	<u>152,229</u>	<u>237,791</u>
Deferred Inflows of Resources			
OPEB Related	28,000	51,774	79,774
Total deferred inflows of resources	<u>28,000</u>	<u>51,774</u>	<u>79,774</u>
Net Position			
Net Investment in Capital Assets	2,814,344	1,057,186	3,871,530
Unrestricted	(73,732)	(47,201)	(120,933)
Total net position	<u>\$ 2,740,612</u>	<u>\$ 1,009,985</u>	<u>\$ 3,750,597</u>

City of Sarasota, Florida

Nonmajor Enterprise Funds

Combining Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended September 30, 2021

	Bobby Jones Golf Course	Municipal Auditoriums	Total
Operating revenues:			
Charges for services	\$ --	\$ 23	\$ 23
Rents	--	30,586	30,586
Miscellaneous	686,064	1,449	687,513
Total operating revenues	<u>686,064</u>	<u>32,058</u>	<u>718,122</u>
Operating expenses:			
Personnel services	--	132,718	132,718
Contractual services	--	168,429	168,429
Repairs and maintenance	--	17,797	17,797
Supplies and materials	--	4,470	4,470
Depreciation	150,040	56,382	206,422
Total operating expenses	<u>150,040</u>	<u>379,796</u>	<u>529,836</u>
Operating income (loss)	<u>536,024</u>	<u>(347,738)</u>	<u>188,286</u>
Nonoperating revenues:			
Investment earnings	--	(131)	(131)
Gain (loss) on disposition of capital assets	(16,300)	--	(16,300)
Total nonoperating revenues	<u>(16,300)</u>	<u>(131)</u>	<u>(16,431)</u>
Income (loss) before capital contributions and transfers	519,724	(347,869)	171,855
Transfers in	--	395,000	395,000
Transfers out	(113,535)	--	(113,535)
Change in net position	406,189	47,131	453,320
Net position - beginning	<u>2,334,423</u>	<u>962,854</u>	<u>3,297,277</u>
Net position - ending	<u>\$ 2,740,612</u>	<u>\$ 1,009,985</u>	<u>\$ 3,750,597</u>

City of Sarasota, Florida
 Nonmajor Enterprise Funds
 Combining Statement of Cash Flows
 For the Year Ended September 30, 2021

	Bobby Jones Golf Course	Municipal Auditoriums	Total
Cash flows from operating activities			
Cash received from customers	\$ --	\$ 35,109	\$ 35,109
Cash payments to vendors for goods and services	(2,148)	(119,262)	(121,410)
Cash payments to employees for services	--	(224,194)	(224,194)
Cash payments to other funds	--	(69,230)	(69,230)
Net cash provided (used) by operating activities	<u>(2,148)</u>	<u>(377,577)</u>	<u>(379,725)</u>
Cash flows from noncapital financing activities			
Transfers in	--	395,000	395,000
Transfers out	(113,535)	--	(113,535)
Net cash provided (used) by noncapital financing activities	<u>(113,535)</u>	<u>395,000</u>	<u>281,465</u>
Cash flows from capital and related financing activities			
Acquisition of capital assets	--	(1,576)	(1,576)
Net cash provided (used) by capital and related financing activities	<u>--</u>	<u>(1,576)</u>	<u>(1,576)</u>
Cash flows from investing activities			
Interest on investments	87	63	150
Proceeds from sale and maturities of investments	102,089	(10,514)	91,575
Net cash provided by investing activities	<u>102,176</u>	<u>(10,451)</u>	<u>91,725</u>
Net increase (decrease) in cash and cash equivalents	(13,507)	5,396	(8,111)
Cash and cash equivalents at beginning of year	17,626	9,121	26,747
Cash and cash equivalents at end of year	<u>\$ 4,119</u>	<u>\$ 14,517</u>	<u>\$ 18,636</u>

City of Sarasota, Florida
 Nonmajor Enterprise Funds
 Combining Statement of Cash Flows
 For the Year Ended September 30, 2021

	Bobby Jones Golf Course	Municipal Auditoriums	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ 536,024	\$ (347,738)	\$ 188,286
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	150,040	56,382	206,422
Pension/OPEB expense	(686,064)	(87,533)	(773,597)
Net (increase) decrease in:			
Inventories	5,283	258	5,541
Prepaid items	7,154	(1,268)	5,886
Net increase (decrease) in:			
Accounts payable	(9,068)	825	(8,243)
Due to other governmental agencies	(5,517)	2,390	(3,127)
Accrued wages	--	3,282	3,282
Compensated absences	--	(7,226)	(7,226)
Unearned revenue	--	3,051	3,051
Total adjustments	<u>(538,172)</u>	<u>(29,839)</u>	<u>(568,011)</u>
Net cash provided (used) by operating activities	<u>\$ (2,148)</u>	<u>\$ (377,577)</u>	<u>\$ (379,725)</u>
Noncash investing, capital, and financing activities			
None	\$ -	\$ -	\$ -

Water and Sewer System Major Enterprise Fund

Revenue Account - This is the general operating account for the water and sewer system.

Interest and Sinking Accounts - To account for the accumulation of resources for the accumulation of resources for the payment of principal, interest, and fiscal charges.

Renewal, Replacement, and Improvement Account - For paying the cost of unusual or extraordinary maintenance or repairs, the cost of renewals and replacements, the cost of acquiring, installing or replacing equipment, the cost of improvements, and providing for the local share of any Federal or State assistance program.

General Reserve Account - To pay the cost of improvements, to pay the cost of purchasing or redeeming bonds, to pay the principal and interest on any obligations subordinate to the bonds issued under the resolution, to make up any deficiencies in any of the Accounts and to pay the cost of any item qualifying as an expenditure of the Renewal, Replacement, and Improvement Account.

Utility Construction Accounts - To account for bond proceeds for water and sewer system improvements.

City of Sarasota, Florida
Water and Sewer System Enterprise Fund
Combining Schedule of Net Position
September 30, 2021

Assets	Revenue Account	Interest & Sinking Accounts	Renewal Replacement & Improvement Account	General Reserve Account
Current assets:				
Cash and Cash Equivalents	\$ 1,951,223	\$ --	\$ 5,061,199	\$ 4,276,506
Investments	11,150,714	--	28,055,567	5,472,792
Receivables (net):				
Accounts	4,513,787	--	330	--
Interest	17,868	--	41,641	12,310
Inventories	117,850	--	--	--
Prepaid items	132,007	--	--	--
Total unrestricted current assets	<u>17,883,449</u>	<u>--</u>	<u>33,158,737</u>	<u>9,761,608</u>
Restricted current assets:				
Rest Cash and Cash Equivalents	181,598	203,675	--	--
Cash with Fiscal Agents	--	1,708,517	--	--
Investments	1,047,016	1,174,301	--	--
Accrued Interest Receivable	1,571	4,677	--	--
Due from Other Governmental Units	--	--	--	--
Total restricted current assets	<u>1,230,185</u>	<u>3,091,170</u>	<u>--</u>	<u>--</u>
Total current assets	<u>19,113,634</u>	<u>3,091,170</u>	<u>33,158,737</u>	<u>9,761,608</u>
Noncurrent assets:				
Capital assets:				
Non-depreciable:				
Land	6,040,560	--	--	--
Construction in Progress	--	--	17,758,256	8,875,660
Depreciable:				
Buildings	25,163,596	--	68,941	--
Improvements	317,028,582	--	27,232,533	6,080,309
Equipment	12,694,849	--	1,686,727	--
Less Accumulated Depreciation	<u>(232,516,214)</u>	<u>--</u>	<u>(1,658,245)</u>	<u>(389)</u>
Total capital assets (net of accumulated depreciation)	<u>128,411,373</u>	<u>--</u>	<u>45,088,212</u>	<u>14,955,580</u>
Total assets	<u>147,525,007</u>	<u>3,091,170</u>	<u>78,246,949</u>	<u>24,717,188</u>
Deferred Outflows of Resources				
Related to Refunding	--	659,538	--	--
Related to Pension	5,683,324	--	--	--
Related to OPEB	1,555,674	--	--	--
Total deferred outflows of resources	<u>\$ 7,238,998</u>	<u>\$ 659,538</u>	<u>\$ --</u>	<u>\$ --</u>

<u>Utility Construction Accounts</u>	<u>Totals</u>
\$ (1,721,214)	\$ 9,567,714
--	44,679,073
--	4,514,117
--	71,819
--	117,850
--	132,007
<u>(1,721,214)</u>	<u>59,082,580</u>
--	385,273
--	1,708,517
--	2,221,317
(1,527)	4,721
<u>5,698,267</u>	<u>5,698,267</u>
<u>5,696,740</u>	<u>10,018,095</u>
<u>3,975,526</u>	<u>69,100,675</u>
--	6,040,560
40,659,083	67,292,999
--	25,232,537
--	350,341,424
--	14,381,576
--	(234,174,848)
<u>40,659,083</u>	<u>229,114,248</u>
<u>44,634,609</u>	<u>298,214,923</u>
--	659,538
--	5,683,324
--	1,555,674
<u>\$ --</u>	<u>\$ 7,898,536</u>

(continued)

City of Sarasota, Florida
Water and Sewer System Enterprise Fund
Combining Schedule of Net Position
September 30, 2021 (Concluded)

	Revenue Account	Interest & Sinking Accounts	Renewal Replacement & Improvement Account	General Reserve Account
Liabilities				
Current liabilities:				
Accounts Payable	1,059,683	--	2,951,001	--
Retainages Payable	--	--	550,686	--
Due to Other Governmental Agencies	275,696	--	--	--
Accrued Wages	586,641	--	--	--
Compensated Absences	500,588	--	--	--
Unearned Revenue	2,520,341	--	--	--
Total unrestricted current liabilities	<u>4,942,949</u>	<u>--</u>	<u>3,501,687</u>	<u>--</u>
Current liabilities payable from restricted assets:				
CLP Accounts Payable	--	4,732	--	--
CLP Retainages Payable	--	--	--	--
CLP Accrued Interest Payable	--	443,517	--	--
Bonds Payable	--	1,265,000	--	--
Customer Deposits	1,230,185	--	--	--
Total current liabilities payable from restricted assets	<u>1,230,185</u>	<u>1,713,249</u>	<u>--</u>	<u>--</u>
Total current liabilities	<u>6,173,134</u>	<u>1,713,249</u>	<u>3,501,687</u>	<u>--</u>
Noncurrent liabilities:				
NL Compensated Absences	443,918	--	--	--
Bonds Payable and Unamortized Premium	--	68,687,974	--	--
Net OPEB Liability	4,704,804	--	--	--
Net Pension Liability	26,060,744	--	--	--
Total noncurrent liabilities	<u>31,209,466</u>	<u>68,687,974</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>37,382,600</u>	<u>70,401,223</u>	<u>3,501,687</u>	<u>--</u>
Deferred Inflows of Resources				
Pension Related	49,581	--	--	--
OPEB Related	2,394,911	--	--	--
Total deferred inflows of resources	<u>\$ 2,444,492</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Net Position				
Net Investment in Capital Assets	128,411,372	(68,734,917)	45,088,211	14,955,581
Restricted:				
Debt Service	--	4,142,324	--	--
Unrestricted	<u>(13,474,459)</u>	<u>(2,057,922)</u>	<u>29,657,051</u>	<u>9,761,607</u>
Total net position	<u>\$ 114,936,913</u>	<u>\$ (66,650,515)</u>	<u>\$ 74,745,262</u>	<u>\$ 24,717,188</u>

Utility Construction Accounts	Totals
550,686	4,561,370
(550,686)	--
--	275,696
--	586,641
--	500,588
--	2,520,341
--	8,444,636
1,811,827	1,816,559
1,213,870	1,213,870
--	443,517
--	1,265,000
--	1,230,185
3,025,697	5,969,131
3,025,697	14,413,767
--	443,918
--	68,687,974
--	4,704,804
--	26,060,744
--	99,897,440
3,025,697	114,311,207
--	49,581
--	2,394,911
\$ --	\$ 2,444,492
40,659,083	160,379,330
--	4,142,324
949,829	24,836,106
\$ 41,608,912	\$ 189,357,760

City of Sarasota, FloridaWater and Sewer System Enterprise Fund
Combining Schedule of Revenues, Expenses, and Changes in Net Position
For the Year Ended September 30, 2021

