

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ending September 2022



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

CITY OF SARASOTA, FLORIDA

**For the Fiscal Year Ended
September 30, 2022**



Prepared By
The Financial Administration Department

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



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City of Sarasota, Florida
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2022
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Introductory Section



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March 22, 2023

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

Dear Mayor and City Commissioners:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Sarasota, Florida, for the fiscal year ending September 30, 2022. This report is presented in conformity with generally accepted accounting principles (GAAP), was prepared by the City's Financial Administration Department, and audited by an independent firm of certified public accountants, MSL, P.A., as mandated by both local ordinances and State Statute. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presented data, including all disclosures, rests with the management of the City. We believe the data as presented is accurate in all material respects and is reported in a manner designed to fairly set forth the financial position and results of operations of the City of Sarasota as measured by the financial activity of its various funds.

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

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

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

Profile of the City

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

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

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

Local Economy

The City of Sarasota is located on the Gulf of Mexico on the southwest coast of Florida and covers an area of 25.9 square miles with an estimated population of 56,494. The City, once the winter home of the Ringling Brothers and Barnum & Bailey Circus, is a mecca for those seeking a high quality of life, and host to three growing universities with a student population of 4,500. The City is a major resort area with an average year-round temperature of 73^o F and miles of pristine white sand beaches that beckon to the hundreds of thousands of tourists that visit year-round. The City is the winter home of the Baltimore Orioles major league baseball team. The City owns and operates the award-winning Van Wezel Performing Arts Hall, the premier showcase for the performing arts on Florida's southwest coast. In 2022, US News & World Report identified Sarasota as one of the top places to live in the U.S., ranking #9 in the nation and #1 in the State of Florida.

The City's functional (seasonal plus tourist) population swells to over 100,000 during the winter months. The provision of tourist accommodations, restaurants, entertainment, financial institutions, and health services constitutes a major source of employment and contributes significantly to the stability of the local economy. Sarasota County had an unemployment rate of 2.6% in September 2022, compared to the statewide rate of 2.5% and the national rate of 3.5%.

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

The economy and housing market in Sarasota has been growing since the end of the Great Recession. Property tax revenue increased 1.81% over the previous year from \$40,028,474 in 2021 to \$40,754,471 in 2022. This is attributable to a \$2,914 million increase in taxable value. The current building boom, dubbed the Billion Dollar Boom, has approximately 7,500 units of some form of housing completed or recently underway. The unassigned fund balance in the General Fund is \$26.9 million, which is a 32% ratio to expenditures and an excellent funding level.

Long-Term Financial Planning

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

Relevant Financial Policies

The City Commission has adopted or amended financial policies with the purpose of maintaining a prudent level of financial resources to support the level of service the City provides to its residents. Policies cover the areas of contingency planning in the event of emergencies; debt management, including debt issuance and management, debt affordability and debt capacity; fees and charges that reflect the cost of City programs and the portion to be recovered from users; and revenue policy to ensure reliability and sufficiency of City revenues to support its operations. Two major rating institutions (Moody's Investors Service, and Fitch Ratings) have evaluated the City's financial management, economic conditions and administrative practices. In 2022, Fitch Ratings affirmed its ratings of the City's general obligation bonds of AA+ and AA1 for the City's special obligation bonds. The bond ratings reflect that the City's bonds are one tier away from the highest bond rating available.

Major Initiatives

During the year, the Public Works Department continued providing services to maintain the quality of life for its neighborhoods by resurfacing streets, improving roadways, and enhancing multimodal opportunities. The Department accomplished several substantial projects, such as the completion of the Judicial Parking Lot which provided 48 new parking spaces - including 2 electric vehicle (EV) spaces - near the County's Judicial complex and the Cleveland Drive parking layout configuration. Roadway reconstruction and drainage improvements were made at Industrial Court at 14th Street,

Magnolia Street, and Higel Avenue. Public Works also affirmed its commitment to environmental sustainability with the completion of Lido Beach sea turtle and shorebird monitoring.

The Utilities Department continued to deliver reliable and safe drinking water and wastewater service, as well as complete numerous capital improvement projects. Projects completed or substantially completed during the period include the Water Treatment 36" Valve and Pipe Replacement, Wastewater Treatment Plant 48" Low Pressure Pipeline Replacement, Coconut Force Main Replacement Phase C, rehabilitation and/or replacement of numerous water and sewer mains (and appurtenances) throughout the City, rehabilitation of several lift stations, renewal/rehabilitation of several wells, and numerous renewal/rehabilitation projects at the water treatment and wastewater treatment plants.

Because of the waivers allowed due to the COVID-19 pandemic, the City of Sarasota's Office of Housing and Community Development was able to focus on and provide much-needed public services in the form of Senior Care food provisions and Childcare using Community Development Block Grant (CDBG) funds.

Childcare: Reduced cost for Childcare and Scholarships for Very Low Income (VLI) Households: 80 households served, 70 of whom were VLI, with 16 white, 30 white/Hispanic, 25 black, 1 Asian and 8 "Other".

Seniorcare: Nutritious meals and Wellness Checks: were delivered to 696 individuals, with 43% of all individuals over the age of 70; 460 individuals with extremely low income and 236 with very low income, and of which 54% of all individuals have major health issues such as heart disease, diabetes, mental health concerns or cancer.

Additionally, the City provided funds for the acquisition of four sites upon which homes will eventually be built and sold to low-income households. Three homes were funded with CDBG and two of the sites leveraged modest amounts of HOME funds, as well. A fourth home site was solely acquired with HOME funds. There were two acquisitions of older housing stock, both of which were renovated and sold to low-income households; one family of four (white/Hispanic) and another family of three (multi-racial/non-Hispanic).

Eighteen of the SHIP 69 home rehabilitation projects for low-income and very low-income households were leveraged with HOME funds.

The City of Sarasota is also using local Affordable Housing initiative funds leveraged with local philanthropic money which will ultimately result in ten (10) rental units for the benefit of very low-income veterans. Two lots at 1529 and 1539 25th Street which were owned by the City of Sarasota and deemed suitable for affordable housing were deeded to St. Vincent DePaul CARES, Inc. who will develop the two sites into rental housing, manage the site, and provide case management.

The Development Services Department continued to experience a very busy year, issuing 7,310 permits compared to the prior year's 7,519, with a construction value of \$619 million, compared to \$428 million in the year before. The number of permits issued has stayed consistent, while the construction value increased significantly. As the COVID pandemic eased, commercial projects have resumed and multi-family construction is answering the call for more housing, all reflecting the higher construction costs of a changing economy.

The City of Sarasota's Parking Division had a highly successful year compared to years past. The implementation of the Bay Runner Trolley Service in March 2022 has proven to be quite popular. This shuttle is free to the public and currently has active routes from Downtown to both St. Armand's Circle and Lido Beach. Also, the City partnered with VEO Rides in a micro mobility program which provides access to scooters and pedal bike rentals. During the past year we had over 127k rides with the busiest month being May of 2022. Additionally, there was an increase in transient traffic at all three city

operated garages which include State Street Parking Garage, the Palm Avenue Garage, and St. Armand's Parking Garage.

Independent Audit

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

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting to the City of Sarasota, Florida, for its Annual Comprehensive Financial Report for the fiscal year ending September 30, 2021. This was the forty-first consecutive year that the City has received this prestigious award. We are pleased to continue to achieve this distinction. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Award for Distinguished Budget

The City received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year beginning October 1, 2021 the same period covered by this Annual Comprehensive Financial Report. This was the thirty-second consecutive year that the City has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, organization, and as a communications medium. We are pleased that we continue to achieve this distinction.

Award for Popular Annual Financial Report

The City received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for its annual financial report for the fiscal year ended September 30, 2021. This was the ninth year the City has received this prestigious award. In order to qualify for the award for Outstanding Achievement in Popular Annual Financial Reporting, the City's PAFR was judged to be proficient in several categories, including creativity, presentation, reader appeal, understandability, and distribution.

Acknowledgments

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

Sincerely,

A handwritten signature in blue ink that reads "Kelly R. Strickland". The signature is fluid and cursive, with a long horizontal stroke at the end.

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

A handwritten signature in blue ink that reads "Marlon Brown". The signature is stylized and cursive, with a long horizontal stroke at the end.

Marlon Brown
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Sarasota
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morrill

Executive Director/CEO



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City of Sarasota Elected Officials • Fiscal Year 2022



Kyle Battie
Mayor
District 1



Liz Alpert
Vice Mayor
District 2



Jennifer Ahearn-Koch
Commissioner
At-Large



Erik Arroyo
Commissioner
District 3



Debbie Trice
Commissioner
At-Large

City of Sarasota Charter Officials • Fiscal Year 2022



City Manager
Marlon Brown



City Auditor & Clerk
Shayla Griggs

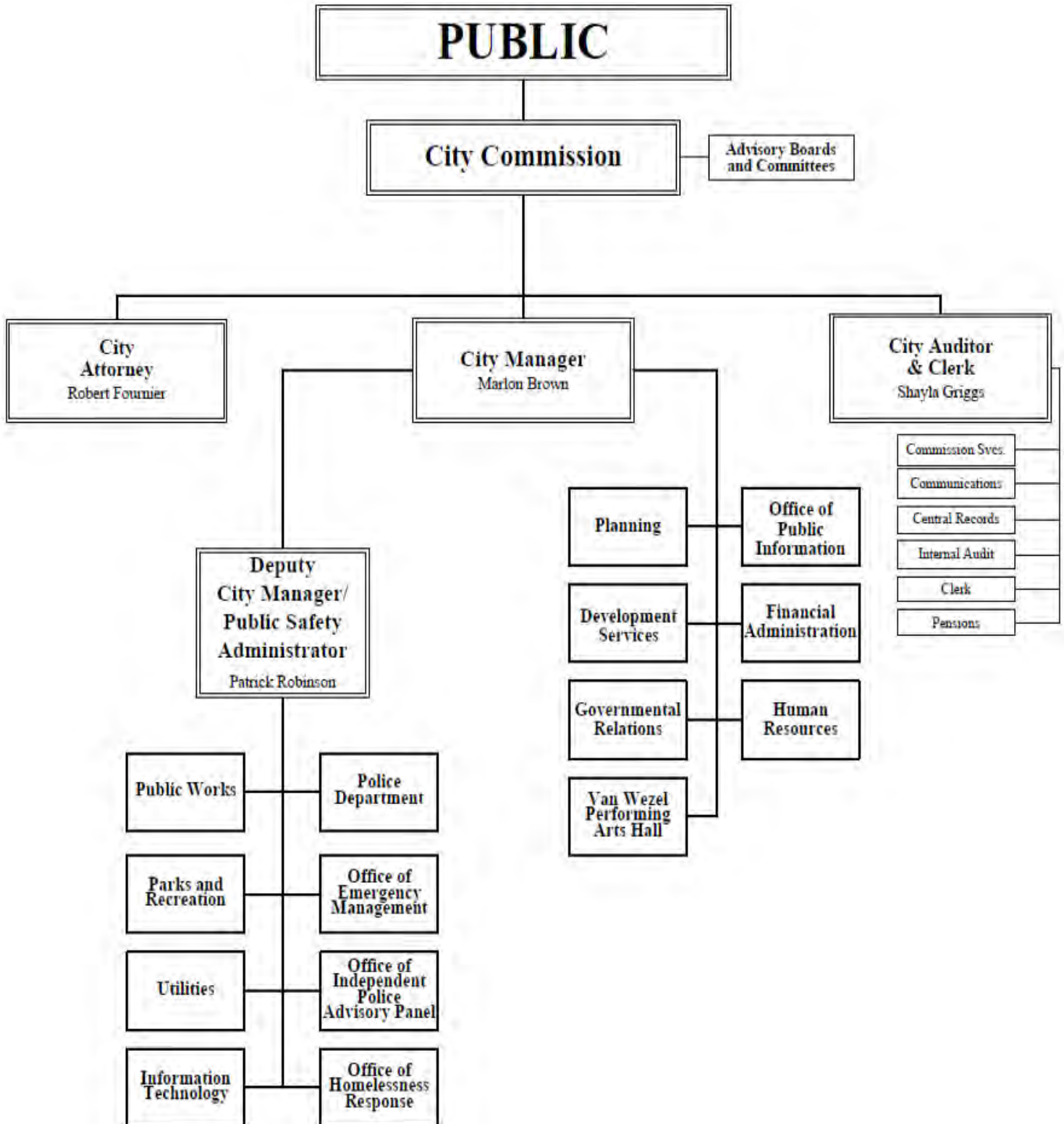


City Attorney
Robert Fournier, ESQ

City of Sarasota Department Directors - Fiscal Year 2022

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

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





Financial Section



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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Commission
City of Sarasota, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sarasota, Florida (the "City") as of and for the fiscal year ended September 30, 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, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and each major special revenue fund thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the General Employees' Pension Plan, the Police Officers' Plan, or the Firefighters' Pension Plan, which represent 93%, 94%, and 82% of the assets, net position, and revenues/additions of the aggregate remaining fund information, respectively. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the General Employees' Pension Plan, the Police Officers' Plan, or the Firefighters' Pension Plan, is based solely on the reports of those other auditors.

Basis for Opinions

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. 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, 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 opinion.

Responsibilities of Management for the Financial Statements

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

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'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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Auditor's Responsibility 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'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'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.

Emphasis-of-Matter

As discussed in Note 7 to the financial statements, in the fiscal year ended September 30, 2022, the City adopted the provisions of Government Accounting Standards Board Statement ("GASBS") Number 87, *Leases*. Our opinion is not modified with respect to this matter.

Required Supplementary Information

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

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The combining and individual fund statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and the statistical sections, as listed in the table of contents, 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 13, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 13, 2023



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Management's Discussion and Analysis

This section of the City of Sarasota's Annual Comprehensive Financial Report provides a narrative overview and analysis of the basic financial activities of the City as of and for the year ended September 30, 2022. The intent of the information presented here, in conjunction with the Letter of Transmittal, is to provide the reader with a clearer picture of the City's overall financial status.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$568,746,258 (*net position*). Of this amount, \$419,642,311 represents net investment in capital assets (*capital assets net of related debt*); \$95,498,844 is restricted for specific purposes (*restricted net position*) and the remaining portion represents unrestricted net position of \$53,605,103.
- The government's total net position increased by \$73,541,565 , or (14.9%) for the year compared to an \$48,357,806 increase in the prior year.
- Total revenues were \$218,665,801, an increase of \$28,948,765 , or 15.3% from last year.
- Total expenses were \$145,124,236, an increase of \$3,765,006 , or 3 % , from last year.
- Pension and OPEB related items represented a predominant portion of both deferred outflow and deferred inflow of resources. The City's employer contributions to its pension and OPEB plans of \$36,702,028, made in fiscal year 2022, after the measurement date of September 30, 2021, were reported as a deferred outflow of resources and will be recognized as an expense next year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$121,097,115, an increase of \$18,747,255 for the year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$26,863,306 or 32% of total General Fund expenditures, including transfers out.

Overview of the Financial Statements

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

Government-wide financial statements

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

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

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

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

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

The City's government-wide financial statements can be found on pages 36-37 of this report.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the General Fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental fund financial statements consist of a balance sheet and a statement of revenues, expenditures, and changes in fund balances. These statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

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

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

The City presents in separate columns funds that are most significant to the City (major funds) and all other governmental funds are aggregated and reported in a single column (nonmajor funds). The City's governmental fund financial statements are presented on pages 38-43.

Proprietary funds

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

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

The proprietary fund financial statements can be found on pages 52-61 of this report.

Fiduciary funds

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

The fiduciary fund financial statements can be found on pages 62-63 of this report.

Component Units

Discretely presented component unit financial statements can be found on pages 64-65 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 69-142 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 144-168 of this report.

Budgetary comparison schedules for combining statements of nonmajor governmental, and major capital, begin on page 182.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities by \$568,746,258 at the close of the most recent fiscal year. The following schedule is a summary of the Statement of Net Position found on page 36 of this report and provides comparable data for the previous fiscal year:

City of Sarasota's Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 194,326,666	\$ 149,753,895	\$ 113,540,303	\$ 93,936,232	\$ 307,866,969	\$ 243,690,127
Capital assets, net of depreciation	273,888,257	247,815,450	291,685,777	287,753,869	565,574,034	535,569,319
Total assets	<u>468,214,923</u>	<u>397,569,345</u>	<u>405,226,080</u>	<u>381,690,101</u>	<u>873,441,003</u>	<u>779,259,446</u>
Total deferred outflows of resources	<u>30,128,414</u>	<u>29,618,766</u>	<u>8,673,561</u>	<u>9,741,397</u>	<u>38,801,975</u>	<u>39,360,163</u>
Current and other liabilities	28,255,251	23,395,289	16,530,933	21,359,510	44,786,184	44,754,799
Long-term liabilities outstanding	81,276,630	127,990,152	128,364,621	125,191,780	209,641,251	253,181,932
Total liabilities	<u>109,531,881</u>	<u>151,385,441</u>	<u>144,895,554</u>	<u>146,551,290</u>	<u>254,427,435</u>	<u>297,936,731</u>
Total deferred inflows of resources	<u>73,733,977</u>	<u>21,525,212</u>	<u>15,335,308</u>	<u>3,952,973</u>	<u>89,069,285</u>	<u>25,478,185</u>
Net position:						
Net investment in capital assets	234,477,660	204,721,249	185,164,651	203,011,687	419,642,311	407,732,936
Restricted	89,069,822	60,660,381	6,429,022	4,196,159	95,498,844	64,856,540
Unrestricted	(8,470,003)	(11,104,172)	62,075,106	33,719,389	53,605,103	22,615,217
Total net position	<u>\$ 315,077,479</u>	<u>\$ 254,277,458</u>	<u>\$ 253,668,779</u>	<u>\$ 240,927,235</u>	<u>\$ 568,746,258</u>	<u>\$ 495,204,693</u>

At September 30, 2022, the City is able to report positive balances in the business-type activities net position. However, governmental activities reported a negative unrestricted net position. The negative unrestricted net position for the governmental activities is due to the recording of pension and OPEB liabilities.

The largest portion of the City's net position, \$419,642,311 reflects its investment in capital assets (e.g., land, buildings, improvements, infrastructure and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should still be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net position, \$95,498,844, represents resources that are subject to external restrictions on how they may be used. Of the total net position at September 30, 2022, an amount of

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\$53,605,103 represents unrestricted net position \$(8,470,003) for governmental activities and \$62,075,106 for business-type activities.

The following is a summary of the information presented in the Statement of Activities found on page 37 of this report:

City of Sarasota's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 23,652,039	\$ 28,641,569	\$ 81,772,565	\$ 69,486,486	\$ 105,424,604	\$ 98,128,055
Operating grants and contributions	10,736,980	8,309,299	4,918,993	5,217,767	15,655,973	13,527,066
Capital grants and contributions	22,166,554	970,181	--	113,847	22,166,554	1,084,028
General Revenues:						
Property taxes	40,754,471	40,028,474	--	--	40,754,471	40,028,474
Other taxes	34,326,861	31,094,826	--	--	34,326,861	31,094,826
Other	2,113,689	4,919,121	(1,776,351)	935,466	337,338	5,854,587
Total revenues	133,750,594	113,963,470	84,915,207	75,753,566	218,665,801	189,717,036
Expenses:						
Governmental Activities:						
General government	15,502,218	12,039,365	--	--	15,502,218	12,039,365
Public safety	14,978,146	35,881,363	--	--	14,978,146	35,881,363
Physical environment	199,429	330,396	--	--	199,429	330,396
Transportation	9,391,319	7,967,564	--	--	9,391,319	7,967,564
Culture & recreation	20,308,536	13,020,477	--	--	20,308,536	13,020,477
Economic environment	7,880,590	5,192,178	--	--	7,880,590	5,192,178
Human services	837,382	767,810	--	--	837,382	767,810
Interest on long-term debt	1,512,999	1,509,212	--	--	1,512,999	1,509,212
Business-type Activities:						
Water and Sewer	--	--	40,902,402	40,718,729	40,902,402	40,718,729
Van Wezel Performing Arts Hall	--	--	12,052,955	4,746,755	12,052,955	4,746,755
Solid Waste	--	--	13,483,917	13,994,106	13,483,917	13,994,106
Parking Management	--	--	4,816,632	4,661,439	4,816,632	4,661,439
Bobby Jones Golf Course	--	--	2,200,527	150,040	2,200,527	150,040
Municipal Auditoriums	--	--	1,057,184	379,796	1,057,184	379,796
Total expenses	70,610,619	76,708,365	74,513,617	64,650,865	145,124,236	141,359,230
Increase (decrease) in net position before other items	63,139,975	37,255,105	10,401,590	11,102,701	73,541,565	48,357,806
Transfers	(2,339,954)	(481,465)	2,339,954	481,465	--	--
Increase (decrease) in net position	60,800,021	36,773,640	12,741,544	11,584,166	73,541,565	48,357,806
Net position - beg. of year	254,277,458	217,503,818	240,927,235	225,446,095	495,204,693	442,949,913
Prior Period Adjustment	--	--	-	3,896,974	-	3,896,974
Net position - beg. of year restated	\$ 254,277,458	\$ 217,503,818	\$ 240,927,235	\$ 229,343,069	\$ 495,204,693	\$ 446,846,887
Net position - end of year	\$ 315,077,479	\$ 254,277,458	\$ 253,668,779	\$ 240,927,235	\$ 568,746,258	\$ 495,204,693

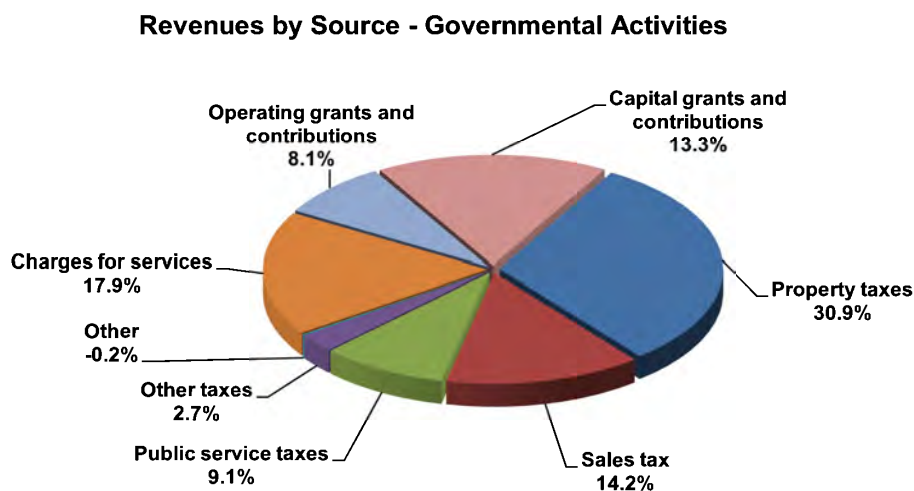
Governmental Activities

As shown on the previous page governmental activities increased the City's net position by \$60.8 million in 2022 compared to a \$36.8 million increase in 2021. A further detail of the expenses and program revenues for governmental activities in 2022 compared to 2021 is below:

Expenses and Net Program Revenue (Expense) - Governmental Activities

Program	2022			2021		
	Expenses	Program		Expenses	Program	
		Revenues	Net		Revenues	Net
General Government	\$ 15,502,218	\$ 11,897,293	\$ (3,604,925)	\$ 12,039,365	\$ 19,726,897	\$ 7,687,532
Public Safety	14,978,146	12,566,547	(2,411,599)	35,881,363	7,942,035	(27,939,328)
Physical Environment	199,429	595,071	395,642	330,396	547,963	217,567
Transportation	9,391,319	2,265,170	(7,126,149)	7,967,564	2,670,765	(5,296,799)
Culture and Recreation	20,308,536	21,547,681	1,239,145	13,020,477	1,970,703	(11,049,774)
Economic Environment	7,880,590	7,683,811	(196,779)	5,192,178	5,062,686	(129,492)
Human Services	837,382	-	(837,382)	767,810	-	(767,810)
Interest Expense	1,512,999	-	(1,512,999)	1,509,212	-	(1,509,212)
Total	\$ 70,610,619	\$ 56,555,573	\$ (14,055,046)	\$ 76,708,365	\$ 37,921,049	\$ (38,787,316)

The table above reveals that program revenues are not sufficient to cover expenses for any of the City's governmental activities for fiscal year 2022. This is not unusual; governmental activities are primarily funded with general revenues. The following graph shows the composition of revenues for the City's governmental activities:



The net program (expense) above was \$(14.1) million in 2022 and \$(38.8) million in 2021. These net program expenses must be funded from general revenues, transfers, or from beginning net position. The following is a comparison of these general revenue sources for the last two years:

General Revenues and Transfers

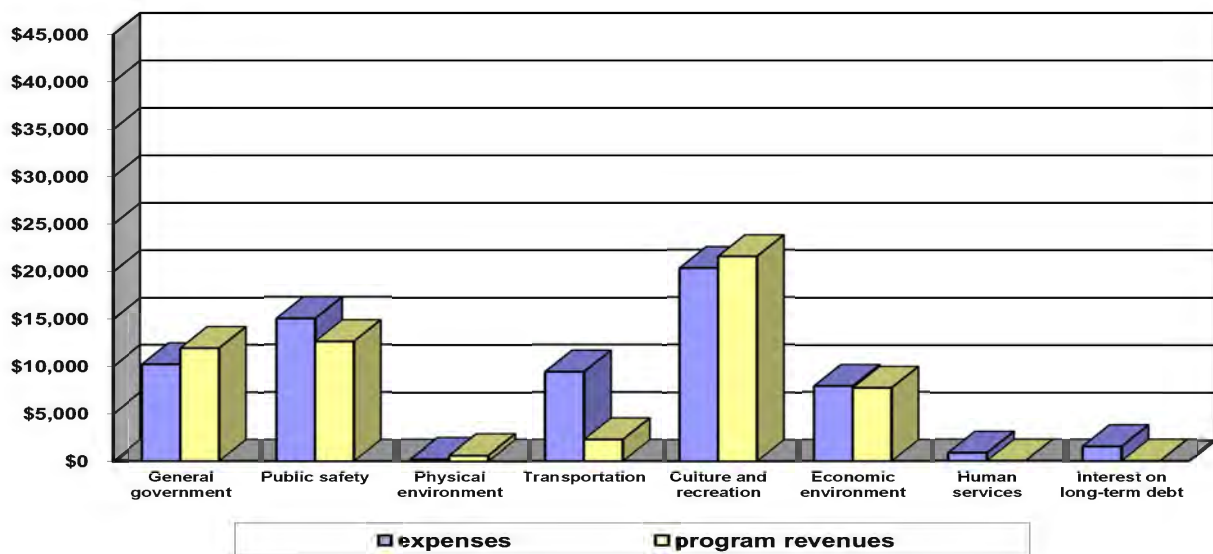
	2022	% of Total	2021	Increase (Decrease)	% change
General Revenues:					
Property taxes	\$ 40,754,471	54.44%	\$ 40,028,474	\$ 725,997	1.81%
Gasoline taxes	2,662,284	3.56%	2,624,801	37,483	1.43%
Sales taxes	18,756,212	25.06%	16,005,912	2,750,300	17.18%
Public service taxes	12,044,040	16.09%	11,413,593	630,447	5.52%
Business taxes	819,560	1.09%	1,004,356	(184,796)	-18.40%
Other taxes	44,765	0.06%	46,164	(1,399)	-3.03%
State revenue sharing	2,687,669	3.59%	1,766,299	921,370	52.16%
Investment earnings/loss	(4,632,609)	-6.19%	268,627	(4,901,236)	-1824.55%
Other	4,058,629	5.42%	2,884,195	1,174,434	40.72%
Net transfers	(2,339,954)	-3.13%	(481,465)	(1,858,489)	386.01%
Total	\$ 74,855,067	100.00%	\$ 75,560,956	\$ (705,889)	-0.93%

General revenues and transfers decreased by \$(705,889) from 2022 to 2021, as shown in the preceding table. The decrease is attributed to the following:

- Property tax revenue increased \$725,997 , a 1.81% increase. The increase is a result of the City's assessed values rising 6.43% over last year and the City's overall millage rate for the current year decreased from 3.4866 mills to 3.3472 mills.
- Sales tax revenue increased \$2,750,300 for the year of recovery from the effects of the COVID-19 pandemic.
- Investment earnings decreased \$(4,901,236) in 2022 as the fixed income market leveled out from a highly favorable previous year of returns.

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

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



Business-type Activities

As stated previously, business-type activities increased the City's net position \$12,741,544 in 2022 compared to a change in net position of \$11,584,166 in 2021 as a result of operations. The following is a comparison for the last two years:

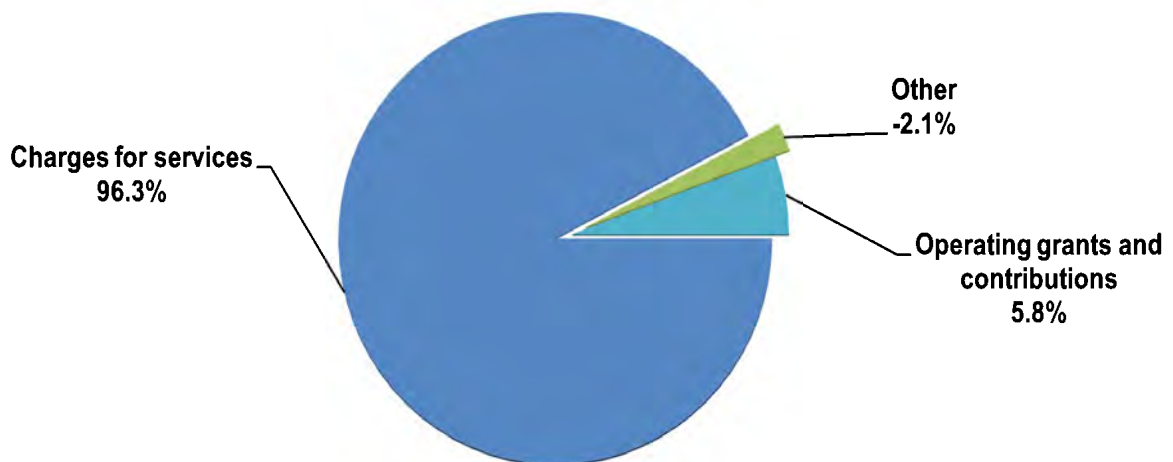
Changes in Net Position - Business-type Activities

Program	2022			2021		
	Expenses	Program Revenue	Net	Expenses	Program Revenue	Net
Water and Sewer	\$ 40,902,402	\$ 53,739,183	\$ 12,836,781	\$ 40,718,729	\$ 52,599,532	\$ 11,880,803
Van Wezel	12,052,955	14,944,438	2,891,483	4,746,755	5,747,670	1,000,915
Solid Waste	13,483,917	13,160,883	(323,034)	13,994,106	12,699,074	(1,295,032)
Parking Management	4,816,632	4,847,054	30,422	4,661,439	3,739,766	(921,673)
Bobby Jones Golf Course	2,200,527	-	(2,200,527)	150,040	-	(150,040)
Municipal Auditoriums*	1,057,184	-	(1,057,184)	379,796	32,058	(347,738)
Total	\$ 74,513,617	\$ 86,691,558	12,177,941	\$ 64,650,865	\$ 74,818,100	10,167,235
General Revenues			(1,776,351)			935,466
Net Transfers			2,339,954			481,465
Change in Net Position			\$ 12,741,544			\$ 11,584,166

*Municipal Auditoriums were combined into General Fund classified as Culture and Recreation in FY2022.

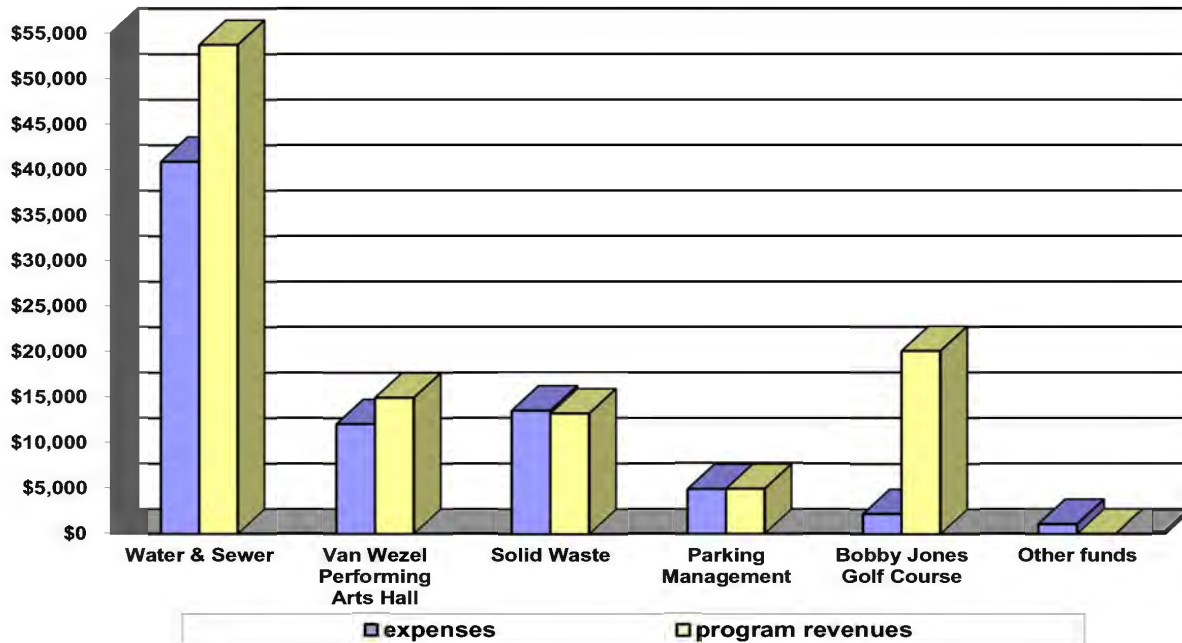
The following graph shows the composition of revenues for the City's business-type activities:

Revenues by Source - Business-type Activities



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

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



Financial Analysis of the City's Funds

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

Governmental funds

The fund financial statements for the governmental funds are provided on pages 38-43. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$121,097,115 an increase of \$18,747,255 for the year. Approximately 22% of this amount or \$26,863,306 constitutes unassigned fund balance, which is available for spending at the City's discretion subject to budgetary constraints, legal, or other requirements. The remainder of fund balance is nonspendable, restricted, committed or assigned to indicate that it is not available for new spending. Significant restrictions include: 1) restricted for infrastructure improvements (\$20,385,042), 2) restricted for community redevelopment (\$3,665,229), 3) restricted for building services (\$6,885,071), 4) restricted for transportation (\$7,935,930), 5) restricted for Housing and Community Development (\$11,401,736) and 6) restricted for Construction (\$21,691,606).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$26,863,306, while total fund balance was \$32,162,690. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 32 % (or 3.8 months) of total General Fund expenditures and transfers out.

Revenues and transfers in for the City's General Fund increased by \$2,586,175 since the prior year. Key factors for the increases in revenue are:

- The General Fund's ad valorem tax revenue increased \$24,791. The rollback millage of 3.1372 mills was adopted during the FY2021-22 budget process.
- Intergovernmental revenues (including Sales Tax) increased by \$2,560,982 for the current year. This is attributable to a positive economic environment, after the initial effects of the COVID-19 Pandemic.

Other major increases in the General Fund include, Charges for Services \$418,237, Fines & Forfeitures \$713,105 and a decrease of other miscellaneous revenues \$(91,557).

- Investment Earnings decreased (1,706,782).

Expenditures and transfers out for the General Fund increased by \$7,314,212. This is a relatively large all increase that can be attributed to a reset of "normal" City operations, after exercising restraint in prior years for the COVID-19 pandemic.

The Community Redevelopment Agency Fund accounts for the operations of the City of Sarasota Community Redevelopment Agency (CRA). The total revenues for the year were \$214,525 and included tax increment revenue of \$170,944, miscellaneous revenue of \$175,530, and investment earnings of \$(131,949). Expenditures and transfers out of \$756,511 included the following:

• Janie's Garden Buildouts	\$277,250
• Blvd. of the Arts - Complete Street	139,746
• 10th Street Streetscape	99,690
• Newtown Business Assistant Grants	52,596
• Salvation Army Street Teams	39,900
• Martin Luther King/Orange Ave. Redevelopment	39,888
• Economic Redevelopment Office	30,000
• Fredd Atkins Plaza Improvement	26,187
• Robert L. Taylor Summer Youth Program	24,000
• Other Miscellaneous Project costs and Events	27,254

The Community Redevelopment Agency Fund has a fund balance of \$ 3,669,229 as of September 30, 2022, which is reserved for specific projects identified and approved in the CRA's annual budget.

The Housing & Community Development (OHCD) Fund administers Federal housing and community development programs both in the City and County. Total revenues for the current year were \$1,370,500 and expenditures and transfers out were \$2,113,390. During the year, OHCD partnered with non-profits to create housing for low-income households and assisted low-income homeowners with roof replacements, air conditioning units, plumbing and other repairs.

The Penny Sales Tax Fund accounts for the revenue from the one-cent local option sales surtax. Total revenues for the year were \$11,465,942 with \$12,083,797 coming from the Infrastructure Sales Surtax , and \$48,748 for other miscellaneous income. Expenditures and transfers out for the year totaled \$11,576,910. The net decrease in fund balance was \$(110,968) resulting in a fund balance at the end of 2022 of \$20,385,042. Expenditures and transfers out for the current year included the following capital improvement projects:

• Lighting Improvements	\$2,319,659
• Police Vehicles	1,859,626
• Housing Authority	1,555,557

• Street Reconstruction	1,431,556
• Debt service transfer out for Parks & Community Center projects	1,377,517
• The Bay - Park Improvements	627,000
• Arlington Park Improvements	594,208
• Construct New Sidewalks	372,945
• Information Technology Enterprise fiber Infrastructure	220,665
• Traffic Signal Rebuild	205,852
• Lido Beach Pavilion Improvements	205,852
• Hyper Converged Infrastructure	198,832
• City Hall/Annex Building	141,236
• Other Miscellaneous Projects	466,405

The Building Services Fund tracks the costs to administer the Florida Building Code. Revenues are specifically designated by Florida Statutes to pay the costs of building/development services. For the current year, licenses and permit fees were \$8,568,844, a \$2,570,234 increase from the prior year, as construction appears to be going strong within the City. Total revenues of \$9,476,142 also included \$1,339,774 for charges for services, and \$(432,609) of investment earnings. Expenditures and transfers out for the year totaled \$14,957,751. This included the transfer out of \$7,485,432 for a new capital project (One Stop Shop), resulting in a net decrease in fund balance of \$(5,481,609).

The Tourist Development Tax Fund is used to account for revenues received for beach maintenance, restoration, re-nourishment and erosion control. For the current year revenues totaled \$123,699, of which \$123,699 was tourist taxes and \$- was investment earnings. Expenditures were \$173,116, all for the re-nourishment maintenance of the beach on Lido Key.

Enterprise funds

The fund financial statements for the City's enterprise funds provide essentially the same type of information found in the business-type activities column of the government-wide financial statements, but in more detail, and by fund. The following is a discussion of each fund's performance for fiscal year 2022, compared to the prior fiscal year.

Water & Sewer Fund

Water utility activities include water supply, treatment, storage and distribution. Sewer utility activities include collection, treatment, and disposal. This fund also includes a reclaimed water distribution system. All three activities require billing and collection, repair/maintenance, and other administrative functions. The Water & Sewer Fund reported a change in net position of \$11,174,691 for 2022 compared to a change in net position of \$12,051,147 for 2021.

Operating revenues of the Water and Sewer Fund increased \$1,179,261 for the current year. This increase is mainly attributed to a 3.5% rate increase.

Operating expenses for the Water and Sewer Fund increased by \$722,063, or 1.84% change.

Van Wezel Performing Arts Hall Fund

This fund accounts for the revenues and expenses of a world class performing arts hall which provides a wide variety of entertainment, including performances by nationally and internationally known theater, ballet and musical groups. The fund reported a change in net position of \$2,822,432 for 2022 compared to a change in net position of \$1,015,476 in 2021.

Operating revenues for the Van Wezel Performing Arts Hall increased \$9,806,787 in the current year. With the decline of the COVID-19 pandemic, performances were re-scheduled, related performance fees and other performance expenses increased, leading to an overall increase in operating expenses of \$7,302,984. The Van Wezel also obtained a \$4,730,952 Federal Government Shuttered Venue Operator Grant, which assisted with the Hall operational expenses.

Solid Waste Management Fund

Solid waste operations include the collection and disposal activities of refuse and recycling. The fund reported a change in net position of \$1,543,439 for 2022 compared to a change in net position of \$(1,089,152) in 2021. The fund had an operating revenue increase of \$511,434 for the current year, compared to a revenue increase of \$403,382 for 2021. Operating expenses decreased by \$(495,667).

Parking Management Fund

Parking Management is responsible for oversight and maintenance of the City's four parking garages, 17 public parking lots, on street parking and enforcement of parking regulations. The fund reported a change in net position of \$191,365 for 2022 compared to a change in net position of \$(846,625) in 2021.

The \$949,725 increase in operating revenues for 2022 were offset by a \$175,996 increase in operating expenses. Contributing to the overall increase in net position is the whole year collection of parking fees, where in prior years the fees were temporarily suspended due to the COVID-19 Pandemic. No subsidies were provided to the Parking Management Fund in 2022.

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

Bobby Jones Golf Complex Fund

Bobby Jones Golf Complex is a combination of the reconstruction of the course, as well as the operations of the Golf Course. The course will have 18 regulation holes with 9 executive holes. This fund qualifies as a major fund this year due to the issuance of debt in the amount of \$20 million for the purpose of reconstructing the course. The re-opening of the golf course is projected for August of 2023.

General Fund Budgetary Highlights

Overall the General Fund revenue and transfers in budget was increased by \$5,187,581. This amount includes an increase of \$5,061,881 for the 2nd tranche of American Rescue Plan Act (ARPA) funds, \$31,700 for various donations for Police services and \$94,000 from increased Right-of-way fees. The General Fund expenditure and transfers out budget increased for the year by \$13,351,653. The difference between the original expenditures budget and the final budget are summarized as follows:

- \$1,310,542 increase for outstanding encumbrances from 2021. These are items ordered in the prior year (using prior year budget) but have not yet been received.
- \$3,678,186 increase for reappropriations of project balances. These are the budget balances of projects that have not been completed as of 9/30/21.
- \$35,000 increase for additional tree lighting and specialty holiday lighting Downtown.
- \$1,128,334 increase for funding the 1st debt service payment for the Bobby Jones Golf Complex construction.
- \$1,233,629 increase to fund ten additional police officers, vehicles and other applicable equipment for the new officers.
- \$31,700 increase for expenses funded with Sarasota Police Department donations.

- \$286,875 increase to fund a grant to the St. Armands Circle Association for a holiday tree purchase for St. Armands Circle.
- \$585,506 increase to update the City's Engineering Design criteria Manual (EDCM).
- \$5,061,881 increase for expenses funded with ARPA funds.

Actual revenues and transfers in were more than final budget by \$1,322,417 and actual expenditures and transfers out were less than budgeted expenditures by a total of \$7,318,565. This resulted in a positive budget variance of \$8,640,982. Most of this savings was achieved by committed efforts to control costs at all levels of management.

The final budget anticipated \$10,222,248 to be expended from available fund balance. However, although revenues exceeded budgetary estimates, and expenditures were also less than budgetary estimates as discussed above, the result is a negative change in fund balance of \$(1,581,266), or \$8,640,982 less of a decrease than was anticipated by the final budget.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2022, is \$565,574,034 (net of accumulated depreciation). This investment in capital assets includes land, art collections, construction in progress, buildings, improvements, infrastructure, utility systems and equipment. The total increase (additions less retirements and depreciation) in the City's investment in capital assets for the current fiscal year was \$30,004,715 (a 10.5% increase for governmental activities and a 1.4 % increase for business-type activities).

