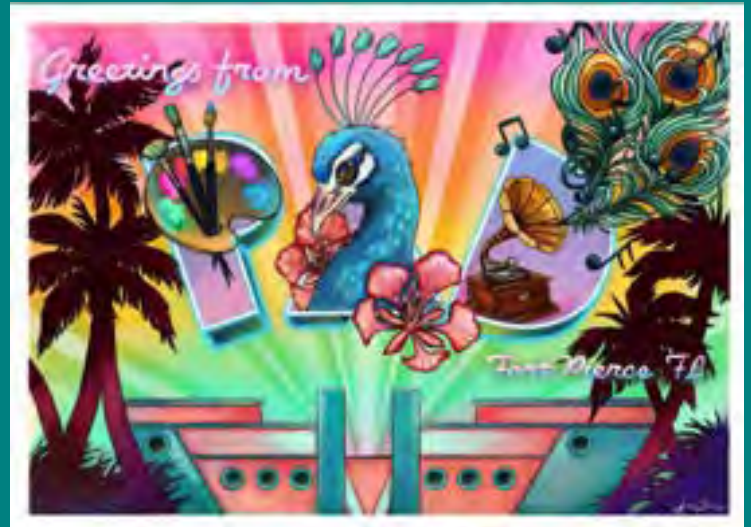


THE SUNRISE CITY

FORT PIERCE

Florida



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR

FISCAL YEAR ENDED SEPTEMBER 30, 2022

FORT PIERCE, FLORIDA

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



For Fiscal Year Ended September 30, 2022

Prepared by:

**Johnna S. Morris
Director of Finance**

City of Fort Pierce Finance Department

FORT PIERCE CITY HALL



Mission Statement

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

I. *INTRODUCTORY SECTION*

- ◆ Table of Contents
- ◆ City Commission
- ◆ City Officials and Department Heads
- ◆ Finance Director's Letter of Transmittal
- ◆ Organizational Chart
- ◆ Certificate of Achievement for Excellence in Financial Reporting

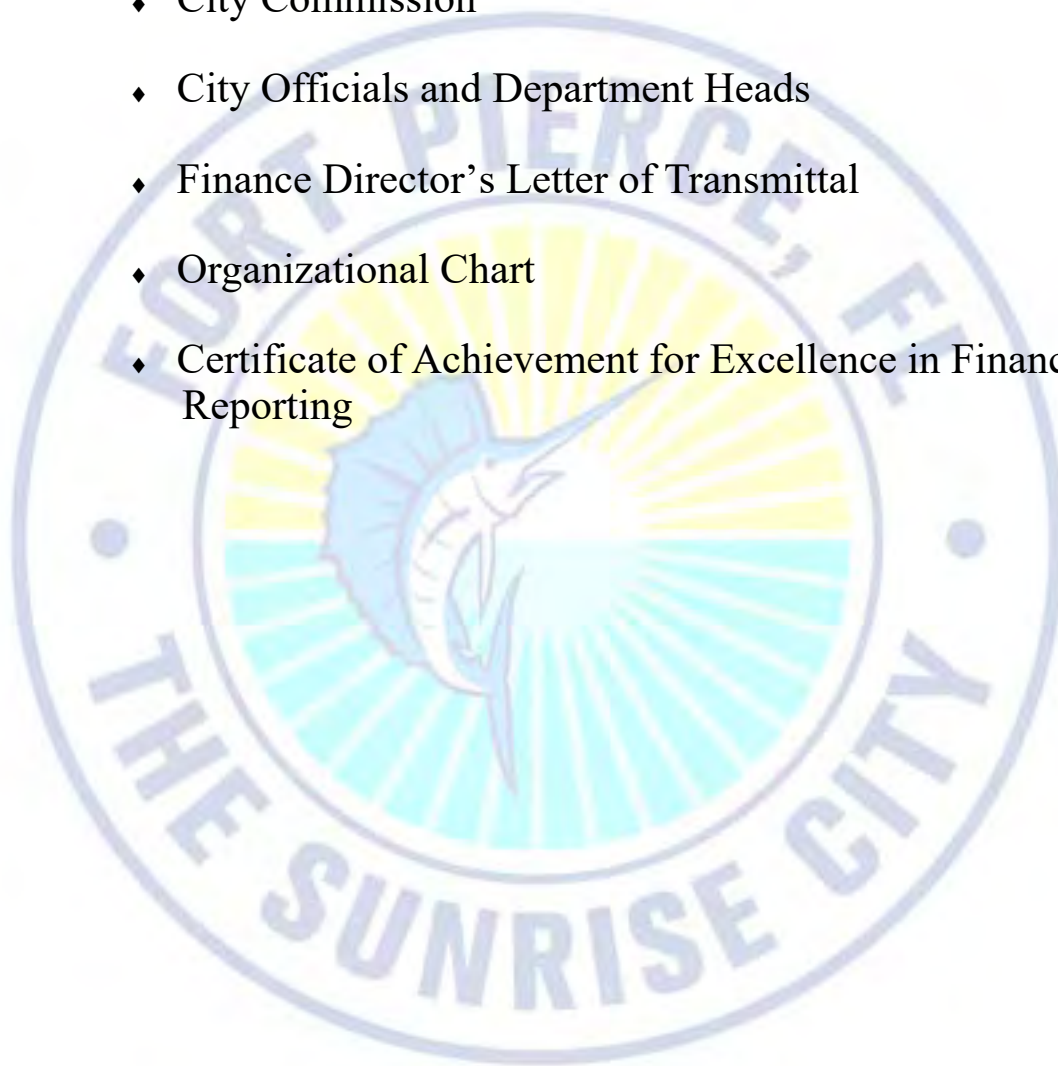




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CITY COMMISSION



Linda Hudson, Mayor



Arnold S. Gaines



Jeremiah Johnson



Thomas K. Perona



Curtis Johnson, Jr.



CITY OFFICIALS



Nicholas Mimms, City Manager



Tanya Earley
City Attorney

Linda Cox
City Clerk

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



March 31, 2023

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

Dear Mayor, Commissioners, and Citizens:

It is our pleasure to submit this *Annual Comprehensive Financial Report* for the City of Fort Pierce, Florida for the fiscal year ended September 30, 2022. The report fulfills the requirements set forth in the *City Code of Ordinances, Florida Statutes*, Chapter 166.241; and the *Rules of the Florida Auditor General*, Chapter 10.550. The organization, form, and contents of this report, plus the accompanying financial statements and statistical tables, are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants, the State of Florida, the city Code of Ordinances, and the Government Finance Officers Association.

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

Florida Statutes and the *City Code of Ordinances* require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed by DiBartolomeo, McBee, Hartley & Barnes. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

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

The Reporting Entity and Its Services

The City of Fort Pierce, Florida was incorporated in 1901 and covers an area of approximately 35.37 square miles. The City operates under an elected City Commission (5 members) and provides a full range of municipal services including general government, public safety, public improvements, planning and zoning, and related general and administrative services to over 49,488 residents. In addition, the City operates a solid waste enterprise activity, a marina, a golf course, a theatre, a building department and a stormwater utility fund. This report includes two component units and one related organization.

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

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

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

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

Economic Condition and Outlook

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

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

The sustained increase in the real estate market and the construction industry has had a positive impact on the local economy. The unemployment rate has been impacted along with the revenues generated by the businesses associated with the real estate and construction activities, continual, steady increases in these areas are still being experienced. The tourism industry continues to thrive resulting in a positive impact on the local economy, also.

For years, the local economy has counted on construction as the number one industry in the county. The downturn of the housing market, experienced in the prior years, had a significant impact on the percentage of unemployment. The current unemployment rate of 4.3% is down from 6.2% last year. The decrease in unemployment relates to growth of the construction industry, both commercial and residential and the addition of business to support the growing population.

Local business and community leaders continue to recruit new light industrial activity to the area. As anticipated this type of activity assisted in improving the unemployment rate and the overall economy. City leaders continue to encourage the addition and expansion of restaurants and service facilities to meet the needs of the increased population.

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

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

Major Initiatives

The City continues to focus on economic growth, citywide revitalization and development efforts while maintaining the authentic charm and diverse beauty of the community. During the fiscal year initial work began on the community rebuild of the playground at Jaycee Park. This project involves volunteers from the community working along with city staff and vendors to completely remove and replace all playground equipment from this waterfront playground, making it the first fully-accessible playground in the City. Initial funding for the project is from restricted funds. The City, through grant programs is assisting with rental and utility payments for those citizens who continue to be financially impacted from the pandemic. The HD King power plant clean-up and development project began in fiscal year 2012, with the environmental cleanup of the H.D. King power plant downtown. Using a \$1,700,000 brownfield grant the old plant was demolished and the property was cleaned-up. Environmental clean-up was complete in fiscal year 2017. In fiscal year 2019, the city contracted with a land developer to develop this site. Development plans include a hotel, retail space, and residential housing. Due to the pandemic, in fiscal year 2020, development of the site had been on hold. Now the project is moving forward, the infrastructure permits for phase 1 of the multiyear project to develop the former site of the HD King power plant downtown have been received; estimated completion date for phase 1 construction is 2026. Using grant funds, the multipurpose SUN trail in the Indian Hills Recreation progressed to the next phase and extends north through the Indian Hills Golf Course to Georgia Ave and 3rd St. The significant lighting, road and stormwater improvements are complete on North 17th St. Funding for this project was from restricted revenue, stormwater, and grant funds. The City recognizes the need for additional parking

throughout the downtown and waterfront area. The City with the use of general and restricted funds has improved and increased parking capacity in downtown by Melody Lane and improved beach access and parking by Porpoise Ave. The City's Engineering Department using operating and restricted funds continues to manage road improvements and stormwater projects throughout the City; current projects include Beach Court roadway improvements, Surfside Park drainage and Ave B reconstruction. With the use of restricted funds the Engineering Department continues road resurfacing projects, during FY 22 the Lincoln Park resurfacing project was complete. The City recognizes the need for affordable and additional housing. The City is in the initial phase of design and survey for the infrastructure of Oaks at Moore Creek Phase II. Future development plans for this area include development and construction of affordable housing.

As a result of maintaining the millage rate, the 2022 budget included funding for capital equipment. During FY 2022 using budgeted funds and restricted funds from the American Rescue Plan, the City was able to continue updating its technology systems and security equipment. The update includes continued implementation of an enterprise resource planning system, updated police technology systems & police technological equipment including a virtual reality training database and the purchase of nine solid waste vehicles. The City's long-term debt at 9/30/2022 was \$67,097,438.

2022-2023 Budget Issues

The City of Fort Pierce budget for fiscal 2023 increased from fiscal 2022. The budget for 2023 is \$52,412,646 and 2022 was \$47,513,496, an increase of \$4,899,150. The increase is attributable to the approximately \$2,850,000 increase in ad valorem revenue, approximately \$690,000 increase in other taxes, approximately \$170,000 in other licenses and permits, approximately \$467,000 increase intergovernmental revenues, approximately \$188,000 in charges for service, and approximately \$530,000 increase in fines and forfeitures, miscellaneous revenue, transfers, and contributions.

The City's taxable valuation is \$3,366,020,027 compared to last year's final valuation of \$2,918,376,249. This represents an increase of approximately 15.39% or \$447,643,778 in taxable value. The City Commission elected to maintain the millage rate at 6.9000. The continued increase in property values and maintaining the millage rate helped balance the budget.

In 2016, the City Commission established an annual restricted amount to be used for capital projects and approved an interfund loan to fund a new capital improvement plan. The 2023 budget includes \$600,000 restricted revenue; \$400,000 to be used to finance capital improvements and purchases and \$200,000 to be used to repay the interfund loan.

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

The 2023 budget (General Fund) included an increase in personnel services and benefits of \$3,175,185. This increase includes the addition of 11 new positions, and a cost-of-living increase for sworn officers, all bargaining and non-bargaining employees. Changes in benefits included the following assumptions: retirement rates for general members increased to 17.13%, from 16.40%, Police officers' retirement rates increased to 14.62% from 12.94%. Assumptions also include an 8% and 10.6% increase in health insurance and dental insurance rates, respectively.

The budget includes a \$697,788 increase in tax increment financing relating to the increase in property values. Because of the increases in costs for securing goods and services budgeted operating expenses overall increased by \$1,331,085 for all functional departments relating to increases in supplies, contract services, software maintenance, capital outlay, infrastructure projects, and grant & aid.

The budget includes a decrease in debt payments of \$305,573 relating to debt refinancing in prior fiscal years.

Reserve Policy

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

| Fiscal Year | Budget | 10% Reserve | Beginning Fund Balance |
|-------------|------------|-------------|------------------------|
| 2021 | 43,323,873 | 4,332,387 | 9,826,140 |
| 2022 | 47,513,496 | 4,751,350 | 10,906,160 |

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Fort Pierce, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2021. This was the thirty-third consecutive year the City of Fort Pierce has achieved this prestigious award.

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

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

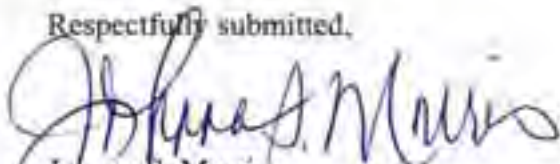
Acknowledgments

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

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

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

Respectfully submitted,



Joanna S. Morris
Director of Finance

CITY OF FORT PIERCE , FLORIDA ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Fort Pierce
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

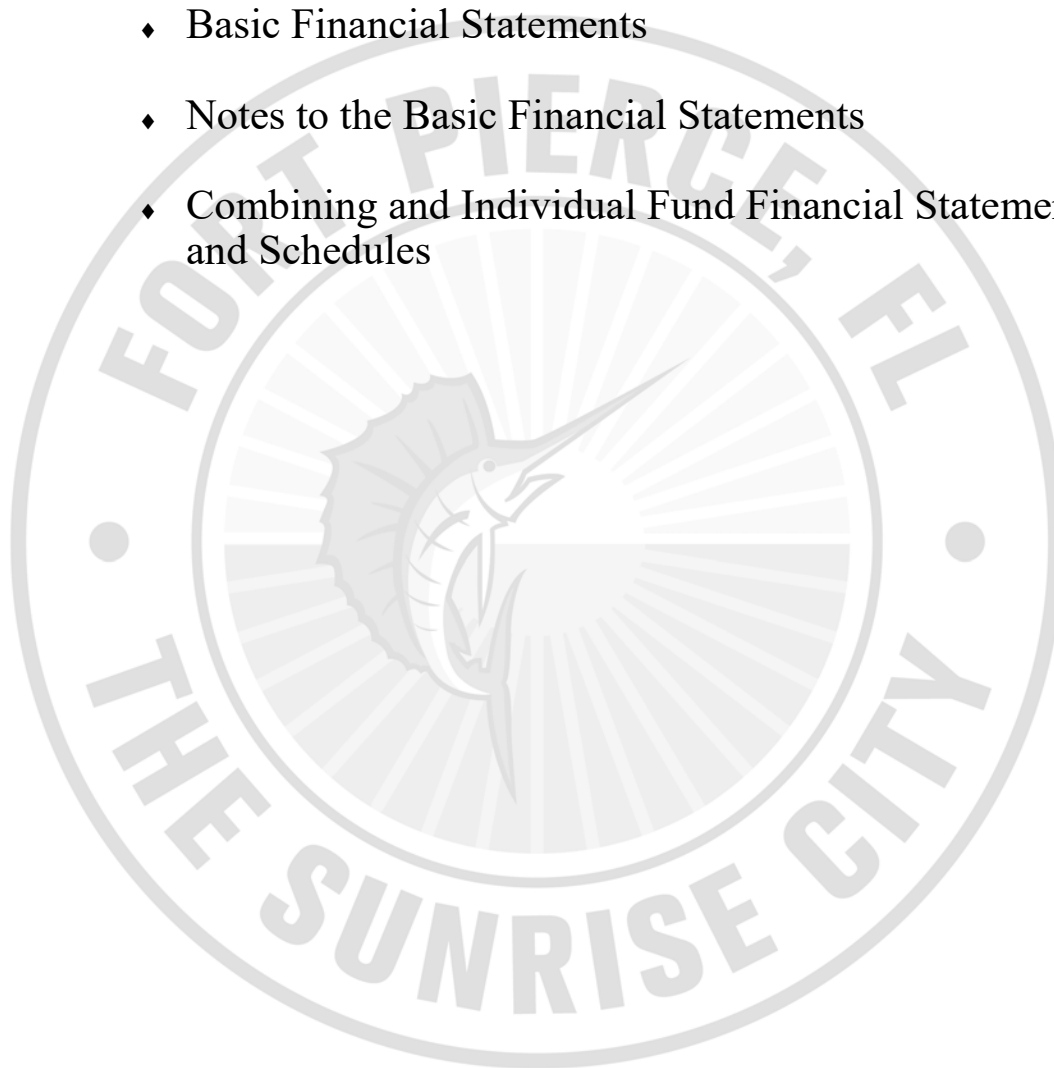
Christopher P. Morill

Executive Director/CEO



I. *FINANCIAL SECTION*

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





Independent Auditors' Report

To the City Commission
Fort Pierce, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Pierce, Florida (the "City") as of and for the year ended September 30, 2022, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Pierce, Florida as of September 30, 2022, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund, and Community Redevelopment Agency Fund, for the year ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Fort Pierce, Florida, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statement

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Fort Pierce, Florida's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 of Fort Pierce, Florida's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Fort Pierce, Florida's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

To the City Commission
Fort Pierce, Florida

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United State of America require that the management's discussion and analysis, and pension and post-employment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. The combining and individual fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Additionally, the accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Section 215.97, *Florida Statutes, Florida Single Audit Act*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

To the City Commission
Fort Pierce, Florida

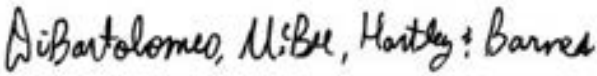
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.


Certified Public Accountants
City of Fort Pierce
March 31, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Fort Pierce (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2022. Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial positions, (d) identify any material deviations from the financial plans, and (e) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the front of this report and the City's financial statements which follow this section.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year by \$152,358,435 of which \$75,813,472 is governmental and \$76,544,963 is the total for business-type activities.
- The City's revenues for Governmental Activities at year end were \$67,869,093 an 24.77% increase, and expenses were \$56,927,945 a 31.41% increase before transfers out of (\$172,590). Revenues exceeded expenses by \$10.94 million before transfers. The revenue increase from prior year was \$13.47 million; this can be attributed to increases in the following: charges for service of \$2.93 million, operating and capital grants and contributions of \$6.57 million, ad valorem and other taxes of \$1.71 million, intergovernmental revenue of \$1.33 million, miscellaneous revenue of \$0.84 million, and contribution from component unit of \$0.18 million offset by the (\$0.09) million decrease in unrestricted investment earnings. The increase in expenses in comparison to last year was \$13.61 million, resulting from increases in the following: general government of \$3.76 million, public safety \$7.54 million, transportation \$1.01 million, economic environment \$0.83 million, and culture and recreation \$1.06 million off set by the decrease in interest on long-term debt (\$0.58) million.
- Business-type funds revenues were \$27,601,345 an increase of 13.07% or \$3,190,001 before transfers in of \$172,590, and expenses were \$24,337,616, an increase of 21.95% or \$4,380,745 from the previous year. The increase in revenue from the prior year is attributable to the increase in charges for services of \$4.40 million off set by the decrease in operating and capital grants and contributions of (\$1.20) million. The \$4.38 million increase in expenses in comparison to the prior year is attributable increases in the following: \$1.01 million in solid waste, \$1.06 million in marina, \$0.04 million in golf course, \$1.89 million in sunrise theatre and \$0.48 million in building department off set by the of (\$0.10) million decrease in stormwater.
- At the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$37,447,567, an increase of \$8,352,929. There were increases in the General Fund of \$2.03 million, special revenue fund of \$6.55 million, including an increase the community redevelopment agency fund of \$0.55 million, road impact fee fund of \$2.13 million and half-cent infrastructure fund of \$2.08 million. These increases were offset by a decrease in the debt service of (\$0.22 million).

The long-term debt, net of current portion, of the City on 9/30/22 was \$59,606,024 a decrease of \$6.40 million or 9.69%. The debt services requirements were met financially.

Overview of the Financial Statements

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

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

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

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

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

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources*

available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

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

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

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

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

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$152,358,435 at the close of the most recent fiscal year.

Approximately 81% of the City's net position reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Fort Pierce Net Position - FY 2022 and 2021

| | Governmental | | Business Type | | Total | |
|--------------------------------|--------------------|--------------------|--------------------|-------------------|--------------------|--------------------|
| | <u>Activities</u> | | <u>Activities</u> | | | |
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Current and other Assets | 44,824,682 | 37,089,101 | 16,170,699 | 10,860,319 | 60,995,381 | 47,949,420 |
| Capital Assets | 102,894,001 | 99,788,531 | 84,404,820 | 87,105,148 | 187,298,821 | 186,893,679 |
| Total Assets | 147,718,683 | 136,877,632 | 100,575,519 | 97,965,467 | 248,294,202 | 234,843,099 |
| Deferred Outflows | 23,740,571 | 4,597,611 | 3,952,271 | 489,800 | 27,692,842 | 5,087,411 |
| Long-term Liabilities O/S | 83,596,735 | 56,465,103 | 20,589,760 | 16,202,218 | 104,186,495 | 72,667,321 |
| Other Liabilities | 10,192,764 | 9,200,728 | 4,004,381 | 4,118,616 | 14,197,145 | 13,319,344 |
| Total Liabilities | 93,789,499 | 65,665,831 | 24,594,141 | 20,320,834 | 118,383,640 | 85,986,665 |
| Deferred Inflows | 1,856,283 | 10,764,498 | 3,388,686 | 5,025,789 | 5,244,969 | 15,790,287 |
| Net Position: | | | | | | |
| Net Invested in Capital Assets | 54,082,341 | 47,627,381 | 69,208,220 | 69,981,401 | 123,290,561 | 117,608,782 |
| Restricted | 2,017,888 | 2,657,036 | - | - | 2,017,888 | 2,657,036 |
| Unrestricted | 19,713,243 | 14,760,497 | 7,336,743 | 3,127,243 | 27,049,96 | 17,887,740 |
| Total Net Position | 75,813,472 | 65,044,914 | 76,544,963 | 73,108,644 | 152,358,435 | 138,153,558 |

The City's net position increased by \$14,204,877 during the fiscal year, considering the restatement of net position discussed in Note A.6 pertaining to the implementation of GASB 87, which had a net effect of \$98,783 on Governmental Fund net position and a net effect of \$120,436 on Business Type net position. The net position of the Governmental Funds increased by \$10.77 million and business type funds increased by \$3.44 million. Assets of the Governmental Funds increased \$10.84 million, and liabilities increased by \$28.12 million. Deferred outflows of the Governmental Funds increased by \$19.14 million and deferred inflows decreased by (\$8.91) million. In the enterprise funds, the assets increased 2.66% or approximately \$2.61 million and liabilities increased 21.03% or approximately \$4.27 million. Deferred outflows of the enterprise funds increased by \$3.46 million and deferred inflows decreased by (\$1.64) million.

City of Fort Pierce Statement of Activities- FY 2022 and 2021

| | Governmental | | Business Type | | Total | |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>Activities</u> | | <u>Activities</u> | | | |
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Revenues | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services | 16,754,712 | 13,827,023 | 27,051,410 | 22,647,747 | 43,806,122 | 36,474,770 |
| Operating grants and Contributions | 4,735,222 | 1,220,020 | 548,305 | 1,096,610 | 5,283,527 | 2,316,630 |
| Capital Grants and Contributions | 4,146,672 | 1,090,400 | - | 646,931 | 4,146,672 | 1,737,331 |
| General Revenues: | | | | | | |
| Ad Valorem Taxes | 19,490,242 | 18,060,334 | - | - | 19,490,242 | 18,060,334 |
| Other Taxes | 7,036,671 | 6,755,101 | - | - | 7,036,671 | 6,755,101 |
| Unrestricted grants and contributions | - | - | - | - | - | - |
| Intergovernmental | 7,922,448 | 6,592,822 | - | - | 7,922,448 | 6,592,822 |
| Miscellaneous | 1,236,162 | 390,056 | - | - | 1,236,162 | 390,056 |
| Contributions from Component Units | 6,524,408 | 6,342,445 | - | - | 6,524,408 | 6,342,445 |
| Unrestricted investment earnings | 22,556 | 116,341 | 1,630 | 20,056 | 24,186 | 136,397 |
| Total Revenues | 67,869,093 | 54,394,542 | 27,601,345 | 24,411,344 | 95,470,438 | 78,805,886 |

City of Fort Pierce Statement of Activities- FY 2022 and 2021 (Cont.)

| | <u>Governmental</u> | | <u>Business Type</u> | | <u>Total</u> | |
|-------------------------------------|---------------------|-------------------|----------------------|-------------------|-------------------|-------------------|
| | <u>Activities</u> | | <u>Activities</u> | | | |
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Expenses | | | | | | |
| General government | 16,477,901 | 12,719,596 | - | - | 16,477,901 | 12,719,596 |
| Public safety | 23,940,531 | 16,401,467 | - | - | 23,940,531 | 16,401,467 |
| Transportation | 7,459,528 | 6,454,122 | - | - | 7,459,528 | 6,454,122 |
| Economic Environment | 3,138,349 | 2,312,522 | - | - | 3,138,349 | 2,312,522 |
| Culture & recreation | 4,003,125 | 2,947,750 | - | - | 4,003,125 | 2,947,750 |
| Interest on long-term debt | 1,908,511 | 2,484,294 | - | - | 1,908,511 | 2,484,294 |
| Solid Waste | - | - | 8,000,944 | 6,987,006 | 8,000,944 | 6,987,006 |
| Marina | - | - | 5,335,268 | 4,279,627 | 5,335,268 | 4,279,627 |
| Stormwater | - | - | 2,820,373 | 2,921,026 | 2,820,373 | 2,921,026 |
| Golf Course | - | - | 1,629,512 | 1,584,953 | 1,629,512 | 1,584,953 |
| Sunrise Theatre | - | - | 3,599,713 | 1,709,364 | 3,599,713 | 1,709,364 |
| Building Department | - | - | 2,951,806 | 2,474,895 | 2,951,806 | 2,474,895 |
| Total Expenses | 56,927,945 | 43,319,751 | 24,337,616 | 19,956,871 | 81,265,561 | 63,276,622 |
| Increase (Decrease) in net position | | | | | | |
| before transfers | 10,941,148 | 11,074,791 | 3,263,729 | 4,454,473 | 14,204,877 | 15,529,264 |
| Transfers In (Out) | (172,590) | (65,532) | 172,590 | 65,532 | - | - |
| Changes in net position | 10,768,558 | 11,009,259 | 3,436,319 | 4,520,005 | 14,204,877 | 15,529,264 |
| Net Position – Beginning-restated | 65,044,914 | 54,035,655 | 73,108,644 | 68,588,639 | 138,153,558 | 122,624,294 |
| Net Position – Ending | 75,813,472 | 65,044,914 | 76,544,963 | 73,108,644 | 152,358,435 | 138,153,558 |

Governmental activities. Governmental activities accounted for a positive increase of \$10,768,558 in net position of the City.

Revenues increased \$13.47 million or 24.77% in Fiscal Year 2022. There are increases in several categories. Charges for service increased by \$2.93 million relating to the increase in impact and planning fees. Capital / operating grants and contributions increased by \$6.57 million, \$5.78 million relates to the funding from the American Rescue Plan the remaining \$0.79 million relates to an increase in state housing incentives, police grants and state environmental grants. Property values continue to increase, resulting in an increase of \$1.43 million in ad valorem revenue. Other taxes increased by \$0.28 million in relation to increase in fuel and utility taxes. Intergovernmental revenues increased by \$1.33 million relating to the infrastructure sales tax and interlocal revenue share. Miscellaneous revenue increased \$0.85 million relating to reimbursements, settlements, rents, and lien collections. Contributions from component unit increased by \$0.18 million in direct relation to unit’s increase in revenues. The above increase to revenue is offset by a (\$0.09) million decrease in unrestricted investment earnings reflective of the decline in interest rates.

The 31.41% or \$13.61 million increase in expenses was attributed to increases in the following categories: general government \$3.76 million, relating to increases in accrued absences, pension benefit liabilities, and software maintenance, public safety \$7.53 million in relation to an increase

in pension benefit liabilities, wages, equipment and supplies, transportation \$1.00 million relating to an increase in pension benefit liabilities and an increase in supply costs, economic environment \$0.83 million relating to increases in professional and consulting fees, culture and recreation \$1.06 million relating to an increase in pension benefit liabilities and contractual services. The above increases in expenses are offset by (\$0.58) million decrease in interest on long term debt.

Business-type activities. The business-type activities include the activities of a stormwater utility program, golf course, city marina, theatre, solid waste operation and the building department. Revenues increased \$3.19 million relating to an increase in charges for services of \$4.41 million and a decrease of (\$1.20) million in operating and capital grants. Expenses increased \$4.38 million. Expenses increased in for the following business- type activities: solid waste \$1.01 million, marina \$1.06 million, golf course \$0.04 million, theatre \$1.89 million and building department \$0.48 million. These increases in expenses were offset by a decrease in expenses of (\$0.10) million in stormwater utility.

Financial Analysis of the Government's Funds

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

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

The City maintains twenty-eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, the Community Redevelopment Agency Fund, the Road Impact Fee Fund, and the Half-Cent Infrastructure Fund. As of the end of the current fiscal year, the City's *governmental funds* reported combined ending fund balances of \$37,447,567 an increase of \$8,352,929 in comparison with the prior year. The non-spendable portion is \$510,969, restricted is \$24,164,412, \$5,057,972 is assigned and \$7,714,214 is unassigned and available for spending at the government's discretion.

The *general fund* is the chief operating fund of the City. The ending fund balance in 2022 is \$12,932,228, which increased \$2.03 million. The 18.58% increase relates to increases in tax and intergovernmental revenues, and charges for service while maintaining a balanced control over expenditures. The increase in fund balance is reflective mainly in the change in the unassigned \$1.20 million. The nonspendable and assigned portions, increased \$0.41 million and \$0.42 million respectively which represents an increase in prepaid expenses and an increase in budget appropriations. The debt service fund balance is \$2,436,788 a decrease of \$0.22 million, which represents payment of principal and interest on debt. Finally, the fund balance in the special revenue funds at 9/30/2022 is \$9,627,092 an increase of \$1.78 million relating to the increase in funds reserved for special purposes and projects.

The city accounts for the community redevelopment agency fund as a special revenue fund. The activity in this fund represents redevelopment activities for certain areas existing in the City of Fort Pierce. The ending fund balance in 2022 is \$2,218,341 an increase of \$0.55 million from the prior year. The increase in fund balance is reflective in the restricted, which represents the increase in the tax incremental financing restricted for special projects.

The city accounts for the road impact fee fund as a special revenue fund. The activity in this fund represents activities relating to road impact fee collections and expenses within the City of Fort Pierce. The ending fund balance in 2022 is \$5,223,213 an increase of \$2.13 million from the prior year. The increase in fund balance is reflective in the restricted, which represents the increase in the impact fee collections restricted for road projects.

The city accounts for the half-cent infrastructure fund as a special revenue fund. The activity in this fund represents activities relating to half-cent infrastructure sales tax collections and expenses. The ending fund balance in 2022 is \$5,009,905 an increase of \$2.08 million from the prior year. The increase in fund balance is reflective in the restricted, which represents the increase in the half-cent infrastructure sales tax collections restricted for infrastructure projects.

Business Type Funds. The enterprise funds have unrestricted net position of \$7,336,743. Net investment in capital assets is \$69,208,220. There is no restricted fund balance. The combined net position totals \$76,544,963. The increase in net position of \$3.44 million compared to the prior year is reflective of the combined (\$1.71) million operating loss in solid waste operations, marina, and golf course, offset by the combined \$5.15 million operating gain in stormwater utility, the sunrise theatre, and building department.

General Fund Budgetary Highlights

The General Fund 2022 budget revenue was \$48,113,496; the amount realized was \$55,625,390, an increase of \$7,511,894 or 15.61%. The expenditure budget was \$47,513,496, and the actual amount was \$53,599,322, an increase of \$6,085,826 or 12.81%. All the budget numbers are presented without the netting of transfers in this section. Differences between the original and final revenue and expenditure budget increased fund balance by \$2,026,068; listed below are the major notable amendments:

- \$1,002,075 or 3.93% increase in taxes; increases in ad valorem taxes \$241,104, local option taxes \$292,735, and utility and other taxes \$468,236.
- \$471,737 or 105.91% increase in other license and permits; decrease in occupational license \$5,535 and increases in other fees of \$477,272 relating mainly to an increase in site plan and planning revenue.
- \$1,892,641 or 26.84% increase in intergovernmental revenue; \$765,035 increase in state and federal grants relating to emergency mitigation reimbursement and environmental reimbursements, \$1,061,775 increase in state shared revenue, relating mainly to the revenue share and the ½ infrastructure sales tax, \$53,086 more in state retirement contribution, \$3,706 increase in payments in lieu and \$9,039 increase in other intergovernmental.
- \$362,685 or 94.40% increase in charges for services: \$119,184 increase in general government relating to research fees, youth activities and rental activities, \$94,944 in physical environment relating to administrative fees and local citations and \$148,557 in economic environment relating to vacation rental registration fees.
- \$92,516 or 27.62% decrease in fines and forfeitures relating to a reduction in code violations.

- \$3,875,272 net increase in other revenues and other financing sources; \$44,577 increase in rents received, \$119,238 in special assessment relating to payment of liens, \$278,792 increase in other miscellaneous revenues mainly from the sale of scrap, settlements and reimbursements, \$1,496,272 in loan proceeds relating to leased equipment, and \$2,268,426 in transfers from other funds off-set by \$54,550 decrease in contribution from component unit, \$77,362 decrease in investment income reflective of decrease in investment rates, \$27,398 decrease in administrative and contractual , and \$172,723 decrease in reimbursements by other funds.
- \$6,085,826 or 12.81% increase in expenditures from various departments. The major increases were: \$66,204 in City Manager related to increased personnel services and benefits. \$97,578 in MIS relating to consulting fees and software and maintenance expenses. \$335,585 in Building Maintenance relating to increases in contract services and supplies. \$3,241,214 in Public Safety related to increased personnel services and benefits and capital outlay. \$237,874 in Street Maintenance relating to increases in utilities and operating supplies. \$518,018 in Park and Recreation relating to increased personnel services and benefits, and contract services. \$89,793 in Riverwalk Center relating to increased expenses in youth activities. \$2,306,116 relating to transfers to restricted revenue for infrastructure sales transfer tax.
- The above increases from budget were offset by decreases from budget for the following: Administration \$458,026 decrease primarily relating to unused budget contingency. \$71,826 decrease in City Attorney relating to professional services. \$102,559 decrease in Planning relating to personnel services and benefits. \$151,055 decrease in Engineering relating to contractual services. The remaining departments operated slightly over or under budget netting to a decrease of \$23,090.

Capital Asset and Debt Administration

Capital assets. The City's investments in *capital assets* for its governmental and business type activities as of September 30, 2022, amounts to \$187,298,821 (this is net of accumulated depreciation). Significant additions during the year consisted of fingerprint technology, Axon in-car cameras, tasers, police virtual reality training system, significant repairs or replacement of A/C equipment in several buildings, addition of 41 new fleet vehicles, 9 new solid waste trucks, new landscaping equipment for the golf course, lighting improvements at the theatre, 2 new trucks for the building department and the completion and implementation of new infrastructure improvements and engineering projects. Notable disposals consisted of old computer equipment, parcels of land and old vehicles and tractors and a solid waste truck. See Note H for detail information on the primary government's Capital Assets.

| City of Fort Pierce Capital Assets - FY 2022 and 2021 (net of depreciation) | | | | | | |
|--------------------------------------------------------------------------------|------------------------------------|-------------------|-------------------------------------|-------------------|--------------------|--------------------|
| | <u>Governmental Activities</u> | | <u>Business Type Activities</u> | | <u>Total</u> | |
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>*2021</u> | <u>2022</u> | <u>2021</u> |
| Land & CIP | 24,586,667 | 24,576,733 | 1,147,826 | 2,133,532 | 25,734,493 | 26,710,265 |
| Buildings | 24,309,618 | 25,479,684 | 6,650,705 | 7,229,559 | 30,960,323 | 32,709,243 |
| Improvements Other than Buildings | 25,794,661 | 24,109,815 | 74,217,016 | 74,972,813 | 100,011,677 | 99,082,628 |
| Machinery & Equipment | 8,533,912 | 4,806,975 | 2,389,273 | 2,769,244 | 10,923,185 | 7,576,219 |
| Infrastructure | 19,669,143 | 20,815,324 | - | - | 19,669,143 | 20,815,324 |
| Total | <u>102,894,001</u> | <u>99,788,531</u> | <u>84,404,820</u> | <u>87,105,148</u> | <u>187,298,821</u> | <u>186,893,679</u> |

*Beginning machinery & equipment restated net \$50,055 for implementation GASB 87 see note A.6.

Debt. At the end of the current fiscal year, the City had total long-term debt outstanding, net of current portion of \$59,606,024.

| City of Fort Pierce Outstanding Debt Revenue Bonds, Revenue Notes, Intergovernmental Notes, Finance Purchase & Leases | | | | | | |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------|-------------------------------------|--------------------|--------------------|--------------------|
| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total</u> | |
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021*</u> | <u>2022</u> | <u>2021</u> |
| Revenue bonds, revenue notes, intergovernmental notes & leases | 51,710,410 | 56,861,127 | 15,387,028 | 17,126,780 | 67,097,438 | 73,987,907 |
| Less current portion | <u>(5,693,634)</u> | <u>(6,036,618)</u> | <u>(1,797,780)</u> | <u>(1,950,086)</u> | <u>(7,491,414)</u> | <u>(7,986,704)</u> |
| Long-term debt, net of current portion | <u>46,016,776</u> | <u>50,824,509</u> | <u>13,589,248</u> | <u>15,176,694</u> | <u>59,606,024</u> | <u>66,001,203</u> |

*Beginning debt restated net \$53,088 for implementation GASB 87 see note A.6.

The City's long-term debt, net of current portion debt decreased during the year by a net \$6.40 million. The Notes to the Financial Statements (Note I) has additional information on all debt activity.

All bonded debt is insured and carries ratings from Moody's of Aa3 issuer rating, as of September 30, 2022. No direct ad valorem tax-supported debt exists currently

Economic Factors and Next Year's Budgets and Rates

The budget process for the 2023 budget began with a 10.31% increase or \$4,899,150 in the General Fund Budget, of which \$600,000 was restricted, the budget is balanced at \$52,412,646.

Some of the significant factors considered in preparing the City's Annual General Fund Budget for Fiscal Year 2023, that caused and closed the budget gap are listed below:

- In the General Fund, the City's taxable valuation is \$3,366,020,027 compared to last year's final valuation of \$2,918,376,249. This represents an increase of approximately 15.34% or \$447,643,778 in taxable values. This increase in property values and the City Commission electing to maintain the millage rate at 6.9000 helped to balance the budget. Maintaining the millage rate generated \$2.85 million in property tax revenue, of which \$400,000 was restricted to be used to finance future capital projects and purchases and an additional \$200,000 is restricted to repay the interfund loan from FY 2016.
- The City budgeted an increase in general sales and use tax and franchise tax of \$0.69 million. This year's budget was increased to reflect the trend.
- The City budgeted an increase of \$0.17 million in licenses and permits \$0.10 million relating to planning and zoning fees, \$0.04 million business tax license, and \$0.04 million relating to other fees and permits.
- The City budgeted an increase of \$0.47 million in intergovernmental revenues. \$1.04 million relates to budgeted increases in state revenue share, off set by \$0.58 million decrease relating to American Rescue Plan funds.
- The City budgeted an increase of \$0.20 million in charges for service. \$0.13 million relates to ordinance charges, \$0.02 million relates to youth activities and \$0.05 million relates to research, certification, and various services.
- The City budgeted a decrease of \$0.09 million in fines and forfeitures. \$0.05 million decrease relating to property code violations and \$0.04 million related to alarm violations.
- The City budgeted an increase of \$0.22 million in miscellaneous revenues relating to reimbursements.
- The City budgeted an increase of \$0.41 million in interfund transfers and contributions from Enterprise Funds. \$0.48 million relating to interfund transfers and a decrease of \$0.07 million relating to contributions from Enterprise Funds.
- All other budgeted revenue items remained substantially the same as the prior year.
- The 2023 General Fund budget includes an increase of \$3.18 million in personnel costs and benefits relating to the addition of positions, raises, and changes in benefits. The budget contains the addition of 11 positions: 1 in the city manager's office, 3 in information technology, 2 in code enforcement, 1 civilian position in the police department, 3 positions in public works and 1 position in the engineering

department. Budgeted pay increases include the greater of \$1.22 per hour or 2% for all non-bargaining employees and Teamsters represented employees and a cost-of-living increase for sworn officers. The retirement rate for general members increased to 17.13%, from 16.42%, Police officers' retirement rate increased to 14.62% from 12.94%. Health insurance premiums and dental insurance premiums include an 8% and 10.6% increase in rates respectively.