	Revenue Account	Interest & Sinking Accounts	Renewal Replacement & Improvement Account	General Reserve Account
Operating revenues				
Charges for services				
Charges for services	\$ 50,589,295	\$ --	\$ --	\$ --
Connection fees	--	--	--	965,940
Miscellaneous	28,875	--	1,015,422	--
Total operating revenues	<u>50,618,170</u>	<u>--</u>	<u>1,015,422</u>	<u>965,940</u>
Operating expenses				
Personnel services	15,740,244	--	--	--
Contractual services	9,626,748	--	4,234	30,035
Repairs and maintenance	1,440,944	--	27,500	--
Supplies and materials	2,778,173	--	--	--
Depreciation	8,113,929	--	1,339,226	3,655
Other	33,000	--	--	--
Total operating expenses	<u>37,733,038</u>	<u>--</u>	<u>1,370,960</u>	<u>33,690</u>
Operating income (loss)	<u>12,885,132</u>	<u>--</u>	<u>(355,538)</u>	<u>932,250</u>
Nonoperating revenues (expenses)				
Investment earnings (loss)	87,878	(3,072)	64,420	11,482
Interest expense	--	(1,505,574)	--	--
Loan and bond issue expense	--	(75,467)	--	--
Gain (loss) on disposition of capital assets	1,085,683	--	(1,055,552)	(24,493)
Total nonoperating revenues (expenses)	<u>1,173,561</u>	<u>(1,584,113)</u>	<u>(991,132)</u>	<u>(13,011)</u>
Income (loss) before transfers	14,058,693	(1,584,113)	(1,346,670)	919,239
Transfers in	--	--	12,900,500	161,959
Transfers out	<u>(17,958,036)</u>	<u>(4,322,065)</u>	<u>--</u>	<u>--</u>
Change in net position	(3,899,343)	(5,906,178)	11,553,830	1,081,198
Net position - beginning	<u>118,836,256</u>	<u>(60,744,337)</u>	<u>63,191,432</u>	<u>23,635,990</u>
Net position - ending	<u>\$ 114,936,913</u>	<u>\$ (66,650,515)</u>	<u>\$ 74,745,262</u>	<u>\$ 24,717,188</u>

Utility Construction Accounts	Eliminations	Totals
\$ --	\$ --	\$ 50,589,295
--	--	965,940
--	--	1,044,297
<u>--</u>	<u>--</u>	<u>52,599,532</u>
--	--	15,740,244
--	--	9,661,017
--	--	1,468,444
--	--	2,778,173
--	--	9,456,810
--	--	33,000
<u>--</u>	<u>--</u>	<u>39,137,688</u>
<u>--</u>	<u>--</u>	<u>13,461,844</u>
3,998	--	164,706
--	--	(1,505,574)
--	--	(75,467)
<u>--</u>	<u>--</u>	<u>5,638</u>
<u>3,998</u>	<u>--</u>	<u>(1,410,697)</u>
3,998	--	12,051,147
9,217,642	(22,280,101)	--
<u>--</u>	<u>22,280,101</u>	<u>--</u>
9,221,640	--	12,051,147
<u>32,387,272</u>	<u>--</u>	<u>177,306,613</u>
<u>\$ 41,608,912</u>	<u>\$ --</u>	<u>\$ 189,357,760</u>



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Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments on a cost-reimbursement basis.

Equipment Maintenance - This fund accounts for the cost of operating a maintenance facility used to service all motor vehicles.

Information Technology - This fund accounts for the cost of providing hardware and software information systems and technologies to other City Departments.

General Benefits and Insurance - This fund accounts for the administration of compensated absences for governmental fund departments and the City's self-insurance programs.

Equipment Replacement - This fund accounts for the capital funding and replacement of motor vehicles and other equipment.

City of Sarasota, Florida
Internal Service Funds
Combining Statement of Net Position
September 30, 2021

	Equipment Maintenance	Information Technology	General Benefits and Insurance	Equipment Replacement	Total
Assets					
Current assets:					
Cash and Cash Equivalents	\$ 136,906	\$ 680,157	\$ 2,597,506	\$ 627,557	\$ 4,042,126
Investments	788,474	4,517,267	14,499,878	3,618,223	23,423,842
Receivables (net):					
Accounts	773	--	134,739	--	135,512
Interest	1,014	6,582	14,130	5,390	27,116
Due from Other Funds	--	--	7,114	--	7,114
Due from Other Governmental Agencies	5,924	--	579,875	--	585,799
Inventories	65,633	--	--	--	65,633
Prepaid items	1,242	25,601	2,906	--	29,749
Total current assets	999,966	5,229,607	17,836,148	4,251,170	28,316,891
Noncurrent assets:					
Capital assets:					
Non-depreciable:					
Construction in Progress	--	237,522	--	91,769	329,291
Depreciable:					
Buildings	209,197	296,659	256,570	1,766,306	2,528,732
Improvements	691,606	73,396	2,392	257,404	1,024,798
Equipment	301,230	1,300,608	26,515	7,317,720	8,946,073
Less Accumulated Depreciation	(946,026)	(1,512,465)	(208,608)	(7,851,919)	(10,519,018)
Total capital assets (net of accumulated depreciation)	256,007	395,720	76,869	1,581,280	2,309,876
Other assets:					
Advance to Other Funds	--	--	79,986	--	79,986
Total noncurrent assets	256,007	395,720	156,855	1,581,280	2,389,862
Total assets	1,255,973	5,625,327	17,993,003	5,832,450	30,706,753
Deferred Outflows of Resources					
Related to Pension	315,020	270,821	--	--	585,841
Related to OPEB	73,371	250,378	--	--	323,749
Total deferred outflows of resources	388,391	521,199	--	--	909,590
Liabilities					
Current liabilities:					
Accounts Payable	349,543	105,797	253,067	30,978	739,385
Due to Other Governmental Agencies	13,926	24,668	--	--	38,594
Liability for Unpaid Claims	--	--	3,486,243	--	3,486,243
Accrued Wages	24,910	111,222	--	--	136,132
Compensated Absences	19,960	37,411	2,822,928	--	2,880,299
Total current liabilities	408,339	279,098	6,562,238	30,978	7,280,653
Noncurrent liabilities:					
Compensated Absences	17,700	33,176	2,503,351	--	2,554,227
Net OPEB Liability	227,634	845,283	--	--	1,072,917
Net Pension Liability	1,444,518	1,241,842	--	--	2,686,360
Total noncurrent liabilities	1,689,852	2,120,301	2,503,351	--	6,313,504
Total liabilities	2,098,191	2,399,399	9,065,589	30,978	13,594,157
Deferred Inflows of Resources					
Pension Related	2,748	2,363	--	--	5,111
OPEB Related	115,873	430,280	--	--	546,153
Total deferred inflows of resources	118,621	432,643	--	--	551,264
Net Position					
Net Investment in Capital Assets	256,007	395,720	76,869	1,581,280	2,309,876
Unrestricted	(828,455)	2,918,764	8,850,545	4,220,192	15,161,046
Total net position	\$ (572,448)	\$ 3,314,484	\$ 8,927,414	\$ 5,801,472	\$ 17,470,922

City of Sarasota, Florida

Internal Service Funds

Combining Statement of Revenues, Expenses, and Changes in Net Position

Year Ended September 30, 2021

	Equipment Maintenance	Information Technology	General Benefits and Insurance	Equipment Replacement	Total
Operating revenues					
Charges for services	\$ 3,468,093	\$ 4,200,013	\$ 15,788,364	\$ 292,396	\$ 23,748,866
Miscellaneous	--	6,758	552,821	--	559,579
Total operating revenues	3,468,093	4,206,771	16,341,185	292,396	24,308,445
Operating expenses					
Personnel services	882,538	2,395,856	3,276,054	--	6,554,448
Contractual services	407,372	388,853	11,248,823	7,726	12,052,774
Repairs and maintenance	71,365	982,592	2,698	18,675	1,075,330
Supplies and materials	1,946,803	49,076	40,249	--	2,036,128
Depreciation	40,401	37,008	18,326	695,712	791,447
Total operating expenses	3,348,479	3,853,385	14,586,150	722,113	22,510,127
Operating income (loss)	119,614	353,386	1,755,035	(429,717)	1,798,318
Nonoperating revenues (expenses)					
Investment earnings	217	6,539	13,662	5,740	26,158
Gain (loss) on disposition of capital assets	--	20,084	--	79,159	99,243
Total nonoperating revenues (expenses)	217	26,623	13,662	84,899	125,401
Income (loss) before transfers	119,831	380,009	1,768,697	(344,818)	1,923,719
Transfers in	--	2,529,750	--	--	2,529,750
Change in net position	119,831	2,909,759	1,768,697	(344,818)	4,453,469
Net position-beginning	(692,279)	404,725	7,158,717	6,146,290	13,017,453
Net position-ending	<u>\$ (572,448)</u>	<u>\$ 3,314,484</u>	<u>\$ 8,927,414</u>	<u>\$ 5,801,472</u>	<u>\$ 17,470,922</u>

City of Sarasota, Florida
 Internal Service Funds
 Combining Statement of Cash Flows
 Year Ended September 30, 2021

	Equipment Maintenance	Information Technology	General Benefits and Insurance	Equipment Replacement	Total
Cash flows from operating activities					
Cash received from customers and users	\$ 6,576	\$ --	\$ 2,743,351	\$ --	\$ 2,749,927
Cash received from other funds			--		
for goods and services	3,461,377	4,206,771	13,597,835	292,396	21,558,379
Cash payments to vendors			--		
for goods and services	(2,149,233)	(1,367,841)	(3,193,035)	(274,634)	(6,984,743)
Cash payments to employees for services	(706,249)	(2,221,945)	(3,611,417)	--	(6,539,611)
Cash payments to other funds	(244,225)	--	(43,670)	(7,245)	(295,140)
Claims paid	--	--	(8,018,220)	--	(8,018,220)
Net cash provided (used) by operating activities	<u>368,246</u>	<u>616,985</u>	<u>1,474,844</u>	<u>10,517</u>	<u>2,470,592</u>
Cash flows from noncapital financing activities					
Transfers in	--	2,529,750	--	--	2,529,750
Transfers out	--	--	--	--	--
Repayment of loan to/from other fund	--	--	6,821	--	6,821
Interest on loan to/from other fund	--	--	4,039	--	4,039
Net cash provided (used) by noncapital financing activities	<u>--</u>	<u>2,529,750</u>	<u>10,860</u>	<u>--</u>	<u>2,540,610</u>
Cash flows from capital and related financing activities					
Acquisition of capital assets	(3,055)	(129,552)	--	(201,840)	(334,447)
Proceeds from sale of capital assets	--	14	--	89,888	89,902
Net cash provided (used) in capital and related financing activities	<u>(3,055)</u>	<u>(129,538)</u>	<u>--</u>	<u>(111,952)</u>	<u>(244,545)</u>
Cash flows from investing activities					
Interest on investments	13	5,648	20,550	11,735	37,946
Proceeds from sale and maturities of investments	--	--	--	246,555	246,555
Purchase of investments	(289,249)	(2,578,781)	(662,668)	--	(3,530,698)
Net cash provided (used) by investing activities	<u>(289,236)</u>	<u>(2,573,133)</u>	<u>(642,118)</u>	<u>258,290</u>	<u>(3,246,197)</u>
Net increase (decrease) in cash and cash equivalents	75,955	444,064	843,586	156,855	1,520,460
Cash and cash equivalents at beginning of year	<u>60,951</u>	<u>236,093</u>	<u>1,753,920</u>	<u>470,702</u>	<u>2,521,666</u>
Cash and cash equivalents at end of year	<u>\$ 136,906</u>	<u>\$ 680,157</u>	<u>\$ 2,597,506</u>	<u>\$ 627,557</u>	<u>\$ 4,042,126</u>

City of Sarasota, Florida
 Internal Service Funds
 Combining Statement of Cash Flows
 Year Ended September 30, 2021

	<u>Equipment Maintenance</u>	<u>Information Technology</u>	<u>General Benefits and Insurance</u>	<u>Equipment Replacement</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ 119,614	\$ 353,386	\$ 1,755,035	\$ (429,717)	\$ 1,798,318
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	40,401	37,008	18,326	695,712	791,447
Pension expense	204,516	213,817	--	--	418,333
Net (increase) decrease in:					
Accounts receivable	(140)	--	(7,155)	--	(7,295)
Due from other governmental agencies	(5,924)	46,493	(23,069)	--	17,500
Inventories	(20,762)	--	--	--	(20,762)
Prepaid items	367	13,811	(238)	--	13,940
Net increase (decrease) in:					
Accounts payable	57,389	(10,308)	(311,363)	(255,477)	(519,759)
Liability for unpaid claims	--	--	378,667	--	378,667
Due to other governmental agencies	1,014	2,684	--	--	3,698
Accrued wages	(501)	22,981	(335,362)	--	(312,882)
Compensated absences	(27,726)	(62,887)	--	--	(90,613)
Total adjustments	<u>248,634</u>	<u>263,599</u>	<u>(280,194)</u>	<u>440,235</u>	<u>672,274</u>
Net cash provided (used) by operating activities	<u>\$ 368,248</u>	<u>\$ 616,985</u>	<u>\$ 1,474,841</u>	<u>\$ 10,518</u>	<u>\$ 2,470,592</u>

**Noncash investing, capital,
and financing activities**

None



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Fiduciary Funds

Trust Funds

Trust funds are used to account for assets held by the government in a trustee capacity. They are accounted for in essentially the same manner as enterprise funds since capital maintenance is critical.