The schedule below reflects the City's capital assets as of September 30, 2022 and 2023:

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

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 42,408,767	\$ 41,206,351	\$ 11,694,613	\$ 11,869,613	\$ 54,103,380	\$ 53,075,964
Art collections	1,670,683	1,670,683	218,397	218,397	1,889,080	1,889,080
Buildings	50,324,691	47,548,721	39,561,564	41,749,966	89,886,255	89,298,687
Improvements and						
Infrastructure	99,234,695	100,173,065	6,872,420	8,700,762	106,107,115	108,873,827
Utility systems	--	--	203,020,542	149,485,643	203,020,542	149,485,643
Equipment	406,161	6,137,698	5,850,070	7,647,977	6,256,231	13,785,675
Construction in progress	79,843,260	51,078,928	24,468,170	68,081,509	104,311,430	119,160,438
Total	\$ 273,888,257	\$ 247,815,447	\$ 291,685,776	\$ 287,753,867	\$ 565,574,033	\$ 535,569,314

Additional information on the City's capital assets can be found in Note 6 on pages 97-98 of this report.

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

- Various system additions and improvements were completed in the Water and Sewer Fund at a cost of \$20,930,062 and construction began on others at a cost of \$1,314,799
- The construction on the Bay has started and includes contributed capital of \$30,714,011. See note 19 for further information regarding this project.
- The construction of various streets and highways, such as construction on the US41 and Fruitville roundabout, total \$7,101,018.

Long-term debt

At the end of the current fiscal year, the City had total bonded debt outstanding of \$89,194,985. Of this amount, \$28,740,000 comprises debt backed by the full faith and credit of the City. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., special obligation bonds, and revenue bonds).

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

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

The schedule below reflects the City's outstanding debt as of September 30, 2022 and 2021:

City of Sarasota's Outstanding Debt and Loans Payable

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 28,740,000	\$ 30,355,000	\$ --	\$ --	\$ 28,740,000	\$ 30,355,000
Special obligation bonds	10,514,985	12,085,005	--	--	10,514,985	12,085,005
Revenue bonds	--	--	49,940,000	51,805,000	49,940,000	51,805,000
Total bonds	39,254,985	42,440,005	49,940,000	51,805,000	89,194,985	94,245,005
Loans payable	10,070,000	404,745	52,174,082	32,672,974	62,244,082	33,077,719
Total bonds & loans	\$ 49,324,985	\$ 42,844,750	\$ 102,114,082	\$ 84,477,974	\$ 151,439,067	\$ 127,322,724

The City's total debt increased by \$ 24,116,343. The key factors in this increase are:

- The City borrowed \$20,000,000 to complete the reconstruction for the Bobby Jones Golf Course.
- The City borrowed \$10,070,000 to build the One Stop Shop Administration Building.
- \$394,403 of loan proceeds were drawn on a state revolving loan for the Lift Station 87 Project.
- Scheduled principal payments of \$ 5,943,315 were paid when due.

Additional information on the City's long-term debt can be found in Note 9 on pages 102-106 of this report.

Economic Factors and Next Year's Budget and Rates

The General Fund budget for the 2023 fiscal year was balanced utilizing \$3,254,194 of unassigned fund balance. The City's reserve policy states that the City will establish an unassigned fund balance in the General Fund for emergency purposes and/or liquidity purposes of two to three (17% to 25%) months of General Fund expenditures to indicate that it is in sound financial condition. The fund balance for 2023 will result in an estimated unassigned fund balance of \$26,823,988 at September 30, 2023, 31.3% of budgeted expenditures.

The City is faced with balancing strong growth in some revenue categories against others that can be highly volatile with significant fluctuations through economic cycles. As such, a thoughtful and disciplined approach to budgeting and spending is necessary. Factors considered in preparing the City's 2023 fiscal year budget were:

- The taxable value of commercial and residential property increased 17.85% from last year's certified valuation. The \$2.2 billion increase in taxable value for 2022 is the eleventh consecutive year that property values have increased.
- An adjustment to reduce the millage rate from 3.1372 mills to 3.0000 mills was made to the General Fund property tax rate. Since the property valuation for the 2022 tax year increased and the roll back millage was not set, property tax revenue is expected to increase approximately \$3.6 million.
- The City's population increased slightly from 55,386 reported in 2021 to 56,494 for 2022.
- The City of Sarasota unemployment rate for September 2022 was 2.6%, a decrease of 1.1% from the September 2021 rate of 3.7%. The Sarasota County unemployment rate for September 2022 was 2.6%, a decrease of 1.1% from the 3.7% rate reported in September 2021 and lower than the State and Federal rates (2.5% and 3.4% respectively).

Requests for Information

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



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Basic Financial Statements



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Basic Financial Statements

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

Contents

Government-Wide Financial Statements

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

Fund Financial Statements

38-63

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

Component Unit Financial Statements

64-65

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

Notes to the Financial Statements

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

City of Sarasota, Florida
Statement of Net Position
September 30, 2022

	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Cash and cash equivalents	\$ 18,298,678	\$ 16,347,915	\$ 34,646,593	\$ 173,736
Investments	144,055,229	86,690,073	230,745,302	1,377,531
Receivables (net):				
Accounts	2,493,542	6,612,330	9,105,872	--
Interest	376,906	267,291	644,197	3,577
Notes	141,713	--	141,713	--
Leases	4,163,514	--	4,163,514	183,704
Special assessments	79,986	3,636,302	3,716,288	--
Internal balances	1,467,064	(1,467,064)	--	--
Due from other governmental agencies	6,155,198	545,730	6,700,928	647
Inventories	107,894	250,162	358,056	--
Prepaid items	835,094	657,564	1,492,658	3,000
Net Pension Assets	16,151,848	--	16,151,848	--
Capital assets:				
Non-depreciable	123,922,710	36,381,180	160,303,890	1,376
Depreciable (net)	149,965,547	255,304,597	405,270,144	840,503
Right to use asset	--	--	--	124,259
Total assets	<u>468,214,923</u>	<u>405,226,080</u>	<u>873,441,003</u>	<u>2,708,333</u>
Deferred Outflows of Resources				
Related to refunding	1,451,815	648,132	2,099,947	--
Related to pension	24,008,059	7,456,664	31,464,723	--
Related to OPEB	4,668,540	568,765	5,237,305	--
Total deferred outflows of resources	<u>30,128,414</u>	<u>8,673,561</u>	<u>38,801,975</u>	<u>--</u>
Liabilities				
Accounts payable	7,606,926	4,550,487	12,157,413	109,633
Retainages payable	251,161	10,060	261,221	--
Liability for unpaid claims	3,374,228	--	3,374,228	--
Due to other governmental agencies	583,055	185,768	768,823	408
Accrued interest payable	400,959	965,224	1,366,183	--
Accrued wages	1,072,797	435,697	1,508,494	3,628
Unearned revenue	14,142,109	9,024,798	23,166,907	--
Customer deposits	824,016	1,358,899	2,182,915	4,000
Noncurrent liabilities:				
Due within one year	8,112,997	7,402,444	15,515,441	--
Due in more than one year	73,163,633	120,962,177	194,125,810	124,585
Total liabilities	<u>109,531,881</u>	<u>144,895,554</u>	<u>254,427,435</u>	<u>242,254</u>
Deferred Inflows of Resources				
Pension Related	49,442,613	8,293,601	57,736,214	--
OPEB Related	20,127,850	7,041,707	27,169,557	--
Lease Related	4,163,514	--	4,163,514	183,704
Total deferred inflows of resources	<u>73,733,977</u>	<u>15,335,308</u>	<u>89,069,285</u>	<u>183,704</u>
Net Position				
Net investment in capital assets	234,477,660	185,164,651	419,642,311	841,879
Restricted for:				
Infrastructure improvements	21,404,875	--	21,404,875	--
Community redevelopment	4,059,756	--	4,059,756	--
Housing and community development	16,916,050	--	16,916,050	--
Building services	7,302,867	--	7,302,867	--
Transportation	9,080,024	--	9,080,024	--
Law enforcement programs	1,071,036	--	1,071,036	--
Golden Gate Point streetscape	267,087	--	267,087	--
Tourist development	2,443,264	--	2,443,264	--
Grant programs	716,718	--	716,718	--
Economic development	3,108,641	--	3,108,641	--
Debt service	1,007,898	6,376,569	7,384,467	--
Construction	21,691,606	52,453	21,744,059	--
Unrestricted (deficit)	(8,470,003)	62,075,106	53,605,103	1,440,496
Total net position	<u>\$ 315,077,479</u>	<u>\$ 253,668,779</u>	<u>\$ 568,746,258</u>	<u>\$ 2,282,375</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
Statement of Activities
For the Year Ended September 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Governmental activities:								
General government	\$ 15,502,218	\$ 9,037,707	\$ 23,794	\$ 2,835,792	\$ (3,604,925)	\$	\$ (3,604,925)	\$ --
Public safety:								
Police	3,561,973	2,139,362	1,440,999	11,045	29,433	--	29,433	--
Fire	(3,734,145)	--	144,427	--	3,878,572	--	3,878,572	--
Building inspections	14,345,771	8,383,147	--	--	(5,962,624)	--	(5,962,624)	--
Other public safety	804,547	447,567	--	--	(356,980)	--	(356,980)	--
Physical environment	199,429	70,420	524,651	--	395,642	--	395,642	--
Transportation	9,391,319	1,712,830	552,340	--	(7,126,149)	--	(7,126,149)	--
Culture and recreation	20,308,536	1,861,006	366,958	19,319,717	1,239,145	--	1,239,145	--
Economic environment	7,880,590	--	7,683,811	--	(196,779)	--	(196,779)	--
Human services	837,382	--	--	--	(837,382)	--	(837,382)	--
Interest and fiscal charges	1,512,999	--	--	--	(1,512,999)	--	(1,512,999)	--
Total governmental activities	70,610,619	23,652,039	10,736,980	22,166,554	(14,055,046)	--	(14,055,046)	--
Business-type activities:								
Water and Sewer	40,902,402	53,739,183	--	--	--	12,836,781	12,836,781	--
Van Wezel	12,052,955	10,213,486	4,730,952	--	--	2,891,483	2,891,483	--
Solid Waste	13,483,917	13,160,883	--	--	--	(323,034)	(323,034)	--
Parking Management	4,816,632	4,659,013	188,041	--	--	30,422	30,422	--
Bobby Jones Golf Course	2,200,527	--	--	--	--	(2,200,527)	(2,200,527)	--
Municipal Auditoriums	1,057,184	--	--	--	--	(1,057,184)	(1,057,184)	--
Total business-type activities	74,513,617	81,772,565	4,918,993	--	--	12,177,941	12,177,941	--
Total primary government	\$ 145,124,236	\$ 105,424,604	\$ 15,655,973	\$ 22,166,554	\$ (14,055,046)	--	\$ (1,877,105)	--
Component Units:								
St. Armands Business Improvement District	\$ 402,916	--	--	--	--	--	--	(402,916)
Downtown Improvement District	980,594	--	--	--	--	--	--	(980,594)
Total component units	\$ 1,383,510	\$	\$	\$	\$	\$	\$	(1,383,510)
General Revenues:								
Property taxes					40,754,471	--	40,754,471	1,060,202
Gasoline taxes					2,662,284	--	2,662,284	--
Sales tax					18,756,212	--	18,756,212	--
Public service taxes					12,044,040	--	12,044,040	--
Business licenses					819,560	--	819,560	--
Other taxes					44,765	--	44,765	--
State revenue sharing, unrestricted					2,687,669	--	2,687,669	--
Investment loss					(4,632,609)	(2,418,916)	(7,051,525)	(60,141)
Miscellaneous					3,027,960	514,177	3,542,137	--
Gain on Capital Assets					1,030,669	128,388	1,159,057	--
Transfers					(2,339,954)	2,339,954	--	--
Total general revenues and transfers					74,855,067	563,603	75,418,670	1,000,061
Change in net position					60,800,021	12,741,544	73,541,565	(383,449)
Net position - beginning					254,277,458	240,927,235	495,204,693	2,665,824
Net position - ending					\$ 315,077,479	\$ 253,668,779	\$ 568,746,258	\$ 2,282,375

The accompanying notes are an integral part of this statements.

City of Sarasota, Florida
Governmental Funds
Balance Sheet
September 30, 2022

	General	Community Redevelopment Agency	Housing and Community Development
Assets			
Cash and Cash Equivalents	\$ 3,939,105	\$ 658,088	\$ 688,238
Investments	33,179,736	3,037,758	5,456,932
Receivables (net):			
Accounts	2,342,521	--	3,450
Interest	135,895	8,259	13,111
Notes	--	--	--
Leases	4,163,514	--	--
Special Assessments	--	--	--
Due from other Funds	139,337	--	--
Due from other Governmental Agencies	1,703,564	--	394,030
Advances to Other Funds	1,327,727	--	--
Inventories	28,812	--	--
Prepaid Items	695,118	4,000	--
Total assets	<u>\$ 47,655,329</u>	<u>\$ 3,708,105</u>	<u>\$ 6,555,761</u>
Liabilities			
Accounts Payable	\$ 2,515,166	\$ 38,876	\$ 368,622
Retainage Payable	--	--	--
Due to other Funds	--	--	--
Due to other Governmental Agencies	514,240	--	3,182
Advance from other Funds	--	--	--
Accrued Wages	935,028	--	12,384
Unearned Revenue	7,331,957	--	6,134,377
Customer Deposits	5,750	--	--
Total liabilities	<u>11,302,141</u>	<u>38,876</u>	<u>6,518,565</u>
Deferred Inflows of Resources			
Unavailable Revenue - Note Receivable	26,984	--	--
Unavailable Revenue - Grants	--	--	--
Unavailable Revenue - Special Assessments	--	--	--
Unavailable Revenue - Leases	4,163,514	--	--
Total deferred inflows of resources	<u>4,190,498</u>	<u>--</u>	<u>--</u>
Fund Balances			
Nonspendable:			
Inventory	28,812	--	--
Prepaid Expenditures	695,118	4,000	--
Restricted for:			
Infrastructure Improvements	--	--	--
Community Redevelopment	--	3,665,229	--
Housing and Community Development	--	--	37,196
Building Services	--	--	--
Transportation	--	--	--
Law Enforcement Programs	--	--	--
Golden Gate Point Streetscape	--	--	--
Tourist Development	--	--	--
Grant Programs	--	--	--
Economic Development	--	--	--
Debt Service	--	--	--
Construction	--	--	--
Committed to:			
Revenue Stabilization	2,664,956	--	--
Public Art	--	--	--
Citizens with Disabilities	--	--	--
Forestry	--	--	--
Affordable Housing	--	--	--
Culture and Recreation	--	--	--
The Bay Park	--	--	--
Assigned to:			
Subsequent Year Expenditures	1,910,498	--	--
Unassigned	26,863,306	--	--
Total fund balances	<u>32,162,690</u>	<u>3,669,229</u>	<u>37,196</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 47,655,329</u>	<u>\$ 3,708,105</u>	<u>\$ 6,555,761</u>

The accompanying notes are an integral part of this statement.

Building Services Fund	Tourist Development Tax	Penny Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 811,954	\$ 253,208	\$ 2,158,641	\$ 6,354,048	\$ 14,863,282
6,437,865	2,007,644	17,115,533	50,327,553	117,563,021
--	--	--	88,697	2,434,668
32,573	4,980	43,208	89,163	327,189
--	--	--	141,713	141,713
--	--	--	--	4,163,514
--	--	--	79,986	79,986
--	--	--	--	139,337
--	128,751	1,818,316	1,851,450	5,896,111
--	--	--	--	1,327,727
--	--	--	--	28,812
1,300	--	--	46,588	747,006
<u>\$ 7,283,692</u>	<u>\$ 2,394,583</u>	<u>\$ 21,135,698</u>	<u>\$ 58,979,198</u>	<u>\$ 147,712,366</u>
\$ 303,878	\$ 24,480	\$ 599,707	\$ 1,429,817	\$ 5,280,546
--	--	150,949	100,212	251,161
--	--	--	7,420	7,420
23,682	2,353	--	24,204	567,661
--	--	--	72,566	72,566
69,761	--	--	--	1,017,173
--	46,720	--	629,055	14,142,109
--	--	--	818,266	824,016
<u>397,321</u>	<u>73,553</u>	<u>750,656</u>	<u>3,081,540</u>	<u>22,162,652</u>
--	--	--	180,086	207,070
--	--	--	2,029	2,029
--	--	--	79,986	79,986
--	--	--	--	4,163,514
--	--	--	262,101	4,452,599
--	--	--	--	28,812
1,300	--	--	46,588	747,006
--	--	20,385,042	--	20,385,042
--	--	--	--	3,665,229
--	--	--	11,364,540	11,401,736
6,885,071	--	--	--	6,885,071
--	--	--	7,935,930	7,935,930
--	--	--	1,009,055	1,009,055
--	--	--	250,114	250,114
--	2,321,030	--	--	2,321,030
--	--	--	712,922	712,922
--	--	--	2,654,028	2,654,028
--	--	--	1,408,857	1,408,857
--	--	--	21,691,606	21,691,606
--	--	--	--	2,664,956
--	--	--	1,171,768	1,171,768
--	--	--	76,016	76,016
--	--	--	706,973	706,973
--	--	--	4,624,470	4,624,470
--	--	--	731,429	731,429
--	--	--	1,251,261	1,251,261
--	--	--	--	1,910,498
--	--	--	--	26,863,306
<u>6,886,371</u>	<u>2,321,030</u>	<u>20,385,042</u>	<u>55,635,557</u>	<u>121,097,115</u>
<u>\$ 7,283,692</u>	<u>\$ 2,394,583</u>	<u>\$ 21,135,698</u>	<u>\$ 58,979,198</u>	<u>\$ 147,712,366</u>



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City of Sarasota, FloridaReconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
As of September 30, 2022

Fund balances - total governmental funds		\$ 121,097,115
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	\$ 472,052,754	
Less accumulated depreciation	<u>(202,447,235)</u>	269,605,519
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Accrued interest payable	(400,959)	
General obligation bonds	(28,740,000)	
Special obligation bonds	(10,514,985)	
Loans Payable	(10,070,000)	
Unamortized bond premium	<u>(1,307,184)</u>	(51,033,128)
Deferred outflow of resources are not reported in governmental funds.		
Unamortized loss on refunding		1,451,815
Unavailable revenue in governmental funds is susceptible to full accrual on the entity-wide statements.		
Grants	2,029	
Special assessments	141,713	
Mortgages receivable	79,986	
Interest subsidy received before interest payment due	38,373	
Other receivables	<u>26,984</u>	289,085
Internal service funds are used by management to charge the costs of certain activities to individual funds.		
The net position of the internal service funds that are reported with governmental activities		20,730,542
Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the governmental funds.		
Net pension liability	(3,311,772)	
Deferred outflows of resources	23,436,568	
Deferred inflows of resources	<u>(48,935,623)</u>	(28,810,827)
Net OPEB liability and OPEB related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the governmental funds.		
Net OPEB liability	(3,708,631)	
Deferred outflows of resources	4,588,114	
Deferred inflows of resources	<u>(19,132,125)</u>	(18,252,642)
Net position of governmental activities		<u>\$ 315,077,479</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
 Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended September 30, 2022

	<u>General</u>	<u>Community Redevelopment Agency</u>	<u>Housing and Community Development</u>
Revenues			
Taxes	\$ 49,019,186	\$ 170,944	\$ --
Franchise fees	6,583,690	--	--
Special assessments	--	--	--
Licenses and permits	693,454	--	66,650
Intergovernmental	14,041,451	--	1,224,992
Charges for services	4,393,830	--	--
Charges to other funds	4,626,731	--	--
Fines and forfeits	2,109,833	--	--
Investment earnings	(1,653,364)	(131,949)	(100,915)
Miscellaneous	1,983,621	175,530	179,773
Total revenues	<u>81,798,432</u>	<u>214,525</u>	<u>1,370,500</u>
Expenditures			
General government	18,745,087	7,161	--
Public safety	39,719,412	336,746	--
Physical environment	2,167,746	--	--
Transportation	4,692,545	2,990	--
Culture and recreation	8,919,113	--	--
Current:			
Economic environment	--	11,529	2,112,155
Human services	949,224	39,900	--
Debt service:			
Principal payments	--	--	--
Interest and fiscal charges	--	--	--
Bond issuance costs	--	--	--
Contribution to other governments	57,683	--	--
Capital outlay	944,854	304,185	1,235
Total expenditures	<u>76,195,664</u>	<u>702,511</u>	<u>2,113,390</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,602,768</u>	<u>(487,986)</u>	<u>(742,890)</u>
Other financing sources (uses)			
Issuance of Debt	--	--	--
Transfers in	810,627	--	--
Transfers out	(7,994,661)	(54,000)	--
Total other financing sources (uses)	<u>(7,184,034)</u>	<u>(54,000)</u>	<u>--</u>
Net change in fund balances	(1,581,266)	(541,986)	(742,890)
Fund balances - beginning	<u>33,743,956</u>	<u>4,211,215</u>	<u>780,086</u>
Fund balances - ending	<u>\$ 32,162,690</u>	<u>\$ 3,669,229</u>	<u>\$ 37,196</u>

The accompanying notes are an integral part of this statement.

Building Services Fund	Tourist Development Tax	Penny Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ --	\$ --	\$ --	\$ 4,427,941	\$ 53,618,071
--	--	--	--	6,583,690
--	--	--	7,114	7,114
8,568,844	--	--	1,403,146	10,732,094
--	123,699	12,083,797	12,687,395	40,161,334
1,339,774	--	--	70,420	5,804,024
--	--	--	--	4,626,731
--	--	--	367,134	2,476,967
(432,609)	--	(666,603)	(1,060,953)	(4,046,393)
133	--	48,748	397,733	2,785,538
<u>9,476,142</u>	<u>123,699</u>	<u>11,465,942</u>	<u>18,299,930</u>	<u>122,749,170</u>
327,172	--	--	135,832	19,215,252
6,735,166	--	--	480,167	47,271,491
--	3,157	--	89,060	2,259,963
--	--	--	505,529	5,201,064
--	--	--	9,419	8,928,532
--	--	--	3,845,883	5,969,567
--	--	--	--	989,124
--	--	396,464	3,185,020	3,581,484
--	--	11,465	1,481,666	1,493,131
--	--	--	44,000	44,000
--	--	--	--	57,683
409,981	169,959	9,338,004	5,552,452	16,720,670
<u>7,472,319</u>	<u>173,116</u>	<u>9,745,933</u>	<u>15,329,028</u>	<u>111,731,961</u>
2,003,823	(49,417)	1,720,009	2,970,902	11,017,209
--	--	--	10,070,000	10,070,000
--	--	--	15,393,907	16,204,534
<u>(7,485,432)</u>	<u>--</u>	<u>(1,830,977)</u>	<u>(1,179,418)</u>	<u>(18,544,488)</u>
<u>(7,485,432)</u>	<u>--</u>	<u>(1,830,977)</u>	<u>24,284,489</u>	<u>7,730,046</u>
(5,481,609)	(49,417)	(110,968)	27,255,391	18,747,255
<u>12,367,980</u>	<u>2,370,447</u>	<u>20,496,010</u>	<u>28,380,166</u>	<u>102,349,860</u>
<u>\$ 6,886,371</u>	<u>\$ 2,321,030</u>	<u>\$ 20,385,042</u>	<u>\$ 55,635,557</u>	<u>\$ 121,097,115</u>



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City of Sarasota, Florida

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds to
the Statement of Activities
For the Year Ended September 30, 2022

Net change in fund balances - total governmental funds \$ 18,747,255

Amounts reported for governmental activities in the statement of activities are different because:

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

Expenditures for capital assets	\$ 16,720,670	
Less current year depreciation	(11,004,861)	
Donation of Capital Assets	17,084,165	
Net transfers of capital assets from enterprise funds	296,565	
Less Loss on Sale of Capital Assets	1,003,407	24,099,946

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

Collection of special assessments	(7,114)	
Receipts on mortgages receivable	235,928	228,814

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

Principal repayments:		
General obligation bonds	1,615,000	
Special obligation bonds	1,570,020	
Proceeds from loan received	(10,070,000)	
Purchase Agreements	404,745	(6,480,235)

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

Grants	(443,569)	
Interest subsidy received before interest payment due	38,373	
Accrued interest	52,284	(352,912)

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

Amortization of bond premium	167,604	
Amortization of deferred loss on refunding	(204,038)	(36,434)

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

16,680,441

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

4,653,526

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

The net expense of the internal service funds is reported with governmental activities.		3,259,620
---	--	-----------

Change in net position of governmental activities

\$ 60,800,021

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 48,403,848	\$ 48,403,848	\$ 49,019,186	\$ 615,338
Franchise fees	5,451,426	5,451,426	6,583,690	1,132,264
Licenses and permits	434,150	528,150	693,454	165,304
Intergovernmental	8,947,652	14,009,533	14,041,451	31,918
Charges for services	4,036,936	4,036,936	4,393,830	356,894
Charges to other funds	4,626,748	4,626,748	4,626,731	(17)
Fines and forfeits	836,307	836,307	2,109,833	1,273,526
Investment earnings	200,000	200,000	(1,653,364)	(1,853,364)
Miscellaneous	1,894,958	1,926,658	1,983,621	56,963
Total revenues	74,832,025	80,019,606	81,798,432	1,778,826
Expenditures				
Current:				
General government	18,266,613	19,687,753	18,745,087	942,666
Public safety	40,406,739	41,672,652	39,719,412	1,953,240
Physical environment	2,549,296	2,596,688	2,167,746	428,942
Transportation	4,641,922	5,356,166	4,692,545	663,621
Culture and recreation	10,077,010	10,137,010	8,919,113	1,217,897
Human services	1,069,241	1,336,991	949,224	387,767
Contribution to other governments	58,959	58,959	57,683	1,276
Capital outlay	887,457	2,668,010	944,854	1,723,156
Total expenditures	77,957,237	83,514,229	76,195,664	7,318,565
Excess (deficiency) of revenues over (under) expenditures	(3,125,212)	(3,494,623)	5,602,768	9,097,391
Other financing sources (uses)				
Transfers in	1,267,036	1,267,036	810,627	(456,409)
Transfers out	(200,000)	(7,994,661)	(7,994,661)	--
Total other financing sources (uses)	1,067,036	(6,727,625)	(7,184,034)	(456,409)
Net change in fund balance	(2,058,176)	(10,222,248)	(1,581,266)	8,640,982
Fund balance - beginning	33,743,956	33,743,956	33,743,956	--
Fund balance - ending	\$ 31,685,780	\$ 23,521,708	\$ 32,162,690	\$ 8,640,982

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida

Community Redevelopment Agency

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

Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 171,800	\$ 171,800	\$ 170,944	\$ (856)
Investment earnings	5,000	5,000	(131,949)	(136,949)
Miscellaneous	136,828	136,828	175,530	38,702
Total revenues	<u>313,628</u>	<u>313,628</u>	<u>214,525</u>	<u>(99,103)</u>
Expenditures				
Current:				
General government	7,161	7,161	7,161	--
Public safety	553,311	1,375,472	336,746	1,038,726
Transportation	--	--	2,990	(2,990)
Economic environment	10,000	10,000	11,529	(1,529)
Human services	40,000	40,000	39,900	100
Capital outlay:				
Capital outlay	1,351,504	2,933,034	304,185	2,628,849
Total expenditures	<u>1,961,976</u>	<u>4,365,667</u>	<u>702,511</u>	<u>3,663,156</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,648,348)</u>	<u>(4,052,039)</u>	<u>(487,986)</u>	<u>3,564,053</u>
Other financing sources (uses)				
Transfers out	(54,000)	(54,000)	(54,000)	--
Total other financing sources (uses)	<u>(54,000)</u>	<u>(54,000)</u>	<u>(54,000)</u>	<u>--</u>
Net change in fund balance	(1,702,348)	(4,106,039)	(541,986)	3,564,053
Fund balance - beginning	<u>4,211,215</u>	<u>4,211,215</u>	<u>4,211,215</u>	<u>--</u>
Fund balance - ending	<u>\$ 2,508,867</u>	<u>\$ 105,176</u>	<u>\$ 3,669,229</u>	<u>\$ 3,564,053</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida

Housing and Community Development

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Licenses and permits	\$ --	\$ --	\$ 66,650	\$ 66,650
Intergovernmental	2,496,157	10,025,546	1,224,992	(8,800,554)
Investment earnings	--	--	(100,915)	(100,915)
Miscellaneous	--	--	179,773	179,773
Total revenues	<u>2,496,157</u>	<u>10,025,546</u>	<u>1,370,500</u>	<u>(8,655,046)</u>
Expenditures				
Current:				
Transportation	83,492	83,492	--	83,492
Economic environment	2,230,256	9,761,649	2,112,155	7,649,494
Capital outlay:				
Capital outlay	182,409	182,409	1,235	181,174
Total expenditures	<u>2,496,157</u>	<u>10,027,550</u>	<u>2,113,390</u>	<u>7,914,160</u>
Net change in fund balance	--	(2,004)	(742,890)	(740,886)
Fund balance - beginning	<u>780,086</u>	<u>780,086</u>	<u>780,086</u>	<u>--</u>
Fund balance - ending	<u>\$ 780,086</u>	<u>\$ 778,082</u>	<u>\$ 37,196</u>	<u>\$ (740,886)</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
 Building Services Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits	\$ 5,220,500	\$ 5,220,500	\$ 8,568,844	\$ 3,348,344
Charges for services	686,000	761,000	1,339,774	578,774
Investment earnings	5,000	5,000	(432,609)	(437,609)
Miscellaneous	--	--	133	133
Total revenues	<u>5,911,500</u>	<u>5,986,500</u>	<u>9,476,142</u>	<u>3,489,642</u>
Expenditures				
General government	288,500	479,327	327,172	152,155
Public safety	7,070,687	7,066,795	6,735,166	331,629
Capital outlay	85,495	831,548	409,981	421,567
Total expenditures	<u>7,444,682</u>	<u>8,377,670</u>	<u>7,472,319</u>	<u>905,351</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,533,182)</u>	<u>(2,391,170)</u>	<u>2,003,823</u>	<u>4,394,993</u>
Other financing sources (uses)				
Transfers out	(420,000)	(7,485,432)	(7,485,432)	--
Total other financing sources (uses)	<u>(420,000)</u>	<u>(7,485,432)</u>	<u>(7,485,432)</u>	<u>--</u>
Net change in fund balance	(1,953,182)	(9,876,602)	(5,481,609)	4,394,993
Fund balance - beginning	<u>12,367,980</u>	<u>12,367,980</u>	<u>12,367,980</u>	<u>--</u>
Fund balance - ending	<u>\$ 10,414,798</u>	<u>\$ 2,491,378</u>	<u>\$ 6,886,371</u>	<u>\$ 4,394,993</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida

Tourist Development Tax

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 304,750	\$ 3,216,243	\$ 123,699	\$ (3,092,544)
Total revenues	<u>304,750</u>	<u>3,216,243</u>	<u>123,699</u>	<u>(3,092,544)</u>
Expenditures				
Physical environment	3,174	3,174	3,157	17
Capital outlay	<u>304,750</u>	<u>4,875,703</u>	<u>169,959</u>	<u>4,705,744</u>
Total expenditures	<u>307,924</u>	<u>4,878,877</u>	<u>173,116</u>	<u>4,705,761</u>
Net change in fund balance	(3,174)	(1,662,634)	(49,417)	1,613,217
Fund balance - beginning	<u>2,370,447</u>	<u>2,370,447</u>	<u>2,370,447</u>	<u>--</u>
Fund balance - ending	<u>\$ 2,367,273</u>	<u>\$ 707,813</u>	<u>\$ 2,321,030</u>	<u>\$ 1,613,217</u>

The accompanying notes are an integral part of this statement.



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City of Sarasota, Florida
 Proprietary Funds
 Statement of Net Position
 September 30, 2022

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Van Wezel	Solid Waste	Parking Management
Assets				
Current assets:				
Cash and Cash Equivalents	\$ 5,881,195	\$ 1,919,972	\$ 743,153	\$ 85,176
Investments	46,442,090	15,190,448	5,892,353	625,998
Receivables (net):				
Accounts	5,585,723	404,088	588,754	33,765
Interest	122,442	36,982	15,853	2,888
Due from Other Funds	--	--	--	--
Due from Other Governmental Agencies	--	--	--	188,050
Inventories	247,390	2,772	--	--
Prepaid items	142,070	380,775	2,546	132,173
Total unrestricted current assets	<u>58,420,910</u>	<u>17,935,037</u>	<u>7,242,659</u>	<u>1,068,050</u>
Restricted current assets:				
Cash and Cash Equivalents	543,576	--	968	--
Cash with Fiscal Agents	3,473,646	--	--	871,578
Investments	4,309,935	--	7,671	--
Accrued Interest Receivable	13,176	--	--	813
Due from Other Governmental Units	357,680	--	--	--
Special Assessment Receivable	--	--	--	3,636,302
Total restricted current assets	<u>8,698,013</u>	<u>--</u>	<u>8,639</u>	<u>4,508,693</u>
Total current assets	<u>67,118,923</u>	<u>17,935,037</u>	<u>7,251,298</u>	<u>5,576,743</u>
Noncurrent asset:				
Capital assets:				
Non-depreciable:				
Land	6,040,560	525,000	--	4,219,053
Art Collections	--	218,397	--	--
Construction in Progress	20,081,189	--	--	473,927
Depreciable:				
Buildings	25,251,195	28,855,153	280,022	34,030,638
Improvements	412,551,681	1,474,735	3,886,145	5,417,073
Equipment	14,225,729	2,025,061	13,207,030	1,600,808
Less Accumulated Depreciation	(243,022,011)	(22,855,567)	(12,889,720)	(8,791,473)
Total capital assets (net of accumulated depreciation)	<u>235,128,343</u>	<u>10,242,779</u>	<u>4,483,477</u>	<u>36,950,026</u>
Other assets:				
Advance to Other Funds	--	--	--	--
Total noncurrent assets	<u>235,128,343</u>	<u>10,242,779</u>	<u>4,483,477</u>	<u>36,950,026</u>
Total assets	<u>302,247,266</u>	<u>28,177,816</u>	<u>11,734,775</u>	<u>42,526,769</u>
Deferred Outflows of Resources				
Related to Refunding	648,132	--	--	--
Related to Pension	5,183,762	428,065	1,512,713	332,124
Related to OPEB	374,868	49,041	103,478	41,378
Total deferred outflows of resources	<u>6,206,762</u>	<u>477,106</u>	<u>1,616,191</u>	<u>373,502</u>

The accompanying notes are an integral part of this statement.

Business-type Activities - Enterprise Funds			Governmental
Bobby Jones Golf Complex	Non-Major Funds	Totals	Internal Service Funds
\$ 1,793,651	\$ --	\$ 10,423,147	\$ 3,435,396
14,221,578	--	82,372,467	26,492,208
--	--	6,612,330	58,874
74,872	265	253,302	49,717
--	--	--	7,420
--	--	188,050	259,087
--	--	250,162	79,082
--	--	657,564	88,088
16,090,101	265	100,757,022	30,469,872
--	--	544,544	--
1,035,000	--	5,380,224	--
--	--	4,317,606	--
--	--	13,989	--
--	--	357,680	--
--	--	3,636,302	--
1,035,000	--	14,250,345	--
17,125,101	265	115,007,367	30,469,872
910,000	--	11,694,613	--
--	--	218,397	--
3,913,054	--	24,468,170	2,512,241
--	--	88,417,008	2,528,732
203,437	--	423,533,071	1,094,797
45,321	--	31,103,949	8,999,791
(190,660)	--	(287,749,431)	(10,852,821)
4,881,152	--	291,685,777	4,282,740
--	--	--	72,566
4,881,152	--	291,685,777	4,355,306
22,006,253	265	406,693,144	34,825,178
--	--	648,132	--
--	--	7,456,664	571,491
--	--	568,765	80,426
--	--	8,673,561	651,917

Continued

City of Sarasota, Florida
 Proprietary Funds
 Statement of Net Position
 September 30, 2022

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Van Wezel	Solid Waste	Parking Management
Liabilities				
Current liabilities:				
Accounts Payable	2,717,415	140,321	597,620	170,825
Retainages Payable	--	--	--	--
Due to Other Funds	--	--	--	123,885
Due to Other Governmental Agencies	125,683	8,068	36,130	12,845
Accrued Interest Payable	--	--	--	--
Liability for Unpaid Claims	--	--	--	--
Accrued Wages	268,182	50,879	77,338	27,280
Compensated Absences	621,927	53,775	137,190	55,624
Unearned Revenue	3,089,152	5,369,916	517,620	567
Finance Purchase Agreement	--	--	454,403	--
Total unrestricted current liabilities	<u>6,822,359</u>	<u>5,622,959</u>	<u>1,820,301</u>	<u>391,026</u>
Current liabilities payable from restricted assets:				
Accounts Payable	--	--	--	8,907
Accrued Interest Payable	478,646	--	--	246,578
Bonds Payable	4,079,525	--	--	625,000
Customer Deposits	1,347,470	--	8,639	--
Total current liabilities payable from restricted assets	<u>5,905,641</u>	<u>--</u>	<u>8,639</u>	<u>880,485</u>
Total current liabilities	<u>12,728,000</u>	<u>5,622,959</u>	<u>1,828,940</u>	<u>1,271,511</u>
Noncurrent liabilities:				
Advance from Other Funds	--	--	--	1,327,727
Compensated Absences	306,323	26,486	67,571	27,397
Bonds Payable and Unamortized Premium	64,109,557	--	--	13,827,030
Net OPEB Liability	899,649	117,695	248,339	99,305
Net Pension Liability	18,207,193	345,713	3,761,709	293,210
Total noncurrent liabilities	<u>83,522,722</u>	<u>489,894</u>	<u>4,077,619</u>	<u>15,574,669</u>
Total liabilities	<u>96,250,722</u>	<u>6,112,853</u>	<u>5,906,559</u>	<u>16,846,180</u>
Deferred Inflows of Resources				
Pension Related	7,029,741	13,979	1,238,025	11,856
OPEB Related	4,641,114	607,164	1,281,134	512,295
Total deferred inflows of resources	<u>11,670,855</u>	<u>621,143</u>	<u>2,519,159</u>	<u>524,151</u>
Net Position				
Net Investment in Capital Assets	147,587,390	10,242,780	4,029,074	22,497,995
Restricted:				
Debt Service	6,867,799	--	--	(491,230)
Construction	--	--	--	52,453
Unrestricted	46,077,262	11,678,146	896,174	3,470,722
Total net position	<u>\$ 200,532,451</u>	<u>\$ 21,920,926</u>	<u>\$ 4,925,248</u>	<u>\$ 25,529,940</u>

The accompanying notes are an integral part of this statement.

Business-type Activities - Enterprise Funds			Governmental
Bobby Jones Golf Complex	Non-Major Funds	Totals	Internal Service Funds
915,399	--	4,541,580	2,326,382
10,060	--	10,060	--
--	15,452	139,337	--
--	3,042	185,768	15,394
240,000	--	240,000	--
--	--	--	3,374,228
--	12,018	435,697	55,624
--	--	868,516	3,912,285
33,092	14,451	9,024,798	--
--	--	454,403	--
<u>1,198,551</u>	<u>44,963</u>	<u>15,900,159</u>	<u>9,683,913</u>
--	--	8,907	--
--	--	725,224	--
1,375,000	--	6,079,525	--
290	2,500	1,358,899	--
<u>1,375,290</u>	<u>2,500</u>	<u>8,172,555</u>	<u>--</u>
<u>2,573,841</u>	<u>47,463</u>	<u>24,072,714</u>	<u>9,683,913</u>
--	--	1,327,727	--
--	--	427,777	1,926,947
18,625,000	--	96,561,587	--
--	--	1,364,988	193,015
--	--	22,607,825	1,439,963
<u>18,625,000</u>	<u>--</u>	<u>122,289,904</u>	<u>3,559,925</u>
<u>21,198,841</u>	<u>47,463</u>	<u>146,362,618</u>	<u>13,243,838</u>
--	--	8,293,601	506,990
--	--	7,041,707	995,725
--	--	15,335,308	1,502,715
807,412	--	185,164,651	4,282,738
--	--	6,376,569	--
--	--	52,453	--
--	(47,198)	62,075,106	16,447,804
<u>\$ 807,412</u>	<u>\$ (47,198)</u>	<u>\$ 253,668,779</u>	<u>\$ 20,730,542</u>

City of Sarasota, Florida
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Van Wezel	Solid Waste	Parking Management
Operating revenues				
Charges for services	\$ 52,248,022	\$ 9,359,178	\$ 13,160,883	\$ 3,175,579
Connection fees	1,108,919	--	--	--
Rents	--	854,308	--	75,361
Fines	--	--	--	1,408,068
Miscellaneous	421,852	16,551	49,625	30,493
Total operating revenues	<u>53,778,793</u>	<u>10,230,037</u>	<u>13,210,508</u>	<u>4,689,501</u>
Operating expenses				
Personnel services	14,826,040	2,106,808	4,497,918	1,418,339
Contractual services	9,828,030	8,266,797	6,413,638	1,405,252
Repairs and maintenance	1,962,672	246,845	75,061	322,534
Supplies and materials	3,403,032	269,691	649,938	111,399
Depreciation	9,806,977	1,159,598	1,816,812	1,126,795
Other	33,000	--	--	--
Total operating expenses	<u>39,859,751</u>	<u>12,049,739</u>	<u>13,453,367</u>	<u>4,384,319</u>
Operating income (loss)	<u>13,919,042</u>	<u>(1,819,702)</u>	<u>(242,859)</u>	<u>305,182</u>
Nonoperating revenues (expenses)				
Grant income	--	4,730,952	--	188,041
Investment earnings	(1,824,072)	(89,313)	(183,348)	(41,013)
Interest expense	(1,028,774)	--	(30,550)	(431,711)
Loan and bond issue expense	(4,780)	--	--	(600)
Gain (loss) on disposition of capital assets	113,275	495	196	2,098
Total nonoperating revenues (expenses)	<u>(2,744,351)</u>	<u>4,642,134</u>	<u>(213,702)</u>	<u>(283,185)</u>
Income (loss) before capital contributions and transfers	11,174,691	2,822,432	(456,561)	21,997
Transfers in	--	--	2,000,000	169,368
Transfers out	--	--	--	--
Change in net position	11,174,691	2,822,432	1,543,439	191,365
Net position - beginning	<u>189,357,760</u>	<u>19,098,494</u>	<u>3,381,809</u>	<u>25,338,575</u>
Net position - ending	<u>\$ 200,532,451</u>	<u>\$ 21,920,926</u>	<u>\$ 4,925,248</u>	<u>\$ 25,529,940</u>

The accompanying notes are an integral part of this statement.