- The City budgeted an increase of \$1.51 million relating to operating expenses. \$0.70 million relating to the tax incremental financing expense, \$0.28 million relating to public works including increased fuel costs and supplies, \$0.21 million relating to code enforcement animal care contract and supplies and service for the clean & safe initiative, \$0.07 million in police relating to fuel costs, \$0.15 million in information technology relating to software maintenance, and \$0.06 million in administration relating to insurance.
- The 2023 budget (General Fund) included an increase of \$0.37 million in capital outlay. \$0.40 million in capital projects relating to infrastructure improvements and a \$0.04 million decrease in capital outlay relating to heavy equipment.
- The City budgeted an increase of \$0.14 million in grants and aid. \$0.10 million relating to the aid for a community housing project and \$0.04 million relating to the increase in grants and aid in general.
- The 2023 budget included a decrease of \$0.30 million relating to the payment of debt, the decrease relates the debt which matured in FY 2022.
- The Fort Pierce Redevelopment Agency budget increased \$1.64 million from the prior year. The tax increment financing (TIF) continues to increase. The increase in property tax values and maintaining the millage rate resulted in an increase of \$1.29 million; \$9.05 million up from \$7.76 million. The budget also includes an increase in dockage and miscellaneous revenue of \$0.03 million. Prior year budget included a \$0.32 million appropriation which is not include in the budget this year. Prior to fiscal year 2109 the Fort Pierce Redevelopment Agency budget was unable to support several special projects under historic preservation and restoration; funding for neighborhood and business grants; and other cultural and community events and functions. To help balance the budget, during those years transfers from General Fund were used. In FY 2023, because of the increase in tax revenues, no transfer was budgeted.
- In the 2023 Fort Pierce Redevelopment Agency budgeted personnel services decreased by \$0.11 million relating to personnel assigned to another fund. Budgeted operating expenses increased by \$0.33 million. The increase in budgeted operating expense relates to \$0.40 million in contractual services for micro-mobility transportation, \$0.10 million relating to increasing costs and services to maintain existing properties, and \$0.06 million relating to land rental for parking; off-set by budgeted decrease in contingency of \$0.19 million. The Agency budgeted an increase in capital outlay of \$1.17 million relating to the rehabilitation and restoration of several historical buildings as well as a mural project. The Fort Pierce

Redevelopment Agency budget included an increase of \$0.41 million in other programs and projects relating to the addition of a police detail downtown and an additional allocation for funds to youth activities. The Agency continues to allocate \$350,000 to fund school resources officers in schools within the City. In FY 2023 the Agency's budget included a decrease of \$0.16 million in transfers; \$0.59 million relating to reduction in debt payment relating to refinancing and maturity of debt, offset by budgeted increase of \$0.43 million in transfers to other funds.

- As for the business-type activities, the Marina, Solid Waste, Building Department, and Sunrise Theatre had to make up their budget shortfalls by appropriating retained earnings of \$344,165, \$502,667, \$24,495 and \$24,315 respectively in FY 2023. The Stormwater Utility and Golf Course were able to sufficiently fund their budgets with budgeted revenues.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information in this report or requests for additional financial information should be addressed to the Finance Director, 100 North US 1, P. O. Box 1480, Fort Pierce, Florida 34954.

BASIC FINANCIAL STATEMENTS



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GOVERNMENT-WIDE FINANCIAL STATEMENTS



City of Fort Pierce, Florida
STATEMENT OF NET POSITION
September 30, 2022

| | Primary Government | | | Component Units |
|---------------------------------------------------|-------------------------|--------------------------|-----------------------|---------------------------------|
| | Governmental Activities | Business-type Activities | Total | Fort Pierce Utilities Authority |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and investments | \$ 33,232,541 | \$ 10,698,298 | \$ 43,930,839 | \$ 21,646,306 |
| Receivables (net of allowance for uncollectibles) | 4,167,601 | 2,174,702 | 6,342,303 | 19,094,332 |
| Lease receivable | 117,326 | 24,205 | 141,531 | - |
| Due from component unit | 329,020 | 623,526 | 952,546 | - |
| Internal balances | 2,054,737 | (2,054,737) | - | - |
| Due from other governments | 2,065,490 | 691,067 | 2,756,557 | 719,856 |
| Inventories and other current assets | 510,969 | 282,055 | 793,024 | 7,172,554 |
| Restricted Assets: | | | | |
| Temporarily restricted: | | | | |
| Cash and investments | 55,616 | 275,377 | 330,993 | 23,896,366 |
| Total current assets | <u>42,533,300</u> | <u>12,714,493</u> | <u>55,247,793</u> | <u>72,529,414</u> |
| Noncurrent assets: | | | | |
| Prepaid Insurance | 21,026 | 11,120 | 32,146 | - |
| Notes receivable | 1,592,470 | - | 1,592,470 | - |
| Lease receivable | 677,886 | 3,445,086 | 4,122,972 | - |
| Restricted cash | - | - | - | 124,764,389 |
| FMPA working capital receivable | - | - | - | 1,918,608 |
| Preliminary surveys | - | - | - | 68,975 |
| Capital assets, not being depreciated: | | | | |
| Land | 22,928,153 | 674,008 | 23,602,161 | 9,526,000 |
| Construction in progress | 1,658,514 | 473,818 | 2,132,332 | 23,731,073 |
| Capital assets (net of accumulated depreciation): | | | | |
| Buildings | 44,020,793 | 17,929,814 | 61,950,607 | - |
| Improvements other than buildings | 53,773,386 | 109,800,839 | 163,574,225 | - |
| Equipment | 23,955,291 | 12,780,846 | 36,736,137 | - |
| Infrastructure | 108,924,361 | - | 108,924,361 | 496,014,180 |
| Accumulated depreciation | <u>(152,366,497)</u> | <u>(57,254,505)</u> | <u>(209,621,002)</u> | <u>(304,528,135)</u> |
| Total noncurrent assets | <u>105,185,383</u> | <u>87,861,026</u> | <u>193,046,409</u> | <u>351,495,090</u> |
| Total assets | <u>\$ 147,718,683</u> | <u>\$ 100,575,519</u> | <u>\$ 248,294,202</u> | <u>\$ 424,024,504</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred charge on refunding | 2,050,750 | 190,428 | 2,241,178 | 440,380 |
| Pensions | 21,447,783 | 3,715,226 | 25,163,009 | 17,920,017 |
| Other post employment benefits | 242,038 | 46,617 | 288,655 | 351,567 |
| Total deferred outflows of resources | <u>23,740,571</u> | <u>3,952,271</u> | <u>27,692,842</u> | <u>18,711,964</u> |

The accompanying notes are an integral part of this statement.

| | Primary Government | | | Component Units |
|---------------------------------------------|-------------------------|--------------------------|----------------|---------------------------------|
| | Governmental Activities | Business-type Activities | Total | Fort Pierce Utilities Authority |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | \$ 2,110,922 | \$ 1,335,556 | \$ 3,446,478 | \$ 13,471,958 |
| Unearned revenue | 1,209,382 | 513,446 | 1,722,828 | - |
| Accrued compensated absences | 496,747 | 60,760 | 557,507 | 335,000 |
| Financed Purchases-current | - | 220,204 | 220,204 | 11,060 |
| Lease Liability-current | 782,156 | 81,029 | 863,185 | - |
| Due to other governments | 322,486 | - | 322,486 | 940,985 |
| Notes and revenue bonds-current | 4,911,478 | 1,496,547 | 6,408,025 | 4,668,000 |
| Accrued interest payable | 303,977 | 21,462 | 325,439 | 1,924,705 |
| Liabilities payable from restricted assets: | | | | |
| Customer deposits | 55,616 | 275,377 | 330,993 | 8,989,027 |
| Total current liabilities | 10,192,764 | 4,004,381 | 14,197,145 | 30,340,735 |
| Noncurrent liabilities: | | | | |
| Notes and bonds payable, net | 44,228,134 | 12,992,883 | 57,221,017 | 169,606,862 |
| Financed Purchases | - | 419,281 | 419,281 | - |
| Lease Liability | 1,788,642 | 177,084 | 1,965,726 | - |
| Accrued compensated absences | 3,193,116 | 593,668 | 3,786,784 | 1,784,719 |
| Other post employment benefits | 1,837,877 | 353,980 | 2,191,857 | 1,332,543 |
| Net Pension Liability | 32,548,966 | 6,052,864 | 38,601,830 | 29,536,496 |
| Total noncurrent liabilities | 83,596,735 | 20,589,760 | 104,186,495 | 202,260,620 |
| Total liabilities | 93,789,499 | 24,594,141 | 118,383,640 | 232,601,355 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Payments received in advance | - | - | - | 310,602 |
| Lease | 703,359 | 3,248,450 | 3,951,809 | - |
| Pensions | 557,099 | 25,480 | 582,579 | 376,990 |
| Other post employment benefits | 595,825 | 114,756 | 710,581 | 18,521 |
| Total deferred inflows of resources | 1,856,283 | 3,388,686 | 5,244,969 | 706,113 |
| NET POSITION | | | | |
| Net Invested in capital assets | 54,082,341 | 69,208,220 | 123,290,561 | 171,521,931 |
| Restricted for: | | | | |
| Capital improvement charges | - | - | - | 8,314,634 |
| Debt service and other | 2,017,888 | - | 2,017,888 | 6,856,825 |
| Unrestricted | 19,713,243 | 7,336,743 | 27,049,986 | 22,735,610 |
| Total net position | \$ 75,813,472 | \$ 76,544,963 | \$ 152,358,435 | \$ 209,429,000 |

City of Fort Pierce, Florida
STATEMENT OF ACTIVITIES
Year ended September 30, 2022

| Functions/Programs | Program Revenues | | | |
|----------------------------------------|-----------------------|-----------------------|------------------------------------|----------------------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ 16,477,901 | \$ 2,654,173 | \$ 423,178 | \$ - |
| Public safety | 23,940,531 | 1,059,156 | 874,512 | 114,532 |
| Transportation | 7,459,528 | 2,989,411 | - | 673,917 |
| Economic environment | 3,138,349 | 9,439,197 | 3,437,532 | 3,358,223 |
| Culture and recreation | 4,003,125 | 612,775 | - | - |
| Interest on long-term debt | 1,908,511 | - | - | - |
| Total governmental activities | <u>56,927,945</u> | <u>16,754,712</u> | <u>4,735,222</u> | <u>4,146,672</u> |
| Business-type activities: | | | | |
| Solid waste | 8,000,944 | 8,158,675 | - | - |
| Marina | 5,335,268 | 5,154,726 | - | - |
| Storm Water | 2,820,373 | 3,512,114 | - | - |
| Golf Course | 1,629,512 | 1,200,270 | - | - |
| Sunrise Theatre | 3,599,713 | 2,590,383 | 548,305 | - |
| Building Fund | 2,951,806 | 6,435,242 | - | - |
| Total business-type activities | <u>24,337,616</u> | <u>27,051,410</u> | <u>548,305</u> | <u>-</u> |
| Total primary government | <u>\$ 81,265,561</u> | <u>\$ 43,806,122</u> | <u>\$ 5,283,527</u> | <u>\$ 4,146,672</u> |
| Component units: | | | | |
| Fort Pierce Utilities Authority | \$ 128,270,801 | \$ 128,620,584 | \$ 1,907,306 | \$ 6,244,279 |
| Total component units | <u>\$ 128,270,801</u> | <u>\$ 128,620,584</u> | <u>\$ 1,907,306</u> | <u>\$ 6,244,279</u> |
| General revenues: | | | | |
| Ad valorem taxes | | | | |
| General sales and use taxes | | | | |
| Utility service and franchise taxes | | | | |
| State revenue sharing-unrestricted | | | | |
| Additional one cent sales taxes | | | | |
| Insurance premium tax | | | | |
| Contributions from component unit | | | | |
| Miscellaneous | | | | |
| Unrestricted investment earnings | | | | |
| Transfers | | | | |
| Total general revenues, and transfers | | | | |
| Change in net position | | | | |
| Net position - beginning (as restated) | | | | |
| Net position - ending | | | | |

The accompanying notes are an integral part of this statement.

| Net (expense) Revenue and Change in Net Position | | | |
|---------------------------------------------------------|-------------------------------------|------------------------|------------------------------------------------|
| Primary Government | | | Component Unit |
| Governmental Activities | Business-type Activities | Total | Fort Pierce Utilities Authority |
| \$ (13,400,550) | \$ - | \$ (13,400,550) | \$ - |
| (21,892,331) | - | (21,892,331) | - |
| (3,796,200) | - | (3,796,200) | - |
| 13,096,603 | - | 13,096,603 | - |
| (3,390,350) | - | (3,390,350) | - |
| (1,908,511) | - | (1,908,511) | - |
| <u>(31,291,339)</u> | <u>-</u> | <u>(31,291,339)</u> | <u>-</u> |
| - | 157,731 | 157,731 | - |
| - | (180,542) | (180,542) | - |
| - | 691,741 | 691,741 | - |
| - | (429,242) | (429,242) | - |
| - | (461,025) | (461,025) | - |
| - | 3,483,436 | 3,483,436 | - |
| - | 3,262,099 | 3,262,099 | - |
| <u>\$ (31,291,339)</u> | <u>\$ 3,262,099</u> | <u>\$ (28,029,240)</u> | <u>\$ -</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,501,368</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,501,368</u> |
| \$ 19,490,242 | \$ - | \$ 19,490,242 | \$ - |
| 2,342,735 | - | 2,342,735 | - |
| 4,693,936 | - | 4,693,936 | - |
| 2,102,740 | - | 2,102,740 | - |
| 5,366,622 | - | 5,366,622 | - |
| 453,086 | - | 453,086 | - |
| 6,524,408 | - | 6,524,408 | (6,524,408) |
| 1,236,162 | - | 1,236,162 | 17,695 |
| 22,556 | 1,630 | 24,186 | 2,382,770 |
| (172,590) | 172,590 | - | - |
| <u>42,059,897</u> | <u>174,220</u> | <u>42,234,117</u> | <u>(4,123,943)</u> |
| 10,768,558 | 3,436,319 | 14,204,877 | 4,377,425 |
| 65,044,914 | 73,108,644 | 138,153,558 | 205,051,575 |
| <u>\$ 75,813,472</u> | <u>\$ 76,544,963</u> | <u>\$ 152,358,435</u> | <u>\$ 209,429,000</u> |

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FUND FINANCIAL STATEMENTS

- ◆ **Governmental Funds**

- ◆ **Proprietary funds**
- ◆ **Fiduciary funds**



City of Fort Pierce, Florida
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2022

| | General Fund | Community Redevelopment Agency | Road Impact Fee Fund |
|--------------------------------------------------------------------------|----------------------|--------------------------------------|----------------------------|
| ASSETS | | | |
| Cash and investments | \$ 8,141,793 | \$ 2,231,426 | \$ 5,236,774 |
| Accounts receivables | 6,713,261 | 295,930 | - |
| Liens receivables | 5,020,047 | - | - |
| Due from component unit | 295,505 | - | 8,640 |
| Due from other funds | 2,541,089 | - | - |
| Advances to other funds | - | - | - |
| Due from other governments | 558,425 | - | - |
| Prepaid items | 402,563 | 40,571 | - |
| Inventories | 64,101 | - | - |
| Notes receivable | - | - | - |
| Total assets | <u>\$ 23,736,784</u> | <u>\$ 2,567,927</u> | <u>\$ 5,245,414</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts payable and accrued liabilities | \$ 1,393,912 | \$ 50,885 | \$ 15,415 |
| Contracts payable - retainage | - | - | 6,786 |
| Deposits | 55,616 | - | - |
| Due to other funds | - | 25,191 | - |
| Advances from other funds | 197,515 | - | - |
| Revenue in advance | 244,874 | - | - |
| Total liabilities | <u>1,891,917</u> | <u>76,076</u> | <u>22,201</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable revenue | 8,912,639 | 273,510 | - |
| Total Deferred Inflows | <u>8,912,639</u> | <u>273,510</u> | <u>-</u> |
| FUND BALANCES | | | |
| Nonspendable | 466,664 | 40,571 | - |
| Restricted | - | 2,177,770 | 5,223,213 |
| Assigned | 4,751,350 | - | - |
| Unassigned | 7,714,214 | - | - |
| Total fund balances | <u>12,932,228</u> | <u>2,218,341</u> | <u>5,223,213</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 23,736,784</u> | <u>\$ 2,567,927</u> | <u>\$ 5,245,414</u> |

The accompanying notes are an integral part of this statement.

| Half-Cent Infrastructure Fund | Other Governmental Funds | Totals |
|-------------------------------------|--------------------------------|----------------------|
| \$ 5,125,449 | \$ 12,552,715 | \$ 33,288,157 |
| - | 54,477 | 7,063,668 |
| - | - | 5,020,047 |
| - | 24,875 | 329,020 |
| - | - | 2,541,089 |
| - | 302,039 | 302,039 |
| - | 1,507,065 | 2,065,490 |
| - | 3,734 | 446,868 |
| - | - | 64,101 |
| - | 1,592,470 | 1,592,470 |
| <u>\$ 5,125,449</u> | <u>\$ 16,037,375</u> | <u>\$ 52,712,949</u> |

| | | |
|----------------|------------------|------------------|
| \$ 106,241 | \$ 850,862 | \$ 2,417,315 |
| 9,303 | - | 16,089 |
| - | - | 55,616 |
| - | 565,684 | 590,875 |
| - | - | 197,515 |
| - | 964,508 | 1,209,382 |
| <u>115,544</u> | <u>2,381,054</u> | <u>4,486,792</u> |

| | | |
|---|-----------|------------|
| - | 1,592,441 | 10,778,590 |
| - | 1,592,441 | 10,778,590 |

| | | |
|------------------|-------------------|-------------------|
| - | 3,734 | 510,969 |
| 5,009,905 | 11,753,524 | 24,164,412 |
| - | 306,622 | 5,057,972 |
| - | - | 7,714,214 |
| <u>5,009,905</u> | <u>12,063,880</u> | <u>37,447,567</u> |

| | | |
|---------------------|----------------------|----------------------|
| <u>\$ 5,125,449</u> | <u>\$ 16,037,375</u> | <u>\$ 52,712,949</u> |
|---------------------|----------------------|----------------------|

City of Fort Pierce, Florida

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

September 30, 2022

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|-------------------|
| Total fund balance per this statement | \$ | 37,447,567 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are reported in the funds. The cost of the assets is \$255,260,498 and the accumulated depreciation is \$152,366,497 | | 102,894,001 |
| Long-term liabilities (lease obligations, intergovernmental notes, other post employment benefits, accrued compensated absences, and pension liability) of \$92,809,285 plus unamortized premiums of \$3,022,169 are not due and payable and therefore, are not reported in the funds. | | (89,787,116) |
| Governmental funds do not report a liability for accrued interest until it is due and payable. Accrued interest must be reported as a liability in the government-wide financial statements. | | (303,977) |
| Insurance costs related to debt issuances and deferred charges on refundings are financial uses in the fund statement; for full accrual, however these expenses are reported as non-current assets in the government-wide financial statements. | | 2,071,776 |
| Various receivables, (liens receivable, loans receivable, notes receivable, leases and due from other governments are not financial resources in the current period and therefore, are reported as unavailable revenue in the funds. | | 3,657,683 |
| Deferred inflows related to pensions other post employment benefits, and leases are not financial resources and therefore are not reported in governmental funds | | (1,856,283) |
| Deferred outflows related to pensions and other post employment benefits are not financial resources and therefore are not reported in governmental funds | | 21,689,821 |
| Net position of governmental activities | \$ | <u>75,813,472</u> |

The accompanying notes are an integral part of this statement.

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City of Fort Pierce, Florida
**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**
GOVERNMENTAL FUNDS
Year ended September 30, 2022

| | General Fund | Community Redevelopment Agency |
|----------------------------------------------|----------------------|--------------------------------------|
| Revenues | | |
| Taxes | \$ 26,526,913 | \$ - |
| Licenses and permits | 917,137 | 1,372 |
| Intergovernmental | 8,944,827 | 7,925,408 |
| Charges for services | 746,885 | - |
| Fines and forfeitures | 242,484 | - |
| Contributions from component unit | 6,524,408 | - |
| Investment income | 2,638 | 377 |
| Other | 2,806,917 | 349,795 |
| Total revenues | <u>46,712,209</u> | <u>8,276,952</u> |
| Expenditures | | |
| Current | | |
| General government | 16,045,102 | - |
| Public safety | 19,162,903 | - |
| Transportation | 3,651,724 | - |
| Economic environment | - | 1,257,300 |
| Culture and recreation | 3,323,547 | - |
| Capital outlay | 3,139,748 | 66,858 |
| Debt service | | |
| Principal | - | - |
| Interest and fees | 9,124 | - |
| Other | - | - |
| Total expenditures | <u>45,332,148</u> | <u>1,324,158</u> |
| Excess of revenues over (under) expenditures | 1,380,061 | 6,952,794 |
| Other financing sources (uses) | | |
| Transfers in | 7,416,909 | - |
| Lease proceeds | 1,496,272 | - |
| Transfers out | <u>(8,267,174)</u> | <u>(6,399,012)</u> |
| Total other financing sources (uses) | <u>646,007</u> | <u>(6,399,012)</u> |
| Net change in fund balances | 2,026,068 | 553,782 |
| Fund balances - beginning of year | <u>10,906,160</u> | <u>1,664,559</u> |
| Fund balances - end of year | <u>\$ 12,932,228</u> | <u>\$ 2,218,341</u> |

The accompanying notes are an integral part of this statement.

| Road Impact Fee Fund | Half-Cent Infrastructure Fund | Other Governmental Funds | Totals |
|----------------------------|-------------------------------------|--------------------------------|----------------------|
| \$ - | \$ - | \$ - | \$ 26,526,913 |
| - | - | 440,101 | 1,358,610 |
| - | - | 8,647,430 | 25,517,665 |
| - | - | - | 746,885 |
| - | - | - | 242,484 |
| - | - | - | 6,524,408 |
| 333 | 327 | 18,881 | 22,556 |
| 3,016,136 | - | 2,460,433 | 8,633,281 |
| <u>3,016,469</u> | <u>327</u> | <u>11,566,845</u> | <u>69,572,802</u> |
| - | - | - | 16,045,102 |
| - | - | 1,220,292 | 20,383,195 |
| - | - | - | 3,651,724 |
| 56,401 | 793 | 1,821,956 | 3,136,450 |
| - | - | - | 3,323,547 |
| 833,733 | 560,255 | 3,439,433 | 8,040,027 |
| - | - | 6,089,637 | 6,089,637 |
| - | - | 1,863,849 | 1,872,973 |
| - | - | 900 | 900 |
| <u>890,134</u> | <u>561,048</u> | <u>14,436,067</u> | <u>62,543,555</u> |
| 2,126,335 | (560,721) | (2,869,222) | 7,029,247 |
| - | 2,644,418 | 9,822,775 | 19,884,102 |
| - | - | - | 1,496,272 |
| - | - | (5,390,506) | (20,056,692) |
| <u>-</u> | <u>2,644,418</u> | <u>4,432,269</u> | <u>1,323,682</u> |
| 2,126,335 | 2,083,697 | 1,563,047 | 8,352,929 |
| 3,096,878 | 2,926,208 | 10,500,833 | 29,094,638 |
| <u>\$ 5,223,213</u> | <u>\$ 5,009,905</u> | <u>\$ 12,063,880</u> | <u>\$ 37,447,567</u> |

City of Fort Pierce, Florida

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

Year ended September 30, 2022

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Net change in fund balances-total governmental funds | \$ 8,352,929 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | |
| Governmental funds report capital outlays as expenditures, however, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay (\$8,040,027) exceeds depreciation (\$4,896,880) in the current period. | 3,143,147 |
| Governmental funds report the sale of general capital assets as financial resources, the deletions of general capital assets is not reflected in the fund statement. This is the net amount of the proceeds and the adjusted basis of the assets deleted. | (37,676) |
| Debt issuance (\$1,496,272) used for lease acquisitions are other financing sources(uses) in the governmental funds, but increase(decrease) long-term liabilities in the Statement of Net Assets. | (1,496,272) |
| Repayment of bond and note principal (\$6,089,637) are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. | 6,089,637 |
| Compensated Absences of (\$287,174) reported in the Statement of Activities, do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds. | (287,174) |
| In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds interest expenditures are reported when due. This is the net amount between the prior and current year. | (24,740) |
| Governmental funds do not recognize expenditures for the Change in Net Pension Asset/Liability and OPEB each year. This represents the change in the Net Pension Liability and OPEB in the current year. | (4,711,189) |
| Bond insurance costs and discounts are reported as expenditures when paid. In the Statement of Net Position these costs are amortized. Current year amortization expense was (\$12,352) | (12,352) |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This is the net amount between the prior and current year. | (247,752) |
| Change in Net position of governmental activities | <u>\$ 10,768,558</u> |

The accompanying notes are an integral part of this statement.

City of Fort Pierce, Florida
**STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND**
Year ended September 30, 2022

| | Budgeted Amounts | | Actual | Variance |
|---------------------------------------|------------------|---------------|---------------|----------|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 25,524,838 | \$ 26,526,913 | \$ 26,526,913 | \$ - |
| Licenses and permits | 445,400 | 917,137 | 917,137 | - |
| Intergovernmental | 7,052,186 | 8,944,827 | 8,944,827 | - |
| Charges for services | 384,200 | 746,885 | 746,885 | - |
| Fines and forfeitures | 335,000 | 242,484 | 242,484 | - |
| Contributions from component unit | 6,578,958 | 6,524,408 | 6,524,408 | - |
| Investment income | 80,000 | 2,638 | 2,638 | - |
| Other | 2,564,431 | 2,806,917 | 2,806,917 | - |
| Total revenues | 42,965,013 | 46,712,209 | 46,712,209 | - |
| Expenditures | | | | |
| General government | 17,957,240 | 17,801,106 | 17,801,106 | - |
| Public safety | 17,314,557 | 20,555,771 | 20,555,771 | - |
| Transportation | 3,564,905 | 3,651,724 | 3,651,724 | - |
| Culture and recreation | 2,715,736 | 3,323,547 | 3,323,547 | - |
| Total expenditures | 41,552,438 | 45,332,148 | 45,332,148 | - |
| Excess of revenues over expenditures | 1,412,575 | 1,380,061 | 1,380,061 | - |
| Other financing sources (uses) | | | | |
| Lease proceeds | - | 1,496,272 | 1,496,272 | - |
| Transfers in | 5,148,483 | 7,416,909 | 7,416,909 | - |
| Transfers out | (5,961,058) | (8,267,174) | (8,267,174) | - |
| Total other financing sources (uses) | (812,575) | 646,007 | 646,007 | - |
| Net change in fund balances | 600,000 | 2,026,068 | 2,026,068 | - |
| Fund balance - beginning of year | 10,906,160 | 10,906,160 | 10,906,160 | - |
| Fund balance - end of year | \$ 11,506,160 | \$ 12,932,228 | \$ 12,932,228 | \$ - |

The accompanying notes are an integral part of this statement.

City of Fort Pierce, Florida

**STATEMENT OF SPECIAL REVENUE FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY
Year ended September 30, 2022**

| | Budgeted Amounts | | Actual | Variance |
|---------------------------------------|---------------------|---------------------|---------------------|-------------|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 7,760,995 | \$ 7,925,408 | \$ 7,925,408 | \$ - |
| Investment income | 500 | 377 | 377 | - |
| Other | 189,600 | 351,167 | 351,167 | - |
| Total revenues | <u>7,951,095</u> | <u>8,276,952</u> | <u>8,276,952</u> | <u>-</u> |
| Expenditures | | | | |
| Current | | | | |
| Economic environment | 1,419,753 | 1,257,300 | 1,257,300 | - |
| Capital outlay | - | 66,858 | 66,858 | - |
| Total expenditures | <u>1,419,753</u> | <u>1,324,158</u> | <u>1,324,158</u> | <u>-</u> |
| Excess of revenues over expenditures | 6,531,342 | 6,952,794 | 6,952,794 | - |
| Other financing sources (uses) | | | | |
| Transfers out | <u>(6,211,952)</u> | <u>(6,399,012)</u> | <u>(6,399,012)</u> | <u>-</u> |
| Total other financing sources (uses) | (6,211,952) | (6,399,012) | (6,399,012) | - |
| Net change in fund balances | 319,390 | 553,782 | 553,782 | - |
| Fund balance - beginning of year | <u>1,664,559</u> | <u>1,664,559</u> | <u>1,664,559</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 1,983,949</u> | <u>\$ 2,218,341</u> | <u>\$ 2,218,341</u> | <u>\$ -</u> |

The accompanying notes are an integral part of this statement.

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City of Fort Pierce, Florida
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
September 30, 2022

| | Business-type Activities | | |
|--------------------------------------|--------------------------|---------------------|---------------------|
| | Solid Waste | Marina | Storm Water |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and investments | \$ (8,168) | \$ 567,427 | \$ 196,468 |
| Receivables - net of allowances: | | | |
| Accounts | 597,687 | 159,632 | 1,208,358 |
| Unbilled services | 202,607 | - | - |
| Lease receivable | - | 24,205 | - |
| Due from component units | 623,057 | - | - |
| Due from other governments | - | - | 691,067 |
| Inventories and other current assets | 79,101 | 82,469 | - |
| Restricted Assets | | | |
| Cash and investments | - | 236,679 | - |
| Total current assets | <u>1,494,284</u> | <u>1,070,412</u> | <u>2,095,893</u> |
| NON-CURRENT ASSETS | | | |
| Prepaid Insurance | - | - | 11,120 |
| Lease receivable | - | 3,445,086 | - |
| Non-depreciable capital assets | | | |
| Land | - | 9,197 | - |
| Construction in progress | - | - | 473,818 |
| Depreciable capital assets | | | |
| Buildings | 122,858 | 863,433 | - |
| Improvements other than buildings | 47,243 | 47,315,853 | 58,329,497 |
| Equipment | 9,714,276 | 186,000 | 1,085,563 |
| Accumulated depreciation | <u>(8,224,130)</u> | <u>(16,348,071)</u> | <u>(20,629,476)</u> |
| Total non-current assets | <u>1,660,247</u> | <u>35,471,498</u> | <u>39,270,522</u> |
| Total assets | <u>3,154,531</u> | <u>36,541,910</u> | <u>41,366,415</u> |
| DEFERRED OUTFLOWS | | | |
| Deferred charge on refunding | - | 190,428 | - |
| Pensions | 1,535,647 | 328,180 | - |
| OPEB | 20,235 | 4,436 | - |
| Total deferred outflows | <u>1,555,882</u> | <u>523,044</u> | <u>-</u> |

The accompanying notes are an integral part of this statement.

| <u>Golf Course</u> | <u>Sunrise Theatre</u> | <u>Building Fund</u> | <u>Business-type Activities Totals</u> |
|--------------------|------------------------|----------------------|------------------------------------------------|
| \$ 950 | \$ 2,029,144 | \$ 7,912,477 | \$ 10,698,298 |
| - | 6,418 | - | 1,972,095 |
| - | - | - | 202,607 |
| - | - | - | 24,205 |
| - | - | 469 | 623,526 |
| - | - | - | 691,067 |
| 35,445 | 74,968 | 10,072 | 282,055 |
| - | 38,698 | - | 275,377 |
| <u>36,395</u> | <u>2,149,228</u> | <u>7,923,018</u> | <u>14,769,230</u> |
| - | - | - | 11,120 |
| - | - | - | 3,445,086 |
| 314,811 | 350,000 | - | 674,008 |
| - | - | - | 473,818 |
| 884,176 | 16,059,347 | - | 17,929,814 |
| 2,774,831 | 309,016 | 1,024,399 | 109,800,839 |
| 960,904 | 213,635 | 620,468 | 12,780,846 |
| <u>(2,672,357)</u> | <u>(8,931,847)</u> | <u>(448,624)</u> | <u>(57,254,505)</u> |
| <u>2,262,365</u> | <u>8,000,151</u> | <u>1,196,243</u> | <u>87,861,026</u> |
| <u>2,298,760</u> | <u>10,149,379</u> | <u>9,119,261</u> | <u>102,630,256</u> |
| - | - | - | 190,428 |
| 328,021 | 201,442 | 1,321,936 | 3,715,226 |
| 3,792 | 3,301 | 14,853 | 46,617 |
| <u>331,813</u> | <u>204,743</u> | <u>1,336,789</u> | <u>3,952,271</u> |

City of Fort Pierce, Florida
STATEMENT OF NET POSITION- (CONTINUED)
PROPRIETARY FUNDS
September 30, 2022

| | Business-type Activities | | |
|--------------------------------------------|--------------------------|----------------------|----------------------|
| | Solid Waste | Marina | Storm Water |
| LIABILITIES AND EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable and accrued liabilities | \$ 569,168 | \$ 78,268 | \$ 155,538 |
| Contracts payable - retainage | - | - | 14,064 |
| Due to other funds | 6,667 | 3,850 | 602,827 |
| Accrued compensated absences | 25,141 | 12,088 | - |
| Revenue bonds and notes - current | - | 478,947 | 1,017,600 |
| Financed Purchases-current | 220,204 | - | - |
| Lease Payable-current | - | - | - |
| Accrued interest - revenue bonds and notes | - | 21,462 | - |
| Liabilities payable from restricted assets | | | |
| Customer deposits | - | 236,679 | - |
| Revenue in Advance | - | - | - |
| | <u>821,180</u> | <u>831,294</u> | <u>1,790,029</u> |
| NON-CURRENT LIABILITIES | | | |
| Advances from other funds | - | 104,523 | - |
| Other Post Employment Benefits | 153,654 | 33,685 | - |
| Accrued compensated absences | 239,616 | 94,277 | - |
| Net Pension Liability | 2,501,883 | 534,672 | - |
| Financed Purchases | 419,281 | - | - |
| Lease Payable | - | - | - |
| Revenue bonds and notes payable, net | - | 6,473,400 | 6,519,483 |
| | <u>3,314,434</u> | <u>7,240,557</u> | <u>6,519,483</u> |
| Total non-current liabilities | | | |
| | <u>4,135,614</u> | <u>8,071,851</u> | <u>8,309,512</u> |
| DEFERRED INFLOWS | | | |
| Leases | - | 3,248,450 | - |
| Pensions | 10,531 | 2,251 | - |
| OPEB | 49,813 | 10,920 | - |
| Total deferred inflows | <u>60,344</u> | <u>3,261,621</u> | <u>-</u> |
| NET POSITION | | | |
| Net Invested in capital assets | 1,020,762 | 25,264,493 | 31,722,319 |
| Unrestricted | (506,307) | 466,989 | 1,334,584 |
| Total net position | <u>\$ 514,455</u> | <u>\$ 25,731,482</u> | <u>\$ 33,056,903</u> |

The accompanying notes are an integral part of this statement.

| | | | Business-type Activities Totals |
|-------------|-----------------|---------------|---------------------------------------|
| Golf Course | Sunrise Theatre | Building Fund | |
| \$ 59,742 | \$ 193,291 | \$ 265,485 | \$ 1,321,492 |
| - | - | - | 14,064 |
| 1,310,727 | 2,750 | 23,393 | 1,950,214 |
| 12,020 | 4,229 | 7,282 | 60,760 |
| - | - | - | 1,496,547 |
| - | - | - | 220,204 |
| 81,029 | - | - | 81,029 |
| - | - | - | 21,462 |
| - | 38,698 | - | 275,377 |
| - | 513,446 | - | 513,446 |
| 1,463,518 | 752,414 | 296,160 | 5,954,595 |
| - | - | - | 104,523 |
| 28,794 | 25,064 | 112,783 | 353,980 |
| 36,240 | 60,219 | 163,316 | 593,668 |
| 534,413 | 328,191 | 2,153,705 | 6,052,864 |
| - | - | - | 419,281 |
| 177,084 | - | - | 177,084 |
| - | - | - | 12,992,883 |
| 776,531 | 413,474 | 2,429,804 | 20,694,283 |
| 2,240,049 | 1,165,888 | 2,725,964 | 26,648,878 |
| - | - | - | 3,248,450 |
| 2,252 | 1,381 | 9,065 | 25,480 |
| 9,335 | 8,125 | 36,563 | 114,756 |
| 11,587 | 9,506 | 45,628 | 3,388,686 |
| 2,004,252 | 8,000,151 | 1,196,243 | 69,208,220 |
| (1,625,315) | 1,178,577 | 6,488,215 | 7,336,743 |
| \$ 378,937 | \$ 9,178,728 | \$ 7,684,458 | \$ 76,544,963 |

City of Fort Pierce, Florida
**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS**
Year ended September 30, 2022

| | Business-type Activities | | |
|----------------------------------------------------------|--------------------------|----------------------|----------------------|
| | Solid Waste | Marina | Storm Water |
| Operating revenues | | | |
| Sales and charges for services | \$ 8,079,526 | \$ 2,259,202 | \$ 3,510,114 |
| Gas and oil sales | - | 2,044,481 | - |
| Other | 79,149 | 851,043 | 2,000 |
| Total operating revenues | <u>8,158,675</u> | <u>5,154,726</u> | <u>3,512,114</u> |
| Operating expenses | | | |
| Personal services | 2,780,012 | 543,120 | - |
| General and administrative | 80,000 | - | 346,292 |
| Cost of goods and services sold | 2,848,103 | 1,857,582 | - |
| Depreciation | 775,074 | 1,104,745 | 1,430,561 |
| Other operating expenses | 1,493,805 | 1,602,939 | 869,341 |
| Total operating expenses | <u>7,976,994</u> | <u>5,108,386</u> | <u>2,646,194</u> |
| Operating income (loss) | 181,681 | 46,340 | 865,920 |
| Non-operating revenues (expenses) | | | |
| Investment income | 44 | 108 | 903 |
| Intergovernmental | - | - | - |
| Interest expense | (23,950) | (226,882) | (174,179) |
| Total non-operating revenues (expenses) | <u>(23,906)</u> | <u>(226,774)</u> | <u>(173,276)</u> |
| Income (loss) before transfers and capital contributions | 157,775 | (180,434) | 692,644 |
| Capital Contributions | - | - | - |
| Transfers in | - | - | 196,468 |
| Transfers out | (1,010,713) | (250,000) | - |
| CHANGE IN NET POSITION | (852,938) | (430,434) | 889,112 |
| Total net position - beginning-restated | <u>1,367,393</u> | <u>26,161,916</u> | <u>32,167,791</u> |
| Total net position - end of year | <u>\$ 514,455</u> | <u>\$ 25,731,482</u> | <u>\$ 33,056,903</u> |

The accompanying notes are an integral part of this statement.

| | | | Business-type Activities Totals |
|-------------------|---------------------|---------------------|---------------------------------------|
| Golf Course | Sunrise Theatre | Building Fund | |
| \$ 1,194,657 | \$ 2,416,327 | \$ 6,383,787 | \$ 23,843,613 |
| - | - | - | 2,044,481 |
| 5,613 | 174,056 | 51,455 | 1,163,316 |
| <u>1,200,270</u> | <u>2,590,383</u> | <u>6,435,242</u> | <u>27,051,410</u> |
| 649,928 | 399,278 | 1,910,815 | 6,283,153 |
| 68,527 | 106,024 | - | 600,843 |
| 42,877 | 639,390 | - | 5,387,952 |
| 185,836 | 563,338 | 87,935 | 4,147,489 |
| 672,654 | 1,891,683 | 953,056 | 7,483,478 |
| <u>1,619,822</u> | <u>3,599,713</u> | <u>2,951,806</u> | <u>23,902,915</u> |
| (419,552) | (1,009,330) | 3,483,436 | 3,148,495 |
| - | 113 | 462 | 1,630 |
| - | 548,305 | - | 548,305 |
| (9,690) | - | - | (434,701) |
| <u>(9,690)</u> | <u>548,418</u> | <u>462</u> | <u>115,234</u> |
| (429,242) | (460,912) | 3,483,898 | 3,263,729 |
| - | - | - | - |
| - | 1,244,166 | - | 1,440,634 |
| - | - | (7,331) | (1,268,044) |
| (429,242) | 783,254 | 3,476,567 | 3,436,319 |
| 808,179 | 8,395,474 | 4,207,891 | 73,108,644 |
| <u>\$ 378,937</u> | <u>\$ 9,178,728</u> | <u>\$ 7,684,458</u> | <u>\$ 76,544,963</u> |

City of Fort Pierce, Florida
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year ended September 30, 2022

| | Business-type Activities | |
|----------------------------------------------------------------------|--------------------------|-------------------|
| | Solid Waste | Marina |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers | \$ 8,230,329 | \$ 4,854,173 |
| Receipts from rental property | - | 198,280 |
| Payments to suppliers for goods and services | (4,627,560) | (3,754,313) |
| Payments to employees for services | (1,588,869) | (197,895) |
| Payments for benefits on behalf of employees | (762,121) | (243,480) |
| Net cash provided (used) by operating activities | <u>1,251,779</u> | <u>856,765</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | |
| Transfers in | - | - |
| Transfers (out) | (1,010,713) | (250,000) |
| Net cash provided (used) by noncapital financing activities | <u>(1,010,713)</u> | <u>(250,000)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Acquisition and construction of capital assets | (223,786) | (20,022) |
| Receipts from Intergovernmental | - | - |
| Bond, loan, financed purchases, and lease principal payments | (487,924) | (468,061) |
| Bond, loan, financed purchases and lease interest payments | (23,955) | (201,743) |
| Net cash provided (used) by capital and related financing activities | <u>(735,665)</u> | <u>(689,826)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest on cash and investments | 44 | 108 |
| Net cash provided (used) by investing activities | <u>44</u> | <u>108</u> |
| Net increase (decrease) in cash and investments | (494,555) | (82,953) |
| Cash and investments at beginning of year | 486,387 | 887,059 |
| Cash and investments at end of year | <u>\$ (8,168)</u> | <u>\$ 804,106</u> |
| Cash and investments-unrestricted | \$ (8,168) | \$ 567,427 |
| Cash and investments-restricted | - | 236,679 |
| | <u>\$ (8,168)</u> | <u>\$ 804,106</u> |