Pension Trust Funds

General Employees' Defined Benefit Pension - This fund is used to account for the accumulation of resources for pension benefit payments to participants of the City's General Employees' Defined Benefit Pension Plan.

Police Officers' Defined Benefit Pension- This fund is used to account for the accumulation of resources for pension benefit payments to participants of the City's Police Officers' Defined Pension Plan.

Firefighters' Defined Benefit Pension - This fund is used to account for the accumulation of resources for pension benefit payments to participants of the City's Firefighters' Defined Benefit Pension Plan.

General Employees Defined Contribution Retirement Plan - This fund is used to account for both the City and employee contributions that would accrue to the employees, and also to account for the additional 2 percent City contribution that is budgeted annually for administrative costs.

Other Post-Employment Benefits Trust Fund - This fund is used to account for the future liability of costs for medical/prescription/dental coverage, extended life insurance coverage and benefits under the Employee Assistance Program available to retirees and their dependents.

Custodial Funds

Custodial funds are used to account for assets held by the government as an agent for individuals, private organizations and other governmental units. They are custodial in nature and do not involve the measurement of results of operations.

Community Development - This fund is used to account for fees due to homeowners for repairs to their homes.

Impact Fees - This fund is used to account for fees collected from citizens and disbursed to Sarasota County.

City of Sarasota, Florida
Pension and OPEB Trust Funds
Combining Statement of Trust Funds Net Position
September 30, 2021

	Pension Trust Funds					Total
	General Employees' Defined Benefit Pension	Police Officers' Defined Benefit Pension	Firefighters' Defined Benefit Pension	General Employees' Defined Contribution Retirement	Other Post-Employment Benefits (OPEB)	
Assets						
Cash and cash equivalents	\$ 749,509	\$ 700,495	\$ 613,047	\$ --	\$ 252,844	\$ 2,315,895
Investments:						
Money market funds	4,980,939	9,254,272	3,763,087	--	1,775,958	19,774,256
U.S. Government securities	11,816,121	25,295,469	--	--	2,186,369	39,297,959
Mortgage-backed securities	7,392,753	15,311,226	1,117,431	--	347,853	24,169,263
Collateralized mortgage oblig	2,160,541	--	--	--	--	2,160,541
Common and preferred stock	89,088,379	200,359,729	101,709,268	--	36,169,421	427,326,797
Corporate bonds and notes	7,809,090	43,836,484	24,299,951	--	8,724,327	84,669,852
Stock mutual funds	--	--	2,308,201	17,479,173	--	19,787,374
Bond mutual funds	--	--	--	2,334,208	--	2,334,208
Real estate funds	17,818,986	24,082,729	19,591,186	--	5,641,002	67,133,903
U.S. Government agency securities	--	--	13,003,208	--	11,920	13,015,128
Municipal securities	--	1,414,470	214,572	--	--	1,629,042
Foreign stocks	31,320,084	--	20,164,707	--	7,096,991	58,581,782
Master limited partnerships	337,086	--	--	--	--	337,086
Foreign mutual funds	--	3,274,183	--	1,070,559	--	4,344,742
Foreign bonds	--	--	317,991	--	232,133	550,124
Other equities	8,898,114	--	--	--	--	8,898,114
Total investments	<u>181,622,093</u>	<u>322,828,562</u>	<u>186,489,602</u>	<u>20,883,940</u>	<u>62,185,974</u>	<u>774,010,171</u>
Receivables (net):						
Contributions	1,375,048	--	--	--	--	1,375,048
Accounts	--	223,737	382,639	466,260	--	1,072,636
Interest and dividends	190,745	339,596	53,677	(51)	102,006	685,973
Total receivables	<u>1,565,793</u>	<u>563,333</u>	<u>436,316</u>	<u>466,209</u>	<u>102,006</u>	<u>3,133,657</u>
Other assets:						
Prepaid items	17,348	16,052	20,201	--	1,929	55,530
Investments-FMV adj	--	--	--	(83)	--	(83)
Total other assets	<u>17,348</u>	<u>16,052</u>	<u>20,201</u>	<u>(83)</u>	<u>1,929</u>	<u>55,447</u>
Total assets	<u>183,954,743</u>	<u>324,108,442</u>	<u>187,559,166</u>	<u>21,350,066</u>	<u>62,542,753</u>	<u>779,515,170</u>
Liabilities						
Accounts payable	191,723	251,277	588,508	3,000	157,258	1,191,766
Deferred revenue	--	--	157,241	--	--	157,241
Liability for unpaid claims	--	--	--	--	689,091	689,091
Due to Other Governments	--	--	--	40,376	--	40,376
Total liabilities	<u>191,723</u>	<u>251,277</u>	<u>745,749</u>	<u>43,376</u>	<u>846,349</u>	<u>2,078,474</u>
Net Position						
Restricted for Pension benefits	183,763,020	323,857,165	186,813,417	21,306,690	--	715,740,292
Restricted for OPEB benefits	--	--	--	--	61,696,404	61,696,404

City of Sarasota, Florida
Pension and OPEB Trust Funds
Combining Statement of Trust Funds Net Position
For the Year Ended September 30, 2021

	Pension Trust Funds					Total
	General Employees' Defined Benefit Pension	Police Officers' Defined Benefit Pension	Firefighters' Defined Benefit Pension	General Employees Defined Contribution Retirement	Other Post- Employment Benefits (OPEB)	
Additions						
Contributions:						
Plan members	\$ 526,151	\$ 1,215,226	\$ --	\$ 1,336,903	\$ 1,488,164	\$ 4,566,444
Employer						
City of Sarasota	6,994,858	6,558,763	3,001,186	1,334,956	3,902,133	21,791,896
Sarasota County	58,799	--	6,176,946	1,785	--	6,237,530
State of Florida	--	678,608	452,960	--	--	1,131,568
Other	15,195	--	34,699	325,747	205,255	580,896
Total contributions	<u>7,595,003</u>	<u>8,452,597</u>	<u>9,665,791</u>	<u>2,999,391</u>	<u>5,595,552</u>	<u>34,308,334</u>
Investment income:						
Net increase in fair value of investments	31,993,819	56,126,752	29,105,006	1,784,407	10,527,753	129,537,737
Interest and dividends	3,452,989	5,770,912	3,001,194	1,818,995	1,014,999	15,059,089
Other	--	908,843	735,077	23,066	--	1,666,986
Total investment income	<u>35,446,808</u>	<u>62,806,507</u>	<u>32,841,277</u>	<u>3,626,468</u>	<u>11,542,752</u>	<u>146,263,812</u>
Less investment expense	<u>(1,027,276)</u>	<u>(1,507,352)</u>	<u>(990,956)</u>	<u>(157,755)</u>	<u>(443,447)</u>	<u>(4,126,786)</u>
Net investment income	<u>34,419,532</u>	<u>61,299,155</u>	<u>31,850,321</u>	<u>3,468,713</u>	<u>11,099,305</u>	<u>142,137,026</u>
Total additions	<u>42,014,535</u>	<u>69,751,752</u>	<u>41,516,112</u>	<u>6,468,104</u>	<u>16,694,857</u>	<u>176,445,360</u>
Deductions						
Benefits	14,326,524	16,476,823	12,760,337	1,610,714	3,919,664	49,094,062
Administrative expenses	260,718	221,758	250,315	58,007	1,930,951	2,721,749
Refunds of contributions	--	98,757	--	--	--	98,757
Total deductions	<u>14,587,242</u>	<u>16,797,338</u>	<u>13,010,652</u>	<u>1,668,721</u>	<u>5,850,615</u>	<u>51,914,568</u>
Net increase	<u>27,427,293</u>	<u>52,954,414</u>	<u>28,505,460</u>	<u>4,799,383</u>	<u>10,844,242</u>	<u>124,530,792</u>
Net Position Restricted for Pension and OPEB Benefits						
Beginning of Year	<u>156,335,727</u>	<u>270,902,751</u>	<u>158,307,957</u>	<u>16,507,307</u>	<u>50,852,162</u>	<u>652,905,904</u>
End of Year	<u>\$ 183,763,020</u>	<u>\$ 323,857,165</u>	<u>\$ 186,813,417</u>	<u>\$ 21,306,690</u>	<u>\$ 61,696,404</u>	<u>\$ 777,436,696</u>



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Statistical Section



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Statistical Section

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

<u>Contents</u>	<u>Page</u>
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.	200-209
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources.	210-215
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.	216-223
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.	224-225
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	226-231

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

City of Sarasota, Florida
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2020-21	2019-20	2018-19	2017-18
Governmental activities				
Net investment in capital assets	\$ 204,721,249	\$ 195,937,154	\$ 179,406,368	\$ 174,105,644
Restricted	60,660,381	61,378,044	68,152,899	61,734,312
Unrestricted (deficit)	(11,104,172)	(39,811,380)	(55,431,049)	(60,816,931)
Total governmental activities net position	<u>\$ 254,277,458</u>	<u>\$ 217,503,818</u>	<u>\$ 192,128,218</u>	<u>\$ 175,023,025</u>
Business-type activities				
Net investment in capital assets	\$ 203,011,687	\$ 194,694,361	\$ 185,403,654	\$ 167,380,780
Restricted	4,196,159	3,898,276	5,112,714	13,778,071
Unrestricted	33,719,389	26,853,458	28,018,896	37,866,407
Total business-type activities net position	<u>\$ 240,927,235</u>	<u>\$ 225,446,095</u>	<u>\$ 218,535,264</u>	<u>\$ 219,025,258</u>
Primary government				
Net investment in capital assets	\$ 407,732,936	\$ 390,631,515	\$ 364,810,022	\$ 341,486,424
Restricted	64,856,540	65,276,320	73,265,613	75,512,383
Unrestricted	22,615,217	(12,957,922)	(27,412,153)	(22,950,524)
Total primary government net position	<u>\$ 495,204,693</u>	<u>\$ 442,949,913</u>	<u>\$ 410,663,482</u>	<u>\$ 394,048,283</u>

Note: In fiscal year 2015, the City adopted the provisions of GASB Statement Nos. 68 and 71. As restatement of all prior periods is not practical, the cumulative effect of applying these statements is reported as a restatement of beginning net position as of October 1, 2014.

In fiscal year 2018, the City adopted the provisions of GASB Statement No. 75. As restatement of all prior periods is not practical, the cumulative effect of applying this statement is reported as a restatement of beginning net position as of October 1, 2017.