Business-type Activities - Enterprise Funds			Governmental Activities -
Bobby Jones Golf Complex	Other Funds	Totals	Internal Service Funds
\$ --	\$ --	\$ 77,943,662	\$ 26,759,727
--	--	1,108,919	--
--	--	929,669	--
--	--	1,408,068	--
--	--	518,521	409,463
--	--	81,908,839	27,169,190
(73,759)	--	22,775,346	5,617,489
--	--	25,913,717	12,859,940
--	--	2,607,112	1,385,932
--	--	4,434,060	2,826,252
112,659	50,907	14,073,748	616,095
--	--	33,000	--
38,900	50,907	69,836,983	23,305,708
(38,900)	(50,907)	12,071,856	3,863,482
--	--	4,918,993	--
96,729	--	(2,041,017)	(631,124)
(333,333)	--	(1,824,368)	--
(94,706)	--	(100,086)	--
(1,733,576)	(1,006,276)	(2,623,788)	27,262
(2,064,886)	(1,006,276)	(1,670,266)	(603,862)
(2,103,786)	(1,057,183)	10,401,590	3,259,620
1,228,661	--	3,398,029	--
(1,058,075)	--	(1,058,075)	--
(1,933,200)	(1,057,183)	12,741,544	3,259,620
2,740,612	1,009,985	240,927,235	17,470,922
\$ 807,412	\$ (47,198)	\$ 253,668,779	\$ 20,730,542

City of Sarasota, Florida
Proprietary Funds
Statement of Cash Flows
Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Van Wezel	Solid Waste	Parking Management
Cash flows from operating activities				
Cash received from customers and users	\$ 53,962,323	\$ 9,224,472	\$ 12,876,487	\$ 4,706,155
Cash received from other funds for goods and services	--	--	--	--
Cash payments to vendors for goods and services	(18,290,096)	(8,490,354)	(6,563,818)	(1,780,912)
Cash payments to employees for services	(15,912,730)	(2,614,139)	(4,605,859)	(1,538,111)
Cash payments to customers	(569,040)	--	--	--
Cash payments to other funds	(2,100,638)	(358,399)	(547,857)	(329,290)
Other	--	--	--	169
Claims paid	--	--	--	--
Net cash provided (used) by operating activities	<u>17,089,819</u>	<u>(2,238,420)</u>	<u>1,158,953</u>	<u>1,058,011</u>
Cash flows from noncapital financing activities				
Grants	--	4,730,952	--	188,041
Interfund loan borrowings	--	--	--	--
Transfers in	--	--	2,000,000	169,368
Transfers out	--	--	--	--
Repayment of loan to/from other fund	--	--	--	--
Interest on loan to/from other fund	--	--	--	--
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>4,730,952</u>	<u>2,000,000</u>	<u>357,409</u>
Cash flows from capital and related financing activities				
Loan proceeds	5,164,773	--	--	--
Acquisition of capital assets	(15,844,650)	(257,764)	(464,098)	(292,748)
Principal repayments	(1,265,000)	--	(439,385)	(600,000)
Interest paid	(1,301,549)	--	(30,550)	(504,356)
Fiscal charges paid	(4,780)	--	--	(600)
Special assessment repayments	--	--	--	260,670
Proceeds from sale of capital assets	136,859	3,712	199	2,098
Proceeds from Insurance	--	--	--	-
Net cash used by capital and related financing activities	<u>(13,114,347)</u>	<u>(254,052)</u>	<u>(933,834)</u>	<u>(1,134,936)</u>
Cash flows from investing activities				
Interest on investments	(1,886,924)	(107,390)	(193,409)	(43,129)
Proceeds from sale and maturities of investments	--	--	--	--
Purchase of investments	(3,851,635)	(2,428,689)	(1,969,341)	(216,580)
Net cash provided (used) by investing activities	<u>(5,738,559)</u>	<u>(2,536,079)</u>	<u>(2,162,750)</u>	<u>(259,709)</u>
Net increase (decrease) in cash and cash equivalents	(1,763,087)	(297,599)	62,369	20,775
Cash and cash equivalents at beginning of year	11,661,504	2,217,571	681,752	935,979
Cash and cash equivalents at end of year	<u>\$ 9,898,417</u>	<u>\$ 1,919,972</u>	<u>\$ 744,121</u>	<u>\$ 956,754</u>

The accompanying notes are an integral part of this statement.

Business-type Activities - Enterprise Funds			Governmental Activities
Bobby Jones Golf Complex	Non-Major Funds	Totals	Internal Service Funds
\$ --	\$ (2,000)	\$ 80,767,437	\$ 2,590,964
--	--	-	24,577,201
--	17,304	(35,107,876)	(5,936,739)
--	(124,766)	(24,795,605)	(6,210,466)
930,976	--	361,936	--
--	--	(3,336,184)	(295,301)
--	--	169	--
--	--	-	(9,055,715)
<u>930,976</u>	<u>(109,462)</u>	<u>17,889,877</u>	<u>5,669,944</u>
--	--	4,918,993	--
--	--	-	--
1,228,661	15,452	3,413,481	--
(1,058,075)	--	(1,058,075)	--
--	--	-	7,114
--	--	-	3,745
<u>170,586</u>	<u>15,452</u>	<u>7,274,399</u>	<u>10,859</u>
20,000,000	--	25,164,773	--
(3,913,054)	--	(20,772,314)	(2,588,958)
--	--	(2,304,385)	--
(93,333)	--	(1,929,788)	--
(94,706)	--	(100,086)	--
--	--	260,670	--
12	--	142,880	27,259
--	--	-	--
<u>15,898,919</u>	<u>-</u>	<u>461,750</u>	<u>(2,561,699)</u>
21,884	(171)	(2,209,139)	(657,468)
--	--	-	1,232,213
<u>(14,197,833)</u>	<u>79,664</u>	<u>(22,584,414)</u>	<u>(4,300,579)</u>
<u>(14,175,949)</u>	<u>79,493</u>	<u>(24,793,553)</u>	<u>(3,725,834)</u>
2,824,532	(14,517)	832,473	(606,730)
4,119	14,517	15,515,442	4,042,126
<u>\$ 2,828,651</u>	<u>\$ -</u>	<u>\$ 16,347,915</u>	<u>\$ 3,435,396</u>

City of Sarasota, Florida
Proprietary Funds
Combining Statement of Cash Flows
Year Ended September 30, 2022

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Van Wezel	Solid Waste	Parking Management
Reconciliations of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 13,919,042	\$ (1,819,702)	\$ (242,859)	\$ 305,182
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	9,806,977	1,159,598	1,816,812	1,126,795
Pension/OPEB expense	(751,975)	(469,111)	(58,395)	(94,886)
Net (increase) decrease in:				
Accounts receivable	(1,071,606)	27,313	(282,439)	16,654
Due from other governmental agencies	--	--	--	(188,050)
Inventories	(129,540)	(2,008)	--	--
Prepaid items	(10,063)	(1,591)	(31)	(23,247)
Net increase (decrease) in:				
Accounts payable	(3,660,514)	(56,968)	66,925	(52,033)
Retainages payable	(1,213,870)	--	--	--
Liability for unpaid claims	--	--	--	--
Due from other governmental agencies	(150,013)	(4,853)	(39,932)	(7,685)
Accrued wages	(318,459)	(52,068)	(84,245)	(41,066)
Compensated absences	(16,256)	13,848	34,699	16,180
Unearned revenue	568,811	(1,032,878)	(51,324)	169
Customer deposits	117,285	--	(258)	--
Total adjustments	<u>3,170,777</u>	<u>(418,718)</u>	<u>1,401,812</u>	<u>752,831</u>
Net cash provided (used) by operating activities:	<u>\$ 17,089,819</u>	<u>\$ (2,238,420)</u>	<u>\$ 1,158,953</u>	<u>\$ 1,058,013</u>

Noncash investing, capital, and financing activities

Amortization of premium on issuance of bonds	\$ --	--	--	61,445
Amortization of deferred loss on defeasance of debt	11,405	--	--	--

The accompanying notes are an intergral part of this statement.

Business-type Activities - Enterprise Funds			Governmental
Bobby Jones	Non-Major		Activities
Golf Complex	Funds	Totals	Internal
			Service Funds
\$ (38,900)	\$ (50,907)	\$ 12,071,856	\$ 3,863,482
112,659	50,907	14,073,748	616,095
(73,759)	(113,323)	(1,561,449)	(917,175)
--	--	(1,310,078)	76,638
2,691	--	(185,359)	326,712
--	--	(131,548)	(13,449)
--	22,369	(12,563)	(58,339)
915,399	(5,281)	(2,792,472)	1,586,997
10,060	--	(1,203,810)	--
--	--	-	(112,015)
2,826	216	(199,441)	(23,200)
--	--	(495,838)	(80,508)
--	(10,693)	37,778	404,706
--	(2,000)	(517,222)	--
--	(750)	116,277	--
969,876	(58,555)	5,818,023	1,806,462
\$ 930,976	\$ (109,462)	\$ 17,889,879	\$ 5,669,944

-- -- \$ 61,445 --

-- -- 11,405 --

City of Sarasota, Florida
Fiduciary Funds
Statement of Fiduciary Net Position
September 30, 2022

	Pension and OPEB Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ 1,626,253	\$ 9,469
Investments:		
Money market funds	16,408,435	75,085
U.S. Government securities	47,933,394	--
Mortgage-backed securities	20,948,011	--
Collateralized mortgage oblig	1,570,609	--
Common and preferred stock	331,804,689	--
Corporate bonds and notes	67,600,605	--
Stock mutual funds	16,370,969	--
Bond mutual funds	2,923,548	--
Real estate funds	76,672,296	--
U.S. Government agency securities	6,145	--
Municipal securities	1,294,153	--
Foreign stocks	42,363,906	--
Foreign mutual funds	3,289,109	--
Foreign bonds	511,006	--
Other equities	7,857,688	--
Total investment income (loss)	<u>637,554,563</u>	<u>75,085</u>
Receivables (net):		
Accounts Rec	386,745	--
Contributions	2,225,764	--
Accounts	250,172	--
Interest and dividends	756,634	325
Total receivables	<u>3,619,315</u>	<u>325</u>
Other assets:		
Prepaid items	56,580	--
Investments-FMV adj	3,244	--
Total other assets	<u>59,824</u>	<u>--</u>
Total assets	<u>642,859,955</u>	<u>84,879</u>
Liabilities		
Accounts payable	1,521,401	68,538
Unearned Revenue	232,654	--
Liability for unpaid claims	482,932	--
Due to Other Governments	101,639	--
Accrued liabilities	--	16,341
Total liabilities	<u>2,338,626</u>	<u>84,879</u>
Net Position		
Restricted for Pension benefits	590,119,722	--
Restricted for OPEB benefits	50,401,607	--
Total net position	<u>640,521,329</u>	<u>--</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
 Fiduciary Funds
 Statement of Changes in Fiduciary Net Position
 For the Year Ended September 30, 2022

	Pension and OPEB Trust Funds	Custodial Funds
Additions		
Contributions		
Plan members	\$ 4,133,025	\$ --
Employer		
City of Sarasota	19,073,004	--
Sarasota County	3,410,876	--
State of Florida	1,172,856	--
Other	471,137	--
Total contributions	<u>28,260,898</u>	<u>--</u>
Investment income		
Net decrease in fair value of investments	(126,804,294)	--
Interest and dividends	16,995,244	(6,950)
Other	1,631,621	--
Total investment income (loss)	<u>(108,177,429)</u>	<u>(6,950)</u>
Less investment expense	<u>(3,991,440)</u>	<u>--</u>
Net investment income (loss)	<u>(112,168,869)</u>	<u>(6,950)</u>
Impact Fee collections for other governments	--	1,568,291
Insurance reimbursements	--	45,984
Total additions	<u>(83,907,971)</u>	<u>1,607,325</u>
Deductions		
Benefits	50,121,596	--
Administrative expenses	2,725,268	--
Refunds of contributions	160,532	--
Payments of Impact Fees to other governments	--	1,568,291
Insurance disbursements on behalf of homeowners	--	45,984
Interest and Earnings Transfer	--	(6,950)
Total deductions	<u>53,007,396</u>	<u>1,607,325</u>
Net increase (decrease)	(136,915,367)	--
Net Position - beginning	<u>777,436,696</u>	<u>--</u>
Net position - ending	<u>\$ 640,521,329</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
 Component Units
 Statement of Net Position
 September 30, 2022

	St. Armands Business Improvement District	Downtown Improvement District	Total
Assets			
Cash and cash equivalents	\$ 79,598	\$ 94,138	\$ 173,736
Investments	631,124	746,407	1,377,531
Receivables (net):			
Interest	1,635	1,942	3,577
Due from other governmental agencies	404	243	647
Lease receivable	183,704	--	183,704
Prepaid items	3,000	--	3,000
Capital assets:			
Non-depreciable	1,376	--	1,376
Depreciable (net)	721,281	119,222	840,503
Right to use asset (net)	124,259	--	124,259
Total assets	<u>1,746,381</u>	<u>961,952</u>	<u>2,708,333</u>
Liabilities			
Accounts payable	35,251	74,382	109,633
Due to other governmental units	--	408	408
Customer deposits	4,000	--	4,000
Accrued wages	1,098	2,530	3,628
Due in more than one year	124,585	--	124,585
Total liabilities	<u>164,934</u>	<u>77,320</u>	<u>242,254</u>
Deferred Inflows of Resources			
Lease Related	183,704	--	183,704
Total deferred inflows of resources	<u>183,704</u>	<u>--</u>	<u>183,704</u>
Net Position			
Net investment in capital assets	722,657	119,222	841,879
Unrestricted	675,086	765,410	1,440,496
Total net position	<u>\$ 1,397,743</u>	<u>\$ 884,632</u>	<u>\$ 2,282,375</u>

The accompanying notes are an integral part of this statement.

City of Sarasota, Florida
 Component Units
 Statement of Activities
 For the Year Ended September 30, 2022

	St. Armands Business Improvement District	Downtown Improvement District	Total
Program expenses:			
Personal services	\$ 30,024	\$ 79,365	\$ 109,389
Contractual services	242,075	550,906	792,981
Repairs and maintenance	27,773	295,079	322,852
Supplies and materials	14,633	34,207	48,840
Depreciation	88,411	21,037	109,448
Total program expenses	<u>402,916</u>	<u>980,594</u>	<u>1,383,510</u>
Program profit (loss)	<u>(402,916)</u>	<u>(980,594)</u>	<u>(1,383,510)</u>
General revenues:			
Property taxes	327,112	733,090	1,060,202
Investment earnings	(25,997)	(34,144)	(60,141)
Total general revenues	<u>301,115</u>	<u>698,946</u>	<u>1,000,061</u>
Change in net position	(101,801)	(281,648)	(383,449)
Net position - beginning	1,499,544	1,166,280	2,665,824
Net position - ending	<u>\$ 1,397,743</u>	<u>\$ 884,632</u>	<u>\$ 2,282,375</u>

The accompanying notes are an integral part of this statement.



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Notes to the Financial Statements



NOTES TO THE FINANCIAL STATEMENTS

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Sarasota, Florida, (the City) was incorporated in 1902. The City is on the west coast of Florida, approximately half-way down the state and is comprised of 24 square miles with a population of 56,494. The City was created pursuant to the Laws of Florida, Chapter 73-618. The current charter was approved by a special act of the State of Florida legislature in 1973 and by the voters of the City at an election held September 6, 1996. The City operates under the Commission-Manager form of government and provides municipal services such as police protection, public works and all the necessary functions of general government. The City also has certain enterprise operations consisting of a water and sewer utility, a golf course, a performing arts hall, a solid waste collection service, a municipal auditorium and parking management.

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

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

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

The Bay, a home rule tax increment financing district, was approved by both the City and Sarasota County on November 2, 2020. The governing body of this district is substantively the same as the governing body of the City and there is a financial benefit and burden relationship between the district and the City. The tax increment revenue may only be used for the design and construction of capital improvements within the Bay Park, including, but not necessarily limited to a new performing arts center. These revenues may also be used for new bicycle and pedestrian amenities within the District. The base year for the district is January 1, 2019 for a period of 30 years. Both the City and the County will contribute at the lower of 3.0892, or the City's or Sarasota County's millage. Separate financial statements of the District are not available.

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

Discretely Presented Component Units: The St. Armands Business Improvement District (BID) was created by City Ordinance 02-4382 under Chapter 163.511 of the Florida Statutes. The boundaries of the BID are made up of all parcels of real property located within the CT Zone District in the vicinity of St.

Armands Circle. The BID is a dependent taxing authority with the power to levy up to two mills, with City Commission approval, for the purpose of purchasing supplemental services (maintenance, security, sanitation, promotions, infrastructure and capital improvements).

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days (90 days for grant revenue) of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

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

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

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

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

The City reports the following major governmental funds:

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

The City reports the following major proprietary funds:

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

In addition, the City reports the following fund types:

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

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

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

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

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer enterprise fund, the Van Wezel Performing Arts Hall enterprise fund, the Solid Waste enterprise fund and the Parking Management enterprise fund are charges to customers for sales and services. The Water and Sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. The principal operating revenues of the internal service funds are interfund charges. The operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Cash and Cash Equivalents

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

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

E. Investments

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

F. Lease Receivable

Lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources are amortized by the present value, determined at the beginning of the fiscal year, of the payments owed over the term of the lease.

G. Other Receivables

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

H. Interfund Receivables and Payables

During the course of its operations, the City has numerous transactions between funds to provide services, construct assets and service debt. To the extent that certain transactions between funds were not paid for or received as of September 30, 2022, balances of interfund receivables and payables expected to be liquidated within one year have been recorded as due from and due to other funds. Balances of interfund receivables and payables not expected to be liquidated within one year are recorded as advances to and advances from other funds. Balances of advances to other funds are reserved in the fund balances of the respective funds since these balances are not available for appropriation. Short-term interfund loans to eliminate cash deficits are classified as interfund receivables/payables. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

I. Inventories

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

J. Prepaid Items

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

K. Restricted Assets

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

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

L. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial estimated useful life in excess of one year and an individual cost of more than \$1,000 for tangible personal property, buildings, improvements, infrastructure and utility systems. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, similar assets, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of the donation. (Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.) The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

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

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

M. Right to Use Assets

The City has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

N. Deferred Outflows/Inflows of Resources

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

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

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

- Unavailable revenues are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from the following sources: 1) Revenues that are not collected during the "availability period". The City considers grant revenues to be available if they are collected within 90 days of the end of the current fiscal period; 2) An offset account to the long-term notes receivables and special assessments in the governmental funds. 3) Leases are the present value of the payments to be received over the terms of the contracts. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Differences between expected and actual experience with regard to economic and demographic factors in the measurement of the total pension liability. This amount is deferred and included in collective pension expense, beginning in the current measurement period, using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan (active employees and inactive employees) determined as of the beginning of the measurement period.
- Net differences between projected and actual earnings on pension plan investments related to the net pension liability. Net differences between projected and actual earnings on pension plan investments identified during the measurement period are deferred and amortized as a component of pension expense in future periods.

O. Long-Term Obligations

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

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

P. Compensated Absences

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

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

Q. Net Position

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

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

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

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

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

R. Fund Balance

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

Nonspendable Fund Balance – consists of amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not

expected to be converted to cash (such as inventories and prepaid items) and long-term loans and notes receivable.

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

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

Assigned Fund Balance – consists of amounts that are set aside with the intent to be used for a specific purpose by the City Manager or his designee as authorized in the annual budget resolution. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. Assigned amounts cannot cause a deficit in unassigned fund balance.

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

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

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

S. General Fund Revenue Stabilization Fund

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

Commission as a formal budget action. At September 30, 2022, the reserve had a balance of \$2,664,956.

T. Property Tax Calendar

The City levies property taxes each November 1st, which become a lien on real and personal property located in the City. Property taxes are based on the assessed values determined by the Sarasota County Property Appraiser as of the prior January 1st. The current year's levy is based on taxable assessed property values totaling \$14,741,900,000.

The State of Florida permits the City to levy taxes up to 10 mills of assessed property valuations for the General Fund. For the 2020-21 fiscal year, the City levied taxes of 3.1372 mills for the General Fund and an additional 0.2100 mills for debt service on general obligation bonds.

The Sarasota County Tax Collector collects property taxes on behalf of each municipality within county boundaries. All taxes are due from property owners on March 31st. Taxes become delinquent on April 1st. By May 31st of each year, either all taxes have been collected and remitted to the City or the delinquent taxes are raised by public auction of tax certificates. Due to this arrangement there are no material unremitted tax revenues at the end of the fiscal year. The major dates in this process are listed on the following table.

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

U. Implementation of Governmental Accounting Standards Statements

The following GASB Pronouncements have been issued but are not in effect for the City as of September 30, 2022:

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

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

interest rate swap; and(6) Clarifying the definition of reference rate, as it is used in Statement 53, as amended. This standard is not expected to impact the City's financial statements.

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

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

GASB Statement 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The standard will become effective for fiscal year end September 30, 2024. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. This standard is not expected to impact the City's financial statements.

GASB Statement 101, *Compensated Absences*. The standard will become effective for fiscal year end September 30, 2024. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This standard is not expected to impact the City's financial statements.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary information

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

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

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

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

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

B. Deficit fund equity

The *Glen Oaks Debt Service Fund* had a deficit fund balance of \$78,671. This deficit will be eliminated with the collection of special assessments and interest earnings. The *Equipment Maintenance Internal Service Fund* had a net deficit fund balance of \$(518,828). The deficit in this fund was due to the allocation of its share of net pension liability for the General Employees' Pension Plan. The deficit will be eliminated by future revenues. The Municipal Auditorium Enterprise Fund had a net deficit Net Position of \$47,198. This is due to a change in classification from an Enterprise Fund to a division within the City's

General Fund. This change was considered to be more appropriate due to consistent subsidies from the General Fund to the Municipal Auditorium. The deficit net position is due to depreciation expenses charged in a proprietary fund that was reclassified to a governmental fund.

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NOTE 3 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

Fair Value Measurement of Investments

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

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

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

A. City of Sarasota

As of September 30, 2022, the City had the following cash, cash equivalents and investments:

<u>Portfolio / Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Cash Deposits	\$ 32,910,470	Not Applicable
Money Market Funds	1,919,327	0.01
Federal Agency Bonds/Notes	16,885,206	0.95
Federal Agency Commercial	11,486,625	2.26
Agency Mortgage-Backed Securities	4,158,712	6.87
Agency Collateralized Mortgage Obligations	1,951,951	4.43
Corporate Notes	44,660,833	2.23
Municipal Obligations	2,174,781	1.60
U.S Treasury Bonds/Notes	70,978,819	1.87
Supra-National Agency Bonds/Notes	7,462,961	1.12
Asset Backed Securities	11,833,400	2.24
Investment pools:		
Florida Palm	27,097,582	Not Applicable
Florida Prime	33,507,049	Not Applicable
Total Cash & Investments	<u>\$ 267,027,716</u>	
Portfolio weighted average maturity		2.04

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

Primary Government	
Statement of Net Position	
Cash and Cash Equivalents	\$ 34,646,593
Investments	230,745,302
Component Units	
Cash and Cash Equivalents	173,736
Investments	1,377,531
Custodial Funds	
Cash and Cash Equivalents	9,469
Investments	75,085
Total	<u>\$ 267,027,716</u>

Interest Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

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

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All United States Government securities, United States Government Agencies, and Mortgage-Backed securities are held by a third party custodial entity in the name of the City.

Foreign Currency Risk

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

Fair Value Measurement of Investments

The City has the following recurring fair value measurements as of September 30, 2022:

Investments	Fair Value	Level	
		1	2
Federal Agency Bonds/Notes	\$ 16,885,206	\$ -	\$ 16,885,206
Federal Agency Commercial	11,486,625	-	11,486,625
Agency Mortgage-Backed Securities	4,158,712	-	4,158,712
Agency Collateralized Mortgage Obligations	1,951,951	-	1,951,951
Corporate Notes	44,660,833	-	44,660,833
Municipal Obligations	2,174,781	-	2,174,781
U.S Treasury Bonds/Notes	70,978,819	70,978,819	-
Supra-National Agency Bonds/Notes	7,462,961	-	7,462,961
Asset Backed Securities	11,833,400	-	11,833,400
Total Investments by Fair Value Level	<u>\$ 171,593,288</u>	<u>\$ 70,978,819</u>	<u>\$ 100,614,469</u>
Investments Measured at Amortized Cost:			
Florida Palm	27,097,582		
Florida Prime	33,507,049		
	<u>60,604,631</u>		
Total Investments	<u>\$ 232,197,919</u>		

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

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

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

B. General Employees' Defined Benefit Pension Plan

As of September 30, 2022, the General Employees' Defined Benefit Pension Plan had the following cash, cash equivalents and investments:

<u>Portfolio / Investments</u>	<u>Fair Value</u>	<u>Duration (Years)</u>
Cash Deposits	\$ 452,926	Not Applicable
Money market funds	4,452,607	Not Applicable
U.S. Government securities	11,451,724	5.19
Common and preferred stock	67,128,765	Not Applicable
Corporate bonds and notes	5,474,845	4.36
Real estate funds	21,085,248	Not Applicable
Mortgage backed securities	7,505,441	25.49
Collateralized mortgage obligations	1,570,609	24.53
Other equities	7,857,688	Not Applicable
Foreign stocks	22,190,836	Not Applicable
Total Cash & Investments	<u>\$ 149,170,689</u>	

Interest Rate Risk

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

Custodial Credit Risk

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

Concentration of Credit Risk

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

Credit Risk

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

	<u>September 30, 2022, Credit Ratings</u>	
	<u>S&P</u>	<u>Moody's</u>
US Government Securities	AA+	Aaa
US Government Agency Securities	AAA	Aaa...NR
Corporate Bonds	AA...BBB	Aaa...Baa2

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan does not have a policy that addresses the risks associated with investments in foreign currency. As of September 30, 2022 and 2021, the Plan held \$22,190,836 and \$31,320,084 in international investments, representing approximately 14.92% and 17.24% respectively of total Plan investments. The aggregate investment in Foreign Stocks exceeded the Plan's asset allocation policy of 10%; however, was below the Plan's 17.5% limit for investments in securities issued by corporations

domiciled outside the United States for both years. The largest concentration of investments in Foreign Stocks with one manager was \$9,571,987 and \$12,926,841 as of September 30, 2022 and 2021, respectively. Most of the international investments are denominated in U.S. dollars, therefore minimizing the foreign currency risk.

Fair Value Measurement of Investments

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

Investments	Fair Value	Level		
		1	2	3
Debt Securities:				
US Government Securities	\$ 11,451,724	\$ 1,799,267	\$ 9,652,457	\$ --
Mortgage Backed Securities	7,505,441	--	7,505,441	--
Collateralized mortgage obligations	1,570,609	--	1,570,609	--
Corporate Bonds and Notes	5,474,845	--	5,474,845	--
Total Debt Securities	26,002,619	1,799,267	24,203,352	--
Common and Preferred Stock	67,128,765	67,128,765	--	--
Real Estate Funds	10,521,599	--	--	10,521,599
Foreign Stocks	22,190,836	11,192,299	10,998,537	--
Other Equities	7,857,688	7,857,688	--	--
Total Investments by Fair Value Level	\$ 133,701,507	\$ 87,978,019	\$ 35,201,889	\$ 10,521,599

Investments Measured at Net Asset Value (NAV):

Real Estate Funds	<u>10,563,649</u>
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Investments Not Subject to Level Disclosure:

Money Market Funds	<u>4,452,607</u>
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Total Investments	<u><u>\$ 148,717,763</u></u>
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Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique for similar securities. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. Real estate funds classified in Level 3 are valued using independent appraisers to determine the fair value of the investments in the fund.

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

Investment	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Investments Measured at Net Asset Value (NAV):				
Real Estate Funds (1)	<u>\$ 10,563,649</u>	\$ -	Quarterly	45 days
Total Investments Measured at NAV	<u><u>\$ 10,563,649</u></u>			

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

sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital.

C. Firefighters' Defined Benefit Pension Plan

As of September 30, 2022, the Firefighters' Defined Benefit Pension Plan had the following cash, cash equivalents and investments:

Portfolio / Investments	Fair Value	Weighted Average Maturity (Years)
Cash Deposits	\$ 147,421	N/A
Money Market Funds	4,207,710	N/A
U.S. Government agency securities	8,197,114	12.709
Common Stock	83,420,064	N/A
Corporate Bonds and Notes	20,461,844	8.196
Stock Mutual Funds	1,692,023	N/A
Real Estate Funds	22,043,991	N/A
Mortgage Backed Securities	2,110,363	29.716
Municipal Securities	218,535	18.268
Foreign Stocks	14,878,397	N/A
Foreign Bonds	295,362	1.170
Total Cash & Investments	\$ 157,672,824	

Concentration

As of September 30, 2022, the Fund held investments in one real estate fund with a fair value of \$16,159,196.

Interest Rate Risk

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

Credit Risk

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

	September 30, 2022, Credit Ratings	
	S&P	Moody's
Government securities	-	Aaa
Municipal securities	AAA	A2
Mortgage backed securities	AAA	Aaa
Corporate bonds and notes	AAA...CCC+	Aaa...Baa1

Concentration of Credit Risk

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

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

Custodial Credit Risk, Investments

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

Foreign Currency Risk

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

Fair Value Measurement of Investments

The Plan has the following recurring fair value measurements as of September 30, 2022:

Investments	Fair Value	Level		
		1	2	3
Debt Securities				
U.S. Government agency securities	\$ 8,197,114	\$ 1,931,257	\$ 6,265,857	\$ --
Municipal Securities	218,535	--	218,535	--
Mortgage Backed Securities	2,110,363	--	2,110,363	--
Corporate Bonds and Notes	20,461,844	--	20,461,844	--
Foreign Bonds	295,362	--	295,362	--
Total Debt Securities	<u>31,283,218</u>	<u>1,931,257</u>	<u>29,351,961</u>	<u>--</u>
Common Stock	83,420,064	74,721,756	8,698,308	--
Foreign Equities	14,878,397	9,606,552	5,271,845	--
Equity Mutual Funds	1,692,023	1,692,023	--	--
Real Estate Funds	22,043,991	--	--	22,043,991
Total Investments by Fair Value Level	<u>\$ 153,317,693</u>	<u>\$ 87,951,588</u>	<u>\$ 43,322,114</u>	<u>\$ 22,043,991</u>
Investments Not Subject to Level Disclosure				
Money Market Funds	<u>4,207,710</u>			
Total Investments	<u>\$ 157,525,403</u>			

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

D. Police Officers' Defined Benefit Pension Plan

As of September 30, 2022, the Police Officers' Defined Benefit Pension Plan had the following cash, cash equivalents and investments:

Portfolio / Investments	Fair Value	Duration (Years)
Cash Deposits	\$ 535,558	N/A
Money Market Funds	6,453,031	N/A
U. S. Government Securities	24,700,757	10.08
Common Stock	153,555,937	N/A
Corporate Bonds	34,747,864	5.19
Real Estate Mutual Funds	27,745,115	N/A
Mortgage and Asset Backed Securities	11,332,207	11.69
Municipal Securities	1,075,618	15.05
Foreign Mutual Funds	2,414,259	N/A
Total Cash & Investments	\$ 262,560,346	

Concentration

As of September 30, 2022, the Plan held investments in two funds with aggregate amounts exceeding 5% of the fair value of the Fund's assets. One equity mutual fund had a fair value totaling \$35,149,056 and one real estate mutual fund had a fair value of \$27,745,115 as of September 30, 2022. The September 30, 2022 investment compliance report did not identify a concentration with any individual issuer in excess of investment policy guidelines.

Duration

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

Credit Risk

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

	September 30, 2022, Credit Ratings	
	S&P	Moody's
US Government Securities	AA+	Aaa
Corporate Bonds	AAA...BBB+	Aaa...Baa1

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

Interest Rate Risk

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

not limit the weighted average maturity of its investment portfolio.

Concentration of Credit Risk

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

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

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

Custodial Credit Risk

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

Foreign Currency Risk

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

Fair Value Measurement of Investments

The Plan has the following recurring fair value measurements as of September 30, 2022:

Investments	Fair Value	Level		
		1	2	3
Debt Securities				
US Government Securities	\$ 24,700,757	\$ --	\$ 24,700,757	\$ --
Mortgage and Asset Backed Securities	11,332,207	--	11,332,207	--
Municipal Securities	1,075,618	--	1,075,618	--
Corporate Bonds	34,747,864	2,237,264	32,510,600	--
Total Debt Securities	71,856,446	2,237,264	69,619,182	--
Common Stock	153,555,937	112,734,296	40,821,641	--
Foreign Mutual Funds	2,414,259	--	2,288,492	125,767
Real Estate Mutual Funds	27,745,115	--	--	27,745,115
Total Investments by Fair Value Level	\$ 255,571,757	\$ 114,971,560	\$ 112,729,315	\$ 27,870,882
Investments Not Subject to Level Disclosure				
Money Market Funds	6,453,031			
Total Investments	\$ 262,024,788			

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

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

There were no investments measured at net asset value (NAV) as of September 30, 2022.

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

E. OPEB Trust Fund

As of September 30, 2022, the OPEB Trust Fund had the following cash, cash equivalents and investments:

Portfolio / Investments	Fair Value	Weighted Average Maturity (Years)
Cash Deposits	\$ 490,348	Not Applicable
Money Market Funds	1,295,087	Not Applicable
U.S. Government Securities	3,583,799	0.55
U.S. Government Agency Securities	6,145	0.01
Common Stock Domestic	27,699,923	Not Applicable
Corporate Bonds Domestic	6,916,052	1.65
Real Estate Funds	5,797,942	Not Applicable
Common Stock Foreign	5,294,673	Not Applicable
Corporate Bonds Foreign	215,644	0.02
Total Cash & Investments	\$ 51,299,613	
Portfolio weighted average maturity		2.23

Interest Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

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

Custodial Credit Risk

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

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

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The plan does not have a policy that addresses the risks associated with investments in foreign currency. The trust fund holds \$5,510,317 in foreign investments. This amount represents approximately 11 % of total trust fund investments. Many of the foreign investments are denominated in U.S. dollars, therefore minimizing the foreign currency risk.

Fair Value Measurement of Investments

The Plan has the following recurring fair value measurements as of September 30, 2022:

Investments	Fair Value	Level		
		1	2	3
U.S. Government Securities	\$ 3,583,799		\$ 3,583,799	
U.S. Government Agency Securities	6,145		6,145	
Common Stock Domestic	27,699,923	27,699,923		
Corporate Bonds Domestic	6,916,052		6,916,052	
Common Stock Foreign	5,294,673	5,294,673		
Corporate Bonds Foreign	215,644		215,644	
Private Real Estate Fund	5,797,942			5,797,942
Total Investments by Fair Value Level	<u>\$ 49,514,178</u>	<u>\$ 32,994,596</u>	<u>\$ 10,721,640</u>	<u>\$ 5,797,942</u>

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

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

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

F. General Employees Defined Contribution Retirement Plan

As of September 30, 2022, the General Employees Defined Contribution Retirement Plan had the following cash, cash equivalents and investments:

Portfolio/Investments	Fair Value	Weighted Average Maturity (Years)
Cash and Cash Equivalents	\$ -	Not Applicable
Stock mutual funds	14,678,946	Not Applicable
Bond mutual funds	2,923,548	10.12
Foreign mutual funds	874,850	Not Applicable
Total Cash & Investments	<u>\$ 18,477,344</u>	
Portfolio weighted average maturity		10.12

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

Fair Value Measurement of Investments

The Plan has the following recurring fair value measurements as of September 30, 2022:

Investments	Fair Value	Level	
		1	2
Stock Mutual Funds	\$ 14,678,946	\$ --	\$ 14,678,946
Bond Mutual Funds	2,923,548	--	2,923,548
Foreign Mutual Funds	874,850	--	874,850
Total Investments by Fair Value Level	<u>\$ 18,477,344</u>	<u>\$ --</u>	<u>\$ 18,477,344</u>

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

G. Discretely Presented Component Units

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

Reconciliation of Cash and Investments

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

	Statement of Net Position	Statement of Fiduciary Net Position	Total
Primary Government			
Cash and cash equivalents	\$ 34,646,593	\$ 1,635,722	\$ 36,282,315
Investments	230,745,302	637,629,648	868,374,950
Total	<u>\$ 265,391,895</u>	<u>\$ 639,265,370</u>	<u>\$ 904,657,265</u>
Component Unit			
Cash and cash equivalents	\$ 173,736		\$ 173,736
Investments	1,377,531		1,377,531
Total	<u>\$ 1,551,267</u>		<u>1,551,267</u>
Total			<u><u>\$ 906,208,532</u></u>

NOTE 4 - RECEIVABLES AND UNEARNED REVENUE

A. Receivables

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

	Accounts	Interest	Notes	Special Assessment	Leases	Total
General Fund	\$ 2,342,521	\$ 135,895	\$ --	\$ --	\$ 4,163,514	\$ 6,641,930
Community Redevelopment	--	8,259	--	--	--	8,259
Housing and Community Devl	3,450	13,111	--	--	--	16,561
Penny Sales Tax	--	43,208	--	--	--	43,208
Building Services Fund	--	32,573	--	--	--	32,573
Tourist Development Tax	--	4,980	--	--	--	4,980
Nonmajor Governmental Funds	88,697	89,163	141,713	79,986	--	399,559
Internal Service Funds	58,874	49,717	--	--	--	108,591
Total receivables	\$ 2,493,542	\$ 376,906	\$ 141,713	\$ 79,986	4,163,514	\$ 7,255,661

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

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

	Water and Sewer	Van Wezel	Solid Waste	Parking Management	Bobby Jones Reconstruction	Other Funds	Total
Receivables-unrestricted:							
Accounts (billed)	\$ 3,556,739	\$ 404,088	\$ 709,254	\$ 61,041	\$ --	\$ --	\$ 4,731,122
Accounts (unbilled)	2,369,840	--	--	--	--	--	2,369,840
Allowance for uncollectibles	(340,856)	--	(120,500)	(27,276)	--	--	(488,632)
Accounts (net)	5,585,723	404,088	588,754	33,765	--	--	6,612,330
Interest	122,442	36,982	15,853	2,888	74,872	265	253,302
Receivables-Restricted:							
Interest	13,176	--	--	813	--	--	13,989
Total receivables (net)	\$ 5,721,341	\$ 441,070	\$ 604,607	\$ 37,466	\$ 74,872	\$ 265	\$ 6,879,621

B. Special assessments receivable

Glen Oaks Estates Special Assessment

In 2011, the City Commission approved to design and construct a privacy wall and related improvements for the Glen Oaks Estates Subdivision with a special assessment. The assessment was levied against the property located within the Glen Oaks Estates Subdivision Special Assessment District. The special assessment receivables, which are recorded in a nonmajor governmental debt service fund, are to be collected over a twenty year period with interest earnings of 4.3%. The special assessment receivable at September 30, 2022, is \$79,986.

St. Armands Parking Garage Special Assessment

In 2016, the City Commission approved construction of a parking garage on St. Armands Key. The City Commission also adopted an assessment resolution for the imposition and levying of a special assessment on commercial properties in the St. Armands assessment area to fund a portion of the costs associated with construction of the parking garage. Under the resolution, the City has pledged a special assessment proceeds to the payment of principal and interest on the St. Armands Paid Parking Area Revenue Bonds Series 2017A. The special assessment receivables are to be collected over a twenty year period beginning with the 2017 fiscal year. The annual assessment is \$260,000 plus administrative costs and the special assessment receivable at September 30, 2022 is \$3,636,302.

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

C. Unearned revenue

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds and business-type funds also defer revenue recognition in connection with resources that have been received, but not yet earned (unearned). As of September 30, 2022, the various components of unearned revenue reported in the governmental funds and business-type funds were as follows:

Governmental Funds:	Unearned
Grant drawdowns prior to meeting all eligibility requirements	\$ 6,250,904
Prepaid occupational licenses	563,089
Receipts for future services	7,317,231
Rental receipts not yet earned	10,885
Total unearned revenue for governmental funds	<u>\$ 14,142,109</u>
Business-type Funds:	
Van Wezel ticket sales	\$ 3,887,667
Solid Waste collections billed in advance	517,620
Water and Sewer impact & connection fees	3,089,151
Grant receipts not yet earned	122,245
Unused gift certificates	597,426
Rental receipts not yet earned	242,760
Receipts for future services	567,929
Total unearned revenue for business-type funds	<u>\$ 9,024,798</u>

NOTE 5 - INTERFUND BALANCES

Interfund balances at September 30, 2022, consisted of the following amounts:

A. Due to/from other funds:

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

Due to General Fund from:	
Parking Management	\$ 123,885
Municipal Auditoriums	15,452
Total due to General Fund	<u>139,337</u>
Due to Internal Service Funds from:	
Nonmajor Governmental Funds	<u>\$ 7,420</u>

B. Advances from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Parking Management	\$ 1,327,727
Internal Service	Nonmajor Governmental Funds	72,566

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The General Fund provided an advance to the Parking Management Fund for the purchase of 40 parking pay stations and 20 multi-head meters for the St. Armand's Parking Area and 41 parking pay stations, 25 multi-head meters, and 5 single space station for the Downtown Parking Area. The repayment of the advance began in the 2018-19 fiscal year with an extended maturity in 2032. The General Benefits and Insurance Internal Service Fund provided an advance to the Glen Oaks Estates Subdivision Special Assessment District for the design and construction of a wall. The repayment of the advance began in the 2011-12 fiscal year with a final maturity in 2031.

C. Interfund transfers:

The City reports interfund transfers between many of its funds. The sum of all transfers presented in the following schedule agrees with the sum of interfund transfers presented in the governmental and proprietary fund financial statements. Interfund transfers for the year ended September 30, 2022, consisted of the following:

<u>Transfer</u>	<u>Purpose</u>	<u>Amount</u>	
Transfers to General Fund from:			
Community Redevelopment	Program funding	\$ 54,000	
Building Service Funds	Program funding	420,000	
Nonmajor Governmental Funds	Program funding	<u>336,627</u>	
Total transfers to General fund			810,627
Transfers to Governmental Funds from:			
Penny Sales Tax Fund	Debt service	1,377,517	
Penny Sales Tax Fund	Program funding	453,460	
Nonmajor Governmental Funds	Program refunding	(26,581)	
Nonmajor Governmental Funds	Debt service	500,004	
Major Enterprise Funds	Program funding	<u>1,058,075</u>	
Total transfers to Governmental Funds			3,362,475
Transfers to Solid Waste Fund from:			
Nonmajor Governmental Funds	Program funding	200,000	
General Fund	Program funding	<u>1,800,000</u>	
Total Transfers to Solid Waste			2,000,000
Transfer to Capital Project Fund from:			
General Fund	Program funding	4,966,000	
Building Service Fund	Program funding	<u>7,065,432</u>	
Total transfers to Capital Project Funds			12,031,432
Transfers to Nonmajor Enterprise Funds from:			
Non Major Governmental Funds	Program funding		169,368
Transfer to Bobby Jones Construction Fund from:			
General Fund	Debt service	1,128,334	
General Fund	Program funding	<u>100,327</u>	
Total transfers to Bobby Jones Construction Fund			<u>1,228,661</u>
Total interfund transfers in			<u>\$ 19,602,563</u>

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

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022, was as follows:

	Beginning Balance	Additions and Transfers*	Retirements and Transfers	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 41,206,351	\$ 1,202,416	\$ --	\$ 42,408,767
Art collections	1,670,683	--	--	1,670,683
Construction in progress	51,078,928	32,680,755	3,916,423	79,843,260
Total capital assets not being depreciated	<u>93,955,962</u>	<u>33,883,171</u>	<u>3,916,423</u>	<u>123,922,710</u>
Capital assets being depreciated:				
Buildings	78,315,609	6,790,737	--	85,106,346
Improvements and infrastructure	240,704,120	676,817	--	241,380,937
Equipment	35,329,151	5,238,764	3,789,596	36,778,320
Total capital assets being depreciated	<u>354,348,881</u>	<u>12,706,318</u>	<u>3,789,596</u>	<u>363,265,602</u>
Less accumulated depreciation for:				
Buildings	30,766,888	1,872,130	(2,142,637)	34,781,655
Improvements and infrastructure	140,531,055	2,921,341	1,306,153	142,146,242
Equipment	29,191,453	6,827,486	(353,220)	36,372,159
Total accumulated depreciation	<u>200,489,396</u>	<u>11,620,956</u>	<u>(1,189,704)</u>	<u>213,300,056</u>
Total capital assets being depreciated, net	<u>153,859,485</u>	<u>1,085,362</u>	<u>4,979,300</u>	<u>149,965,547</u>
Governmental Activities capital assets, net	<u>\$ 247,815,447</u>	<u>\$ 34,968,533</u>	<u>\$ 8,895,723</u>	<u>\$ 273,888,257</u>
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 11,869,613	\$ --	\$ 175,000	\$ 11,694,613
Art collections	218,397	--	--	218,397
Construction in progress	68,081,509	7,590,300	51,203,639	24,468,170
Total capital assets not being depreciated	<u>80,169,519</u>	<u>7,590,300</u>	<u>51,378,639</u>	<u>36,381,180</u>
Capital assets being depreciated:				
Buildings	91,988,388	520,653	4,092,032	88,417,008
Improvements	17,164,675	271,479	6,268,230	11,167,924
Utility systems	350,154,889	62,210,258	--	412,365,147
Equipment	30,965,874	3,861,714	3,723,638	31,103,949
Total capital assets being depreciated	<u>490,273,826</u>	<u>66,864,104</u>	<u>14,083,901</u>	<u>543,054,028</u>
Less accumulated depreciation for:				
Buildings	50,238,422	1,881,551	3,264,529	48,855,444
Improvements	8,463,913	365,519	4,533,928	4,295,504
Utility systems	200,669,246	8,675,359	--	209,344,605
Equipment	23,317,897	3,151,318	1,215,336	25,253,879
Total accumulated depreciation	<u>282,689,478</u>	<u>14,073,748</u>	<u>9,013,794</u>	<u>287,749,431</u>
Total capital assets being depreciated, net	<u>207,584,348</u>	<u>52,790,356</u>	<u>5,070,107</u>	<u>255,304,597</u>
Business-type Activities capital assets, net	<u>\$ 287,753,867</u>	<u>\$ 60,380,656</u>	<u>\$ 56,448,746</u>	<u>\$ 291,685,777</u>

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Notes to the Financial Statements
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	Beginning Balance	Additions and Transfers	Retirements and Transfers	Ending Balance
Discretely Presented Component Units:				
St. Armands Business Improvement District				
Capital assets not being depreciated:				
Art collections	\$ 1,376	\$ --	\$ --	\$ 1,376
Total capital assets not being depreciated	<u>1,376</u>	<u>--</u>	<u>--</u>	<u>1,376</u>
Capital assets being depreciated:				
Improvements	1,508,809	--	--	1,508,809
Equipment	67,616	3,010	--	70,626
Total capital assets being depreciated	<u>1,576,425</u>	<u>3,010</u>	<u>--</u>	<u>1,579,435</u>
Less accumulated depreciation for:				
Improvements	734,620	55,693	--	790,313
Equipment	67,615	226	--	67,841
Total accumulated depreciation:	<u>802,235</u>	<u>55,919</u>	<u>--</u>	<u>858,154</u>
Total capital assets being depreciated, net	<u>774,190</u>	<u>(52,909)</u>	<u>--</u>	<u>721,281</u>
Component unit capital assets, net	<u>\$ 775,566</u>	<u>\$ (52,909)</u>	<u>\$ --</u>	<u>\$ 722,657</u>
Downtown Improvement District				
Capital assets being depreciated:				
Improvements	\$ 562,392	\$ --	\$ --	\$ 562,392
Equipment	16,641	--	--	16,641
Total capital assets being depreciated	<u>579,033</u>	<u>--</u>	<u>--</u>	<u>579,033</u>
Less accumulated depreciation for:				
Improvements	423,601	20,711	--	444,312
Equipment	15,173	326	--	15,499
Total accumulated depreciation:	<u>438,774</u>	<u>21,037</u>	<u>--</u>	<u>459,811</u>
Total capital assets being depreciated, net	<u>140,259</u>	<u>(21,037)</u>	<u>--</u>	<u>119,222</u>
Component unit capital assets, net	<u>\$ 140,259</u>	<u>\$ (21,037)</u>	<u>\$ --</u>	<u>\$ 119,222</u>

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

Governmental activities:	
General government	\$ 996,230
Public safety	2,526,470
Physical environment	1,491,598
Transportation	4,706,424
Culture and recreation	1,262,786
Economic environment	20,471
Human Services	882
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	616,095
Total depreciation expense - governmental activities*	<u>\$ 11,620,956</u>
Business-type activities:	
Water and Sewer	\$ 9,806,977
Van Wezel	1,159,598
Solid Waste	1,816,812
Parking	1,126,795
Other	163,566
Total depreciation expense - business-type activities*	<u>\$ 14,073,748</u>

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

NOTE 7- LEASES

Right to Use Leased Assets

On April 26, 2021, the City of Sarasota entered into a lease for the right to use a building located on St Armands Circle. As of October 1, 2021, the lease required 54 monthly payments of \$3,000. An initial lease liability was recorded in the amount of \$159,761. The lease liability was calculated using the incremental borrowing rate of 0.6320%. The value of the right to use asset as of September 30, 2022 is \$124,259 with accumulated amortization of \$35,502. This right to use leased asset is for the St Armands BID, a discretely presented component unit.