The accompanying notes are an integral part of this statement.

| | | | | Business-type Activities Totals |
|--------------------|------------------|---------------------|---------------------|---------------------------------------|
| Storm Water | Golf Course | Sunrise Theatre | Building Fund | |
| \$ 3,662,922 | \$ 1,200,431 | \$ 2,639,512 | \$ 6,435,340 | \$ 27,022,707 |
| - | - | - | - | 198,280 |
| (1,820,751) | (588,308) | (3,323,429) | (869,020) | (14,983,381) |
| - | (183,069) | (221,064) | (1,146,670) | (3,337,567) |
| - | (315,419) | (91,426) | (499,766) | (1,912,212) |
| <u>1,842,171</u> | <u>113,635</u> | <u>(996,407)</u> | <u>3,919,884</u> | <u>6,987,827</u> |
| 196,468 | - | 1,244,166 | - | 1,440,634 |
| - | - | - | (7,331) | (1,268,044) |
| <u>196,468</u> | <u>-</u> | <u>1,244,166</u> | <u>(7,331)</u> | <u>172,590</u> |
| (678,996) | (6,500) | (167,281) | (48,106) | (1,144,691) |
| - | - | 548,305 | - | 548,305 |
| (994,100) | (97,445) | - | - | (2,047,530) |
| (169,978) | (9,690) | - | - | (405,366) |
| <u>(1,843,074)</u> | <u>(113,635)</u> | <u>381,024</u> | <u>(48,106)</u> | <u>(3,049,282)</u> |
| 903 | - | 113 | 462 | 1,630 |
| 903 | - | 113 | 462 | 1,630 |
| 196,468 | - | 628,896 | 3,864,909 | 4,112,765 |
| - | 950 | 1,438,946 | 4,047,568 | 6,860,910 |
| <u>\$ 196,468</u> | <u>\$ 950</u> | <u>\$ 2,067,842</u> | <u>\$ 7,912,477</u> | <u>\$ 10,973,675</u> |
| \$ 196,468 | \$ 950 | \$ 2,029,144 | \$ 7,912,477 | \$ 10,698,298 |
| - | - | 38,698 | - | 275,377 |
| <u>\$ 196,468</u> | <u>\$ 950</u> | <u>\$ 2,067,842</u> | <u>\$ 7,912,477</u> | <u>\$ 10,973,675</u> |

City of Fort Pierce, Florida
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
Year ended September 30, 2022

| | Business-type Activities | |
|------------------------------------------------------------------------------------------------|--------------------------|-------------------|
| | Solid Waste | Marina |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| Operating income (loss) | \$ 181,681 | \$ 46,340 |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | |
| Depreciation expense | 775,074 | 1,104,745 |
| (Increase) decrease in accounts receivable | 30,412 | (32,733) |
| (Increase) decrease in lease receivable | - | (97,390) |
| (Increase) decrease in due from component unit | 41,242 | - |
| (Increase) decrease in inventories and other current assets | (79,101) | (49,888) |
| (Increase) decrease in deferred outflows | (1,439,308) | (308,204) |
| Increase (decrease) in accounts payable and accrued liabilities | (100,847) | (90,976) |
| Increase (decrease) in due to other funds | - | (149,171) |
| Increase (decrease) in customer deposits | - | 27,850 |
| Increase (decrease) in other post employment benefits | (24,604) | (6,131) |
| Increase (decrease) in Net Pension Liability | 2,484,823 | 531,157 |
| Increase (decrease) in Deferred Inflows | (639,285) | (131,381) |
| Increase (decrease) in accrued compensated absences | 21,692 | 12,547 |
| Net cash provided (used) by operating activities | <u>\$ 1,251,779</u> | <u>\$ 856,765</u> |
| NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES | | |
| Equipment purchased with leases | \$ - | \$ - |
| | <u>\$ -</u> | <u>\$ -</u> |

The accompanying notes are an integral part of this statement.

| | | | | Business-type Activities Totals |
|---------------------|-------------------|---------------------|---------------------|---------------------------------------|
| Storm Water | Golf Course | Sunrise Theatre | Building Fund | |
| \$ 865,920 | \$ (419,552) | \$ (1,009,330) | 3,483,436 | \$ 3,148,495 |
| 1,430,561 | 185,836 | 563,338 | 87,935 | 4,147,489 |
| 19,583 | 1,048 | 171 | - | 18,481 |
| - | - | - | - | (97,390) |
| 131,225 | - | - | 98 | 172,565 |
| - | (18,259) | (74,968) | (10,072) | (232,288) |
| - | (314,897) | (192,006) | (1,231,859) | (3,486,274) |
| (102,986) | 10,464 | 134,486 | 91,738 | (58,121) |
| (502,132) | 210,872 | (737,895) | 3 | (1,178,323) |
| - | (887) | 48,958 | - | 75,921 |
| - | 4,852 | 1,109 | (34,929) | (59,703) |
| - | 531,893 | 326,431 | 2,138,055 | 6,012,359 |
| - | (91,457) | (63,408) | (594,152) | (1,519,683) |
| - | 13,722 | 6,707 | (10,369) | 44,299 |
| <u>\$ 1,842,171</u> | <u>\$ 113,635</u> | <u>\$ (996,407)</u> | <u>\$ 3,919,884</u> | <u>\$ 6,987,827</u> |
| <u>\$ -</u> | <u>\$ 302,471</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 302,471</u> |
| <u>\$ -</u> | <u>\$ 302,471</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 302,471</u> |

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TRUST FUNDS

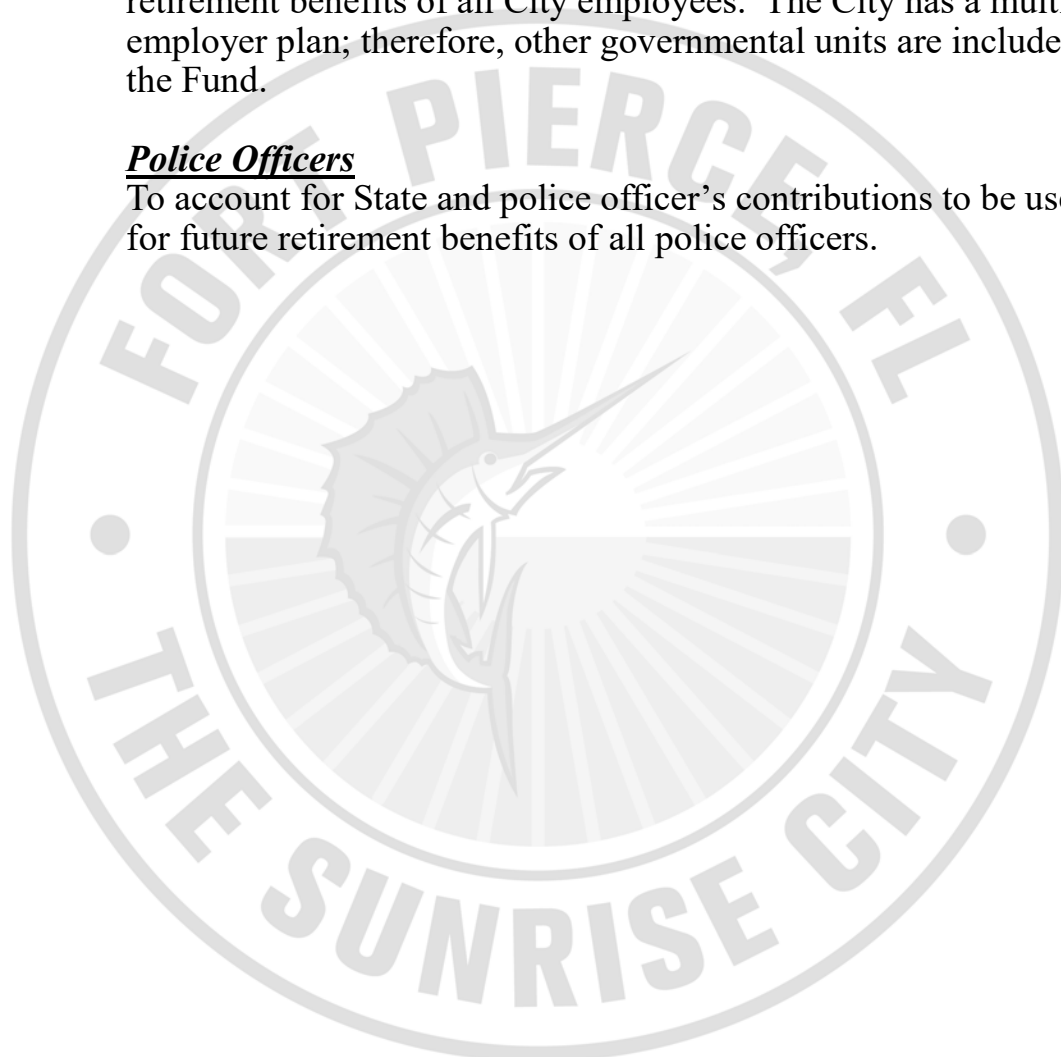
◆ Pension Trust

General Employees

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

Police Officers

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



City of Fort Pierce, Florida
STATEMENT OF FIDUCIARY FUNDS NET POSITION
September 30, 2022

| | Pension Trusts |
|---------------------------------------------------------|-------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 496,080 |
| Investments, at fair value: | |
| U.S. Government Securities | 21,486,474 |
| Mutual Funds | 123,283,131 |
| Municipal Bonds | 236,254 |
| Common Stock | 12,118,769 |
| Corporate Bonds | 26,929,064 |
| Real Estate Trust L.P. | 29,008,920 |
| Common Trust Fund | 1,254,232 |
| Money Market | 2,869,673 |
| Total investments | 217,186,517 |
| Total cash and investments | 217,682,597 |
| Accounts receivable | 328,188 |
| Accrued interest receivable | 400,654 |
| | 218,411,439 |
| LIABILITIES AND NET POSITION | |
| LIABILITIES | |
| Accounts payable and accrued liabilities | 2,754,328 |
| Total liabilities | 2,754,328 |
| NET POSITION-RESTRICTED FOR PENSION BENEFITS | \$ 215,657,111 |

The accompanying notes are an integral part of this statement.

City of Fort Pierce, Florida

STATEMENT OF CHANGES IN FIDUCIARY FUNDS NET POSITION

Year ended September 30, 2022

| | <u>Pension Trusts</u> |
|-----------------------------------------------|---------------------------|
| ADDITIONS | |
| Contributions | |
| Employer | \$ 5,758,891 |
| Employees | 2,550,912 |
| State-Via the General Fund | 453,086 |
| Total contributions | <u>8,762,889</u> |
| Investment income | |
| Interest | 2,182,819 |
| Dividends | 2,074,046 |
| Net depreciation in fair value of investments | (45,160,685) |
| Total investment income | <u>(40,903,820)</u> |
| Investment expenses | <u>(1,009,857)</u> |
| Net investment income | (41,913,677) |
| Total additions | (33,150,788) |
| DEDUCTIONS | |
| Retirement benefits paid | 17,031,923 |
| Refunds of employee contributions | 436,538 |
| Administrative expenses | 291,880 |
| Insurance expense | 23,714 |
| Total deductions | <u>17,784,055</u> |
| Net Increase(Decrease) | (50,934,843) |
| NET POSITION-RESTRICTED FOR PENSION | |
| BENEFITS | |
| Beginning of year | <u>266,591,954</u> |
| End of year | <u>\$ 215,657,111</u> |

The accompanying notes are an integral part of this statement.

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NOTES TO THE FINANCIAL STATEMENTS



NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. REPORTING ENTITY

The City of Fort Pierce, Florida was incorporated in 1901 under the general law. This incorporation was validated by Act of the State Legislature, Chapter 5100, Acts 1901. The City covers an area of approximately 35.37 square miles and is located in St. Lucie County, Florida. The City operates under an elected City Commission (5 members) and provides services to its more than 49,488 residents in the form of law enforcement, street maintenance, solid waste, culture and recreation, planning and zoning, human resources and general administrative services.

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

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

Blended component units, although legally separate entities, are, in substance, part of the City’s operations. Accordingly, data from these component units are included with data of the primary government. The discretely presented component unit, on the other hand, is reported in a separate column in the financial statements to emphasize that it is legally separate from the City. The financial activities and balances for each blended and discretely presented component units are as of and for the period ended September 30, 2022.

A. BLENDED COMPONENT UNITS

Community Redevelopment Agency

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. REPORTING ENTITY (CONTINUED)

B. DISCRETELY PRESENTED COMPONENT UNIT

Fort Pierce Utilities Authority

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

C. RELATED ORGANIZATION

Fort Pierce Housing Authority

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

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

These governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considered property taxes as available if they are collected within 60 days after year-end. A six-month availability period is used for revenue recognition for all other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The city reports the following major governmental funds:

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

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

The *road impact fee-special revenue fund* accounts for the road impact fee revenue that is restricted for road work within the City.

The *half cent infrastructure-special revenue fund* accounts for the half cent sales tax revenue that is restricted for infrastructure projects within the City.

The government reports the following major proprietary funds:

Business type activities

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

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

Governmental activities

Additionally, the government reports the following fund types:

Fiduciary funds

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

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

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

Proprietary funds distinguish *operating* revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

a. Deposits and investments

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

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

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

b. Receivables and payables

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

For leases where the City is Lessor, lease receivables were reported on October 1, 2021 upon implementation of GASB 87, Leases. Lease receivables are separated between current and noncurrent, and are reported at the present value of lease payments expected to be received during the lease term.

c. Due to/Due from

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

d. Inventories and prepaid items

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

e. Restricted assets

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

The Fort Pierce Utilities Authority has similar restricted assets.

f. Capital assets

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

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

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

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

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

g. Deferred outflows/inflows of resources (continued)

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

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

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

h. Compensated absences

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

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

i. Other Post Employment Benefits

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

j. Long-term obligations

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

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

k. Fund equity

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

5. ACCOUNTING ESTIMATES

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

6. RESTATEMENT OF PRIOR YEAR NET POSITION

The October 1, 2021 beginning net position has been restated due to the implementation of GASB Statement 87:

| | Governmental Activities | Business-type Activities | Total | Proprietary Funds | |
|---------------------------------------|----------------------------|-----------------------------|-----------------------|----------------------|-------------------|
| | | | | Marina | Golf Course |
| Beginning Net Position Net GASB 87 | \$ 64,946,131 | \$ 72,988,208 | \$ 137,934,339 | \$ 26,038,445 | \$ 811,214 |
| lease adjustment | 98,783 | 120,436 | 219,219 | 123,471 | (3,035) |
| Beginning Net Position-Restated | <u>\$ 65,044,914</u> | <u>\$ 73,108,644</u> | <u>\$ 138,153,558</u> | <u>\$ 26,161,916</u> | <u>\$ 808,179</u> |

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. NEW PRONOUNCEMENT

The City implemented GASB Statement No. 87: Leases as of October 1, 2021. That statement 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 statement a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Leases are to be measured using the facts and circumstances that exist at the beginning of the year of implementation.

NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. Budgetary Information

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

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

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

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

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE B - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

- g. In accordance with past practices, after the close of the year, the budget has been amended to reflect changes in available revenues and transfers of appropriations between departments and programs.

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

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

“Total fund balances” as reported on the City’s Governmental Funds Balance Sheet \$37,447,567 differs from the “net position” of governmental activities \$75,813,472 that are reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the Governmental Funds Balance Sheet. The effect of the differences is illustrated below.

Capital related items

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

| | |
|-----------------------------------------------|-----------------------|
| Cost of capital assets, not being depreciated | \$ 24,586,667 |
| Cost of capital assets, being depreciated | 230,673,831 |
| Accumulated depreciation | <u>(152,366,497)</u> |
| Total | <u>\$ 102,894,001</u> |

Long-term debt transactions

Long-term liabilities applicable to the City’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2022 were:

| | |
|--------------------------------|------------------------|
| Bonds and notes payable | \$ (49,139,612) |
| Lease payable | (2,570,798) |
| Other post employment benefits | (1,837,877) |
| Net Pension Liability | (32,548,966) |
| Compensated absences | <u>(3,689,863)</u> |
| Total | <u>\$ (89,787,116)</u> |

Accrued interest

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

| | |
|------------------------|---------------------|
| Bond and revenue notes | <u>\$ (303,977)</u> |
|------------------------|---------------------|

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

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

Prepaid Insurance and Deferred Charge on Refunding

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

| | |
|----------------------------------|------------------|
| Net bond insurance costs | \$ 21,026 |
| | <u>21,026</u> |
| Net Deferred charge on refunding | \$ 2,050,750 |
| | <u>2,050,750</u> |

Unavailable revenues

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

| | |
|---------------------------------|------------------|
| Liens receivable | \$ 9,174,704 |
| Loans receivable | 41,592 |
| Lease receivable | 795,212 |
| Notes receivable | 1,562,288 |
| Allowance for doubtful accounts | (7,916,113) |
| Deferred revenues | \$ 3,657,683 |
| | <u>3,657,683</u> |

Deferred Inflows and Outflows from Pension, OPEB, and Lease Activity

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

| | |
|-----------------------------------------------|--------------------|
| Deferred Inflows-Pensions and OPEB and Leases | \$ (1,856,283) |
| | <u>(1,856,283)</u> |
| Deferred Outflows-Pensions and OPEB | \$ 21,689,821 |
| | <u>21,689,821</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

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

Elimination of inter-fund receivables/payables

Inter-fund receivables and payables in the amount of \$788,391 between governmental funds have been eliminated for the Statement of Net Position.

The “net change in fund balances” for government funds \$8,352,929 differs from the “change in net position” for governmental activities \$10,768,558 reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

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

| | |
|----------------------|---------------------|
| Capital outlay | \$ 8,040,027 |
| Depreciation expense | (4,896,880) |
| | <u>\$ 3,143,147</u> |

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

| | |
|-------------------------------------------|--------------------|
| Net book value of capital assets disposed | <u>\$ (37,676)</u> |
|-------------------------------------------|--------------------|

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

| | |
|---------------------------|-----------------------|
| Lease Obligation Proceeds | <u>\$ (1,496,272)</u> |
|---------------------------|-----------------------|

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

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

Long-term debt transactions

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

| | |
|-------------------------------------------|---------------------|
| Bond, notes, and lease principal payments | \$ <u>6,089,637</u> |
|-------------------------------------------|---------------------|

Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds. The amounts listed below are the net of prior and current fiscal years and are included in the Statement of activities.

| | |
|----------------------------------------------|-----------------------|
| Net change in other post employment benefits | \$ <u>8,839</u> |
| Net change in compensated absences | \$ <u>(287,174)</u> |
| Net interest adjustment | \$ <u>(24,740)</u> |
| Net Change in Pension Asset/Liability | \$ <u>(4,720,028)</u> |

Bond issuance costs

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

| | |
|-----------------------|--------------------|
| Amortization expenses | \$ <u>(12,352)</u> |
|-----------------------|--------------------|

Deferred revenues

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

| | |
|--------------------------------|---------------------|
| Net change in Deferred Revenue | \$ <u>(247,752)</u> |
|--------------------------------|---------------------|

Reclassification and Eliminations

The General Fund recognizes revenues in the amount of \$1,418,277 for the general administrative charges to the various functions. These revenues and expenditures must be eliminated to avoid “double counting”. Transfers in and transfers out in the amount of \$19,884,102 between governmental activities are eliminated in the government-wide financial statements.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE D – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments. The carrying amount of these deposits at September 30, 2022 was \$44,261,832 and the bank balance was \$38,372,325. The deposits are insured by federal depository insurance or collateralized under the provisions of Chapter 280, Florida Statutes.

Deposits - Florida statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral for their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits. The City had deposits only with qualifying institutions as of September 30, 2022, or with banks in which depository insurance was sufficient to cover the deposit balance.

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

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

The Florida PRIME has met the criteria as a "2a7-like" pool; this pool was assigned a rating of AAAM by the Standards and Poor's Rating Service. The FPUA has a \$5,654,000 balance at September 30, 2022. The fair value of the position in the pool is valued the same as the pooled shares.

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

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE D – CASH AND INVESTMENTS (CONTINUED)

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

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

A summary of pooled cash and investments as of September 30, 2022 is as follows:

| | <u>Primary Government</u> | <u>Component Unit-FPUA</u> |
|-------------------------------------------------|-------------------------------|--------------------------------|
| Cash | \$ 2,546,798 | \$ 167,672 |
| Investments: | | |
| Certificates of Deposit and CDARS | - | 7,718,000 |
| State Board of Administration pooled trust fund | - | 5,654,000 |
| Florida Municipal Investment trust | 49,194 | - |
| Money market | - | 4,336,000 |
| Repurchase agreements | 41,665,840 | 27,667,000 |
| Total investments | <u>41,715,034</u> | <u>45,375,000</u> |
| Total pooled cash and investments | <u>\$ 44,261,832</u> | <u>\$ 45,542,672</u> |

All investments held in the primary government and component unit at September 30, 2022 have maturity dates less than one year.

A summary of investments held in pension trust funds as of September 30, 2022 is as follows:

| | <u>Fair Value Measurements</u> | | |
|------------------------|--------------------------------|----------------------|----------------------|
| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| U.S. Agencies | \$ 21,486,474 | \$ - | \$ - |
| Municipal Bonds | 236,254 | - | - |
| Corporate obligations | - | 26,929,064 | - |
| Common stock | 12,118,769 | - | - |
| Mutual funds-equity | 123,283,131 | - | - |
| Real estate trust L.P. | - | - | 29,008,920 |
| Common trust fund | - | - | 1,254,232 |
| Money market funds | 2,869,673 | - | - |
| | <u>\$ 159,994,301</u> | <u>\$ 26,929,064</u> | <u>\$ 30,263,152</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE D – CASH AND INVESTMENTS (CONTINUED)

| | Investment Maturities in Years | | | | | total |
|------------------------|--------------------------------|-------------------|----------------------|---------------------|----------------------|-----------------------|
| | under 1 | 1-5 | 6-10 | 10-20 | over 20 | |
| U.S. Agencies | \$ - | \$ 146,644 | \$ 2,480,057 | \$ 2,111,020 | \$ 16,748,753 | \$ 21,486,474 |
| Municipal Bonds | - | - | - | - | 236,254 | 236,254 |
| Corporate obligations | - | 411,585 | 10,156,714 | 5,441,295 | 10,919,470 | 26,929,064 |
| Common stock | 12,118,769 | - | - | - | - | 12,118,769 |
| Mutual funds-equity | 123,283,131 | - | - | - | - | 123,283,131 |
| Real estate trust L.P. | 29,008,920 | - | - | - | - | 29,008,920 |
| Common trust fund | 1,254,232 | - | - | - | - | 1,254,232 |
| Money market funds | 2,869,673 | - | - | - | - | 2,869,673 |
| | <u>\$ 168,534,725</u> | <u>\$ 558,229</u> | <u>\$ 12,636,771</u> | <u>\$ 7,552,315</u> | <u>\$ 27,904,477</u> | <u>\$ 217,186,517</u> |

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

As of September 30, 2022, the pension plans had the following fixed income investments with corresponding credit ratings:

| | <u>Credit Rating</u> | <u>Amount</u> |
|-----------------|----------------------|----------------------|
| Corporate Bonds | A1 | 3,564,906 |
| Corporate Bonds | A2 | 6,039,250 |
| Corporate Bonds | A3 | 3,725,364 |
| Corporate Bonds | Aaa | 2,875,093 |
| Corporate Bonds | Aa1 | - |
| Corporate Bonds | Aa2 | 819,875 |
| Corporate Bonds | Aa3 | 706,650 |
| Corporate Bonds | Baa1 | 5,761,672 |
| Corporate Bonds | Baa2 | 1,903,025 |
| Corporate Bonds | Baa3 | 275,444 |
| Corporate Bonds | not rated | 1,257,785 |
| | | <u>\$ 26,929,064</u> |
| Municipal Bonds | A2 | <u>\$ 236,254</u> |

NOTE D – CASH AND INVESTMENTS (CONTINUED)

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

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's pension funds consist of uninsured, unregistered investments held by a counterparty's trust department but not in the City's name.

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

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

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

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

NOTE D – CASH AND INVESTMENTS (CONTINUED)

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

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

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

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

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

NOTE E - PROPERTY TAXES

The City's property tax is levied by St. Lucie County each November 1 on the assessed value listed as of the prior January 1 for real and personal property located in the City. Property taxes become a lien on the first day of the levy year and are due on or before March 31. Assessed values are established by the St. Lucie County Property Appraiser. The assessed value at January 1, 2022, upon which the 2021-2022 levy is based, was \$2,894,583,942.

The City is permitted by State law to levy taxes of up to 10 mills of assessed valuation for the General Fund. Taxes are levied at 6.9 mills for the General Fund for the fiscal year ended September 30, 2022.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE F - ACCOUNTS RECEIVABLE/NOTES RECEIVABLE

Accounts Receivable

Accounts receivable held by the primary government's enterprise funds and the FPUA (a component unit) are stated net of allowances for estimated uncollectibles of \$15,639 for the marina, \$27,235 for sanitation, \$0 for storm water, \$0 for golf course, \$0 for building, and \$878,448 the FPUA, respectively. The general fund accounts receivable is stated net of allowance for estimated uncollectibles of \$7,916,113. No other allowance is provided for receivables held by governmental or fiduciary fund types because, in the opinion of management, all such accounts are collectible.

Notes Receivable

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

NOTE G - DUE FROM OTHER GOVERNMENTS

Amounts due from other governments include \$626,861 from U.S. Department of Housing & Urban Development, \$350,583 from Federal Department of Justice, \$17,989 from Federal Homeland Security, \$20,725 from St. Lucie County, \$689,037 from FEMA, \$129,209 from Florida Attorney General, \$72,500 from Florida Fish and wildlife, \$364,222 from Florida Department of Transportation, \$222,045 from the Florida Department of Economic Opportunity, \$165,041 from Florida Department of Law Enforcement, \$31,399 due from St. Lucie County Housing Authority, \$62,460 due from the Florida Division of Emergency Management, and \$4,486 due from the State of Florida.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE H - CAPITAL ASSETS

Capital asset activity of the **primary government** for the year ended September 30, 2022 was as follows:

Governmental Activities:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Transfers</u> | <u>Ending Balance</u> |
|--------------------------------------------------------------------------------|------------------------------|---------------------|--------------------|-------------------|---------------------------|
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 22,955,053 | \$ - | \$ (26,900) | \$ - | \$ 22,928,153 |
| Construction in Progress | 1,621,680 | 1,030,797 | - | (993,963) | 1,658,514 |
| Total capital assets, not being depreciated | 24,576,733 | 1,030,797 | (26,900) | (993,963) | 24,586,667 |
| Capital assets, being depreciated: | | | | | |
| Buildings | 44,020,793 | - | - | - | 44,020,793 |
| Improvements other than buildings | 51,165,530 | 1,618,693 | - | 989,163 | 53,773,386 |
| Equipment- including right to use assets of \$4,530,134 | 19,462,743 | 5,390,537 | (893,129) | (4,860) | 23,955,291 |
| Infrastructure | 108,924,361 | - | - | - | 108,924,361 |
| Total | 223,573,427 | 7,009,230 | (893,129) | 984,303 | 230,673,831 |
| Less accumulated depreciation for: | | | | | |
| Buildings | (18,541,109) | (1,170,066) | - | - | (19,711,175) |
| Improvements other than buildings | (27,055,715) | (923,010) | - | - | (27,978,725) |
| Equipment-including right of use asset accumulated amortization of \$1,602,338 | (14,655,768) | (1,657,623) | 887,152 | 4,860 | (15,421,379) |
| Infrastructure | (88,109,037) | (1,146,181) | - | - | (89,255,218) |
| Total accumulated depreciation | (148,361,629) | (4,896,880) | 887,152 | 4,860 | (152,366,497) |
| Total capital assets, being depreciated, net | 75,211,798 | 2,112,350 | (5,977) | 989,163 | 78,307,334 |
| Total capital assets, net | <u>\$ 99,788,531</u> | <u>\$ 3,143,147</u> | <u>\$ (32,877)</u> | <u>\$ (4,800)</u> | <u>\$ 102,894,001</u> |

Depreciation expense charged to functions/programs of the **primary government** (governmental activities) for the year ended September 30, 2022 was as follows:

Governmental activities:

| | |
|------------------------|---------------------|
| General government | \$ 202,665 |
| Public safety | 788,702 |
| Transportation | 3,474,046 |
| Economic environment | 86,393 |
| Culture and recreation | 345,074 |
| Total | <u>\$ 4,896,880</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE H - CAPITAL ASSETS (CONTINUED)

Business-type activities:

| | <u>Beginning Balance *</u> | <u>Increases</u> | <u>Decreases</u> | <u>Transfers</u> | <u>Ending Balance</u> |
|------------------------------------------------------------------------|--------------------------------|-----------------------|------------------|------------------|---------------------------|
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 674,008 | \$ - | \$ - | \$ - | \$ 674,008 |
| Construction in Progress | 1,459,524 | 473,818 | - | (1,459,524) | 473,818 |
| Total capital assets, not being depreciated | 2,133,532 | 473,818 | - | (1,459,524) | 1,147,826 |
| Capital assets, being depreciated: | | | | | |
| Buildings | 17,923,314 | 6,500 | - | - | 17,929,814 |
| Improvements other than buildings | 107,948,834 | 392,481 | | 1,459,524 | 109,800,839 |
| Equipment-including right of use assets of \$474,072 | 12,358,224 | 574,362 | (156,600) | 4,860 | 12,780,846 |
| Total | 138,230,372 | 973,343 | (156,600) | 1,464,384 | 140,511,499 |
| Less accumulated depreciation for: | | | | | |
| Buildings | (10,693,755) | (585,354) | - | - | (11,279,109) |
| Improvements other than buildings | (32,976,021) | (2,607,802) | - | - | (35,583,823) |
| Equipment-including right of use accumulated amortization of \$169,491 | (9,588,980) | (954,333) | 156,600 | (4,860) | (10,391,573) |
| Total accumulated depreciation | (53,258,756) | (4,147,489) | 156,600 | (4,860) | (57,254,505) |
| Total capital assets, being depreciated, net | 84,971,616 | (3,174,146) | - | 1,459,524 | 83,256,994 |
| Total capital assets, net(restated) | <u>\$ 87,105,148</u> | <u>\$ (2,700,328)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 84,404,820</u> |

* *Beginning capital assets have been increased by \$55,055 due to the implementation of GASB 87*

Additions to accumulated depreciation and depreciation expense charged to functions/programs of the **primary government** (business-type activities) for the year ended September 30, 2022 was as follows:

Business-type activities:

| | |
|-----------------|---------------------|
| Solid waste | \$ 775,074 |
| Marina | 1,104,745 |
| Stormwater | 1,430,561 |
| Golf course | 185,836 |
| Sunrise Theatre | 563,338 |
| Building Fund | 87,935 |
| Total | <u>\$ 4,147,489</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE H - CAPITAL ASSETS (CONTINUED)

Capital asset activity of the **FPUA** (a component unit) for the year ended September 30, 2022 was as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|---------------------------------------------------|------------------------------|----------------------|------------------------|---------------------------|
| Utility Plant, not being depreciated: | | | | |
| Land | \$ 9,557,000 | \$ 17,000 | \$ (48,000) | \$ 9,526,000 |
| Construction Work in Progress | 18,067,229 | 18,326,844 | (12,663,000) | 23,731,073 |
| Total Utility Plant, not being depreciated | 27,624,229 | 18,343,844 | (12,711,000) | 33,257,073 |
| Utility Plant, being depreciated: | | | | |
| Transmission, distribution and collection systems | 376,389,079 | 11,723,101 | (98,000) | 388,014,180 |
| Equipment | 61,025,000 | 1,392,000 | (437,000) | 61,980,000 |
| Structures and improvements | 45,783,000 | 268,000 | (31,000) | 46,020,000 |
| Total Utility Plant being depreciated | 483,197,079 | 13,383,101 | (566,000) | 496,014,180 |
| Less accumulated depreciation for: | | | | |
| Transmission, distribution and collection systems | (220,939,235) | (11,127,900) | 98,000 | (231,969,135) |
| Equipment | (42,143,000) | (2,524,000) | 437,000 | (44,230,000) |
| Structures and improvements | (27,281,000) | (1,079,000) | 31,000 | (28,329,000) |
| Total accumulated depreciation | (290,363,235) | (14,730,900) | 566,000 | (304,528,135) |
| Total Utility Plant, being depreciated, net | 192,833,844 | (1,347,799) | - | 191,486,045 |
| Total Utility Plant, net | <u>\$ 220,458,073</u> | <u>\$ 16,996,045</u> | <u>\$ (12,711,000)</u> | <u>\$ 224,743,118</u> |

Construction work in progress at September 30, 2022 consists principally of expansions and upgrades to the electric transmission and distribution system, water supply and distribution system, wastewater collection system, gas distribution system, and fiber communication system.

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

| | <u>Project Total</u> | <u>Expended to Date</u> | <u>Remaining Commitment</u> | <u>Required Further Financing</u> |
|----------------|--------------------------|-----------------------------|---------------------------------|-------------------------------------------|
| Wastewater | \$ 35,190,000 | \$ 1,380,000 | \$ 33,810,000 | None |
| Electric | 882,000 | 571,000 | 311,000 | None |
| Water | 127,000 | 41,000 | 86,000 | None |
| Gas | 25,000 | - | 25,000 | None |
| Administration | 836,000 | 208,000 | 628,000 | None |
| FPUAnet | 1,262,000 | 304,000 | 958,000 | None |
| | <u>\$ 38,322,000</u> | <u>\$ 2,504,000</u> | <u>\$ 35,818,000</u> | |

In addition, the component unit has entered into unit price contracts for the construction and renovation of system assets. These contracts are not firm commitments, and the contractors are utilized as needed. As of September 30, 2022, costs of \$2,803,000 were authorized under these contracts, \$311,000 has been spent, and authorized amounts of \$2,492,000 remained.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE I – LEASES AND FINANCED PURCHASES

For the year ended September 30, 2022 the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement 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 Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

City as lessor:

Following is a summary of receivables and deferred inflows on long-term leases in which the City is the lessor, as of September 30, 2022:

| | Lease Receivable | | | Deferred |
|-----------------------------------------|-------------------------|---------------------|---------------------|---------------------|
| | Current | Long-term | Total | Inflows |
| <u>Governmental Activities:</u> | | | | |
| General Fund: | | | | |
| Guardian Ad Litem | \$ 26,734 | \$ 442,082 | \$ 468,816 | \$ 457,792 |
| Little Jims | 22,195 | 33,008 | 55,203 | 43,729 |
| Fort Pierce Redevelopment: | | | | |
| Cobbs Landing | 68,397 | 202,796 | 271,193 | 201,838 |
| Total governmental activities | <u>\$ 117,326</u> | <u>\$ 677,886</u> | <u>\$ 795,212</u> | <u>\$ 703,359</u> |
| <u>Business-type Activities:</u> | | | | |
| Marina: | | | | |
| Crabby's Dockside | \$ 24,205 | \$ 3,445,086 | \$ 3,469,291 | \$ 3,248,450 |
| Total business activities | <u>\$ 24,205</u> | <u>\$ 3,445,086</u> | <u>\$ 3,469,291</u> | <u>\$ 3,248,450</u> |

Guardian Ad Litem-On April 15, 2021, the City, as lessor, entered into an interlocal agreement with St Lucie County, the lessee, to provide office space for Guardian Ad Litem Services (“the tenant”). The office space is located on the second floor of the Sunrise Center located at 300 Orange Ave. The lease is a 15-year lease with monthly payments of \$3,750. The lease has an incremental interest rate of 4%. Inflows of \$33,912 were recognized during the fiscal year ended September 30, 2022, related to this lease.

Little Jims- In March 2010, the City, as a lessor, entered in an agreement with Little Jim Bait and Tackle, Inc (the “tenant”), the lessee, to rent land, building and certain improvements on the barrier island on the southeast side along the waterway at 601 North Causeway Drive. The original lease contained a 1-5 year renewal clause, and a conditional option for a single ten year lease extension. The 10-year lease extension was executed in March 2015 at a monthly rate of \$2,000. The lease has an incremental interest rate of 4%. Rent is payable monthly. Inflows of \$18,084 were recognized during the fiscal year ended September 30, 2022, related to this lease.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE I – LEASES AND FINANCED PURCHASES(CONTINUED)

Cobbs Landing-On December 15, 2005 the City’s Redevelopment Agency, as a lessor, entered into an agreement with Ianco, LLC (the “tenant”), the lessee, to rent the restaurant facility located on the western side of the City’s public marina and docking facility. Ianco, LLC, with the permission of the Agency, assigned the lease to Salty4Eleven, LLC DBA Cobb’s Landing. The original lease agreement expired on June 30, 2021, and at that time both parties agreed to exercise the 5-year option stated in the original lease. Rent is payable monthly within five business days of the closing of any monthly period. Rent is the computed at the greater of 7.25% of all gross revenues or \$6,500 per month. The lease has an incremental interest rate of 4%. Inflows of \$53,808 were recognized during the fiscal year ended September 30, 2022, related to this lease.

Crabby’s Dockside-December 2018, the City, as lessor, entered into an agreement with the Winking Star Fish LLC. (the “tenant”), the lessee, to construct and operate a restaurant facility (Crabby’s Dockside) located at the City’s public marina and docking facility. Commencement of the lease began on June 25, 2020, the date of occupancy and extends for a 20 year term, with 2, 5 year renewal options. Rent is payable monthly on the first day of each month. The lease terms call for an annual base rent of \$160,356 for the 1st year and a 2% increase for subsequent years. In addition to the base rent the lease calls for an additional percentage of the tenant’s gross revenues over the break point. When tenant’s annual year-to-date revenues exceed the break points of \$2,500,000 for food, \$600,000 for alcohol, and \$100,000 for ice-cream percentage rent is equal to 2%, 7% and 5% respectively of the tenant’s gross revenue. The lease has an incremental interest rate of 4%. The Marina recognized inflows of \$117,420, and other variable inflows of \$6,562 during the fiscal year ended September 30, 2022.

Following is a summary of principal and interest on long-term leases the City expects to receive in years ending September 30 is as follows:

| | Governmental Activities | | | Business-Type Activities | | |
|-----------|-------------------------|-------------------|-------------------|--------------------------|---------------------|---------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2023 | \$ 117,326 | \$ 29,674 | \$ 147,000 | \$ 24,205 | \$ 142,906 | \$ 167,111 |
| 2024 | 122,105 | 24,895 | 147,000 | 28,594 | 141,859 | 170,453 |
| 2025 | 112,948 | 20,052 | 133,000 | 33,231 | 140,631 | 173,862 |
| 2026 | 87,667 | 15,832 | 103,499 | 38,127 | 139,212 | 177,339 |
| 2027 | 31,364 | 13,636 | 45,000 | 43,293 | 137,593 | 180,886 |
| 2028-2032 | 177,064 | 47,936 | 225,000 | 308,769 | 651,397 | 960,166 |
| 2033-2037 | 146,738 | 10,493 | 157,231 | 507,981 | 552,119 | 1,060,100 |
| 2038-2042 | - | - | - | 741,962 | 428,474 | 1,170,436 |
| 2043-2047 | - | - | - | 1,040,311 | 251,945 | 1,292,256 |
| 2048-2050 | - | - | - | 702,818 | 39,894 | 742,712 |
| | <u>\$ 795,212</u> | <u>\$ 162,518</u> | <u>\$ 957,730</u> | <u>\$ 3,469,291</u> | <u>\$ 2,626,030</u> | <u>\$ 6,095,321</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE I – LEASES AND FINANCED PURCHASES (CONTINUED)

City as lessor:

Lease Payable

Governmental Activities

The City entered in a master lease as lessee for the use of vehicles. As of September 30, 2022 the value of the lease liability is \$2,570,798. As of September 30, 2022, the City is required to make monthly fixed payments of \$85,316. The leases have interest rates ranging from 3.61% to 4%. The value of the right to use asset as of September 30, 2022 is \$4,530,134 with accumulated amortization of \$1,602,338.

Business-Type Activities

The City entered into a four year lease as lessee for landscape equipment in the golf course fund. As of September 30, 2022 the value of the lease liability is \$242,491. The City is required to make monthly fixed payments of \$6,641. The lease has an interest rate of 4%. The value of the right to use asset as of September 30, 2022 is \$294,120 with accumulated amortization of \$4,902.

The City entered into a four year lease as lessee for equipment in the golf course fund. As of September 30, 2022 the value of the lease liability is \$7,865. The City is required to make monthly fixed payments of \$188. The lease has an interest rate of 4%. The value of the right to use asset as of September 30, 2022 is \$8,349 with accumulated amortization of \$139.

