

CITY OF ST. CLOUD, FLORIDA ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2022



ANNUAL
COMPREHENSIVE FINANCIAL REPORT
OF THE
CITY OF ST. CLOUD, FLORIDA
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2022

PREPARED BY THE
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INTRODUCTORY SECTION

**CITY OF ST. CLOUD, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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CITY OF ST. CLOUD, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT YEAR ENDED SEPTEMBER 30, 2022

LISTING OF CITY OFFICIALS

ELECTED AND APPOINTED OFFICIALS

Mayor

Nathan Blackwell

Deputy Mayor

Linette Matheny

Council Member

David C. Askew

Council Member

Keith F. Trace

Council Member

Kolby Urban

City Manager

Veronica Miller

DEPARTMENTAL OFFICIALS

Assistant City Manager

David Tomek

Finance Director

Wendy C. Collazo

Information Technology Director

Roberto Smith

City Clerk

Ivy de la Cruz

Human Resources Director

Justin Kluesner

Fire Chief

Jason Miller

Community Development Director

Melissa Dunklin

Building Director

Robert A. Deatherage

Parks and Recreation Director

Stephanie Holtkamp

Procurement Services Director

Leslie Flores

Public Safety Administrator and Chief of Police

Doug Goerke

Public Works Director

Kevin Felblinger



May 08, 2023

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

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It is my pleasure to present the Annual Financial Report (AFR) for the fiscal year ended September 30, 2022. State law, in accordance with the Florida Statutes 166.241; Chapter 10.500, Rules of the Auditor General, and Section 3.12 of the City Charter, requires that every general-purpose local government publish within six months of the close of each fiscal year or receive an extension for a complete set of audited financial statements.

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

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

Purvis Gray and Company, LLP has issued an unmodified opinion on the City of St. Cloud's financial statements for the fiscal year ended September 30, 2022. GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction.

Profile of the Government

The City of St. Cloud, incorporated in 1911, is located in the southeastern central part of Central Florida, which is considered to be part of the Orlando-Kissimmee-Sanford metropolitan area. The City currently occupies 29.45 square miles and serves a population of 61,331 based on 2022 estimates from the University of Florida Bureau of Economic and Business Research (BEBR).

The City of St. Cloud is empowered to levy a property tax on both real and personal property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

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

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

In addition to general government activities, certain services are provided through separate enterprise funds and the City Council governs their operations, in essence, as departments of the City of St. Cloud. The enterprise operations of the city are: water, sewer collection and treatment, stormwater, refuse collection and transfer station operations, and therefore are an integral part of the City of St. Cloud's financial statements. Management of the Water and Sewer functions were transferred to TOHO Water Authority on October 1, 2022. New impact fee funds were established, beginning October 1, 2018, to separately account for impact fees generated from increased growth related to water and wastewater capacity. The City of St. Cloud Council members serve as the Board of Directors of the Stevens Plantation Improvement Project Dependent Special District (DSD). As the DSD's Board of Directors, they are financially accountable for the district, which is reported as a blended component unit within the City of St. Cloud's financial statements. Additional information on the Steven's DSD can be found in the notes to the financial statements (Note 1.)

Profile of the Government (continued)

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

Local Economy

The City of St. Cloud's economy continues to improve at a rapid rate. Housing starts (new homes for which construction has begun) serves as an economic indicator within the City's service

area. The strong positive contribution from property taxes combined with existing values results both from market conditions and current property tax law. Some of the market value increase is a result of larger single-family homes (in terms of square footage) and increases in land costs. In addition, the median home cost in St. Cloud is approximately \$360,000. Home appreciation over the last 10 years has been 10%+ annually. In fiscal year 2022, 1,130 new home permits were issued. New business tax receipts for the same time period also had an increase evidencing the upswing in new business establishments in the City.

Another economic indicator is the labor market. Unemployment rates for Osceola County were as high as 29.0% in May 2020, due to COVID-19, and are now back down to 2.8% in December 2022 per St. Louis Fed. (FRED) which also reported that St. Cloud's per-capita income is \$43,354; the median household income is \$68,296 which is an 8.3% increase from last year.

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

Long-term Financial Planning

The City aggressively seeks out Federal, State, and other operating and capital grants to leverage fund balances by reducing the amount of direct city funding for various programs. Highlights of grants received for fiscal year 2022 include: The COPS Hiring Program (CHP) and a Ballistic Vest Grant. The City also received approximately \$4.3M in American Rescue Plan Act funding during this fiscal year for a total of over \$8.6M since May 2021. Capital and operating grant totals by function, which include impact fees, can be found in the Statement of Activities of this Annual Financial Report.

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

Major Initiatives

Economic Development continues to be a major focus for the City due to the availability of land and the current positive economic conditions present in every aspect of City business. In support of this, the Community Development Department implemented the Community Development Block Grant program, developed the Medical Arts Campus Master Plan, and expanded the Downtown Entertainment District.

The City completed the planning of the transfer of the operating and management of the Water Utility and Sewer Utility to TOHO Water Authority. The transition began in October 2022.

Construction of the City Hall Atrium began during the fiscal year. This addition is nearly 10,000 square feet of additional space primarily for Building Department staff. The \$4.1M+ total cost was jointly shared by the Building Fund and General Fund based upon square footage utilization.

The Downtown Revitalization Project began during the fiscal year. This nearly \$11.8M project is funded jointly by the Community Redevelopment Agency (CRA), Mobility Impact Fees, the Water Fund, the Sewer Fund as well as a General Fund contribution. This project includes water and sewer improvements as well as sidewalk and street improvements in the downtown area.