Fiscal Year					
2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
\$ 171,838,648	\$ 170,059,240	\$ 160,348,362	\$ 158,951,011	\$ 148,111,650	\$ 160,182,484
60,595,218	60,723,461	56,835,283	59,877,127	62,107,977	62,009,064
(62,364,793)	(60,210,350)	(61,059,854)	2,663,395	10,235,937	13,946,108
<u>\$ 170,069,073</u>	<u>\$ 170,572,351</u>	<u>\$ 156,123,791</u>	<u>\$ 221,491,533</u>	<u>\$ 220,455,564</u>	<u>\$ 236,137,656</u>
\$ 168,580,384	\$ 153,553,156	\$ 151,774,709	\$ 143,855,792	\$ 135,645,189	\$ 113,546,562
7,265,888	11,202,295	12,301,216	12,730,059	12,741,195	14,824,001
40,481,583	41,982,636	35,742,792	52,248,702	53,901,699	50,327,406
<u>\$ 216,327,855</u>	<u>\$ 206,738,087</u>	<u>\$ 199,818,717</u>	<u>\$ 208,834,553</u>	<u>\$ 202,288,083</u>	<u>\$ 178,697,969</u>
\$ 340,419,032	\$ 823,612,396	\$ 812,123,071	\$ 302,806,803	\$ 283,756,839	\$ 273,729,046
67,861,106	71,925,756	69,136,499	72,607,186	74,849,172	76,833,065
(21,883,210)	(18,227,714)	(25,317,062)	54,912,097	64,137,636	64,273,514
<u>\$ 386,396,928</u>	<u>\$ 877,310,438</u>	<u>\$ 855,942,508</u>	<u>\$ 430,326,086</u>	<u>\$ 422,743,647</u>	<u>\$ 414,835,625</u>

City of Sarasota, Florida
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2020-21	2019-20	2018-19	2017-18
Expenses				
Governmental activities:				
General government	\$ 12,039,365	\$ 13,176,807	\$ 12,223,245	\$ 14,287,513
Public safety	35,881,363	44,550,602	39,754,281	39,168,721
Physical environment	330,396	60,484	16,196,171	8,142,455
Transportation	7,967,564	9,831,209	12,455,769	10,178,693
Culture and recreation	13,020,477	9,002,092	5,622,968	2,089,411
Economic environment	5,192,178	5,000,121	6,378,987	4,686,279
Human services	767,810	795,152	1,059,994	730,889
Interest on long-term debt	1,509,212	1,841,318	1,940,064	2,030,137
Total governmental activities expenses	<u>76,708,365</u>	<u>84,257,785</u>	<u>95,631,479</u>	<u>81,314,098</u>
Business-type activities:				
Water and Sewer	40,718,729	40,415,092	47,623,927	41,753,490
Van Wezel	4,746,755	12,382,291	15,337,759	12,040,458
Solid Waste	13,994,106	13,362,371	13,140,286	11,711,681
Bobby Jones Golf Course	150,040	1,947,677	2,970,407	2,773,527
Municipal Auditoriums	379,796	460,994	664,486	504,273
Parking Management	4,661,439	4,808,990	4,508,473	2,921,038
Total business-type activities expenses	<u>64,650,865</u>	<u>73,377,415</u>	<u>84,245,338</u>	<u>71,704,467</u>
Total primary government expenses	<u>\$ 141,359,230</u>	<u>\$ 157,635,200</u>	<u>\$ 179,876,817</u>	<u>\$ 153,018,565</u>
Program Revenues				
Governmental activities:				
Charges for services				
General government	\$ 19,112,582	\$ 1,443,814	\$ 1,507,634	\$ 1,346,965
Public safety	6,664,131	6,518,074	8,711,722	8,433,826
Physical environment	87,168	43,745	71,362	214,326
Transportation	2,017,135	2,302,825	1,569,207	2,295,491
Culture and recreation	760,553	604,737	968,092	483,753
Economic environment	--	27,925	--	--
Operating grants and contributions	8,309,299	14,508,680	18,871,029	6,862,001
Capital grants and contributions	970,181	5,235,540	2,939,243	7,753,085
Total governmental activities program revenues	<u>37,921,049</u>	<u>30,685,340</u>	<u>34,638,289</u>	<u>27,389,447</u>
Business-type activities:				
Charges for Services				
Water and Sewer	52,599,532	48,753,081	47,047,292	47,239,588
Van Wezel	416,056	10,447,298	13,207,152	10,952,660
Solid Waste	12,699,074	12,298,105	12,496,541	10,881,320
Bobby Jones Golf Course	--	1,499,527	2,042,407	1,961,624
Municipal Auditoriums	32,058	219,115	333,922	330,457
Parking Management	3,739,766	2,857,059	2,848,051	1,638,481
Operating grants and contributions	5,217,767	1,177,517	1,319,757	1,564,629
Capital grants and contributions	113,847	--	--	--
Total business-type activities program revenues	<u>74,818,100</u>	<u>77,251,702</u>	<u>79,295,122</u>	<u>74,568,759</u>
Total primary government program revenues	<u>\$ 112,739,149</u>	<u>\$ 107,937,042</u>	<u>\$ 113,933,411</u>	<u>\$ 101,958,206</u>

Fiscal Year					
2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
\$ 13,985,373	\$ 10,669,089	\$ 10,194,163	\$ 15,959,585	\$ 13,535,677	\$ 12,479,655
44,880,581	42,716,586	35,030,117	41,197,141	37,595,883	37,040,548
4,358,648	3,981,285	7,906,172	3,534,031	3,202,880	3,654,521
11,793,769	10,843,955	11,549,091	7,230,305	7,379,994	7,397,017
4,360,458	4,344,249	3,499,422	3,503,809	3,294,003	3,384,150
4,793,345	5,189,276	4,417,493	4,923,941	7,685,608	9,057,540
114,533	--	--	--	--	--
2,601,649	3,025,058	3,789,069	3,908,368	4,187,503	4,519,066
<u>86,888,356</u>	<u>80,769,498</u>	<u>76,385,527</u>	<u>80,257,180</u>	<u>76,881,548</u>	<u>77,532,497</u>
38,125,966	37,761,882	43,023,887	32,303,663	29,244,145	28,810,585
12,617,544	11,690,548	11,058,586	10,305,552	9,077,553	8,997,179
10,472,973	9,855,086	9,790,922	9,774,612	9,093,671	8,806,639
2,904,213	2,955,312	2,874,348	2,890,161	2,698,233	2,826,777
518,854	548,654	503,049	550,798	516,028	572,380
2,092,231	1,929,783	1,416,980	1,314,048	908,379	979,703
<u>66,731,781</u>	<u>64,741,265</u>	<u>68,667,772</u>	<u>57,138,834</u>	<u>51,538,009</u>	<u>50,993,263</u>
<u>\$ 153,620,137</u>	<u>\$ 145,510,763</u>	<u>\$ 145,053,299</u>	<u>\$ 137,396,014</u>	<u>\$ 128,419,557</u>	<u>\$ 128,525,760</u>
\$ 1,526,181	\$ 1,650,079	\$ 1,635,077	\$ 1,261,060	\$ 1,051,097	\$ 842,894
6,401,473	8,677,320	7,913,312	5,455,428	3,551,631	2,746,195
96,130	114,891	99,104	108,441	128,014	71,223
2,398,676	1,503,590	707,771	490,497	320,111	304,542
572,411	386,795	403,395	320,790	306,424	314,979
--	-	3	3	71	--
8,155,684	7,681,609	10,941,476	7,949,480	10,384,312	12,777,162
1,928,706	8,895,208	9,010,585	7,053,950	6,113,794	7,717,032
<u>21,079,261</u>	<u>28,909,492</u>	<u>30,710,723</u>	<u>22,639,649</u>	<u>21,855,454</u>	<u>24,774,027</u>
47,014,364	44,987,230	42,844,313	39,643,226	37,496,905	36,864,600
12,018,587	10,748,798	10,757,986	9,354,299	8,208,844	8,065,967
11,302,312	10,282,196	10,549,474	10,271,649	10,303,491	10,354,192
2,312,692	2,369,036	2,474,804	2,477,163	2,382,372	2,701,294
355,741	361,778	331,189	332,115	424,189	474,282
1,493,622	986,326	698,800	653,577	475,501	659,193
964,713	913,821	951,612	596,987	558,341	653,473
--	--	--	--	--	--
<u>75,462,031</u>	<u>70,649,185</u>	<u>68,608,178</u>	<u>63,329,016</u>	<u>59,849,643</u>	<u>59,773,001</u>
<u>\$ 96,541,292</u>	<u>\$ 99,558,677</u>	<u>\$ 99,318,901</u>	<u>\$ 85,968,665</u>	<u>\$ 81,705,097</u>	<u>\$ 84,547,028</u>

City of Sarasota, Florida
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting) - continued

	Fiscal Year			
	2020-21	2019-20	2018-19	2017-18
Net (Expense)/Revenue				
Government activities	\$ (38,787,316)	\$ (53,572,445)	\$ (60,993,196)	\$ (53,924,651)
Business type activities	10,167,235	3,874,287	(4,950,216)	2,864,292
Total primary government net expense	<u>\$ (28,620,081)</u>	<u>\$ (49,698,158)</u>	<u>\$ (65,943,412)</u>	<u>\$ (51,060,359)</u>
 General Revenues and Other				
Changes in Net Position				
Government activities:				
Taxes				
Property taxes	40,028,474	38,226,955	36,074,226	32,680,481
Gasoline taxes	2,624,801	2,469,133	2,673,665	2,662,715
Sales tax	16,005,912	13,509,400	14,039,968	13,414,362
Franchise fees	--	5,649,620	6,021,672	5,918,250
Public service taxes	11,413,593	11,095,087	11,090,572	10,973,068
Business licenses	1,004,356	928,899	950,142	981,692
Other taxes	46,164	42,939	44,260	45,405
State revenue sharing, unrestricted	1,766,299	1,936,476	2,021,900	1,953,814
Investment earnings	268,627	3,976,458	4,467,971	764,347
Miscellaneous	2,884,195	2,100,346	1,914,002	1,872,365
Gain (loss) on disposition of capital assets	--	(198,768)	360,011	42,704
Transfers	(481,465)	(788,500)	(1,560,000)	(1,977,959)
Special items	--	--	--	--
Total governmental activities	<u>75,560,956</u>	<u>78,948,045</u>	<u>78,098,389</u>	<u>69,331,244</u>
Business-type activities:				
Investment earnings	185,428	2,235,484	2,758,000	710,187
Gain (loss) on disposition of capital assets	63,964	12,560	142,222	142,663
Special items	686,074	--	--	--
Transfers	481,465	788,500	1,560,000	1,977,959
Total business-type activities	<u>1,416,931</u>	<u>3,036,544</u>	<u>4,460,222</u>	<u>2,830,809</u>
Total primary government	<u>\$ 76,977,887</u>	<u>\$ 81,984,589</u>	<u>\$ 82,558,611</u>	<u>\$ 72,162,053</u>
 Change in Net Position				
Governmental activities	\$ 36,773,640	\$ 25,375,600	\$ 17,105,193	\$ 15,406,593
Business-type activities	11,584,166	6,910,831	(489,994)	5,695,101
Total primary government	<u>\$ 48,357,806</u>	<u>\$ 32,286,431</u>	<u>\$ 16,615,199</u>	<u>\$ 21,101,694</u>

Fiscal Year					
2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
\$ (65,809,095)	\$ (51,860,006)	\$ (45,674,804)	\$ (57,617,531)	\$ (55,026,094)	\$ (52,758,470)
8,730,250	5,907,920	(59,594)	6,190,182	8,311,634	8,779,738
<u>\$ (57,078,845)</u>	<u>\$ (45,952,086)</u>	<u>\$ (45,734,398)</u>	<u>\$ (51,427,349)</u>	<u>\$ (46,714,460)</u>	<u>\$ (43,978,732)</u>
29,888,235	27,873,687	26,527,993	\$ 25,269,921	\$ 22,584,230	\$ 22,364,901
2,547,368	2,495,123	2,432,847	2,358,159	2,310,912	2,294,724
12,489,989	12,244,096	11,808,144	10,812,138	10,036,788	9,308,028
4,699,895	4,603,205	4,767,877	4,800,067	4,472,348	4,600,464
10,563,250	10,322,539	10,188,427	10,115,459	10,084,418	9,838,911
880,237	948,941	893,134	850,720	769,308	776,496
45,376	43,693	45,873	40,957	41,405	40,657
1,883,075	1,843,076	1,828,400	1,790,313	1,765,785	1,750,367
620,256	1,144,869	1,014,256	661,340	198,291	1,102,335
1,723,148	1,796,960	3,910,383	1,577,655	1,992,276	1,721,284
258,296	3,149,192	93,077	241,527	659,551	913,367
(293,308)	(156,815)	(9,412,865)	135,244	(15,571,310)	758,608
--	--	--	--	--	--
<u>65,305,817</u>	<u>66,308,566</u>	<u>54,097,546</u>	<u>58,653,500</u>	<u>54,915,312</u>	<u>55,470,142</u>
495,502	730,305	656,138	419,255	173,167	589,361
70,708	84,931	70,009	72,277	(465,997)	13,771
--	--	--	--	--	1,152,170
293,308	196,214	9,412,865	(135,244)	15,571,310	(758,608)
<u>859,518</u>	<u>1,011,450</u>	<u>10,139,012</u>	<u>356,288</u>	<u>15,278,480</u>	<u>996,694</u>
<u>\$ 66,165,335</u>	<u>\$ 67,320,016</u>	<u>\$ 64,236,558</u>	<u>\$ 59,009,788</u>	<u>\$ 70,193,792</u>	<u>\$ 56,466,836</u>
\$ 14,448,560	\$ 8,422,742	\$ 1,035,969	\$ (15,682,092)	\$ 2,711,672	\$ (11,028,820)
6,919,370	10,079,418	6,546,470	23,590,114	9,776,432	26,354,359
<u>\$ 21,367,930</u>	<u>\$ 18,502,160</u>	<u>\$ 7,582,439</u>	<u>\$ 7,908,022</u>	<u>\$ 12,488,104</u>	<u>\$ 15,325,539</u>