The City entered in a lease which expires in December 2022 as lessee for golf carts in the golf course fund. As of September 30, 2022 the value of the lease liability is \$7,757. The City is required to make monthly fixed payments of \$3,900. The lease has an interest rate of 4%. The value of the right to use asset as of September 30, 2022 is \$171,603 with accumulated amortization of \$164,450.

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

| | Governmental Activities | | | Business-Type Activities | | |
|------|--------------------------------|-------------------|---------------------|---------------------------------|------------------|-------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2023 | \$ 782,156 | \$ 93,274 | \$ 875,430 | \$ 81,029 | \$ 8,710 | \$ 89,739 |
| 2024 | 686,143 | 62,890 | 749,033 | 76,258 | 5,695 | 81,953 |
| 2025 | 563,048 | 34,281 | 597,329 | 79,365 | 2,588 | 81,953 |
| 2026 | 314,155 | 15,816 | 329,971 | 21,461 | 160 | 21,621 |
| 2027 | 225,296 | 3,805 | 229,101 | - | - | - |
| | <u>\$ 2,570,798</u> | <u>\$ 210,066</u> | <u>\$ 2,780,864</u> | <u>\$ 258,113</u> | <u>\$ 17,153</u> | <u>\$ 275,266</u> |

Financed Purchases

The city entered into a financed purchase agreement for sanitation vehicles in August 2020. As of September 30, 2022, the outstanding balance is \$639,485. The City is required to make monthly payments of \$19,550 with interest at 2.67% maturing July 2025. The cost of the trucks were \$1,096,915 with accumulated amortization of \$457,048.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE I – LEASES AND FINANCED PURCHASES(CONTINUED)

Future payments of the financed purchase agreement as of September 30, 2022 are as follows:

| | <u>Business-Type Activities</u> |
|------------------------------------------------|-------------------------------------|
| 2023 | \$ 234,596 |
| 2024 | 234,596 |
| 2025 | 195,498 |
| | <u>664,690</u> |
| Less: Amount representing interest | <u>(25,205)</u> |
| Present value of future minimum lease payments | <u>\$ 639,485</u> |

FPUA(component unit) entered into a five-year financed purchase on January 14, 2018 for equipment capitalized at \$154,000. The interest/maintenance costs for 2022 were \$12,000. The Future minimum lease payments for this financed purchase are as follows:

| | <u>Amount</u> |
|------------------------------------------------|------------------|
| 2023 | <u>11,367</u> |
| | 11,367 |
| Less: Amount representing interest | <u>(307)</u> |
| Present value of future minimum lease payments | <u>\$ 11,060</u> |

Controlled lease with regulatory agency excluded from GASB 87

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

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

| | |
|------------|-------------------|
| 2023 | \$ 114,082 |
| 2024 | 32,302 |
| 2025 | 32,302 |
| 2026 | 32,302 |
| 2026 | 32,302 |
| Thereafter | <u>323,020</u> |
| | <u>\$ 566,310</u> |

Rent expense for the above referenced leases was \$55,000 for the year ended September 30, 2022.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE J – LONG TERM OBLIGATIONS

Long-term liability activity of the **primary government** for the year ended September 30, 2022 was as follows:

| | Beginning Balance 10/1/2021 | Additions | Reductions | Ending Balance 9/30/2022 | Amounts Due within One Year | Amounts Due after One Year |
|-----------------------------------|--------------------------------------------|----------------------|---------------------|-----------------------------------------|--------------------------------------------|-------------------------------------------|
| Governmental Activities: | | | | | | |
| Notes, bonds payable, and loans: | | | | | | |
| Revenue notes | \$ 24,185,226 | \$ - | \$ 2,562,783 | \$ 21,622,443 | \$ 2,638,478 | \$ 18,983,965 |
| Revenue bonds | 26,320,000 | - | 2,390,000 | 23,930,000 | 1,990,000 | 21,940,000 |
| Section 108 Loan | 848,000 | - | 283,000 | 565,000 | 283,000 | 282,000 |
| Unamortized items | 3,579,521 | - | 557,352 | 3,022,169 | - | 3,022,169 |
| | <u>54,932,747</u> | <u>-</u> | <u>5,793,135</u> | <u>49,139,612</u> | <u>4,911,478</u> | <u>44,228,134</u> |
| Other Liabilities: | | | | | | |
| Lease payable | 1,928,380 | 1,496,272 | 853,854 | 2,570,798 | 782,156 | 1,788,642 |
| Other post employment benefits | 2,195,049 | - | 357,172 | 1,837,877 | - | 1,837,877 |
| Net Pension Liability | 201,964 | 32,347,002 | - | 32,548,966 | - | 32,548,966 |
| Compensated absences | 3,402,689 | 2,019,937 | 1,732,763 | 3,689,863 | 496,747 | 3,193,116 |
| Total governmental activities | <u>\$ 62,660,829</u> | <u>\$ 35,863,211</u> | <u>\$ 8,736,924</u> | <u>\$ 89,787,116</u> | <u>\$ 6,190,381</u> | <u>\$ 83,596,735</u> |
| Business-type Activities: | | | | | | |
| Notes, bonds payable, and leases: | | | | | | |
| Revenue notes | \$ 12,793,099 | \$ - | \$ 1,462,161 | \$ 11,330,938 | \$ 1,496,547 | \$ 9,834,391 |
| Revenue bonds | 3,225,000 | - | - | 3,225,000 | - | 3,225,000 |
| Unamortized items | (71,816) | - | (5,308) | (66,508) | - | (66,508) |
| | <u>15,946,283</u> | <u>-</u> | <u>1,456,853</u> | <u>14,489,430</u> | <u>1,496,547</u> | <u>12,992,883</u> |
| Other Liabilities: | | | | | | |
| *Lease payable | 53,088 | 302,471 | 97,446 | 258,113 | 81,029 | 177,084 |
| Financed purchases | 1,127,409 | - | 487,924 | 639,485 | 220,204 | 419,281 |
| Other post employment benefits | 413,683 | - | 59,703 | 353,980 | - | 353,980 |
| Net Pension Liability | 40,505 | 6,012,359 | - | 6,052,864 | - | 6,052,864 |
| Compensated absences | 610,129 | 388,079 | 343,780 | 654,428 | 60,760 | 593,668 |
| Total business activities | <u>\$ 18,191,097</u> | <u>\$ 6,702,909</u> | <u>\$ 2,445,706</u> | <u>\$ 22,448,300</u> | <u>\$ 1,858,540</u> | <u>\$ 20,589,760</u> |

* beginning lease payable has been restated by an increase of \$53,088 for the effects of GASB 87 implementation

| Compensated absences | Beginning Balance 10/1/2021 | Additions | Reductions | Ending Balance 9/30/2022 |
|-----------------------------------|--------------------------------------------|---------------------|---------------------|-----------------------------------------|
| Governmental Activities: | | | | |
| General Fund | \$ 3,401,048 | \$ 2,007,165 | 1,720,655 | \$ 3,687,558 |
| Community Development Block Grant | 1,641 | 12,772 | 12,108 | 2,305 |
| | <u>\$ 3,402,689</u> | <u>\$ 2,019,937</u> | <u>\$ 1,732,763</u> | <u>\$ 3,689,863</u> |

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

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

Governmental Activities

The City has outstanding Revenue Bonds and Notes from direct borrowings and direct placements related to its governmental activities totaling \$45,552,443. The outstanding Revenue Bonds and Notes, or borrowing facilities are secured by the respective revenues and/or pledged revenues subject to budget and appropriation. The City's governmental activity bonds and notes that are secured by a pledge to budget and appropriate legally available non-ad valorem revenues require that the City ensure that before any additional borrowing or debt is incurred, (i) that the City's adjusted revenue for the immediately preceding fiscal year is equal to at least 200% of the Maximum Bond Service Requirement on all Debt to be outstanding following the issuance of such new Debt and (ii) 100% of any amounts owed for Policy Costs (as defined in various resolutions of the City), (iii) No additional Debt may be issued without the prior written consent of all applicable bond insurers if any Policy Costs are past due and owing.

Governmental Activities Direct Placements

The City's Revenue bonds of \$23,930,000 contain a provision defining the following events as a default: 1) failure to make payment, 2) dissolution, liquidation, or voluntary filing of bankruptcy, or 3) the City fails to perform any of the other covenants, conditions, agreements, and provisions contained in the bond or in the resolution. In the event of a default, which has not been remedied, after legal proceedings, pledged funds will be distributed. The Series 2021 Bonds includes an additional default provision (a) so long as the Outstanding Series 2015A note or any debt issued to refinance the Series 2015A (the Bank Debt) remain outstanding and contain a right of acceleration upon an event of default, the Series 2021 Bonds shall also be subject to acceleration in the event the Bank Debt is accelerated and (b) it shall be a default under the Bond Resolution unless and until such event of default with respect to the Bank Debt has been waived by the holder of the Bank Debt.

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

The Series 2019 Bonds and interest thereon are payable from amounts the City has covenanted and agreed to appropriate in its annual budget by amendment if necessary, from non-ad valorem funds sufficient to pay principal of and interest on the Series 2019 Bonds when due. Interest at 5%, is payable semi-annually and sinking fund installments ranging from \$1,410,000 to \$2,180,000 through September 1, 2038. Proceeds used to defease the Series 2015 Capital Improvement Revenue Refunding Note, and finance costs of a marina project. Current portion is \$1,410,000.

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

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

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

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

Governmental Activities Direct Borrowings

The City's outstanding notes from direct borrowing and direct placements related to governmental activities of \$21,622,443 contains a provision defining events of default as the following: 1) failure to make payment, 2) The City fails to performs any of the other covenants, conditions, agreements, and provisions contained in the Note or the Agreement, 3) any proceedings are willfully instituted effecting a compromise between the City and its creditors for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereinafter enacted, 4) an admission in writing of its inability to pay debts as become due, 5) bankruptcy, insolvency, or declaration a financial emergency, and 6) if any court assumes control of the City or a substantial part of its property for the relief or aid of debtors. Upon the occurrence of a default the notes shall bear interest at the default rate. Acceleration of payments is remedy for event 1 only for non-remedied defaults. Non-remedied defaults for events 2-6, allow Noteholders to pursue legal proceedings for specific performance of any covenant or agreement and recover all costs and expense for proceedings. These amounts are payable only from pledged revenues.

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

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

The Series 2015 Notes and interest thereon are payable from and secured by a first lien and pledge upon the Tax Increment Revenues. Interest at 3.2%, payable semi-annually and sinking fund installments ranging from \$1,220,000 to \$1,615,000 through May 1, 2031. Proceeds used to refund the Fort Pierce Redevelopment Bonds, Series 2005 and 2006. Current portion is \$1,220,000.

NOTE J– LONG TERM OBLIGATIONS (CONTINUED)

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

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

\$4,324,598 Series 2020A Notes with interest at 3.055%, payable semi-annually and sinking fund installments ranging from \$53,950 to \$701,902 through September 1, 2031. Proceeds used to defease the Series 2014 and 2016 Capital Improvement Revenue Notes. Current portion is \$366,230.

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

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

The Series 2020 Notes and interest thereon are payable from amounts the City has covenanted and agreed to appropriate in its annual budget by amendment if necessary, from non-ad valorem funds sufficient to pay principal of and interest on the Series 2020 Notes when due. Interest at 1.264%, is payable semi-annually and sinking fund installments ranging from \$710,953 to \$734,572 through September 1, 2030. Proceeds were used to defease the Series 2018 Capital Improvement Revenue Refunding Notes. The current portion is \$710,953 (\$518,568 governmental activities portion).

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

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

Governmental activities bonds and notes outstanding at September 30, 2022, consist of the following:

| | <u>Purpose</u> | <u>Amount Issued</u> | <u>Amount Outstanding</u> | <u>Interest Rate</u> | <u>Maximum Annual Debt Svc.</u> |
|-------------------------------------------------------------------|-----------------------|----------------------|---------------------------|----------------------|---------------------------------|
| Revenue Bonds: | | | | | |
| Fort Pierce Capital Improvement Revenue and Refunding Bonds, 2019 | Refunding | \$ 23,235,000 | 17,700,000 | 5.00% | 2,297,000 |
| Fort Pierce Redevelopment Revenue Refunding Bonds, 2021 | Refunding | \$ 6,875,000 | 6,230,000 | 4.00% | 878,800 |
| | | <u>\$ 30,110,000</u> | <u>\$ 23,930,000</u> | | |
| Revenue Notes: | | | | | |
| Fort Pierce Redevelopment Revenue Refunding Notes, 2015A | Refunding | \$ 20,000,000 | 12,545,000 | 3.20% | 1,666,680 |
| Fort Pierce Capital Improvement Revenue Refunding Notes, 2020A | Refunding | \$ 4,324,598 | 4,324,598 | 3.055% | 749,307 |
| Fort Pierce Capital Improvement Revenue Refunding Notes, 2020B | Refunding | \$ 2,640,970 | 533,680 | 3.055% | 542,470 |
| Fort Pierce Capital Improvement Revenue Refunding Notes, 2020C | Refunding | \$ 5,336,543 | 4,219,165 | 1.26% | 571,898 |
| | | <u>\$ 32,302,111</u> | <u>\$ 21,622,443</u> | | |
| Other Direct Borrowings: | | | | | |
| Section 108 Loan Payable | <i>see note below</i> | <u>\$ 3,395,000</u> | <u>\$ 565,000</u> | 2.70% | 290,347 |

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

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

Business-Type Activities

The City has outstanding Revenue Bonds and Notes from direct borrowings related to its business type activities totaling \$14,555,938. The outstanding Revenue Bonds and Notes, or borrowing facilities are secured by the respective revenues and/or pledged revenues subject to budget and appropriation or a by the respective revenues from the operation of the related business-type activities.

The City's outstanding bonds of \$3,225,000 and notes from direct borrowings related to business type activities of \$3,775,438 contain the same provisions for events of defaults and remedies for non-remedied defaults as the direct borrowing and direct placements related to governmental activities. The City outstanding note from direct borrowings related to business type activities of \$7,555,500 also contains the same provisions for default events, but acceleration of payment is not a remedy. Under this note from direct borrowings the only remedy for non-remedied defaults is to pursue legal proceedings for pledged revenues and expenses.

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

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

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

The Series 2014 Notes and interest thereon are payable from net marina revenues and the half-cent sales tax sufficient to pay principal of and interest on the Series 2014 Notes when due. Interest at 3.19% is payable semi-annually and annual principal payments ranging from \$286,562 to \$346,491 through December 1, 2029. Proceeds used for construction costs related to the city owned marina. Current portion of note is \$286,562.

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

The Series 2021 Notes and interest thereon are payable from and secured by a first lien and pledge upon the Stormwater revenues. Interest at 2.10% and principal are payable in monthly installments ranging from \$63,823 to \$98,022 through October 1, 2030. Proceeds were used to currently refund the 2016 Stormwater Utility Revenue Notes. The Current portion is \$1,017,600.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

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

The Series 2020 Notes and interest thereon are payable from amounts the City has covenanted and agreed to appropriate in its annual budget by amendment if necessary, from non-ad valorem funds sufficient to pay principal of and interest on the Series 2020 Notes when due. Interest at 1.264%, is payable semi-annually and sinking fund installments ranging from \$192,385 to \$197,026 through September 1, 2030. Proceeds were used to defease the Series 2018 Capital Improvement Revenue Refunding Notes. The current portion is \$192,385.

Business type activities bonds and notes outstanding at September 30, 2022, consist of the following:

| | <u>Purpose</u> | <u>Issued</u> | <u>Outstanding</u> | <u>Rate</u> | <u>Debt Svc.</u> |
|-------------------------------------------------------------------|------------------------|----------------------|----------------------|-------------|------------------|
| Revenue Bonds: | | | | | |
| Fort Pierce Capital Improvement Revenue and Refunding Bonds, 2019 | Refunding | \$ 3,225,000 | 3,225,000 | 5.00% | 596,750 |
| Revenue Notes: | | | | | |
| Capital Improvement Revenue Note,2014A | Construction at Marina | \$ 3,920,771 | 2,210,157 | 3.19% | 354,781 |
| Stormwater Revenue Refunding Note,2021 | Refunding | \$ 8,655,200 | 7,555,500 | 2.10% | 1,168,758 |
| Fort Pierce Capital Improvement Revenue Refunding Notes, 2020C | Refunding | \$ 1,979,820 | 1,565,281 | 1.26% | 212,170 |
| | | <u>\$ 14,555,791</u> | <u>\$ 11,330,938</u> | | |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

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

Governmental Activities:

| | Revenue Bonds | | | Revenue Notes | | |
|-----------|----------------------|---------------------|----------------------|----------------------|---------------------|----------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2023 | \$ 1,990,000 | \$ 1,134,200 | \$ 3,124,200 | \$ 2,638,477 | \$ 518,223 | \$ 3,156,700 |
| 2024 | 2,090,000 | 1,040,500 | 3,130,500 | 2,479,012 | 459,209 | 2,938,221 |
| 2025 | 2,180,000 | 942,100 | 3,122,100 | 2,522,628 | 403,481 | 2,926,109 |
| 2026 | 2,285,000 | 839,450 | 3,124,450 | 2,575,044 | 346,427 | 2,921,471 |
| 2027 | 2,390,000 | 731,750 | 3,121,750 | 2,485,110 | 287,839 | 2,772,949 |
| 2028-2032 | 12,995,000 | 1,851,650 | 14,846,650 | 8,922,172 | 560,471 | 9,482,643 |
| | <u>\$ 23,930,000</u> | <u>\$ 6,539,650</u> | <u>\$ 30,469,650</u> | <u>\$ 21,622,443</u> | <u>\$ 2,575,650</u> | <u>\$ 24,198,093</u> |

Promissory Notes- Section 108 Loan

| | Principal | Interest | Total |
|------|-------------------|------------------|-------------------|
| 2023 | \$ 283,000 | \$ 16,583 | \$ 299,583 |
| 2024 | 282,000 | 8,347 | 290,347 |
| | <u>\$ 565,000</u> | <u>\$ 24,930</u> | <u>\$ 589,930</u> |

Business-Type Activities:

| | Revenue Bonds | | | Revenue Notes | | |
|-----------|---------------------|---------------------|---------------------|----------------------|-------------------|----------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2023 | \$ - | \$ 96,750 | \$ 96,750 | \$ 1,496,547 | 236,875 | \$ 1,733,422 |
| 2024 | - | 96,750 | 96,750 | 1,529,396 | 203,637 | 1,733,033 |
| 2025 | - | 96,750 | 96,750 | 1,558,253 | 169,661 | 1,727,914 |
| 2026 | - | 96,750 | 96,750 | 1,597,042 | 134,892 | 1,731,934 |
| 2027 | - | 96,750 | 96,750 | 1,624,117 | 99,313 | 1,723,430 |
| 2028-2032 | - | 483,750 | 483,750 | 3,525,583 | 115,842 | 3,641,425 |
| 2033-2037 | 2,650,000 | 329,250 | 2,979,250 | - | - | - |
| 2038 | 575,000 | 17,250 | 592,250 | - | - | - |
| | <u>\$ 3,225,000</u> | <u>\$ 1,314,000</u> | <u>\$ 4,539,000</u> | <u>\$ 11,330,938</u> | <u>\$ 960,220</u> | <u>\$ 12,291,158</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

Defeasance of Revenue Bonds/Notes Payable

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

At September 30, 2022 the following bonds are considered defeased:

| Bond Issue | Series | Beginning Balance 10-1-2021 | Additions | Retirement | Ending Balance 9-30-2022 |
|------------------------------------------------|--------|-----------------------------------|-------------|---------------------|--------------------------------|
| Redevelopment Revenue Bonds | 2003 | \$ 1,425,000 | \$ - | \$ 665,000 | 760,000 |
| Capital Improvement Bonds | 2008 | 18,685,000 | - | 1,260,000 | 17,425,000 |
| Redevelopment Revenue Bonds | 2006 | 11,380,000 | - | 800,000 | 10,580,000 |
| Capital Improvement Revenue Refunding Bonds | 2010 | 5,310,000 | - | 555,000 | 4,755,000 |
| Capital Improvement Revenue Refunding Bonds | 2015 | 22,100,000 | - | 1,705,000 | 20,395,000 |
| Capital Improvement Revenue Refunding Notes | 2016A | 695,000 | - | 125,000 | 570,000 |
| Capital Improvement Revenue Refunding Notes | 2016B | 580,000 | - | 50,000 | 530,000 |
| Capital Improvement Revenue Refunding Notes | 2016C | 425,000 | - | 210,000 | 215,000 |
| Capital Improvement Revenue Refunding Bonds | 2018 | 6,065,000 | - | 600,000 | 5,465,000 |
| | | <u>\$ 66,665,000</u> | <u>\$ -</u> | <u>\$ 5,970,000</u> | <u>\$ 60,695,000</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

Component Unit

Long-term liability activity of the **FPUA(a component unit)** for the year ended September 30, 2022 was as follows:

| | Beginning Balance 10/1/2021 | Additions | Reductions | Ending Balance 9/30/2022 | Amounts Due within One Year |
|--------------------------------|--------------------------------------------|------------------------------|-----------------------------|-----------------------------------------|--------------------------------------------|
| Series 1999B(Accreted value) | \$ 15,930,000 | \$ 694,000 | \$ 4,335,000 | \$ 12,289,000 | \$ 4,340,000 |
| Series 2009 | 29,665,000 | - | 29,665,000 | - | - |
| Series 2022A | - | 143,500,000 | - | 143,500,000 | - |
| Series 2022B | - | 2,550,000 | - | 2,550,000 | - |
| Total Revenue Bonds Payable | <u>45,595,000</u> | <u>146,744,000</u> | <u>34,000,000</u> | <u>158,339,000</u> | <u>4,340,000</u> |
| Direct Placements: | | | | | |
| Series 2016 | <u>8,153,000</u> | <u>-</u> | <u>321,000</u> | <u>7,832,000</u> | <u>328,000</u> |
| | <u>53,748,000</u> | <u>146,744,000</u> | <u>34,321,000</u> | <u>166,171,000</u> | <u>4,668,000</u> |
| Unamortized items | (31,000) | 8,297,000 | 162,000 | 8,104,000 | - |
| Net Pension Liability | 231,000 | 29,306,000 | - | 29,537,000 | - |
| Lease obligations | 51,010 | - | 39,950 | 11,060 | 11,060 |
| Other Liabilities: | | | | - | |
| Compensated absences | 2,197,000 | 1,713,000 | 1,790,000 | 2,120,000 | 335,000 |
| Other Post Employment Benefits | <u>1,178,000</u> | <u>227,000</u> | <u>72,000</u> | <u>1,333,000</u> | |
| Total | <u><u>\$ 57,374,010</u></u> | <u><u>\$ 186,287,000</u></u> | <u><u>\$ 36,384,950</u></u> | <u><u>\$ 207,276,060</u></u> | <u><u>\$ 5,014,060</u></u> |

In September 1999, FPUA issued Utilities Revenue Capital Appreciation Bonds, Series 1999B, in the amount of \$10,223,000 to finance the cost of acquiring and constructing additions, extensions, and improvements to the water and wastewater facilities, as well as to fund the increase in required reserves, and pay certain costs associated with the bond issuance. The 1999B Bonds are payable from, and secured by, a pledge of net revenues from the operation of the Utilities System. The outstanding capital appreciation bonds remaining principal totals \$13,010,000 and is due in annual installments beginning on October 1, 2022 through October 1, 2026 in amounts ranging from \$4,335,000 to \$4,340,000, with a yield of 5.90%. Accreted value of the 1999B Bond at September 30, 2022 is \$12,289,000.

In June 2022, FPUA issued Utilities Refunding Revenue Bonds, Series 2022A, in the amount of \$143,500,000, including \$75,975,000 of serial bonds, and \$67,525,000 of term bonds. The bonds were issued to pay the costs of the acquisition, construction, and equipping of certain capital improvements to the system, refund all the outstanding Utilities Refunding Revenue Bonds Series 2009, and pay certain costs associated with the bond issuance. The refunding of the 2009 revenue bonds resulted in net present value savings of \$2,392,000. The 2022A Bonds are payable from, and secured by, a pledge of net revenues from the operation of the Utilities System. The outstanding serial bonds were issued at a premium of \$9,021,000. They are due in annual installments beginning on October 1, 2023 through October 1, 2042 in amounts ranging from \$905,000 to \$5,355,000, plus interest at a fixed rate of 5.0%. The term bond was issued at a discount of \$1,053 and matures October 1, 2052 with payments ranging from \$5,625,000 to \$8,005,000 and a fixed rate of 4.00%. Interest on the 2022A Bond is due and paid semiannually.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

Component Unit

In June 2022, FPUA issued Utilities Refunding Revenue Bonds, Series 2022B, in the amount of \$2,550,000. The bonds were issued to pay the costs of the acquisition, construction, and equipping of certain capital improvements to the system including improvements to FPUA’s broadband and other communications services systems, and pay certain costs related to the issuance of the bonds. The 2022B Bonds are payable from, and secured by, a pledge of net revenues from the operation of the Utilities System. The outstanding serial bonds were issued at a premium of \$329,000. They are due in annual installments beginning on October 1, 2027 through October 1, 2036 in amounts ranging from \$200 to \$315,000, plus interest at a fixed rate of 5.00%. Interest on the 2022B Bond is due and paid semiannually.

Fort Pierce Utilities Authority Outstanding Revenue Bonds - Direct Placements

In March of 2016, FPUA issued Utilities Refunding Revenue Bonds, Series 2016, in the amount of \$9,545,000 to refund the outstanding principal amount of FPUA’s Utilities Revenue Bonds Series 2002. The refunding resulted in a net present value savings of \$2,466,000. The 2016 Bonds are payable from, and secured by, a pledge of net revenues from the operation of the Utilities System. The outstanding serial bonds are due in annual installments beginning on October 1, 2021 through October 1, 2026 in amounts ranging from \$321,000 to \$3,451,000, plus interest at a fixed rate of 2.14%. Interest on the 2016 Bond is due and paid semiannually.

Requirements to amortize all revenue bonds outstanding as of September 30, 2022 are as follows:

| | Revenue Bonds | | | Direct Placements | | |
|------------------------------------------------|-----------------------|-----------------------|-----------------------|---------------------|---------------------|---------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2023 | \$ 4,340,000 | \$ 6,627,000 | \$ 10,967,000 | \$ 328,000 | \$ 161,000 | \$ 489,000 |
| 2024 | 5,240,000 | 6,582,000 | 11,822,000 | 335,000 | 1,530,000 | 1,865,000 |
| 2025 | 5,285,000 | 6,535,000 | 11,820,000 | 343,000 | 146,000 | 489,000 |
| 2026 | 2,310,000 | 6,419,000 | 8,729,000 | 3,375,000 | 74,000 | 3,449,000 |
| 2027 | 2,420,000 | 6,298,000 | 8,718,000 | 3,451,000 | - | 3,451,000 |
| 2028-2052 | 139,465,000 | 82,790,000 | 222,255,000 | - | - | - |
| | <u>159,060,000</u> | <u>\$ 115,251,000</u> | <u>\$ 274,311,000</u> | <u>\$ 7,832,000</u> | <u>\$ 1,911,000</u> | <u>\$ 9,743,000</u> |
| Future accretion on capital appreciation bonds | <u>(721,000)</u> | <u>7,210,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>\$ 158,339,000</u> | <u>\$ 122,461,000</u> | <u>\$ 274,311,000</u> | <u>7,832,000</u> | <u>\$ 1,911,000</u> | <u>\$ 9,743,000</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE J – LONG TERM OBLIGATIONS (CONTINUED)

Component Unit

Significant Bond Covenants for Utilities Revenue Bonds

The Series 1999, 2016, 2022A, and 2022B, bond issues provide that FPUA accumulate monthly 1/6 of the amount of all interest due on the next semi-annual interest payment date, and 1/12 of the amount of principal due and payable on the next principal maturity date. Additionally, FPUA's Master Bond Resolution requires renewal and replacement, emergency reserve and debt service reserve subaccount funds with minimum requirements of \$500,000, \$900,000 and \$5,457,000, respectively. These reserves are funded in the amounts of \$500,000, \$900,000 and \$5,457,000 respectively, at September 30, 2022.

Redemption Options Prior to Maturity

The Series 1999B Bonds are not subject to redemption prior to maturity. The Series 2016 Utilities Refunding Revenue Bonds maturing on October 1, 2026 with an interest rate of 2.14% are redeemable anytime at the option of FPUA. Any full or partial prepayment will carry a fee equal to the greater of (i) 1.00% of the principal balance multiplied by the number of years remaining or (ii) a 'Yield Maintenance Fee'.

The Series 2022A Bonds maturing prior to October 1, 2033 are not subject to optional redemption prior to maturity. The series 2022A Bonds maturing on and after October 1, 2033 shall be subject to redemption prior to their stated dates of maturity, at the option of FPUA, in whole or part, on any date on or after October 1, 2032, in such maturities as FPUA shall in its discretion select by lot within a maturity if less than a full maturity, at a redemption price equal to 100% of the principal amount of such 2022A Bonds to be redeemed plus accrued interest to the redemption date.

The Series 2022B Bonds maturing prior to October 1, 2033 are not subject to optional redemption prior to maturity. The series 2022B Bonds maturing on and after October 1, 2033 shall be subject to redemption prior to their stated dates of maturity, at the option of FPUA, in whole or part, on any date on or after October 1, 2032, in such maturities as FPUA shall in its discretion select by lot within a maturity if less than a full maturity, at a redemption price equal to 100% of the principal amount of such 2022B Bonds to be redeemed plus accrued interest to the redemption date.

Current and Advanced Refunding of Debt

Debt refunding activities occurred during the fiscal year that resulted in the redemption or defeasance of certain outstanding obligations. The proceeds from refunding issues and amounts available from the debt service funds of the refunded bonds were deposited into irrevocable trusts with escrow agents. Following are the refunding activities that represent legal or in- substance defeasance such that the refunded debts were removed from the accompanying financial statements.

The 2009 Utilities Refunding Revenue Bonds, refunded by the 2022A Revenue Bond issuance, are considered legally defeased and the associated liability has been removed. As a result of the refunding, FPUA reduced its total debt service requirements by \$6,560,000, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$5,872,000.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Advances

During the year ending September 30, 2015, the Section 108 Debt Service fund advanced approximately \$1,090,000 to the Marina Fund to aid in the construction of new docks. Terms of the loan require 96 monthly payments of \$12,903, including interest at 3%. At September 30, 2022, the long-term portion of the advance was \$104,523.

During the year ending September 30, 2016, the Section 108 Debt Service fund advanced approximately \$1,400,000 to the General Fund to aid in the construction of infrastructure improvements. Terms of the loan require 96 monthly payments of \$16,421, including interest at 3%. At September 30, 2022, the long-term portion of the advance was \$197,515.

The composition of interfund balances as of and for the year ended September 30, 2022, is as follows:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|--------------------------------|---------------------|
| General | Nonmajor | \$ 565,684 |
| General | Community Redevelopment Agency | 25,191 |
| General | Solid Waste | 6,667 |
| General | Marina | 3,850 |
| General | Stormwater | 602,827 |
| General | Golf Course | 1,310,727 |
| General | Sunrise Theatre | 2,750 |
| General | Building Fund | 23,393 |
| | | <u>\$ 2,541,089</u> |

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

Due to the primary government from the component units:

| <u>Receivable Entity</u> | <u>Payable Entity</u> | <u>Amount</u> |
|--------------------------|-----------------------|-------------------|
| General fund | FPUA | \$ 295,505 |
| Road impact fee fund | FPUA | 8,640 |
| Nonmajor | FPUA | 24,875 |
| Solid waste fund | FPUA | 623,057 |
| Building fund | FPUA | 469 |
| | | <u>\$ 952,546</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Inter-fund transfers:

| | <u>General</u> | <u>Half-Cent Infrastructure Funds</u> | <u>Storm Water</u> | <u>Sunrise Theatre</u> | <u>Nonmajor Funds</u> | <u>Total</u> |
|-----------------------|---------------------|-----------------------------------------------|------------------------|----------------------------|---------------------------|----------------------|
| Transfers out: | | | | | | |
| General | \$ - | \$ 2,644,418 | \$ 196,468 | \$ - | \$ 5,426,288 | \$ 8,267,174 |
| Community Redev. | | | | | | |
| Agency | 3,318,097 | - | - | 450,000 | 2,630,915 | 6,399,012 |
| Solid Waste | 1,010,713 | - | - | - | - | 1,010,713 |
| Marina | 250,000 | - | - | - | - | 250,000 |
| Building | 7,331 | - | - | - | - | 7,331 |
| Nonmajor | 2,830,768 | - | - | 794,166 | 1,765,572 | 5,390,506 |
| | <u>\$ 7,416,909</u> | <u>\$ 2,644,418</u> | <u>\$ 196,468</u> | <u>\$ 1,244,166</u> | <u>\$ 9,822,775</u> | <u>\$ 21,324,736</u> |

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

NOTE L - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City's risk management program mainly encompasses obtaining property and liability insurance through commercial insurance carriers. During the year ended September 30, 2022, the City paid premiums of approximately \$3,159,567 to commercial insurance carriers for provisions of various liability, property, casualty and workers compensation insurance. The City has various deductible amounts ranging from \$500 to \$25,000 on various policies. At year-end, the City did not have any significant claims, and past claims have not exceeded insurance coverage in any of the past three years. There were no significant changes in coverage retention, or limits during the fiscal year. The General Fund handles property claims for the City and absorbs the loss for any amounts below the deductible amounts.

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

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS

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

Currently an annual actuarial evaluation is performed for both Plans. The most recent actuarial valuations were performed for the year ended September 30, 2022. Other information regarding contributions and funding progress is included as supplementary information to this report.

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

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

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

| | <u>Net Pension Liability</u> | <u>Deferred Outflows</u> | <u>Deferred Inflows</u> | <u>Pension Expense</u> |
|----------------------------------------------------------------------|----------------------------------|------------------------------|-----------------------------|----------------------------|
| Municipal Police Officers' Retirement Trust Fund | 2,960,010 | 3,286,185 | 432,550 | 720,569 |
| General Employee Retirement and Benefit System (City Portion) | <u>35,641,820</u> | <u>21,876,824</u> | <u>150,029</u> | <u>8,411,387</u> |
| Subtotal | 38,601,830 | 25,163,009 | 582,579 | 9,131,956 |
| General Employee Retirement and Benefit System (FPUA Portion) | <u>29,536,496</u> | <u>17,920,017</u> | <u>376,990</u> | <u>6,970,544</u> |
| Total | <u><u>68,138,326</u></u> | <u><u>43,083,026</u></u> | <u><u>959,569</u></u> | <u><u>16,102,500</u></u> |

The General Employees' Retirement and Benefit System

Plan Description

The General Employees' Retirement and Benefit System (the System) is a cost-sharing multiple-employer PERS defined benefit plan administered by the City covering all municipal employees,

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

including the Fort Pierce Utilities authority employees (FPUA). The System does not issue a stand-alone financial report but is included in the Pension Trust Fund of the City's financial statements. Participation in the Plan is compulsory for all full-time employees of the City, who are eligible upon employment.

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

Plan Changes effective for October 1, 2012

For members hired prior to October 1, 2012:

- Benefits vest 100% after five years of service.
- Overtime hours included in compensation are limited to 300 hours per year.
- Payments for unused sick/vacation time are limited to the September 30, 2012 balance.
- Maximum pension benefit is limited to 100% of salary.

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

For members hired after October 1, 2012:

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

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

Funding Policy

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

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

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Membership

At September 30, 2022, the Plan's membership consisted of: (1) 554 retirees and beneficiaries currently receiving benefits and 44 terminated employees entitled to benefits but not yet receiving them; (2) 306 vested active employees; and (3) 253 non-vested active employees.

Benefits

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

Normal Retirement- Eligibility occurs at 25 years of service regardless of age, or at age 60 (55 for police officers) with 5 years of service. Retirees receive of 3% of final average salary times total service with a maximum of \$100,000 per year, or 100% of salary if hired before October 1, 2012.

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

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

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

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

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

Contributions

For the Three years ended 2020, 2021 and 2022, employer contributions to the Plan, all made in accordance with actuarially determined requirements, were \$5,343,484 \$5,328,802 and \$5,758,892 which was 16.10%, 15.87% and 16.24% respectively, of annual covered payroll.

The total payroll for employees covered by the System for the year ended September 30, 2022 was \$35,464,917 which includes \$15,321,429 for Fort Pierce Utilities Authority employees. One hundred percent of required contributions were actually made for 2020, 2021 and 2022.

Pension Payable

At September 30, 2022, the City reported payable's to the pension for their final payroll of the fiscal year of \$172,908 (including member contributions of \$42,226) for the City and the final payroll of the fiscal year \$133,296 (including member contributions of \$34,024) for FPUA.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Investments

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

Best estimates of real rates of return for each major asset class included in the plan's target asset allocation as of September 30, 2022 are summarized in the following table:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return | Allocation-weighted Long-term Expected Real Rate of Return |
|-----------------------|-------------------|----------------------------------------|------------------------------------------------------------|
| Large Cap Equity | 26% | 4.75% | 1.24% |
| Small/Mid Cap Equity | 12% | 4.95% | 0.59% |
| Global Ex-US Equity | 25% | 4.95% | 1.24% |
| Domestic Fixed Income | 27% | -0.75% | -0.20% |
| Real Estate | 10% | 3.25% | 33.00% |
| | 100% | | 35.87% |

For the year ended September 30, 2022, the annual money-weighted rate of return, net of investment expenses was -15.84%.

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

At September 30, 2022, the City and Fort Pierce Utilities Authority (FPUA) reported their proportional share of the following:

| | City | Component Unit FPUA |
|--------------------------------------------|------------|---------------------|
| Net Pension Liability | 35,641,820 | 29,536,496 |
| Employer Allocation Percentage | 54.68% | 45.32% |
| Proportional Share of Plan Pension Expense | 8,411,387 | 6,970,544 |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|----------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Primary Government: | | |
| Difference between Expected and Actual Experience | 607,281 | 150,029 |
| Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments | 17,585,318 | - |
| Change of Assumptions | 3,431,565 | - |
| Changes in Proportion and Differences between Employer Contributions and Share of Contributions | 252,660 | - |
| | <u>21,876,824</u> | <u>150,029</u> |
| Component Unit-FPUA: | | |
| Difference between Expected and Actual Experience | 503,255 | 124,330 |
| Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments | 14,573,012 | - |
| Change of Assumptions | 2,843,750 | - |
| Changes in Proportion and Differences between Employer Contributions and Share of Contributions | - | 252,660 |
| | <u>17,920,017</u> | <u>376,990</u> |
| | <u>39,796,841</u> | <u>527,019</u> |

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

| Year Ending September 30 | Net Deferred Outflows of Resources | | |
|-----------------------------|------------------------------------|---------------------------|----------------------|
| | City | Component Unit FPUA | Total |
| 2023 | 5,969,711 | 4,755,965 | 10,725,676 |
| 2024 | 4,524,117 | 3,704,278 | 8,228,395 |
| 2025 | 4,806,654 | 3,797,299 | 8,603,953 |
| 2026 | 6,426,313 | 5,285,485 | 11,711,798 |
| Thereafter | - | - | - |
| TOTAL | <u>\$ 21,726,795</u> | <u>\$ 17,543,027</u> | <u>\$ 39,269,822</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions

The annual required contribution for the current year was determined as part of the September 30, 2021 actuarial valuation of the Plan. The following methods and assumptions were used to determine the contribution rates:

| | |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date | September 30, 2021 |
| Notes | Actuarially determined contribution rates are calculated as of September 30, which is 12 months prior to the beginning of the fiscal year in which contributions are reported. |
| Actuarial cost method | Individual Entry Age Normal |
| Amortization method | Level Percent of Payroll, closed |
| Remaining amortization period | 1-30 years as of September 30, 2020 |
| Asset valuation method | 4-year smoothed market |
| Wage Inflation | 4.0% |
| Salary increases | General & Utilities Authority; 4.0% to 6.5%, including inflation Police; 4.2% to 8.0% |
| Investment rate of return | 7.50% |
| Retirement Age | Age and service-based tables that are specific to the type of eligibility condition. |
| Mortality | The Florida Retirement System(FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB. |
| Cost-of-living Adjustment | COLA's are granted if the investment return exceeds the investment return assumption and the cumulative actuarial gains and losses since 1995 are positive. Because the cumulative gains and losses are (38.2) million, the COLA provision is assumed to not operate for the indefinite future. |

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Discount Rate

A single discount rate of 7.25% is used to measure the total pension liability. This single rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine this single discount rate assumes that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Pension Liability

The following presents the City's proportional share of the plan's net pension liability, calculated using a single discount rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher:

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

| | 1% Decrease 6.25% | Current Single Discount Rate Assumption 7.25% | 1% Increase 8.25% |
|--------------------------------------|----------------------|-----------------------------------------------------|----------------------|
| Total Pension Liability | \$ 292,661,876 | \$ 263,768,320 | 238,974,020 |
| Net Position Restricted for Pensions | 198,590,004 | 198,590,004 | 198,590,004 |
| Net Pension Liability | <u>\$ 94,071,872</u> | <u>\$ 65,178,316</u> | <u>\$ 40,384,016</u> |
| Primary Government | \$ 51,441,844 | \$ 35,641,820 | \$ 22,083,416 |
| Component Unit-FPUA | 42,630,028 | 29,536,496 | 18,300,600 |
| | <u>\$ 94,071,872</u> | <u>\$ 65,178,316</u> | <u>\$ 40,384,016</u> |

Municipal Police Officers' Retirement Trust Fund

Plan Description

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

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

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

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

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

Membership

As of September 30, 2022, Plan membership consisted of: (1) 55 retirees and beneficiaries currently receiving benefits and 2 terminated employees entitled to benefits but not yet receiving them; (2) 26 vested active employees; and (3) 85 non-vested active employees.