	Restated Beginning Balance	Increase	Decrease	Ending Balance
Right to Use Assets				
Leased Building	\$ 159,761	\$ -	\$ -	\$ 159,761
Total	159,761	-	-	159,761
Less Accumulated Amortization:				
Leased Building	-	35,502	-	35,502
Total	-	35,502	-	35,502
Right to Use Assets, Net	\$ 159,761	\$ (35,502)	\$ -	\$ 124,259

Lease Liability

A lease liability of \$159,761 was recorded for the building lease above. Total principal payments made in fiscal year 2022 were \$35,176. The total outstanding obligation as of September 30, 2022 is \$124,585. This lease liability is for the St Armands BID, a discretely presented component unit.

	Restated Beginning Balance	Increase	Decrease	Ending Balance
Lease Liability				
Leased Building	\$ 159,761	\$ -	\$ 35,176	\$ 124,585
Total	\$ 159,761	\$ -	\$ 35,176	\$ 124,585

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2022, were as follows:

Fiscal Year	Governmental Activities		Total Payments
	Principal	Interest	
2023	\$ 35,315	\$ 685	\$ 36,000
2024	\$ 35,539	\$ 461	\$ 36,000
2025	\$ 35,764	\$ 236	\$ 36,000
2026	\$ 17,967	\$ 33	\$ 18,000
Total	\$ 124,585	\$ 1,415	\$ 126,000

Lease Receivables

The City of Sarasota has nine building leases with various terms beginning in 2004 and terminating in 2034. The City receives fixed monthly payments on all of the leases and variable payments on two of the leases at rates of 3% of gross receipts less fixed monthly rent received and 10% of sales. The City recognized \$280,327 of rental income from fixed payments and \$120,260 from variable payments. Interest income of \$8,057 was also recognized. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the terms of the lease at discount rates calculated using the City's incremental borrowing rate.

The City of Sarasota has five infrastructure leases with various terms beginning in 2009 and terminating in 2024. The City receives fixed annual payments for these leases and recognized \$216,890 of rental

income and \$880 of interest income. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the terms of the lease at discount rates calculated using the City's incremental borrowing rate.

The City of Sarasota has three land leases with various terms beginning in 2004 and terminating in 2027. The City receives fixed monthly payments on all three leases and variable payments from two of the leases. The variable payments are calculated using 3% of gross receipts less the fixed monthly rent received. The City recognized \$447,722 of rental income from fixed payments and \$359,921 from variable payments. The City also recognized \$24,059 of interest income from these leases. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the terms of the lease at discount rates calculated using the City's incremental borrowing rate.

NOTE 8 – FINANCED PURCHASE AGREEMENT

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

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

The following is a schedule of the future minimum lease payments for this capital lease, and the present value of the net minimum lease payments at September 30, 2022:

	Business Type Activities
Year ending September 30, 2023	<u>469,935</u>
Total minimum lease payments	469,935
Less: amount representing interest	(15,532)
Present value of net minimum lease payments	<u>\$ 454,403</u>

NOTE 9 - LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended September 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental Activities:					
Bonds payable:					
General obligation bond	\$ 28,690,000	\$ --	\$ 1,390,000	\$ 27,300,000	\$ 1,450,000
General obligation bond*	1,665,000	--	225,000	1,440,000	230,000
Special obligation bond*	12,085,005	--	1,570,020	10,514,985	1,645,712
Total bonds payable	<u>42,440,005</u>	<u>--</u>	<u>3,185,020</u>	<u>39,254,985</u>	<u>3,325,712</u>
Loans payable**	--	10,070,000	--	10,070,000	875,000
Finance purchase agreement**	404,745	--	404,745	--	--
Unamortized premium	1,474,788	--	167,604	1,307,184	--
Compensated absences	5,434,526	5,839,232	5,434,526	5,839,232	3,912,285
Net OPEB liability	20,809,100	--	16,907,454	3,901,646	--
Net pension liability	57,426,988	--	36,523,405	20,903,583	--
Long-term liabilities	<u>\$ 127,990,152</u>	<u>\$ 15,909,232</u>	<u>\$ 62,622,754</u>	<u>\$ 81,276,630</u>	<u>\$ 8,112,997</u>
Business-type Activities:					
Revenue bonds	\$ 14,525,000	\$ --	\$ 600,000	\$ 13,925,000	\$ 625,000
Revenue bond*	37,280,000	--	1,265,000	36,015,000	2,995,000
Total bonds payable	<u>51,805,000</u>	<u>--</u>	<u>1,865,000</u>	<u>49,940,000</u>	<u>3,620,000</u>
Loans payable**	32,672,974	20,394,403	893,295	52,174,082	2,459,525
Finance purchase agreement**	893,788	--	439,385	454,403	454,403
Unamortized premium	588,475	--	61,445	527,030	--
Compensated absences	1,258,515	1,296,293	1,258,515	1,296,293	868,516
Net OPEB liability	7,651,473	--	6,286,485	1,364,988	--
Net pension liability	30,321,554	--	7,713,729	22,607,825	--
Long-term liabilities	<u>\$ 125,191,779</u>	<u>\$ 21,690,696</u>	<u>\$ 18,517,854</u>	<u>\$ 128,364,621</u>	<u>\$ 7,402,444</u>

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

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

City of Sarasota, Florida
Notes to the Financial Statements
September 30, 2022

Bonds and notes outstanding at September 30, 2022, consist of the following:

<u>Description of Debt</u>	<u>Amount Outstanding</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>
<u>General Obligation Bond</u>		
\$33,855,000 General Obligation Refunding Bonds, Series 2015, were issued to advance refund all of the City's General Obligation Bonds, Series 2007 maturing on and after July 1, 2018. Ad valorem taxes are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.84% and the principal is repaid annually with a final maturity of \$2,030,000 on July 1, 2037.	\$ 27,300,000	
<u>General Obligation Bond - Direct Placement</u>		
\$2,700,000 General Obligation Bonds, Series 2016, were issued to advance refund all of the City's General Obligation Bonds Series 2008 maturing on and after May 1, 2017. Ad valorem taxes from the Golden Gate Point Streetscape Special District are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 2.115% and the principal is repaid annually with a final maturity of \$250,000 on May 1, 2028.	1,440,000	
<u>Special Obligation Bonds - Direct Placement</u>		
\$6,869,000 Sales Tax Payments Refunding Revenue Bond, Series 2020 were issued to refund all of the City's Build America Economic Development BOnds, Series 2010 issued for the purpose of rehabilitation of the Ed Smith Sports Stadium Complex. An economic development grant and Federal interest subsidy are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 1.84% and the principal is repaid annually with a final maturity of \$490,000 on February 1, 2037.	6,496,000	
\$21,066,000 Build America Capital Improvement Revenue Bonds, Series 2009, were issued for construction of the R. L. Taylor Community Complex, land acquisition for Payne Park, and the construction of the Palm Avenue Parking Garage project. Penny sales tax, tax increment revenue and Federal interest subsidy are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.68% and the principal is repaid annually with a final maturity of \$1,414,927 on November 1, 2024.	4,018,985	
<u>Revenue Bonds</u>		
\$13,595,000 St. Armands Paid Parking Area Improvements Revenue Bonds, Series 2017A, were issued for the purpose of constructing a parking garage within the St. Armands Circle business district. An Annual Special Assessment and net parking revenues of the St. Armands Paid Parking Area will be used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.47% and the principal is repaid annually with a final maturity of \$690,000 on October 1, 2038.		12,090,000
\$2,075,000 St. Armands Paid Parking Area Improvements Revenue Bonds, Series 2017 B, were issued for the purpose of constructing improvements in the St. Armands Paid Parking Area. Net parking revenues of the St. Armands Paid Parking Area will be used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.17% and the principal is repaid annually with a final maturity of \$135,000 on October 1, 2038.		1,835,000
<u>Revenue Bonds - Direct Placement</u>		
\$4,730,000 Water & Sewer System Revenue Refunding Bonds, Series 2015, were issued to advance refund all of the outstanding Water and Sewer System Revenue Refunding Bonds, Series 2005. The net revenues from the Water and Sewer System are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 2.31% and the principal is repaid annually with a final maturity of \$520,000 on October 1, 2025.		2,020,000

City of Sarasota, Florida
Notes to the Financial Statements
September 30, 2022

<u>Description of Debt (continued)</u>	<u>Amount Outstanding</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>
\$24,535,000 Water & Sewer Revenue Refunding Bonds, Series 2019, were issued to advance refund of all the outstanding Water and Sewer System Revenue Bonds, Series 2010B. The net revenues from the Water and Sewer System are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 3.38% and the principal is repaid annually starting October 1, 2021 with a final maturity of \$1,850,000 on October 1, 2040.		23,750,000
\$10,245,000 Water & Sewer System Revenue Refunding Bonds, Series 2021, were issued to advance refund all of the outstanding Water and Sewer System Revenue Refunding Bonds, Series 2011. The net revenues from the Water and Sewer System are used to pay principal and interest payments. Interest is paid semi-annually at an average rate of 1.053% and the principal is repaid annually with a final maturity of \$1,460,000 on October 1, 2028.		10,245,000
<u>Loans Payable - Direct Borrowing</u>		
\$1,508,170 Drinking Water State Revolving Fund, Wastewater Loan DW580240 was issued for a waterline at Lift Station 87. The net revenues from the Water and Sewer system are used to pay semi-annual principal and interest payments. The first semi-annual principal and interest payment is due August 15, 2022 with interest at 1.24%. The final payment of \$9,777 is due February 15, 2042.		1,508,170
\$31,508,480 Clean Water State Revolving Fund, Wastewater Loan WW580230 was issued for the construction of wastewater and re-claimed water facilities. The net revenues from the Water and Sewer system are used to pay semi-annual principal and interest payments. The first semi-annual principal and interest payment is due May 15, 2022 with interest at 0.25%. The final payment of \$815,996 is due November 15, 2041.		30,665,912
"\$20,000,000 Florida Taxable Capital Improvement Revenue Bond, Series 2022 were issued for the reconstruction of the Bobby Jones Golf Club. Non-ad valorem revenues and user fees are pledged to pay principal and interest payments. The first semi-annual interest payment was due April 1, 2022. Principal and interest payments are made semi-annually at an annual fixed rate of 2.40% with a final maturity of \$795,000 on October 1, 2036.		20,000,000
\$10,070,000 Capital Improvement Revenue Bond, Series 2022B, were issued for the construction of the Administration Building (One Stop Shop). Non-ad valorem revenues are used to pay principal and interest payments. The first semi-annual interest payment is due April 1, 2023. Interest is paid semi-annually at an average rate of 2.90% and the principal is repaid annually with a final maturity of \$1,140,000 on October 1, 2032.	10,070,000	
Total bonds and loans	<u>\$ 49,324,985</u>	<u>\$ 102,114,082</u>

The City complies with Federal arbitrage regulations and has no rebate liability due as of September 30, 2022.

City of Sarasota, Florida
Notes to the Financial Statements
September 30, 2022

Annual debt service requirements for Governmental Activities as of September 30, 2022, are as follows:

Fiscal Year	Governmental Activities		
	General Obligation Bond		Total
	Principal	Interest	
2023	\$ 1,450,000	\$ 1,085,844	\$ 2,535,844
2024	1,520,000	1,013,344	2,533,344
2025	1,600,000	937,344	2,537,344
2026	1,675,000	857,344	2,532,344
2027	1,760,000	773,594	2,533,594
2028-2032	9,825,000	2,735,039	12,560,039
2033-2037	9,470,000	1,024,481	10,494,481
Total	\$ 27,300,000	\$ 8,426,990	\$ 35,726,990

Fiscal Year	Governmental Activities						Total
	General Obligation Bond Direct Placement		Special Obligation Bond Direct Placement		Loans Payable Direct Borrowing		
	Principal	Interest	Principal	Interest	Principal	Interest	
2023	\$ 230,000	\$ 30,456	\$ 1,645,712	\$ 310,645	\$ 875,000	\$ 299,331	\$ 3,391,144
2024	235,000	25,592	1,725,347	229,110	910,000	266,655	3,391,704
2025	240,000	20,621	1,808,926	142,721	935,000	240,265	3,387,533
2026	240,000	15,545	401,000	94,475	960,000	213,150	1,924,170
2027	245,000	10,469	409,000	87,023	990,000	185,310	1,926,802
2028-2032	250,000	5,288	2,160,000	318,412	5,400,000	478,500	8,612,200
2033-2037	--	--	2,365,000	110,372	--	--	2,475,372
Total	\$ 1,440,000	\$ 107,971	\$ 10,514,985	\$ 1,292,758	\$ 10,070,000	\$ 1,683,211	\$ 25,108,925

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

Annual debt service requirements for Business-Type Activities as of September 30, 2022, are as follows:

Fiscal Year	Business-Type Activities				
	Revenue Bonds		Revenue Bond Direct Placement		Total
	Principal	Interest	Principal	Interest	
2023	\$ 625,000	\$ 481,081	\$ 2,995,000	\$ 929,167	\$ 5,030,248
2024	645,000	456,531	2,700,000	874,202	4,675,733
2025	675,000	431,006	2,750,000	819,930	4,675,936
2026	695,000	404,506	2,790,000	764,594	4,654,100
2027	725,000	377,031	1,740,000	723,921	3,565,952
2028-2032	4,085,000	1,413,505	8,030,000	3,120,242	16,648,747
2033-2037	4,845,000	656,078	8,015,000	1,869,056	15,385,134
2038-2041	1,630,000	53,300	6,995,000	481,735	9,160,035
Total	\$ 13,925,000	\$ 4,273,038	\$ 36,015,000	\$ 9,582,846	\$ 63,795,884

Fiscal Year	Business-Type Activities				
	Purchase Agreement Direct Borrowing		Loans Payable Direct Borrowing		Total
	Principal	Interest	Principal	Interest	
2023	\$ 454,404	\$ 15,532	\$ 2,459,525	\$ 557,976	\$ 3,487,437
2024	-	-	2,829,759	524,249	3,354,009
2025	-	-	2,854,219	491,109	3,345,329
2026	-	-	2,888,700	457,408	3,346,109
2027	-	-	2,923,202	422,887	3,346,089
2028-2032	-	-	15,169,275	1,571,010	16,740,284
2033-2037	-	-	15,330,018	589,706	15,919,724
2038-2042	-	-	7,719,383	52,126	7,771,510
Total	\$ 454,404	\$ 15,532	\$ 52,174,082	\$ 4,666,472	\$ 57,310,490

Future Revenues that are Pledged

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

Source of Revenue Pledged	Governmental Activities	Business-Type Activities	
	Penny Sales Tax	Water & Sewer Net Revenue	Parking Management
Revenue Pledged Thru	11/1/2024	10/1/2040	1/1/2038
Total Principal and Interest Outstanding	\$ 11,807,743	\$ 78,629,259	\$ 18,198,041
Current Year Principal and Interest Paid	1,462,192	4,905,665	1,118,156
Current Year Revenue	12,083,797	23,726,019	1,077,598
Description of Debt	Series 2009 and 2020 Special Obligation Bonds	Water & Sewer Utility Revenue Bonds issued 2010-2019	Series 2017 Revenue Bonds
Purpose of Debt	Land and Capital Improvements	Construction and Refunding Bonds	St. Armands Parking Garage
Debt Coverage	8.26	4.84	0.96

Defeased Debt

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

On September 30, 2022, there was no defeased debt outstanding:

State Revolving Fund Loans

On June 9, 2017, the City entered into a loan agreement with the Florida Water Pollution Control Financing Corporation for \$25,000,000 at 0.125 percent. The loan proceeds are to be disbursed to the City as costs are incurred for the construction of wastewater and reclaimed water facilities. On November 6, 2017, the City entered into an amendment(1) to increase the loan by \$2,840,000, and on December 14, 2020 the City entered into another amendment (2) to increase the loan by \$5,709,344 for a total loan amount of \$33,549,344. As of September 30, 2022, the City has \$30,665,912 of the loan proceeds outstanding.

This is a 20 year loan with the first principal and interest payment due May 15, 2022.

On June 22, 2017, the City entered into a loan agreement with the Florida Department of Environmental Protection for \$1,551,000 at 1.24 percent. On March 8, 2021 the City entered into an amendment(1) to increase the loan by \$543,193 for a total loan amount of \$2,094,193. The City has since decided to not utilize the funding provided by the first amendment. The loan proceeds are to be disbursed to the City as costs are incurred for construction associated with drinking water facilities. As of September 30, 2022, the City has \$1,508,170 of the loan proceeds outstanding.

This is a 20 year loan with the first principal and interest payment due August 15, 2022.

NOTE 10 - COMPLIANCE WITH RATE COVENANT AND OTHER PROVISIONS

Water and Sewer Revenue Bonds

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

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

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

Water and Sewer System Revenue Bond Resolution

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

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

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

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

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

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

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

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

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

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

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

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

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

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

NOTE 11 - RESTRICTED ASSETS

The balances of restricted asset accounts in the enterprise funds at September 30, 2022, are as follows:

<u>Water and Sewer</u>		
Revenue Account - Customer deposits	\$	1,347,470
Interest & Sinking Account		5,862,095
Construction Accounts		1,488,448
		<hr/>
	\$	8,698,013
<u>Solid Waste</u>		
Customer Deposits		8,639
<u>Parking Management</u>		
Construction Accounts		4,508,693
<u>Bobby Jones Golf Complex</u>		
Construction Accounts		1,035,000
Total	\$	<hr/>14,250,345<hr/>

NOTE 12 - SELF-INSURANCE PROGRAMS

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

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

The total claims liability of \$3,374,228 at September 30, 2022, includes \$1,543,106 for workers compensation, \$874,493 for group health, \$189,574 for police liability and \$767,055 for general and automotive liability. This claims liability is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated annually to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The City is self-insured for the following types of risk exposures which are limited by insurance coverage as noted:

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

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

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

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

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

The claims liability accrued at September 30, 2022, for the self-insurance programs do not include automotive liability and law enforcement death benefit.

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

Changes in claims liability amounts were as follows:

	General Benefits and Insurance Fund		OPEB Trust Fund	
	Year ended 9/30/21	Year ended 9/30/22	Year ended 9/30/21	Year ended 9/30/22
Unpaid claims, beginning of year	\$ 3,107,576	\$ 3,486,243	\$ 539,689	\$ 689,091
Incurring claims (including IBNRs)	8,396,887	8,943,700	5,341,700	4,842,644
Claim payments	(8,018,220)	(9,055,715)	(5,192,298)	(5,048,803)
Unpaid claims, end of year	<u>\$ 3,486,243</u>	<u>\$ 3,374,228</u>	<u>\$ 689,091</u>	<u>\$ 482,932</u>

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

NOTE 13 - COMMITMENTS

Construction/consulting commitments

The City has active construction and other projects as of September 30, 2022. At year end the City's commitments with contractors and consultants are as follows:

	Spent to-date	Remaining Commitment
<u>Business-type Activities:</u>		
Bobby Jones Golf Course Construction	\$ 5,129,361	\$ 7,412,722
Bobby Jones Clubhouse Design Construction	105,509	438,702
Solid Waste Replacement Vehicles	-	1,531,328
Water Treatment Plan Improvements-Water Quality	81,163	872,906
Sanitary Sewer Lateral Lining & Rehabilitation	1,946,514	250,811
Total	<u>\$ 7,262,547</u>	<u>\$ 10,506,469</u>

Encumbrances

The City uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to contracts not yet performed and purchase orders not yet filled (executory contracts; and open purchase orders). Commitments for such expenditure of monies are encumbered to reserve a portion of applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities but, rather, as restricted, committed, or assigned governmental fund balance. As of September 30, 2022, total governmental fund encumbrance balances for the City are as follows:

Governmental Activities:	
General Fund	\$ 1,910,498
Penny Sales Tax	1,019,833
Community Redevelopment	339,791
Housing and Community Development	2,572,065
Tourist Development Tax	122,234
Development Services	418,362
Nonmajor Governmental Funds	6,229,732
Total	<u>\$ 12,612,515</u>
Component Units:	
Downtown Improvement District	\$ 10,764
St. Armands Business District	36,281
Total	<u>\$ 47,045</u>

Interlocal Agreement Fire/EMS Services

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

The City and County entered into a new agreement effective October 1, 2003, that remains in effect until September 30, 2023. The agreement will renew automatically for successive additional periods of twenty years. Either party may terminate this agreement with at least 365 days written notice during the following time periods: from August 1, 2021, to September 30, 2021. The new agreement provides for the City to pay to the Firefighters' Pension Plan the lesser amount of the monies equivalent to the sum total of the Share Distribution paid to firefighters and the surviving spouse of firefighters that retired prior to January 1, 1996, or the required Employer's annual contribution to that plan. In addition, the City agrees each fiscal year to pay to the Firefighters' Pension Plan the lesser amount of either \$500,000 or the amount of the required Employer's annual contributions, less the amount of the City's payment to fund the Share Distribution in excess of \$1,700,000. In addition, each fiscal year for which the required Employer's annual contribution, less the amount of the City's payment to fund the Share Distribution, exceeds \$2,200,000, the County and City shall pay to the Firefighters' Pension Plan monies equivalent to the amount of the excess as follows: 67% by the County and 33% by the City. For the current fiscal year the required contribution from the City was \$1,509,383.

Sports Complex Interlocal Agreement

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

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

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

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

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

NOTE 14 - CONTINGENCIES

Grant Programs

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

Other

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

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NOTE 15 – EMPLOYEE RETIREMENT PLANS

The City maintains five public employee retirement plans. They are the Florida Retirement System, the General Employees' Defined Benefit Plan, the Firefighters' Defined Benefit Plan and the Police Officers' Defined Benefit Plan and the General Employees' Defined Contribution Plan.

For the General Employees Defined Benefit Plan, the Firefighters' Defined Benefit Plan and the Police Officers' Defined Benefit Plan, assets are held separately for each plan, and may be used only for the payment of benefits to the members and administrative expenses of the respective plans, and are administered by a separate Board of Trustees (Defined Benefit Plans) and the Employee Retirement Account committee (ERAC) (Defined Contribution Plan). The City Commission approves all plan provisions and amendments. Each Plan's financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due and a formal commitment to provide contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. The Defined Benefit Plans issue stand alone, audited financial statements including all required note disclosures and supplementary information. The pension plan's fiduciary net position in the City's annual financial report has been determined on the same basis used in the pension plan's stand-alone financial reports. The stand alone reports may be obtained from the City of Sarasota City Auditor and Clerk's website at:

<https://www.sarasotafl.gov/government/city-auditor-and-clerk>

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

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

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

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

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

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

A. FLORIDA RETIREMENT SYSTEM

General Information. Effective December 1, 2021 all of the City's full-time, permanent part-time and non-sworn (general) employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides

retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature. The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the Department of Management Services, Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the website:

http://www.dms.myflorida.com/workforce_operations/retirement/publications

Florida Retirement System Pension Plan

Plan Description. The FRS Pension Plan is a cost-sharing multiple-employer qualified defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) available for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers and firefighters, meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service, while employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits and annual cost-of-living adjustments to eligible participants.

The DROP Program, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided - Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years’ earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years’ earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the 63 retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors’ benefits.

The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment and Retirement Age/Years of Service	% Value
<i>Regular Class members initially enrolled before July 1, 2011</i>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement up to age 63 or with 31 years of service	1.63
Retirement up to age 64 or with 32 years of service	1.65
Retirement up to age 65 or with 33 years or more of service	1.68
<i>Regular Class members initially enrolled on or after July 1, 2011</i>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<i>Elected County Offices</i>	3.00
<i>Senior Management Service Class</i>	2.00
<i>Special Risk Regular</i>	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary on a pretax basis to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from December 1, 2021 through June 30, 2022 and from July 1, 2022 through September 30, 2022, respectively, were as follows:

Membership Class	December 1, 2021 thru June 30, 2022	July 1, 2022 thru September 30, 2022
<i>FRS, Regular</i>	10.82%	11.91%
<i>FRS, Elected Officers</i>	51.42%	57.00%
<i>FRS, Senior Management Service</i>	29.01%	31.57%
<i>FRS, Special Risk Administrative Support</i>	37.76%	38.65%
<i>FRS, Special Risk</i>	25.89%	27.83%
<i>FRS, DROP</i>	18.34%	18.60%

The City's contributions, including employee contributions, to the Pension Plan totaled \$1,102,523 for the fiscal year ended September 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2022, the City reported a liability of \$4,885,770 for its proportionate share of the Pension Plan's net pension liability, an increase of \$4,885,770 over last year's liability of \$0. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net pension liability was based on the City's 2021-22 fiscal year contributions relative to the 2020-21 fiscal year contributions of all participating members. At June 30, 2022, the City's proportionate share was 0.013130953 percent, which was an increase of 0.00 percent from its proportionate share measured as of June 30, 2021.

City of Sarasota, Florida
Notes to the Financial Statements
September 30, 2022

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$1,356,594. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 232,046	\$ -
Change of assumptions	601,703	-
Net Difference between projected and actual earnings on Pension Plan investments	322,607	-
Changes in proportion and differences between City Pension Plan contributions and proportionate share of contributions	2,948,440	
City Pension Plan contributions subsequent to the measurement date	<u>277,242</u>	-
Total	<u>\$ 4,382,038</u>	<u>\$ -</u>

The deferred outflows of resources related to the Pension Plan, totaling \$277,242 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2023	\$ 934,855
2024	760,733
2025	560,771
2026	1,476,893
2027	371,543
Thereafter	-

Actuarial Assumptions - The total pension liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25% average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study completed in 2019 for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed income	20.0%	3.8%	3.7%	3.3%
Global equity	54.2%	8.2%	6.7%	17.8%
Real estate	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investments	3.7%	5.7%	5.4%	8.4%
Assumed Inflation - Mean			2.4%	1.2%

Note (1) As outlined in the FRS Pension Plan's Investment Policy.

Discount Rate - The discount rate used to measure the total pension liability was 6.80%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	1% Decrease 5.7%	Current Discount Rate 6.7%	1% Increase 7.7%
City's proportionate share of the net pension liability	\$ 8,449,603	\$ 4,885,770	\$ 1,905,981

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan - At September 30, 2022, the City reported a payable in the amount of \$0 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2022.

Retiree Health Insurance Subsidy Program

Plan Description - The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Detailed information about the HIS Plan's fiduciary's net position is available in a separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report which may be obtained through the Florida Department of Management Services website at:

http://www.dms.myflorida.com/workforce_operations/retirement/publications

Benefits Provided - For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive these benefits, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2022, the HIS contribution for the period October 1, 2021 through September 30, 2022 was 1.66% pursuant to section 112.363, Florida Statutes. The City contributed 100% of its statutorily required contributions for the current and preceding five years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled. The City's contributions to the HIS Plan totaled \$147,820 for the fiscal year ended September 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2022, the City reported a liability of \$1,664,863 for its

proportionate share of the HIS Plan’s net pension liability, an increase of \$1,664,863 over last year’s liability of \$0. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City’s proportionate share of the net pension liability was based on the City’s 2021-22 fiscal year contributions relative to the 2020-21 fiscal year contributions of all participating members. At June 30, 2022, the City’s proportionate share was .015718715 percent, which was an increase of 0.015718715 percent from its proportionate share measured as of June 30, 2021.

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$392,439. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 50,533	\$ 7,326
Change of assumptions	95,431	257,553
Net difference between projected and actual earnings on HIS Plan investments	2,410	-
Changes in proportion and differences between City HIS Plan contributions and proportionate share contributions	1,510,608	-
City HIS Plan contributions subsequent to the measurement date	50,483	-
Total	1,709,465	264,879

The deferred outflows of resources related to the HIS Plan, totaling \$50,483 resulting from City contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2023	\$ 251,841
2024	\$ 264,696
2025	\$ 272,863
2026	\$ 264,515
2027	\$ 244,398
Thereafter	\$ 95,790

Actuarial Assumptions – The total pension liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Municipal bond rate	2.16%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

Discount Rate - The discount rate used to measure the total pension liability was 3.54%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the longterm expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 3.54%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	2.54%	3.54%	4.54%
City's proportionate share of the net pension liability	\$ 1,904,740	\$ 1,664,863	\$ 1,466,370

Pension Plan Fiduciary Net Position - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan - At September 30, 2022, the City reported a payable in the amount of \$0 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2022.

Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected City Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2021- 22 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 9.30%, Special Risk Administrative Support class 10.95%, Special Risk class 17.00%, Senior Management Service class 10.67% and City Elected Officers class 14.34%. The allocations include a required employee contribution of 3% of gross compensation for each member class.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over his/her account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2022, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

Effective July 1, 2017, retirees of the Investment Plan are eligible for renewed membership in the Investment Plan. The retiree must be employed in an FRS-covered position on or after July 1, 2017 in order to gain renewed membership. This new provision does not afford renewed membership retroactively for the period of July 1, 2010 to June 30, 2017, nor does it grant disability benefits for renewed members.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The City's Investment Plan pension expense totaled \$122,727 for the fiscal year ended September 30, 2022.

B. General Employees Defined Benefit Pension Plan

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

Plan membership. The Plan is closed to new members. At September 30, 2022, membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	422
Inactive plan members entitled to but not yet receiving benefits	16
Active plan members	<u>95</u>
Total	<u>554</u>

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

Contributions. Plan members are required to contribute 6 percent of their annual pay to the Plan and the City and County contribution must be at least 8 percent of annual payroll. The Plan's Board of Trustees has elected to change to a dollar-based contribution determination method, therefore \$ 6,978,144 is required to be contributed by the City and County for the fiscal year ending September 30, 2022. The actuarially determined City & County contribution is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

During the year ending September 30, 2022, contributions were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of September 30, 2021. Contributions totaling \$ 7,440,622 were from the following sources; the City and County contributed \$ 6,978,144 and plan members contributed \$462,478

Deferred retirement option plan. Effective November 20, 2000, the City approved an ordinance creating a deferred retirement option plan (DROP). In lieu of terminating employment, any member may elect to defer receipt of such service retirement pension and to participate in the DROP. A member's participation in the DROP may not exceed sixty months beginning at the time the election becomes effective. A member may participate only once. An account is established for each member participating in the DROP. The member's DROP account consists of the monthly retirement benefit the member would have

received had they terminated their employment and the earnings on those amounts. The accounts of members that entered the DROP prior to December 28, 2011, will be credited with interest at an effective rate of six and one-half (6 ½) percent per annum compounded quarterly. The accounts of members that entered the DROP on or after December 28, 2011, will be credited with interest at an effective rate of two (2) percent per annum compounded quarterly. The accrued benefit at September 30, 2022, was \$1,498,994 and is included in net position restricted for pensions.

Investment policy. All investments of the Plan must be consistent with the investment policy adopted by the Plan’s Board of Trustees. The policy is structured to maximize the financial return to the Plan consistent with the risks incumbent in each investment and is structured to establish and maintain an appropriate diversification of the Plan’s assets. Investments of the Plan are comprised of money market funds, U.S. Government securities, U.S. Government agency securities, common and preferred stocks, corporate bonds and notes, real estate funds, and foreign stocks as authorized by Plan policies. The investments as of September 30, 2022, for the Plan are reported in Note 3.

Rate of return. For the year ended September 30, 2022, the annual money-weighted rate of return on Plan investments, net of Plan investment expense was (13.4) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Actuarial assumptions. The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of September 30, 2021.

The total pension liability was rolled forward from the valuation date to the plan year ending September 30, 2022 using the following actuarial assumptions applied to all measurement periods:

Inflation	2.30%
Salary increases	4.70% to 6.30% depending on age, including inflation
Investment rate of return	6.20%, net of pension plan investment expense

As of September 30, 2022, mortality tables use are based on the Pub-2010 Headcount Weighted Mortality Table for Annuitants (for postretirement mortality), with mortality improvement projected for healthy lives to all future years after 2010 using Scale MP-2018. No mortality improvement is projected for disabled lives.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan’s target asset allocation as of September 30, 2022, (see the discussion of the Plan’s investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	1.45%
Domestic equity	6.49%
International equity	5.29%
Real estate	4.69%
Infrastructure	3.17%

Discount rate. A single discount rate of 6.20 percent was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Plan investments of 6.20 percent. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of

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return on Plan investments, 6.20%, was applied to all periods of projected benefit payments to determine the total pension liability.

The single discount rate was developed as follows:

Single discount rate	6.20%
Long-term expected rate of return	6.20%
Long-term municipal bond rate	2.19%
Last year ending September 30 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121

* Source: Fixed income municipal bonds with 20 years to maturity that include only federally tax exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of September 30, 2021. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the Plan's net pension liability, calculated using a single discount rate of 6.20%, as well as what the Plan's net pension liability would be if it were calculated using a single discount rate that is one percentage-point lower or one percentage-point higher:

	1% Decrease 5.20%	Current Discount Rate 6.20%	1% Increase 7.20%
Net pension liability	\$ 61,691,507	\$ 36,960,775	\$ 16,132,308

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability / (Asset)
Balance at September 30, 2020*	\$ 214,209,910	\$ 156,335,727	\$ 57,874,183
Changes for the year:			
Service cost	1,909,336	--	1,909,336
Interest on the total pension liability	13,623,094	--	13,623,094
Differences between expected and actual experience	(2,383,477)	--	(2,383,477)
Changes of assumptions	7,691,456	--	7,691,456
Contributions from the employer	--	6,994,858	(6,994,858)
Contributions non-employer contributing entity	--	58,799	(58,799)
Contributions from employees	--	526,151	(526,151)
Net investment income	--	34,434,727	(34,434,727)
Administrative expenses	--	(260,718)	260,718
Benefit payments, including refunds of employee contributions	(14,326,524)	(14,326,524)	--
Net changes	6,513,885	27,427,293	(20,913,408)
Balance at September 30, 2021*	\$ 220,723,795	\$ 183,763,020	\$ 36,960,775

*Measurement date

Net pension liability. The net pension liability is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoother actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement). The components of the net pension liability at September 30, 2021, were as follows:

Total pension liability	\$	220,723,795
Plan fiduciary net position		183,763,020
Net pension liability	\$	36,960,775
Plan fiduciary net position as a percentage of the total pension liability		83.25%

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2022, the City recognizes pension expense of \$4,573,553 for the General Employees Defined Benefit Pension Plan (GEDBPP). At September 30, 2022, the City has deferred outflows and deferred inflows of resources related to the GEDBPP as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ --	\$ 680,993
Changes in assumptions	2,197,559	--
Contributions to the pension plan subsequent to the measurement date	6,978,144	--
Net difference between projected and actual earnings on pension plan investments	--	14,492,438
Total	\$ 9,175,703	\$ 15,173,431

\$6,978,144 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended September 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (1,285,871)
2024	(2,224,341)
2025	(4,580,814)
2026	(4,884,846)

B. Firefighters Defined Benefit Pension Plan

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

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

Plan membership. The Plan is closed to new members. At September 30, 2022, membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits

156

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

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

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

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

The City makes contributions to the Plan in accordance with a funding schedule outlined in an Interlocal Agreement with Sarasota County. The City's contractually required contribution rate for the year ended September 30, 2022, was 33 percent of an actuarially determined amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the Plan from the City were \$1,484,752 for the year ended September 30, 2022.

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

Investment policy. All investments of the Plan must be consistent with the investment policy adopted by the Plan's Board of Trustees. The policy is structured to maximize the financial return to the Plan consistent with the risks incumbent in each investment and is structured to establish and maintain an appropriate diversification of the Plan's assets. Investments of the Plan are comprised of money market funds, U.S. Government securities, U.S. Government agency securities, municipal securities, common stock, corporate bonds and notes, real estate funds, and foreign stocks as authorized by Plan policies. The investments as of September 30, 2022, for the Plan are reported in Note 3.

Rate of return. For the year ended September 30, 2022, the annual money-weighted rate of return on Plan investments, net of Plan investment expense was (11.78)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Actuarial assumptions. The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of September 30, 2021. The total pension liability was rolled forward from the valuation date to the plan year ending September 30, 2022 using the following actuarial assumptions applied to all measurement periods:

Inflation	N/A
Salary increases	N/A
Investment rate of return	6.85%

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

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan’s target asset allocation as of September 30, 2022, (see the discussion of the Plan’s investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity securities	6.50%
Fixed income securities	1.30%
Real estate	3.40%
Infrastructure	4.90%
International Equity	5.30%

Discount rate. A single discount rate of 6.85% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Plan investments of 6.85%. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments (6.85%) was applied to all periods of projected benefit payments to determine the total pension liability.

The single discount rate was developed as follows:

Single discount rate	6.85%
Long-term expected rate of return	6.85%
Long-term municipal bond rate *	4.40%
Last year ending September 30 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121

* Source: Fixed income municipal bonds with 20 years to maturity that include only federally tax exempt municipal bonds as reported in Fidelity Index’s “20-Year Municipal GO AA Index” as of September 30, 2022. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.

Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate. The following presents the City’s proportionate share of the net pension liability, calculated using a single discount rate of 6.85%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a single discount rate that is one percentage-point lower or one percentage-point higher:

	<u>Net Pension (Asset) Liability</u>		
	<u>1% Decrease (5.85)%</u>	<u>Current Discount Rate (6.85%)</u>	<u>1% Increase (7.85)%</u>
City of Sarasota’s proportionate share of net pension (asset) liability	\$ 3,065,957	\$ (3,365,730)	\$ (8,754,479)

Net pension liability. At September 30, 2022, the City reported an asset of \$3,365,730 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the Plan relative to the projected contributions of all participating employers actuarially determined. At September 30, 2022, the City’s proportion was 33 percent, which was the same proportion measured as of September 30, 2021.

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

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2022, the City will recognize pension expense of \$(781,253) for the Firefighters Defined Benefit Pension Plan (FFDBPP). At September 30, 2021, the City has deferred outflows and deferred inflows of resources related to the FFDBPP as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contributions to the pension plan subsequent to the measurement date	\$ 1,624,320	\$ --
Net difference between projected and actual earnings on pension plan investments	--	3,705,967
Total	<u>\$ 1,624,320</u>	<u>\$ 3,705,967</u>

\$1,624,320 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources of resources related to pensions will be recognized as pension expense as follows:

Year Ended September 30,	Deferred Outflows/(Inflows) of Resources
2022	\$ (710,174)
2023	(527,470)
2024	(1,074,350)
2025	<u>(1,393,973)</u>
Total	\$ (3,705,967)

C. Police Officers Defined Benefit Pension Plan

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

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

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

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

Inactive plan members or beneficiaries currently receiving benefits	238
Inactive plan members entitled to but not yet receiving benefits	6
Active plan members	<u>158</u>
Total	<u>402</u>

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

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

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

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

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

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

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

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

In any plan year, following the initial funding of share accounts in which annual premium tax revenues exceed \$773,572, the individual share account of each active police officer or DROP participant who was a member of the share plan on the preceding September 30, shall be credited with an equal share of 50% of the excess. For the year ended September 30, 2022, the share plan had a balance of \$275,232.

Contributions. Participants are required to contribute 8 percent of their annual salary to the Plan. If an employee separates service from the City before achieving 10 years of credited service, the employee will

receive his contributions plus 5 percent regular interest compounded annually. Other contributions are received from the State of Florida and the City. The State of Florida contribution results from the City's share of insurance tax. The City contributes an amount to make the fund actuarially sound, but not less than 8 percent of payroll. The projection of benefits for financial reporting purposes *does not* explicitly incorporate the potential effects of legal or contractual funding limitations.

During the year ended September 30, 2022, contributions totaling \$8,570,689 were made in accordance with contribution requirements determined by an actuarial valuation of the Plan as of September 30, 2021. The City contributed \$6,576,009; the State of Florida contributed \$735,199 and the employees contributed \$1,259,481

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

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

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

For members who entered the DROP prior to October 1, 2012, the member elects to receive either interest at a fixed rate of 6.5% per annum, compounded quarterly, or the actual net rate of investment return realized by the pension Fund. For those who entered the DROP on or after October 1, 2012, the member elects to receive either interest at a fixed interest rate of 2.5% per annum compounded quarterly, or the actual rate of investment return realized by the pension Fund. The DROP amount included as a component of net position at September 30, 2022 was \$2,381,644.

Investment policy. All investments of the Plan must be consistent with the investment policy adopted by the Plan's Board of Trustees. The policy is structured to maximize the financial return to the Plan consistent with the risks incumbent in each investment and is structured to establish and maintain an appropriate diversification of the Plan's assets. Investments of the Plan are comprised of money market funds, U.S. Government securities, U.S. Government agency securities, municipal securities, common and preferred stocks, stock mutual funds, bond mutual funds, corporate bonds, real estate mutual funds, and foreign mutual funds as authorized by Plan policies. The investments as of September 30, 2022, for the Plan are reported in Note 3.