City of Sarasota, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2020-21	2019-20	2018-19	2017-18	2016-17
General Fund					
Nonspendable	\$ 449,928	\$ 328,835	\$ 515,804	\$ 474,459	\$ 338,110
Restricted	--	--	--	--	--
Committed	2,640,554	5,220,370	2,527,117	3,608,816	3,379,769
Assigned	6,675,879	1,892,219	1,717,830	2,515,754	1,899,250
Unassigned	23,977,595	23,155,761	22,991,192	16,908,587	17,700,935
Total general fund	<u>\$ 33,743,956</u>	<u>\$ 30,597,185</u>	<u>\$ 27,751,943</u>	<u>\$ 23,507,616</u>	<u>\$ 23,318,064</u>
All Other Governmental Funds					
Nonspendable	\$ 23,117	\$ 13,200	\$ 8,411	\$ 1,032	\$ 26,310
Restricted	61,058,674	62,084,015	68,051,229	69,476,209	61,577,843
Committed	7,524,113	6,683,118	3,835,953	2,754,254	3,191,558
Assigned	--	--	--	--	--
Unassigned	-	(91,260)	(2,397,780)	(1,796,760)	(112,018)
Total all other governmental funds	<u>\$ 68,605,904</u>	<u>\$ 68,689,073</u>	<u>\$ 69,497,813</u>	<u>\$ 70,434,735</u>	<u>\$ 64,683,693</u>
Total Fund Balance All Governmental Funds	<u>\$ 102,349,860</u>	<u>\$ 99,286,258</u>	<u>\$ 97,249,756</u>	<u>\$ 93,942,351</u>	<u>\$ 88,001,757</u>

Fiscal Year					
	2015-16	2014-15	2013-14	2012-13	2011-12
\$	396,392	\$ 473,779	\$ 332,712	\$ 396,743	\$ 367,739
	--	--	--	--	--
	3,600,319	4,114,022	1,406,468	2,937,500	2,937,500
	3,015,970	1,373,373	567,611	1,134,551	2,373,081
	17,872,691	16,530,893	15,375,543	15,154,314	15,156,744
\$	<u>24,885,372</u>	<u>\$ 22,492,067</u>	<u>\$ 17,682,334</u>	<u>\$ 19,623,108</u>	<u>\$ 20,835,064</u>
\$	5,438	\$ 6,141	\$ 22,890	\$ --	\$ 14,149
	61,878,922	58,284,499	63,590,152	66,463,377	66,918,475
	3,089,120	2,160,116	1,772,765	1,608,485	1,801,025
	791,238	35,720	358,654	836,730	877,853
	(117,888)	(123,952)	(128,964)	(135,556)	(159,750)
\$	<u>65,646,830</u>	<u>\$ 60,362,524</u>	<u>\$ 65,615,497</u>	<u>\$ 68,773,036</u>	<u>\$ 69,451,752</u>
\$	<u>90,532,202</u>	<u>\$ 82,854,591</u>	<u>\$ 83,297,831</u>	<u>\$ 88,396,144</u>	<u>\$ 90,286,816</u>

City of Sarasota, Florida
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2020-21	2019-20	2018-19	2017-18
Revenues				
Taxes	\$ 52,446,424	\$ 50,250,941	\$ 48,114,940	\$ 47,555,168
Franchise fees	5,566,117	5,649,620	6,021,672	5,918,250
Special assessments	6,821	7,269	7,017	6,873
Licenses and permits	9,120,611	10,880,059	8,049,299	13,451,170
Intergovernmental	32,042,717	32,451,779	37,674,174	22,939,117
Charges for services	4,890,367	4,563,212	4,822,775	4,544,701
Charges to other funds	4,668,811	4,401,944	4,514,309	4,389,281
Fines and forfeits	1,498,818	1,038,032	1,874,363	1,339,622
Investment earnings	181,388	3,613,986	4,149,182	677,867
Miscellaneous	2,537,233	2,469,872	2,458,496	1,938,961
Total revenues	<u>112,959,307</u>	<u>115,326,714</u>	<u>117,686,227</u>	<u>102,761,010</u>
Expenditures				
Current:				
General government	17,816,830	19,190,238	17,523,556	17,983,636
Public safety	46,329,714	48,042,994	43,527,586	41,886,904
Physical environment	1,822,745	2,473,584	14,734,160	5,092,136
Transportation	4,932,138	5,194,547	5,328,277	5,355,901
Culture and recreation	8,434,512	8,124,039	4,291,644	2,600,922
Economic environment	6,216,994	5,862,448	5,808,579	4,566,566
Human services	820,202	809,455	938,906	725,113
Debt service:				
Principal	3,089,336	3,217,645	3,293,302	3,168,827
Interest	1,498,776	1,844,782	1,922,529	2,024,921
Fiscal charges	9,575	4,475	4,475	2,325
Bond issuance costs	60,945	--	--	--
Contributions to other Govts.	875,769	--	--	--
Capital outlay	15,473,381	19,649,818	14,861,079	11,728,637
Total expenditures	<u>107,380,917</u>	<u>114,414,025</u>	<u>112,234,093</u>	<u>95,135,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,578,390</u>	<u>912,689</u>	<u>5,452,134</u>	<u>7,625,122</u>
Other financing sources (uses)				
Transfers in	4,369,419	4,269,463	7,378,252	3,902,447
Transfers out	(7,380,634)	(5,051,318)	(8,797,313)	(5,586,975)
General obligation bonds issued	--	--	--	--
Special obligation bonds issued	6,869,000	--	--	--
Premium on bonds issued	--	--	--	--
Payment to bond escrow agent	(6,372,573)	--	--	--
Capital lease	--	--	--	--
Total other financing sources (uses)	<u>(2,514,788)</u>	<u>(781,855)</u>	<u>(1,419,061)</u>	<u>(1,684,528)</u>
Net change in fund balances	<u>\$ 3,063,602</u>	<u>\$ 130,834</u>	<u>\$ 4,033,073</u>	<u>\$ 5,940,594</u>
Capital outlay in functional categories	\$ 221,206	\$ 1,640,190	\$ 601,588	\$ 345,937
Debt service as a percentage of noncapital expenditures	5.00%	5.44%	5.39%	6.25%

Fiscal Year					
2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
\$ 44,010,171	\$ 41,780,352	\$ 41,587,184	\$ 38,772,510	\$ 35,812,457	\$ 35,365,938
4,699,895	4,603,205	4,767,877	4,800,067	4,472,348	4,600,464
6,681	109,809	105,969	106,385	108,197	114,980
6,293,380	7,841,265	6,756,920	4,322,380	2,384,947	1,735,414
24,419,655	29,917,766	30,799,648	26,888,120	28,101,587	31,119,574
3,193,835	3,232,470	3,162,816	2,782,325	2,134,035	1,885,257
4,200,531	4,220,527	4,428,888	4,403,460	4,320,128	4,373,824
1,665,623	1,507,831	1,377,080	1,142,361	1,361,070	1,057,173
565,944	1,009,071	811,125	511,113	145,123	916,507
1,886,842	6,245,253	5,891,767	2,140,325	2,680,206	4,315,195
<u>90,942,557</u>	<u>100,467,549</u>	<u>99,689,274</u>	<u>85,869,046</u>	<u>81,520,098</u>	<u>85,484,326</u>
15,926,090	14,123,658	14,062,592	17,753,644	16,869,374	16,489,183
42,100,438	38,554,357	36,779,802	36,210,675	33,535,625	33,159,337
4,091,650	3,701,168	7,612,914	3,211,811	3,065,819	3,439,762
7,392,297	6,232,700	7,285,758	3,287,424	3,342,320	3,502,232
1,984,588	1,928,203	1,654,757	1,439,845	1,310,019	1,489,101
4,846,066	5,202,131	4,414,891	4,809,019	7,603,733	8,954,673
113,013	--	--	--	--	--
4,433,959	4,678,302	4,553,534	4,372,345	4,412,802	4,252,633
4,484,215	4,580,567	4,415,438	5,027,905	5,081,645	5,128,296
10,375	16,379	12,669	14,910	12,611	15,728
	35,162	270,794	--	--	--
	10,120	--	--	--	--
7,796,208	15,231,030	17,512,659	15,247,920	8,841,241	9,153,022
<u>93,178,899</u>	<u>94,293,777</u>	<u>98,575,808</u>	<u>91,375,498</u>	<u>84,075,189</u>	<u>85,583,967</u>
<u>(2,236,342)</u>	<u>6,173,772</u>	<u>1,113,466</u>	<u>(5,506,452)</u>	<u>(2,555,091)</u>	<u>(99,641)</u>
7,828,307	10,770,523	10,562,830	10,541,143	10,448,627	9,630,589
(8,122,410)	(10,966,684)	(10,334,127)	(10,133,004)	(9,784,208)	(8,978,229)
--	2,700,000	33,855,000	--	--	--
--	--	--	--	--	--
--	--	2,705,627	--	--	--
--	(2,700,000)	(38,346,036)	--	--	--
--	1,700,000	--	--	--	--
<u>(294,103)</u>	<u>1,503,839</u>	<u>(1,556,706)</u>	<u>408,139</u>	<u>664,419</u>	<u>652,360</u>
<u>\$ (2,530,445)</u>	<u>\$ 7,677,611</u>	<u>\$ (443,240)</u>	<u>\$ (5,098,313)</u>	<u>\$ (1,890,672)</u>	<u>\$ 552,719</u>
\$ 1,142,761	\$ 843,463	\$ 267,590	\$ 398,043	\$ 956,795	\$ 1,122,101
10.59%	11.84%	11.10%	12.41%	12.78%	12.46%

City of Sarasota, Florida

Assessed Value and Actual Value of Taxable Property

Last Ten Fiscal Years

(in thousands of dollars)

Fiscal Year Ended September 30,	Real Property			Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Rate
	Residential Property	Commercial Property	Industrial Property				
2021	\$ 11,039,793	\$ 2,579,581	\$ 2,520,322	\$ 586,880	\$ 4,898,590	\$ 11,827,986	3.4866
2020	10,661,123	2,640,927	2,546,554	545,397	5,156,816	11,237,185	3.4971
2019	10,189,373	2,543,867	2,466,794	596,366	5,298,934	10,497,466	3.4473
2018	9,547,594	2,382,464	2,305,327	553,264	5,123,221	9,665,428	3.4473
2017	8,818,572	2,215,837	2,247,349	488,201	4,972,920	8,797,039	3.4731
2016	7,996,671	1,963,939	2,051,587	474,285	4,378,328	8,108,154	3.4981
2015	7,212,002	1,821,652	1,860,914	441,444	3,740,534	7,595,478	3.5605
2014	6,552,218	1,770,405	1,814,817	412,080	3,356,200	7,193,320	3.5817
2013	5,896,420	1,792,974	1,929,774	455,505	3,199,822	6,874,851	3.3525
2012	5,808,393	1,726,992	1,974,827	485,377	3,152,931	6,842,958	3.3547

Source: Sarasota County Property Appraiser

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

City of Sarasota, Florida

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$1,000 of assessed value)

Fiscal Year Ended September 30,	City of Sarasota			Overlapping Rates (a)		Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Sarasota County	School Board of Sarasota County	
2021	3.2632	0.2234	3.4866	5.4683	6.9750	15.9299
2020	3.2632	0.2339	3.4971	5.4546	6.9430	15.8947
2019	3.2632	0.2518	3.5150	5.4281	7.0030	15.9461
2018	3.1728	0.2748	3.4473	5.4457	7.2090	16.1020
2017	3.1728	0.3003	3.4731	5.4748	7.4330	16.3809
2016	3.1728	0.3253	3.4981	5.4919	7.7630	16.7530
2015	3.1728	0.3877	3.5605	5.5427	7.7770	16.8802
2014	3.1728	0.4089	3.5817	5.5587	7.9700	17.1104
2013	2.9249	0.4276	3.3525	5.5697	7.8160	16.7382
2012	2.9249	0.4298	3.3547	5.5169	7.6350	16.5066

(a) Overlapping rates are those of county governments that apply to property owners within the City of Sarasota.