Funding Policy

Contribution requirements for the Plan are established and may be amended by State law and City ordinance. Contributions for the Plan are financed principally by contributions from the State of Florida, which are financed by a .85% excise tax on casualty insurance premiums on policies covering property within the corporate limits of City of Fort Pierce, as provided under provisions of Chapter 185, Florida Statutes. Current year contributions to the plan from the State of Florida were \$453,086. The revenue and corresponding expense are recorded in the general fund. In accordance with City Code Section 2-389 each Plan member is required to make contributions of 7% of their salaries to the Plan. The funding policy for the Plan is actuarially determined in that an annual actuarial valuation is made to determine if State and employee contributions are sufficient to fund the Plan. The City is not required to contribute in any way to the Plan. Administrative costs are financed through investment earnings.

The actuarial valuation as of September 30, 2022 found anticipated revenues to be sufficient to fund the current year benefits provided by the Plan in accordance with the provisions of Chapter 185, Florida Statutes.

Benefits

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

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

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

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

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

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

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

Pension Payable

At September 30, 2022, the City reported a payable to the police pension related to employee contributions of \$21,984 withheld from the City's final payroll of the fiscal year.

Investments

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

Best estimates of real rates of return for each major asset class included in the plan's target asset allocation as of September 30, 2022 are summarized in the following table:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return | Allocation-weighted Long-term Expected Real Rate of Return |
|-----------------------|-------------------|----------------------------------------|------------------------------------------------------------|
| Large Cap Equity | 15% | 9.70% | 1.10% |
| Small/Mid Cap Equity | 14% | 10.00% | 1.00% |
| Global Ex-US Equity | 15% | 5.30% | 0.40% |
| Domestic Fixed Income | 25% | 4.20% | 0.40% |
| MLP | 6% | 8.10% | 0.30% |
| High Yield | 6% | 6.70% | 0.30% |
| Convertible Bonds | 8% | 8.80% | 0.50% |
| REITS | 5% | 9.40% | 0.30% |
| Real Estate | 5% | 8.90% | 0.30% |
| Cash | 1% | 2.40% | 0.10% |
| | 100% | | 4.70% |

For the year ended September 30, 2022, the annual money-weighted rate of return, net of investment expenses was -15.17%.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

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

At September 30, 2022, the City reported a liability of \$2,960,010 for its share of the net pension liability. The net pension liability was measured at September 30, 2022 with an actuarial valuation date of September 30, 2022.

For the year ended September 30, 2022, the city recognized pension expense of \$720,569. The City reported deferred outflows of resources and deferred inflows of resources from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Difference between Expected and Actual Experience | 395,470 | 410,276 |
| Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments | 2,402,471 | - |
| Change of Assumptions | 488,244 | 22,274 |
| Total Deferred Outflows/Inflows of Resources | <u>3,286,185</u> | <u>432,550</u> |

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

| Year Ending September 30 | Net Deferred Outflows of Resources |
|-----------------------------|------------------------------------------|
| 2023 | 687,377 |
| 2024 | 605,606 |
| 2025 | 549,459 |
| 2026 | 960,947 |
| 2027 | 32,630 |
| Thereafter | 17,616 |
| TOTAL | <u>\$ 2,853,635</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Net Pension Liability and Plan Fiduciary Net Position

The components of the net pension liability and plan fiduciary net position of the City at September 30, 2022, were as follows:

| | |
|---------------------------------------------------------|-----------------------------|
| Total Pension Liability: | |
| Service cost | \$ 567,124 |
| Interest | 1,319,136 |
| Difference between actual & expected experience | (253,745) |
| Assumption changes | 535,607 |
| Benefit payments | (768,656) |
| Refunds | (68,690) |
| Net Change in Total Pension Liability | <u>1,330,776</u> |
| Total Pension Liability-Beginning | <u>18,696,342</u> |
| Total Pension Liability-Ending (a) | <u><u>\$ 20,027,118</u></u> |
| Plan Fiduciary Net Position: | |
| Contributions-employer | \$ - |
| Contributions-employer (from state) | 453,086 |
| Contributions-Employee(Including buyback contributions) | 567,708 |
| Net investment income | (3,011,089) |
| Benefit payments | (768,656) |
| Refunds | (68,690) |
| Administrative expense | (35,570) |
| Net Change in Plan Fiduciary Net Position | <u>(2,863,211)</u> |
| Plan Fiduciary Net Position-Beginning | <u>19,930,319</u> |
| Plan Fiduciary Net Position-Ending (b) | <u><u>\$ 17,067,108</u></u> |
| Net Pension Liability(Asset)-Ending (a) - (b) | 2,960,010 |

Sensitivity of Pension Liability

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 | Current Single Discount Rate Assumption | 1% Increase |
|--------------|--------------------------------------------|-------------|
| 5.75% | 6.75% | 7.75% |
| \$ 5,373,324 | \$ 2,960,010 | \$ 956,854 |

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions

The annual required contribution for the current year was determined as part of the September 30, 2021 actuarial valuation of the Plan. The following methods and assumptions were used to determine the contribution rates:

| | |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date | October 1, 2021 |
| Notes | Actuarially determined contribution rates are calculated as of October 1, which is the beginning of the fiscal year in which contributions are reported. |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level Percent of Payroll, closed |
| Remaining amortization period | 22 years (single equivalent amortization period) |
| Asset valuation method | 4-year smoothed market |
| Inflation rate | 2.5% |
| Salary increases | 3.5% to 6.5% depending on completed years of service including inflation |
| Investment rate of return | 6.75% |
| Retirement Age | Experienced-based table of rates that are specific to the type of eligibility condition |

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 pension plan investments of 6.75%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.75%) was applied to all periods of projected benefit payments to determine the total pension liability.

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

City of Fort Pierce, Florida
**COMBINING STATEMENT OF
FIDUCIARY FUNDS NET POSITION**
September 30, 2022

| | Pension Trusts | | Total |
|---------------------------------------------------------|-----------------------|----------------------|-----------------------|
| | General Employees | Police Officers | |
| ASSETS | | | |
| Cash and cash equivalents | \$ - | \$ 496,080 | \$ 496,080 |
| Investments, at fair value: | | | |
| U.S. Government Securities | 21,486,474 | - | 21,486,474 |
| Mutual Funds | 108,818,953 | 14,464,178 | 123,283,131 |
| Municipal Bonds | 236,254 | - | 236,254 |
| Common Stock | 12,118,769 | - | 12,118,769 |
| Corporate Bonds | 26,929,064 | - | 26,929,064 |
| Real Estate Trust L.P. | 29,008,920 | - | 29,008,920 |
| Common Trust Fund | - | 1,254,232 | 1,254,232 |
| Money Market | 2,006,198 | 863,475 | 2,869,673 |
| Total investments | <u>200,604,632</u> | <u>16,581,885</u> | <u>217,186,517</u> |
| Total cash and investments | <u>200,604,632</u> | <u>17,077,965</u> | <u>217,682,597</u> |
| Accounts receivable | 306,204 | 21,984 | 328,188 |
| Accrued interest receivable | <u>399,253</u> | <u>1,401</u> | <u>400,654</u> |
| Total assets | <u>\$ 201,310,089</u> | <u>\$ 17,101,350</u> | <u>\$ 218,411,439</u> |
| LIABILITIES | | | |
| Accounts payable and accrued liabilities | <u>\$ 2,720,086</u> | <u>\$ 34,242</u> | <u>\$ 2,754,328</u> |
| NET POSITION-RESTRICTED FOR PENSION BENEFITS | | | |
| | <u>\$ 198,590,003</u> | <u>\$ 17,067,108</u> | <u>\$ 215,657,111</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE M - EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

City of Fort Pierce, Florida
**COMBINING STATEMENT OF CHANGES
IN FIDUCIARY FUNDS NET POSITION**
Year ended September 30, 2022

| | Pension Trusts | | Total |
|--------------------------------------------------------------|-----------------------|----------------------|-----------------------|
| | General Employees | Police Officers | |
| ADDITIONS | | | |
| Contributions | | | |
| Employer | \$ 5,758,891 | \$ - | \$ 5,758,891 |
| Employees | 1,983,204 | 567,708 | 2,550,912 |
| State-via the general fund | - | 453,086 | 453,086 |
| Total contributions | <u>7,742,095</u> | <u>1,020,794</u> | <u>8,762,889</u> |
| Investment income | | | |
| Interest | 2,180,734 | 2,085 | 2,182,819 |
| Dividends | 1,521,044 | 553,002 | 2,074,046 |
| Net appreciation (depreciation) in fair value of investments | <u>(41,681,026)</u> | <u>(3,479,659)</u> | <u>(45,160,685)</u> |
| Total investment income | <u>(37,979,248)</u> | <u>(2,924,572)</u> | <u>(40,903,820)</u> |
| Investment expenses | <u>(923,338)</u> | <u>(86,519)</u> | <u>(1,009,857)</u> |
| Net investment income | <u>(38,902,586)</u> | <u>(3,011,091)</u> | <u>(41,913,677)</u> |
| | | | |
| Total increases | (31,160,491) | (1,990,297) | (33,150,788) |
| DEDUCTIONS | | | |
| Retirement benefits paid | 16,263,266 | 768,657 | 17,031,923 |
| Refunds of employee contributions | 367,848 | 68,690 | 436,538 |
| Administrative expenses | 256,312 | 35,568 | 291,880 |
| Insurance expense | <u>23,714</u> | <u>-</u> | <u>23,714</u> |
| | | | |
| Total deductions | <u>16,911,140</u> | <u>872,915</u> | <u>17,784,055</u> |
| | | | |
| Net Increase (Decrease) | (48,071,631) | (2,863,212) | (50,934,843) |
| NET POSITION-RESTRICTED FOR PENSION BENEFITS | | | |
| Beginning of year | <u>246,661,634</u> | <u>19,930,320</u> | <u>266,591,954</u> |
| | | | |
| End of year | <u>\$ 198,590,003</u> | <u>\$ 17,067,108</u> | <u>\$ 215,657,111</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE N - POST-EMPLOYMENT HEALTH CARE BENEFITS

In addition to providing pension benefits, the City provides certain health care and life insurance benefits for retired employees. Substantially all of the City’s employees may become eligible for those benefits if they reach normal retirement age while working for the City. The primary government recognizes the costs associated with providing these benefits as premiums are paid. The FPUA (a component unit) recognizes the cost as it is incurred. Premiums paid by retirees for the primary government and for the FPUA total approximately \$303,572 and \$243,561, respectively.

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

Plan Description

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

Funding Policy

As of September 30, 2022, the most recent actuarial measurement date, the city’s and FPUA’s plans were unfunded.

Membership

At September 30, 2022, the City’s Plan membership consisted of: (1) 48 retirees and beneficiaries, and (2) 316 active employees. At September 30, 2022, the FPUA’s Plan membership consisted of: (1) 56 retirees and beneficiaries, and (2) 263 active employees.

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

At September 30, 2022, the City and FPUA reported an OPEB liability of \$2,191,857, and \$1,332,543. The net OPEB liability was measured at September 30, 2022 with an actuarial valuation date of September 30, 2020.

For the year ended September 30, 2022, the city and FPUA recognized OPEB expense of \$130,844, and \$149,466, respectively.

| | Primary Government | Component Unit FPUA |
|----------------------------------------------------------------------|-----------------------|---------------------------|
| OPEB Expense: | | |
| Service Cost | \$ 122,260 | \$ 43,519 |
| Interest on the Total OPEB Liability | 57,022 | 37,587 |
| Recognition of Outflow(Inflow) of of Resources Due to Liabilities | (48,438) | 68,360 |
| | <u>\$ 130,844</u> | <u>\$ 149,466</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Recognition of Deferred Outflows and Inflows of Resources

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

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---------------------------------------------------|--------------------------------------|-------------------------------------|
| | <u> </u> | <u> </u> |
| Primary Government: | | |
| Difference between Expected and Actual Experience | 91,144 | 255,778 |
| Change of Assumptions | 197,511 | 454,803 |
| | <u>288,655</u> | <u>710,581</u> |
| Component Unit-FPUA: | | |
| Difference between Expected and Actual Experience | 57,911 | 15,007 |
| Change of Assumptions | 167,503 | 3,514 |
| Difference between Expected and Actual Experience | 126,153 | - |
| | <u>351,567</u> | <u>18,521</u> |

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

| Year Ending September 30 | Net Deferred Outflows of Resources | |
|-----------------------------|------------------------------------|-----------------------------|
| | Primary Government | Component Unit FPUA |
| | <u> </u> | <u> </u> |
| 2023 | (48,438) | 68,360 |
| 2024 | (48,438) | 68,360 |
| 2025 | (44,852) | 74,793 |
| 2026 | (74,363) | 58,696 |
| 2027 | (101,404) | 33,985 |
| Thereafter | (104,431) | 28,852 |
| TOTAL | <u>\$ (421,926)</u> | <u>\$ 333,046</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

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

Net OPEB Liability

| | Primary Government | Component Unit FPUA |
|-------------------------------------------------------------------|-----------------------|---------------------------|
| Total OPEB Liability: | | |
| Service cost | \$ 122,260 | \$ 43,519 |
| Interest | 57,022 | 37,587 |
| Benefit change | - | - |
| Difference between actual & expected experience | 32,682 | 145,561 |
| Changes of assumptions | (496,564) | |
| Benefit payments | (132,274) | (72,524) |
| Net Change in Total OPEB Liability | (416,874) | 154,143 |
| Total OPEB Liability-Beginning | 2,608,731 | 1,178,400 |
| Total OPEB Liability-Ending (a) | \$ 2,191,857 | \$ 1,332,543 |
| Covered Payroll | 18,626,310 | 17,899,030 |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | 11.77% | 7.44% |

Actuarial Assumptions and Methods

| | |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date | September 30, 2020 |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level Percent of Payroll, open 30-year period |
| Wage Inflation | 2.5% |
| Salary increases | General : 4.0% to 6.5%, including inflation Police; 4% to 8% |
| Retirement Age | Age and service-based tables that are specific to the type of eligibility condition. |
| Mortality | The Florida Retirement System(FRS) mortality tables which use variations of the fully generational PUB-2010 Headcount Wighted Mortality Tables with projection scale MP. 2018 amd dosabled mortality tables which use variations of static PUB-2010 Headcount Weighted Mortality Tables with projection scale MP-2018. |
| Health Care Trend Rates | Trend starting at 7.50% and gradually decreasing to an ultimate trend rate of 4.0% |
| Aging Factors | Based on the 2013 SOA Study "Health Care Costs-From Birth to Death" |
| Expenses | Administrative expenses are included in the premium costs |
| Notes | There were no benefit changes during the year. Assumption changes include: 1) adjusting the single discount rate from 2.19% to 4.40% |

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

Discount Rate

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 4.40% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”). The discount rate was 2.19% as of the prior measurement date.

Sensitivity of Total OPEB Liability

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan’s total OPEB liability, calculated using a discount rate of 4.00%, as well as what the plan’s total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

| Sensitivity of the Total OPEB Liability to the Discount Rate Assumption | | |
|--------------------------------------------------------------------------------|-------------------------|--------------|
| | Current Single Discount | |
| 1% Decrease | Rate Assumption | 1% Increase |
| 3.40% | 4.40% | 5.40% |
| \$ 2,398,028 | \$ 2,191,857 | \$ 2,009,692 |

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

| Sensitivity of Total OPEB Liability to Healthcare Cost Rate Assumption | | |
|-------------------------------------------------------------------------------|--------------------|--------------|
| | Current Healthcare | |
| 1% Decrease | Cost Trend | 1% Increase |
| | Rate Assumption | |
| \$ 1,951,394 | \$ 2,191,857 | \$ 2,472,673 |

NOTE O - DEFERRED COMPENSATION PLAN

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

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

NOTE P - CONTRACT COMMITMENTS

FPUA, the “Authority” (a component unit)

FMPA All-requirements Power Supply Project

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

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

FMPA St. Lucie Project

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

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

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

NOTE P - CONTRACT COMMITMENTS(CONTINUED)

Purchases under these contracts are accounted for as operating expenses by the Authority. Total cost included in operating expenses for the year ended September 30, 2022 is \$6,521,000. The Authority is committed under the agreements to payments totaling \$6,510,000 for the year ending September 30, 2022.

Florida Gas Transmission

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

On July 3, 2012, the Authority acquired additional firm capacity from the City of Sunrise, Florida in order to meet the needs of new industrial customers. This agreement will remain in effect until cancelled by the Authority. In fiscal 2016, additional firm capacity was made available from FGT and the Authority exercised rights to obtain this capacity. An additional 96,800 MMBtu of capacity was obtained. With the additional capacity, the amount of Sunrise capacity was reduced by 45,300 MMBtu via a revised interlocal agreement with the City of Sunrise. In fiscal 2023, FPUA will be entitled to firm capacity of 566,412 MMBtu, and will commit to purchase 535,283 MMBtu of natural gas at a cost of \$5,218,000. The amounts purchased under these contracts for fiscal 2022 and fiscal 2021 were \$3,513,000 and 1,936,000, respectively.

FMPA Treasure Coast Energy Center

The Authority has entered into an agreement with FMPA to manage and operate their newly developed facility located in St. Lucie County near Fort Pierce. The Treasure Coast Energy Center (TCEC) is a natural gas fueled power generation site. The initial terms of this agreement(s) commenced on July 24, 2007 and expired on September 30, 2011, after which the agreement becomes a one-year evergreen protecting both parties from a long term commitment. The agreement has been extended for the year ended September 30, 2022.

The Authority has been engaged to manage, operate, and maintain the TCEC. TCEC employees are on the payroll of the Authority and all costs associated with them are reimbursed bi-weekly by FMPA. TCEC employee costs and revenue for Fiscal 2022 totaled \$2,069,000.

NOTE Q - CONTINGENT LIABILITIES

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

NOTE R - TRANSACTIONS WITH COMPONENT UNITS

Fort Pierce Utilities Authority (a discretely presented component unit)

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

Vehicle Maintenance - The City charges the FPUA, on a monthly basis, for fuel used by FPUA vehicles. FPUA reciprocates by permitting the City to fuel their vehicles at FPUA pumps and bills the City on a monthly basis.

Non-metered and Metered Service Charges - The FPUA bills the City, on a monthly basis, for all nonmetered and metered services. Total amounts charged to the City in fiscal 2022 was approximately \$2,231,000 and the receivable balance at September 30, 2022 was approximately \$321,000.

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

Total disbursements made to the City by the FPUA, including payments of utility tax and sanitation charges collected during year ended September 30, 2022, were approximately \$11,586,000. Amounts receivable from the FPUA at September 30, 2022 were approximately \$953,000.

The Fort Pierce City Charter, Article XII, Section 178, provides that each year the Utility Authority shall pay to the City of Fort Pierce a sum equal to six percent of gross revenues derived from the operation of the utilities for the preceding fiscal year. The city commission, by majority vote, may agree to accept a lesser percentage. For purposes of this section the Charter defines gross revenues as all income derived from retail sales of electricity, gas, and wastewater disposal; wholesale and retail sales of water; gains on sales of assets, interest, rents, royalties, dividends, and management fees. Where a power cost adjustment or purchase gas adjustment is utilized, gross income shall mean the amount billed based upon the applicable rate without a debit or credit for the cost adjustment. For the year ended September 30, 2022, the amount transferred to the General Fund under this provision was \$6,524,408.

NOTE T-FUND BALANCE

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

As of September 30, 2022, the fund balances of the governmental funds are classified as follows:

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

Restricted- Amounts can be used only for specific purposes because of a constitutional

NOTE T-FUND BALANCE (CONTINUED)

provision, enabling legislation, or externally imposed constraints by creditors, grantors, contributors, or other governments.

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

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

Unassigned- Residual amount retained in the general fund that has not been otherwise classified. Any residual unassigned balance must be positive in the general fund but may be negative in any other governmental funds as a result of overspending for specific purposes for which amounts have been restricted, committed or assigned.

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

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

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE T-FUND BALANCE (CONTINUED)

As of September 30, 2022, the fund balances of the governmental funds are:

| | General Fund | Community Redevelopment Agency | Road Impact Fee Fund | Half-Cent Infrastructure Fund | Other Governmental Funds | Totals |
|-----------------------------|----------------------|--------------------------------------|----------------------------|-------------------------------------|--------------------------------|----------------------|
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Inventories | \$ 64,101 | \$ - | \$ - | \$ - | \$ - | \$ 64,101 |
| Prepaid Items | 402,563 | 40,571 | - | - | 3,734 | 446,868 |
| Restricted for: | | | | | | |
| Law Enforcement | - | - | - | - | 265,712 | 265,712 |
| Debt Service | - | - | - | - | 2,134,749 | 2,134,749 |
| Grant-CDBG | - | - | - | - | 628,447 | 628,447 |
| Redevelopment Projects | - | 2,177,770 | - | - | - | 2,177,770 |
| State Housing Initiatives | - | - | - | - | 571,261 | 571,261 |
| Grant-Administration | - | - | - | - | 530,588 | 530,588 |
| Impact Fees-Capital Improv. | - | - | 5,223,213 | - | 4,202,624 | 9,425,837 |
| PSFRD-Capital Improv. | - | - | - | - | 74,161 | 74,161 |
| Park Improvements | - | - | - | - | 974,828 | 974,828 |
| Special Projects | - | - | - | - | 1,607,190 | 1,607,190 |
| Capital Improvement: | | | | | | |
| Roads | - | - | - | - | 600,000 | 600,000 |
| Infrastructure | - | - | - | 5,009,905 | - | 5,009,905 |
| Theatre Restoration | - | - | - | - | 163,964 | 163,964 |
| Assigned to: | | | | | | |
| 10% Reserve Policy | 4,751,350 | - | - | - | - | 4,751,350 |
| Art in Public Places | - | - | - | - | 4,583 | 4,583 |
| Advances to Other Funds | - | - | - | - | 302,039 | 302,039 |
| Unassigned: | 7,714,214 | - | - | - | - | 7,714,214 |
| | <u>\$ 12,932,228</u> | <u>\$ 2,218,341</u> | <u>\$ 5,223,213</u> | <u>\$ 5,009,905</u> | <u>\$ 12,063,880</u> | <u>\$ 37,447,567</u> |

City of Fort Pierce, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE U - RESTRICTED ASSETS

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

The restricted assets of the **primary government** as of September 30, 2022 are as follows:

| | <u>Governmental Activities:</u> | <u>Business type Activities:</u> | <u>Total</u> |
|-----------------------|-------------------------------------|--------------------------------------|-------------------|
| Cash and investments: | | | |
| Customer deposits | \$ 55,616 | \$ 275,377 | \$ 330,993 |
| | <u>\$ 55,616</u> | <u>\$ 275,377</u> | <u>\$ 330,993</u> |

The restricted assets of the **FPUA** (a component unit) as of September 30, 2022, are as follows:

| | | |
|----------------------------------------|-----------------------|--|
| Cash and investments: | | |
| Principal and interest on debt service | \$ 6,180,903 | |
| Capital Improvement charges | 8,314,634 | |
| Debt service | 5,868,627 | |
| Emergency reserve | 900,000 | |
| Renewal and replacement reserve | 500,000 | |
| Capital projects | 117,907,564 | |
| Customer security deposits | 8,989,027 | |
| | <u>\$ 148,660,755</u> | |

NOTE V – CONDUIT DEBT OBLIGATIONS

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

As of September 30, 2022, all outstanding Capital Improvement Revenue Bond have been fully repaid and the City has no conduit debt obligations outstanding.

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REQUIRED SUPPLEMENTARY INFORMATION

◆ **GASB Statement 75**

◆ **GASB Statement 67**

◆ **GASB Statement 68**



City of Fort Pierce, Florida
GASB STATEMENT 75 REQUIREMENT SUPPLEMENTARY INFORMATION
City of Ft. Pierce Other Post Employment Benefits
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
September 30, 2022
(Unaudited)

| Primary Government | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|----------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total OPEB Liability: | | | | | |
| Service cost | \$ 122,260 | \$ 122,224 | \$ 122,692 | \$ 99,678 | \$ 107,243 |
| Interest | 57,022 | 67,946 | 75,171 | 85,282 | 78,531 |
| Benefit change | - | - | - | - | - |
| Difference between actual & expected experience | 32,682 | (350,270) | - | 113,730 | 31,535 |
| Assumption changes | (496,564) | 64,107 | (3,721) | 324,670 | (71,941) |
| Benefit payments | <u>(132,274)</u> | <u>(107,008)</u> | <u>(109,092)</u> | <u>(147,030)</u> | <u>(170,274)</u> |
| Net Change in Total OPEB Liability | (416,874) | (203,001) | 85,050 | 476,330 | (24,906) |
| Total OPEB Liability-Beginning | <u>2,608,731</u> | <u>2,811,732</u> | <u>2,726,682</u> | <u>2,250,352</u> | <u>2,275,258</u> |
| Total OPEB Liability-Ending (a) | <u>\$ 2,191,857</u> | <u>\$ 2,608,731</u> | <u>\$ 2,811,732</u> | <u>\$ 2,726,682</u> | <u>\$ 2,250,352</u> |
| Covered-employee Payroll | 18,626,310 | 18,626,310 | 16,903,846 | 16,903,846 | 17,543,452 |
| Net OPEB Liability as a Percentage of Covered-employee Payroll | 11.77% | 14.01% | 16.63% | 16.13% | 12.83% |
| Component Unit-FPUA | | | | | |
| Service cost | \$ 43,519 | \$ 32,796 | \$ 29,458 | \$ 26,709 | \$ 19,960 |
| Interest | 37,587 | 27,862 | 32,928 | 37,439 | 33,195 |
| Benefit change | - | - | - | - | - |
| Difference between actual & expected experience | 145,561 | - | - | 132,631 | (50,737) |
| Assumption changes | - | (4,816) | 281,710 | - | - |
| Implicit rate subsidy | <u>(72,524)</u> | <u>(105,378)</u> | <u>(105,378)</u> | <u>(63,859)</u> | <u>(40,626)</u> |
| Net Change in Total OPEB Liability | 154,143 | (49,536) | 238,718 | 132,920 | (38,208) |
| Total OPEB Liability-Beginning | <u>1,178,400</u> | <u>1,227,936</u> | <u>989,218</u> | <u>856,298</u> | <u>894,506</u> |
| Total OPEB Liability-Ending (a) | <u>\$ 1,332,543</u> | <u>\$ 1,178,400</u> | <u>\$ 1,227,936</u> | <u>\$ 989,218</u> | <u>\$ 856,298</u> |
| Covered- Employee Payroll | 17,899,030 | 17,472,000 | 17,191,000 | 16,496,863 | 15,838,042 |
| Net OPEB Liability as a Percentage of Covered-employee Payroll | 7.44% | 6.74% | 7.14% | 6.00% | 5.41% |

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

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

City of Fort Pierce, Florida

GASB STATEMENT 75 REQUIREMENT SUPPLEMENTARY INFORMATION

September 30, 2022

(Unaudited)

ACTUARIAL ASSUMPTIONS AND METHODS

| | |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date | September 30, 2020 |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level Percent of Payroll, open 30-year period |
| Wage Inflation | 2.5% |
| Salary increases | General : 4.0% to 6.5%, including inflation Police; 4% to 8% |
| Retirement Age | Age and service-based tables that are specific to the type of eligibility |
| Mortality | The Florida Retirement System(FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB. |
| Health Care | |
| Trend Rates | Trend starting at 7.5% and gradually decreasing to an ultimate trend rate of 4% |
| Aging Factors | Based on the 2013 SOA Study "Health Care Costs-From Birth to Death" |
| Expenses | Administrative expenses are included in the premium costs |
| Notes | There were no benefit changes during the year. Assumption changes include: 1) adjusting the single discount rate from 2.19% to 4.40%. |

City of Fort Pierce, Florida
Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios
General Employees Retirement and Benefits System
September 30, 2022

| | 2022 | 2021 | 2020 | 2019 |
|---------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total Pension Liability: | | | | |
| Service cost | \$ 5,518,532 | \$ 5,089,433 | \$ 5,021,652 | \$ 4,901,223 |
| Interest | 18,118,373 | 18,079,684 | 17,321,038 | 16,847,951 |
| Benefit change | 1,998,928 | - | - | 174,512 |
| Difference between actual & expected experience | 361,867 | (422,338) | 2,776,075 | (997,275) |
| Assumption changes | 7,267,130 | 1,430,177 | - | - |
| Benefit payments | (16,263,265) | (15,386,633) | (14,749,739) | (14,176,818) |
| Refunds | (367,848) | (181,123) | (409,856) | (428,152) |
| Net Change in Total Pension Liability | 16,633,717 | 8,609,200 | 9,959,170 | 6,321,441 |
| Total Pension Liability-Beginning | 247,134,603 | 238,525,403 | 228,566,233 | 222,244,792 |
| Total Pension Liability-Ending (a) | <u>\$ 263,768,320</u> | <u>\$ 247,134,603</u> | <u>\$ 238,525,403</u> | <u>\$ 228,566,233</u> |
| Plan Fiduciary Net Position: | | | | |
| Contributions-employer | \$ 5,758,891 | \$ 5,328,802 | \$ 5,343,484 | \$ 5,240,707 |
| Contributions-member | 1,983,204 | 1,889,515 | 1,870,451 | 1,818,969 |
| Net investment income | (38,903,461) | 39,835,032 | 19,265,084 | 5,280,406 |
| Benefit payments | (16,263,266) | (15,386,633) | (14,749,739) | (14,176,818) |
| Refunds | (367,848) | (181,123) | (409,856) | (428,152) |
| Administrative expense | (231,057) | (232,885) | (222,249) | (249,712) |
| Other | (48,094) | (41,821) | (40,331) | (56,759) |
| Net Change in Plan Fiduciary Net Position | (48,071,631) | 31,210,887 | 11,056,844 | (2,571,359) |
| Plan Fiduciary Net Position-Beginning | 246,661,634 | 215,450,747 | 204,393,903 | 206,965,262 |
| Plan Fiduciary Net Position-Ending (b) | <u>\$ 198,590,003</u> | <u>\$ 246,661,634</u> | <u>\$ 215,450,747</u> | <u>\$ 204,393,903</u> |
| Net Pension Liability-Ending (a) - (b) | 65,178,317 | 472,969 | 23,074,656 | 24,172,330 |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 75.29% | 99.81% | 90.33% | 89.42% |
| Covered Payroll | 35,464,917 | 33,584,778 | 33,184,229 | 32,342,994 |
| Net Pension Liability as a Percentage of Covered Payroll | 183.78% | 1.41% | 69.54% | 74.74% |

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

| 2018 | 2017 | 2016 | 2015 | 2014 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 4,568,028 | \$ 4,587,528 | \$ 4,329,645 | \$ 4,044,804 | \$ 4,049,351 |
| 16,278,951 | 15,490,335 | 14,668,388 | 14,241,759 | 13,874,945 |
| - | - | - | - | - |
| 521,525 | 344 | (620,021) | - | (500,696) |
| - | 9,957,279 | 5,168,979 | - | (335,946) |
| (13,532,573) | (13,168,952) | (12,884,323) | (12,528,070) | (11,877,048) |
| (248,781) | (257,587) | (492,348) | (287,469) | (307,836) |
| 7,587,150 | 16,608,947 | 10,170,320 | 5,471,024 | 4,902,770 |
| 214,657,642 | 198,048,695 | 187,878,375 | 182,407,351 | 177,504,581 |
| <u>\$ 222,244,792</u> | <u>\$ 214,657,642</u> | <u>\$ 198,048,695</u> | <u>\$ 187,878,375</u> | <u>\$ 182,407,351</u> |
| | | | | |
| \$ 4,909,654 | \$ 4,565,884 | \$ 4,211,311 | \$ 4,093,268 | \$ 4,356,127 |
| 1,690,811 | 1,669,207 | 1,533,510 | 1,473,091 | 1,493,529 |
| 19,626,060 | 19,013,825 | 16,472,191 | 2,984,072 | 16,939,786 |
| (13,532,573) | (13,168,952) | (12,884,323) | (12,528,070) | (11,877,048) |
| (248,781) | (257,587) | (492,348) | (287,469) | (307,836) |
| (207,265) | (209,251) | (217,891) | (176,341) | (199,552) |
| (46,756) | (45,031) | (50,240) | (44,893) | (47,555) |
| 12,191,150 | 11,568,095 | 8,572,210 | (4,486,342) | 10,357,451 |
| 194,774,112 | 183,206,017 | 174,633,807 | 179,120,149 | 168,762,698 |
| <u>\$ 206,965,262</u> | <u>\$ 194,774,112</u> | <u>\$ 183,206,017</u> | <u>\$ 174,633,807</u> | <u>\$ 179,120,149</u> |
| | | | | |
| 15,279,530 | 19,883,530 | 14,842,678 | 13,244,568 | 3,287,202 |
| | | | | |
| 93.12% | 90.74% | 92.51% | 92.95% | 98.20% |
| 30,176,465 | 29,789,176 | 27,295,114 | 26,139,109 | 26,380,878 |
| | | | | |
| 50.63% | 66.75% | 54.38% | 50.67% | 12.46% |

City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
 General Employee's Retirement and Benefit System
 September 30, 2022
 (Unaudited)

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

| | <u>9/30/2022</u> | <u>9/30/2021</u> | <u>9/30/2020</u> | <u>9/30/2019</u> | <u>9/30/2018</u> | <u>9/30/2017</u> |
|-------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Employer's Proportion of the Net Pension Liability(Asset) | 35,641,820 | 242,469 | 12,588,665 | 12,566,225 | 7,871,592 | 9,793,225 |
| Employer's Proportionate share of the Net Pension Liability(Asset) | 54.68% | 51.27% | 54.56% | 51.99% | 51.52% | 49.25% |
| Employer's Covered Payroll | 20,143,488 | 17,930,697 | 17,369,719 | 17,335,972 | 16,775,936 | 16,580,599 |
| Employer's Proportionate share of the Net Pension Liability(Asset) as a Percentage of Covered Payroll | 176.94% | 1.35% | 72.47% | 72.49% | 46.92% | 59.06% |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 75.29% | 99.81% | 90.33% | 89.42% | 93.12% | 90.74% |

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

| | <u>9/30/2022</u> | <u>9/30/2021</u> | <u>9/30/2020</u> | <u>9/30/2019</u> | <u>9/30/2018</u> | <u>9/30/2017</u> |
|-------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Employer's Proportion of the Net Pension Liability(Asset) | 29,536,496 | 230,500 | 10,485,991 | 11,606,105 | 7,407,938 | 10,090,305 |
| Employer's Proportionate share of the Net Pension Liability(Asset) | 45.32% | 48.73% | 45.44% | 48.01% | 48.48% | 50.75% |
| Employer's Covered Payroll | 15,321,429 | 15,654,081 | 15,814,510 | 15,007,022 | 13,400,529 | 13,208,577 |
| Employer's Proportionate share of the Net Pension Liability(Asset) as a Percentage of Covered Payroll | 192.78% | 1.47% | 66.31% | 77.34% | 55.28% | 76.39% |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 75.29% | 99.81% | 90.33% | 89.42% | 93.12% | 90.74% |

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

| <u>9/30/2016</u> | <u>9/30/2015</u> |
|------------------|------------------|
|------------------|------------------|

| | |
|-----------|-----------|
| 8,187,612 | 7,716,429 |
|-----------|-----------|

| | |
|--------|--------|
| 55.16% | 58.26% |
|--------|--------|

| | |
|------------|------------|
| 14,786,848 | 13,707,805 |
|------------|------------|

| | |
|--------|--------|
| 55.37% | 56.29% |
|--------|--------|

| | |
|--------|--------|
| 92.51% | 92.95% |
|--------|--------|

| <u>9/30/2016</u> | <u>9/30/2015</u> |
|------------------|------------------|
|------------------|------------------|

| | |
|-----------|-----------|
| 6,655,066 | 5,528,139 |
|-----------|-----------|

| | |
|--------|--------|
| 44.84% | 41.74% |
|--------|--------|

| | |
|------------|------------|
| 12,508,266 | 12,431,304 |
|------------|------------|

| | |
|--------|--------|
| 53.21% | 44.47% |
|--------|--------|

| | |
|--------|--------|
| 92.51% | 92.95% |
|--------|--------|

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City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
 General Employee's Retirement and Benefit System
 September 30, 2022
 (Unaudited)

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

| Fiscal Year Ending | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a % of Covered Payroll |
|--------------------|-------------------------------------|---------------------|----------------------------------|-----------------|-----------------------------------------------|
| 9/30/2014 | 2,302,840 | 2,302,840 | - | 14,546,191 | 15.83% |
| 9/30/2015 | 2,006,447 | 2,006,447 | - | 13,707,805 | 14.64% |
| 9/30/2016 | 2,172,613 | 2,172,613 | - | 14,786,848 | 14.69% |
| 9/30/2017 | 2,418,554 | 2,418,554 | - | 16,580,599 | 14.59% |
| 9/30/2018 | 2,507,774 | 2,507,774 | - | 16,775,936 | 14.95% |
| 9/30/2019 | 2,523,920 | 2,523,920 | - | 17,335,972 | 14.56% |
| 9/30/2020 | 2,568,448 | 2,568,448 | - | 17,369,719 | 14.79% |
| 9/30/2021 | 2,753,445 | 2,753,445 | - | 17,930,697 | 15.36% |
| 9/30/2022 | 3,157,387 | 3,157,387 | - | 20,143,488 | 15.67% |

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

| Fiscal Year Ending | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a % of Covered Payroll |
|--------------------|-------------------------------------|---------------------|----------------------------------|-----------------|-----------------------------------------------|
| 9/30/2014 | 2,053,287 | 2,053,287 | - | 11,834,687 | 17.35% |
| 9/30/2015 | 2,086,821 | 2,086,821 | - | 12,431,304 | 16.79% |
| 9/30/2016 | 2,038,699 | 2,038,699 | - | 12,508,266 | 16.30% |
| 9/30/2017 | 2,147,330 | 2,147,330 | - | 13,208,577 | 16.26% |
| 9/30/2018 | 2,401,880 | 2,401,880 | - | 13,400,529 | 17.92% |
| 9/30/2019 | 2,716,787 | 2,716,787 | - | 15,007,022 | 18.10% |
| 9/30/2020 | 2,775,035 | 2,775,035 | - | 15,814,510 | 17.55% |
| 9/30/2021 | 2,575,357 | 2,575,357 | - | 15,654,081 | 16.45% |
| 9/30/2022 | 2,601,505 | 2,601,505 | - | 15,321,429 | 16.98% |

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

City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
 General Employee's Retirement and Benefit System
 September 30, 2022
 (Unaudited)

Notes to Schedule of Contributions:

| | |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date | Actuarially determined contribution rates are calculated as of September 30, which is 12 months prior to the beginning of the fiscal year in which contributions are reported. |
| Actuarial cost method | Individual Entry Age Normal |
| Amortization method | Level Percent of Payroll, closed |
| Remaining amortization period | 1-30 years as of September 30, 2020 |
| Asset valuation method | 4-year smoothed market |
| Wage Inflation | 4.0% |
| Salary increases | General & Utilities Authority; 4.0% to 6.5%, including inflation Police; 4.2% to 8.0% |
| Investment rate of return | 7.5% |
| Long-term municipal bond rate | 2.19% |
| Retirement Age | Age and service-based tables that are specific to the type of eligibility condition. |
| Mortality | The Florida Retirement System(FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB. |
| Cost-of-living Adjustment | COLA's are granted if the investment return exceeds the investment return assumption and the cumulative actuarial gains and losses since 1995 are positive. Because the cumulative gains and losses are (38.2) million, the COLA provision is assumed to not operate for the indefinite future. |
| Notes | The assumed rate of return was lowered from 7.5% to 7.25% for the september 30, 2021 valuation. The September 30, 2021 valuation reflects changes in relation to City Ordinance No. 21-067. This ordinance removes the \$100,000 dollar maximum pension payment for members hired before October 1, 2012. |

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

City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
 General Employee's Retirement and Benefit System
 September 30, 2022
 (Unaudited)

SCHEDULE OF INVESTMENT RETURNS MULTIYEAR*

| Annual money-weighted rate of return, net of investment expense: | Annual Return |
|------------------------------------------------------------------|------------------|
| Fiscal year ending September 30, 2014 | 10.48% |
| Fiscal year ending September 30, 2015 | 1.75% |
| Fiscal year ending September 30, 2016 | 9.86% |
| Fiscal year ending September 30, 2017 | 11.79% |
| Fiscal year ending September 30, 2018 | 9.38% |
| Fiscal year ending September 30, 2019 | 2.65% |
| Fiscal year ending September 30, 2020 | 9.61% |
| Fiscal year ending September 30, 2021 | 19.00% |
| Fiscal year ending September 30, 2022 | -15.84% |