Rate of return. For the year ended September 30, 2022, the annual money-weighted rate of return on Plan investments, net of Plan investment expense was (16.67)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Actuarial assumptions. The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of September 30, 2021. The total pension liability was rolled forward from the valuation date to the Plan year ending September 30, 2022, using the following actuarial assumptions applied to all measurement periods:

Inflation	2.30%
Salary increases	5.20% to 19.30% depending on service, including inflation
Investment rate of return	6.50%

RP-2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for postretirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates

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include a 100% white collar adjustment. These are the same rates currently in use for Special Risk Class members in the July 1, 2018 actuarial valuation of the Florida Retirement System (FRS). Florida Statutes Chapter 112.63(1)(f) mandates the use of the mortality tables used in either of the two most recently published actuarial valuation reports of FRS.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2022, (see the discussion of the Plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	9.56%
Bonds	4.49%
International equity	5.60%
Real estate	8.87%
Infrastructure	8.09%

Discount rate. A single discount rate of 6.50% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Plan investments of 6.50%. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments (6.50%) was applied to all periods of projected benefit payments to determine the total pension liability.

The single discount rate was developed as follows:

Single discount rate	6.50%
Long-term expected rate of return	6.50%
Long-term municipal bond rate *	2.19%
Last year ending September 30 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121

* Source: Fidelity General Obligation AA rate as of September 30, 2021, which is the rate for Fixed Income Market Data/Yield Curve Data for Municipal Bonds with 20 years to maturity that included only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index." Fidelity notes that the municipal curves are constructed using option-adjusted analytics across a diverse population of over 10,000 tax exempt municipal securities.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the Plan's net pension liability, calculated using a single discount rate of 6.50%, as well as what the Plan's net pension liability would be if it were calculated using a single discount rate that is one percentage-point lower or one percentage-point higher:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net pension (asset) liability	\$ 28,518,206	\$ (12,786,118)	\$ (46,598,777)

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability / (Asset)
Balance at September 30, 2020*	\$ 294,177,144	\$ 270,902,751	\$ 23,274,393
Changes for the year:			
Service cost	4,538,036	--	4,538,036
Interest on the total pension liability	19,448,189	--	19,448,189
Differences between expected and actual experience	402,170	--	402,170
Changes of assumptions	9,081,088	--	9,081,088
Contributions from the employer	--	7,237,371	(7,237,371)
Contributions from employees	--	1,215,226	(1,215,226)
Net investment income	--	61,299,155	(61,299,155)
Administrative expenses	--	(221,758)	221,758
Benefit payments, including refunds of employee contributions	(16,575,580)	(16,575,580)	--
Net changes	16,893,903	52,954,414	(36,060,511)
Balance at September 30, 2021*	\$ 311,071,047	\$ 323,857,165	\$ (12,786,118)

*Measurement date

Net pension liability. The net pension liability is measured as the total pension liability, less the amount of the pension plan's fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets (not the smoother actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement). The components of the net pension liability at September 30, 2022, were as follows:

Total Pension liability	\$ 311,071,047
Plan fiduciary net position	323,857,165
Net Pension (asset)liability	<u>\$ (12,786,118)</u>
Plan fiduciary net position as a percentage of the total Pension liability	104.11%

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2022, the City will recognize pension expense of \$(5,054,886) for the Police Officers Defined Benefit Pension Plan (PODBPP). At September 30, 2022, the City has deferred outflows and deferred inflows of resources related to the PODBPP as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,151,651	\$ -
Contributions to the Pension Plan subsequent to the measurement date	7,311,208	--
Changes in Assumptions	5,110,338	--
Net difference between projected and actual earning on Pension plan investments	--	38,591,937
Total	<u>\$ 14,573,197</u>	<u>\$ 38,591,937</u>

\$7,311,208 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended September 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (7,618,506)
2024	(6,159,279)
2025	(8,893,193)
2026	(8,658,970)
2027	-
Thereafter	-
Total	\$ (31,329,948)

D. Summary of All Defined Benefit Pension Plans

The actuarial valuation of the liabilities and the measurement date were determined as of the September 30, 2021. These liabilities were used for GASB Statement No. 68 purposes for the reporting period ending September 30, 2022. Using a measurement date of September 30, 2021 allows for more timely reporting at the end of the year.

Totals for the City's single employer and cost-sharing multiple employer pension plans for the 2022 fiscal year are summarized below:

	Defined Benefit Pension Plans					Total
	Florida Retirement System	Retiree Health Ins. Subsidy Prog.	General Employees	Fire Fighters	Police Officers	
Net pension (asset)liability	\$ 4,885,770	\$ 1,664,863	\$ 36,960,775	\$(3,365,730)	\$ (12,786,118)	\$ 27,359,560
Deferred outflows of resources related to pensions	4,382,038	1,709,465	9,175,703	1,624,320	14,573,197	31,464,723
Deferred inflows of resources related to pensions	-	264,879	15,173,431	3,705,967	38,591,937	57,736,214
Pension expense	1,479,321	392,439	4,573,553	(781,253)	(5,054,886)	609,174

Totals by funds are as follows:

	Net Pension (Asset)Liability	Deferred Outflows	Deferred Inflows	Pension Expense
Governmental activities	\$ 4,751,735	\$ 24,008,059	\$ 49,442,613	\$ (10,764,663)
Business-type activities	22,607,825	7,456,664	8,293,601	11,373,837
Totals	<u>\$ 27,359,560</u>	<u>\$ 31,464,723</u>	<u>\$ 57,736,214</u>	<u>\$ 609,174</u>

E. General Employees Defined Contribution Retirement Plan

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

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

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

Membership. General Employees Defined Contribution Retirement Plan membership at September 30, 2022, is as follows:

Active employees (vested and non-vested)	245
Retired and terminated members maintaining balances	<u>327</u>
Total	<u>572</u>

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

Funding policy. Members are required to contribute 6% of covered salary (regular pay only) to the Plan, and the City is required to match this contribution percentage. A Participant may elect to make an additional deferral of his or her compensation to a 457(b) Deferred Compensation Plan. In such event, the City shall match 100% of up to the first 2% electively deferred by the Participant, for a total match of 8%. While the Participant's elective deferral shall be deposited into a 457(b) Deferred Compensation Plan, the contributions made by the City shall be deposited into the Defined Contribution Plan. During 2021, actual contributions were \$ 994,181 from employees, \$ 994,182 from the City, and \$ 147,937 from other.

The City contributed an additional \$ 60,500 to fund administrative expenses for the plan. This contribution was from current year forfeitures for employees that have terminated before five years of employment.

Financial Statements of the General Employees Defined Contribution Retirement Plan:

Statement of Plan Net Position

Assets		
Cash and cash equivalents		\$ -
Investments:		
Stock Mutual Funds		14,678,946
Bond mutual funds		2,923,548
Foreign mutual funds		874,850
Total investments		<u>18,477,344</u>
Receivables (net):		
Accounts		250,172
Interest and dividends		(210)
Total receivables		<u>249,962</u>
Other Assets:		
Investments-FMV Adj.		3,244
Total assets		<u>18,730,550</u>
Liabilities		
Accounts payable		3,000
Due to other governmental unit		101,639
Total liabilities		<u>104,639</u>
Net Position		
Restricted for pension benefits		<u>\$ 18,625,911</u>

Statement of Changes in Plan Net Position

Additions		
Contributions:		
Plan members		\$ 994,181
Employer		
City of Sarasota		994,182
Other		147,937
Total contributions		<u>2,136,300</u>
Investment income:		
Net increase in fair value of investments		(5,008,837)
Interest and Dividend		1,559,891
Total investment income		<u>(3,448,946)</u>
Less Investment expense		(42,923)
Net investment income		<u>(3,491,869)</u>
Total additions		<u>(1,355,569)</u>
Deductions		
Benefits		1,264,710
Administration expenses		60,500
Total deductions		<u>1,325,210</u>
Net increase		(2,680,779)
Net position - beginning of year		<u>21,306,690</u>
Net position - end of year		<u>\$ 18,625,911</u>

F. Other Post Employment Benefits Plan

Plan Description

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

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

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

Membership in the plan consisted of the following at September 30, 2021:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	693
Inactive Plan Members Entitles to But Not Yet Receiving Benefits	13
Active Plan Members	<u>716</u>
Total	<u><u>1,422</u></u>

Summary of Significant Accounting Policies

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

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

Funding Policy and Contributions

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

For the 2022 fiscal year, the City contributed \$3,088,000 to the plan, and plan members receiving benefits contributed \$1,416,885. Retiree-only coverage is offered to plan members at no cost or up to \$137.94 per month based upon pension benefit and type of plan selected. Dependent coverage is offered at \$485.66 to \$1,108.09 per month depending on the plan selected. Rates vary based upon the type of plan selected by the retiree.

Net OPEB Liability

Actuarial Assumptions. The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25% Intermediate, 2.50% Long-Term
Salary Increase	4.70% - 19.30% depending on plan type, age and years of service
Investment Rate of Return	6.00%
Healthcare cost trend rates	Based on the Getzen Model, with trend starting at 6.25% and gradually decreasing to an ultimate trend rate of 3.99%.

Mortality tables used for Regular Class and Special Risk Class members in the July 1, 2020 actuarial valuation of the Florida Retirement System (FRS), including generational projections of improvements. They are based on the results of a statewide experience study covering the period 2013 through 2018.

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

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

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

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
Domestic equity	6.25%	60%
Fixed Income	0.70%	20%
International Equity	6.55%	10%
Real Estate	5.41%	10%

Discount rate. A single discount rate of 6.00% was used to measure the total OPEB liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 6.00%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return on OPEB plan investments (6.00%) was applied to all periods of projected benefit payments to determine the total OPEB liability.

The single discount rate was developed as follows:

The single discount rate	6.00%
Long-term expected rate of return	6.00%
Long-term municipal bond rate	2.19%
Last year ending September 30 in the 2022 to 2119 projection period for which projected benefit payments are fully funded	2121

* Source: Fidelity General Obligation AA rate as of September 30, 2020, which is the rate for Fixed Income Market Data / Yield Curve Data for Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."

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Fidelity notes that the municipal curves are constructed using option-adjusted analytics across a diverse population of over 10,000 tax exempt municipal securities.

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

	1% Decrease <u>(5.00)%</u>	Current Discount Rate <u>(6.00)%</u>	1% Increase <u>(7.00)%</u>
Net OPEB Liability	\$ 11,535,440	\$ 5,266,634	\$ (73,136)

Sensitivity of the Net OPEB Liability to changes in the healthcare cost trend rates. The following presents the Net OPEB Liability of the City, as well as what the City's Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (5.25% decreasing to 2.99%) or 1% point higher (7.25% decreasing to 4.99%) than the current healthcare cost trend rates:

	1% Decrease <u>(5.25% decreasing to 2.99%)</u>	Current Discount Rate Trend Rate Assumption	1% Increase <u>(7.25% decreasing to 4.99%)</u>
Net OPEB Liability	\$ (484,486)	\$ 5,266,634	\$ 11,945,463

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

	Increase (Decrease)		
	Total OPEB Liability	OPEB Fiduciary Net Position	Net OPEB Liability / (Asset)
Balance at September 30, 2020*	<u>\$ 79,313,309</u>	<u>\$ 50,852,162</u>	<u>\$ 28,461,147</u>
Changes for the year:			
Service cost	619,654	-	619,654
Interest on the total OPEB liability	4,577,427	-	4,577,427
Changes of benefit terms	-		-
Differences between expected and actual experience	(1,596,422)	-	(1,596,422)
Changes of assumptions	(11,858,749)	-	(11,858,749)
Contributions from the employer	-	3,902,133	(3,902,133)
Contributions from employees	-	-	-
Net investment income	-	11,099,305	(11,099,305)
OPEB Plan Administrative expenses	-	(65,015)	65,015
Benefit payments, including refunds of employee contributions	(4,092,181)	(4,092,181)	-
Net changes	<u>(12,350,271)</u>	<u>10,844,242</u>	<u>(23,194,513)</u>
Balance at September 30, 2021*	<u>\$ 66,963,038</u>	<u>\$ 61,696,404</u>	<u>\$ 5,266,634</u>

*Measurement date

Net OPEB liability. The Total OPEB Liability as of September 30, 2021 is based on results of an actuarial valuation date of September 30, 2020 and rolled forward using generally accepted actuarial procedures. The components of the Net OPEB Liability as of September 30, 2022, were as follows.

Total OPEB liability	\$	66,963,038
Plan fiduciary net position		61,696,404
Net OPEB liability	\$	<u>5,266,634</u>
Plan fiduciary net position as a percentage of the total OPEB liability		92.14%

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB. For the year ended September 30, 2022, the City will recognize OPEB expense of (\$6,995,395), for the Other Post-Employment Benefits (OPEB) Trust Fund. At September 30, 2022, the City has deferred outflows and deferred inflows of resources related to the OPEB are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 147,671	\$ 1,694,499
Assumption Changes	2,046,844	19,359,699
Contributions to the OPEB Plan subsequent to Measurement date	3,042,790	--
Net difference between projected and actual earning on Pension plan investments	--	6,115,359
Total	<u>\$ 5,237,305</u>	<u>\$ 27,169,557</u>

\$3,042,790 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended September 30,</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2023	(6,814,283)
2024	(7,167,142)
2025	(6,911,091)
2026	(4,082,526)

E. Summary of OPEB Plan

The actuarial valuation of the liabilities was determined as of October 1, 2020 (based on the actuarial valuation results as reported in the October 1, 2020 actuarial valuation report dated July 8, 2021) and "rolled-forward" to the September 30, 2021 measurement date. These liabilities are used for GASB Statement No. 75 reporting for the reporting period ending September 30, 2021. Using a measurement date of September 30, 2021 allows for timelier reporting at the end of the year. An additional deferred outflow of \$45,000 for retiree life insurance is included below that is not included in the actuarially determined amounts above.

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Totals for the City's OPEB Plan for the 2022 fiscal year are summarized below:

	<u>Net OPEB Liability</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>OPEB Expense</u>
Governmental activities	\$ 3,901,646	\$ 4,668,540	\$ 20,127,850	\$ (5,182,353)
Business-type activities	1,364,988	568,765	7,041,707	(1,813,042)
Totals	<u>\$ 5,266,634</u>	<u>\$ 5,237,305</u>	<u>\$ 27,169,557</u>	<u>\$ (6,995,395)</u>

Financial Statements of the Other Post-Employment Benefits Plan:

Statement of Plan Net Position

Assets		
Cash and cash equivalents		\$ 490,348
Investments:		
Money market funds		1,295,087
U.S. Government securities		6,145
U.S. Government agency securities		3,583,799
Common and preferred stock		27,699,923
Corporate bonds and notes		6,916,052
Real estate mutual funds		5,797,942
Foreign stocks		5,294,673
Foreign bonds mutual funds		215,644
Total investments		<u>50,809,265</u>
Receivables (net):		
Interest and dividends		112,781
Prepaid Items		1,777
Total assets		<u>51,414,171</u>
Liabilities		
Accounts payable		529,632
Liability for unpaid claims		482,932
Total liabilities		<u>1,012,564</u>
Net Position		
Restricted for OPEB benefits		<u>\$ 50,401,607</u>

Statement of Changes In Plan Net Position

Additions

Contributions:	
Plan members	\$ 1,416,885
Employer	
City of Sarasota	3,088,000
Other	312,604
Total contributions	4,817,489
Investment loss :	
Net decrease in fair value of investments	(10,007,647)
Interest and dividends	1,111,460
Total investment loss	(8,896,187)
Less investment expense	(480,854)
Net investment loss	(9,377,041)
Total additions	(4,559,552)

Deductions

Benefits	4,842,644
Administrative expenses	1,892,601
Refund of Contributions	-
Total deductions	6,735,245
Net increase	(11,294,797)
Net position - beginning of year	61,696,404
Net position - end of year	\$ 50,401,607

NOTE 16 - DISCRETELY PRESENTED COMPONENT UNITS

St. Armands Business Improvement District - Balance Sheet for September 30, 2022:

Assets	
Cash and cash equivalents	\$ 79,598
Investments	631,124
Receivables (net):	
Interest	1,635
Due from other governmental agencies	404
Lease Receivable	183,704
Prepaid Items	3,000
Total assets	<u>899,465</u>
Liabilities	
Accounts Payable	35,251
Due to other governmental agencies	-
Customer Deposits	4,000
Accrued wages	1,098
Total liabilities	<u>40,349</u>
Deferred Inflows of Resources	
Lease Related	183,704
Total Deferred Inflows of Resources	<u>183,704</u>
Fund Balance	
Unassigned	675,412
Total fund balance	<u>675,412</u>
Total liabilities and fund balance	<u>\$ 899,465</u>

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual for the fiscal year ended September 30, 2022:

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Ad valorem taxes	\$ 321,224	\$ 321,224	\$ 327,112	\$ 5,888
Investment earnings (loss)	5,500	5,500	(25,997)	(31,497)
Capital Lease Proceeds	--	--	159,761	159,761
Miscellaneous	--	--	--	--
Total revenues	<u>326,724</u>	<u>326,724</u>	<u>460,876</u>	<u>134,152</u>
Expenditures				
Current:				
Economic environment	500,830	497,820	341,221	156,599
Capital outlay:				
Economic environment	150,000	379,140	168,221	210,919
Total expenditures	<u>650,830</u>	<u>876,960</u>	<u>509,442</u>	<u>367,518</u>
Net change in fund balance	(324,106)	(550,236)	(48,566)	501,670
Fund balance - beginning	868,478	(122,602)	723,978	846,580
Fund balance - ending	<u>\$ 544,372</u>	<u>\$ (672,838)</u>	<u>\$ 675,412</u>	<u>\$ 1,348,250</u>

Reconciliation to Statement of Net Position:

Fund balance - ending	\$ 675,412
Capital assets	1,580,811
Less accumulated depreciation	(858,154)
Right to use lease (net)	\$ (326)
Net position - ending	<u>\$ 1,397,743</u>

Reconciliation to Statement of Activities:

Net change in fund balance	\$ (48,566)
Right to use lease	35,176
Current year depreciation	(88,411)
Change in net position	<u>\$ (101,801)</u>

Downtown Improvement District – Balance Sheet for September 30, 2022.

Assets	
Cash and cash equivalents	\$ 94,138
Investments	746,407
Receivables (net):	
Interest	1,942
Due from other governmental agencies	243
Total assets	<u>842,730</u>
Liabilities	
Accounts Payable	74,382
Due to other governmental agencies	408
Accrued wages	2,530
Total liabilities	<u>77,320</u>
Fund Balance	
Unassigned	765,410
Total fund balance	<u>765,410</u>
Total liabilities and fund balance	<u>\$ 842,730</u>

Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual for the fiscal year ended September 30, 2022.

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Ad valorem taxes	\$ 723,542	\$ 723,542	\$ 733,090	\$ 9,548
Investment earnings	5,000	5,000	(34,144)	(39,144)
Miscellaneous			-	
Total revenues	<u>728,542</u>	<u>728,542</u>	<u>698,946</u>	<u>(29,596)</u>
Expenditures				
Current:				
Economic environment	891,010	901,774	959,557	57,783
Capital outlay:				
Economic environment	--	400,000	--	(400,000)
Total expenditures	<u>891,010</u>	<u>1,301,774</u>	<u>959,557</u>	<u>(342,217)</u>
Net change in fund balance	<u>(162,468)</u>	<u>(573,232)</u>	<u>(260,611)</u>	<u>312,621</u>
Fund balance - beginning	<u>1,196,623</u>	<u>1,225,449</u>	<u>1,026,021</u>	<u>(199,428)</u>
Fund balance - ending	<u>\$ 1,034,155</u>	<u>\$ 652,217</u>	<u>\$ 765,410</u>	<u>\$ 113,193</u>
Reconciliation to Statement of Net Position:				
Fund balance - ending			\$ 765,410	
Capital assets			579,033	
Less accumulated depreciation			(459,811)	
Net position - ending			<u>\$ 884,632</u>	
Reconciliation to Statement of Activities:				
Net change in fund balance			\$ (260,611)	
Expenditures for capital assets			--	
Current year depreciation			(21,037)	
Change in net position			<u>\$ (281,648)</u>	

NOTE 17 - THE BAY

The Project

The Bay is a community, City, and Park Conservancy initiative to transform 53 acres of city-owned land, that is mostly parking lot, into a signature public park along the Sarasota Bay. Once complete, The Bay will include a wide range of park uses that will be open and accessible, free and welcoming, to the citizens and visitors of the City. The preliminary cost estimate for a 50+ acre park at The Bay is \$100 - \$150 million, or \$2-\$3 million dollars an acre, to be developed in phases as plans are finalized and approved, and funds raised. The estimated capital cost for Phase 1 is \$22 - \$33 million. The Bay will be funded from a combination of private philanthropic gifts and government sources. Phase 1 will be funded 80% from philanthropy and 20% from government sources. Phase 2 is scheduled to begin construction in fiscal year 2023. This phase will include a Dockside/South Canal District, City Side Cultural District, Sunset Boardwalk/Pier and Western Shore Improvements. The funding of this phase is projected at \$48 million and will be funded with a bond issuance.

Home Rule Tax Increment Financing (TIF) District

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

As of September 30, 2022, the City has expended \$3,000,000, along with contributions of \$30,714,011 from the Park Conservancy for a total output of \$33,714,011 towards Phase 1 of the project.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Florida Retirement System (FRS)

**General Employees' Defined Benefit
Pension Plan**

**Firefighters' Defined Benefit
Pension Plan**

**Police Officers' Defined Benefit
Pension Plan**

Other Post Employment Benefits Plan

City of Sarasota, Florida
 Florida Retirement System
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Position Liability
 Last Fiscal Year

Fiscal Year	9/30/2022
Measurement Date	6/30/2022
City's proportion of the net pension liability	0.013130953%
City's proportionate share of the net pension liability	\$ 4,885,770
City's covered payroll during the measurement period	\$ 5,814,001
City's proportionate share of the net pension liability as a percentage of its covered payroll	84.03%
Plan fiduciary net position as a percentage of the total pension liability	82.89%

Notes to the Schedule:

The schedule will present 10 years once it is accumulated.

City of Sarasota, Florida
 Florida Retirement System
 Required Supplementary Information
 Schedule of Contributions
 Last Fiscal Year

Reporting Period Ending	<u>9/30/2022</u>	
Contractually required contribution	\$	837,574
Contributions in relation to the contractually determined contributions	<u>\$</u>	<u>837,574</u>
Contribution deficiency (excess)	<u>\$</u>	<u>-</u>
City's covered payroll	\$	8,881,520
Contributions as a percentage of covered payroll		9.43%

Notes to the Schedule:

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

City of Sarasota, Florida
 Florida Retirement System
 Required Supplementary Information
 Schedule of the City's Proportionate Share of the Net Pension Liability
 Health Insurance Subsidy Program
 Last Fiscal Year

Reporting Period Ending	<u>9/30/2022</u>
Measurement Date	<u>6/30/2022</u>
City's proportion of the net pension liability	0.015718715%
City's proportionate share of the net pension liability	\$ 1,664,863
City's covered payroll during the measurement period	\$ 5,814,001
City's proportionate share of the net pension liability as a percentage of its covered payroll	28.64%
Plan fiduciary net position as a percentage of the total pension liability	4.81%

Notes to the Schedule:

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

City of Sarasota, Florida
 Florida Retirement System
 Required Supplementary Information
 Schedule of Contributions
 Health Insurance Subsidy Program
 Last Fiscal Year

Reporting Period Ending	<u>9/30/2022</u>
Contractually required contribution	\$ 145,594
Contributions in relation to the contractually determined contributions	<u>\$ 145,594</u>
Contribution deficiency (excess)	<u>\$ -</u>
City's covered payroll	\$ 8,881,520
Contributions as a percentage of covered payroll	1.64%

Notes to the Schedule:

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

City of Sarasota, Florida

General Employees' Defined Benefit Pension Plan

Required Supplementary Information

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

Last Eight Fiscal Years

Fiscal Year	2022	2021	2020
Measurement Date	9/30/2021	9/30/2020	9/30/2019
Total Pension Liability			
Service Cost	\$ 1,909,336	\$ 1,982,410	\$ 2,125,447
Interest on the Total Pension Liability	13,623,094	14,006,563	13,943,309
Benefit Changes	--	--	--
Difference Between Actual & Expected Experience	(2,383,477)	(330,324)	(66,942)
Assumption Changes	7,691,456	646,384	2,174,917
Benefit Payments (discounted to beginning of year)	(14,326,524)	(14,198,169)	(14,211,262)
Refunds (discounted to beginning of year)	--	--	--
Net Change in Total Pension Liability	6,513,885	2,106,864	3,965,469
Total Pension Liability - Beginning	214,209,910	212,103,046	208,137,577
Total Pension Liability - Ending (a)	\$ 220,723,795	\$ 214,209,910	\$ 212,103,046
Plan Fiduciary Net Position			
Contributions - Employer	\$ 7,053,657	\$ 6,794,635	\$ 6,844,845
Contributions - Employee	526,151	601,108	640,783
Net Investment Income	34,434,727	8,754,075	(818,083)
Benefit Payments	(14,326,524)	(14,198,169)	(14,211,262)
Refunds	--	--	--
Administrative Expense	(260,718)	(217,407)	(240,566)
Other	--	--	--
Net Change in Plan Fiduciary Net Position	27,427,293	1,734,242	(7,784,283)
Plan Fiduciary Net Position - Beginning	156,335,727	154,601,485	162,385,768
Plan Fiduciary Net Position - Ending (b)	183,763,020	156,335,727	154,601,485
Net Pension Liability - Ending (a) - (b)	\$ 36,960,775	\$ 57,874,183	\$ 57,501,561
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	83.25%	72.98%	72.89%
Covered Payroll	\$ 8,826,557	\$ 10,001,259	\$ 10,663,586
Net Pension Liability as a Percentage of Covered Payroll	418.75%	578.67%	539.23%

Notes to Schedule:

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

2019	2018	2017	2016	2015
9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
\$ 2,026,714	\$ 1,969,896	\$ 2,064,530	\$ 2,119,194	\$ 2,036,380
13,841,183	13,552,863	12,846,131	12,569,430	12,150,963
--	--	--	--	--
(1,473,489)	931,914	(1,020,056)	251,857	74,622
55,565	2,166,525	7,732,264	--	1,949,249
(11,825,587)	(11,504,081)	(11,456,287)	(10,452,370)	(9,957,849)
--	--	--	(12,822)	(124,586)
<u>2,624,386</u>	<u>7,117,117</u>	<u>10,166,582</u>	<u>4,475,289</u>	<u>6,128,779</u>
--	--	--	--	--
205,513,191	198,396,074	188,229,492	183,754,203	177,625,424
<u>\$ 208,137,577</u>	<u>\$ 205,513,191</u>	<u>\$ 198,396,074</u>	<u>\$ 188,229,492</u>	<u>\$ 183,754,203</u>
\$ 6,726,147	\$ 6,387,239	\$ 6,326,535	\$ 6,141,916	\$ 5,889,483
691,469	717,631	844,319	875,398	913,116
13,334,308	18,226,619	10,327,046	(3,099,197)	13,236,828
(11,825,587)	(11,504,081)	(11,456,287)	(10,452,370)	(9,957,849)
--	--	--	(12,822)	(124,586)
(226,911)	(191,836)	(183,110)	(157,689)	(166,043)
<u>17,629</u>	<u>211,681</u>	<u>9,429</u>	<u>3,488</u>	<u>2,621</u>
8,717,055	13,847,253	5,867,932	(6,701,276)	9,793,570
<u>153,668,713</u>	<u>139,821,460</u>	<u>133,953,528</u>	<u>140,654,804</u>	<u>130,861,234</u>
<u>162,385,768</u>	<u>153,668,713</u>	<u>139,821,460</u>	<u>133,953,528</u>	<u>140,654,804</u>
<u>\$ 45,751,809</u>	<u>\$ 51,844,478</u>	<u>\$ 58,574,614</u>	<u>\$ 54,275,964</u>	<u>\$ 43,099,399</u>
78.02%	74.77%	70.48%	71.17%	76.55%
\$ 11,504,110	\$ 11,960,517	\$ 12,206,056	\$ 12,528,532	\$ 13,183,483
397.70%	433.46%	479.88%	433.22%	326.92%

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

Fiscal Year	2022	2021	2020	2019
Actuarially Determined Contribution	\$ 6,978,144	\$ 7,053,657	\$ 6,766,262	\$ 6,813,954
Actual Contribution	6,978,144	7,053,657	6,794,635	6,844,845
Contribution Deficiency (Excess)	\$ --	\$ --	\$ (28,373)	\$ (30,891)
Covered Payroll	\$ 7,955,225	\$ 8,826,557	\$ 10,001,259	\$ 10,663,586
Actual Contribution as a % of Covered Payroll	87.72%	79.91%	67.94%	64.19%

Notes to Schedule:

Valuation Date 9/30/2020
Measurement Date 9/30/2021

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age, Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	16 years (single equivalent period)
Asset Valuation Method	5-year smoothed market
Inflation	2.3%
Salary Increases	4.7% to 6.3% depending on age, including inflation
Investment Rate of Return	6.55%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for postretirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Regular Class members in the July 1, 2018 actuarial valuation of the Florida Retirement System (FRS). Florida Statutes Chapter 112.63(1)(f) mandates the use of the mortality tables used in either of the two most recently published actuarial valuation reports of FRS.

Other Information:

Notes:

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

2018	2017	2016	2015	2014	2013
\$ 6,726,147	\$ 6,387,239	\$ 6,422,747	\$ 6,249,607	\$ 6,011,590	\$ 3,969,365
6,726,147	6,387,239	6,422,747	6,249,607	6,011,590	3,969,365
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
\$ 11,504,110	\$ 11,960,517	\$ 12,206,056	\$ 12,528,532	\$ 13,183,483	\$ 13,956,483
58.47%	53.40%	52.62%	49.88%	45.60%	28.44%

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

Year Ended September 30,	Annual Money Weighted Rate of Return, Net of Investment Expense
2014	10.41%
2015	2.33%
2016	7.89%
2017	13.41%
2018	8.90%
2019	(0.50)%
2020	5.90%
2021	22.97%
2022	(13.37)%

Notes to Schedule:

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



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City of Sarasota, Florida

Firefighters' Defined Benefit Pension Plan

Required Supplementary Information

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

Last Eight Fiscal Years

Fiscal Year	2022	2021	2020
Measurement Date	9/30/2021	9/30/2020	09/30/2019
City's proportion of the net pension liability	33%	33%	33%
City's proportionate share of the net pension liability	\$ (3,365,730)	\$ 6,599,395	\$ 10,723,383
City's proportionate share of covered payroll	\$ -	\$ -	\$ -
City's proportionate share of the net pension liability as a percentage of its covered payroll	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	1.06%	88.78%	82.72%

Notes to Schedule:

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

2019	2018	2017	2016	2015
09/30/2018	09/30/2017	9/30/2016	9/30/2015	9/30/2014
33%	33%	33%	33%	33%
\$ 10,244,442	\$ 12,309,642	\$ 15,473,385	\$ 14,181,419	\$ 10,079,433
\$ 64,319	\$ 93,478	\$ 130,406	\$ 185,339	\$ 355,773
15,927.56%	13,168.52%	11,865.57%	7,651.63%	2,833.11%
83.43%	79.63%	74.39%	75.13%	81.49%

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

Fiscal Year	2022	2021	2020	2019
Contractually required contribution	\$ 1,624,320	\$ 3,088,345	\$ 3,130,285	\$ 3,137,645
Contributions in relation to the contractually required contribution	<u>\$ 1,624,320</u>	<u>\$ 3,088,345</u>	<u>3,130,284</u>	<u>3,137,646</u>
Contribution deficiency (excess)*	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>
City's proportionate share of covered payroll	\$ -	\$ -	\$ -	\$ 64,319
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A

Notes:

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

Notes to Schedule:

Valuation Date 9/30/2020
Measurement Date 9/30/2021

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	4 years beginning October 1, 2019
Asset Valuation Method	3-year smoothed market
Wage Inflation	3.75%
Salary Increases	3.75% to 6.75% including inflation
Investment Rate of Return	6.85%
Retirement Age	Age and Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The Florida Retirement System (FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB.

Other Information:

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

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

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

City of Sarasota, Florida

Police Officers' Defined Benefit Pension Plan

Required Supplementary Information

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

Last Eight Fiscal Years

Fiscal Year Measurement Date	2022	2021	2020
	9/30/2021	9/30/2020	9/30/2019
Total Pension Liability			
Service Cost	\$ 4,538,036	\$ 4,168,051	\$ 3,890,552
Interest on the Total Pension Liability	19,448,189	19,536,863	18,852,295
Benefit Changes	--	--	--
Difference Between Actual & Expected Experience	402,170	3,512,888	760,661
Assumption Changes	9,081,088	(3,245,192)	--
Benefit Payments	(16,476,823)	(13,609,169)	(13,980,104)
Refunds	(98,757)	(80,287)	(51,169)
Other	--	--	--
Net Change in Total Pension Liability	16,893,903	10,283,154	9,472,235
Total Pension Liability - Beginning	294,177,144	283,893,990	274,421,755
Total Pension Liability - Ending (a)	\$ 311,071,047	\$ 294,177,144	\$ 283,893,990
Plan Fiduciary Net Position			
Contributions - Employer	\$ 6,558,763	\$ 7,279,326	\$ 7,163,346
Contributions - State	678,608	718,233	671,192
Contributions - Employee	1,215,226	1,153,896	1,093,665
Net Investment Income	61,299,155	28,302,786	6,203,055
Benefit Payments	(16,476,823)	(13,609,169)	(13,980,104)
Refunds	(98,757)	(80,287)	(51,169)
Administrative Expense	(221,758)	(217,186)	(204,259)
Other	--	(24,992)	--
Net Change in Plan Fiduciary Net Position	52,954,414	23,522,607	895,726
Plan Fiduciary Net Position - Beginning	270,902,751	247,380,144	246,484,418
Plan Fiduciary Net Position - Ending (b)	\$ 323,857,165	\$ 270,902,751	\$ 247,380,144
Net Pension Liability - Ending (a) - (b)	\$ (12,786,118)	\$ 23,274,393	\$ 36,513,846
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.11%	92.09%	87.14%
Covered Payroll	\$ 13,649,746	\$ 14,255,899	\$ 12,632,276
Net Pension Liability as a Percentage of Covered Payroll	(93.67)%	163.26%	289.05%

Notes to Schedule:

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

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

	2019	2018	2017	2016	2015
	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
\$	4,261,892	\$ 3,907,539	\$ 3,628,723	\$ 3,290,606	\$ 3,150,996
	18,415,452	17,664,728	16,888,141	16,366,292	15,888,805
	--	--	--	3,008,519	--
	(1,687,251)	2,999,965	(744,518)	(1,917,061)	(838)
	(256,101)	--	4,218,388	--	--
	(14,592,869)	(12,588,537)	(13,458,060)	(13,454,067)	(12,738,564)
	2,422	(20,772)	--	(7,000)	(7,368)
	--	(421,898)	--	--	--
	<u>6,143,545</u>	<u>11,541,025</u>	<u>10,532,674</u>	<u>7,287,289</u>	<u>6,293,031</u>
	<u>268,278,210</u>	<u>256,737,185</u>	<u>246,204,511</u>	<u>238,917,222</u>	<u>232,624,191</u>
\$	<u><u>274,421,755</u></u>	<u><u>268,278,210</u></u>	<u><u>256,737,185</u></u>	<u><u>246,204,511</u></u>	<u><u>238,917,222</u></u>
\$	7,533,010	\$ 9,223,890	\$ 8,619,081	\$ 7,864,404	\$ 7,678,913
	655,750	624,648	597,419	570,973	544,301
	1,059,114	1,141,920	895,489	825,351	760,571
	23,830,934	24,697,643	16,087,436	1,171,981	18,842,891
	(14,592,869)	(12,588,537)	(13,458,060)	(13,454,067)	(12,738,564)
	2,422	(20,772)	--	(7,000)	(7,368)
	(194,785)	(194,995)	(178,617)	(189,057)	(189,834)
	(38,998)	--	(27,740)	--	--
	<u>18,254,578</u>	<u>22,883,797</u>	<u>12,535,008</u>	<u>(3,217,415)</u>	<u>14,890,910</u>
	<u>228,229,840</u>	<u>205,346,043</u>	<u>192,811,035</u>	<u>196,028,450</u>	<u>181,137,540</u>
\$	<u><u>246,484,418</u></u>	<u><u>228,229,840</u></u>	<u><u>205,346,043</u></u>	<u><u>192,811,035</u></u>	<u><u>196,028,450</u></u>
\$	<u><u>27,937,337</u></u>	<u><u>40,048,370</u></u>	<u><u>51,391,142</u></u>	<u><u>53,393,476</u></u>	<u><u>42,888,772</u></u>
	89.82%	85.07%	79.98%	78.31%	82.05%
\$	11,838,600	\$ 12,737,375	\$ 10,873,428	\$ 9,806,160	\$ 9,507,138
	235.99%	314.42%	472.63%	544.49%	451.12%

City of Sarasota, Florida

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

Fiscal Year	2022	2021	2020	2019
Actuarially Determined Contribution	\$ 7,311,822	\$ 7,224,811	\$ 7,997,559	\$ 7,834,538
Actual Contribution	7,311,208	7,237,371	7,997,559	7,834,538
Contribution Deficiency (Excess)	<u>\$ 614</u>	<u>\$ (12,560)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 14,879,572	\$ 13,649,746	\$ 14,255,899	\$ 12,632,276
Actual Contribution as a % of Covered Payroll	49.14%	53.02%	56.10%	62.02%

Valuation Date 9/30/2020

Measurement Date 9/30/2021

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

Methods and Assumptions Used to Determine Contribution Rates:

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

Other Information:

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

Notes to Schedule:

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

2018	2017	2016	2015	2014	2013
\$ 8,188,760	\$ 9,848,538	\$ 9,120,631	\$ 8,415,647	\$ 8,207,512	\$ 5,869,827
8,188,760	9,848,538	9,216,500	8,435,377	8,223,214	5,869,827
<u>\$ --</u>	<u>\$ -</u>	<u>\$ (95,869)</u>	<u>\$ (19,730)</u>	<u>\$ (15,702)</u>	<u>\$ --</u>
\$ 11,838,600	\$ 12,737,375	\$ 10,873,428	\$ 9,806,160	\$ 9,507,138	\$ 9,558,125
69.17%	77.32%	84.76%	86.02%	86.50%	61.41%

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

Year Ended September 30,	Annual Money Weighted Rate of Return, Net of Investment Expense
2013	7.10%
2014	9.70%
2015	0.50%
2016	8.60%
2017	12.30%
2018	10.70%
2019	2.50%
2020	11.60%
2021	23.2%
2022	-16.80%



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City of Sarasota, Florida

Other Post Employment Benefits Plan

Required Supplementary Information

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

Last Five Fiscal Years

Fiscal Year	2022	2021	2020	2019
Measurement Date	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability				
Service Cost	\$ 619,654	\$ 669,112	\$ 593,781	\$ 488,228
Interest on the Total OPEB Liability	4,577,427	5,618,706	5,213,053	5,096,255
Benefit Changes	-	-	-	11,512,075
Difference Between Expected & Actual Experience	(1,596,422)	246,899	(1,402,051)	239,324
Assumption changes	(11,858,749)	(17,270,069)	6,446,242	4,017,204
Benefit Payments	(4,092,181)	(5,360,858)	(6,267,998)	(5,789,342)
Net Change in Total OPEB Liability	(12,350,271)	(16,096,210)	4,583,027	15,563,744
Total OPEB Liability - Beginning	79,313,309	95,409,519	90,826,492	75,262,748
Total OPEB Liability - Ending (a)	\$ 66,963,038	\$ 79,313,309	\$ 95,409,519	\$ 90,826,492
Plan Fiduciary Net Position				
Contributions - Employer	\$ 3,902,133	\$ 4,985,000	\$ 4,546,603	\$ 4,470,562
Net Investment Income	11,099,305	2,978,625	527,489	5,961,741
Benefit Payments	(4,092,181)	(5,360,858)	(6,267,998)	(5,789,342)
Administrative Expense	(65,015)	(63,121)	(61,283)	(75,135)
Net Change in Plan Fiduciary Net Position	10,844,242	2,539,646	(1,255,189)	4,567,826
Plan Fiduciary Net Position - Beginning	50,852,162	48,312,516	49,567,705	44,999,879
Plan Fiduciary Net Position - Ending (b)	\$ 61,696,404	\$ 50,852,162	\$ 48,312,516	\$ 49,567,705
Net OPEB Liability - Ending (a) - (b)	\$ 5,266,634	\$ 28,461,147	\$ 47,097,003	\$ 41,258,787
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	92.14%	64.12%	50.64%	54.57%
Covered Employee Payroll	\$ 46,015,844	\$ 45,291,917	\$ 43,674,583	\$ 40,402,318
Net OPEB Liability as a Percentage of Covered Employee Payroll	11.45%	62.84%	107.84%	102.12%

Notes to Schedule:

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

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

	<u>2018</u>
	<u>9/30/2017</u>
\$	486,094
	5,105,715
	-
	-
	-
	<u>(5,563,504)</u>
	28,305
	<u>75,234,443</u>
\$	<u><u>75,262,748</u></u>

	4,416,200
	4,663,650
	(5,563,504)
	<u>(82,393)</u>

	3,433,953
	<u>41,565,926</u>
\$	<u><u>44,999,879</u></u>

\$	<u><u>30,262,869</u></u>
----	--------------------------

59.79%

\$	36,113,256
----	------------

83.80%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 3,042,790	\$ 3,857,133	\$ 4,937,787	\$ 4,499,315	\$ 4,409,716
Contribution in relation to the actuarially determined contribution	<u>3,042,790</u>	<u>3,902,133</u>	<u>4,985,000</u>	<u>4,546,603</u>	<u>4,470,562</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (45,000)</u>	<u>\$ (47,213)</u>	<u>\$ (47,288)</u>	<u>\$ (60,846)</u>
Covered Employee Payroll	\$ 48,758,086	\$ 46,015,844	\$ 45,291,917	\$ 43,674,583	\$ 40,402,318
Contributions as a % of Covered Employee Payroll	6.24%	8.48%	11.01%	10.41%	11.07%

Notes to Schedule:**Valuation Date** 10/1/2020**Measurement Date** 9/30/2021**Roll Forward Procedures** Standard actuarial procedures were applied to roll forward the liability from the Valuation Date to the Measurement Date.**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Inflation	2.25% intermediate, 2.50% long-term
Discount Rate	6.00%, the resulting Single Discount Rate based on the expected rate of return on OPEB plan investments as of September 30, 2021 at 6.00% and the long-term municipal bond rate as of September 30, 2021 at 2.19%
Salary Increases	4.70% to 19.3% depending on plan, including inflation; varies by plan type, age and years of service.
Retirement Age Mortality	Experience-based tables of rates that are specific to the type of eligibility condition. Mortality tables used for Regular Class and Special Risk Class members in the July 1, 2020 actuarial valuation of the Florida Retirement System, including generational projections of improvements. They are based on the results of a statewide experience study covering the period 2013 through 2018.
Health Care Cost Trend	Starting at 6.25% and gradually decreasing according to the Getzen Model to an ultimate trend rate of 3.99%.
Aging Factors Expenses	Based on the 2013 SOA Study "Health Care Costs-From Birth to Death" Investment returns are net of the investment expenses; and, Health Plan Administrative expenses directly related to the delivery of benefits are offsets to benefits are included in the per capita costs.

	2017	2016	2015	2014	2013
\$	4,300,937	\$ 4,137,688	\$ 4,236,625	\$ 12,615,000	\$ 11,771,000
	4,416,200	4,251,888	5,244,971	8,579,868	8,617,750
\$	<u>(115,263)</u>	<u>\$ (114,200)</u>	<u>\$ (1,008,346)</u>	<u>\$ 4,035,132</u>	<u>\$ 3,153,250</u>
\$	36,113,256	\$ 33,574,133	\$ 33,991,862	\$ 30,245,410	\$ 25,210,833
	12.23%	12.66%	15.43%	28.37%	34.18%

City of Sarasota, Florida

Other Post Employment Benefits Plan

Required Supplementary Information

Schedule of Investment Returns

Last Ten Fiscal Years

Year Ended September 30,	Annual Money Weighted Rate of Return, Net of Investment Expense
2012	16.88%
2013	13.78%
2014	9.65%
2015	3.73%
2016	9.62%
2017	11.19%
2018	13.25%
2019	1.05%
2020	6.15%
2021	21.88%



Combining and Individual Fund Statements and Schedules



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Nonmajor Governmental Funds

Special Revenue Funds

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

The Bay (Tax Incremental Financing) - To account for deposits of tax increment revenue collected within the Bay Park Improvement District, to be used for funding of capital improvements to the Bay Park.