City of Sarasota, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2021			Fiscal Year 2012		
	Taxable Value	Rank	Percentage of Total City Taxable Value	Taxable Value	Rank	Percentage of Total City Taxable Value
Ashford Sarasota LP	\$ 94,886,600	1	0.79%			
Northland Rosemary LLC	73,119,100	2	0.61%			
BR Desota DST	64,874,000	3	0.54%			
Rosalynne Holdings LLC	50,343,200	4	0.42%			
ST ARCOS LLC	47,490,960	5	0.39%			
Plymouth Harbor Inc	40,197,876	6	0.33%	\$ 31,185,913	5	0.46%
Ringling Apartments Sarasota LLC	39,199,200	7	0.32%			
One Palm Apartment Owner LLC	37,550,600	8	0.31%			
TDC Blackbird SCC LLC	35,856,000	9	0.30%			
Logan Acquisitions Corp	35,555,600	10	0.29%	27,922,619	7	0.41%
Westfield Southgate Shoppingtown				53,939,671	1	0.79%
Florida Power & Light				46,141,546	2	0.67%
Verizon Florida Inc.				37,873,777	3	0.55%
Slab/Ritz Carlton Hotel Co.				36,973,100	4	0.54%
Sarasota Bay Club				30,355,237	6	0.44%
Osprey SA, Ltd,				23,558,473	8	0.34%
Theater Associates				23,291,000	9	0.34%
Hotel Associates of Sarasota LLC				21,565,800	10	0.32%
	<u>\$ 519,073,136</u>		<u>4.30%</u>	<u>\$ 332,807,136</u>		<u>4.86%</u>

Source: Sarasota County Property Appraiser

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

Fiscal year Ended September 30,	Taxes Levied for the Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2021	\$ 41,239,458	\$ 39,520,852	95.83%	\$ 71,173	\$ 39,592,024	96.01%
2020	39,297,550	37,767,639	96.11%	24,465	37,792,104	96.17%
2019	36,898,592	35,663,249	96.65%	13,045	35,676,294	96.69%
2018	33,319,629	32,505,784	97.56%	63,885	32,569,669	97.75%
2017	30,552,996	29,755,565	97.39%	21,581	29,777,146	97.46%
2016	28,363,132	27,750,333	97.84%	23,366	27,773,699	97.92%
2015	27,014,101	26,402,436	97.74%	24,899	26,427,335	97.83%
2014	25,764,313	25,144,192	97.59%	25,378	25,169,570	97.69%
2013	23,047,938	22,475,994	97.52%	58,095	22,534,089	97.77%
2012	22,956,071	22,244,640	96.90%	70,286	22,314,926	97.21%

Source: City of Sarasota Finance Department

City of Sarasota, Florida
 Base Water and Sewer Rates
 Monthly Rates for 4,000 Gallons per Month
 Last Ten Fiscal Years

Fiscal year ended September 30,	Water Rate	Sewer Rate	Total
2021	\$ 33.54	\$ 55.23	\$ 88.77
2020	31.31	51.54	82.85
2019	30.24	49.81	80.05
2018	30.24	49.81	80.05
2017	30.24	49.81	80.05
2016	30.24	49.81	80.05
2015	28.53	46.99	75.52
2014	26.92	44.32	71.24
2013	25.87	42.61	68.48
2012	24.88	40.97	65.85

Source: City of Sarasota Finance Department

Note: Rates are based on 5/8" meter, which is the standard household meter size.



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

Fiscal Year Ended September 30,	Governmental Activities				
	General	Special	Loans	Unamortized	Capital
	Obligation Bonds	Obligation Bonds	Payable	Premium	Leases
2021	\$ 30,355,000	\$ 12,085,005	\$ --	\$ 1,474,788	\$ 404,745
2020	31,920,000	12,507,117	--	1,650,390	797,969
2019	35,263,694	13,832,785	--	1,833,694	1,180,000
2018	36,909,405	15,095,346	--	2,024,405	576,141
2017	38,512,249	16,292,954	--	2,222,249	--
2016	40,020,114	20,740,025	--	2,425,114	--
2015	41,430,667	24,791,622	940,427	2,632,648	--
2014	40,876,336	28,479,704	1,957,127	1,770,000	--
2013	42,016,480	31,826,378	2,930,272	1,940,000	--
2012	43,111,021	34,859,613	4,079,820	2,120,000	--

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

(a) Personal income and population data can be found on page 226.

Business-Type Activities

	Revenue	Loans	Unamortized	Capital	Total	Percentage	Per
	Bonds	Payable	Premium	Leases	Primary	of Personal	Capita (a)
					Government	Income (a)	
\$	51,805,000	\$ 32,672,974	\$ 588,475	\$ 893,788	\$ 126,880,035	3.23%	2,291
	56,175,000	23,394,022	1,138,611	1,318,651	116,366,852	3.02%	2,017
	59,090,000	12,454,853	1,332,280	1,729,473	121,821,332	3.31%	2,149
	62,070,000	6,114,250	1,548,218	2,126,716	120,765,142	3.52%	2,163
	49,500,759	--	925,759	--	104,305,962	3.23%	1,909
	51,994,904	--	1,109,904	--	112,755,043	3.71%	2,093
	55,344,553	--	1,314,553	--	122,507,269	4.28%	2,316
	59,296,164	--	1,551,164	--	130,609,331	4.38%	2,484
	62,813,590	--	1,818,590	--	139,586,720	4.78%	2,649
	66,355,593	223,603	2,115,593	--	148,629,650	5.17%	2,830

City of Sarasota, Florida
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal year Ended September 30,	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property (a)	Per Capita (b)
2021	\$ 30,355,000	\$ 864,240	\$ 29,490,760	0.26%	\$ 532.52
2020	33,570,390	877,436	32,692,954	0.29%	566.77
2019	35,263,694	817,835	34,445,859	0.33%	607.60
2018	36,909,405	717,169	36,192,236	0.37%	648.23
2017	38,512,249	663,153	37,849,096	0.43%	692.69
2016	40,020,114	629,576	39,390,538	0.49%	731.28
2015	41,430,667	638,162	40,792,505	0.54%	771.05
2014	40,876,336	939,869	39,936,467	0.56%	759.48
2013	42,016,480	921,944	41,094,536	0.60%	779.95
2012	43,111,021	920,502	42,190,519	0.62%	803.37

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

- (a) See page 215 for property value data.
- (b) Population data can be found on page 226

City of Sarasota, Florida

Direct and Overlapping Governmental Activities Debt

As of September 30, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percent Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping debt:			
Sarasota County Board of County Commissioners	\$ --	18.69%	(a) \$ --
City direct debt:			
General obligation bonds	30,355,000 (b)	100%	30,355,000
Special obligations bonds	12,085,005 (b)	100%	12,085,005
Capital lease	<u>404,745 (b)</u>	100%	404,745
Subtotal	<u>42,844,750</u>		<u>42,844,750</u>
Total direct and overlapping debt			<u><u>\$ 42,844,750</u></u>

(a) The percentage of overlapping debt applicable is estimated using taxable assessed property values.

(b) City of Sarasota Financial Administration Department

City of Sarasota, Florida
 Legal Debt Margin Information
 Last Ten Fiscal Years

Fiscal year Ended September 30,	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2021	\$ 1,182,798,733	\$ 31,219,240	\$ 1,151,579,493	2.64%
2020	1,123,718,502	32,692,954	1,091,025,548	2.91%
2019	1,049,746,553	34,445,859	1,015,300,694	3.28%
2018	966,542,845	36,192,236	930,350,609	3.74%
2017	879,703,907	37,849,096	841,854,811	4.30%
2016	810,815,400	39,390,538	771,424,862	4.86%
2015	759,547,813	40,792,505	718,755,308	5.37%
2014	719,332,000	39,936,467	679,395,533	5.55%
2013	687,485,100	41,094,536	646,390,564	5.98%
2012	684,295,800	42,190,519	642,105,281	6.17%

Legal Debt Margin Calculation for Fiscal Year 2021

Taxable assessed value	<u>\$ 11,827,987,326</u>
Debt limit (10% of assessed value)	<u>1,182,798,733</u>
Debt applicable to limit:	
General obligation bonds	30,355,000
Less amount set aside for repayment of general obligation bonds	<u>864,240</u>
Total net debt applicable to limit	<u>31,219,240</u>
Legal debt margin	<u><u>\$ 1,151,579,493</u></u>

Note: State Statute limits the City's outstanding general obligation debt to 10 percent of the total assessed property value.



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City of Sarasota, Florida

Pledged-Revenues Coverage

Last Ten Fiscal Years

(dollars in thousands)

Fiscal Year Ended September 30,	Water & Sewer Bonds				2017 St Armands Paid Parking Area Revenue Bonds			
	Net Available Revenue	Debt Service		Coverage	Revenues	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2021	\$ 22,919	\$ 2,725	\$ 1,499	5.43	\$ 525	\$ 600	\$ 516	0.47
2020	18,961	2,440	1,560	4.74	932	580	537	0.83
2019	10,838	2,260	2,224	2.42	260	-	553	0.47
2018	16,057	2,175	2,310	3.58	260	-	231	1.13
2017	19,323	2,310	2,394	4.11	-	-	-	-
2016	17,838	3,145	2,467	3.18	-	-	-	-
2015	20,022	3,765	2,834	3.03	-	-	-	-
2014	16,445	3,250	2,863	2.69	-	-	-	-
2013	16,826	3,245	2,981	2.70	-	-	-	-
2012	15,945	5,195	3,034	1.94	-	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest and depreciation expense.

The 1992 Special Obligation Bonds and a portion of the 2009 Special Obligation Bonds are backed by the Tax Increment Financing (TIF) revenue from the City of Sarasota and from Sarasota County.

The Infrastructure Sales Tax Bonds and a portion of the 2009 Special Obligation Bonds are backed by the One Cent Local Option Sales Tax. The final principal and interest due on the Infrastructure Sales Tax Bonds was September 1, 2009.

The 2020 Sales Tax Payment Revenue Refunding Bonds are backed by a pledge of Sales Tax payments for the certification for the major league baseball spring training facility, pursuant to Section 212.20(6)(d)7.b, Florida Statutes.

2009 Special Obligation Bonds/ 1992 Special Obligation Bonds				2009 Special Obligation Bonds/ Infrastructure Sales Tax Bonds/ 2020 Sales Tax Payment Revenue Refunding Bonds			
TIF	Debt Service		Coverage	Sales Tax	Debt Service		Coverage
Revenues	Principal	Interest		Revenues	Principal	Interest	
\$ -	\$ -	\$ -	-	\$ 10,170	\$ 1,131	\$ 412	6.59
-	-	-	-	8,506	1,326	829	3.95
-	-	-	-	8,792	1,263	901	4.06
-	-	-	-	8,319	1,198	970	3.84
4,772	1,432	1,983	1.40	7,732	1,139	1,036	3.55
8,539	1,382	1,890	2.61	7,552	1,086	1,100	3.45
7,791	1,335	1,803	2.48	7,306	1,035	1,155	3.34
7,267	1,289	1,715	2.42	6,677	986	1,207	3.04
6,674	1,244	1,631	2.32	6,202	943	1,255	2.82
6,809	1,202	1,551	2.47	5,761	910	1,302	2.60

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

Fiscal year Ended September 30,	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2021	55,380	\$ 3,925,555,920	\$ 70,884	3.7%
2020	57,683	3,857,723,674	66,878	5.2%
2019	56,692	3,677,496,656	64,868	2.8%
2018	55,832	3,434,952,136	61,523	2.9%
2017	54,641	3,224,529,333	59,013	3.4%
2016	53,865	3,039,548,085	56,429	4.6%
2015	52,905	2,864,647,035	54,147	4.5%
2014	52,584	2,979,462,024	56,661	5.2%
2013	52,689	2,920,129,758	55,422	6.5%
2012	52,517	2,874,623,029	54,737	8.0%

(a) Source: US Bureau of Labor Statistics

(b) Source: Calculated (Population x Per Capita Personal Income)

(c) Source: U.S. Dept of Commerce, Bureau of Economic Analysis for Sarasota County