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

City of Fort Pierce, Florida
Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Municipal Police Officers' Retirement Trust Fund
September 30, 2022

| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|---------------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Total Pension Liability: | | | | |
| Service cost | \$ 567,124 | \$ 592,564 | \$ 582,493 | \$ 565,351 |
| Interest | 1,319,136 | 1,265,102 | 1,206,126 | 1,154,457 |
| Benefit change | - | - | - | - |
| Difference between actual & expected experience | (253,745) | (148,313) | 508,291 | (213,853) |
| Assumption changes | 535,607 | - | 65,004 | - |
| Benefit payments | (768,656) | (896,499) | (719,495) | (697,198) |
| Refunds | (68,690) | (90,165) | (164,491) | (39,638) |
| Net Change in Total Pension Liability | <u>1,330,776</u> | <u>722,689</u> | <u>1,477,928</u> | <u>769,119</u> |
| Total Pension Liability-Beginning | <u>18,696,342</u> | <u>17,973,653</u> | <u>16,495,725</u> | <u>15,726,606</u> |
| Total Pension Liability-Ending (a) | <u><u>\$20,027,118</u></u> | <u><u>\$18,696,342</u></u> | <u><u>\$17,973,653</u></u> | <u><u>\$16,495,725</u></u> |
| | | | | |
| Plan Fiduciary Net Position: | | | | |
| Contributions-employer | \$ - | \$ - | \$ - | \$ - |
| Contributions-Employer(State) | 453,086 | 435,343 | 412,335 | 402,063 |
| Contributions-member | 567,708 | 533,239 | 536,158 | 569,137 |
| Net investment income | (3,011,089) | 3,164,372 | 1,018,216 | 723,841 |
| Benefit payments | (768,656) | (896,499) | (719,495) | (697,198) |
| Refunds | (68,690) | (90,165) | (164,491) | (39,638) |
| Administrative expense | (35,570) | (32,581) | (39,627) | (39,355) |
| Other | - | - | - | - |
| Net Change in Plan Fiduciary Net Position | <u>(2,863,211)</u> | <u>3,113,709</u> | <u>1,043,096</u> | <u>918,850</u> |
| Plan Fiduciary Net Position-Beginning | <u>19,930,319</u> | <u>16,816,610</u> | <u>15,773,514</u> | <u>14,854,664</u> |
| Plan Fiduciary Net Position-Ending (b) | <u><u>\$17,067,108</u></u> | <u><u>\$19,930,319</u></u> | <u><u>\$16,816,610</u></u> | <u><u>\$15,773,514</u></u> |
| | | | | |
| Net Pension Liability-Ending (a) - (b) | 2,960,010 | (1,233,977) | 1,157,043 | 722,211 |
| | | | | |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 85.22% | 106.60% | 93.56% | 95.62% |
| Covered Payroll | 8,110,116 | 7,617,698 | 7,659,401 | 8,130,527 |
| | | | | |
| Net Pension Liability as a Percentage of Covered Payroll | 36.50% | -16.20% | 15.11% | 8.88% |

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

| 2018 | 2017 | 2016 | 2015 | 2014 |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 548,415 | \$ 492,850 | \$ 498,450 | \$ 498,038 | \$ 592,432 |
| 1,067,784 | 1,000,403 | 952,685 | 916,626 | 861,104 |
| - | - | - | - | - |
| 297,338 | 206,823 | (66,499) | (158,912) | (9,847) |
| - | (155,930) | - | - | 305,956 |
| (637,505) | (566,773) | (540,270) | (561,863) | (729,776) |
| (95,647) | (40,689) | (293,992) | (121,468) | (132,922) |
| 1,180,385 | 936,684 | 550,374 | 572,421 | 886,947 |
| 14,546,221 | 13,609,537 | 13,059,163 | 12,486,742 | 11,599,795 |
| <u>\$15,726,606</u> | <u>\$14,546,221</u> | <u>\$13,609,537</u> | <u>\$13,059,163</u> | <u>\$12,486,742</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - |
| 367,113 | 329,933 | 302,837 | 265,449 | 248,113 |
| 502,051 | 487,044 | 471,774 | 452,740 | 449,881 |
| 780,019 | 1,130,702 | 1,000,576 | (232,886) | 896,529 |
| (637,505) | (566,773) | (540,270) | (561,863) | (729,776) |
| (95,647) | (40,689) | (293,992) | (121,468) | (132,922) |
| (35,078) | (34,525) | (36,110) | (30,114) | (65,371) |
| - | - | - | - | - |
| 880,953 | 1,305,692 | 904,815 | (228,142) | 666,454 |
| 13,973,711 | 12,668,019 | 11,763,204 | 11,991,346 | 11,324,892 |
| <u>\$14,854,664</u> | <u>\$13,973,711</u> | <u>\$12,668,019</u> | <u>\$11,763,204</u> | <u>\$11,991,346</u> |
| 871,942 | 572,510 | 941,518 | 1,295,959 | 495,396 |
| 94.46% | 96.06% | 93.08% | 90.08% | 96.03% |
| 7,172,157 | 6,957,771 | 6,739,629 | 6,450,909 | 6,426,871 |
| 12.16% | 8.23% | 13.97% | 20.09% | 7.71% |

City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
Municipal Police Officers' Retirement Trust Fund
September 30, 2022
(Unaudited)

SCHEDULE OF CONTRIBUTIONS

| Fiscal Year Ending | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a % of Covered Payroll |
|--------------------------|-------------------------------------------|------------------------|----------------------------------------|--------------------|--------------------------------------------------------|
| 9/30/2014 | 285,353 | 248,113 | 37,240 * | 6,426,871 | 3.86% |
| 9/30/2015 | 198,688 | 265,449 | (66,761) | 6,450,909 | 4.11% |
| 9/30/2016 | 173,208 | 302,837 | (129,629) | 6,739,629 | 4.49% |
| 9/30/2017 | 186,468 | 329,933 | (143,465) | 6,957,771 | 4.74% |
| 9/30/2018 | 200,820 | 367,113 | (166,293) | 7,172,157 | 5.12% |
| 9/30/2019 | 256,925 | 402,063 | (145,138) | 8,130,527 | 4.95% |
| 9/30/2020 | 280,334 | 412,335 | (132,001) | 7,659,401 | 5.38% |
| 9/30/2021 | 254,431 | 435,343 | (180,912) | 7,617,698 | 5.71% |
| 9/30/2022 | 266,012 | 453,086 | (187,074) | 8,110,116 | 5.59% |

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

City of Fort Pierce, Florida
REQUIREMENT SUPPLEMENTARY INFORMATION
Municipal Police Officers' Retirement Trust Fund
September 30, 2022
(Unaudited)

Notes to Schedule of Contributions

| | |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date | September 30, 2021 |
| Notes | Actuarial determined contribution rates are calculated as of October 1, which is the beginning of the fiscal year in which contributions are reported. |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level Percent of Payroll, closed |
| Remaining amortization period | 22 years (single equivalent amortization period) |
| Asset valuation method | 4-year smoothed market |
| Inflation rate | 2.5% |
| Salary increases | 3.5% to 6.5% depending on completed years of service, including inflation |
| Investment rate of return | 6.75% |
| Retirement Age | Experienced-based table of rates that are specific to the type of eligibility condition |
| Mortality | PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for postretirement mortality), with separate rates for males and females and ages set forward one year, with mortality improvements projected for all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and post retirement mortality are based on the Below Median Healthy tables. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS). Florida Statutes Chapter 112.63(1)(f) mandates the use of the mortality tables used in either of the two most recently published actuarial valuation reports of FRS. |

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

SCHEDULE OF INVESTMENT RETURNS MULTIYEAR*

| | Annual Return |
|------------------------------------------------------------------|------------------|
| Annual money-weighted rate of return, net of investment expense: | |
| Fiscal year ending September 30, 2014 | 9.3% |
| Fiscal year ending September 30, 2015 | -3.5% |
| Fiscal year ending September 30, 2016 | 9.57% |
| Fiscal year ending September 30, 2017 | 10.68% |
| Fiscal year ending September 30, 2018 | 6.47% |
| Fiscal year ending September 30, 2019 | 5.29% |
| Fiscal year ending September 30, 2020 | 6.95% |
| Fiscal year ending September 30, 2021 | 19.77% |
| Fiscal year ending September 30, 2022 | -15.17% |

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

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COMBINING AND INDIVIDUAL FUND STATEMENTS



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GENERAL FUND

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



City of Fort Pierce, Florida
**SCHEDULE OF GENERAL FUND REVENUES AND
OTHER FINANCING SOURCES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND**
Year ended September 30, 2022

| | Budgeted Amounts | | Actual |
|------------------------------------------|----------------------|----------------------|----------------------|
| | Original | Final | |
| Revenues | | | |
| Taxes | | | |
| Ad valorem | \$ 19,249,138 | \$ 19,490,242 | \$ 19,490,242 |
| General sales and use | 2,050,000 | 2,342,735 | 2,342,735 |
| Franchise | 4,225,700 | 4,693,936 | 4,693,936 |
| | <u>25,524,838</u> | <u>26,526,913</u> | <u>26,526,913</u> |
| Licenses and permits | | | |
| Occupational licenses | 300,000 | 294,465 | 294,465 |
| Other | 145,400 | 622,672 | 622,672 |
| | <u>445,400</u> | <u>917,137</u> | <u>917,137</u> |
| Intergovernmental revenue | | | |
| State grants | - | 693,216 | 693,216 |
| Federal grants | - | 71,819 | 71,819 |
| State shared revenue | 6,575,186 | 7,636,961 | 7,636,961 |
| State retirement contribution | 400,000 | 453,086 | 453,086 |
| County shared revenue | 47,000 | 56,039 | 56,039 |
| In lieu of taxes | 30,000 | 33,706 | 33,706 |
| | <u>7,052,186</u> | <u>8,944,827</u> | <u>8,944,827</u> |
| Charges for services | | | |
| General government | 291,200 | 410,384 | 410,384 |
| Physical environment | 93,000 | 187,944 | 187,944 |
| Economic environment | - | 148,557 | 148,557 |
| | <u>384,200</u> | <u>746,885</u> | <u>746,885</u> |
| Fines and forfeitures | | | |
| Court cases | 10,000 | 7,927 | 7,927 |
| Code violation | 325,000 | 234,557 | 234,557 |
| | <u>335,000</u> | <u>242,484</u> | <u>242,484</u> |
| Other | | | |
| Contributions from component unit | 6,578,958 | 6,524,408 | 6,524,408 |
| Investment income | 80,000 | 2,638 | 2,638 |
| Rents | 29,331 | 73,908 | 73,908 |
| Administrative and contractual services | 650,000 | 622,602 | 622,602 |
| Reimbursements by other funds | 1,591,000 | 1,418,277 | 1,418,277 |
| Special assessments | 32,500 | 151,738 | 151,738 |
| Impact fees | - | - | - |
| Miscellaneous | 261,600 | 540,392 | 540,392 |
| | <u>9,223,389</u> | <u>9,333,963</u> | <u>9,333,963</u> |
| Total revenues | 42,965,013 | 46,712,209 | 46,712,209 |
| Other financing sources | | | |
| Transfers in | 5,148,483 | 7,416,909 | 7,416,909 |
| Lease proceeds | - | 1,496,272 | 1,496,272 |
| Total other financing sources | <u>5,148,483</u> | <u>8,913,181</u> | <u>8,913,181</u> |
| Total revenues, other financing sources, | <u>\$ 48,113,496</u> | <u>\$ 55,625,390</u> | <u>\$ 55,625,390</u> |

City of Fort Pierce, Florida
**SCHEDULE OF GENERAL FUND EXPENDITURES
AND OTHER FINANCING USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND**
Year ended September 30, 2022

| | Budgeted Amounts | | Actual |
|---------------------------------------------|----------------------|----------------------|----------------------|
| | Original | Final | |
| Expenditures | | | |
| General Government | | | |
| Legislative | | | |
| City Commission | \$ 279,917 | \$ 256,479 | \$ 256,479 |
| Executive | | | |
| City Manager | 886,928 | 953,132 | 953,132 |
| City Clerk | 430,407 | 443,379 | 443,379 |
| Financial and administrative | | | |
| General administration | 9,486,083 | 9,028,057 | 9,028,057 |
| Finance | 1,015,591 | 1,013,103 | 1,013,103 |
| MIS | 1,649,524 | 1,747,102 | 1,747,102 |
| Purchasing | 348,524 | 333,615 | 333,615 |
| Human Resources | 516,611 | 529,146 | 529,146 |
| Legal counsel | | | |
| City Attorney | 585,246 | 513,420 | 513,420 |
| Comprehensive planning | | | |
| Planning | 710,710 | 608,151 | 608,151 |
| Public works | | | |
| Director | 145,265 | 156,672 | 156,672 |
| Garage | 768,900 | 749,731 | 749,731 |
| Building maintenance | 1,133,534 | 1,469,119 | 1,469,119 |
| | <u>17,957,240</u> | <u>17,801,106</u> | <u>17,801,106</u> |
| Public safety | | | |
| Law enforcement | | | |
| Police | 5,700,000 | 5,933,081 | 5,933,081 |
| Police- Operations | 8,784,406 | 11,557,988 | 11,557,988 |
| Police- Support Operations | 1,250,000 | 1,486,696 | 1,486,696 |
| Code Enforcement | 1,580,151 | 1,578,006 | 1,578,006 |
| | <u>17,314,557</u> | <u>20,555,771</u> | <u>20,555,771</u> |
| Transportation | | | |
| Road and street facilities | | | |
| Engineering | 1,393,285 | 1,242,230 | 1,242,230 |
| Street maintenance | 2,171,620 | 2,409,494 | 2,409,494 |
| | <u>3,564,905</u> | <u>3,651,724</u> | <u>3,651,724</u> |
| Culture and recreation | | | |
| Parks and recreation | 2,297,048 | 2,815,066 | 2,815,066 |
| Riverwalk Center | 418,688 | 508,481 | 508,481 |
| | <u>2,715,736</u> | <u>3,323,547</u> | <u>3,323,547</u> |
| Total expenditures | 41,552,438 | 45,332,148 | 45,332,148 |
| Other financing uses | | | |
| Transfers out | 5,961,058 | 8,267,174 | 8,267,174 |
| Total expenditures and other financing uses | <u>\$ 47,513,496</u> | <u>\$ 53,599,322</u> | <u>\$ 53,599,322</u> |

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NONMAJOR GOVERNMENTAL FUNDS



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

◆ **Police Grant Fund**

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

◆ **The Law Enforcement Trust Fund**

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

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

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

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

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

◆ **Hurricane Housing Recovery Grant Fund**

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

◆ **Restricted Revenue Fund**

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

◆ **Parks MSTU Fund**

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

NONMAJOR GOVERNMENTAL FUNDS (CONT'D)

SPECIAL REVENUE FUNDS (CONT'D)

- ◆ **Stormwater Impact Fee Fund**
This fund is used to account for all stormwater impact fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Parks Impact Fee Fund**
This fund is used to account for all parks impact fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Building Impact Fee Fund**
This fund is used to account for all building impact fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Solid Waste Impact Fee Fund**
This fund is used to account for all solid waste impact fee revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Clean and Safe Fund**
This fund is used to account for all clean and safe initiative revenue that is restricted as to purpose the money generated can be utilized.
- ◆ **Theatre Restoration Fee Fund**
This fund is used to account for all theatre restoration fee revenue that is restricted for capital improvements at the Sunrise Theatre.
- ◆ **American Rescue Plan Fund**
This fund is used to account for all American Rescue Plan grant funds that are restricted for use by statutory regulation.
- ◆ **Private Donation Fund**
This fund is used to account for all private donation revenue that is restricted as to the purpose the money donated can be utilized.

NONMAJOR GOVERNMENTAL FUNDS (CONT'D)

DEBT SERVICE FUNDS

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

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

 - A&B**

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

- ◆ **Section 108 Note Payable**

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

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

 - A**

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

- ◆ **Capital Lease**

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

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

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

NONMAJOR GOVERNMENTAL FUNDS (CONT'D)

DEBT SERVICE FUNDS (CONT'D.)

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

City of Fort Pierce, Florida
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2022

| | Special Revenue Funds | Debt Service Funds | Total Nonmajor Governmental Funds |
|--------------------------------------------------------------------------|-----------------------------|--------------------------|--------------------------------------------|
| ASSETS | | | |
| Cash and investments | \$ 10,417,966 | \$ 2,134,749 | \$ 12,552,715 |
| Accounts Receivable | 54,477 | - | 54,477 |
| Due from component unit | 24,875 | - | 24,875 |
| Advance to other funds | - | 302,039 | 302,039 |
| Due from other governments | 1,507,065 | - | 1,507,065 |
| Prepays | 3,734 | - | 3,734 |
| Notes Receivable | 1,592,470 | - | 1,592,470 |
| Total assets | <u>\$ 13,600,587</u> | <u>\$ 2,436,788</u> | <u>\$ 16,037,375</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts payable and accrued liabilities | \$ 850,862 | \$ - | \$ 850,862 |
| Contracts payable - retainage | - | - | - |
| Due to other funds | 565,684 | - | 565,684 |
| Revenue in Advance | 964,508 | - | 964,508 |
| Total liabilities | <u>2,381,054</u> | <u>-</u> | <u>2,381,054</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable Revenue | 1,592,441 | - | 1,592,441 |
| FUND BALANCES | | | |
| Nonspendable | 3,734 | - | 3,734 |
| Restricted | 9,618,775 | 2,134,749 | 11,753,524 |
| Assigned | 4,583 | 302,039 | 306,622 |
| Total fund balances | <u>9,627,092</u> | <u>2,436,788</u> | <u>12,063,880</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 13,600,587</u> | <u>\$ 2,436,788</u> | <u>\$ 16,037,375</u> |

City of Fort Pierce, Florida
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
Year ended September 30, 2022

| | Special Revenue Funds | Debt Service Funds | Total Nonmajor Governmental Funds |
|----------------------------------------------|-----------------------------|--------------------------|--------------------------------------------|
| Revenues | | | |
| Intergovernmental | \$ 8,647,430 | \$ - | \$ 8,647,430 |
| Licenses and permits | 440,101 | - | 440,101 |
| Investment income | 3,783 | 15,098 | 18,881 |
| Miscellaneous | 2,452,575 | 7,858 | 2,460,433 |
| Total revenues | 11,543,889 | 22,956 | 11,566,845 |
| Expenditures | | | |
| Current | | | |
| Public safety | 1,220,292 | - | 1,220,292 |
| Economic environment | 1,821,956 | - | 1,821,956 |
| Capital Outlay | 3,439,433 | - | 3,439,433 |
| Debt service | | | |
| Principal | - | 6,089,637 | 6,089,637 |
| Interest and fees | - | 1,863,849 | 1,863,849 |
| Other | - | 900 | 900 |
| Total expenditures | 6,481,681 | 7,954,386 | 14,436,067 |
| Excess of revenues over (under) expenditures | 5,062,208 | (7,931,430) | (2,869,222) |
| Other financing sources (uses) | | | |
| Transfers in | 383,519 | 9,439,256 | 9,822,775 |
| Transfers out | (3,662,432) | (1,728,074) | (5,390,506) |
| Total other financing sources (uses) | (3,278,913) | 7,711,182 | 4,432,269 |
| Net change in fund balances | 1,783,295 | (220,248) | 1,563,047 |
| Fund balance - beginning of year | 7,843,797 | 2,657,036 | 10,500,833 |
| Fund balance - end of year | \$ 9,627,092 | \$ 2,436,788 | \$ 12,063,880 |

City of Fort Pierce, Florida
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
September 30, 2022

| | Police Grants Fund | Law Enforcement Trust Fund | State Housing Initiatives Program (S.H.I.P.) | Community Development Block Grant |
|--------------------------------------------------------------------------|--------------------------|----------------------------------|-------------------------------------------------------|-----------------------------------------|
| ASSETS | | | | |
| Cash and investments | \$ - | \$ 246,131 | \$ 625,971 | \$ 30,150 |
| Accounts Receivable | 47,000 | - | - | - |
| Due from component unit | - | - | - | - |
| Due from other governments | 658,159 | - | - | 626,861 |
| Prepaid Expenses | 3,619 | - | - | 115 |
| Notes receivable | - | - | 30,153 | 297,759 |
| | <u>-</u> | <u>-</u> | <u>30,153</u> | <u>297,759</u> |
| Total assets | <u>\$ 708,778</u> | <u>\$ 246,131</u> | <u>\$ 656,124</u> | <u>\$ 954,885</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable and accrued liabilities | \$ 119,937 | \$ - | \$ 54,673 | \$ 28,587 |
| Contracts payable - retainage | - | - | - | - |
| Due to other funds | 565,641 | - | 37 | 6 |
| Revenue in advance | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>685,578</u> | <u>-</u> | <u>54,710</u> | <u>28,593</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Revenue | - | - | 30,153 | 297,730 |
| | <u>-</u> | <u>-</u> | <u>30,153</u> | <u>297,730</u> |
| FUND BALANCES | | | | |
| Nonspendable | 3,619 | - | - | 115 |
| Restricted | 19,581 | 246,131 | 571,261 | 628,447 |
| Assigned | - | - | - | - |
| Total fund balances | <u>23,200</u> | <u>246,131</u> | <u>571,261</u> | <u>628,562</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 708,778</u> | <u>\$ 246,131</u> | <u>\$ 656,124</u> | <u>\$ 954,885</u> |

| Hurricane Housing Recovery Grant Fund | Restricted Revenue Fund | Parks MSTU Fund | Stormwater Impact Fee Fund | Parks Impact Fee Fund | Building Impact Fee Fund | Solid Waste Impact Fee Fund | Clean and Safe Fund |
|------------------------------------------------|-------------------------------|-----------------------|----------------------------------|-----------------------------|--------------------------------|-----------------------------------|---------------------------|
| \$ 537,239 | \$ 1,756,523 | \$ 977,554 | \$ 230,305 | \$ 2,196,858 | \$ 1,201,486 | \$ 515,825 | \$ 865,057 |
| - | 7,477 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 24,875 |
| - | 222,045 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 1,264,558 | - | - | - | - | - | - | - |
| <u>\$ 1,801,797</u> | <u>\$ 1,986,045</u> | <u>\$ 977,554</u> | <u>\$ 230,305</u> | <u>\$ 2,196,858</u> | <u>\$ 1,201,486</u> | <u>\$ 515,825</u> | <u>\$ 889,932</u> |
| \$ 6,651 | \$ 547,578 | \$ 2,726 | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 6,651 | 547,578 | 2,726 | - | - | - | - | - |
| 1,264,558 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 530,588 | 1,433,884 | 974,828 | 230,305 | 2,196,858 | 1,201,486 | 515,825 | 889,932 |
| - | 4,583 | - | - | - | - | - | - |
| 530,588 | 1,438,467 | 974,828 | 230,305 | 2,196,858 | 1,201,486 | 515,825 | 889,932 |
| <u>\$ 1,801,797</u> | <u>\$ 1,986,045</u> | <u>\$ 977,554</u> | <u>\$ 230,305</u> | <u>\$ 2,196,858</u> | <u>\$ 1,201,486</u> | <u>\$ 515,825</u> | <u>\$ 889,932</u> |

City of Fort Pierce, Florida
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2022

| | Theatre Restoration Fee Fund | American Rescue Plan Fund | Private donations | Total Nonmajor Special Revenue Funds |
|--------------------------------------------------------------------------|------------------------------------|---------------------------------|----------------------|--------------------------------------------|
| ASSETS | | | | |
| Cash and investments | \$ 163,964 | \$ 1,060,903 | \$ 10,000 | \$ 10,417,966 |
| Accounts Receivable | - | - | - | 54,477 |
| Due from component unit | - | - | - | 24,875 |
| Due from other governments | - | - | - | 1,507,065 |
| Prepaid Expenses | - | - | - | 3,734 |
| Notes receivable | - | - | - | 1,592,470 |
| Total assets | <u>\$ 163,964</u> | <u>\$ 1,060,903</u> | <u>\$ 10,000</u> | <u>\$ 13,600,587</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ 90,710 | \$ - | \$ 850,862 |
| Contracts payable - retainage | - | - | - | - |
| Due to other funds | - | - | - | 565,684 |
| Revenue in advance | - | 964,508 | - | 964,508 |
| Total liabilities | <u>-</u> | <u>1,055,218</u> | <u>-</u> | <u>2,381,054</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Revenue | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,592,441</u> |
| FUND BALANCES | | | | |
| Nonspendable | - | - | - | 3,734 |
| Restricted | 163,964 | 5,685 | 10,000 | 9,618,775 |
| Assigned | - | - | - | 4,583 |
| Total fund balances | <u>163,964</u> | <u>5,685</u> | <u>10,000</u> | <u>9,627,092</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 163,964</u> | <u>\$ 1,060,903</u> | <u>\$ 10,000</u> | <u>\$ 13,600,587</u> |

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City of Fort Pierce, Florida
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
Year ended September 30, 2022

| | Police Grants Fund | Law Enforcement Trust Fund | State Housing Initiatives Program (S.H.I.P.) | Community Development Block Grant | Hurricane Housing Recovery Grant Fund |
|----------------------------------------------|--------------------------|----------------------------------|-------------------------------------------------------|-----------------------------------------|------------------------------------------------|
| Revenues | | | | | |
| Intergovernmental | \$ 973,615 | \$ - | \$ 497,720 | \$ 500,396 | \$ 135,737 |
| Licenses and permits | - | - | - | - | - |
| Investment income | - | 13 | 41 | 81 | 2,616 |
| Miscellaneous | 94,000 | 100,000 | 43,361 | 8,368 | 450 |
| Total revenues | 1,067,615 | 100,013 | 541,122 | 508,845 | 138,803 |
| Expenditures | | | | | |
| Current | | | | | |
| Public safety | 1,219,235 | 1,057 | - | - | - |
| Economic environment | - | - | 271,268 | 688,487 | 100 |
| Capital outlay | 109,756 | - | - | - | - |
| Total expenditures | 1,328,991 | 1,057 | 271,268 | 688,487 | 100 |
| Excess of revenues over (under) expenditures | (261,376) | 98,956 | 269,854 | (179,642) | 138,703 |
| Other financing sources (uses) | | | | | |
| Transfers in | 246,019 | - | - | 137,500 | - |
| Transfers out | - | - | - | - | (37,500) |
| Total other financing sources (uses) | 246,019 | - | - | 137,500 | (37,500) |
| Net change in fund balances | (15,357) | 98,956 | 269,854 | (42,142) | 101,203 |
| Fund balance - beginning of year | 38,557 | 147,175 | 301,407 | 670,704 | 429,385 |
| Fund balance - end of year | \$ 23,200 | \$ 246,131 | \$ 571,261 | \$ 628,562 | \$ 530,588 |

| <u>Restricted Revenue Fund</u> | <u>Parks MSTU Fund</u> | <u>Stormwater Impact Fee Fund</u> | <u>Parks Impact Fee Fund</u> | <u>Building Impact Fee Fund</u> | <u>Solid Waste Impact Fee Fund</u> | <u>Clean and Safe Fund</u> |
|--------------------------------|------------------------|-----------------------------------|------------------------------|---------------------------------|------------------------------------|----------------------------|
| \$ 421,918 | \$ 331,220 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118,350 | - | - | - | - | - | 321,751 |
| 181 | 91 | 12 | 167 | 81 | 29 | 73 |
| <u>242,118</u> | <u>5,000</u> | <u>179,241</u> | <u>936,282</u> | <u>419,040</u> | <u>306,057</u> | <u>11,400</u> |
| 782,567 | 336,311 | 179,253 | 936,449 | 419,121 | 306,086 | 333,224 |
| - | - | - | - | - | - | - |
| 459,467 | 8,326 | - | 9,278 | - | - | 5,077 |
| <u>247,494</u> | <u>594,362</u> | <u>-</u> | <u>300,025</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>706,961</u> | <u>602,688</u> | <u>-</u> | <u>309,303</u> | <u>-</u> | <u>-</u> | <u>5,077</u> |
| 75,606 | (266,377) | 179,253 | 627,146 | 419,121 | 306,086 | 328,147 |
| - | - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(357,567)</u> |
| - | - | - | - | - | - | (357,567) |
| 75,606 | (266,377) | 179,253 | 627,146 | 419,121 | 306,086 | (29,420) |
| 1,362,861 | 1,241,205 | 51,052 | 1,569,712 | 782,365 | 209,739 | 919,352 |
| <u>\$ 1,438,467</u> | <u>\$ 974,828</u> | <u>\$ 230,305</u> | <u>\$ 2,196,858</u> | <u>\$ 1,201,486</u> | <u>\$ 515,825</u> | <u>\$ 889,932</u> |

City of Fort Pierce, Florida
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS**
Year ended September 30, 2022

| | Theatre Restoration Fee Fund | American Rescue Plan Fund | Private Donations | Total Non-Major Special Revenue Funds |
|----------------------------------------------|------------------------------------|---------------------------------|----------------------|---------------------------------------------|
| Revenues | | | | |
| Intergovernmental | \$ - | \$ 5,786,824 | \$ - | \$ 8,647,430 |
| Licenses and permits | - | - | - | 440,101 |
| Investment income | 13 | 385 | - | 3,783 |
| Miscellaneous | 97,258 | - | 10,000 | 2,452,575 |
| | <u>97,271</u> | <u>5,787,209</u> | <u>10,000</u> | <u>11,543,889</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Current | | | | |
| Public safety | - | - | - | 1,220,292 |
| Economic environment | 69 | 379,884 | - | 1,821,956 |
| Capital outlay | - | 2,187,796 | - | 3,439,433 |
| Total expenditures | <u>69</u> | <u>2,567,680</u> | <u>-</u> | <u>6,481,681</u> |
| Excess of revenues over (under) expenditures | 97,202 | 3,219,529 | 10,000 | 5,062,208 |
| Other financing sources (uses) | | | | |
| Transfers in | - | - | - | 383,519 |
| Transfers out | <u>(53,521)</u> | <u>(3,213,844)</u> | <u>-</u> | <u>(3,662,432)</u> |
| Total other financing sources (uses) | (53,521) | (3,213,844) | - | (3,278,913) |
| Net change in fund balances | 43,681 | 5,685 | 10,000 | 1,783,295 |
| Fund balance - beginning of year | 120,283 | - | - | 7,843,797 |
| Fund balance - end of year | <u>\$ 163,964</u> | <u>\$ 5,685</u> | <u>\$ 10,000</u> | <u>\$ 9,627,092</u> |

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City of Fort Pierce, Florida

SCHEDULE OF SPECIAL REVENUE FUND REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL

POLICE GRANTS FUND

Year ended September 30, 2022

| | Budgeted Amounts | | Actual | Variance |
|----------------------------------------------|------------------|------------------|------------------|-------------|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 4,004,077 | \$ 973,615 | \$ 973,615 | \$ - |
| Investment income | - | - | - | - |
| Other | 94,000 | 94,000 | 94,000 | - |
| Total revenues | <u>4,098,077</u> | <u>1,067,615</u> | <u>1,067,615</u> | <u>-</u> |
| Expenditures | | | | |
| Current | | | | |
| Economic environment | 4,033,077 | 1,219,235 | 1,219,235 | - |
| Capital outlay | 125,000 | 109,756 | 109,756 | - |
| Total expenditures | <u>4,158,077</u> | <u>1,328,991</u> | <u>1,328,991</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | (60,000) | (261,376) | (261,376) | - |
| Other financing sources (uses) | | | | |
| Transfers in | <u>60,000</u> | <u>246,019</u> | <u>246,019</u> | <u>-</u> |
| Total other financing sources (uses) | 60,000 | 246,019 | 246,019 | - |
| Net change in fund balances | - | (15,357) | (15,357) | - |
| Fund balance - beginning of year | <u>38,557</u> | <u>38,557</u> | <u>38,557</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 38,557</u> | <u>\$ 23,200</u> | <u>\$ 23,200</u> | <u>\$ -</u> |

City of Fort Pierce, Florida

SCHEDULE OF SPECIAL REVENUE FUND REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL

STATE HOUSING INITIATIVES PROGRAM(SHIP)

Year ended September 30, 2022

| | Budgeted Amounts | | Actual | Variance |
|----------------------------------------------|-------------------|-------------------|-------------------|-------------|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 480,369 | \$ 497,720 | \$ 497,720 | \$ - |
| Investment income | 500 | 41 | 41 | - |
| Other | 5,000 | 43,361 | 43,361 | - |
| Total revenues | <u>485,869</u> | <u>541,122</u> | <u>541,122</u> | <u>-</u> |
| Expenditures | | | | |
| Current | | | | |
| Economic environment | 485,869 | 271,268 | 271,268 | - |
| Total expenditures | <u>485,869</u> | <u>271,268</u> | <u>271,268</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | - | 269,854 | 269,854 | - |
| Other financing sources (uses) | | | | |
| Transfers in | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | - | 269,854 | 269,854 | - |
| Fund balance - beginning of year | <u>301,407</u> | <u>301,407</u> | <u>301,407</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 301,407</u> | <u>\$ 571,261</u> | <u>\$ 571,261</u> | <u>\$ -</u> |

City of Fort Pierce, Florida

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

Year ended September 30, 2022

| | Budgeted Amounts | | Actual | Variance |
|---------------------------------------------|-------------------|-------------------|-------------------|-------------|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 949,173 | \$ 500,396 | \$ 500,396 | \$ - |
| Investment income | 500 | 81 | 81 | - |
| Other | 7,500 | 8,368 | 8,368 | - |
| Total revenues | <u>957,173</u> | <u>508,845</u> | <u>508,845</u> | <u>-</u> |
| Expenditures | | | | |
| Current | | | | |
| Economic environment | 1,007,173 | 688,487 | 688,487 | - |
| Capital outlay | - | - | - | - |
| Total expenditures | <u>1,007,173</u> | <u>688,487</u> | <u>688,487</u> | <u>-</u> |
| Excess of revenues over(under) expenditures | (50,000) | (179,642) | (179,642) | - |
| Other financing sources (uses) | | | | |
| Transfers in | <u>50,000</u> | <u>137,500</u> | <u>137,500</u> | <u>-</u> |
| Total other financing sources (uses) | 50,000 | 137,500 | 137,500 | - |
| Net change in fund balances | - | (42,142) | (42,142) | - |
| Fund balance - beginning of year | <u>670,704</u> | <u>670,704</u> | <u>670,704</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 670,704</u> | <u>\$ 628,562</u> | <u>\$ 628,562</u> | <u>\$ -</u> |

City of Fort Pierce, Florida

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

Year ended September 30, 2022

| | Budgeted Amounts | | Actual | Variance |
|---------------------------------------|-------------------|-------------------|-------------------|-------------|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ - | \$ 135,737 | \$ 135,737 | \$ - |
| Investment income | 1,000 | 2,616 | 2,616 | - |
| Other | 300,500 | 450 | 450 | - |
| Total revenues | <u>301,500</u> | <u>138,803</u> | <u>138,803</u> | <u>-</u> |
| Expenditures | | | | |
| Current | | | | |
| Economic environment | <u>301,500</u> | <u>100</u> | <u>100</u> | <u>-</u> |
| Total expenditures | <u>301,500</u> | <u>100</u> | <u>100</u> | <u>-</u> |
| Excess of revenues over expenditures | - | 138,703 | 138,703 | - |
| Other financing sources (uses) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | <u>-</u> | <u>(37,500)</u> | <u>(37,500)</u> | <u>-</u> |
| Total other financing sources (uses) | - | (37,500) | (37,500) | - |
| Net change in fund balances | - | 101,203 | 101,203 | - |
| Fund balance - beginning of year | <u>429,385</u> | <u>429,385</u> | <u>429,385</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 429,385</u> | <u>\$ 530,588</u> | <u>\$ 530,588</u> | <u>\$ -</u> |

City of Fort Pierce, Florida
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2022

| | Capital Improvement Refunding 2010 | Section 108 Loan | Fort Pierce Redevelopment Refunding 2015 | Capital Lease | Capital Improvement Refunding 2019 |
|------------------------|---------------------------------------------|---------------------|---------------------------------------------------|------------------|---------------------------------------------|
| ASSETS | | | | | |
| Cash and investments | \$ - | \$ 243,872 | \$ 516,114 | \$ - | \$ 95,280 |
| Advance to other funds | - | 302,039 | - | - | - |
| Total Assets | <u>\$ -</u> | <u>\$ 545,911</u> | <u>\$ 516,114</u> | <u>\$ -</u> | <u>\$ 95,280</u> |

LIABILITIES AND FUND BALANCES

FUND BALANCES

| | | | | | |
|------------------------------------|-------------|-------------------|-------------------|-------------|------------------|
| Restricted | - | 243,872 | 516,114 | - | 95,280 |
| Assigned | - | 302,039 | - | - | - |
| Total fund balance | <u>-</u> | <u>545,911</u> | <u>516,114</u> | <u>-</u> | <u>95,280</u> |
| Total liabilities and fund balance | <u>\$ -</u> | <u>\$ 545,911</u> | <u>\$ 516,114</u> | <u>\$ -</u> | <u>\$ 95,280</u> |

| Capital Improvement Refunding 2020A | Capital Improvement Refunding 2020B | Capital Improvement Refunding 2020C | Fort Pierce Redevelopment Refunding 2021 | Total Nonmajor Debt Service Funds |
|-------------------------------------|-------------------------------------|-------------------------------------|------------------------------------------|-----------------------------------|
| \$ 1,162,258 | \$ 28,053 | \$ 31,336 | \$ 57,836 | \$ 2,134,749 |
| - | - | - | - | 302,039 |
| <u>\$ 1,162,258</u> | <u>\$ 28,053</u> | <u>\$ 31,336</u> | <u>\$ 57,836</u> | <u>\$ 2,436,788</u> |
| 1,162,258 | 28,053 | 31,336 | 57,836 | 2,134,749 |
| - | - | - | - | 302,039 |
| <u>1,162,258</u> | <u>28,053</u> | <u>31,336</u> | <u>57,836</u> | <u>2,436,788</u> |
| <u>\$ 1,162,258</u> | <u>\$ 28,053</u> | <u>\$ 31,336</u> | <u>\$ 57,836</u> | <u>\$ 2,436,788</u> |

City of Fort Pierce, Florida
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE**
NONMAJOR DEBT SERVICE FUNDS
 Year Ended September 30, 2022

| | Capital Improvement Refunding 2010 | Section 108 Loan | Fort Pierce Redevelopment Refunding 2015 | Capital Lease | Capital Improvement Refunding 2019 |
|-------------------------------------------------|---------------------------------------------|---------------------|---------------------------------------------------|------------------|---------------------------------------------|
| Revenues | | | | | |
| Investment income | \$ 95 | \$ 14,803 | \$ 73 | \$ - | \$ 56 |
| Miscellaneous | - | - | - | 7,858 | - |
| Total revenues | 95 | 14,803 | 73 | 7,858 | 56 |
| Expenditures | | | | | |
| Debt service | | | | | |
| Principal | 400,000 | 283,000 | 1,180,000 | 853,854 | 1,345,000 |
| Interest and fees | 21,376 | 24,224 | 438,727 | 96,417 | 952,250 |
| Other | - | - | - | - | 400 |
| Total expenditures | 421,376 | 307,224 | 1,618,727 | 950,271 | 2,297,650 |
| Excess of revenues over (under) expenditures | (421,281) | (292,421) | (1,618,654) | (942,413) | (2,297,594) |
| Other financing sources (uses) | | | | | |
| Transfers in | 421,376 | - | 2,515,800 | 942,413 | 2,297,250 |
| Debt issuance | - | - | - | - | - |
| Premium on Issuance of Refunding B | - | - | - | - | - |
| Payment on Current Refunding | - | - | - | - | - |
| Transfers out | (831,474) | - | (896,600) | - | - |
| Total other financing sources (uses) | (410,098) | - | 1,619,200 | 942,413 | 2,297,250 |
| Net change in fund balances | (831,379) | (292,421) | 546 | - | (344) |
| Fund balances - beginning of year | 831,379 | 838,332 | 515,568 | - | 95,624 |
| Fund balances - end of year | \$ - | \$ 545,911 | \$ 516,114 | \$ - | \$ 95,280 |

| Capital Improvement Refunding 2020A | Capital Improvement Refunding 2020B | Capital Improvement Refunding 2020C | Fort Pierce Redevelopment Refunding 2021 | Total Nonmajor Debt Service Funds |
|----------------------------------------------|----------------------------------------------|----------------------------------------------|---------------------------------------------------|-----------------------------------------|
| \$ 31 | \$ 25 | \$ 15 | \$ - | \$ 15,098 |
| - | - | - | - | 7,858 |
| 31 | 25 | 15 | - | 22,956 |
| - | 869,492 | 513,291 | 645,000 | 6,089,637 |
| 54,663 | 23,110 | 59,818 | 193,264 | 1,863,849 |
| - | - | - | 500 | 900 |
| 54,663 | 892,602 | 573,109 | 838,764 | 7,954,386 |
| (54,632) | (892,577) | (573,094) | (838,764) | (7,931,430) |
| 900,105 | 892,602 | 573,110 | 896,600 | 9,439,256 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | (1,728,074) |
| 900,105 | 892,602 | 573,110 | 896,600 | 7,711,182 |
| 845,473 | 25 | 16 | 57,836 | (220,248) |
| 316,785 | 28,028 | 31,320 | - | 2,657,036 |
| \$ 1,162,258 | \$ 28,053 | \$ 31,336 | \$ 57,836 | \$ 2,436,788 |