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

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

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

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

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

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

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

Nonmajor Governmental Funds

Debt Service Funds

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

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

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

2022 One Stop Shop Bank Loan- To account for the accumulation of resources for the payment of principal and interest on funds borrowed for the construction of the One Stop Shop municipal facility.

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

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

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

Nonmajor Governmental Funds

Capital Projects Fund

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

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

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

City of Sarasota, Florida
 Nonmajor Governmental Funds
 Combining Balance Sheet
 September 30, 2022

Special Revenue Funds

	The Bay Tax Incremental Financing	State Housing Initiative Partnership	Gas Tax	Special Law Enforcement (Forfeiture)	Golden Gate Point
Assets					
Cash and Cash Equivalents	\$ 139,828	\$ 1,277,185	\$ 370,100	\$ 51,159	\$ 30,606
Investments	1,108,674	10,126,608	2,934,464	405,640	242,671
Receivables (net):					
Accounts	--	--	--	--	--
Interest	2,759	25,915	7,507	997	610
Notes	--	--	--	--	--
Special Assessments	--	--	--	--	--
Due from other Governmental Agencies	--	--	427,856	--	6
Prepaid Items	--	--	45,000	--	--
Total assets	\$ 1,251,261	\$ 11,429,708	\$ 3,784,927	\$ 457,796	\$ 273,893
Liabilities					
Accounts Payable	\$ --	\$ 65,168	\$ 130,700	\$ --	\$ 23,779
Retainage Payable	--	--	--	--	--
Due to other Funds	--	--	--	--	--
Due to other Governmental Agencies	--	--	--	--	--
Advance from other Funds	--	--	--	--	--
Unearned Revenue	--	--	--	--	--
Customer Deposits	--	--	--	--	--
Total liabilities	--	65,168	130,700	--	23,779
Deferred Inflows of Resources					
Unavailable Revenue - Note Receivable	--	--	--	--	--
Unavailable Revenue - Grants	--	--	--	--	--
Unavailable Revenue - Special Assessments	--	--	--	--	--
Total deferred inflows of resources	--	--	--	--	--
Fund Balances					
Nonspendable:					
Prepaid Expenditures	--	--	45,000	--	--
Restricted for:					
Housing and Community Development	--	11,364,540	--	--	--
Transportation	--	--	3,609,227	--	--
Law Enforcement Programs	--	--	--	457,796	--
Golden Gate Point Streetscape	--	--	--	--	250,114
Grant Programs	--	--	--	--	--
Debt Service	--	--	--	--	--
Construction	--	--	--	--	--
Committed to:					
Public Art	--	--	--	--	--
Citizens with Disabilities	--	--	--	--	--
Forestry	--	--	--	--	--
Affordable Housing	--	--	--	--	--
Economic Development	--	--	--	--	--
Culture and Recreation	--	--	--	--	--
The Bay Park	1,251,261	--	--	--	--
Total fund balances (deficit)	1,251,261	11,364,540	3,654,227	457,796	250,114
Total liabilities, deferred inflows of resources and fund balances	\$ 1,251,261	\$ 11,429,708	\$ 3,784,927	\$ 457,796	\$ 273,893

Special Revenue Funds			Debt Service Funds			
Multi-Modal Transportation Impact Fees	Miscellaneous Grants	Multi-Purpose	2015 General Obligation Bonds	2016 General Obligation Bonds	2022 One Stop Shop Bank Loan	2009 Build America
\$ 427,924	\$ 324,064	\$ 1,076,941	\$ 67,678	\$ 24,110	\$ 4,761	\$ 9,819
3,392,940	2,569,456	8,486,981	536,604	191,167	37,748	77,849
--	--	88,697	--	--	--	--
8,426	6,307	22,185	1,341	477	(2)	120
--	--	141,713	--	--	--	--
--	--	--	--	--	--	--
--	892,602	528,082	2,894	10	--	--
--	1,588	--	--	--	--	--
<u>\$ 3,829,290</u>	<u>\$ 3,794,017</u>	<u>\$ 10,344,599</u>	<u>\$ 608,517</u>	<u>\$ 215,764</u>	<u>\$ 42,507</u>	<u>\$ 87,788</u>
\$ 13,857	\$ 154,209	\$ 622,624	\$ --	\$ --	\$ 36,500	\$ --
--	--	4,793	--	--	--	--
--	--	--	--	--	--	--
--	24,204	--	--	--	--	--
--	--	--	--	--	--	--
--	20,736	608,319	--	--	--	--
--	798,735	19,531	--	--	--	--
<u>13,857</u>	<u>997,884</u>	<u>1,255,267</u>	<u>--</u>	<u>--</u>	<u>36,500</u>	<u>--</u>
--	--	141,713	--	--	--	38,373
--	2,029	--	--	--	--	--
--	--	--	--	--	--	--
<u>--</u>	<u>2,029</u>	<u>141,713</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>38,373</u>
--	1,588	--	--	--	--	--
--	--	--	--	--	--	--
3,815,433	--	511,270	--	--	--	--
--	192,912	358,347	--	--	--	--
--	--	--	--	--	--	--
--	712,922	--	--	--	--	--
--	--	--	608,517	215,764	6,007	49,415
--	--	--	--	--	--	--
--	1,171,768	--	--	--	--	--
--	--	76,016	--	--	--	--
--	--	706,973	--	--	--	--
--	25,487	4,598,983	--	--	--	--
--	61,785	2,592,243	--	--	--	--
--	627,642	103,787	--	--	--	--
--	--	--	--	--	--	--
<u>3,815,433</u>	<u>2,794,104</u>	<u>8,947,619</u>	<u>608,517</u>	<u>215,764</u>	<u>6,007</u>	<u>49,415</u>
<u>\$ 3,829,290</u>	<u>\$ 3,794,017</u>	<u>\$ 10,344,599</u>	<u>\$ 608,517</u>	<u>\$ 215,764</u>	<u>\$ 42,507</u>	<u>\$ 87,788</u>

(continued)

City of Sarasota, Florida
Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2022

	Debt Service Funds		Capital Project Funds		Total Nonmajor Governmental Funds
	Glen Oaks	2020 Sales Tax Refunding Loan	Capital and Extraordinary Maintenance	2009 Build America Bonds	
Assets					
Cash and Cash Equivalents	\$ 144	\$ 67,931	\$ 2,474,892	\$ 6,906	\$ 6,354,048
Investments	1,145	538,613	19,622,236	54,757	50,327,553
Receivables (net):					
Accounts	--	--	--	--	88,697
Interest	26	1,281	11,077	137	89,163
Notes	--	--	--	--	141,713
Special Assessments	79,986	--	--	--	79,986
Due from other Governmental Agencies	--	--	--	--	1,851,450
Prepaid Items	--	--	--	--	46,588
Total assets	\$ 81,301	\$ 607,825	\$ 22,108,205	\$ 61,800	\$ 58,979,198
Liabilities					
Accounts Payable	\$ --	\$ --	\$ 371,050	\$ 11,930	\$ 1,429,817
Retainage Payable	--	--	95,419	--	100,212
Due to other Funds	7,420	--	--	--	7,420
Due to other Governmental Agencies	--	--	--	--	24,204
Advance from other Funds	72,566	--	--	--	72,566
Unearned Revenue	--	--	--	--	629,055
Customer Deposits	--	--	--	--	818,266
Total liabilities	79,986	--	466,469	11,930	3,081,540
Deferred Inflows of Resources					
Unavailable Revenue - Note Receivable	--	--	--	--	180,086
Unavailable Revenue - Grants	--	--	--	--	2,029
Unavailable Revenue - Special Assessments	79,986	--	--	--	79,986
Total deferred inflows of resources	79,986	--	--	--	262,101
Fund Balances					
Nonspendable:					
Prepaid Expenditures	--	--	--	--	46,588
Restricted for:					
Housing and Community Development	--	--	--	--	11,364,540
Transportation	--	--	--	--	7,935,930
Law Enforcement Programs	--	--	--	--	1,009,055
Golden Gate Point Streetscape	--	--	--	--	250,114
Grant Programs	--	--	--	--	712,922
Debt Service	(78,671)	607,825	--	--	1,408,857
Construction	--	--	21,641,736	49,870	21,691,606
Committed to:					
Public Art	--	--	--	--	1,171,768
Citizens with Disabilities	--	--	--	--	76,016
Forestry	--	--	--	--	706,973
Affordable Housing	--	--	--	--	4,624,470
Economic Development	--	--	--	--	2,654,028
Culture and Recreation	--	--	--	--	731,429
The Bay Park	--	--	--	--	1,251,261
Total fund balances (deficit)	(78,671)	607,825	21,641,736	49,870	55,635,557
Total liabilities, deferred inflows of resources and fund balances	\$ 81,301	\$ 607,825	\$ 22,108,205	\$ 61,800	\$ 58,979,198



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City of Sarasota, Florida

Nonmajor Governmental Funds

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

Year Ended September 30, 2022

	Special Revenue Funds				
	The Bay Tax Incremental Financing	State Housing Initiative Partnership	Gas Tax	Special Law Enforcement (Forfeiture)	Golden Gate Point
Revenues					
Taxes	\$ 633,989	\$ --	\$ --	\$ --	\$ 167,081
Special assessments	--	--	--	--	--
Licenses and permits	--	--	--	--	--
Intergovernmental	633,989	6,451,944	2,662,283	--	--
Charges for services	--	--	--	--	--
Fines and forfeits	--	--	--	293,725	--
Investment earnings	(16,717)	(233,631)	(104,891)	--	(10,326)
Miscellaneous	--	32,434	--	432	--
Total revenues	<u>1,251,261</u>	<u>6,250,747</u>	<u>2,557,392</u>	<u>294,157</u>	<u>156,755</u>
Expenditures					
General government	--	--	114,092	--	--
Public safety	--	--	--	85,161	--
Physical environment	--	--	--	--	--
Transportation	--	--	367,683	--	117,032
Culture and recreation	--	--	--	--	--
Economic environment	--	2,986,603	--	--	--
Current:					
Debt service:					
Principal payments	--	--	--	--	--
Interest and fiscal charges	--	--	--	--	--
Bond issuance costs	--	--	--	--	--
Capital outlay	--	--	1,119,427	--	24,826
Total expenditures	<u>--</u>	<u>2,986,603</u>	<u>1,601,202</u>	<u>85,161</u>	<u>141,858</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,251,261</u>	<u>3,264,144</u>	<u>956,190</u>	<u>208,996</u>	<u>14,897</u>
Other financing sources (uses)					
Issuance of Debt	--	--	--	--	--
Transfers in	--	--	--	--	--
Transfers out	--	--	(764,852)	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>(764,852)</u>	<u>--</u>	<u>--</u>
Net change in fund balances	1,251,261	3,264,144	191,338	208,996	14,897
Fund balances (deficit) - beginning	<u>--</u>	<u>8,100,396</u>	<u>3,462,889</u>	<u>248,800</u>	<u>235,217</u>
Fund balances (deficit) - ending	<u>\$ 1,251,261</u>	<u>\$ 11,364,540</u>	<u>\$ 3,654,227</u>	<u>\$ 457,796</u>	<u>\$ 250,114</u>

Special Revenue Funds			Debt Service Funds			
Multi-Modal Transportation Impact Fees	Miscellaneous Grants	Multi-Purpose	2015 General Obligation Bonds	2016 General Obligation Bonds	2022 One Stop Shop Bank Loan	2009 Build America
\$ --	\$ --	\$ 808,483	\$ 2,548,659	\$ 269,729	\$ --	\$ --
--	--	--	--	--	--	--
805,030	448,717	149,399	--	--	--	--
--	2,362,706	576,473	--	--	--	--
--	--	70,420	--	--	--	--
--	--	73,409	--	--	--	--
(128,987)	(74,904)	(326,011)	(54,615)	(11,391)	7	(1,141)
--	83,393	199,608	--	--	--	--
<u>676,043</u>	<u>2,819,912</u>	<u>1,551,781</u>	<u>2,494,044</u>	<u>258,338</u>	<u>7</u>	<u>(1,141)</u>
--	--	1,740	--	--	20,000	--
--	364,098	30,908	--	--	--	--
--	41,472	47,588	--	--	--	--
20,814	--	--	--	--	--	--
--	9,419	--	--	--	--	--
--	--	859,280	--	--	--	--
--	--	--	1,390,000	225,000	--	1,197,020
--	--	--	1,142,268	35,073	--	177,622
--	--	--	--	--	44,000	--
813,208	2,355,362	636,903	--	--	--	--
<u>834,022</u>	<u>2,770,351</u>	<u>1,576,419</u>	<u>2,532,268</u>	<u>260,073</u>	<u>64,000</u>	<u>1,374,642</u>
<u>(157,979)</u>	<u>49,561</u>	<u>(24,638)</u>	<u>(38,224)</u>	<u>(1,735)</u>	<u>(63,993)</u>	<u>(1,375,783)</u>
--	--	--	--	--	70,000	--
--	1,484,954	--	--	--	--	1,377,517
17,380	(262,578)	(169,368)	--	--	--	--
<u>17,380</u>	<u>1,222,376</u>	<u>(169,368)</u>	<u>--</u>	<u>--</u>	<u>70,000</u>	<u>1,377,517</u>
(140,599)	1,271,937	(194,006)	(38,224)	(1,735)	6,007	1,734
<u>3,956,032</u>	<u>1,522,167</u>	<u>9,141,625</u>	<u>646,741</u>	<u>217,499</u>	<u>--</u>	<u>47,681</u>
<u>\$ 3,815,433</u>	<u>\$ 2,794,104</u>	<u>\$ 8,947,619</u>	<u>\$ 608,517</u>	<u>\$ 215,764</u>	<u>\$ 6,007</u>	<u>\$ 49,415</u>

(continued)

City of Sarasota, Florida

Nonmajor Governmental Funds

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

Year Ended September 30, 2022

	Debt Service Funds		Capital Projects Funds		Total Nonmajor Governmental Funds
	Glen Oaks	2020 Sales Tax Refunding Loan	Capital and Extraordinary Maintenance	2009 Build America Bonds	
Revenues					
Taxes	\$ --	\$ --	\$ --	\$ --	\$ 4,427,941
Special assessments	7,114	--	--	--	7,114
Licenses and permits	--	--	--	--	1,403,146
Intergovernmental	--	--	--	--	12,687,395
Charges for services	--	--	--	--	70,420
Fines and forfeits	--	--	--	--	367,134
Investment earnings	2,892	(16,844)	(81,866)	(2,528)	(1,060,953)
Miscellaneous	--	--	81,866	--	397,733
Total revenues	10,006	(16,844)	--	(2,528)	18,299,930
Expenditures					
General government	--	--	--	--	135,832
Public safety	--	--	--	--	480,167
Physical environment	--	--	--	--	89,060
Transportation	--	--	--	--	505,529
Culture and recreation	--	--	--	--	9,419
Economic environment	--	--	--	--	3,845,883
Current:					
Debt service:					
Principal payments	--	373,000	--	--	3,185,020
Interest and fiscal charges	3,745	122,958	--	--	1,481,666
Bond issuance costs	--	--	--	--	44,000
Capital outlay	--	--	480,352	122,374	5,552,452
Total expenditures	3,745	495,958	480,352	122,374	15,329,028
Excess (deficiency) of revenues over (under) expenditures	6,261	(512,802)	(480,352)	(124,902)	2,970,902
Other financing sources (uses)					
Issuance of Debt	--	--	10,000,000	--	10,070,000
Transfers in	--	500,004	12,031,432	--	15,393,907
Transfers out	--	--	--	--	(1,179,418)
Total other financing sources (uses)	--	500,004	22,031,432	--	24,284,489
Net change in fund balances	6,261	(12,798)	21,551,080	(124,902)	27,255,391
Fund balances (deficit) - beginning	(84,932)	620,623	90,656	174,772	28,380,166
Fund balances (deficit) - ending	\$ (78,671)	\$ 607,825	\$ 21,641,736	\$ 49,870	\$ 55,635,557



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City of Sarasota, Florida

The Bay Tax Incremental Financing

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

Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 633,989	\$ 633,989	\$ 633,989	\$ --
Intergovernmental	633,989	633,989	633,989	--
Investment earnings	1,000	1,000	(16,717)	(17,717)
Total revenues	<u>1,268,978</u>	<u>1,268,978</u>	<u>1,251,261</u>	<u>(17,717)</u>
Net change in fund balance	1,268,978	1,268,978	1,251,261	(17,717)
Fund balance - beginning	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balance - ending	<u>\$ 1,268,978</u>	<u>\$ 1,268,978</u>	<u>\$ 1,251,261</u>	<u>\$ (17,717)</u>

City of Sarasota, Florida

State Housing Initiative Partnership Special Revenue Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 2,920,331	\$ 2,920,331	\$ 6,451,944	\$ 3,531,613
Investment earnings	--	--	(233,631)	(233,631)
Miscellaneous	--	--	32,434	32,434
Total revenues	<u>2,920,331</u>	<u>2,920,331</u>	<u>6,250,747</u>	<u>3,330,416</u>
Expenditures				
Current:				
Economic environment	2,920,331	6,639,244	2,986,603	3,652,641
Capital outlay:				
Capital outlay	--	1,750	--	1,750
Total expenditures	<u>2,920,331</u>	<u>6,640,994</u>	<u>2,986,603</u>	<u>3,654,391</u>
Net change in fund balance	--	(3,720,663)	3,264,144	6,984,807
Fund balance - beginning	<u>8,100,396</u>	<u>8,100,396</u>	<u>8,100,396</u>	<u>--</u>
Fund balance - ending	<u>\$ 8,100,396</u>	<u>\$ 4,379,733</u>	<u>\$ 11,364,540</u>	<u>\$ 6,984,807</u>

City of Sarasota, Florida

Gas Tax Special Revenue Fund

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

Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 2,373,003	\$ 2,373,003	\$ 2,662,283	\$ 289,280
Investment earnings	--	--	(104,891)	(104,891)
Total revenues	<u>2,373,003</u>	<u>2,373,003</u>	<u>2,557,392</u>	<u>184,389</u>
Expenditures				
Current:				
General government	--	--	114,092	(114,092)
Transportation	170,000	554,314	367,683	186,631
Capital outlay:				
Capital outlay	1,282,000	4,058,392	1,119,427	2,938,965
Total expenditures	<u>1,452,000</u>	<u>4,612,706</u>	<u>1,601,202</u>	<u>3,011,504</u>
Excess (deficiency) of revenues over (under) expenditures	<u>921,003</u>	<u>(2,239,703)</u>	<u>956,190</u>	<u>3,195,893</u>
Other financing sources (uses)				
Transfers out	(993,036)	(993,036)	(764,852)	228,184
Total other financing sources (uses)	<u>(993,036)</u>	<u>(993,036)</u>	<u>(764,852)</u>	<u>228,184</u>
Net change in fund balance	(72,033)	(3,232,739)	191,338	3,424,077
Fund balance - beginning	<u>3,462,889</u>	<u>3,462,889</u>	<u>3,462,889</u>	<u>--</u>
Fund balance - ending	<u>\$ 3,390,856</u>	<u>\$ 230,150</u>	<u>\$ 3,654,227</u>	<u>\$ 3,424,077</u>

City of Sarasota, FloridaSpecial Law Enforcement Forfeiture Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2022

	<u>Final</u>	<u>Variance with Final Budget Actual Amounts</u>	<u>Positive (Negative)</u>
Revenues			
Fines and forfeits	\$ 62,000	\$ 293,725	\$ 231,725
Miscellaneous	--	432	432
Total revenues	<u>62,000</u>	<u>294,157</u>	<u>232,157</u>
Expenditures			
Current:			
Public safety	196,989	85,161	111,828
Capital outlay:			
Capital outlay	5,500	--	5,500
Total expenditures	<u>202,489</u>	<u>85,161</u>	<u>117,328</u>
Net change in fund balance	(140,489)	208,996	349,485
Fund balance - beginning	<u>248,800</u>	<u>248,800</u>	<u>--</u>
Fund balance - ending	<u>\$ 108,311</u>	<u>\$ 457,796</u>	<u>\$ 349,485</u>

City of Sarasota, Florida

Golden Gate Point Special Revenue Fund

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

Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 166,000	\$ 166,000	\$ 167,081	\$ 1,081
Investment earnings	1,000	1,000	(10,326)	(11,326)
Total revenues	<u>167,000</u>	<u>167,000</u>	<u>156,755</u>	<u>(10,245)</u>
Expenditures				
Current:				
Transportation	134,322	150,622	117,032	33,590
Capital outlay:				
Capital outlay	<u>30,000</u>	<u>40,700</u>	<u>24,826</u>	<u>15,874</u>
Total expenditures	<u>164,322</u>	<u>191,322</u>	<u>141,858</u>	<u>49,464</u>
Net change in fund balance	2,678	(24,322)	14,897	39,219
Fund balance - beginning	<u>235,217</u>	<u>235,217</u>	<u>235,217</u>	<u>--</u>
Fund balance - ending	<u>\$ 237,895</u>	<u>\$ 210,895</u>	<u>\$ 250,114</u>	<u>\$ 39,219</u>

City of Sarasota, Florida

Multi-Modal Transportation Impact Fees Special Revenue Fund

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

Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits	\$ 900,000	\$ 900,000	\$ 805,030	\$ (94,970)
Investment earnings	5,000	5,000	(128,987)	(133,987)
Total revenues	<u>905,000</u>	<u>905,000</u>	<u>676,043</u>	<u>(228,957)</u>
Expenditures				
Current:				
Transportation	21,296	41,764	20,814	20,950
Capital outlay:				
Capital outlay	<u>453,000</u>	<u>3,317,384</u>	<u>813,208</u>	<u>2,504,176</u>
Total expenditures	<u>474,296</u>	<u>3,359,148</u>	<u>834,022</u>	<u>2,525,126</u>
Excess (deficiency) of revenues over (under) expenditures	<u>430,704</u>	<u>(2,454,148)</u>	<u>(157,979)</u>	<u>2,296,169</u>
Other financing sources (uses)				
Transfers out	--	--	17,380	17,380
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>17,380</u>	<u>17,380</u>
Net change in fund balance	430,704	(2,454,148)	(140,599)	2,313,549
Fund balance - beginning	<u>3,956,032</u>	<u>3,956,032</u>	<u>3,956,032</u>	<u>--</u>
Fund balance - ending	<u>\$ 4,386,736</u>	<u>\$ 1,501,884</u>	<u>\$ 3,815,433</u>	<u>\$ 2,313,549</u>

City of Sarasota, Florida

Miscellaneous Grants Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits	\$ --	\$ 448,719	\$ 448,717	\$ (2)
Intergovernmental	500,004	4,188,623	2,362,706	(1,825,917)
Investment earnings	20	20	(74,904)	(74,924)
Miscellaneous	--	60,000	83,393	23,393
Total revenues	500,024	4,697,362	2,819,912	(1,877,450)
Expenditures				
Public safety	--	495,718	364,098	131,620
Physical environment	--	100,000	41,472	58,528
Culture and recreation	33,193	37,613	9,419	28,194
Current:				
Economic environment	--	2,028	--	2,028
Capital outlay:				
Capital outlay	--	5,902,171	2,355,362	3,546,809
Total expenditures	33,193	6,537,530	2,770,351	3,767,179
Excess (deficiency) of revenues over (under) expenditures	466,831	(1,840,168)	49,561	1,889,729
Other financing sources (uses)				
Transfers in	--	1,511,535	1,484,954	(26,581)
Transfers out	(500,004)	(500,004)	(262,578)	237,426
Total other financing sources (uses)	(500,004)	1,011,531	1,222,376	210,845
Net change in fund balance	(33,173)	(828,637)	1,271,937	2,100,574
Fund balance - beginning	1,522,167	1,522,167	1,522,167	--
Fund balance - ending	\$ 1,488,994	\$ 693,530	\$ 2,794,104	\$ 2,100,574

City of Sarasota, Florida

Multi-Purpose Special Revenue Fund

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

Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 850,000	\$ 850,000	\$ 808,483	\$ (41,517)
Licenses and permits	40,000	40,000	149,399	109,399
Intergovernmental	--	1,085,164	576,473	(508,691)
Charges for services	--	--	70,420	70,420
Fines and forfeits	27,000	27,000	73,409	46,409
Investment earnings	--	--	(326,011)	(326,011)
Miscellaneous	8,664	17,164	199,608	182,444
Total revenues	<u>925,664</u>	<u>2,019,328</u>	<u>1,551,781</u>	<u>(467,547)</u>
Expenditures				
General government	1,740	1,740	1,740	--
Public safety	35,000	115,080	30,908	84,172
Physical environment	--	51,500	47,588	3,912
Culture and recreation	60,000	121,704	--	121,704
Current:				
Economic environment	1,122,000	3,649,214	859,280	2,789,934
Capital outlay:				
Capital outlay	<u>1,425,001</u>	<u>2,807,895</u>	<u>636,903</u>	<u>2,170,992</u>
Total expenditures	<u>2,643,741</u>	<u>6,747,133</u>	<u>1,576,419</u>	<u>5,170,714</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,718,077)</u>	<u>(4,727,805)</u>	<u>(24,638)</u>	<u>4,703,167</u>
Other financing sources (uses)				
Transfers out	<u>(169,368)</u>	<u>(169,368)</u>	<u>(169,368)</u>	<u>--</u>
Total other financing sources (uses)	<u>(169,368)</u>	<u>(169,368)</u>	<u>(169,368)</u>	<u>--</u>
Net change in fund balance	(1,887,445)	(4,897,173)	(194,006)	4,703,167
Fund balance - beginning	<u>9,141,625</u>	<u>9,141,625</u>	<u>9,141,625</u>	<u>--</u>
Fund balance - ending	<u>\$ 7,254,180</u>	<u>\$ 4,244,452</u>	<u>\$ 8,947,619</u>	<u>\$ 4,703,167</u>

City of Sarasota, Florida

2015 General Obligation Bonds Debt Service Fund

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

Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,538,000	\$ 2,538,000	\$ 2,548,659	\$ 10,659
Investment earnings	10,000	10,000	(54,615)	(64,615)
Total revenues	<u>2,548,000</u>	<u>2,548,000</u>	<u>2,494,044</u>	<u>(53,956)</u>
Expenditures				
Debt service:				
Principal payments	1,390,000	1,390,000	1,390,000	--
Interest and fiscal charges	<u>1,144,444</u>	<u>1,144,444</u>	<u>1,142,268</u>	<u>2,176</u>
Total expenditures	<u>2,534,444</u>	<u>2,534,444</u>	<u>2,532,268</u>	<u>2,176</u>
Net change in fund balance	13,556	13,556	(38,224)	(51,780)
Fund balance - beginning	<u>646,741</u>	<u>646,741</u>	<u>646,741</u>	<u>--</u>
Fund balance - ending	<u>\$ 660,297</u>	<u>\$ 660,297</u>	<u>\$ 608,517</u>	<u>\$ (51,780)</u>

City of Sarasota, Florida

2016 General Obligation Bonds Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 268,000	\$ 268,000	\$ 269,729	\$ 1,729
Investment earnings	1,000	1,000	(11,391)	(12,391)
Total revenues	<u>269,000</u>	<u>269,000</u>	<u>258,338</u>	<u>(10,662)</u>
Expenditures				
Debt service:				
Principal payments	225,000	225,000	225,000	--
Interest and fiscal charges	38,214	38,214	35,073	3,141
Total expenditures	<u>263,214</u>	<u>263,214</u>	<u>260,073</u>	<u>3,141</u>
Net change in fund balance	5,786	5,786	(1,735)	(7,521)
Fund balance - beginning	<u>217,499</u>	<u>217,499</u>	<u>217,499</u>	<u>--</u>
Fund balance - ending	<u>\$ 223,285</u>	<u>\$ 223,285</u>	<u>\$ 215,764</u>	<u>\$ (7,521)</u>

City of Sarasota, Florida

2022 One Stop Shop Bank Loan

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

Year Ended September 30, 2022

	<u>Final</u>	<u>Variance with Final Budget Actual Amounts</u>	<u>Positive (Negative)</u>
Revenues			
Investment earnings	\$ --	\$ 7	\$ 7
Total revenues	<u>--</u>	<u>7</u>	<u>7</u>
Expenditures			
Bond issuance costs	70,000	64,000	6,000
Total expenditures	<u>70,000</u>	<u>64,000</u>	<u>6,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(70,000)</u>	<u>(63,993)</u>	<u>6,007</u>
Other financing sources (uses)			
Issuance of Debt	70,000	70,000	--
Total other financing sources (uses)	<u>70,000</u>	<u>70,000</u>	<u>--</u>
Net change in fund balance	--	6,007	6,007
Fund balance - beginning	<u>--</u>	<u>--</u>	<u>--</u>
Fund balance - ending	<u>\$ --</u>	<u>\$ 6,007</u>	<u>\$ 6,007</u>

City of Sarasota, Florida

2009 Build America Debt Service Fund

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

Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment earnings	\$ 2,000	\$ 2,000	\$ (1,141)	\$ (3,141)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>(1,141)</u>	<u>(3,141)</u>
Expenditures				
Debt service:				
Principal payments	1,197,020	1,197,020	1,197,020	--
Interest and fiscal charges	<u>182,197</u>	<u>182,197</u>	<u>177,622</u>	<u>4,575</u>
Total expenditures	<u>1,379,217</u>	<u>1,379,217</u>	<u>1,374,642</u>	<u>4,575</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,377,217)</u>	<u>(1,377,217)</u>	<u>(1,375,783)</u>	<u>1,434</u>
Other financing sources (uses)				
Transfers in	<u>1,377,517</u>	<u>1,377,517</u>	<u>1,377,517</u>	<u>--</u>
Total other financing sources (uses)	<u>1,377,517</u>	<u>1,377,517</u>	<u>1,377,517</u>	<u>--</u>
Net change in fund balance	300	300	1,734	1,434
Fund balance - beginning	<u>47,681</u>	<u>47,681</u>	<u>47,681</u>	<u>--</u>
Fund balance - ending	<u>\$ 47,981</u>	<u>\$ 47,981</u>	<u>\$ 49,415</u>	<u>\$ 1,434</u>

City of Sarasota, Florida

Glen Oaks Debt Service Fund

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

Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special assessments	\$ 10,970	\$ 10,970	\$ 7,114	\$ (3,856)
Investment earnings	--	--	2,892	2,892
Total revenues	<u>10,970</u>	<u>10,970</u>	<u>10,006</u>	<u>(964)</u>
Expenditures				
Debt service:				
Principal payments	7,188	7,188	--	7,188
Interest and fiscal charges	3,782	3,782	3,745	37
Total expenditures	<u>10,970</u>	<u>10,970</u>	<u>3,745</u>	<u>7,225</u>
Net change in fund balance	--	--	6,261	6,261
Fund balance - beginning	<u>(84,932)</u>	<u>(84,932)</u>	<u>(84,932)</u>	<u>--</u>
Fund balance - ending	<u>\$ (84,932)</u>	<u>\$ (84,932)</u>	<u>\$ (78,671)</u>	<u>\$ 6,261</u>

City of Sarasota, Florida

2020 Sales Tax Refunding Loan

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

Year Ended September 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment earnings	\$ --	\$ --	\$ (16,844)	\$ (16,844)
Total revenues	<u>--</u>	<u>--</u>	<u>(16,844)</u>	<u>(16,844)</u>
Expenditures				
Principal payments	373,000	373,000	373,000	--
Interest and fiscal charges	<u>125,958</u>	<u>125,958</u>	<u>122,958</u>	<u>3,000</u>
Total expenditures	<u>498,958</u>	<u>498,958</u>	<u>495,958</u>	<u>3,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(498,958)</u>	<u>(498,958)</u>	<u>(512,802)</u>	<u>(13,844)</u>
Other financing sources (uses)				
Transfers in	<u>500,004</u>	<u>500,004</u>	<u>500,004</u>	<u>--</u>
Total other financing sources (uses)	<u>500,004</u>	<u>500,004</u>	<u>500,004</u>	<u>--</u>
Net change in fund balance	1,046	1,046	(12,798)	(13,844)
Fund balance - beginning	<u>620,623</u>	<u>620,623</u>	<u>620,623</u>	<u>--</u>
Fund balance - ending	<u>\$ 621,669</u>	<u>\$ 621,669</u>	<u>\$ 607,825</u>	<u>\$ (13,844)</u>

City of Sarasota, Florida

Penny Sales Tax

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 9,168,085	\$ 9,168,085	\$ 12,083,797	\$ 2,915,712
Investment earnings	10,000	10,000	(666,603)	(676,603)
Miscellaneous	--	--	48,748	48,748
Total revenues	<u>9,178,085</u>	<u>9,178,085</u>	<u>11,465,942</u>	<u>2,287,857</u>
Expenditures				
Principal payments	404,745	404,745	396,464	8,281
Interest and fiscal charges	11,859	11,859	11,465	394
Capital outlay	<u>7,323,173</u>	<u>25,115,176</u>	<u>9,338,004</u>	<u>15,777,172</u>
Total expenditures	<u>7,739,777</u>	<u>25,531,780</u>	<u>9,745,933</u>	<u>15,785,847</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,438,308</u>	<u>(16,353,695)</u>	<u>1,720,009</u>	<u>18,073,704</u>
Other financing sources (uses)				
Transfers out	<u>(1,377,517)</u>	<u>(1,830,977)</u>	<u>(1,830,977)</u>	<u>--</u>
Total other financing sources (uses)	<u>(1,377,517)</u>	<u>(1,830,977)</u>	<u>(1,830,977)</u>	<u>--</u>
Net change in fund balance	60,791	(18,184,672)	(110,968)	18,073,704
Fund balance - beginning	<u>20,496,010</u>	<u>20,496,010</u>	<u>20,496,010</u>	<u>--</u>
Fund balance - ending	<u>\$ 20,556,801</u>	<u>\$ 2,311,338</u>	<u>\$ 20,385,042</u>	<u>\$ 18,073,704</u>

Nonmajor Enterprise Fund

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

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

City of Sarasota, Florida
 Nonmajor Enterprise Fund
 Combining Statement of Net Position
 September 30, 2022

	Municipal Auditoriums	Total
Assets		
Current assets:		
Receivables (net):		
Interest	\$ 265	\$ 265
Total unrestricted current assets	<u>265</u>	<u>265</u>
Restricted current assets:		
Total restricted current assets	<u>--</u>	<u>--</u>
Total current assets	<u>265</u>	<u>265</u>
Total assets	<u>265</u>	<u>265</u>
Deferred Outflows of Resources		
Total deferred outflows of resources	<u>\$ --</u>	<u>\$ --</u>
Liabilities		
Current liabilities:		
Due to Other Funds	15,452	15,452
Due to Other Governmental Agencies	3,042	3,042
Accrued Wages	12,018	12,018
Unearned Revenue	14,451	14,451
Total unrestricted current liabilities	<u>44,963</u>	<u>44,963</u>
Current liabilities payable from restricted assets:		
Customer Deposits	2,500	2,500
Total current liabilities payable from restricted assets	<u>2,500</u>	<u>2,500</u>
Total current liabilities	<u>47,463</u>	<u>47,463</u>
Noncurrent liabilities		
Total noncurrent liabilities	<u>--</u>	<u>--</u>
Total liabilities	<u>47,463</u>	<u>47,463</u>
Deferred Inflows of Resources		
Total deferred inflows of resources	<u>--</u>	<u>--</u>
Net Position		
Unrestricted	<u>(47,198)</u>	<u>(47,198)</u>
Total net position	<u>\$ (47,198)</u>	<u>\$ (47,198)</u>

City of Sarasota, Florida
 Nonmajor Enterprise Fund
 Combining Statement of Revenues, Expenses, and Changes in Net Position
 For the Year Ended September 30, 2022

	<u>Municipal Auditoriums</u>	<u>Total</u>
Operating expenses:		
Depreciation	\$ 50,907	\$ 50,907
Total operating expenses	<u>50,907</u>	<u>50,907</u>
Operating income (loss)	<u>(50,907)</u>	<u>(50,907)</u>
Nonoperating revenues:		
Gain (loss) on disposition of capital assets	<u>(1,006,276)</u>	<u>(1,006,276)</u>
Total nonoperating revenues	<u>(1,006,276)</u>	<u>(1,006,276)</u>
Change in net position	(1,057,183)	(1,057,183)
Net position - beginning	<u>1,009,985</u>	<u>1,009,985</u>
Net position - ending	<u>\$ (47,198)</u>	<u>\$ (47,198)</u>

City of Sarasota, Florida
 Nonmajor Enterprise Fund
 Combining Statement of Cash Flows
 For the Year Ended September 30, 2022

	Municipal		Total
	Auditoriums		
Cash flows from operating activities			
Cash received from customers	\$ (2,000)	\$	(2,000)
Cash payments to vendors for goods and services	17,304		17,304
Cash payments to employees for services	(124,766)		(124,766)
Cash payments to other funds	--		--
Net cash provided (used) by operating activities	<u>(109,462)</u>		<u>(109,462)</u>
Cash flows from noncapital financing activities			
Transfers in	15,452		15,452
Transfers out	--		--
Net cash provided (used) by noncapital financing activities	<u>15,452</u>		<u>15,452</u>
Cash flows from capital and related financing activities			
Acquisition of capital assets	--		--
Net cash provided (used) by capital and related financing activities	<u>--</u>		<u>--</u>
Cash flows from investing activities			
Interest on investments	(171)		(171)
Proceeds from sale and maturities of investments	79,664		79,664
Net cash provided by investing activities	<u>79,493</u>		<u>79,493</u>
Net increase (decrease) in cash and cash equivalents	(14,517)		(14,517)
Cash and cash equivalents at beginning of year	14,517		14,517
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$</u>	<u>--</u>

City of Sarasota, Florida
 Nonmajor Enterprise Funds
 Combining Statement of Cash Flows
 For the Year Ended September 30, 2022

	<u>Municipal</u> <u>Auditoriums</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	\$ (50,907)	\$ (50,907)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	50,907	50,907
Pension/OPEB expense	(113,323)	(113,323)
Net (increase) decrease in:		
Inventories	--	--
Prepaid items	22,369	22,369
Net increase (decrease) in:		
Accounts payable	(5,281)	(5,281)
Due to other governmental agencies	216	216
Accrued wages	--	--
Compensated absences	(10,693)	(10,693)
Unearned revenue	(2,750)	(2,750)
	<u>(58,555)</u>	<u>(58,555)</u>
Total adjustments		
Net cash provided (used) by operating activities	<u>\$ (109,462)</u>	<u>\$ (109,462)</u>

Noncash investing, capital, and financing activities

None



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Water and Sewer System Major Enterprise Fund

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

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

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

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

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

City of Sarasota, Florida
Water and Sewer System Enterprise Fund
Combining Schedule of Net Position
September 30, 2022

	Revenue Account	Interest & Sinking Accounts	Renewal Replacement & Improvement Account	General Reserve Account
Assets				
Current assets:				
Cash and Cash Equivalents	\$ 1,664,261	\$ 1	\$ 3,040,612	\$ 1,176,320
Investments	13,006,686	--	24,108,542	9,326,862
Receivables (net):				
Accounts	5,585,696	--	27	--
Interest	39,486	--	59,764	23,192
Inventories	247,390	--	--	--
Prepaid items	142,070	--	--	--
Total unrestricted current assets	<u>20,685,589</u>	<u>1</u>	<u>27,208,945</u>	<u>10,526,374</u>
Restricted current assets:				
Rest Cash and Cash Equivalents	150,586	266,599	--	--
Cash with Fiscal Agents	--	3,473,646	--	--
Investments	1,193,974	2,113,828	--	--
Accrued Interest Receivable	2,910	8,022	--	--
Due from Other Governmental Units	--	--	--	--
Total restricted current assets	<u>1,347,470</u>	<u>5,862,095</u>	<u>--</u>	<u>--</u>
Total current assets	<u>22,033,059</u>	<u>5,862,096</u>	<u>27,208,945</u>	<u>10,526,374</u>
Noncurrent assets:				
Capital assets:				
Non-depreciable:				
Land	6,040,560	--	--	--
Construction in Progress	--	--	11,963,019	576,618
Depreciable:				
Buildings	25,182,254	--	68,941	--
Improvements	317,047,918	--	81,107,012	14,396,751
Equipment	13,954,262	--	271,467	--
Less Accumulated Depreciation	<u>(240,132,662)</u>	<u>--</u>	<u>(2,861,196)</u>	<u>(28,153)</u>
Total capital assets (net of accumulated depreciation)	<u>122,092,332</u>	<u>--</u>	<u>90,549,243</u>	<u>14,945,216</u>
Total assets	<u>144,125,391</u>	<u>5,862,096</u>	<u>117,758,188</u>	<u>25,471,590</u>
Deferred Outflows of Resources				
Related to Refunding	--	648,132	--	--
Related to Pension	5,183,762	--	--	--
Related to OPEB	374,868	--	--	--
Total deferred outflows of resources	<u>\$ 5,558,630</u>	<u>\$ 648,132</u>	<u>\$ --</u>	<u>\$ --</u>

Utility Construction Accounts	Totals
\$ 1	\$ 5,881,195
--	46,442,090
--	5,585,723
--	122,442
--	247,390
--	142,070
1	58,420,910
126,391	543,576
--	3,473,646
1,002,133	4,309,935
2,244	13,176
357,680	357,680
1,488,448	8,698,013
1,488,449	67,118,923
--	6,040,560
7,541,552	20,081,189
--	25,251,195
--	412,551,681
--	14,225,729
--	(243,022,011)
7,541,552	235,128,343
9,030,001	302,247,266
--	648,132
--	5,183,762
--	374,868
\$ --	\$ 6,206,762

(continued)

City of Sarasota, Florida
Water and Sewer System Enterprise Fund
Combining Schedule of Net Position
September 30, 2022 (Concluded)

	Revenue Account	Interest & Sinking Accounts	Renewal Replacement & Improvement Account	General Reserve Account
Liabilities				
Current liabilities:				
Accounts Payable	1,433,927	--	1,283,488	--
Due to Other Governmental Agencies	125,683	--	--	--
Accrued Wages	268,182	--	--	--
Compensated Absences	621,927	--	--	--
Unearned Revenue	3,089,152	--	--	--
Total unrestricted current liabilities	<u>5,538,871</u>	<u>--</u>	<u>1,283,488</u>	<u>--</u>
Current liabilities payable from restricted assets:				
CLP Accrued Interest Payable	--	478,646	--	--
Bonds Payable	--	4,079,525	--	--
Customer Deposits	1,347,470	--	--	--
Total current liabilities payable from restricted assets	<u>1,347,470</u>	<u>4,558,171</u>	<u>--</u>	<u>--</u>
Total current liabilities	<u>6,886,341</u>	<u>4,558,171</u>	<u>1,283,488</u>	<u>--</u>
Noncurrent liabilities:				
NL Compensated Absences	306,323	--	--	--
Bonds Payable and Unamortized Premium	--	64,109,557	--	--
Net OPEB Liability	899,649	--	--	--
Net Pension Liability	18,207,193	--	--	--
Total noncurrent liabilities	<u>19,413,165</u>	<u>64,109,557</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>26,299,506</u>	<u>68,667,728</u>	<u>1,283,488</u>	<u>--</u>
Deferred Inflows of Resources				
Pension Related	7,029,741	--	--	--
OPEB Related	4,641,114	--	--	--
Total deferred inflows of resources	<u>\$ 11,670,855</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Net Position				
Net Investment in Capital Assets	122,092,331	(87,540,950)	90,549,242	14,945,215
Restricted:				
Debt Service	--	6,867,799	--	--
Unrestricted	<u>(10,378,671)</u>	<u>18,515,651</u>	<u>25,925,458</u>	<u>10,526,375</u>
Total net position	<u>\$ 111,713,660</u>	<u>\$ (62,157,500)</u>	<u>\$ 116,474,700</u>	<u>\$ 25,471,590</u>

Utility Construction Accounts	Totals
--	2,717,415
--	125,683
--	268,182
--	621,927
--	<u>3,089,152</u>
--	<u>6,822,359</u>
--	478,646
--	4,079,525
--	<u>1,347,470</u>
--	5,905,641
--	<u>12,728,000</u>
--	306,323
--	64,109,557
--	899,649
--	<u>18,207,193</u>
--	<u>83,522,722</u>
--	<u>96,250,722</u>
--	7,029,741
--	4,641,114
\$ --	<u>\$ 11,670,855</u>
7,541,552	147,587,390
--	6,867,799
<u>1,488,449</u>	<u>46,077,262</u>
<u>\$ 9,030,001</u>	<u>\$ 200,532,451</u>