(d) Source: Florida Department of Economic Opportunity for City of Sarasota

City of Sarasota, Florida

Principal Employers in Sarasota County

Current Year and Nine Years Ago

Employer	2020-21			2011-12		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
SMH Health Care Inc.	7,704	1	4.45%	3,024	2	1.90%
School Board of Sarasota County	5,811	2	3.35%	5,070	1	3.18%
Publix Super Markets, Inc.	3,999	3	2.31%	1,519	4	0.95%
Sarasota County Government	3,583	4	2.07%	2,027	3	1.27%
PGT Innovations	2,228	5	1.29%	724	6	0.45%
Venice Regional Bayfront Health	1,305	6	0.75%	871	5	0.55%
City of Sarasota	785	7	0.45%	619	8	0.39%
Helios Technologies, Inc.	678	8	0.39%			
Doctors Hospital of Sarasota	589	9	0.34%			
FCCI Insurance Group	403	10	0.23%	680	7	
Sun Hydraulics Corporation				590	9	0.37%
City of North Port				530	10	0.33%
Total	<u>27,085</u>		<u>15.63%</u>	<u>14,974</u>		<u>9.39%</u>
Total Sarasota County Employment (a)	<u>173,280</u>			<u>159,479</u>		

Source: Florida Department of Economic Opportunity, Bureau of Workforce Statistics and Economic Research

(a) Source: Labor Market Statistics, Local Area Unemployment Statistics Program

City of Sarasota, Florida

Full-time Equivalent City Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Years			
	2020-21	2019-20	2018-19	2017-18
General Government				
City Manager's Office	6.30	6.30	6.00	4.00
Facilities Management	11.00	11.00	11.00	11.00
Neighborhood & Development Services	15.00	15.45	14.65	13.65
Planning	9.40	11.40	11.40	10.40
Economic Development	4.60	4.60	4.60	4.60
Human Resources	9.50	10.50	10.00	8.00
Financial Administration	18.70	20.70	18.70	19.70
Accounting	-	-	-	-
City Auditor and Clerk	20.00	20.00	20.00	20.00
Non-Park Maintenance	16.33	17.33	-	-
Planning and Redevelopment	-	-	-	-
Urban and Design Studio	-	-	-	2.00
Commission Support Office	1.00	1.00	1.00	1.00
Public Information Office	2.00	2.00	2.00	2.00
Public Safety				
Police - uniform	179.00	179.00	173.00	169.00
Police - general employees	50.00	52.00	50.00	49.00
Homelessness Resonse	3.05	3.05	3.00	3.00
Code Compliance	-	-	-	-
COPS Sworn Officers	-	-	-	-
Independent Police Advisory	-	-	-	0.80
Physical Environment				
Parks & Landscape Maintenance	-	-	36.00	36.00
Transportation				
Streets & Highways	18.23	19.23	18.98	18.98
Engineering/Construction Services	13.68	14.68	13.68	13.68
Street Sweeping	1.35	1.35	1.35	1.35
Culture and Recreation				
Skateboard Park	-	-	-	-
Children's Fountain	-	-	-	0.20
Special Events/Volunteer Office	0.50	2.50	2.30	2.30
Sustainability	2.15	2.15	2.00	2.00
Robert L. Taylor Community Center	-	-	10.00	10.00
Parks and Recreation	61.67	64.17	17.00	3.00
Economic Environment				
Housing & Community Development	10.00	10.00	8.00	8.00
Building Services	39.00	38.55	33.35	33.35
Enterprise funds				
Water	81.80	72.80	79.75	86.55
Sewer	59.50	69.50	67.80	61.00
Parking Management	21.00	22.00	20.00	17.00
Bobby Jones Golf Course	-	-	7.00	6.80
Solid Waste Management	47.44	47.44	47.44	24.44
Municipal Auditoriums	3.50	4.00	4.70	4.70
Van Wezel Performing Arts Hall	20.00	20.00	19.00	17.00
Internal Service funds				
Information Technology	17.00	17.00	17.00	16.00
Public Works Equipment Maintenance	6.30	7.30	7.30	7.30
Total	749.00	767.00	738.00	687.80

City of Sarasota, Florida

Fiscal Years					
2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
6.00	4.00	2.50	2.75	2.50	2.50
7.00	6.00	5.00	5.00	5.00	5.00
30.60	27.40	21.15	22.75	22.75	22.75
-	-	-	-	-	-
-	-	-	-	-	-
8.00	7.00	7.00	7.00	7.00	7.00
20.00	13.50	12.50	11.50	11.50	11.50
-	5.50	5.50	5.50	5.50	5.50
20.00	17.00	15.00	15.00	14.00	14.00
-	-	-	-	-	-
-	-	-	-	-	-
2.00	2.00	2.00	2.00	-	-
1.00	1.00	1.50	1.50	1.50	1.50
2.00	1.00	0.25	-	-	-
162.00	160.00	158.00	166.00	175.00	176.00
48.70	48.70	47.70	42.70	44.50	47.00
1.00	1.00	2.00	-	-	-
-	-	6.35	6.35	6.35	6.85
3.00	3.00	3.00	-	-	-
-	-	-	-	-	-
32.43	28.43	25.43	21.43	22.43	22.68
18.38	18.38	16.38	16.38	17.73	17.98
6.25	6.25	6.25	6.25	6.25	6.25
1.35	1.35	2.35	2.35	2.00	2.00
-	-	-	-	-	-
0.20	0.20	0.20	0.20	0.20	0.20
2.00	2.00	0.80	0.80	0.80	0.70
1.00	1.00	-	-	-	0.75
9.00	7.00	7.00	6.00	5.00	4.00
3.00	2.00	-	-	-	-
8.00	7.00	7.80	10.00	13.00	13.00
30.90	28.10	24.20	13.90	13.90	17.40
73.75	66.75	62.50	62.01	61.76	60.01
74.50	73.50	72.75	72.24	71.99	72.74
14.00	12.00	10.00	8.00	8.00	9.00
6.80	6.80	7.80	7.80	7.80	7.80
24.34	23.34	24.09	24.09	23.84	23.59
5.00	4.00	3.20	3.20	3.20	3.30
17.00	16.00	15.00	14.00	13.00	12.00
16.00	15.00	13.00	12.00	12.00	12.00
7.00	7.00	8.00	9.00	9.00	9.00
662.20	623.20	596.20	577.70	587.50	594.00

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

Function/Program	2020-21	2019-20	2018-19	2017-18
Police				
Physical arrests	1,256	1,870	2,700	2,860
Parking violations	39,151	20,341	29,165	23,413
Traffic violations	12,692	14,219	18,634	15,019
Streets and highways				
Streets resurfaced (miles)	7	6	3.5	11
Potholes repaired	420	310	205	178
Water				
New connections	160	133	189	162
Water mains breaks	62	77	34	31
Average daily consumption (thousands of gallons)	6,876	6,421	6,238	6,276
Peak daily consumption (thousands of gallons)	8,711	7,502	8,868	7,461
Wastewater				
Average daily treatment (thousands of gallons)	7,131	6,147	6,470	6,180
Solid waste collection				
Solid waste collected (tons per day)	206	182	158	149
Recyclables collected (tons per day) (1)	18	15	14	14

Source: City of Sarasota

Notes:

Operating indicators are not available for the general government function.

(1) Residential only.

2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
3,789	3,673	3,530	3,993	4,952	5,092
22,953	24,256	19,032	20,741	15,565	13,364
13,804	13,131	10,668	15,034	13,583	11,817
11	13	10	10	12	13
149	133	109	138	141	106
185	198	206	189	86	80
33	27	27	32	25	43
6,398	6,196	6,258	6,630	6,259	6,451
7,427	8,173	8,009	8,062	7,514	7,862
6,200	6,045	5,777	6,154	6,741	5,660
152	187	192	188	186	164
16	15	18	20	14	14

City of Sarasota, Florida
 Capital Assets Statistics by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Years			
	2020-21	2019-20	2018-19	2017-18
Police				
Stations	1	1	1	1
Sub-stations	2	2	2	2
Patrol units	148	148	161	138
Streets and highways				
Streets (miles)	250	250	250	250
Unpaved streets (miles)	25	25	25	25
Highways (miles)	225	225	225	225
Streetlights	7,368	7,177	7,175	7,172
Traffic signals	94	93	93	93
Water				
Water mains (miles)	328	328	328	328
Storage capacity (thousands of gallons)	10,200	10,200	10,200	10,200
Fire hydrants	1,459	1,459	1,459	1,459
Wastewater				
Sanitary sewers (miles)	326	326	326	200
Treatment capacity (thousands)	10,200	10,200	10,200	10,200
Storm sewers (miles)	68	68	68	68
Solid waste collection				
Collection trucks	36	36	28	20

Source: City of Sarasota

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

2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
1	1	1	1	1	1
2	2	2	2	3	4
106	100	100	97	105	111
250	250	250	250	250	250
25	25	25	25	25	25
225	225	225	225	225	225
7,745	7,745	7,745	7,275	7,213	7,213
93	93	92	96	97	97
328	328	328	328	328	328
10,200	10,200	10,200	7,000	7,000	7,000
1,459	1,388	1,388	1,388	1,388	1,388
326	326	326	326	326	326
10,200	10,200	10,200	10,200	10,200	10,200
68	68	68	68	68	68
20	20	20	20	20	17



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**Single Audit/
Grants Compliance**



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

The Honorable Mayor and City Commission
City of Sarasota, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sarasota, Florida (the "City") as of and for the fiscal 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 28, 2022. Our report includes a reference to other auditors who audited the financial statements of the City's General Employees' Pension Plan, the Police Officers' Plan, and the Firefighters' Pension Plan, as described in our report on the City's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control over Financial Reporting

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

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

The Honorable Mayor and City Commission
City of Sarasota, Florida

Internal Control over Financial Reporting (Continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify one deficiency in internal control described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, 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*.

We noted certain matters that we reported to management of the City in a separate letter dated March 28, 2022.

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.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 28, 2022



INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

The Honorable Mayor and City Commission
City of Sarasota, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited the compliance of the City of Sarasota, Florida (the “City”) with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) *Compliance Supplement* and the requirements described in the Department of Financial Services State Projects *Compliance Supplement* that could have a direct and material effect on each of its major federal programs and major state projects for the fiscal year ended September 30, 2021. The City’s major federal programs and state projects are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor’s Responsibility

Our responsibility is to express an opinion on the City’s compliance based on our audit. 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”); and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state project identified in the accompanying Schedule of Findings and Questioned Costs occurred. An audit includes examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Project

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

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to in the first paragraph. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program or major state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 28, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purposes of additional analysis, as required by the Uniform Guidance, Chapter 69I-5, *Schedule of Expenditures of State Financial Assistance, Rules of the Department of Financial Services*, and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the financial statements.

The Honorable Mayor and City Commission
City of Sarasota, Florida

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General (Cont.)*

Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The 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 information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 28, 2022

CITY OF SARASOTA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2021

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ X Yes _____ None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards and State Financial Assistance

Internal control over major federal programs and state projects:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None reported

Type of auditor’s report issued on compliance for major federal programs and state projects:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 200.516 of the Uniform Guidance or Chapter 10.557, *Rules of the Auditor General*?

_____ Yes X No

Identification of Major Federal Programs and Major State Projects:

AL Number

Name of Federal Program

21.019

Coronavirus Relief Fund

59.075

Shuttered Venue Operators Grant

CSFA Numbers

Name of State Project

37.076

Drinking Water Facility Construction

37.077

Wastewater Treatment Facility Construction

Dollar threshold used to distinguish between

Type A and Type B programs:

Federal

\$750,000

State

\$750,000

Auditee qualified as low-risk auditee?

_____ X Yes _____ No

CITY OF SARASOTA, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

For the Year Ended September 30, 2021

SECTION II – FINDINGS RELATED TO THE FINANCIAL STATEMENT AUDIT, AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

2021-001 – Special Assessment Capital Contributions

Type of Finding – Significant Deficiency

Criteria:

U.S. GAAP requires that a capital contribution be recognized in the initial year that the special assessment debt is levied for capital improvements.

Condition:

During the current fiscal year, it was discovered that the City had recorded a deferred inflow of resources-unavailable revenue for a special assessment that was levied in fiscal year 2018. The City was recognizing revenue as it was being collected instead of recording the entire amount in the initial year.

Cause:

The City took a conservative approach to the transaction by recognizing revenue related to the project when the funds were collected and available.

Effect:

A prior period adjustment due to a correction of an error was made to restate the beginning net position and the related deferred inflow of resources for the Parking Management Fund.

Recommendation:

When issuing special assessment debt in a proprietary fund for capital improvements, a capital contribution should be recognized at the time the construction is complete and the assessment is levied.

Views of responsible officials and plan corrective action:

See separate letter titled City's Response to Auditor's Recommendations for the views of responsible officials and the corrective action plan.