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STATISTICAL SECTION



NONMAJOR GOVERNMENTAL FUNDS (CONT'D)

A-1 STATISTICAL TABLES

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

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

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

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

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

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

MISCELLANEOUS STATISTICS

September 30, 2022

| | | | |
|-------------------------------------------|--------------------------------------------|----------------------------------------|--------|
| Date of Incorporation: | February 2, 1901 | City of Fort Pierce Population: | |
| Adoption of City Charter: | 1957 | 1940 | 8,040 |
| Form of Govt: | Commission/City Manager | 1950 | 13,502 |
| Fiscal Year: | October 1, 2021 through September 30, 2022 | 1960 | 25,113 |
| Area: | 35.37 square miles as of 9/30/2022 | 1970 | 29,721 |
| | | 1980 | 33,802 |
| Number of Employees: | 700.0 | 1990 | 36,830 |
| City | 406.0 | 2000 | 38,401 |
| Utilities Authority | 294.0 | 2010 | 41,590 |
| | | 2020 | 47,297 |
| Police Protection: | | Recreation: | |
| Number of Stations | 2 | Acres of Public Parks | 294.3 |
| Number of Arresting Personnel | 123 | Miles of Public Beach | 2.3 |
| Fire Protection: | | Baseball Practice Fields | 23 |
| (County wide) | | Basketball Courts | 11 |
| Number of Stations | 17 | Boat Ramps | 10 |
| Number of Firemen & Officers | 435 | Football Fields | 1 |
| Infrastructure: | | Playgrounds | 12 |
| City Buildings | 25 | Municipal Pools | 2 |
| Cemeteries (not City owned) | 5 | Racquetball | 2 |
| City Bridges | 15 | Shuffleboard Courts | 1 |
| *Vehicle | 6 | Tennis Courts | 18 |
| *Pedestrian | 9 | Utilities Customers: | |
| Traffic Lights | 211 | Electric | 28,985 |
| *Flashing Lights | 32 | Water | 21,792 |
| *Traffic & Caution Lights | 179 | Wastewater | 16,010 |
| Street Lights | 5,370 | Natural Gas | 4,110 |
| Miles of: | | County Schools Enrollment: * | |
| *Paved Streets | 182.4 | ESE (all grades) | 7,113 |
| *Unpaved Streets | 3.0 | Elementary , Non ESE | 17,804 |
| Total Streets | 185.4 | Middle , Non ESE | 9,640 |
| Canals | 10.1 | High School , Non ESE | 13,954 |
| Curbs and Gutters | 123.0 | Total Enrollment | 48,511 |
| Seawalls | 1.1 | Solid Waste Customers: | |
| Sidewalks | 115.1 | Commercial | 1,865 |
| Storm Sewers | 75.3 | Residential | 13,109 |
| Building Permits New Construction: | 348 | Public | 23 |
| Construction Valuation | \$ 235,719,862 | | |

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

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

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

| | Fiscal Year | | | |
|----------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2020 | 2019 |
| Governmental activities | | | | |
| Net invested in capital assets | \$ 54,082,341 | \$ 47,627,381 | \$ 46,251,077 | \$ 43,122,969 |
| Restricted | 2,017,888 | 2,657,036 | 2,930,970 | 3,428,020 |
| Unrestricted | 19,713,243 | 14,661,714 | 9,514,766 | 5,110,643 |
| Adjustment to record net pension liability | * | - | - | - |
| Adjustment to record net OPEB liability | ** | - | - | - |
| Adjustment to record net leases | **** | 98,783 | - | - |
| Total government activities net Position | \$ 75,813,472 | \$ 65,044,914 | \$ 58,696,813 | \$ 51,661,632 |
| Business type activities | | | | |
| Net invested in capital assets | \$ 69,208,220 | \$ 69,981,401 | \$ 70,914,575 | \$ 68,807,409 |
| Restricted | - | - | - | 2,387,689 |
| Unrestricted | 7,336,743 | 3,006,807 | (2,325,936) | (1,781,464) |
| Adjustment to record net pension liability | * | - | - | - |
| Adjustment to record net OPEB liability | ** | - | - | - |
| Adjustment to record net leases | **** | 120,436 | - | - |
| Total business-type activities net Position | \$ 76,544,963 | \$ 73,108,644 | \$ 68,588,639 | \$ 69,413,634 |
| Primary Government | | | | |
| Net invested in capital assets | \$ 123,290,561 | \$ 117,608,782 | \$ 117,165,652 | \$ 111,930,378 |
| Restricted | 2,017,888 | 2,657,036 | 2,930,970 | 5,815,709 |
| Unrestricted | 27,049,986 | 17,668,521 | 7,188,830 | 3,329,179 |
| Adjustment to record net pension liability | * | - | - | - |
| Adjustment to record net OPEB liability | ** | - | - | - |
| Adjustment to prior period | *** | - | (4,661,158) | - |
| Adjustment to record net leases | **** | 219,219 | - | - |
| Total primary government net Position | \$ 152,358,435 | \$ 138,153,558 | \$ 122,624,294 | \$ 121,075,266 |

Source: Statement of Net Position

* Implementation of GASB 68

** Implementation of GASB 75

*** Correction of error (land)

****Implementation of GASB 87

| Fiscal Year | | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|--------------------|-----------------------|--|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | |
| \$ 41,656,393 | \$ 41,206,642 | \$ 39,077,396 | \$ 37,055,350 | \$ 34,114,524 | \$ 32,136,904 | |
| 2,347,896 | 2,906,878 | 5,300,896 | 6,911,826 | 7,644,201 | 3,612,651 | |
| 6,103,498 | 2,817,495 | 4,960,007 | 5,825,232 | 9,166,286 | 12,820,034 | |
| - | - | - | - | (1,761,220) | - | |
| - | (1,017,916) | - | - | - | - | |
| - | - | - | - | - | - | |
| \$ 50,107,787 | \$ 45,913,099 | \$ 49,338,299 | \$ 49,792,408 | 49,163,791 | \$ 48,569,589 | |
| | | | | | | |
| \$ 68,117,114 | \$ 68,530,285 | \$ 69,349,261 | \$ 72,258,131 | \$ 66,234,195 | \$ 65,104,588 | |
| - | - | - | - | - | - | |
| 685,832 | 180,432 | 1,271,085 | 4,277,533 | 13,349,535 | 12,551,494 | |
| - | - | - | - | (270,999) | - | |
| - | (216,887) | - | - | - | - | |
| - | - | - | - | - | - | |
| \$ 68,802,946 | \$ 68,493,830 | \$ 70,620,346 | \$ 76,535,664 | 79,312,731 | \$ 77,656,082 | |
| | | | | | | |
| \$ 109,773,507 | \$ 109,736,927 | \$ 108,426,657 | \$ 109,313,481 | \$ 100,348,719 | \$ 97,241,492 | |
| 2,347,896 | 2,906,878 | 5,300,896 | 6,911,826 | 7,644,201 | 3,612,651 | |
| 6,789,330 | 2,997,927 | 6,231,092 | 10,102,765 | 22,515,821 | 25,371,528 | |
| - | - | - | - | (2,032,219) | - | |
| - | - | - | - | (2,032,219) | - | |
| - | - | - | - | - | - | |
| - | - | - | - | - | - | |
| \$ 118,910,733 | \$ 115,641,732 | \$ 119,958,645 | \$ 126,328,072 | 126,444,303 | \$ 126,225,671 | |

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

| | Fiscal Year | | | |
|------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
| | 2022 | 2021 | 2020 | 2019 |
| Expenses | | | | |
| Government activities: | | | | |
| General government | \$ 16,477,901 | \$ 12,719,596 | \$ 13,317,064 | \$ 12,478,803 |
| Public Safety | 23,940,531 | 16,401,467 | 17,827,436 | 18,718,692 |
| Transportation | 7,459,528 | 6,454,122 | 6,238,070 | 6,743,878 |
| Economic Environment | 3,138,349 | 2,312,522 | 1,561,735 | 1,779,196 |
| Culture and recreation | 4,003,125 | 2,947,750 | 2,849,467 | 3,013,258 |
| Interest of long-term debt | 1,908,511 | 2,484,294 | 2,446,784 | 3,163,194 |
| Total government activities expenses | <u>\$ 56,927,945</u> | <u>\$ 43,319,751</u> | <u>\$ 44,240,556</u> | <u>\$ 45,897,021</u> |
| Business-type activities | | | | |
| Solid Waste | \$ 8,000,944 | \$ 6,987,006 | \$ 6,902,042 | \$ 6,778,735 |
| Marina | 5,335,268 | 4,279,627 | 3,646,829 | 4,375,846 |
| Storm Water | 2,820,373 | 2,921,026 | 2,883,250 | 3,321,553 |
| Golf Course | 1,629,512 | 1,584,953 * | 1,653,957 | 1,628,188 |
| Sunrise Theater | 3,599,713 | 1,709,364 | 3,002,666 | 3,666,296 |
| Building Fund | 2,951,806 | 2,474,895 | 2,223,204 | 1,857,393 |
| Total business-type activities | <u>\$ 24,337,616</u> | <u>\$ 19,956,871</u> | <u>\$ 20,311,948</u> | <u>\$ 21,628,011</u> |
| Total primary government expenses | <u>\$ 81,265,561</u> | <u>\$ 63,276,622</u> | <u>\$ 64,552,504</u> | <u>\$ 67,525,032</u> |
| Program Revenues | | | | |
| Governmental activities: | | | | |
| Charges for services: | | | | |
| General government | \$ 2,654,173 | \$ 1,552,220 | \$ 1,477,614 | \$ 1,496,288 |
| Public Safety | 1,059,156 | 859,996 | 648,949 | 624,537 |
| Transportation | 2,989,411 | 1,710,182 | 949,025 | 750,443 |
| Economic Environment | 9,439,197 | 9,188,081 | 9,723,818 | 7,883,792 |
| Culture and recreation | 612,775 | 516,544 | 403,027 | 700,526 |
| Operating grants and contributions | 4,735,222 | 1,220,020 | 1,245,979 | 832,985 |
| Capital grants and contributions | 4,146,672 | 1,090,400 | - | - |
| Total governmental activities program revenue: | <u>\$ 25,636,606</u> | <u>\$ 16,137,443</u> | <u>\$ 14,448,412</u> | <u>\$ 12,288,571</u> |
| Business-type activities | | | | |
| Charges for services: | | | | |
| Solid Waste | \$ 8,158,675 | \$ 7,895,230 | \$ 7,681,585 | \$ 7,648,557 |
| Marina | 5,154,726 | 4,285,585 * | 2,733,006 | 3,470,692 |
| Storm Water | 3,512,114 | 3,828,246 | 3,888,785 | 2,845,271 |
| Golf Course | 1,200,270 | 1,212,072 | 1,262,210 | 1,151,369 |
| Sunrise Theater | 2,590,383 | 703,333 | 1,845,847 | 2,466,477 |
| Building Fund | 6,435,242 | 4,723,281 | 2,624,479 | 2,336,544 |
| Operating grants and contributions | 548,305 | 1,096,610 | - | - |
| Capital grants and contributions | - | 646,931 | 113,331 | 2,890,929 |
| Total business-type activities | <u>\$ 27,599,715</u> | <u>\$ 24,391,288</u> | <u>\$ 20,149,243</u> | <u>\$ 22,809,839</u> |
| Total primary government revenues | <u>\$ 53,236,321</u> | <u>\$ 40,528,731</u> | <u>\$ 34,597,655</u> | <u>\$ 35,098,410</u> |
| Net (Expense) Revenue | | | | |
| Governmental activities | (31,291,339) | (27,182,308) | (29,792,144) | (33,608,450) |
| Business-type activities | <u>\$ 3,262,099</u> | <u>\$ 4,434,417</u> | <u>\$ (162,705)</u> | <u>\$ 1,181,828</u> |
| Total primary government net expenses | <u>\$ (28,029,240)</u> | <u>\$ (22,747,891)</u> | <u>\$ (29,954,849)</u> | <u>\$ (32,426,622)</u> |

| Fiscal Year | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | |
| \$ 12,453,169 | \$ 12,679,532 | \$ 10,188,059 | \$ 9,615,174 | \$ 9,098,006 | \$ 9,073,474 | |
| 16,341,557 | 16,426,201 | 15,293,734 | 15,130,557 | 14,753,228 | 14,305,679 | |
| 6,382,606 | 6,224,923 | 5,868,560 | 5,729,773 | 6,071,542 | 6,263,011 | |
| 1,526,508 | 1,104,259 | 1,262,385 | 1,513,335 | 1,110,448 | 1,774,472 | |
| 2,773,173 | 2,529,937 | 2,153,169 | 2,206,744 | 2,522,271 | 2,231,912 | |
| 2,891,268 | 3,567,822 | 4,624,442 | 3,778,626 | 3,754,510 | 3,727,940 | |
| \$ 42,368,281 | \$ 42,532,674 | \$ 39,390,349 | \$ 37,974,209 | \$ 37,310,005 | \$ 37,376,488 | |
| \$ 6,745,265 | \$ 6,235,640 | \$ 5,689,842 | \$ 5,708,431 | \$ 5,264,288 | \$ 4,974,739 | |
| 4,180,073 | 4,078,834 | 3,512,275 | 3,344,558 | 2,610,077 | 2,605,281 | |
| 3,275,415 | 5,202,294 | 7,939,853 | 5,658,447 | 6,130,795 | 3,368,903 | |
| 1,432,238 | 1,553,141 | 1,510,721 | 1,574,074 | 1,587,070 | 1,658,894 | |
| 3,832,927 | 4,376,238 | 4,595,335 | 4,440,222 | 4,080,883 | 4,223,143 | |
| 1,632,847 | 1,304,815 | 1,194,096 | 1,175,458 | 1,014,511 | 1,004,080 | |
| \$ 21,098,765 | \$ 22,750,962 | \$ 24,442,122 | \$ 21,901,190 | \$ 20,687,624 | \$ 17,835,040 | |
| \$ 63,467,046 | \$ 65,283,636 | \$ 63,832,471 | \$ 59,875,399 | \$ 57,997,629 | \$ 55,211,528 | |
| \$ 1,581,796 | \$ 2,127,748 | \$ 1,180,822 | \$ 1,107,288 | \$ 489,335 | \$ 1,578,442 | |
| 915,607 | 402,673 | 559,349 | 478,889 | 391,592 | 434,898 | |
| 580,770 | 299,620 | 246,932 | 116,573 | 87,391 | 28,068 | |
| 6,452,713 | 6,883,000 | 7,296,531 | 6,047,847 | 3,904,780 | 4,876,129 | |
| 425,848 | 254,567 | 166,683 | 177,797 | 200,402 | 126,687 | |
| 3,922,855 | 1,422,785 | 385,082 | 1,823,584 | 4,169,400 | 1,013,850 | |
| - | - | - | 527,089 | 3,599,755 | 1,635,302 | |
| \$ 13,879,589 | \$ 11,390,393 | \$ 9,835,399 | \$ 10,279,067 | \$ 12,842,655 | \$ 9,693,376 | |
| \$ 7,806,315 | \$ 6,676,775 | \$ 6,544,120 | \$ 6,376,443 | \$ 6,264,167 | \$ 6,348,420 | |
| 3,635,137 | 3,729,402 | 2,856,262 | 2,196,705 | 1,737,088 | 1,800,958 | |
| 2,691,049 | 2,724,106 | 2,708,419 | 3,259,131 | 2,707,758 | 2,598,840 | |
| 1,127,258 | 979,461 | 1,235,869 | 1,373,744 | 1,417,093 | 1,418,505 | |
| 2,415,352 | 2,765,443 | 3,342,281 | 3,539,762 | 2,959,181 | 2,887,153 | |
| 2,158,592 | 1,369,165 | 1,360,416 | 1,231,122 | 1,276,557 | 1,053,183 | |
| 1,433,973 | 712,500 | - | - | - | - | |
| 351,428 | - | 407,561 | 1,959,954 | 7,142,646 | 13,354,340 | |
| \$ 21,619,104 | \$ 18,956,852 | \$ 18,454,928 | \$ 19,936,861 | \$ 23,504,490 | \$ 29,461,399 | |
| \$ 35,498,693 | \$ 30,347,245 | \$ 28,290,327 | \$ 30,215,928 | \$ 36,347,145 | \$ 39,154,775 | |
| (28,488,692) | (31,142,281) | (29,554,950) | (27,695,142) | (24,467,350) | (27,683,112) | |
| \$ 520,339 | \$ (3,794,110) | \$ (5,987,194) | \$ (1,964,329) | \$ 2,816,866 | \$ 11,626,359 | |
| \$ (27,968,353) | \$ (34,936,391) | \$ (35,542,144) | \$ (29,659,471) | \$ (21,650,484) | \$ (16,056,753) | |

General Revenues and Other Changes in Net Position

| | Fiscal Year | | | |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2022 | 2021* | 2020 | 2019 |
| Governmental Activities: | | | | |
| Taxes | | | | |
| Ad valorem tax | \$ 19,490,242 | \$ 18,060,334 | \$ 17,112,787 | \$ 15,823,291 |
| General Sales and use tax | 2,342,735 | 2,192,379 | 2,062,075 | 2,220,408 |
| Utility service and franchise | 4,693,936 | 4,562,722 | 4,448,412 | 4,358,981 |
| State Revenue Sharing | 2,102,740 | 1,636,818 | 1,413,886 | 1,525,975 |
| Additional one-cent sales tax | 5,366,622 | 4,520,661 | 3,857,988 | 3,034,894 |
| Unrestricted grants and contributions | 453,086 | 435,343 | 412,335 | 402,063 |
| Component unit transfer | 6,524,408 | 6,342,445 | 6,276,267 | 6,125,454 |
| Miscellaneous | 1,236,162 | 390,056 * | 300,350 | 423,093 |
| Unrestricted investment earnings | 22,556 | 116,341 | 241,621 | 590,597 |
| Extraordinary Item | - | - | - | - |
| Transfers | (172,590) | (65,532) | 701,604 | 657,539 |
| Total government activities | \$ 42,059,897 | \$ 38,191,567 | \$ 36,827,325 | \$ 35,162,295 |
| Business-type activities | | | | |
| Investment earnings | \$ 1,630 | \$ 20,056 | \$ 39,314 | \$ 86,399 |
| Insurance proceeds-unrestricted | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Transfers | 172,590 | 65,532 | (701,604) | (657,539) |
| Total business-type activities | \$ 174,220 | \$ 85,588 | \$ (662,290) | \$ (571,140) |
| Total primary government | \$ 42,234,117 | \$ 38,277,155 | \$ 36,165,035 | \$ 34,591,155 |
| Change in Net Position | | | | |
| Governmental Activities | \$ 10,768,558 | \$ 11,009,259 | \$ 7,035,181 | \$ 1,553,845 |
| Business-type activities | 3,436,319 | 4,520,005 | (824,995) | 610,688 |
| Total primary government | \$ 14,204,877 | \$ 15,529,264 | \$ 6,210,186 | \$ 2,164,533 |

Source: Statement of Activities

*FY 2021 restated for GASB 87

| Fiscal Year | | | | | | |
|----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|--|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | |
| \$ 15,118,042 | \$ 13,973,397 | \$ 13,171,397 | \$ 11,882,126 | \$ 11,958,161 | \$ 10,082,823 | |
| 2,129,418 | 2,059,076 | 2,082,894 | 2,072,741 | 2,084,479 | 2,183,003 | |
| 4,332,987 | 4,314,862 | 4,261,492 | 4,209,187 | 4,213,534 | 4,456,865 | |
| 1,445,623 | 1,392,722 | 1,323,800 | 1,282,595 | 1,211,575 | 1,166,983 | |
| 1,898,973 | 1,776,224 | 1,666,089 | 1,603,223 | 1,495,885 | 1,378,666 | |
| 367,113 | 329,933 | 302,837 | 265,449 | 248,113 | 249,148 | |
| 6,138,645 | 5,968,785 | 5,809,302 | 5,735,240 | 5,605,157 | 5,365,879 | |
| 412,663 | 417,715 | 201,096 | 259,054 | 91,884 | 346,124 | |
| 530,441 | 312,404 | 305,599 | 166,607 | 193,528 | 243,884 | |
| - | - | - | - | - | - | |
| 309,475 | (1,810,121) | (23,665) | 847,537 | 815,331 | 914,408 | |
| <u>\$ 32,683,380</u> | <u>\$ 28,734,997</u> | <u>\$ 29,100,841</u> | <u>\$ 28,323,759</u> | <u>\$ 27,917,647</u> | <u>\$ 26,387,783</u> | |
| \$ 98,252 | \$ 74,360 | \$ 48,211 | \$ 34,799 | \$ 44,148 | \$ 64,567 | |
| - | - | - | - | - | - | |
| - | - | - | - | - | 84,179 | |
| (309,475) | 1,810,121 | 23,665 | (847,537) | (815,331) | (914,408) | |
| <u>\$ (211,223)</u> | <u>\$ 1,884,481</u> | <u>\$ 71,876</u> | <u>\$ (812,738)</u> | <u>\$ (771,183)</u> | <u>\$ (765,662)</u> | |
| <u>\$ 32,472,157</u> | <u>\$ 30,619,478</u> | <u>\$ 29,172,717</u> | <u>\$ 27,511,021</u> | <u>\$ 27,146,464</u> | <u>\$ 25,622,121</u> | |
| \$ 4,194,688 | \$ (2,407,284) | \$ (454,109) | \$ 628,617 | \$ 3,450,297 | \$ (1,295,329) | |
| 309,116 | (1,909,629) | (5,915,318) | (2,777,067) | 2,045,683 | 10,860,697 | |
| <u>\$ 4,503,804</u> | <u>\$ (4,316,913)</u> | <u>\$ (6,369,427)</u> | <u>\$ (2,148,450)</u> | <u>\$ 5,495,980</u> | <u>\$ 9,565,368</u> | |

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

| | Fiscal Year | | | |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2022 | **2021 | 2020 | 2019 |
| General Fund | | | | |
| Nonspendable | \$ 466,664 | \$ 61,326 | \$ 393,603 | \$ 52,692 |
| Restricted | - | - | - | - |
| Committed | - | - | - | 462,950 |
| Assigned | 4,751,350 | 4,332,387 | 4,242,997 | 4,242,997 |
| Unassigned | 7,714,214 | 6,512,447 | 5,189,540 | 3,981,710 |
| Unreserved | - | - | - | - |
| Total General Fund | <u>\$ 12,932,228</u> | <u>\$ 10,906,160</u> | <u>\$ 9,826,140</u> | <u>\$ 8,740,349</u> |
| All Other Government Funds | | | | |
| Special Revenue: | | | | |
| Restricted | \$ 22,029,663 | \$ 15,526,859 | \$ 12,719,054 | \$ 9,410,349 |
| Nonspendable | 44,305 | - | 11,273 | 14,196 |
| Assigned | 4,583 | - | 4,583 | 4,583 |
| Committed | - | - | - | - |
| Debt Service: | | | | |
| Restricted | 2,134,749 | 2,017,888 | 1,965,204 | 2,145,172 |
| Assigned | 302,039 | 643,731 | 965,766 | 1,282,848 |
| Capital projects: | | | | |
| Restricted | - | - | - | - |
| Total all other governmental funds | <u>\$ 24,515,339</u> | <u>\$ 18,188,478</u> | <u>\$ 15,665,880</u> | <u>\$ 12,857,148</u> |
| Total governmental and general funds | <u>\$ 37,447,567</u> | <u>\$ 29,094,638</u> | <u>\$ 25,492,020</u> | <u>\$ 21,597,497</u> |

* Implementation of GASB 74

** Implementation of GASB 87

Source: Balance Sheet Governmental Funds

| Fiscal Year | | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| *2018 | 2017 | 2016 | 2015 | 2014 | 2013 | |
| \$ 403,855 | \$ 347,570 | \$ 316,714 | \$ 74,213 | \$ 295,821 | \$ 78,134 | |
| - | - | - | - | - | - | |
| 836,909 | 710,407 | 550,000 | 550,000 | 723,134 | 1,219,933 | |
| 3,890,961 | 3,688,620 | 3,582,326 | 3,582,326 | 3,404,652 | 3,232,604 | |
| 4,518,827 | 1,423,048 | 403,281 | 255,096 | (126,374) | (286,355) | |
| - | - | - | - | - | - | |
| <u>\$ 9,650,552</u> | <u>\$ 6,169,645</u> | <u>\$ 4,852,321</u> | <u>\$ 4,461,635</u> | <u>\$ 4,297,233</u> | <u>\$ 4,244,316</u> | |
| | | | | | | |
| \$ 7,262,071 | \$ 6,068,627 | \$ 4,445,596 | \$ 2,493,441 | \$ 2,339,723 | \$ 1,184,459 | |
| 14,261 | 12,067 | 16,573 | - | 18,429 | 1,084 | |
| 4,583 | 4,584 | 184,984 | 184,984 | 184,984 | 190,062 | |
| - | - | - | 290,254 | 130,783 | 946,613 | |
| | | | | | | |
| 757,718 | 1,019,095 | 2,974,093 | 3,750,413 | 3,722,988 | 991,103 | |
| 1,590,178 | 1,887,820 | - | - | - | - | |
| - | - | 2,326,803 | 3,161,413 | 3,921,213 | 2,621,548 | |
| <u>\$ 9,628,811</u> | <u>\$ 8,992,193</u> | <u>\$ 9,948,049</u> | <u>\$ 9,880,505</u> | <u>\$ 10,318,120</u> | <u>\$ 5,934,869</u> | |
| <u>\$ 19,279,363</u> | <u>\$ 15,161,838</u> | <u>\$ 14,800,370</u> | <u>\$ 14,342,140</u> | <u>\$ 14,615,353</u> | <u>\$ 10,179,185</u> | |

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

| | Fiscal Year | | | |
|-------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2022 | 2021 | 2020 | 2019 |
| Revenues | | | | |
| Taxes | \$ 26,526,913 | \$ 24,815,435 | \$ 23,623,274 | \$ 22,402,679 |
| Licenses, fees and permits | 1,358,610 | 1,169,930 | 843,397 | 804,478 |
| Intergovernmental | 25,517,665 | 15,725,584 | 14,750,257 | 12,875,765 |
| Charges for services | 746,885 | 462,635 | 302,697 | 431,027 |
| Fines and penalties | 242,484 | 247,456 | 387,801 | 363,464 |
| Contributions from component units | 6,524,408 | 6,342,445 | 6,276,267 | 6,125,454 |
| Investment earnings | 22,556 | 116,343 | 241,621 | 590,594 |
| Other revenues | 8,633,281 | 5,894,721 | 5,897,805 | 4,633,692 |
| Total revenues | <u>\$ 69,572,802</u> | <u>\$ 54,774,549</u> | <u>\$ 52,323,119</u> | <u>\$ 48,227,153</u> |
| Expenditures | | | | |
| General government | 16,045,102 | 14,124,075 | 13,869,729 | 12,897,475 |
| Public safety | 20,383,195 | 17,148,820 | 16,648,464 | 16,885,445 |
| Transportation | 3,651,724 | 3,302,055 | 3,078,572 | 3,145,704 |
| Economic environment | 3,136,450 | 2,247,952 | 1,469,508 | 1,679,942 |
| Culture and recreation | 3,323,547 | 2,757,528 | 2,464,639 | 2,530,491 |
| Capital outlay | 8,040,027 | 3,494,130 | 5,566,761 | 2,034,264 |
| Debt service: | | | | |
| Principal | 6,089,637 | 5,908,787 | 5,325,842 | 5,185,396 |
| Interest | 1,872,973 | 2,193,636 | 2,338,879 | 2,676,241 |
| Other | 900 | 329,999 | 180,953 | 67,673 |
| Total expenditures | <u>\$ 62,543,555</u> | <u>\$ 51,506,982</u> | <u>\$ 50,943,347</u> | <u>\$ 47,102,631</u> |
| Excess of Revenues over and (under) expenditures | <u>\$ 7,029,247</u> | <u>\$ 3,267,567</u> | <u>\$ 1,379,772</u> | <u>\$ 1,124,522</u> |
| Other Financing sources (Uses) | | | | |
| Transfers in | \$ 19,884,102 | \$ 29,496,579 | \$ 15,680,193 | \$ 16,494,082 |
| Transfers out | (20,056,692) | (29,562,111) | (14,978,589) | (15,836,543) |
| Issuance of debt/Lease | 1,496,272 | 6,875,000 | 13,937,184 | 28,232,772 |
| Premium/Discount on issuance of debt | - | 1,075,583 | - | - |
| Proceeds from refunding | - | - | - | - |
| Payment on Current Refunding | - | (7,550,000) | - | - |
| Payment on Advance Refunding | - | - | (12,124,037) | (27,696,699) |
| Total sources (uses) | <u>\$ 1,323,682</u> | <u>\$ 335,051</u> | <u>\$ 2,514,751</u> | <u>\$ 1,193,612</u> |
| Special Item-Sale of Land | | | | |
| Net change in fund balances | <u>\$ 8,352,929</u> | <u>\$ 3,602,618</u> | <u>\$ 3,894,523</u> | <u>\$ 2,318,134</u> |
| Debt service as a percentage of non capital expenditures | 14.6% | 16.9% | 16.9% | 17.4% |

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

| Fiscal Year | | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | |
| \$ 21,580,447 | \$ 20,347,337 | \$ 19,515,783 | \$ 18,164,053 | \$ 18,256,174 | \$ 16,722,691 | |
| 907,438 | 390,963 | 374,499 | 435,346 | 333,806 | 327,558 | |
| 13,198,242 | 10,448,502 | 9,899,947 | 10,661,557 | 15,104,540 | 11,384,520 | |
| 382,717 | 285,520 | 288,911 | 261,508 | 226,708 | 215,829 | |
| 552,145 | 189,139 | 301,765 | 245,930 | 202,277 | 222,445 | |
| 6,138,645 | 5,968,785 | 5,809,302 | 5,735,240 | 5,605,157 | 5,365,879 | |
| 530,441 | 312,404 | 305,599 | 166,607 | 193,528 | 243,884 | |
| 3,730,516 | 5,476,101 | 5,088,808 | 3,656,005 | 4,734,719 | 2,977,234 | |
| \$ 47,020,591 | \$ 43,418,751 | \$ 41,584,614 | \$ 39,326,246 | \$ 44,656,909 | \$ 37,460,040 | |
| 12,259,917 | 12,538,429 | 10,409,135 | 10,013,455 | 10,151,988 | 9,764,941 | |
| 15,608,843 | 15,253,746 | 13,870,188 | 13,873,313 | 14,032,891 | 13,453,506 | |
| 3,074,578 | 3,068,423 | 2,747,800 | 2,684,573 | 3,122,509 | 3,089,871 | |
| 1,435,852 | 1,021,717 | 1,182,662 | 1,434,987 | 1,033,042 | 1,735,007 | |
| 2,444,590 | 2,217,612 | 1,902,214 | 1,948,803 | 2,150,857 | 1,968,202 | |
| 3,032,948 | 3,263,816 | 3,253,508 | 3,575,611 | 10,185,718 | 3,765,513 | |
| 4,742,039 | 4,289,252 | 3,788,108 | 3,151,895 | 2,718,000 | 2,168,000 | |
| 2,476,039 | 3,107,687 | 3,935,165 | 3,760,086 | 3,647,762 | 3,709,460 | |
| 113,527 | 71,193 | 552,254 | 4,273 | 72,534 | 4,207 | |
| \$ 45,188,333 | \$ 44,831,875 | \$ 41,641,034 | \$ 40,446,996 | \$ 47,115,301 | \$ 39,658,707 | |
| \$ 1,832,258 | \$ (1,413,124) | \$ (56,420) | \$ (1,120,750) | \$ (2,458,392) | \$ (2,198,667) | |
| \$ 10,966,769 | \$ 15,746,154 | \$ 10,826,011 | \$ 13,675,604 | \$ 14,954,554 | \$ 11,239,805 | |
| (10,657,294) | (17,560,935) | (10,982,301) | (12,828,067) | (14,139,223) | (10,325,397) | |
| 6,869,010 | 3,589,373 | - | - | - | - | |
| - | - | - | - | - | - | |
| - | - | 59,370,000 | - | 6,079,229 | - | |
| - | - | (17,400,000) | - | - | - | |
| (4,893,218) | - | (41,299,060) | - | - | - | |
| 2,285,267 | 1,774,592 | \$ 514,650 | 847,537 | 6,894,560 | 914,408 | |
| 4,117,525 | 361,468 | \$ 458,230 | (273,213) | 4,436,168 | (1,284,259) | |
| 17.1% | 17.8% | 20.1% | 18.7% | 17.2% | 16.4% | |

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

| | Fiscal Year | | | |
|------------------------------------------------|------------------------|----------------------|----------------------|-----------------------|
| | 2022 | 2021 | 2020 | 2019 |
| Additions | | | | |
| Employer | \$ 5,758,891 | \$ 5,328,802 | \$ 5,343,484 | \$ 5,240,707 |
| Employees | 2,550,912 | 2,422,754 | 2,406,609 | 2,388,106 |
| State | 453,086 | 435,343 | 412,335 | 402,063 |
| Other | - | - | - | - |
| Investment income (net of expenses) | \$ (41,913,677) | \$ 43,000,803 | \$ 20,283,302 | \$ 6,004,246 |
| Total additions to plan net position | \$ (33,150,788) | \$ 51,187,702 | \$ 28,445,730 | \$ 14,035,122 |
| Deductions | | | | |
| Benefit payments | \$ 17,031,923 | \$ 16,283,132 | \$ 15,469,233 | \$ 14,874,016 |
| Refunds | 436,538 | 271,288 | 574,347 | 467,789 |
| Administrative expenses | 291,880 | 288,035 | 281,557 | 325,176 |
| Other expenses | 23,714 | 20,651 | 20,651 | 20,651 |
| Total deductions from plan net position | \$ 17,784,055 | \$ 16,863,106 | \$ 16,345,788 | \$ 15,687,632 |
| Change in net position | \$ (50,934,843) | \$ 34,324,596 | \$ 12,099,942 | \$ (1,652,510) |

Source: Combining Statement of Changes in Fiduciary Funds Net Position

| Fiscal Year | | | | | | |
|---------------|---------------|---------------|----------------|---------------|---------------|--|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | |
| \$ 4,909,654 | \$ 4,565,884 | \$ 4,211,312 | \$ 4,093,268 | \$ 4,356,127 | \$ 4,266,803 | |
| 2,192,861 | 2,156,251 | 2,005,283 | 1,925,831 | 1,943,411 | 1,920,330 | |
| 367,113 | 329,933 | 302,837 | 265,449 | 248,113 | 249,148 | |
| - | - | - | - | - | - | |
| \$ 20,351,634 | \$ 20,081,849 | \$ 17,392,106 | \$ 2,511,123 | \$ 17,721,192 | \$ 21,583,070 | |
| \$ 27,821,262 | \$ 27,133,917 | \$ 23,911,538 | \$ 8,795,671 | \$ 24,268,843 | \$ 28,019,351 | |
| \$ 14,170,078 | \$ 13,736,690 | \$ 13,389,859 | \$ 12,959,826 | \$ 12,606,823 | \$ 11,993,098 | |
| 344,428 | 298,276 | 786,340 | 408,937 | 440,758 | 585,930 | |
| 215,247 | 206,760 | 204,174 | 153,522 | 176,528 | 134,550 | |
| 19,406 | 19,406 | 19,406 | 21,601 | 20,829 | 19,416 | |
| \$ 14,749,159 | \$ 14,261,132 | \$ 14,399,779 | \$ 13,543,886 | \$ 13,244,938 | \$ 12,732,994 | |
| \$ 13,072,103 | \$ 12,872,785 | \$ 9,511,759 | \$ (4,748,215) | \$ 11,023,905 | \$ 15,286,357 | |

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

| Fiscal Year Ended September 30, | Real Property | Personal Property | Centrally Assessed Property |
|--------------------------------------------|----------------------|------------------------------|--------------------------------------------|
| 2022 | \$ 3,559,056,411 | \$ 235,951,701 | \$ 11,974,438 |
| 2021 | 3,333,122,315 | 223,371,179 | 11,666,236 |
| 2020 | 3,168,531,958 | 217,284,499 | 11,786,499 |
| 2019 | 2,973,396,245 | 206,673,280 | 11,674,621 |
| 2018 | 2,807,904,420 | 200,953,767 | 11,459,927 |
| 2017 | 2,656,205,901 | 199,752,821 | 10,889,970 |
| 2016 | 2,519,792,781 | 201,769,117 | 9,950,405 |
| 2015 | 2,420,424,296 | 178,560,253 | 8,259,241 |
| 2014 | 2,369,027,251 | 196,294,919 | 7,180,208 |
| 2013 | 2,375,689,997 | 192,499,439 | 7,381,630 |

| | Less: Exemption | | Total Taxable Assessed Value | Total Direct Tax Rate |
|----|------------------------|----|-----------------------------------------|----------------------------------|
| \$ | 912,398,608 | \$ | 2,894,583,942 | 6.9000 |
| | 873,918,111 | | 2,694,241,619 | 6.9000 |
| | 835,533,570 | | 2,562,069,386 | 6.9000 |
| | 813,001,897 | | 2,378,742,249 | 6.9000 |
| | 777,186,255 | | 2,243,131,859 | 6.9000 |
| | 759,747,984 | | 2,107,100,708 | 6.9000 |
| | 744,102,164 | | 1,987,410,139 | 6.9000 |
| | 718,951,717 | | 1,888,292,073 | 6.5786 |
| | 707,506,816 | | 1,864,995,562 | 6.6050 |
| | 707,571,187 | | 1,867,999,879 | 5.7131 |

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

| Fiscal Year | County Parks MSTU | Co Public Transit MSTU | Erosion District E | Law Enf. Jail, Judicial Sys | Co General Revenue Fund | St. Lucie County Port Bond | Childrens Services Council | St Lucie Co Fire District |
|--------------------|--------------------------|-------------------------------|---------------------------|------------------------------------|--------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| 2022 | 0.2313 | 0.1269 | 0.1763 | 2.9824 | 4.2077 | - | 0.4544 | 3.0000 |
| 2021 | 0.2313 | 0.1269 | 0.1763 | 3.2324 | 4.2077 | - | 0.4765 | 3.0000 |
| 2020 | 0.2313 | 0.1269 | 0.1497 | 3.2324 | 4.3077 | - | 0.4765 | 3.0000 |
| 2019 | 0.2313 | 0.1269 | 0.0925 | 3.4538 | 4.1077 | - | 0.4765 | 3.0000 |
| 2018 | 0.2313 | 0.1269 | 0.0925 | 3.4538 | 4.1077 | - | 0.4765 | 3.0000 |
| 2017 | 0.2313 | 0.1269 | 0.0925 | 3.2838 | 4.1077 | - | 0.4765 | 3.0000 |
| 2016 | 0.2313 | 0.1269 | 0.0925 | 3.2699 | 4.1273 | 0.0154 | 0.4765 | 3.0000 |
| 2015 | 0.2313 | 0.1269 | 0.0925 | 3.2699 | 3.7764 | 0.0154 | 0.4765 | 3.0000 |
| 2014 | 0.2313 | 0.1269 | 0.0925 | 3.9699 | 2.9221 | 0.0154 | 0.4872 | 3.0000 |
| 2013 | 0.2313 | 0.1269 | 0.0925 | 3.9699 | 2.9221 | 0.0154 | 0.4872 | 2.6500 |

Source: St. Lucie County Property Appraisers Office

| FL Inland Navigation Dist | City of Fort Pierce | County School District | Mosquito Control | S FL Water Mgmt District | Environ Signif Land Bond | Everglades Constructio n Project | Total |
|------------------------------------------|--------------------------------|---------------------------------------|-----------------------------|-----------------------------------------|-----------------------------------------|-------------------------------------------------|--------------|
| 0.0320 | 6.9000 | 6.8530 | 0.1352 | 0.2572 | - | - | 25.3564 |
| 0.0320 | 6.9000 | 6.9490 | 0.1352 | 0.2675 | - | - | 25.7348 |
| 0.0320 | 6.9000 | 7.1220 | 0.1806 | 0.2795 | - | - | 26.0386 |
| 0.0320 | 6.9000 | 6.3350 | 0.2164 | 0.2936 | - | - | 25.2657 |
| 0.0320 | 6.9000 | 6.5740 | 0.2164 | 0.3100 | - | - | 25.5211 |
| 0.0320 | 6.9000 | 6.9270 | 0.2164 | 0.3307 | - | - | 25.7248 |
| 0.0320 | 6.9000 | 7.2830 | 0.2413 | 0.3551 | - | - | 26.1512 |
| 0.0345 | 6.5786 | 7.2410 | 0.2522 | 0.3842 | - | - | 25.4794 |
| 0.0345 | 6.6050 | 7.2570 | 0.4065 | 0.4110 | - | - | 25.5593 |
| 0.0345 | 5.7131 | 7.7710 | 0.2036 | 0.4289 | - | - | 24.6464 |