City of Sarasota, Florida

Water and Sewer System Enterprise Fund
 Combining Schedule of Revenues, Expenses, and Changes in Net Position
 For the Year Ended September 30, 2022

	Revenue Account	Interest & Sinking Accounts	Renewal Replacement & Improvement Account	General Reserve Account
Operating revenues				
Charges for services				
Charges for services	\$ 52,248,022	\$ --	\$ --	\$ --
Connection fees	--	--	--	1,108,919
Miscellaenous	421,852	--	--	--
Total operating revneues	<u>52,669,874</u>	<u>--</u>	<u>--</u>	<u>1,108,919</u>
Operating expenses				
Personnel services	14,826,040	--	--	--
Contractual services	9,828,030	--	--	--
Repairs and maintenance	1,961,556	--	1,116	--
Supplies and materials	3,403,032	--	--	--
Depreciation	8,238,702	--	1,540,510	27,765
Other	33,000	--	--	--
Total operating expenses	<u>38,290,360</u>	<u>--</u>	<u>1,541,626</u>	<u>27,765</u>
Operating income (loss)	<u>14,379,514</u>	<u>--</u>	<u>(1,541,626)</u>	<u>1,081,154</u>
Nonoperating revenues (expenses)				
Investment earnings (loss)	(453,611)	(65,912)	(954,707)	(326,752)
Interest expense	--	(1,028,774)	--	--
Loan and bond issue expense	--	(4,780)	--	--
Gain (loss) on disposition of capital assets	1,190,767	--	(1,077,492)	--
Total nonoperating revenues (expenses)	<u>737,156</u>	<u>(1,099,466)</u>	<u>(2,032,199)</u>	<u>(326,752)</u>
Income (loss) before transfers	15,116,670	(1,099,466)	(3,573,825)	754,402
Transfers in	--	5,592,481	45,303,263	--
Transfers out	<u>(18,339,923)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Change in net position	(3,223,253)	4,493,015	41,729,438	754,402
Net position - beginning	<u>114,936,913</u>	<u>(66,650,515)</u>	<u>74,745,262</u>	<u>24,717,188</u>
Net position - ending	<u>\$ 111,713,660</u>	<u>\$ (62,157,500)</u>	<u>\$ 116,474,700</u>	<u>\$ 25,471,590</u>

Utility Construction Accounts	Eliminations	Totals
\$ --	\$ --	\$ 52,248,022
--	--	1,108,919
--	--	421,852
<u>--</u>	<u>--</u>	<u>53,778,793</u>
--	--	14,826,040
--	--	9,828,030
--	--	1,962,672
--	--	3,403,032
--	--	9,806,977
--	--	33,000
<u>--</u>	<u>--</u>	<u>39,859,751</u>
<u>--</u>	<u>--</u>	<u>13,919,042</u>
(23,090)	--	(1,824,072)
--	--	(1,028,774)
--	--	(4,780)
--	--	113,275
<u>(23,090)</u>	<u>--</u>	<u>(2,744,351)</u>
(23,090)	--	11,174,691
--	(50,895,744)	--
<u>(32,555,821)</u>	<u>50,895,744</u>	<u>--</u>
(32,578,911)	--	11,174,691
<u>41,608,912</u>	<u>--</u>	<u>189,357,760</u>
<u>\$ 9,030,001</u>	<u>\$ --</u>	<u>\$ 200,532,451</u>



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Internal Service Funds

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

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

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

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

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

City of Sarasota, Florida
Internal Service Funds
Combining Statement of Net Position
September 30, 2022

	Equipment Maintenance	Information Technology	General Benefits and Insurance	Equipment Replacement	Total
Assets					
Current assets:					
Cash and Cash Equivalents	\$ 118,152	\$ 414,318	\$ 2,224,311	\$ 678,615	\$ 3,435,396
Investments	935,625	3,285,054	16,890,901	5,380,628	26,492,208
Receivables (net):					
Accounts	1,796	--	57,078	--	58,874
Interest	2,136	7,797	26,678	13,106	49,717
Due from Other Funds	--	--	7,420	--	7,420
Due from Other Governmental Agencies	7,495	--	251,592	--	259,087
Inventories	79,082	--	--	--	79,082
Prepaid items	1,848	76,907	9,333	--	88,088
Total current assets	<u>1,146,134</u>	<u>3,784,076</u>	<u>19,467,313</u>	<u>6,072,349</u>	<u>30,469,872</u>
Noncurrent assets:					
Capital assets:					
Non-depreciable:					
Construction in Progress	--	2,374,023	--	138,218	2,512,241
Depreciable:					
Buildings	209,197	296,659	256,570	1,766,306	2,528,732
Improvements	761,605	73,396	2,392	257,404	1,094,797
Equipment	298,158	1,295,317	26,515	7,379,801	8,999,791
Less Accumulated Depreciation	(980,151)	(1,471,690)	(225,483)	(8,175,497)	(10,852,821)
Total capital assets (net of accumulated depreciation)	<u>288,809</u>	<u>2,567,705</u>	<u>59,994</u>	<u>1,366,232</u>	<u>4,282,740</u>
Other assets:					
Advance to Other Funds	--	--	72,566	--	72,566
Total noncurrent assets	<u>288,809</u>	<u>2,567,705</u>	<u>132,560</u>	<u>1,366,232</u>	<u>4,355,306</u>
Total assets	<u>1,434,943</u>	<u>6,351,781</u>	<u>19,599,873</u>	<u>7,438,581</u>	<u>34,825,178</u>
Deferred Outflows of Resources					
Related to Pension	293,003	278,488	--	--	571,491
Related to OPEB	15,406	65,020	--	--	80,426
Total deferred outflows of resources	<u>308,409</u>	<u>343,508</u>	<u>--</u>	<u>--</u>	<u>651,917</u>
Liabilities					
Current liabilities:					
Accounts Payable	380,677	896,691	876,519	172,495	2,326,382
Due to Other Governmental Agencies	6,819	8,575	--	--	15,394
Liability for Unpaid Claims	--	--	3,374,228	--	3,374,228
Accrued Wages	12,008	43,616	--	--	55,624
Compensated Absences	27,845	65,558	3,818,882	--	3,912,285
Total current liabilities	<u>427,349</u>	<u>1,014,440</u>	<u>8,069,629</u>	<u>172,495</u>	<u>9,683,913</u>
Noncurrent liabilities:					
Compensated Absences	13,715	32,290	1,880,942	--	1,926,947
Net OPEB Liability	36,973	156,042	--	--	193,015
Net Pension Liability	1,141,525	298,438	--	--	1,439,963
Total noncurrent liabilities	<u>1,192,213</u>	<u>486,770</u>	<u>1,880,942</u>	<u>--</u>	<u>3,559,925</u>
Total liabilities	<u>1,619,562</u>	<u>1,501,210</u>	<u>9,950,571</u>	<u>172,495</u>	<u>13,243,838</u>
Deferred Inflows of Resources					
Pension Related	451,883	55,107	--	--	506,990
OPEB Related	190,735	804,990	--	--	995,725
Total deferred inflows of resources	<u>642,618</u>	<u>860,097</u>	<u>--</u>	<u>--</u>	<u>1,502,715</u>
Net Position					
Net Investment in Capital Assets	288,808	2,567,705	59,994	1,366,231	4,282,738
Unrestricted	(807,636)	1,766,277	9,589,308	5,899,855	16,447,804
Total net position	<u>\$ (518,828)</u>	<u>\$ 4,333,982</u>	<u>\$ 9,649,302</u>	<u>\$ 7,266,086</u>	<u>\$ 20,730,542</u>

City of Sarasota, Florida

Internal Service Funds

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

Year Ended September 30, 2022

	Equipment Maintenance	Information Technology	General Benefits and Insurance	Equipment Replacement	Total
Operating revenues					
Charges for services	\$ 4,262,344	\$ 3,987,298	\$ 16,389,631	\$ 2,120,454	\$ 26,759,727
Miscellaneous	--	--	409,463	--	409,463
Total operating revenues	4,262,344	3,987,298	16,799,094	2,120,454	27,169,190
Operating expenses					
Personnel services	873,216	1,050,412	3,693,861	--	5,617,489
Contractual services	471,180	454,145	11,926,851	7,764	12,859,940
Repairs and maintenance	74,098	1,307,861	3,504	469	1,385,932
Supplies and materials	2,725,268	43,245	57,739	--	2,826,252
Depreciation	38,805	52,257	16,875	508,158	616,095
Total operating expenses	4,182,567	2,907,920	15,698,830	516,391	23,305,708
Operating income (loss)	79,777	1,079,378	1,100,264	1,604,063	3,863,482
Nonoperating revenues (expenses)					
Investment earnings	(26,181)	(60,670)	(378,376)	(165,897)	(631,124)
Gain (loss) on disposition of capital assets	24	790	--	26,448	27,262
Total nonoperating revenues (expenses)	(26,157)	(59,880)	(378,376)	(139,449)	(603,862)
Change in net position	53,620	1,019,498	721,888	1,464,614	3,259,620
Net position-beginning	(572,448)	3,314,484	8,927,414	5,801,472	17,470,922
Net position-ending	\$ (518,828)	\$ 4,333,982	\$ 9,649,302	\$ 7,266,086	\$ 20,730,542

City of Sarasota, Florida
Internal Service Funds
Combining Statement of Cash Flows
Year Ended September 30, 2022

	Equipment Maintenance	Information Technology	General Benefits and Insurance	Equipment Replacement	Total
Cash flows from operating activities					
Cash received from customers and users	\$ 8,863	\$ --	\$ 2,582,101	\$ --	\$ 2,590,964
Cash received from other funds			--		
for goods and services	4,252,458	3,987,298	14,216,991	2,120,454	24,577,201
Cash payments to vendors			--		
for goods and services	(3,017,920)	(1,081,756)	(1,977,592)	140,529	(5,936,739)
Cash payments to employees for services	(771,893)	(2,118,257)	(3,320,316)	--	(6,210,466)
Cash payments to other funds	(244,225)	--	(43,831)	(7,245)	(295,301)
Claims paid	--	--	(9,055,715)	--	(9,055,715)
Net cash provided (used) by operating activities	<u>227,283</u>	<u>787,285</u>	<u>2,401,638</u>	<u>2,253,738</u>	<u>5,669,944</u>
Cash flows from noncapital financing activities					
Transfers in	--	--	--	--	--
Transfers out	--	--	--	--	--
Repayment of loan to/from other fund	--	--	7,114	--	7,114
Interest on loan to/from other fund	--	--	3,745	--	3,745
Net cash provided (used) by noncapital financing activities	<u>--</u>	<u>--</u>	<u>10,859</u>	<u>--</u>	<u>10,859</u>
Cash flows from capital and related financing activities					
Acquisition of capital assets	(71,606)	(2,224,240)	--	(293,112)	(2,588,958)
Proceeds from sale of capital assets	22	787	--	26,450	27,259
Net cash provided (used) in capital and related financing activities	<u>(71,584)</u>	<u>(2,223,453)</u>	<u>--</u>	<u>(266,662)</u>	<u>(2,561,699)</u>
Cash flows from investing activities					
Interest on investments	(27,302)	(61,884)	(394,669)	(173,613)	(657,468)
Proceeds from sale and maturities of investments	--	1,232,213	--	--	1,232,213
Purchase of investments	(147,151)	--	(2,391,023)	(1,762,405)	(4,300,579)
Net cash provided (used) by investing activities	<u>(174,453)</u>	<u>1,170,329</u>	<u>(2,785,692)</u>	<u>(1,936,018)</u>	<u>(3,725,834)</u>
Net increase (decrease) in cash and cash equivalents	(18,754)	(265,839)	(373,195)	51,058	(606,730)
Cash and cash equivalents at beginning of year	<u>136,906</u>	<u>680,157</u>	<u>2,597,506</u>	<u>627,557</u>	<u>4,042,126</u>
Cash and cash equivalents at end of year	<u>\$ 118,152</u>	<u>\$ 414,318</u>	<u>\$ 2,224,311</u>	<u>\$ 678,615</u>	<u>\$ 3,435,396</u>

City of Sarasota, Florida
 Internal Service Funds
 Combining Statement of Cash Flows
 Year Ended September 30, 2022

	<u>Equipment Maintenance</u>	<u>Information Technology</u>	<u>General Benefits and Insurance</u>	<u>Equipment Replacement</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ 79,777	\$ 1,079,378	\$ 1,100,264	\$ 1,604,063	\$ 3,863,482
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	38,805	52,257	16,875	508,158	616,095
Pension expense	110,325	(1,027,500)	--	--	(917,175)
Net (increase) decrease in:					
Accounts receivable	(1,023)	--	77,661	--	76,638
Due from other governmental agencies	(1,571)	--	328,283	--	326,712
Inventories	(13,449)	--	--	--	(13,449)
Prepaid items	(606)	(51,306)	(6,427)	--	(58,339)
Net increase (decrease) in:					
Accounts payable	31,134	790,894	623,452	141,517	1,586,997
Liability for unpaid claims	--	--	(112,015)	--	(112,015)
Due to other governmental agencies	(7,107)	(16,093)	--	--	(23,200)
Accrued wages	(12,902)	(67,606)	--	--	(80,508)
Compensated absences	3,900	27,261	373,545	--	404,706
Total adjustments	<u>147,506</u>	<u>(292,093)</u>	<u>1,301,374</u>	<u>649,675</u>	<u>1,806,462</u>
Net cash provided (used) by operating activities	<u>\$ 227,283</u>	<u>\$ 787,285</u>	<u>\$ 2,401,638</u>	<u>\$ 2,253,738</u>	<u>\$ 5,669,944</u>

Noncash investing, capital, and financing activities

None



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Fiduciary Funds

Trust Funds

Trust funds are used to account for assets held by the government in a trustee capacity. They are accounted for in essentially the same manner as enterprise funds since capital maintenance is critical.

Pension Trust Funds

General Employees' Defined Benefit Pension - This fund is used to account for the accumulation of resources for pension benefit payments to participants of the City's General Employees' Defined Benefit Pension Plan.

Police Officers' Defined Benefit Pension- This fund is used to account for the accumulation of resources for pension benefit payments to participants of the City's Police Officers' Defined Pension Plan.

Firefighters' Defined Benefit Pension - This fund is used to account for the accumulation of resources for pension benefit payments to participants of the City's Firefighters' Defined Benefit Pension Plan.

General Employees Defined Contribution Retirement Plan - This fund is used to account for both the City and employee contributions that would accrue to the employees, and also to account for the additional 2 percent City contribution that is budgeted annually for administrative costs.

Other Post-Employment Benefits Trust Fund - This fund is used to account for the future liability of costs for medical/prescription/dental coverage, extended life insurance coverage and benefits under the Employee Assistance Program available to retirees and their dependents.

Custodial Funds

Custodial funds are used to account for assets held by the government as an agent for individuals, private organizations and other governmental units. They are custodial in nature and do not involve the measurement of results of operations.

Community Development - This fund is used to account for fees due to homeowners for repairs to their homes.

Impact Fees - This fund is used to account for fees collected from citizens and disbursed to Sarasota County.

City of Sarasota, Florida
Pension and OPEB Trust Funds
Combining Statement of Trust Funds Net Position
September 30, 2022

	Pension Trust Funds					Total
	General Employees' Defined Benefit Pension	Police Officers' Defined Benefit Pension	Firefighters' Defined Benefit Pension	General Employees' Defined Contribution Retirement	Other Post-Employment Benefits (OPEB)	
Assets						
Cash and cash equivalents	\$ 452,926	\$ 535,558	\$ 147,421	\$ --	\$ 490,348	\$ 1,626,253
Investments:						
Money market funds	4,452,607	6,453,031	4,207,710	--	1,295,087	16,408,435
U.S. Government securities	11,451,724	24,700,757	8,197,114	--	3,583,799	47,933,394
Mortgage-backed securities	7,505,441	11,332,207	2,110,363	--	--	20,948,011
Collateralized mortgage oblig	1,570,609	--	--	--	--	1,570,609
Common and preferred stock	67,128,765	153,555,937	83,420,064	--	27,699,923	331,804,689
Corporate bonds and notes	5,474,845	34,747,864	20,461,844	--	6,916,052	67,600,605
Stock mutual funds	--	--	1,692,023	14,678,946	--	16,370,969
Bond mutual funds	--	--	--	2,923,548	--	2,923,548
Real estate funds	21,085,248	27,745,115	22,043,991	--	5,797,942	76,672,296
U.S. Government agency securities	--	--	--	--	6,145	6,145
Municipal securities	--	1,075,618	218,535	--	--	1,294,153
Foreign stocks	22,190,836	--	14,878,397	--	5,294,673	42,363,906
Foreign mutual funds	--	2,414,259	--	874,850	--	3,289,109
Foreign bonds	--	--	295,362	--	215,644	511,006
Other equities	7,857,688	--	--	--	--	7,857,688
Total investments	148,717,763	262,024,788	157,525,403	18,477,344	50,809,265	637,554,563
Receivables (net):						
Accounts	--	--	386,745	--	--	386,745
Contributions	1,803,378	422,386	--	--	--	2,225,764
Accounts	--	--	--	250,172	--	250,172
Interest and dividends	214,002	430,061	--	(210)	112,781	756,634
Total receivables	2,017,380	852,447	386,745	249,962	112,781	3,619,315
Other assets:						
Prepaid items	14,976	17,846	21,981	--	1,777	56,580
Investments-FMV adj	--	--	--	3,244	--	3,244
Total other assets	14,976	17,846	21,981	3,244	1,777	59,824
Total assets	151,203,045	263,430,639	158,081,550	18,730,550	51,414,171	642,859,955
Liabilities						
Accounts payable	178,421	267,977	542,371	3,000	529,632	1,521,401
Unearned Revenue	--	--	232,654	--	--	232,654
Liability for unpaid claims	--	--	--	--	482,932	482,932
Due to Other Governments	--	--	--	101,639	--	101,639
Total liabilities	178,421	267,977	775,025	104,639	1,012,564	2,338,626
Net Position						
Restricted for Pension benefits	151,024,624	263,162,662	157,306,525	18,625,911	--	590,119,722
Restricted for OPEB benefits	--	--	--	--	50,401,607	50,401,607
Total net position	151,024,624	263,162,662	157,306,525	18,625,911	50,401,607	640,521,329

City of Sarasota, Florida
Pension and OPEB Trust Funds
Combining Statement of Trust Funds Net Position
For the Year Ended September 30, 2022

	Pension Trust Funds					Total
	General Employees' Defined Benefit Pension	Police Officers' Defined Benefit Pension	Firefighters' Defined Benefit Pension	General Employees' Defined Contribution Retirement	Other Post-Employment Benefits (OPEB)	
Additions						
Contributions:						
Plan members	\$ 462,478	\$ 1,259,481	\$ --	\$ 994,181	\$ 1,416,885	\$ 4,133,025
Employer						
City of Sarasota	6,930,061	6,576,009	1,484,752	994,182	3,088,000	19,073,004
Sarasota County	48,083	--	3,362,793	--	--	3,410,876
State of Florida	--	735,199	437,657	--	--	1,172,856
Other	--	--	10,596	147,937	312,604	471,137
Total contributions	<u>7,440,622</u>	<u>8,570,689</u>	<u>5,295,798</u>	<u>2,136,300</u>	<u>4,817,489</u>	<u>28,260,898</u>
Investment income:						
Net decrease in fair value of investments	(27,976,998)	(59,208,669)	(24,602,143)	(5,008,837)	(10,007,647)	(126,804,294)
Interest and dividends	4,372,575	6,659,179	3,292,139	1,559,891	1,111,460	16,995,244
Other	37,471	847,565	746,585	--	--	1,631,621
Total investment income (loss)	<u>(23,566,952)</u>	<u>(51,701,925)</u>	<u>(20,563,419)</u>	<u>(3,448,946)</u>	<u>(8,896,187)</u>	<u>(108,177,429)</u>
Less investment expense	<u>(1,012,388)</u>	<u>(1,489,414)</u>	<u>(965,861)</u>	<u>(42,923)</u>	<u>(480,854)</u>	<u>(3,991,440)</u>
Net investment income (loss)	<u>(24,579,340)</u>	<u>(53,191,339)</u>	<u>(21,529,280)</u>	<u>(3,491,869)</u>	<u>(9,377,041)</u>	<u>(112,168,869)</u>
Total additions	<u>(17,138,718)</u>	<u>(44,620,650)</u>	<u>(16,233,482)</u>	<u>(1,355,569)</u>	<u>(4,559,552)</u>	<u>(83,907,971)</u>
Deductions						
Benefits	15,347,907	15,652,890	13,013,445	1,264,710	4,842,644	50,121,596
Administrative expenses	251,771	260,431	259,965	60,500	1,892,601	2,725,268
Refunds of contributions	--	160,532	--	--	--	160,532
Total deductions	<u>15,599,678</u>	<u>16,073,853</u>	<u>13,273,410</u>	<u>1,325,210</u>	<u>6,735,245</u>	<u>53,007,396</u>
Net increase	<u>(32,738,396)</u>	<u>(60,694,503)</u>	<u>(29,506,892)</u>	<u>(2,680,779)</u>	<u>(11,294,797)</u>	<u>(136,915,367)</u>
Net Position Restricted for Pension and OPEB Benefits						
Beginning of Year	<u>183,763,020</u>	<u>323,857,165</u>	<u>186,813,417</u>	<u>21,306,690</u>	<u>61,696,404</u>	<u>777,436,696</u>
End of Year	<u>\$ 151,024,624</u>	<u>\$ 263,162,662</u>	<u>\$ 157,306,525</u>	<u>\$ 18,625,911</u>	<u>\$ 50,401,607</u>	<u>\$ 640,521,329</u>

City of Sarasota, Florida
Combining Statement of Net Position
Custodial Funds
September 30, 2022

	<u>Community Development</u>	<u>Impact Fees</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 1,811	\$ 7,658	\$ 9,469
Money market funds	14,363	60,722	75,085
Interest and dividends	<u>36</u>	<u>289</u>	<u>325</u>
TOTAL ASSETS	<u>\$ 16,210</u>	<u>\$ 68,669</u>	<u>\$ 84,879</u>
LIABILITIES			
Accounts payable	--	68,538	68,538
Accrued liabilities	<u>16,210</u>	<u>131</u>	<u>16,341</u>
TOTAL LIABILITIES	<u>\$ 16,210</u>	<u>\$ 68,669</u>	<u>\$ 84,879</u>

City of Sarasota, Florida
Statement of Changes in Net Position
Custodial Funds
For the Year Ended September 30, 2022

	Community Development	Impact Fees	Total
ADDITIONS			
Interest and dividends	\$ (197)	\$ (6,753)	\$ (6,950)
Impact Fee collections for other governments	--	1,568,291	1,568,291
Insurance reimbursements	45,984	--	45,984
TOTAL ADDITIONS	45,787	1,561,538	1,607,325
DEDUCTIONS			
Payments of Impact Fees to other governments	--	1,568,291	1,568,291
Insurance disbursements on behalf of homeowners	45,984	--	45,984
Interest and Earnings Transfer	(197)	(6,753)	(6,950)
TOTAL DEDUCTIONS	45,787	1,561,538	1,607,325
NET INCOME (LOSS)	--	--	--
NET POSITION:			
Beginning of year	--	--	--
End of year	\$ --	\$ --	\$ --



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Statistical Section



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Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	226-235
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources.	236-240
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.	242-249
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.	250-251
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	252-257

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

City of Sarasota, Florida
 Net Position by Component
 Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2021-22	2020-21	2019-20	2018-19
Governmental activities				
Net investment in capital assets	\$ 234,477,660	\$ 204,721,249	\$ 195,937,154	\$ 179,406,368
Restricted	89,069,822	60,660,381	61,378,044	68,152,899
Unrestricted (deficit)	(8,470,003)	(11,104,172)	(39,811,380)	(55,431,049)
Total governmental activities net position	<u>\$ 315,077,479</u>	<u>\$ 254,277,458</u>	<u>\$ 217,503,818</u>	<u>\$ 192,128,218</u>
Business-type activities				
Net investment in capital assets	\$ 185,164,651	\$ 203,011,687	\$ 194,694,361	\$ 185,403,654
Restricted	6,429,022	4,196,159	3,898,276	5,112,714
Unrestricted	62,075,106	33,719,389	26,853,458	28,018,896
Total business-type activities net position	<u>\$ 253,668,779</u>	<u>\$ 240,927,235</u>	<u>\$ 225,446,095</u>	<u>\$ 218,535,264</u>
Primary government				
Net investment in capital assets	\$ 419,642,311	\$ 407,732,936	\$ 390,631,515	\$ 364,810,022
Restricted	95,498,844	64,856,540	65,276,320	73,265,613
Unrestricted	53,605,103	22,615,217	(12,957,922)	(27,412,153)
Total primary government net position	<u>\$ 568,746,258</u>	<u>\$ 495,204,693</u>	<u>\$ 442,949,913</u>	<u>\$ 410,663,482</u>

Note: In fiscal year 2015, the City adopted the provisions of GASB Statement Nos. 68 and 71. As restatement of all prior periods is not practical, the cumulative effect of applying these statements is reported as a restatement of beginning net position as of October 1, 2014.

In fiscal year 2018, the City adopted the provisions of GASB Statement No. 75. As restatement of all prior periods is not practical, the cumulative effect of applying this statement is reported as a restatement of beginning net position as of October 1, 2017.

Fiscal Year					
2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
\$ 174,105,644	\$ 171,838,648	\$ 170,059,240	\$ 160,348,362	\$ 158,951,011	\$ 148,111,650
61,734,312	60,595,218	60,723,461	56,835,283	59,877,127	62,107,977
(60,816,931)	(62,364,793)	(60,210,350)	(61,059,854)	2,663,395	10,235,937
<u>\$ 175,023,025</u>	<u>\$ 170,069,073</u>	<u>\$ 170,572,351</u>	<u>\$ 156,123,791</u>	<u>\$ 221,491,533</u>	<u>\$ 220,455,564</u>
\$ 167,380,780	\$ 168,580,384	\$ 153,553,156	\$ 151,774,709	\$ 143,855,792	\$ 135,645,189
13,778,071	7,265,888	11,202,295	12,301,216	12,730,059	12,741,195
37,866,407	40,481,583	41,982,636	35,742,792	52,248,702	53,901,699
<u>\$ 219,025,258</u>	<u>\$ 216,327,855</u>	<u>\$ 206,738,087</u>	<u>\$ 199,818,717</u>	<u>\$ 208,834,553</u>	<u>\$ 202,288,083</u>
\$ 341,486,424	\$ 340,419,032	\$ 823,612,396	\$ 812,123,071	\$ 302,806,803	\$ 283,756,839
75,512,383	67,861,106	71,925,756	69,136,499	72,607,186	74,849,172
(22,950,524)	(21,883,210)	(18,227,714)	(25,317,062)	54,912,097	64,137,636
<u>\$ 394,048,283</u>	<u>\$ 386,396,928</u>	<u>\$ 877,310,438</u>	<u>\$ 855,942,508</u>	<u>\$ 430,326,086</u>	<u>\$ 422,743,647</u>

City of Sarasota, Florida
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2021-22	2020-21	2019-20	2018-19
Expenses				
Governmental activities:				
General government	\$ 15,502,218	\$ 12,039,365	\$ 13,176,807	\$ 12,223,245
Public safety	14,978,146	35,881,363	44,550,602	39,754,281
Physical environment	199,429	330,396	60,484	16,196,171
Transportation	9,391,319	7,967,564	9,831,209	12,455,769
Culture and recreation	20,308,536	13,020,477	9,002,092	5,622,968
Economic environment	7,880,590	5,192,178	5,000,121	6,378,987
Human services	837,382	767,810	795,152	1,059,994
Interest on long-term debt	1,512,999	1,509,212	1,841,318	1,940,064
Total governmental activities expenses	<u>70,610,619</u>	<u>76,708,365</u>	<u>84,257,785</u>	<u>95,631,479</u>
Business-type activities:				
Water and Sewer	40,902,402	40,718,729	40,415,092	47,623,927
Van Wezel	12,052,955	4,746,755	12,382,291	15,337,759
Solid Waste	13,483,917	13,994,106	13,362,371	13,140,286
Bobby Jones Golf Course	2,200,527	150,040	1,947,677	2,970,407
Municipal Auditoriums	1,057,184	379,796	460,994	664,486
Parking Management	4,816,632	4,661,439	4,808,990	4,508,473
Total business-type activities expenses	<u>74,513,617</u>	<u>64,650,865</u>	<u>73,377,415</u>	<u>84,245,338</u>
Total primary government expenses	<u>\$ 145,124,236</u>	<u>\$ 141,359,230</u>	<u>\$ 157,635,200</u>	<u>\$ 179,876,817</u>
Program Revenues				
Governmental activities:				
Charges for services				
General government	\$ 9,037,707	\$ 19,112,582	\$ 1,443,814	\$ 1,507,634
Public safety	10,970,076	6,664,131	6,518,074	8,711,722
Physical environment	70,420	87,168	43,745	71,362
Transportation	1,712,830	2,017,135	2,302,825	1,569,207
Culture and recreation	1,861,006	760,553	604,737	968,092
Economic environment	--	--	27,925	--
Operating grants and contributions	10,736,980	8,309,299	14,508,680	18,871,029
Capital grants and contributions	22,166,554	970,181	5,235,540	2,939,243
Total governmental activities program revenues	<u>56,555,573</u>	<u>37,921,049</u>	<u>30,685,340</u>	<u>34,638,289</u>
Business-type activities:				
Charges for Services				
Water and Sewer	53,739,183	52,599,532	48,753,081	47,047,292
Van Wezel	10,213,486	416,056	10,447,298	13,207,152
Solid Waste	13,160,883	12,699,074	12,298,105	12,496,541
Bobby Jones Golf Course	--	--	1,499,527	2,042,407
Municipal Auditoriums	--	32,058	219,115	333,922
Parking Management	4,659,013	3,739,766	2,857,059	2,848,051
Operating grants and contributions	4,918,993	5,217,767	1,177,517	1,319,757
Capital grants and contributions	--	113,847	--	--
Total business-type activities program revenues	<u>86,691,558</u>	<u>74,818,100</u>	<u>77,251,702</u>	<u>79,295,122</u>
Total primary government program revenues	<u>\$ 143,247,131</u>	<u>\$ 112,739,149</u>	<u>\$ 107,937,042</u>	<u>\$ 113,933,411</u>

Fiscal Year					
2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
\$ 14,287,513	\$ 13,985,373	\$ 10,669,089	\$ 10,194,163	\$ 15,959,585	\$ 13,535,677
39,168,721	44,880,581	42,716,586	35,030,117	41,197,141	37,595,883
8,142,455	4,358,648	3,981,285	7,906,172	3,534,031	3,202,880
10,178,693	11,793,769	10,843,955	11,549,091	7,230,305	7,379,994
2,089,411	4,360,458	4,344,249	3,499,422	3,503,809	3,294,003
4,686,279	4,793,345	5,189,276	4,417,493	4,923,941	7,685,608
730,889	114,533	--	--	--	--
2,030,137	2,601,649	3,025,058	3,789,069	3,908,368	4,187,503
<u>81,314,098</u>	<u>86,888,356</u>	<u>80,769,498</u>	<u>76,385,527</u>	<u>80,257,180</u>	<u>76,881,548</u>
41,753,490	38,125,966	37,761,882	43,023,887	32,303,663	29,244,145
12,040,458	12,617,544	11,690,548	11,058,586	10,305,552	9,077,553
11,711,681	10,472,973	9,855,086	9,790,922	9,774,612	9,093,671
2,773,527	2,904,213	2,955,312	2,874,348	2,890,161	2,698,233
504,273	518,854	548,654	503,049	550,798	516,028
2,921,038	2,092,231	1,929,783	1,416,980	1,314,048	908,379
<u>71,704,467</u>	<u>66,731,781</u>	<u>64,741,265</u>	<u>68,667,772</u>	<u>57,138,834</u>	<u>51,538,009</u>
<u>\$ 153,018,565</u>	<u>\$ 153,620,137</u>	<u>\$ 145,510,763</u>	<u>\$ 145,053,299</u>	<u>\$ 137,396,014</u>	<u>\$ 128,419,557</u>
\$ 1,346,965	\$ 1,526,181	\$ 1,650,079	\$ 1,635,077	\$ 1,261,060	\$ 1,051,097
8,433,826	6,401,473	8,677,320	7,913,312	5,455,428	3,551,631
214,326	96,130	114,891	99,104	108,441	128,014
2,295,491	2,398,676	1,503,590	707,771	490,497	320,111
483,753	572,411	386,795	403,395	320,790	306,424
--	--	-	3	3	71
6,862,001	8,155,684	7,681,609	10,941,476	7,949,480	10,384,312
7,753,085	1,928,706	8,895,208	9,010,585	7,053,950	6,113,794
<u>27,389,447</u>	<u>21,079,261</u>	<u>28,909,492</u>	<u>30,710,723</u>	<u>22,639,649</u>	<u>21,855,454</u>
47,239,588	47,014,364	44,987,230	42,844,313	39,643,226	37,496,905
10,952,660	12,018,587	10,748,798	10,757,986	9,354,299	8,208,844
10,881,320	11,302,312	10,282,196	10,549,474	10,271,649	10,303,491
1,961,624	2,312,692	2,369,036	2,474,804	2,477,163	2,382,372
330,457	355,741	361,778	331,189	332,115	424,189
1,638,481	1,493,622	986,326	698,800	653,577	475,501
1,564,629	964,713	913,821	951,612	596,987	558,341
--	--	--	--	--	--
<u>74,568,759</u>	<u>75,462,031</u>	<u>70,649,185</u>	<u>68,608,178</u>	<u>63,329,016</u>	<u>59,849,643</u>
<u>\$ 101,958,206</u>	<u>\$ 96,541,292</u>	<u>\$ 99,558,677</u>	<u>\$ 99,318,901</u>	<u>\$ 85,968,665</u>	<u>\$ 81,705,097</u>

City of Sarasota, Florida
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting) - continued

	Fiscal Year			
	2021-22	2020-21	2019-20	2018-19
Net (Expense)/Revenue				
Government activities	\$ (14,055,046)	\$ (38,787,316)	\$ (53,572,445)	\$ (60,993,196)
Business type activities	12,177,941	10,167,235	3,874,287	(4,950,216)
Total primary government net expense	<u>\$ (1,877,105)</u>	<u>\$ (28,620,081)</u>	<u>\$ (49,698,158)</u>	<u>\$ (65,943,412)</u>
General Revenues and Other				
Changes in Net Position				
Government activities:				
Taxes				
Property taxes	40,754,471	40,028,474	38,226,955	36,074,226
Gasoline taxes	2,662,284	2,624,801	2,469,133	2,673,665
Sales tax	18,756,212	16,005,912	13,509,400	14,039,968
Franchise fees	--	--	5,649,620	6,021,672
Public service taxes	12,044,040	11,413,593	11,095,087	11,090,572
Business licenses	819,560	1,004,356	928,899	950,142
Other taxes	44,765	46,164	42,939	44,260
State revenue sharing, unrestricted	2,687,669	1,766,299	1,936,476	2,021,900
Investment earnings	(4,632,609)	268,627	3,976,458	4,467,971
Miscellaneous	3,027,960	2,884,195	2,100,346	1,914,002
Gain (loss) on disposition of capital assets	1,030,669	--	(198,768)	360,011
Transfers	(2,339,954)	(481,465)	(788,500)	(1,560,000)
Special items	--	--	--	--
Total governmental activities	<u>74,855,067</u>	<u>75,560,956</u>	<u>78,948,045</u>	<u>78,098,389</u>
Business-type activities:				
Investment earnings	(2,418,916)	185,428	2,235,484	2,758,000
Gain (loss) on disposition of capital assets	128,388	63,964	12,560	142,222
Special items	514,177	686,074	--	--
Transfers	2,339,954	481,465	788,500	1,560,000
Total business-type activities	<u>563,603</u>	<u>1,416,931</u>	<u>3,036,544</u>	<u>4,460,222</u>
Total primary government	<u>\$ 75,418,670</u>	<u>\$ 76,977,887</u>	<u>\$ 81,984,589</u>	<u>\$ 82,558,611</u>
Change in Net Position				
Governmental activities	\$ 60,800,021	\$ 36,773,640	\$ 25,375,600	\$ 17,105,193
Business-type activities	12,741,544	11,584,166	6,910,831	(489,994)
Total primary government	<u>\$ 73,541,565</u>	<u>\$ 48,357,806</u>	<u>\$ 32,286,431</u>	<u>\$ 16,615,199</u>

Fiscal Year					
2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
\$ (53,924,651)	\$ (65,809,095)	\$ (51,860,006)	\$ (45,674,804)	\$ (57,617,531)	\$ (55,026,094)
2,864,292	8,730,250	5,907,920	(59,594)	6,190,182	8,311,634
<u>\$ (51,060,359)</u>	<u>\$ (57,078,845)</u>	<u>\$ (45,952,086)</u>	<u>\$ (45,734,398)</u>	<u>\$ (51,427,349)</u>	<u>\$ (46,714,460)</u>
32,680,481	29,888,235	27,873,687	26,527,993	\$ 25,269,921	\$ 22,584,230
2,662,715	2,547,368	2,495,123	2,432,847	2,358,159	2,310,912
13,414,362	12,489,989	12,244,096	11,808,144	10,812,138	10,036,788
5,918,250	4,699,895	4,603,205	4,767,877	4,800,067	4,472,348
10,973,068	10,563,250	10,322,539	10,188,427	10,115,459	10,084,418
981,692	880,237	948,941	893,134	850,720	769,308
45,405	45,376	43,693	45,873	40,957	41,405
1,953,814	1,883,075	1,843,076	1,828,400	1,790,313	1,765,785
764,347	620,256	1,144,869	1,014,256	661,340	198,291
1,872,365	1,723,148	1,796,960	3,910,383	1,577,655	1,992,276
42,704	258,296	3,149,192	93,077	241,527	659,551
(1,977,959)	(293,308)	(156,815)	(9,412,865)	135,244	(15,571,310)
--	--	--	--	--	--
<u>69,331,244</u>	<u>65,305,817</u>	<u>66,308,566</u>	<u>54,097,546</u>	<u>58,653,500</u>	<u>54,915,312</u>
710,187	495,502	730,305	656,138	419,255	173,167
142,663	70,708	84,931	70,009	72,277	(465,997)
--	--	--	--	--	--
1,977,959	293,308	196,214	9,412,865	(135,244)	15,571,310
<u>2,830,809</u>	<u>859,518</u>	<u>1,011,450</u>	<u>10,139,012</u>	<u>356,288</u>	<u>15,278,480</u>
<u>\$ 72,162,053</u>	<u>\$ 66,165,335</u>	<u>\$ 67,320,016</u>	<u>\$ 64,236,558</u>	<u>\$ 59,009,788</u>	<u>\$ 70,193,792</u>
\$ 14,448,560	\$ 8,422,742	\$ 1,035,969	\$ (15,682,092)	\$ 2,711,672	\$ (11,028,820)
6,919,370	10,079,418	6,546,470	23,590,114	9,776,432	26,354,359
<u>\$ 21,367,930</u>	<u>\$ 18,502,160</u>	<u>\$ 7,582,439</u>	<u>\$ 7,908,022</u>	<u>\$ 12,488,104</u>	<u>\$ 15,325,539</u>

City of Sarasota, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2021-22	2020-21	2019-20	2018-19	2017-18
General Fund					
Nonspendable	\$ 723,930	\$ 449,928	\$ 328,835	\$ 515,804	\$ 474,459
Restricted	--	--	--	--	--
Committed	2,664,956	2,640,554	5,220,370	2,527,117	3,608,816
Assigned	1,910,498	6,675,879	1,892,219	1,717,830	2,515,754
Unassigned	26,863,306	23,977,595	23,155,761	22,991,192	16,908,587
Total general fund	<u>\$ 32,162,690</u>	<u>\$ 33,743,956</u>	<u>\$ 30,597,185</u>	<u>\$ 27,751,943</u>	<u>\$ 23,507,616</u>
All Other Governmental Funds					
Nonspendable	\$ 51,888	\$ 23,117	\$ 13,200	\$ 8,411	\$ 1,032
Restricted	80,320,620	61,058,674	62,084,015	68,051,229	69,476,209
Committed	8,561,917	7,524,113	1,142,700	3,835,953	2,754,254
Assigned	--	--	--	--	--
Unassigned	-	-	(91,260)	(2,397,780)	(1,796,760)
Total all other governmental funds	<u>\$ 88,934,425</u>	<u>\$ 68,605,904</u>	<u>\$ 63,148,655</u>	<u>\$ 69,497,813</u>	<u>\$ 70,434,735</u>
Total Fund Balance All Governmental Funds	<u>\$ 121,097,115</u>	<u>\$ 102,349,860</u>	<u>\$ 93,745,840</u>	<u>\$ 97,249,756</u>	<u>\$ 93,942,351</u>

Fiscal Year				
2016-17	2015-16	2014-15	2013-14	2012-13
\$ 338,110	\$ 396,392	\$ 473,779	\$ 332,712	\$ 396,743
--	--	--	--	--
3,379,769	3,600,319	4,114,022	1,406,468	2,937,500
1,899,250	3,015,970	1,373,373	567,611	1,134,551
17,700,935	17,872,691	16,530,893	15,375,543	15,154,314
\$ 23,318,064	\$ 24,885,372	\$ 22,492,067	\$ 17,682,334	\$ 19,623,108
\$ 26,310	\$ 5,438	\$ 6,141	\$ 22,890	\$ --
61,577,843	61,878,922	58,284,499	63,590,152	66,463,377
3,191,558	3,089,120	2,160,116	1,772,765	1,608,485
--	791,238	35,720	358,654	836,730
(112,018)	(117,888)	(123,952)	(128,964)	(135,556)
\$ 64,683,693	\$ 65,646,830	\$ 60,362,524	\$ 65,615,497	\$ 68,773,036
\$ 88,001,757	\$ 90,532,202	\$ 82,854,591	\$ 83,297,831	\$ 88,396,144

City of Sarasota, Florida
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year			
	2021-22	2020-21	2019-20	2018-19
Revenues				
Taxes	\$ 53,618,071	\$ 52,446,424	\$ 50,250,941	\$ 48,114,940
Franchise fees	6,583,690	5,566,117	5,649,620	6,021,672
Special assessments	7,114	6,821	7,269	7,017
Licenses and permits	10,732,094	9,120,611	10,880,059	8,049,299
Intergovernmental	40,161,334	32,042,717	32,451,779	37,674,174
Charges for services	5,804,024	4,890,367	4,563,212	4,822,775
Charges to other funds	4,626,731	4,668,811	4,401,944	4,514,309
Fines and forfeits	2,476,967	1,498,818	1,038,032	1,874,363
Investment earnings	(4,046,393)	197,829	3,613,986	4,149,182
Miscellaneous	2,785,538	2,537,233	2,469,872	2,458,496
Total revenues	<u>122,749,170</u>	<u>112,975,748</u>	<u>115,326,714</u>	<u>117,686,227</u>
Expenditures				
Current:				
General government	19,215,252	17,833,271	19,190,238	17,523,556
Public safety	47,271,491	46,329,714	48,042,994	43,527,586
Physical environment	2,259,963	1,871,633	2,473,584	14,734,160
Transportation	5,201,064	4,883,250	5,194,547	5,328,277
Culture and recreation	8,928,532	8,434,512	8,124,039	4,291,644
Economic environment	5,969,567	6,216,994	5,862,448	5,808,579
Human services	989,124	820,202	809,455	938,906
Debt service:				
Principal	3,581,484	3,089,336	3,217,645	3,293,302
Interest	1,483,556	1,498,776	1,844,782	1,922,529
Fiscal charges	9,575	9,575	4,475	4,475
Bond issuance costs	44,000	60,945	--	--
Contributions to other Govts.	57,683	875,769	--	--
Capital outlay	16,720,670	15,473,381	19,649,818	14,861,079
Total expenditures	<u>111,731,961</u>	<u>107,397,358</u>	<u>114,414,025</u>	<u>112,234,093</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,017,209</u>	<u>5,578,390</u>	<u>912,689</u>	<u>5,452,134</u>
Other financing sources (uses)				
Transfers in	16,204,534	4,369,419	4,269,463	7,378,252
Transfers out	(18,544,488)	(7,380,634)	(5,051,318)	(8,797,313)
General obligation bonds issued	--	--	--	--
Special obligation bonds issued	10,070,000	6,869,000	--	--
Premium on bonds issued	--	--	--	--
Payment to bond escrow agent	--	(6,372,573)	--	--
Capital lease	--	--	--	--
Total other financing sources (uses)	<u>7,730,046</u>	<u>(2,514,788)</u>	<u>(781,855)</u>	<u>(1,419,061)</u>
Net change in fund balances	<u>\$ 18,747,255</u>	<u>\$ 3,063,602</u>	<u>\$ 130,834</u>	<u>\$ 4,033,073</u>
Capital outlay in functional categories	\$ --	\$ 221,206	\$ 1,640,190	\$ 601,588
Debt service as a percentage of noncapital expenditures	5.33%	5.00%	5.44%	5.39%

Fiscal Year					
2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
\$ 47,555,168	\$ 44,010,171	\$ 41,780,352	\$ 41,587,184	\$ 38,772,510	\$ 35,812,457
5,918,250	4,699,895	4,603,205	4,767,877	4,800,067	4,472,348
6,873	6,681	109,809	105,969	106,385	108,197
13,451,170	6,293,380	7,841,265	6,756,920	4,322,380	2,384,947
22,939,117	24,419,655	29,917,766	30,799,648	26,888,120	28,101,587
4,544,701	3,193,835	3,232,470	3,162,816	2,782,325	2,134,035
4,389,281	4,200,531	4,220,527	4,428,888	4,403,460	4,320,128
1,339,622	1,665,623	1,507,831	1,377,080	1,142,361	1,361,070
677,867	565,944	1,009,071	811,125	511,113	145,123
1,938,961	1,886,842	6,245,253	5,891,767	2,140,325	2,680,206
<u>102,761,010</u>	<u>90,942,557</u>	<u>100,467,549</u>	<u>99,689,274</u>	<u>85,869,046</u>	<u>81,520,098</u>
17,983,636	15,926,090	14,123,658	14,062,592	17,753,644	16,869,374
41,886,904	42,100,438	38,554,357	36,779,802	36,210,675	33,535,625
5,092,136	4,091,650	3,701,168	7,612,914	3,211,811	3,065,819
5,355,901	7,392,297	6,232,700	7,285,758	3,287,424	3,342,320
2,600,922	1,984,588	1,928,203	1,654,757	1,439,845	1,310,019
4,566,566	4,846,066	5,202,131	4,414,891	4,809,019	7,603,733
725,113	113,013	--	--	--	--
3,168,827	4,433,959	4,678,302	4,553,534	4,372,345	4,412,802
2,024,921	4,484,215	4,580,567	4,415,438	5,027,905	5,081,645
2,325	10,375	16,379	12,669	14,910	12,611
--	--	35,162	270,794	--	--
--	--	10,120	--	--	--
11,728,637	7,796,208	15,231,030	17,512,659	15,247,920	8,841,241
<u>95,135,888</u>	<u>93,178,899</u>	<u>94,293,777</u>	<u>98,575,808</u>	<u>91,375,498</u>	<u>84,075,189</u>
7,625,122	(2,236,342)	6,173,772	1,113,466	(5,506,452)	(2,555,091)
3,902,447	7,828,307	10,770,523	10,562,830	10,541,143	10,448,627
(5,586,975)	(8,122,410)	(10,966,684)	(10,334,127)	(10,133,004)	(9,784,208)
--	--	2,700,000	33,855,000	--	--
--	--	--	--	--	--
--	--	--	2,705,627	--	--
--	--	(2,700,000)	(38,346,036)	--	--
--	--	1,700,000	--	--	--
<u>(1,684,528)</u>	<u>(294,103)</u>	<u>1,503,839</u>	<u>(1,556,706)</u>	<u>408,139</u>	<u>664,419</u>
<u>\$ 5,940,594</u>	<u>\$ (2,530,445)</u>	<u>\$ 7,677,611</u>	<u>\$ (443,240)</u>	<u>\$ (5,098,313)</u>	<u>\$ (1,890,672)</u>
\$ 345,937	\$ 1,142,761	\$ 843,463	\$ 267,590	\$ 398,043	\$ 956,795
6.25%	10.59%	11.84%	11.10%	12.41%	12.78%

City of Sarasota, Florida

Assessed Value and Actual Value of Taxable Property

Last Ten Fiscal Years

(in thousands of dollars)

Fiscal Year Ended September 30,	Real Property			Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Rate
	Residential Property	Commercial Property	Industrial Property				
2022	\$ 17,684,785	\$ 3,124,803	\$ 2,885,010	\$ 591,808	\$ 9,544,506	\$ 14,741,900	3.3472
2021	11,039,793	2,579,581	2,520,322	586,880	4,898,590	11,827,986	3.4866
2020	10,661,123	2,640,927	2,546,554	545,397	5,156,816	11,237,185	3.4971
2019	10,189,373	2,543,867	2,466,794	596,366	5,298,934	10,497,466	3.5150
2018	9,547,594	2,382,464	2,305,327	553,264	5,123,221	9,665,428	3.4473
2017	8,818,572	2,215,837	2,247,349	488,201	4,972,920	8,797,039	3.4731
2016	7,996,671	1,963,939	2,051,587	474,285	4,378,328	8,108,154	3.4981
2015	7,212,002	1,821,652	1,860,914	441,444	3,740,534	7,595,478	3.5605
2014	6,552,218	1,770,405	1,814,817	412,080	3,356,200	7,193,320	3.5817
2013	5,896,420	1,792,974	1,929,774	455,505	3,199,822	6,874,851	3.3525

Source: Sarasota County Property Appraiser

Note: Property is assessed at market value. The Save Our Homes Amendment caps homesteaded property at a maximum increase in the taxable value to 3% per year.
Tax rates are per \$1,000 of assessed value.