SECTION III – FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS SECTION REPORTED IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

No matters are reported.

SECTION IV – PRIOR YEAR AUDIT FINDINGS

No matters are reported.

City of Sarasota, Florida
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Year Ended September 30, 2021

Federal/State Agency Federal Program/State Project	AL/CSFA Number	Contract/Grant Number	Expenditures	Program Total
FEDERAL AWARDS				
Department of Housing and Urban Development				
Direct Programs:				
Entitlement Grants Cluster				
Community Development Block Grant	14.218	B-19-MC-120018	\$ 20,068	
Community Development Block Grant	14.218	B-20-MC-120018	144,536	164,604
Neighborhood Stabilization Program 3	14.218	B-11-MN-120036	8,227	
Neighborhood Stabilization Program 2	14.218	B-09-CN-FL-0018	5,000	
HOME Investment Partnerships Program	14.239	M-14-DC-120219	5,000	
HOME Investment Partnerships Program	14.239	M-19-DC-120219	532	
HOME Investment Partnerships Program	14.239	M-20-DC-120219	25,298	30,830
Total Dept. of Housing and Urban Development			208,661	
Department of Justice				
Direct Programs:				
Bulletproof Vest Partnership	16.607	2019-BU-BX-19097586	10,508	
Bulletproof Vest Partnership	16.607	2020-BU-BX-20021681	4,235	14,743
Coronavirus Emergency Supplemental Funding	16.034	2020-VD-BX-0682	29,952	
Edward Byrne Justice Assistance	16.738	2020-DJ-BX-0557	14,000	
Passed through the Florida Attorney General				
Victims of Crime Act	16.575	VOCA-2020 City of Sarasota Police D-00632	71,052	
Total Department of Justice			129,747	
Department of Transportation				
Federal Highway Administration				
Passed through Florida Dept. of Transportation:				
US 41 & Fruitville Roundabout	20.205	439025-3-68-01 #ASE37	149,885	
High Visibility Enforcement	20.205	433144-1-8404 #G0Y79	37,708	
Total Department of Transportation			187,593	
Department of Treasury				
Passed through Florida Housing Finance Corp				
Coronavirus Relief Funds	21.019	State #092-2020	1,272,097	
Passed through Sarasota County				
Coronavirus Relief Funds	21.019	Not Applicable	180,956	
Total Department of Treasury			1,453,053	
Department of Homeland Security				
Federal Emergency Management Agency				
Passed through Florida Division of Emergency Management				
Public Assistance Program				
FEMA-4337-DR-FL Generator Project	97.039	H0127	113,814	
Hazard Mitigation Grant Program	97.039	H0436	61,665	
Hazard Mitigation Grant Program	97.039	H0389	89,016	150,681
Total Department of Homeland Security			264,495	
Small Business Administration				
Passed through Van Wezel Foundation				
Shuttered Venues Operating Grant (SVOG)	59.075	SBAHQ21SV001549	4,698,103	
Total Expenditures of Federal Awards			\$ 6,941,652	

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

City of Sarasota, Florida
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Year Ended September 30, 2021

Federal/State Agency Federal Program/State Project	AL/CSFA Number	Contract/Grant Number		Program Total
<u>STATE FINANCIAL ASSISTANCE</u>				
Florida Department of Environmental Protection				
Florida Beach Erosion Control Program	37.003	20ST1	\$ 26,556	
Florida Beach Erosion Control Program	37.003	22ST1	8,237	
Florida Beach Erosion Control Program	37.003	22ST2	14,994	49,787
State Revolving Fund				
Drinking Water Construction*	37.076	DW580240	1,392,330	
Waste Water Construction**	37.077	WW580230	<u>7,825,312</u>	
Total Florida Department of Environmental Protection			<u>9,267,429</u>	
Florida Department of Community Affairs				
Florida Housing Finance Agency				
State Housing Initiative Partnership	40.901	Not Applicable	<u>1,196,573</u>	
Florida Department of State				
Van Wezel Performing Arts Hall				
General Program Support	45.061	21.c.ps.180.231	<u>48,316</u>	
Florida Department of Revenue				
Retained Spring Training Facility	40.040	Not Applicable	<u>500,004</u>	
Total Expenditures of State Financial Assistance			\$ <u>11,012,322</u>	
Total Expenditures of Federal Awards and State Financial Assistance			\$ <u>17,953,974</u>	

*Value of new loans plus the balance of prior year loans:
\$31,033,039 in total as of 09/30/21

**Value of new loans plus the balance of prior year loans:
\$1,526,781 in total as of 09/30/21

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

City of Sarasota, Florida
Notes to Schedule of Expenditures of Federal
Awards and State Financial Assistance
September 30, 2021

1. Summary of Significant Accounting Policies:

The accounting policies and presentation of the Single Audit Report of the City of Sarasota, Florida have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) (federal awards), and Chapter 10.550, *Rules of the Auditor General* of the State of Florida.

A. Reporting Entity - The Audits of States, Local Governments, and Non-Profit Organizations and Circular No. A-133 set forth the audit and reporting requirements for federal awards, Chapter 69 I-5 sets forth the requirements for state financial assistance. The City of Sarasota included schedules of both federal and state financial assistance in the Single Audit section. Financial assistance received directly from the State of Florida is included to satisfy the audit requirements of the State of Florida grantor agencies.

B. Basis of Accounting - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards and State Financial Assistance. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related liability is incurred. In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. In some financial assistance programs where monies must be expended on the specific purpose or project before any amounts will be paid to the City of Sarasota, revenues are recognized based upon the expenditures recorded.

2. Contingencies:

Grant monies received and disbursed by the City of Sarasota are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City of Sarasota does not believe that such disallowances, if any, would have a material effect on the financial position of the City. As of September 30, 2021, there were no material questioned or disallowed costs as a result of grant audits in process or completed.

3. The auditee did not use the de minimis cost rate.



INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor and City Commission
City of Sarasota, Florida

We have examined the compliance of the City of Sarasota, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal 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 is in accordance with those requirements, 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 the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

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

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 28, 2022



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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Mayor and City Commission
City of Sarasota, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Sarasota, Florida (the "City") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 28, 2022. Our report also includes a reference to other auditors, who audited the financial statements of the City's General Employees', Police Officers', and Firefighters' Pension Plans, as described in our report on the City's financial statements.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Title 2 *U.S. Code of Federal Regulations, Cost Principles, and Audit Requirements of Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance in Accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*; 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 28, 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 findings and recommendations made in the preceding annual financial audit report. The following finding was disclosed in the 2019 and 2020 audit report:

2019-1 Financial Reporting – Period End Closing Routine

Criteria:

A year end closing process is needed to prepare timely and accurate financial reports.

Condition:

There were numerous post year-end client adjustments to clean up areas not fully reconciled during the year.

Cause:

We attribute these conditions to the following items:

- Recent key accounting, budget, and other department employee retirements with some positions open for an extended period of time and some filled by less experienced personnel not familiar with City operations and activity.
- The City's complex fund and sub fund structure requiring additional time for new employees to learn, master and consolidate for financial reporting.
- Rapid city-wide growth, economic activity and the wide variety of special projects requiring special accounting attention.
- Only partial execution of a Period End Closing Routine to identify all key accounting areas, responsibilities and reconciliation procedures to ensure accurate recording, reconciliation and timely reporting.
- Minimal accounting department communication and oversight with departments having decentralized accounting functions for grants such as Housing and Community Development and Public Works.

Effect:

The closing of the City's books with all appropriate accounting adjustments necessary to financially report in accordance with GAAP was delayed and not complete for some areas resulting in several audit adjustments.

Recommendation:

We recommend that the City look into additional targeted training for newer accounting staff and develop comprehensive period end accounting closing routines that identify all key areas, who is responsible for them and all steps necessary for proper recording, reconciliation and financial reporting with appropriate follow-up and review. Also, it is our understanding that the City is considering acquiring new accounting software in the near future. We recommend that the City review and consolidate the number of sub funds contained in the accounting structure at that time or sooner to simplify this area.

Current Year Status:

The City once again experienced significant turnover in the finance department which led to delays in the financial close process and several adjustments.

Views of responsible officials and plan corrective action:

See separate letter titled City's Response to Auditor's Recommendations for the views of responsible officials and the corrective action plan.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have the following recommendations:

2021-002 – SEFA Preparation

Criteria:

Expenditures should be reported on the City's Schedule of Expenditures of Federal Awards and State Financial Assistance ("SEFA") in the appropriate period.

Condition:

During our initial testing, we noted several transactions that should have been reported in the City's current year SEFA.

Cause:

Grant program managers did not ensure that federal and state expenditures were reported in the appropriate general ledger accounts.

Effect:

A revised SEFA was prepared to include all applicable expenditures.

Recommendation:

We recommend that the City implement a process to work with all City departments to ensure that appropriate expenditures are correctly identified and reported in the proper period.

Views of responsible officials and plan corrective action:

See separate letter titled City's Response to Auditor's Recommendations for the views of responsible officials and the corrective action plan.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided 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 determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

The Honorable Mayor and City Commission
City of Sarasota, Florida

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, see Attachment A for required information on the dependent special district's that are included in the reporting entity. The information in Attachment A has not been subject to auditing procedures, therefore no assurance is given on the provided information.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not 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 Mayor, City Commission, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 28, 2022

Special District Component Units - Reporting Requirements					
As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General					
	Blended Component Units			Discretely Presented Component Units	
	Golden Gate Point Streetscape	City of Sarasota Community Redevelopment Agency	Downtown Improvement District	St. Armands Business Improvement District	
Reporting Requirements from Section 218.39 (3)(b), Florida Statutes					
The total number of district employees compensated in the last pay period of the district's fiscal year as of September 30, 2021.	N/A	N/A	N/A	N/A	N/A
The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as of September 30, 2021.	N/A	4	N/A	N/A	N/A
All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as of September 30, 2021.	N/A	\$ -	N/A	N/A	N/A
All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as of September 30, 2021.	N/A	80,016	N/A	N/A	N/A
Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as of September 30, 2021 (provide list).	N/A	See separately issued CRA statements for the list of projects.	N/A	N/A	N/A
A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as of September 30, 2021.	Refer to page 165 of the ACFR, Budgetary Comparison	Refer to page 45 of the ACFR, Budgetary Comparison	Refer to page 126 of the ACFR, Budgetary Comparison	Refer to page 125 of the ACFR, Budgetary Comparison	



April 18, 2022

City of Sarasota
Financial Administration
1565 1st Street
Sarasota, FL 34236

City's Response to Auditor's Recommendations

2021-001 Special Assessment Capital Contributions

We concur with the auditor's comments and recommendations. At the time that the special assessment was levied, fiscal year 2018, the City considered the 20-year timing and the collectability of the assessment. A conservative approach was taken to treat the future revenue as unavailable, and recognize each year as collected. However, in view of the current auditor's comment, a prior period adjustment has been made to recognize the entire special assessment collection.

2019-1 Financial Reporting – Period End

We concur with the auditor's comments and recommendations. In the past year, the City Finance Division has filled six vacant positions. The City will continue to document procedures to ensure that all areas are being reviewed and reconciled properly. Through the filling of the six vacant positions, the Department of Financial Administration is currently working to train staff to adequately meet department sustainability, maintain a desired level of stewardship and accountability of public resources, and restore proper segregation of duties.

2021-002 – SEFA Preparation

We concur with the auditor's comment and recommendations. One of the newly hired accountants will be assigned to grant accounting. This will ensure grant expenditures and revenues are reviewed and reconciled regularly with City Departments. Also, upon implementation of the new ERP system, the City will have a fully functioning grant accounting module which will improve grant tracking and reporting.

Sincerely,

Kelly R. Strickland, CPA, CGFO
Finance Director

AFFIDAVIT OF IMPACT FEE COMPLIANCE

BEFORE ME, the undersigned authority, personally appeared Kelly R. Strickland, who being duly sworn, deposes and says on oath that:

1. I am the Director of Financial Administration of City of Sarasota which is a district school board of the State of Florida;
2. The City of Sarasota, Florida adopted Ordinance No. 14-5090 implementing an impact fee; and
3. The City of Sarasota, Florida has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.



Kelly R. Strickland, CPA, CGFO
Director of Financial Administration

STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Kelly R. Strickland, whom I know personally and whom executed the foregoing instrument and acknowledged before me that he executed the same.

WITNESS my hand and official seal in the County and State last aforesaid this 22nd day of April 2022.





NOTARY PUBLIC
State of Florida at Large