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

| Fiscal Year Ended September 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | |
|------------------------------------|-------------------------------------|----------------------------------------------|-----------------------|
| | | Amount | Percentage of Levy |
| 2022 | \$ 20,225,408 | \$ 19,465,729 | 96.24% |
| 2021 | 18,754,651 | 18,005,932 | 96.01% |
| 2020 | 17,678,279 | 16,913,982 | 95.68% |
| 2019 | 16,485,272 | 15,811,194 | 95.91% |
| 2018 | 16,142,879 | 15,686,319 | 97.17% |
| 2017 | 14,596,858 | 13,990,878 | 95.85% |
| 2016 | 13,439,692 | 13,134,433 | 97.73% |
| 2015 | 12,437,017 | 11,869,802 | 95.44% |
| 2014 | 12,386,111 | 11,676,648 | 94.27% |
| 2013 | 10,736,076 | 10,021,382 | 93.34% |

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

Total Collections to Date

| Collections in Subsequent Years | Amount | Percentage of Levy |
|--------------------------------------------|---------------|-------------------------------|
| \$ 24,513 | \$ 19,490,242 | 96.37% |
| 54,402 | 18,060,334 | 96.30% |
| 198,805 | 17,112,787 | 96.80% |
| 12,097 | 15,823,291 | 95.98% |
| 178,690 | 15,865,010 | 98.28% |
| (17,481) | 13,973,397 | 95.73% |
| 36,964 | 13,171,397 | 98.00% |
| 12,303 | 11,882,105 | 95.54% |
| 279,204 | 11,955,852 | 96.53% |
| 61,442 | 10,082,823 | 93.92% |

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

| 2022 | | | |
|-----------------------------------|-----------------------------------|-------------|----------------------------------------------------------------|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Wal-Mart Stores East LP c/o Walr | 97,463,768 | 1 | 3.33966% |
| Lawnwood Medical Center Inc. Attr | 30,118,852 | 2 | 1.03204% |
| Bellsouth Telecommunication | 25,357,586 | 3 | 0.86889% |
| Lawnwood Medical Center Inc. | 24,997,956 | 4 | 0.85657% |
| Ehden NV C/O Fraga Properties | 23,153,283 | 5 | 0.79336% |
| Landings Fort Pierce LLC | 19,278,472 | 6 | 0.66059% |
| Treasure Cay Properties LLC | 18,239,965 | 7 | 0.62500% |
| Destin Beach Inc, St Lucie County | 17,910,711 | 8 | 0.61372% |
| Woods Family Limited Ptrn II | 14,475,260 | 9 | 0.49600% |
| Comcast of CO/FL Inc | 13,851,014 | 10 | 0.47461% |
| Morris/Satnick FP Assoc LLC | | | |
| Riverfront Development LLC | | | |
| Total | <u>\$ 284,846,866</u> | | <u>9.7605%</u> |

* Total assessed valuation is \$ 2,918,376,249

| 2013 | | |
|-----------------------------------|-------------|----------------------------------------------------------------|
| Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| 71,684,497 | 2 | 3.6329% |
| 38,219,613 | 3 | 1.9369% |
| 94,916,658 | 1 | 4.8102% |
| 9,272,122 | 7 | 0.4699% |
| 22,133,228 | 5 | 1.1217% |
| 19,839,763 | 6 | 1.0054% |
| 8,608,849 | 10 | 0.4363% |
| 26,013,244 | 4 | |
| 9,152,967 | 8 | 0.4639% |
| 8,859,218 | 9 | 0.4490% |
| <u>\$ 308,700,159</u> | | <u>14.3261%</u> |

\$ 1,973,225,616

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

| Fiscal Year | State Revenue Sharing | 1/2 Cent Sales Tax | Mobile Home License | Beverage License | Fuel Tax Refund | 1/2 Cent Infrastructure Tax* | Total Receipts |
|--------------------|------------------------------|---------------------------|----------------------------|-------------------------|------------------------|-------------------------------------|-----------------------|
| 2022 | \$ 2,102,740 | 2,722,204 | 63,333 | 53,767 | 50,498 | 2,644,418 | 7,636,961 |
| 2021 | 1,636,818 | 2,348,920 | 57,032 | 46,081 | 47,532 | 2,171,741 | 6,308,124 |
| 2020 | 1,413,886 | 1,995,480 | 50,053 | 48,513 | 47,741 | 1,862,508 | 5,418,180 |
| 2019 | 1,525,976 | 1,996,320 | 47,214 | 51,267 | 47,095 | 1,038,574 | 4,706,445 |
| 2018 | 1,445,623 | 1,898,973 | 45,579 | 45,403 | 56,434 | - | 3,492,012 |
| 2017 | 1,392,722 | 1,776,224 | 37,548 | 47,214 | 53,834 | - | 3,307,542 |
| 2016 | 1,323,800 | 1,666,089 | 38,013 | 36,752 | 53,354 | - | 3,118,008 |
| 2015 | 1,282,595 | 1,603,223 | 39,544 | 41,793 | 62,255 | - | 3,029,410 |
| 2014 | 1,211,575 | 1,495,885 | 36,372 | 39,118 | 54,071 | - | 2,837,021 |
| 2013 | 1,166,983 | 1,378,666 | 36,427 | 50,183 | 59,449 | - | 2,691,708 |

Source: City of Fort Pierce Finance Records

* Implemented in 2019

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

| AGENCY | Fiscal Year | | | |
|----------------------------|----------------------|--------------------|--------------------|--------------------|
| | 2022 | 2021 | 2020 | 2019 |
| City of Fort Pierce | | | | |
| CRA 1 (Res 82-25) * | 62,164,182 | 57,667,123 | 55,818,945 | 54,796,766 |
| CRA 2 (Res 95-89) | 3,961,912 | 3,554,305 | 3,519,215 | 3,304,951 |
| CRA 3 (Res 96-15) | 5,954,397 | 5,324,263 | 4,950,521 | 4,186,715 |
| CRA 4 (Res 01-98) * | 998,048,877 | 849,884,830 | 791,359,128 | 710,835,016 |
| CFP Total | 1,070,129,368 | 916,430,521 | 855,647,809 | 773,123,448 |
| St. Lucie County | | | | |
| CRA 1 (Res 82-25) ** | 62,139,182 | 57,592,123 | 55,743,945 | 54,721,766 |
| CRA 2 (Res 95-89) | 4,161,927 | 3,587,795 | 3,540,121 | 3,304,951 |
| CRA 3 (Res 96-15) | 5,954,397 | 5,324,263 | 4,950,521 | 4,186,715 |
| CRA 4 (Res 01-98) ** | 979,277,976 | 846,196,512 | 787,656,659 | 707,204,424 |
| SLC Total | 1,051,533,482 | 912,700,693 | 851,891,246 | 769,417,856 |

* City with historic but no senior exemption

** County with senior but no historic exemption

| Fiscal Year | | | | | |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| 53,285,719 | 50,541,442 | 47,636,647 | 48,076,622 | 49,234,611 | 51,157,598 |
| 3,196,843 | 3,150,181 | 2,742,460 | 2,742,460 | 2,591,500 | 2,477,100 |
| 4,085,487 | 3,942,324 | 3,853,477 | 3,853,477 | 3,173,700 | 3,467,600 |
| 673,134,776 | 632,670,747 | 589,287,949 | 592,159,262 | 561,639,632 | 561,948,017 |
| 733,702,825 | 690,304,694 | 643,520,533 | 646,831,821 | 616,639,443 | 619,050,315 |
| 53,500,126 | 50,720,476 | 47,840,681 | 49,841,776 | 49,765,511 | 52,074,098 |
| 3,196,843 | 3,150,181 | 2,742,460 | 2,742,460 | 2,591,500 | 2,477,100 |
| 4,085,487 | 3,942,324 | 3,853,477 | 3,853,477 | 3,173,700 | 3,467,600 |
| 669,506,626 | 629,469,959 | 586,114,655 | 571,482,215 | 558,849,211 | 559,212,624 |
| 730,289,082 | 687,282,940 | 640,551,273 | 627,919,928 | 614,379,922 | 617,231,422 |

City of Fort Pierce, Florida
Legal Debt Margin Information
September 30, 2022

| | Fiscal Year | | | |
|-------------------------------------------------------------------------|---------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2020 | 2019 |
| Debit Limit | \$ 67,000,000 | \$ 67,000,000 | \$ 67,000,000 | \$ 67,000,000 |
| Total Net Debt Applicable to Limit * (1) | 42,211,743 | 47,173,115 | 52,590,350 | 55,338,710 |
| Debit Margin | \$ 24,788,257 | \$ 19,826,885 | \$ 14,409,650 | \$ 11,661,290 |
| Total net debt applicable to the limit as a percentage of debt limit | 63.003% | 70.408% | 78.493% | 82.595% |

* Includes all net long-term debt except debt obligations of the Community Redevelopment Agency.

(1) debt includes unamortized items

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

City of Fort Pierce
Direct and Overlapping Governmental Activities Debt
September 30, 2022

| Jurisdiction | Governmental Bonded Debt Outstanding | Percent Applicable to City* | Total Applicable to City |
|---------------------------------------------|--------------------------------------------|-----------------------------------|-----------------------------|
| Overlapping Debt: | | | |
| St. Lucie County | 130,382,643 | 12.54% | 16,347,822 |
| St. Lucie County District School Board** | 166,772,000 | 11.95% | 19,937,089 |
| Overlapping Debt Totals | 297,154,643 | | 36,284,910 |
| Direct Debt: | | | |
| City of Fort Pierce (1) | 49,139,612 | 100.00% | 49,139,612 |
| Leases | 2,570,798 | 100.00% | 2,570,798 |
| Total Direct Debt | 51,710,410 | | 51,710,410 |
| Total direct and overlapping debt | 348,865,053 | | 87,995,320 |

Sources: St. Lucie County

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

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

(1) City direct debt includes unamortized items

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

| Fiscal Year | | | | | |
|--------------------|---------------|---------------|---------------|---------------|---------------|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| \$ 67,000,000 | \$ 67,000,000 | \$ 67,000,000 | \$ 67,000,000 | \$ 67,000,000 | \$ 67,000,000 |
| 58,465,244 | 60,365,683 | 60,736,702 | 59,086,556 | 61,940,246 | 53,835,180 |
| \$ 8,534,756 | \$ 6,634,317 | \$ 6,263,298 | \$ 7,913,444 | \$ 5,059,754 | \$ 13,164,820 |
| 87.262% | 90.098% | 90.652% | 88.189% | 92.448% | 80.351% |

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

Governmental Activities

| Fiscal Year | Redevelopment Bonds | Sales Tax Increment Bonds | Non-ad Valorum | Leases and Finance Purchases |
|--------------------|----------------------------|----------------------------------|-----------------------|-------------------------------------|
| 2022 | \$ 19,707,854 | - | 29,431,758 | 2,570,798 |
| 2021 | 20,600,000 | - | 34,332,747 | 1,928,380 |
| 2020 | 23,050,000 | - | 36,989,714 | 2,748,477 |
| 2019 | 24,770,000 | - | 39,642,639 | 1,674,225 |
| 2018 | 26,435,000 | - | 43,231,987 | 1,656,683 |
| 2017 | 28,045,000 | - | 45,720,773 | 52,886 |
| 2016 | 32,000,000 | - | 42,296,369 | - |
| 2015 | 30,330,000 | - | 43,419,477 | - |
| 2014 | 31,670,000 | - | 40,192,143 | - |
| 2013 | 32,875,000 | - | 40,665,143 | - |

Source: City of Fort Pierce Financial Statements

** Debt includes unamortized items

Business-Type Activities

| Marina | Storm water | Solid Waste | Leases and Finance Purchases | Total Primary Government | Percentage of Personal Income | Per Capita |
|---------------|--------------------|--------------------|---------------------------------------------|-----------------------------------------|----------------------------------------------|-----------------------|
| 6,952,348 | 7,537,083 | - | 897,598 | 67,097,438 | 3.36% | 1,356 |
| 7,417,403 | 8,528,880 | - | 1,180,497 | 73,987,907 | 4.09% | 1,539 |
| 7,871,070 | 9,316,978 | - | 1,672,682 | 81,648,921 | 5.03% | 1,771 |
| 8,070,875 | 10,214,676 | - | 851,820 | 85,224,235 | 6.08% | 1,850 |
| 5,230,204 | 11,942,374 | - | 1,203,685 | 89,699,933 | 7.02% | 1,968 |
| 5,361,342 | 11,970,000 | - | 1,471,677 | 92,621,679 | 7.72% | 2,045 |
| 5,598,333 | 13,745,000 | - | - | 93,639,702 | 8.21% | 2,105 |
| 5,827,371 | 13,935,000 | - | - | 93,511,848 | 8.20% | 2,102 |
| 1,846,857 | 14,570,000 | - | - | 88,279,000 | 7.67% | 2,025 |
| 1,846,857 | 15,185,000 | - | - | 90,572,000 | 7.59% | 2,178 |

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

Governmental Activities

Non-ad Valorum Bonds

| Fiscal Year | Revenue ¹ | Less: Operating Expenses ² | Net Available Revenue | Debt Service | | Coverage |
|-------------|----------------------|---------------------------------------|-----------------------|--------------|------------|----------|
| | | | | Principal | Interest | |
| 2022 | \$ 38,367,053 | \$ 26,576,763 | \$ 11,790,290 | \$ 2,280,282 | \$ 469,953 | 4.29 |
| 2021 | 35,618,953 | 22,980,507 | 12,638,447 | 1,676,190 | 360,636 | 6.20 |
| 2020 | 35,328,942 | 23,939,200 | 11,389,742 | 1,480,522 | 422,704 | 5.98 |
| 2019 | 36,289,980 | 21,725,083 | 14,564,897 | 1,493,396 | 1,322,522 | 5.17 |
| 2018 | 29,828,824 | 19,680,890 | 10,147,934 | 1,244,692 | 1,347,312 | 3.92 |
| 2017 | 32,811,589 | 20,322,433 | 12,489,156 | 967,987 | 1,325,055 | 5.45 |
| 2016 | 30,423,143 | 16,406,115 | 14,017,028 | 530,000 | 1,119,194 | 8.50 |
| 2015 | 29,088,947 | 16,279,220 | 12,809,727 | 1,255,000 | 2,038,348 | 3.89 |
| 2014 | 30,042,740 | 15,262,366 | 14,780,374 | 1,185,000 | 2,105,055 | 4.49 |
| 2013 | 27,430,244 | 14,139,760 | 13,290,484 | 190,000 | 2,112,561 | 5.77 |

Redevelopment Bonds ³

| Fiscal Year | Revenue | Less: Operating Expenses | Net Available Revenue | Debt Service | | Coverage |
|-------------|--------------|--------------------------|-----------------------|--------------|--------------|----------|
| | | | | Principal | Interest | |
| 2022 | \$ 8,276,953 | \$ 3,813,060 | \$ 4,463,894 | \$ 2,672,500 | \$ 1,273,255 | 1.13 |
| 2021 | 7,544,371 | 3,260,720 | 4,283,651 | 3,129,500 | 1,776,149 | 0.87 |
| 2020 | 7,492,647 | 3,148,729 | 4,343,918 | 3,351,611 | 1,770,830 | 0.85 |
| 2019 | 7,081,572 | 3,497,785 | 3,583,787 | 3,409,000 | 1,022,002 | 0.81 |
| 2018 | 6,033,664 | 3,179,060 | 2,854,604 | 2,884,000 | 1,124,766 | 0.71 |
| 2017 | 7,349,601 | 4,228,262 | 3,121,339 | 2,848,500 | 1,117,279 | 0.79 |
| 2016 | 8,192,527 | 2,511,834 | 5,680,693 | 2,685,000 | 1,542,822 | 1.34 |
| 2015 | 7,461,479 | 4,225,896 | 3,235,583 | 1,295,000 | 1,432,781 | 1.19 |
| 2014 | 8,321,415 | 5,173,422 | 3,147,993 | 1,205,000 | 1,479,406 | 1.17 |
| 2013 | 5,453,289 | 2,523,697 | 2,929,592 | 1,205,000 | 1,524,331 | 1.07 |

Sales Tax Increment Bonds

| Fiscal Year | Revenue | Less: Operating Expenses | Net Available Revenue | Debt Service | | Coverage |
|-------------|--------------|--------------------------|-----------------------|--------------|----------|----------|
| | | | | Principal | Interest | |
| 2022 | \$ 2,722,204 | \$ - | \$ 2,722,204 | \$ - | \$ - | - |
| 2021 | 2,348,920 | - | 2,348,920 | - | - | - |
| 2020 | 1,995,480 | - | 1,995,480 | - | - | - |
| 2019 | 1,996,320 | - | 1,996,320 | - | - | - |
| 2018 | 1,898,973 | - | 1,898,973 | - | - | - |
| 2017 | 1,776,224 | - | 1,776,224 | - | - | - |
| 2016 | 1,666,089 | - | 1,666,089 | - | - | - |
| 2015 | 1,603,223 | - | 1,603,223 | - | - | - |
| 2014 | 1,495,886 | - | 1,495,886 | - | - | - |
| 2013 | 1,378,666 | - | 1,378,666 | 490,000 | 9,800 | 2.76 |

*** No bonds outstanding

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

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

³ Funded by (TIF) Tax Increment Funds

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

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

Total operating expenses (less depr)

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

Business Activities ⁴

Marina Bonds

| Fiscal Year | Revenue | | Less: Operating Expenses | | Net Available Revenue | | Debt Service | | Coverage | | |
|----------------|---------|-----------|-----------------------------|-----------|--------------------------|-----------|--------------|----------|----------|---------|------|
| | | | | | | | Principal | Interest | | | |
| 2022 | \$ | 5,154,834 | \$ | 4,474,871 | \$ | 679,963 | \$ | 468,061 | \$ | 194,420 | 1.03 |
| 2021 | | 4,164,721 | | 3,161,999 | | 1,002,722 | | 458,670 | | 234,474 | 1.45 |
| 2020 | | 2,749,941 | | 2,501,347 | | 248,594 | | 424,920 | | 255,208 | 0.37 |
| 2019 | | 3,458,992 | | 2,841,350 | | 617,642 | | 267,620 | | 181,293 | 1.38 |
| 2018 | | 3,646,597 | | 2,849,827 | | 796,770 | | 267,369 | | 174,335 | 1.80 |
| 2017 | | 3,086,148 | | 2,474,008 | | 612,140 | | 244,619 | | 208,933 | 1.35 |
| 2016 | | 2,569,916 | | 1,846,488 | | 723,428 | | 236,990 | | 245,716 | 1.50 |
| 2015 | | 2,203,948 | | 2,183,515 | | 20,433 | | 229,038 | | 223,573 | 0.05 |
| 2014 | | 1,749,369 | | 1,666,599 | | 82,770 | | - | | 92,343 | 0.90 |
| 2013 | | 1,812,467 | | 1,754,527 | | 57,940 | | - | | 92,343 | 0.63 |

Storm Water Bonds

| Fiscal Year | Revenue | | Less: Operating Expenses | | Net Available Revenue | | Debt Service | | Coverage | | |
|----------------|---------|-----------|-----------------------------|-----------|--------------------------|-------------|--------------|-----------|----------|---------|--------|
| | | | | | | | Principal | Interest | | | |
| 2022 | \$ | 3,709,485 | \$ | 1,389,812 | \$ | 2,319,674 | \$ | 994,100 | \$ | 169,976 | 1.99 |
| 2021 | | 3,579,877 | | 1,083,449 | | 2,496,429 | | 1,025,600 | | 370,463 | 1.79 |
| 2020 | | 3,889,632 | | 1,126,776 | | 2,762,856 | | 900,000 | | 296,960 | 2.31 |
| 2019 | | 2,699,775 | | 1,660,427 | | 1,039,348 | | 1,730,000 | | 322,335 | 0.51 |
| 2018 | | 2,750,689 | | 1,612,191 | | 1,138,498 | | - | | 351,332 | 3.24 |
| 2017 | | 2,765,987 | | 3,550,865 | | (784,878) | | 855,000 | | 371,055 | (0.64) |
| 2016 | | 2,747,322 | | 4,856,140 | | (2,108,818) | | 950,000 | | 542,329 | (1.41) |
| 2015 | | 2,693,352 | | 1,521,214 | | 1,172,138 | | 635,000 | | 628,375 | 0.93 |
| 2014 | | 2,718,550 | | 2,538,854 | | 179,696 | | 635,000 | | 657,605 | 0.14 |
| 2013 | | 2,598,840 | | 1,249,161 | | 1,349,679 | | 615,000 | | 679,336 | 1.04 |

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

| Calendar Year | City of Ft. Pierce Population *, **** | Personal Income | Median Household Income * | School Enrollment**, *** | Unemployment Rate |
|----------------------|--------------------------------------------------|------------------------|------------------------------------------|-------------------------------------|------------------------------|
| 2022 | 49,488 | 1,995,504,624 | 40,323 | 48,511 | 4.3% |
| 2021 | 48,038 | 1,807,381,712 | 37,624 | 41,277 | 6.2% |
| 2020 | 46,103 | 1,622,733,394 | 35,198 | 39,872 | 8.7% |
| 2019 | 46,071 | 1,402,631,595 | 30,445 | 40,160 | 5.7% |
| 2018 | 45,581 | 1,277,407,525 | 28,025 | 40,160 | 5.9% |
| 2017 | 45,295 | 1,200,453,385 | 26,503 | 41,458 | 6.5% |
| 2016 | 44,484 | 1,140,347,340 | 25,635 | 41,589 | 8.4% |
| 2015 | 43,601 | 1,151,676,814 | 26,414 | 40,764 | 10.4% |
| 2014 | 43,074 | 1,193,968,206 | 27,719 | 40,951 | 13.7% |
| 2013 | 42,645 | 1,347,496,710 | 31,598 | 45,781 | 10.1% |

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

** St. Lucie County School Board (Countywide)

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

**** Economic Development Council of St Lucie County

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

| Employer* | 2022 | | | 2013 | | |
|------------------------------------------------|----------------|------|--------------------------------------------------------------------------|----------------|------|--------------------------------------------------------------------------|
| | Employees * | Rank | Percentage of Total County Employment Within the City Limits | Employees * | Rank | Percentage of Total County Employment Within the City Limits |
| Indian River State College | 2,154 | 1 | 2.63% | 1,037 | 3 | 4.59% |
| Lawnwood Regional Medical Center & Heart Inst: | 1,712 | 2 | 2.09% | 1500 | 2 | 6.64% |
| Wal-Mart Distribution Center | 1,273 | 3 | 1.55% | 650 | 4 | 2.88% |
| St Lucie County | 791 | 4 | 0.97% | | | |
| St Lucie County Fire District | 539 | 5 | 0.66% | | | |
| City of Fort Pierce | 358 | 6 | 0.44% | 357 | 5 | 1.58% |
| Southern Eagle | 304 | 7 | 0.37% | | | |
| Fort Pierce Utilities Authority | 275 | 8 | 0.34% | 286 | 9 | 1.27% |
| Natalie's Orchid Island | 243 | 9 | 0.30% | | | |
| Ranger Construction | 91 | 10 | 0.11% | | | |
| School Board of St Lucie County | | | | 4,946 | 1 | 21.88% |
| United States Postal Service | | | | 350 | 7 | 1.55% |
| Tropicana Products Inc | | | | 340 | 6 | 1.50% |
| New Horizons of the TC (5 locations) | | | | 300 | 8 | 1.33% |
| Drawdy Brothers Construction | | | | 200 | 10 | 0.88% |
| Total | <u>7,740</u> | | <u>9.45%</u> | <u>9,966</u> | | <u>44.10%</u> |
| Total industry jobs in St. Lucie County | 81,895 | | | 22,601 | | |

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

* Total industry job information is for St. Lucie County; specific City only data is not available.
The information uses the most recent EDC data.
Nine years prior industry jobs includes Fort Pierce only, not the entire county.

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

| Function / Program | Fiscal Year | | | |
|--------------------------------|-------------|-------|-------|-------|
| | 2022 | 2021 | 2020 | 2019 |
| Primary government: | | | | |
| Government activities: | | | | |
| General government | 77.0 | 74.0 | 77.0 | 74.0 |
| Public safety | 186.0 | 173.0 | 178.0 | 183.0 |
| Transportation | 25.0 | 25.0 | 26.0 | 26.0 |
| Economic environment | 10.0 | 8.0 | 3.0 | 3.0 |
| Culture and recreation | 31.0 | 31.0 | 31.0 | 29.0 |
| Total governmental activities | 329.0 | 311.0 | 315.0 | 315.0 |
| | | | | |
| Business type activities | | | | |
| Building Inspections | 24.0 | 18.0 | 18.0 | 18.0 |
| Marina | 7.0 | 7.0 | 7.0 | 7.0 |
| Solid Waste | 38.0 | 34.0 | 35.0 | 35.0 |
| Golf Course | 5.0 | 3.0 | 3.0 | 2.0 |
| Sunrise Theatre | 3.0 | 6.0 | 8.0 | 7.0 |
| Total Business type activities | 77.0 | 68.0 | 71.0 | 69.0 |
| | | | | |
| Total all activities | 406.0 | 379.0 | 386.0 | 384.0 |

Source: City of Fort Pierce Budget Document

| Fiscal Year | | | | | |
|--------------------|-------------|-------------|-------------|-------------|-------------|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| 69.5 | 69.5 | 65.5 | 68.0 | 69.0 | 69.0 |
| 174.0 | 170.5 | 166.5 | 167.0 | 164.0 | 164.0 |
| 26.0 | 25.0 | 25.0 | 26.0 | 26.0 | 26.0 |
| 3.0 | 2.0 | 2.0 | 2.0 | 2.0 | 6.0 |
| 26.0 | 26.0 | 26.0 | 26.0 | 26.0 | 26.0 |
| 298.5 | 293.0 | 285.0 | 289.0 | 287.0 | 291.0 |
| 18.0 | 13.0 | 11.0 | 11.0 | 12.0 | 12.0 |
| 6.5 | 6.5 | 5.0 | 5.0 | 5.0 | 6.0 |
| 33.0 | 33.0 | 33.0 | 33.0 | 33.0 | 34.0 |
| 2.0 | 12.5 | 12.5 | 13.0 | 13.0 | 16.0 |
| 7.0 | 7.0 | 7.0 | 7.0 | 6.0 | 8.0 |
| 66.5 | 72.0 | 68.5 | 69.0 | 69.0 | 76.0 |
| 365.0 | 365.0 | 353.5 | 358.0 | 356.0 | 367.0 |

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

| | Fiscal Year | | | |
|----------------------------------|-------------|--------|--------|--------|
| | 2022 | 2021 | 2020 | 2019 |
| <u>Function/Program</u> | | | | |
| Police/Code Enforcement | | | | |
| Physical arrests | 2,819 | 2,740 | 2,825 | 2,863 |
| Parking Violations | 1,797 | 701 | 377 | 633 |
| Traffic Violations | 2,517 | 2,005 | 2,408 | 2,727 |
| Fire (County wide) | | | | |
| Emergency responses | 55,879 | 54,603 | 49,418 | 48,995 |
| Fires calls | 6,221 | 5,339 | 4,889 | 4,965 |
| Refuse collections | | | | |
| Refuse collected (tons per day) | 145 | 146 | 138 | 133 |
| Other public works | | | | |
| Street resurfacing (miles) | 3 | 2 | 1 | 3 |
| Potholes repaired * | 357 | 284 | 191 | 322 |
| Parks and recreation | | | | |
| Athletic fields permits issued | 286 | 261 | 126 | 274 |
| River Walk Center permits issued | 119 | 112 | 73 | 106 |
| Garden Club permits issued | 69 | 78 | 38 | 56 |
| Maravilla permits issued | 85 | 87 | 65 | 93 |
| Special Events | 213 | 214 | 168 | 145 |
| Old City Hall | 26 | - | 8 | 36 |

Sources: Various City of Fort Pierce departments

Notes: * Work orders issued

*** Data not available

| Fiscal Year | | | | | |
|--------------------|-------------|-------------|-------------|-------------|-------------|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| 2,690 | 2,520 | 2,626 | 2,975 | 3,189 | 3,064 |
| 593 | 316 | 433 | 341 | 298 | 230 |
| 2,895 | 3,310 | 6,496 | 9,984 | 8,791 | 5,619 |
| 39,736 | 47,000 | 45,796 | 43,045 | 40,033 | 39,189 |
| 3,754 | 6,301 | 4,928 | 4,659 | 4,483 | 4,229 |
| 137 | 134 | 124 | 133 | 131 | 129 |
| 2 | 2 | 2 | 1 | 1 | 1 |
| 222 | 222 | 412 | 440 | 428 | 478 |
| 450 | 287 | 269 | 280 | 278 | 218 |
| 101 | 91 | 97 | 85 | 64 | 66 |
| 59 | 65 | 57 | 48 | 33 | 20 |
| 90 | 82 | 86 | 92 | 66 | 56 |
| 154 | 143 | 168 | 163 | 186 | 151 |
| 39 | 38 | 34 | 26 | *** | *** |

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

| <u>Function/Program</u> | <u>Fiscal Year</u> | | | |
|------------------------------------------------------|--------------------|-------------|-------------|-------------|
| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
| Police | | | | |
| Stations | 2 | 2 | 2 | 2 |
| Sworn Officers | 123 | 111 | 113 | 119 |
| Fire | | | | |
| Stations | 17 | 17 | 17 | 17 |
| Firefighters | 435 | 403 | 401 | 386 |
| Refuse collections | | | | |
| Commercial | 1,865 | 1,848 | 1,839 | 1,814 |
| Residential | 13,109 | 12,768 | 12,566 | 12,273 |
| Public | 23 | 23 | 24 | 23 |
| Other public works | | | | |
| Streets (miles) | 185 | 185 | 185 | 185 |
| Streetlights | 5,370 | 5,348 | 5,313 | 5,313 |
| Traffic signals | 211 | 211 | 211 | 211 |
| Parks and recreations | | | | |
| Acreage | 294.3 | 294.3 | 294.3 | 294.3 |
| Playgrounds | 12 | 12 | 12 | 12 |
| Baseball/football fields/basketball courts | 35 | 35 | 35 | 35 |
| Tennis/handball/racquetball/shuffleboard/pickle ball | 21 | 21 | 21 | 21 |
| Community Centers | 2 | 2 | 2 | 2 |
| Miles of public beach | 2.3 | 2.3 | 2.3 | 2.3 |
| Pools | 2 | 2 | 2 | 2 |
| Utility Customers | | | | |
| Electric | 28,985 | 28,830 | 28,500 | 28,300 |
| Water | 21,792 | 21,420 | 20,700 | 20,400 |
| Wastewater | 16,010 | 15,830 | 15,300 | 15,200 |
| Natural Gas | 4,110 | 4,200 | 4,100 | 4,100 |

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

* Parks Transferred to the City from St. Lucie County

| Fiscal Year | | | | | |
|-------------|--------|--------|--------|--------|--------|
| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| 2 | 2 | 3 | 3 | 3 | 3 |
| 119 | 121 | 115 | 115 | 118 | 115 |
| 17 | 17 | 17 | 17 | 17 | 18 |
| 389 | 380 | 389 | 386 | 370 | 370 |
| 1,792 | 1,786 | 1,751 | 1,730 | 1,685 | 1,695 |
| 12,073 | 11,993 | 12,173 | 11,871 | 11,611 | 11,550 |
| 32 | 30 | 30 | 30 | 30 | 32 |
| 152 | 141 | 141 | 185 | 179 | 152 |
| 5,313 | 5,327 | 5,313 | 5,313 | 5,313 | 5,313 |
| 211 | 211 | 211 | 211 | 177 | 177 |
| 294.3 | 294.3 | 294.3 | 294.3 | 294.3 | 294.3 |
| 12 | 12 | 12 | 12 | 11 | 12 |
| 35 | 35 | 35 | 35 | 24 | 23 |
| 21 | 21 | 21 | 21 | 21 | 21 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 28,300 | 28,300 | 28,100 | 28,096 | 27,630 | 27,770 |
| 20,220 | 20,100 | 19,750 | 19,756 | 19,250 | 19,280 |
| 15,100 | 15,100 | 15,000 | 14,987 | 14,640 | 14,450 |
| 4,130 | 4,150 | 4,225 | 4,223 | 4,180 | 4,190 |

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AUDITORS' REPORTS



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the City Commission
City of Fort Pierce, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Pierce, Florida (the "City") as of and for the year ended September 30, 2022, 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 31, 2023.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A. Bartolomeo, M. Be, Hartley & Barnes

Certified Public Accountants
Fort Pierce, Florida
March 31, 2023

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**

For the year ended September 30, 2022

| Description | CFDA/ CSFA Number | Contract Grant Number | Expenditures | Pass-Through to Sub- Recipients |
|------------------------------------------------------------------|-------------------------|-----------------------------------------------|---------------------|---------------------------------------|
| <u>FEDERAL PROGRAMS:</u> | | | | |
| <u>U.S. Department of Housing and Urban Development</u> | | | | |
| <i>Direct Program:</i> | | | | |
| Community Development Block Grant Entitlement | 14.218 | B16-MC-12-0031 | \$ 17,217 | - |
| Community Development Block Grant Entitlement | 14.218 | B17-MC-12-0031 | 44,020 | - |
| Community Development Block Grant Entitlement | 14.218 | B20-MC-12-0031 | 187,760 | - |
| Community Development Block Grant Entitlement | 14.218 | B21-MC-12-0031 | 251,400 | - |
| | | | <u>500,397</u> | <u>-</u> |
| <u>U.S. Department of Justice</u> | | | | |
| <i>Direct Program:</i> | | | | |
| Bullet Proof Vests | 16.607 | | 17,990 | - |
| Public Safety Partnership and Community Policing | 16.710 | 2020-UMWX0457 | 539,038 | - |
| Edward Byrne Memorial Justice Assistance | 16.738 | 15PBJA-21-GG-01379-JAGX | 2,386 | - |
| <i>Indirect Program:</i> | | | | |
| <i>Passed through Florida Attorney General:</i> | | | | |
| Victims of Crime Act | 16.575 | VOCA-2021-FPPD-00603 | 157,803 | - |
| <i>Passed through Florida Department of Law Enforcement:</i> | | | | |
| Edward Byrne Memorial Justice Assistance | 16.738 | 2020-MU-BX-0006 / 2021- JAGC-STLU-1-3B-156 | 26,627 | - |
| Edward Byrne Memorial Justice Assistance | 16.738 | 2018-MU-BX-0292 / 2020- JAGC-STLU-7-Y5-167 | 79,599 | - |
| <i>Passed through St. Lucie County, Florida:</i> | | | | |
| Edward Byrne Memorial Justice assistance | 16.738 | 15PBJA-21-GG-01380-JAGX | 10,393 | - |
| | | | <u>833,836</u> | <u>-</u> |
| <u>The Department of the Treasury:</u> | | | | |
| <i>Passed through St. Lucie County, Florida:</i> | | | | |
| Corona Virus State and Local Fiscal Recovery Funds | 21.027 | SLFRP5533 | 5,786,624 | - |
| <u>Small Business Administration</u> | | | | |
| <i>Direct Program:</i> | | | | |
| Shutter Venue Operator Grant Program | 59.075 | SBAHQ21SV007081 | 548,305 | - |
| | | | <u>548,305</u> | <u>-</u> |
| TOTAL FEDERAL FINANCIAL ASSISTANCE | | | <u>\$ 7,669,162</u> | <u>\$ -</u> |
| <u>STATE PROJECTS:</u> | | | | |
| <u>Florida Department of Transportation</u> | | | | |
| Florida Shared-Use Nonmotorized Trail Network Prog. | 55.038 | G1A83 | \$ 62,235 | - |
| Florida Shared-Use Nonmotorized Trail Network Prog. | 55.038 | G1A82 | 502,939 | - |
| Florida Shared-Use Nonmotorized Trail Network Prog. | 55.038 | G1998 | 100,643 | - |
| | | | <u>665,817</u> | <u>-</u> |
| <u>Florida Housing Finance Agency:</u> | | | | |
| State Housing Initiatives Partnership Program | 40.901 | | 497,670 | - |
| <u>Department of Economic Opportunity</u> | | | | |
| Economic Development Tax Refund, Tax Credit and Grant Program | 40.043 | G0057 | 421,918 | 421,918 |
| <u>Florida Department of Law Enforcement</u> | | | | |
| General Program Support 2021 | 71.043 | 2021-FBSFA-F2-029 | 58,815 | - |
| | | | <u>58,815</u> | <u>-</u> |
| TOTAL STATE FINANCIAL ASSISTANCE | | | <u>\$ 1,644,220</u> | <u>\$ 421,918</u> |

City of Fort Pierce, Florida
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**
For the year ended September 30, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance was prepared to include the activity of all federal and state awards of the City of Fort Pierce, Florida and is presented on the accrual method of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), and Section 215.97, Florida Statutes. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE B-INDIRECT COST RATE

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

NOTE C-CONTINGENCY

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

Independent Auditor's Report on Compliance For Each Major Federal Awards Program and State Project and on Internal Control Over Compliance Required by Uniform Guidance and Chapter 10.550, Rules of the Auditor General

To the City Council
City of Fort Pierce, Florida

Report on Compliance for Each Major Federal Program and State Project
Opinion on Each Major Federal Program and State Project

We have audited the compliance of the City of Fort Pierce, Florida with the types of compliance requirements described in the *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 awards programs for the year ended September 30, 2022. The City of Fort Pierce, Florida'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.

In our opinion, the City of Fort Pierce, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program and State Project

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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Fort Pierce, Florida and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Fort Pierce, Florida's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the

requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Fort Pierce Florida's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Fort Pierce, Florida's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Fort Pierce, Florida's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Fort Pierce, Florida's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Fort Pierce, Florida's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 City of Fort Pierce, Florida's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 or state project 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 as combination of deficiencies, in internal control over compliance with the 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 were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of Uniform Guidance, and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

A. Bartolomeo, M. Bee, Hartley & Barred

Certified Public Accountants
Fort Pierce, Florida
March 31, 2023

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I. Summary of Auditor Findings

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

Federal Programs:

CFDA Number: 21.027 Coronavirus State and Local Fiscal Recovery Funds

State Projects:

CSFA Number: 55.038 Florida Shared-Use Nonmotorized (Sun Trail)

CSFA Number: 40.043 Economic Dev. Tax Refund, Tax Credit Grant Program

The threshold for distinguishing between Type A and Type B programs was \$750,000 for major federal programs and \$493,266 for state projects.

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

II. Financial Statement Findings

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

III. Federal Program and State Project Findings and Questioned Costs

- IV. There were no audit findings that are required to be reported in accordance with CFR 200.516(a) or state projects as defined by Rule 10.654(1)(g)4.

V. Summary Schedule of Prior Audit Findings

There were no prior audit findings.

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

To the City Commission
Fort Pierce, Florida

We have examined the City's compliance with the requirements of Section 218.415, Florida Statutes with regards to the City's investments during the year ended September 30, 2022. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with Section 218.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2022, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the City and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee Hartley & Barnes, P.A.
Fort Pierce, Florida
March 31, 2023

Management Letter

To the City Commission
City of Fort Pierce, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Fort Pierce, Florida, as of and for the year ended September 30, 2022, and have issued our report thereon dated March 31, 2023.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 31, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit. There were no findings or recommendations noted in the preceding annual financial audit.

Official Title and Legal Authority

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

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

Financial Condition

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

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

Special District Component Units

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

Specific Special District Information – City of Ft. Pierce Community Redevelopment Agency

The required reporting items in accordance with Section 218.39(3)(c), Florida Statutes for the City of Ft. Pierce Community Redevelopment Agency (the CRA) have been reported in the separately issued audited financial statements of the CRA.

Other Matters

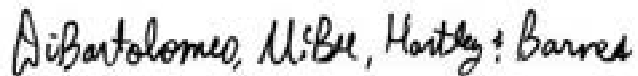
Section 10.554(1)(i)2, Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such findings.

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

Purpose of this letter

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

Very truly yours,



Certified Public Accountants

Fort Pierce, Florida

March 31, 2023

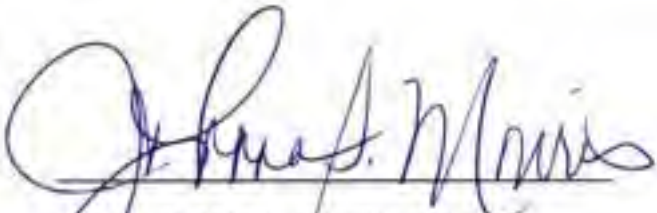


AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Johnna S. Morris, who being duly sworn, deposes and says on oath that:

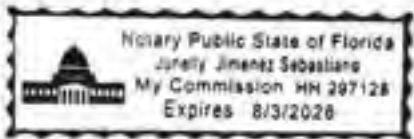
1. I am the Chief Financial Officer of the City of Fort Pierce which is a local government entity of the State of Florida;
2. City of Fort Pierce adopted Ordinance No. L-61 implementing an impact fee; and
3. City of Fort Pierce has complied and, as of the date of this affidavit, remains in compliance with Section 163.31801, Florida Statutes.

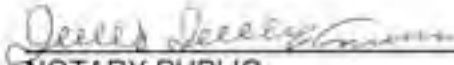
FUTHER AFFIANT SAYETH NAUGHT


 Johnna S. Morris, Director of Finance

STATE OF FLORIDA
COUNTY OF SAINT LUCIE

SWORN TO AND SUBSCRIBED before me this 31 day of March, 2023.




 NOTARY PUBLIC

Print Name Junelly Jimenez Sebastiano

Personally known or produced identification _____

Type of identification produced _____

My Commission Expires: 8/3/2028