City of Sarasota, Florida

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$1,000 of assessed value)

Fiscal Year Ended September 30,	City of Sarasota			Overlapping Rates (a)		Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Sarasota County	School Board of Sarasota County	
2022	3.1372	0.2100	3.3472	5.4510	6.7090	15.5072
2021	3.2632	0.2234	3.4866	5.4683	6.9750	15.9299
2020	3.2632	0.2339	3.4971	5.4546	6.9430	15.8947
2019	3.2632	0.2518	3.5150	5.4281	7.0030	15.9461
2018	3.1728	0.2748	3.4473	5.4457	7.2090	16.1020
2017	3.1728	0.3003	3.4731	5.4748	7.4330	16.3809
2016	3.1728	0.3253	3.4981	5.4919	7.7630	16.7530
2015	3.1728	0.3877	3.5605	5.5427	7.7770	16.8802
2014	3.1728	0.4089	3.5817	5.5587	7.9700	17.1104
2013	2.9249	0.4276	3.3525	5.5697	7.8160	16.7382

(a) Overlapping rates are those of county governments that apply to property owners within the City of Sarasota.

City of Sarasota, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2022			Fiscal Year 2013		
	Taxable Value	Rank	Percentage of Total City Taxable Value	Taxable Value	Rank	Percentage of Total City Taxable Value
Ashford Sarasota LP	\$ 107,775,635	1	0.75%			
Northland Rosemary LLC	75,881,800	2	0.53%			
BR Desota DST	68,185,100	3	0.47%			
ST ARCOS LLC	63,176,100	4	0.44%			
Rosalynne Holdings LLC	55,377,520	5	0.38%			
Ringling Apartments Sarasota LLC	43,119,120	6	0.30%			
Plymouth Harbor Inc	42,824,072	7	0.30%	32,252,342	5	0.47%
TDC Blackbird SCC LLC	39,441,600	8	0.27%			
Logan Acquisitions Corp	39,111,160	9	0.27%	29,580,714	6	0.43%
One Palm Apartment Owner LLC	37,798,000	10	0.26%			
Westfield Southgate Shoppingtown				55,091,119	1	0.81%
Florida Power & Light				47,027,079	2	0.69%
Verizon Florida Inc.				36,046,707	3	0.53%
Slab/Slab Lido				32,394,009	4	0.47%
Osprey SA, Ltd,				29,486,887	7	0.43%
Sarasota Bay Club				28,879,646	8	0.42%
Health Care Reit Inc.				25,993,292	9	0.38%
Hotel Associates of Sarasota LLC				25,249,100	10	0.37%
	<u>\$ 572,690,107</u>		<u>3.98%</u>	<u>\$ 342,000,895</u>		<u>5.00%</u>

Source: Sarasota County Property Appraiser

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

Fiscal year Ended September 30,	Taxes Levied for the Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 40,891,037	\$ 40,674,337	99.47%	\$ 80,134	\$ 40,754,471	99.67%
2021	41,050,278	39,958,636	97.34%	69,838	40,028,474	97.51%
2020	39,297,550	38,202,940	97.21%	24,015	38,226,955	97.28%
2019	36,898,592	32,061,181	86.89%	13,045	32,074,226	86.93%
2018	33,319,629	32,616,595	97.89%	63,885	32,680,480	98.08%
2017	30,552,996	29,755,565	97.39%	21,581	29,777,146	97.46%
2016	28,363,132	27,750,333	97.84%	23,366	27,773,699	97.92%
2015	27,014,101	26,402,436	97.74%	24,899	26,427,335	97.83%
2014	25,764,313	25,144,192	97.59%	25,378	25,169,570	97.69%
2013	23,047,938	22,475,994	97.52%	58,095	22,534,089	97.77%

Source: City of Sarasota Finance Department

City of Sarasota, Florida
 Base Water and Sewer Rates
 Monthly Rates for 4,000 Gallons per Month
 Last Ten Fiscal Years

Fiscal year ended September 30,	Water Rate	Sewer Rate	Total
2022	\$ 34.71	\$ 57.16	\$ 91.87
2021	33.54	55.23	88.77
2020	31.31	51.54	82.85
2019	30.24	49.81	80.05
2018	30.24	49.81	80.05
2017	30.24	49.81	80.05
2016	30.24	49.81	80.05
2015	28.53	46.99	75.52
2014	26.92	44.32	71.24
2013	25.87	42.61	68.48

Source: City of Sarasota Finance Department

Note: Rates are based on 5/8" meter, which is the standard household meter size.



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City of Sarasota, Florida

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Governmental Activities				
	General	Special	Loans	Unamortized	Purchase
	Obligation Bonds	Obligation Bonds	Payable	Premium	Agreements
2022	\$ 28,740,000	\$ 10,514,985	\$ 10,070,000	\$ 1,307,184	\$ -
2021	30,355,000	12,085,005		1,474,788	404,745
2020	31,920,000	12,507,117	--	1,650,390	797,969
2019	35,263,694	13,832,785	--	1,833,694	1,180,000
2018	36,909,405	15,095,346	--	2,024,405	576,141
2017	38,512,249	16,292,954	--	2,222,249	--
2016	40,020,114	20,740,025	--	2,425,114	--
2015	41,430,667	24,791,622	940,427	2,632,648	--
2014	40,876,336	28,479,704	1,957,127	1,770,000	--
2013	42,016,480	31,826,378	2,930,272	1,940,000	--

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

(a) Personal income and population data can be found on page 252.

Business-Type Activities

Revenue	Loans	Unamortized	Purchase	Total	Percentage	Per
Bonds	Payable	Premium	Agreements	Primary	of Personal	Capita (a)
Government	Income (a)	Capita (a)				
\$ 49,940,000	\$ 52,174,083	\$ 527,030	\$ 454,403	\$ 153,727,685	3.92%	2,721
51,805,000	32,672,974	588,475	893,788	126,880,035	3.23%	2,291
56,175,000	23,394,022	1,138,611	1,318,651	116,366,852	3.02%	2,017
59,090,000	12,454,853	1,332,280	1,729,473	121,821,332	3.31%	2,149
62,070,000	6,114,250	1,548,218	2,126,716	120,765,142	3.52%	2,163
49,500,759	--	925,759	--	104,305,962	3.23%	1,909
51,994,904	--	1,109,904	--	112,755,043	3.71%	2,093
55,344,553	--	1,314,553	--	122,507,269	4.28%	2,316
59,296,164	--	1,551,164	--	130,609,331	4.38%	2,484
62,813,590	--	1,818,590	--	139,586,720	4.78%	2,649

City of Sarasota, Florida
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal year Ended September 30,	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property (a)	Per Capita (b)
2022	\$ 30,047,184	\$ 824,281	\$ 29,222,903	0.23%	\$ 517.32
2021	31,829,788	864,240	30,965,548	0.26%	559.15
2020	33,570,390	877,436	32,692,954	0.29%	566.77
2019	35,263,694	817,835	34,445,859	0.33%	607.60
2018	36,909,405	717,169	36,192,236	0.37%	648.23
2017	38,512,249	663,153	37,849,096	0.43%	692.69
2016	40,020,114	629,576	39,390,538	0.49%	731.28
2015	41,430,667	638,162	40,792,505	0.54%	771.05
2014	40,876,336	939,869	39,936,467	0.56%	759.48
2013	42,016,480	921,944	41,094,536	0.60%	779.95

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

- (a) See page 238 for property value data.
- (b) Population data can be found on page 252

City of Sarasota, Florida

Direct and Overlapping Governmental Activities Debt

As of September 30, 2022

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percent Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping debt:			
Sarasota County Board of County Commissioners	\$ --	17.89%	(a) \$ --
City direct debt:			
General obligation bonds	30,047,184 (b)	100%	30,047,184
Special obligations bonds	10,514,985 (b)	100%	10,514,985
Loans payable	<u>10,070,000 (b)</u>	100%	10,070,000
Subtotal	<u>50,632,169</u>		<u>50,632,169</u>
Total direct and overlapping debt			<u><u>\$ 50,632,169</u></u>

(a) The percentage of overlapping debt applicable is estimated using taxable assessed property values.

(b) City of Sarasota Financial Administration Department

City of Sarasota, Florida
 Legal Debt Margin Information
 Last Ten Fiscal Years

Fiscal year Ended September 30,	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2022	\$ 1,245,671,789	\$ 30,871,465	\$ 1,214,800,324	2.48%
2021	1,182,798,733	31,219,240	1,151,579,493	2.64%
2020	1,123,718,502	32,692,954	1,091,025,548	2.91%
2019	1,049,746,553	34,445,859	1,015,300,694	3.28%
2018	966,542,845	36,192,236	930,350,609	3.74%
2017	879,703,907	37,849,096	841,854,811	4.30%
2016	810,815,400	39,390,538	771,424,862	4.86%
2015	759,547,813	40,792,505	718,755,308	5.37%
2014	719,332,000	39,936,467	679,395,533	5.55%
2013	687,485,100	41,094,536	646,390,564	5.98%

Legal Debt Margin Calculation for Fiscal Year 2022

Taxable assessed value	<u>\$ 12,456,717,891</u>
Debt limit (10% of assessed value)	<u>1,245,671,789</u>
Debt applicable to limit:	
General obligation bonds	30,047,184
Less amount set aside for repayment of general obligation bonds	<u>824,281</u>
Total net debt applicable to limit	<u>30,871,465</u>
Legal debt margin	<u><u>\$ 1,214,800,324</u></u>

Note: State Statute limits the City's outstanding general obligation debt to 10 percent of the total assessed property value.



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City of Sarasota, Florida

Pledged-Revenues Coverage

Last Ten Fiscal Years

(dollars in thousands)

Fiscal Year Ended September 30,	Net Available Revenue	Water & Sewer Bonds			2017 St Armands Paid Parking Area Revenue Bonds			
		Debt Service		Coverage	Debt Service			Coverage
		Principal	Interest		Revenues	Principal	Interest	
2022	\$ 23,726	\$ 3,888	\$ 1,017	4.84	\$ 1,078	\$ 625	\$ 493	0.96
2021	22,919	2,725	1,499	5.43	525	600	516	0.47
2020	18,961	2,440	1,560	4.74	932	580	537	0.83
2019	10,838	2,260	2,224	2.42	260	-	553	0.47
2018	16,057	2,175	2,310	3.58	260	-	231	1.13
2017	19,323	2,310	2,394	4.11	-	-	-	-
2016	17,838	3,145	2,467	3.18	-	-	-	-
2015	20,022	3,765	2,834	3.03	-	-	-	-
2014	16,445	3,250	2,863	2.69	-	-	-	-
2013	16,826	3,245	2,981	2.70	-	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest and depreciation expense.

The 1992 Special Obligation Bonds and a portion of the 2009 Special Obligation Bonds are backed by the Tax Increment Financing (TIF) revenue from the City of Sarasota and from Sarasota County.

The Infrastructure Sales Tax Bonds and a portion of the 2009 Special Obligation Bonds are backed by the One Cent Local Option Sales Tax. The final principal and interest due on the Infrastructure Sales Tax Bonds was September 1, 2009.

The 2020 Sales Tax Payment Revenue Refunding Bonds are backed by a pledge of Sales Tax payments for the certification for the major league baseball spring training facility, pursuant to Section 212.20(6)(d)7.b, Florida Statutes.

2009 Special Obligation Bonds/ 1992 Special Obligation Bonds				2009 Special Obligation Bonds/ Infrastructure Sales Tax Bonds/ 2020 Sales Tax Payment Revenue Refunding Bonds			
TIF	Debt Service		Coverage	Sales Tax	Debt Service		Coverage
Revenues	Principal	Interest		Revenues	Principal	Interest	
\$ -	\$ -	\$ -	-	\$ 12,084	\$ 1,570	\$ 301	6.46
-	-	-	-	10,170	1,131	412	6.59
-	-	-	-	8,506	1,326	829	3.95
-	-	-	-	8,792	1,263	901	4.06
-	-	-	-	8,319	1,198	970	3.84
4,772	1,432	1,983	1.40	7,732	1,139	1,036	3.55
8,539	1,382	1,890	2.61	7,552	1,086	1,100	3.45
7,791	1,335	1,803	2.48	7,306	1,035	1,155	3.34
7,267	1,289	1,715	2.42	6,677	986	1,207	3.04
6,674	1,244	1,631	2.32	6,202	943	1,255	2.82

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

Fiscal year Ended September 30,	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2022	56,494	\$ 3,918,980,864	\$ 69,376	2.6%
2021	55,386	3,925,981,224	70,884	3.7%
2020	57,683	3,857,723,674	66,878	5.2%
2019	56,692	3,677,496,656	64,868	2.8%
2018	55,832	3,434,952,136	61,523	2.9%
2017	54,641	3,224,529,333	59,013	3.4%
2016	53,865	3,039,548,085	56,429	4.6%
2015	52,905	2,864,647,035	54,147	4.5%
2014	52,584	2,979,462,024	56,661	5.2%
2013	52,689	2,920,129,758	55,422	6.5%

(a) Source: Florida Bureau of Economic and Business Research

(b) Source: Calculated (Population x Per Capita Personal Income)

(c) Source: FRED Economic Data

(d) Source: Florida Department of Economic Opportunity for City of Sarasota

City of Sarasota, Florida

Principal Employers in Sarasota County

Current Year and Nine Years Ago

Employer	2021-22			2012-13		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
SMH Health Care Inc.	8,834	1	4.50%	3,099	3	2.03%
School Board of Sarasota County	5,937	2	3.03%	4,664	1	3.05%
Publix Super Markets, Inc.	4,282	3	2.18%	1,335	5	0.87%
Sarasota County Government	3,630	4	1.85%	3,354	2	2.20%
PGT Innovations	1,992	5	1.02%	1,440	4	0.94%
Walmart	1,633	6	0.83%	-	-	-
City of Sarasota	811	7	0.41%	-	-	-
City of North Port	777	8	0.40%	-	-	-
Helios Technology	718	9	0.37%	702	8	0.46%
Target	585	10	0.30%	-	-	-
Venice Regional Bayfront Health	-	-	-	1,200	6	0.79%
FCCI Insurance Group	-	-	-	720	7	0.47%
Goodwill Industries	-	-	-	682	9	0.45%
Tervis Tumbler	-	-	-	619	10	0.41%
Total	29,199		14.89%	17,815		11.67%
Total Sarasota County Employment (a)	196,145			152,680		

Source: Florida Department of Economic Opportunity, Bureau of Workforce Statistics and Economic Research

(a) Source: Labor Market Statistics, Local Area Unemployment Statistics Program

City of Sarasota, Florida

Full-time Equivalent City Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Years			
	2021-22	2020-21	2019-20	2018-19
General Government				
City Manager's Office	4.30	4.30	6.30	6.00
Facilities Management	11.00	11.00	11.00	11.00
Development Services	15.00	15.00	15.45	14.65
Planning	14.20	17.20	11.40	11.40
Economic Development	-	-	4.60	4.60
Human Resources	10.50	9.50	10.50	10.00
Financial Administration	21.70	21.70	20.70	18.70
Accounting	-	-	-	-
City Auditor and Clerk	20.00	20.00	20.00	20.00
Non-Park Maintenance	18.30	16.30	17.33	-
Planning and Redevelopment	-	-	-	-
Urban and Design Studio	-	-	-	-
Commission Support Office	1.00	1.00	1.00	1.00
Public Information Office	2.00	2.00	2.00	2.00
Public Safety				
Police - uniform	180.00	180.00	179.00	173.00
Police - general employees	55.00	54.00	52.00	50.00
Homelessness Resonse	3.10	3.10	3.05	3.00
Code Compliance	-	-	-	-
COPS Sworn Officers	-	-	-	-
Independent Police Advisory	-	-	-	-
Physical Environment				
Parks & Landscape Maintenance	-	-	-	36.00
Transportation				
Streets & Highways	19.50	18.20	19.23	18.98
Engineering/Construction Services	12.90	13.70	14.68	13.68
Street Sweeping	-	1.35	1.35	1.35
Culture and Recreation				
Skateboard Park	-	-	-	-
Children's Fountain	-	-	-	-
Special Events/Volunteer Office	2.50	0.50	2.50	2.30
Sustainability	-	2.15	2.15	2.00
Robert L. Taylor Community Center	-	-	-	10.00
Parks and Recreation	67.20	61.67	64.17	17.00
Economic Environment				
Housing & Community Development	11.00	10.00	10.00	8.00
Building Services	40.00	40.00	38.55	33.35
Enterprise funds				
Water	81.90	81.80	72.80	79.75
Sewer	59.50	59.50	69.50	67.80
Parking Management	22.10	21.10	22.00	20.00
Bobby Jones Golf Course	-	-	-	7.00
Solid Waste Management	46.90	47.40	47.44	47.44
Municipal Auditoriums	-	3.50	4.00	4.70
Van Wezel Performing Arts Hall	20.00	20.00	20.00	19.00
Internal Service funds				
Information Technology	17.00	17.00	17.00	17.00
Public Works Equipment Maintenance	7.30	6.30	7.30	7.30
Total	763.90	759.27	767.00	738.00

City of Sarasota, Florida

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
4.00	6.00	4.00	2.50	2.75	2.50
11.00	7.00	6.00	5.00	5.00	5.00
13.65	30.60	27.40	21.15	22.75	22.75
10.40	-	-	-	-	-
4.60	-	-	-	-	-
8.00	8.00	7.00	7.00	7.00	7.00
19.70	20.00	13.50	12.50	11.50	11.50
-	-	5.50	5.50	5.50	5.50
20.00	20.00	17.00	15.00	15.00	14.00
-	-	-	-	-	-
-	-	-	-	-	-
2.00	2.00	2.00	2.00	2.00	-
1.00	1.00	1.00	1.50	1.50	1.50
2.00	2.00	1.00	0.25	-	-
169.00	162.00	160.00	158.00	166.00	175.00
49.00	48.70	48.70	47.70	42.70	44.50
3.00	1.00	1.00	2.00	-	-
-	-	-	6.35	6.35	6.35
-	3.00	3.00	3.00	-	-
0.80	-	-	-	-	-
36.00	32.43	28.43	25.43	21.43	22.43
18.98	18.38	18.38	16.38	16.38	17.73
13.68	6.25	6.25	6.25	6.25	6.25
1.35	1.35	1.35	2.35	2.35	2.00
-	-	-	-	-	-
0.20	0.20	0.20	0.20	0.20	0.20
2.30	2.00	2.00	0.80	0.80	0.80
2.00	1.00	1.00	-	-	-
10.00	9.00	7.00	7.00	6.00	5.00
3.00	3.00	2.00	-	-	-
8.00	8.00	7.00	7.80	10.00	13.00
33.35	30.90	28.10	24.20	13.90	13.90
86.55	73.75	66.75	62.50	62.01	61.76
61.00	74.50	73.50	72.75	72.24	71.99
17.00	14.00	12.00	10.00	8.00	8.00
6.80	6.80	6.80	7.80	7.80	7.80
24.44	24.34	23.34	24.09	24.09	23.84
4.70	5.00	4.00	3.20	3.20	3.20
17.00	17.00	16.00	15.00	14.00	13.00
16.00	16.00	15.00	13.00	12.00	12.00
7.30	7.00	7.00	8.00	9.00	9.00
687.80	662.20	623.20	596.20	577.70	587.50

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

Function/Program	2021-22	2020-21	2019-20	2018-19
Police				
Physical arrests	2,308	2,061	2,168	2,719
Parking violations	45,035	39,151	20,341	29,165
Traffic violations	15,244	12,692	14,219	18,634
Streets and highways				
Streets resurfaced (miles)	4	7	6	3.5
Potholes repaired	483	420	310	205
Water				
New connections	249	160	133	189
Water mains breaks	52	62	77	34
Average daily consumption (thousands of gallons)	6,922	6,876	6,421	6,238
Peak daily consumption (thousands of gallons)	8,707	8,711	7,502	8,868
Wastewater				
Average daily treatment (thousands of gallons)	6,860	7,131	6,147	6,470
Solid waste collection				
Solid waste collected (tons per day)	166	206	182	158
Recyclables collected (tons per day) (1)	15	18	15	14

Source: City of Sarasota

Notes:

Operating indicators are not available for the general government function.

(1) Residential only.

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
2,860	3,789	3,673	3,530	3,993	4,952
23,413	22,953	24,256	19,032	20,741	15,565
15,019	13,804	13,131	10,668	15,034	13,583
11	11	13	10	10	12
178	149	133	109	138	141
162	185	198	206	189	86
31	33	27	27	32	25
6,276	6,398	6,196	6,258	6,630	6,259
7,461	7,427	8,173	8,009	8,062	7,514
6,180	6,200	6,045	5,777	6,154	6,741
149	152	187	192	188	186
14	16	15	18	20	14

City of Sarasota, Florida
 Capital Assets Statistics by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Years			
	2021-22	2020-21	2019-20	2018-19
Police				
Stations	1	1	1	1
Sub-stations	2	2	2	2
Patrol units	150	148	148	161
Streets and highways				
Streets (miles)	250	250	250	250
Unpaved streets (miles)	25	25	25	25
Highways (miles)	225	225	225	225
Streetlights	7,355	7,368	7,177	7,175
Traffic signals	93	94	93	93
Water				
Water mains (miles)	328	328	328	328
Storage capacity (thousands of gallons)	10,200	10,200	10,200	10,200
Fire hydrants	1,459	1,459	1,459	1,459
Wastewater				
Sanitary sewers (miles)	326	326	326	326
Treatment capacity (thousands)	10,200	10,200	10,200	10,200
Storm sewers (miles)	68	68	68	68
Solid waste collection				
Collection trucks	36	36	36	28

Source: City of Sarasota

Note: No capital assets indicators are available for the general government function.

2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
1	1	1	1	1	1
2	2	2	2	2	3
138	106	100	100	97	105
250	250	250	250	250	250
25	25	25	25	25	25
225	225	225	225	225	225
7,172	7,745	7,745	7,745	7,275	7,213
93	93	93	92	96	97
328	328	328	328	328	328
10,200	10,200	10,200	10,200	7,000	7,000
1,459	1,459	1,388	1,388	1,388	1,388
326	326	326	326	326	326
10,200	10,200	10,200	10,200	10,200	10,200
68	68	68	68	68	68
20	20	20	20	20	20



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**Single Audit/
Grants Compliance**



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Certified Public Accountants

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

The Honorable Mayor and City Commission
City of Sarasota, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sarasota, Florida (the "City") as of and for the fiscal year ended September 30, 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 13, 2023. Our report includes a reference to other auditors who audited the financial statements of the City's General Employees' Pension Plan, the Police Officers' Plan, and the Firefighters' Pension Plan, as described in our report on the City's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Report on Internal Control over Financial Reporting

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

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

Report on Internal Control over Financial Reporting (*Continued*)

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify one deficiency in internal control described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the City in a separate letter dated March 13, 2023.

Purpose of this Report

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

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 13, 2023



Certified Public Accountants

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

The Honorable Mayor and City Commission
City of Sarasota, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and Major State Project

We have audited the compliance of the City of Sarasota, Florida (the “City”) with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) *Compliance Supplement* and the requirements described in the Department of Financial Services State Projects *Compliance Supplement* that could have a direct and material effect on each of its major federal programs and major state projects for the fiscal year ended September 30, 2022. The City’s major federal programs and state projects are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City 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 major state projects for the fiscal year ended September 30, 2022.

Basis for Opinion for 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 the City 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 the City’s compliance with the compliance requirements referred to above.

Responsibility 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 the City’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 the City'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 the City'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 the City'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 the City'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 the City'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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Report on Internal Control over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been 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 the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance

We have audited the basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 13, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purposes of additional analysis, as required by the Uniform Guidance, Chapter 69I-5, *Schedule of Expenditures of State Financial Assistance*, Rules of the Department of Financial Services, and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.


Certified Public Accountants

Tampa, Florida
March 13, 2023

CITY OF SARASOTA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2022

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ X Yes _____ None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards and State Financial Assistance

Internal control over major federal programs and state projects:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None reported

Type of auditor’s report issued on compliance for major federal programs and state projects:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 200.516 of the Uniform Guidance or Chapter 10.557, *Rules of the Auditor General*?

_____ Yes X No

Identification of Major Federal Programs and Major State Projects:

AL Number

21.027

Name of Federal Program

Coronavirus State and Local Fiscal Recovery Funds

CSFA Numbers

40.091

Name of State Project

State Housing Initiatives Partnership (SHIP) Program

Dollar threshold used to distinguish between

Type A and Type B programs:

Federal	<u>\$750,000</u>
State	<u>\$750,000</u>

Auditee qualified as low-risk auditee?

_____ X Yes _____ No

CITY OF SARASOTA, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

For the Year Ended September 30, 2022

SECTION II – FINDINGS RELATED TO THE FINANCIAL STATEMENT AUDIT, AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

2022-001 – Internal Control over Cash Reconciliation

Type of Finding – Significant Deficiency

Criteria:

Proper internal controls over cash include timely identification of differences between book and bank cash through the reconciliation process. Therefore, reconciliations should be performed on a timely basis, generally considered to be within 30 days of the end of a month.

Condition:

During our testing of cash and the related controls it came to our attention that the year end reconciliations were not being performed timely during the year and at year end. The September 2022 cash reconciliation was not completed until February 2023, and the City's reconciliation process identified an unreconciled difference.

Cause:

Staff turnover in the department specifically the retirement of a long-term employee responsible for reconciling cash contributed to delays in reconciling cash timely. In addition, the City is decentralized with over thirty locations collecting payments using various systems. This causes the bank reconciliation to be a time consuming and difficult process. Lastly, the City is implementing a new ERP system which has put additional strain on the already limited personnel resources available to investigate the cash difference.

Effect:

Bank reconciliations were not being performed timely resulting in the City having to adjust cash for the unreconciled difference as of September 30, 2022.

Recommendation:

We recommend that the City evaluate its controls over cash to ensure bank reconciliations are performed in a timely manner and consider centralizing cash receipting, where practical. We also recommend that the City cross train personnel to perform key control functions to minimize the impact of staff turnover.

Views of responsible officials and plan corrective action:

See separate letter titled City's Response to Auditor's Recommendations for the views of responsible officials and the corrective action plan.

SECTION III – FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS SECTION REPORTED IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

No matters are reported.

SECTION IV – PRIOR YEAR AUDIT FINDINGS

2021-001 – Special Assessment Capital Contributions – Fully Resolved

City of Sarasota, Florida
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Year Ended September 30, 2022

Federal/State Agency Federal Program/State Project	AL/CSFA Number	Contract/Grant Number	Expenditures	Program Total
FEDERAL AWARDS				
Department of Housing and Urban Development				
Entitlement Grants Cluster				
Community Development Block Grant	14.218	B-19-MC-120018	\$ 379,064	
Community Development Block Grant	14.218	B-20-MC-120018	279,515	
Community Development Block Grant	14.218	B-21-MC-120018	144,859	803,438
Neighborhood Stabilization Program 2	14.218	B-09-CN-FL-0018	4,181	
Neighborhood Stabilization Program 3	14.218	B-11-MN-12-0036	13,065	17,246
HOME Investment Partnerships Program	14.239	M-16-DC-120219	50,401	
HOME Investment Partnerships Program	14.239	M-17-DC-120219	23,513	
HOME Investment Partnerships Program	14.239	M-18-DC-120219	302,591	
HOME Investment Partnerships Program	14.239	M-19-DC-120219	53,842	
HOME Investment Partnerships Program	14.239	M-20-DC-120219	126,484	
HOME Investment Partnerships Program	14.239	M-21-DC-120219	6,361	563,192
Total Dept. of Housing and Urban Development			1,383,876	
Department of Justice				
Bulletproof Vest Partnership	16.607	2019-BU-BX-19097586	4,426	
Bulletproof Vest Partnership	16.607	2020-BU-BX-20021681	5,081	9,507
Coronavirus Emergency Supplemental Funding	16.034	2020-VD-BX-0682	14,934	
Edward Byrne Justice Assistance	16.738	2020-DJ-BX-0557	7,027	
Passed through the Florida Attorney General Victims of Crime Act	16.575	D-00635	74,519	
Total Department of Justice			105,987	
Department of Transportation				
Federal Highway Administration				
Passed through Florida Dept. of Transportation:				
High Visibility Enforcement	20.205	433144-1-8404 #G1X15	14,679	
Speed & Aggressive Driving	20.205	SC-2022-00183 #G2135	42,819	
Workzone Safety	20.205	RS-2022-00185 #G2271	40,361	
Total Department of Transportation			97,859	
Department of Treasury				
Passed through Florida Housing Finance Corp				
Coronavirus Relief Funds	21.019	B-20-MW-120018	254,171	
Passed through Sarasota County				
State and Local Fiscal Recovery Funds	20.027	Not Applicable	2,835,792	
Total Department of Treasury			3,089,963	
Department of Homeland Security				
Federal Emergency Management Agency				
Passed through Florida Division of Emergency Management				
Public Assistance Program				
Hazard Mitigation Grant Program	97.039	H0436	152,225	
Hazard Mitigation Grant Program	97.039	H0389	159,525	311,750
Total Department of Homeland Security			311,750	
Small Business Administration				
Passed through Van Wezel Foundation				
Shuttered Venues Operating Grant (SVOG)	59.075	SBAHQ21SV001549	3,896,550	
Total Expenditures of Federal Awards			\$ 8,885,985	

The accompanying notes to the SEFASFA are an integral part of this statement.

City of Sarasota, Florida
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Year Ended September 30, 2022

Federal/State Agency Federal Program/State Project	AL/CSFA Number	Contract/Grant Number		Program Total
<u>STATE FINANCIAL ASSISTANCE</u>				
Florida Department of Environmental Protection				
Florida Beach Erosion Control Program	37.003	20ST1	\$ 2,613	
Florida Beach Erosion Control Program	37.003	22ST1	20,818	
Florida Beach Erosion Control Program	37.003	22ST2	14,244	37,675
State Water-quality Assistance Grant	N/A	NS085	328,125	
State Revolving Fund				
Drinking Water Construction*	37.076	DW580240	24,219	
Waste Water Construction**	37.077	WW580230	357,754	
Total Florida Department of Environmental Protection			<u>747,773</u>	
Florida Department of Community Affairs				
Florida Housing Finance Agency				
State Housing Initiative Partnership	40.901	Not Applicable	<u>2,986,598</u>	
Florida Department of State				
Van Wezel Performing Arts Hall				
General Program Support	45.061	21.c.ps.180.231	<u>78,882</u>	
Florida Department of Transportation				
Beautification Grant	55.003	#G2183	<u>100,000</u>	
Florida Department of Revenue				
Retained Spring Training Facility	40.040	Not Applicable	<u>500,004</u>	
Total Expenditures of State Financial Assistance			<u>\$ 4,413,257</u>	
Total Expenditures of Federal Awards and State Financial Assistance			<u>\$ 13,299,242</u>	

*Value of new loans plus the balance of prior year loans:
\$31,390,791 in total as of 09/30/22

**Value of new loans plus the balance of prior year loans:
\$1,551,000 in total as of 09/30/22

The accompanying notes to the SEFASFA are an integral part of this statement.

City of Sarasota, Florida
Notes to Schedule of Expenditures of Federal
Awards and State Financial Assistance
September 30, 2022

1. Summary of Significant Accounting Policies:

The accounting policies and presentation of the Single Audit Report of the City of Sarasota, Florida have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) (federal awards), and Chapter 10.550, *Rules of the Auditor General* of the State of Florida.

A. Reporting Entity - The Audits of States, Local Governments, and Non-Profit Organizations and the Uniform Guidance set forth the audit and reporting requirements for federal awards, Chapter 69 I-5 sets forth the requirements for state financial assistance. The City of Sarasota included schedules of both federal and state financial assistance in the Single Audit section. Financial assistance received directly from the State of Florida is included to satisfy the audit requirements of the State of Florida grantor agencies.

B. Basis of Accounting - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards and State Financial Assistance. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related liability is incurred. In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. In some financial assistance programs where monies must be expended on the specific purpose or project before any amounts will be paid to the City of Sarasota, revenues are recognized based upon the expenditures recorded.

2. Contingencies:

Grant monies received and disbursed by the City of Sarasota are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City of Sarasota does not believe that such disallowances, if any, would have a material effect on the financial position of the City. As of September 30, 2022, there were no material questioned or disallowed costs as a result of grant audits in process or completed.

3. The auditee did not use the de minimis cost rate.



INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor and City Commission
City of Sarasota, Florida

We have examined the compliance of the City of Sarasota, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 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 those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

We are required to be independent 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 fiscal year ended September 30, 2022.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 13, 2023



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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Mayor and City Commission
City of Sarasota, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Sarasota, Florida (the "City") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 13, 2023. Our report also includes a reference to other auditors, who audited the financial statements of the City's General Employees', Police Officers', and Firefighters' Pension Plans, as described in our report on the City's financial statements.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Title 2 U.S. Code of Federal Regulations, *Cost Principles, and Audit Requirements of Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance in Accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 13, 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 findings and recommendations made in the preceding annual financial audit report. The following finding was disclosed in the 2019, 2020 and 2021 audit report: Finding 2021-002 was fully resolved in the current year.

2019-1 Financial Reporting – Period End Closing Routine

Criteria:

A year end closing process is needed to prepare timely and accurate financial reports.

Condition:

There were numerous post year end client adjustments to clean up areas not fully reconciled during the year.

Cause:

We attribute these conditions to the following items:

- Recent key accounting, budget, and other department employee retirements with some positions open for an extended period of time and some filled by less experienced personnel not familiar with City operations and activity.
- The City's complex fund and sub fund structure requiring additional time for new employees to learn, master and consolidate for financial reporting.
- Rapid City-wide growth, economic activity and the wide variety of special projects requiring special accounting attention.
- Only partial execution of a period end closing routine to identify all key accounting areas, responsibilities and reconciliation procedures to ensure accurate recording, reconciliation and timely reporting.
- Minimal accounting department communication and oversight with departments having decentralized accounting functions for grants such as Housing and Community Development and Public Works.

Effect:

The closing of the City's books with all appropriate accounting adjustments necessary to financially report in accordance with accounting principles generally accepted in the United States of America was delayed and not complete for some areas resulting in several audit adjustments.

Recommendation:

We recommend that the City look into additional targeted training for newer accounting staff and develop comprehensive period end accounting closing routines that identify all key areas, who is responsible for them and all steps necessary for proper recording, reconciliation and financial reporting with appropriate follow-up and review. Also, it is our understanding that the City is considering acquiring new accounting software in the near future. We recommend that the City review and consolidate the number of sub funds contained in the accounting structure at that time or sooner to simplify this area.

Current Year Status:

The City has experienced turnover in the finance department in previous years and is currently in the process of training new staff. The City is also implementing a new ERP system which put additional strain on the already limited personnel resources resulting in delays and audit adjustments.

Views of responsible officials and plan corrective action:

See separate letter titled City's Response to Auditor's Recommendations for the views of responsible officials and the corrective action plan.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, see finding 2022-001 reported in the Schedule of Findings and Questioned Costs.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, see Attachment A for required information on the dependent special district's that are included in the reporting entity. The information in Attachment A has not been subject to auditing procedures, therefore no assurance is given on the provided information.

Additional Matters

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

Purpose of this Letter

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

Certified Public Accountant
Tampa, Florida
March 13, 2023
MSL, P.A.

Attachment A

Special District Component Units - Reporting Requirements				
As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General				
	Blended Component Units		Discretely Presented Component Units	
	Golden Gate Point Streetscape	City of Sarasota Community Redevelopment Agency	Downtown Improvement District	St. Armands Business Improvement District
Reporting Requirements from Section 218.39 (3)(b), Florida Statutes				
The total number of district employees compensated in the last pay period of the district's fiscal year as of September 30, 2022.	N/A	N/A	N/A	N/A
The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as of September 30, 2022.	N/A	2	N/A	N/A
All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as of September 30, 2022.	N/A	\$ -	N/A	N/A
All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as of September 30, 2022.	N/A	\$ 11,529	N/A	N/A
Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as of September 30, 2022 (provide list).	N/A	See separately issued CRA statements for the list of projects.	N/A	N/A
A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as of September 30, 2022.	Refer to page 165 of the ACFR, Budgetary Comparison	Refer to page 45 of the ACFR, Budgetary Comparison	Refer to page 126 of the ACFR, Budgetary Comparison	Refer to page 125 of the ACFR, Budgetary Comparison



April 17, 2023

City of Sarasota
Financial Administration
1565 1st Street
Sarasota, FL 34236

City's Response to Auditor's Recommendations

2022-001 Internal Control over Cash Reconciliation

We concur with the auditor's comments and recommendations. The City is evaluating internal controls to ensure that bank reconciliations are performed in a timely manner. With the opening of the new One-Stop Shop, a determination will be made concerning centralizing City cash receipting, as appropriate. Until then, Finance staff as well as decentralized cash receipt staff will be monitored for timely reconciliations to City cash receipting systems. The new accounting system, WORKDAY, will also streamline the processing cash receipts for increased timeliness and accuracy. Finance staff will be cross-trained for completing the reconciliation process, as well as other accounting tasks.

2019-1 Financial Reporting – Period End

We concur with the auditor's comments and recommendations. Although this has been an auditor comment for the past three years, the City's Finance division continues to improve upon the closing process. In previous years there was a lack of staff to meet the needs for the tasks assigned. However, as the COVID-19 pandemic plateaus, the office is fully staffed. Although staff are relatively new to governmental accounting, additional training and planning is taking place. With the implementation of a new accounting system, WORKDAY, comprehensive period end accounting closing routines in all key areas are being established for ease of reporting and appropriate follow-up and review.

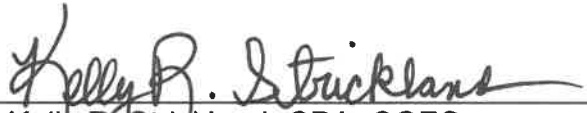
Sincerely,

Kelly R. Strickland, CPA, CGFO
Finance Director

AFFIDAVIT OF IMPACT FEE COMPLIANCE

BEFORE ME, the undersigned authority, personally appeared Kelly R. Strickland, who being duly sworn, deposes and says on oath that:

1. I am the Director of Financial Administration of City of Sarasota which is a district school board of the State of Florida;
2. The City of Sarasota, Florida adopted Ordinance No. 14-5090 implementing an impact fee; and
3. The City of Sarasota, Florida has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.




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

STATE OF FLORIDA
COUNTY OF SARASOTA

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Kelly R. Strickland, whom I know personally and whom executed the foregoing instrument and acknowledged before me that he executed the same.

WITNESS my hand and official seal in the County and State last aforesaid this 17th day of March 2023.





NOTARY PUBLIC
State of Florida at Large