The City continued with its' plan to update the aging vehicles, equipment, and infrastructure. A total of \$4.5M+ was budgeted for these items for fiscal year 2021/2022.


Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Cloud for its Annual Financial Report (AFR) for the fiscal year ended September 30, 2021. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized AFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current 2022 AFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,

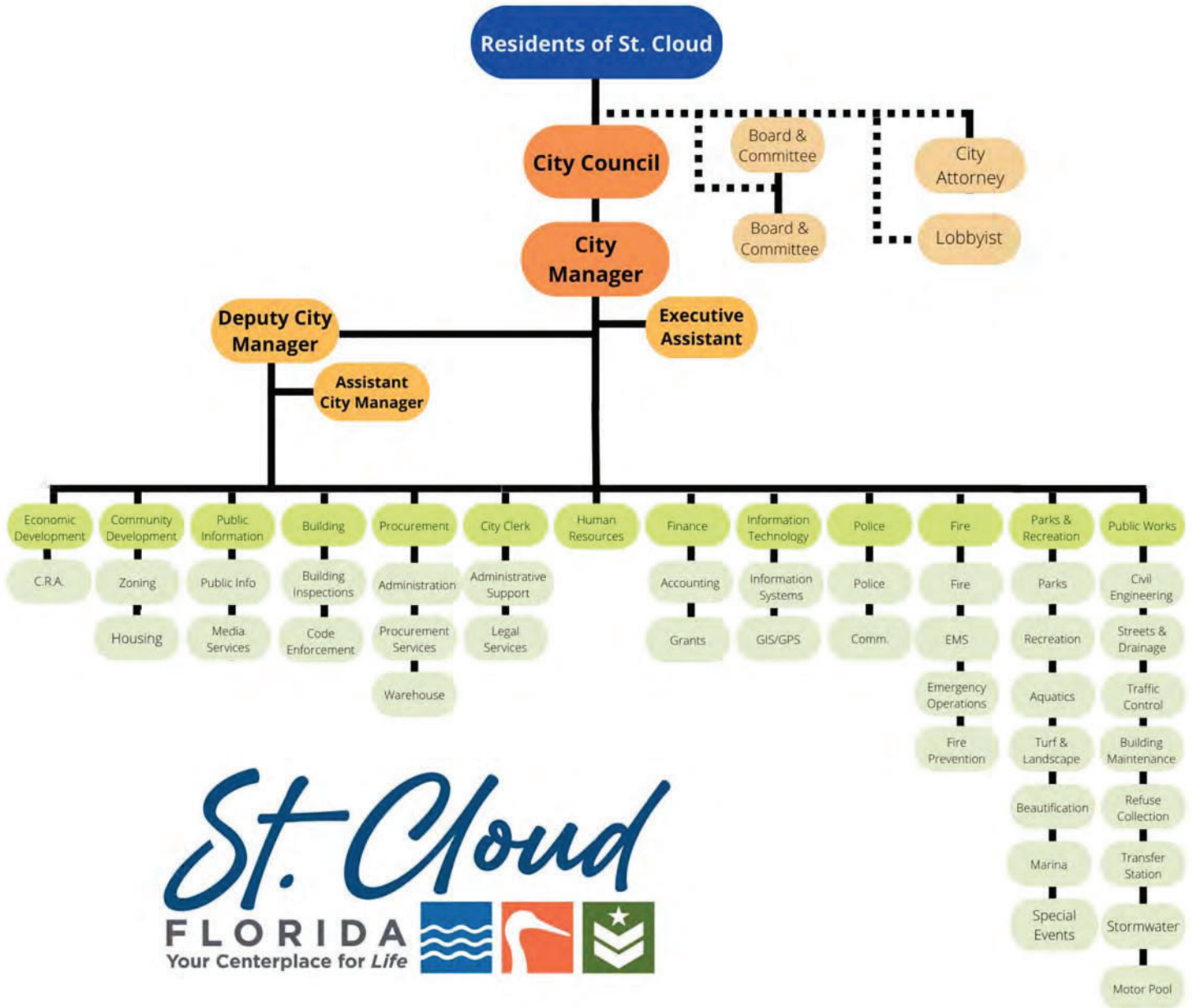

Veronica Miller,

City Manager


Jeffrey M. Cooper, CGFO

Interim Finance Director

CITY OF ST. CLOUD ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of St. Cloud
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

This Section Contains The Following Subsections:

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

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, 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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and 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 opinions.

Emphasis of a Matter

As described in Note 1 to the financial statements, in 2022, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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 the financial statements that are free from material misstatement, whether due to fraud or error.

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An Independent Member of the BDO Alliance USA

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

INDEPENDENT AUDITOR'S REPORT

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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, major fund budgetary comparison schedules, the Schedule of Change in Other Postemployment Benefit Liability and Related Ratios, the Schedules of Changes in the Employers' Net

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

INDEPENDENT AUDITOR'S REPORT

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual non-major fund financial statements and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic 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 basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic 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 statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 8, 2023, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



May 8, 2023
Ocala, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section in the Annual Comprehensive Financial Report has been developed in accordance with Governmental Accounting Standards Board (GASB) Statement Number 34 (GASB 34). It is intended to provide the readers of this report with a general overview and analysis of the financial activities of the City of St. Cloud, Florida (the City) for the fiscal year ended September 30, 2022.

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

Financial Highlights

The City is in good financial condition. For the year ended September 30, 2022:

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$523.2 million (net position). Of this amount, \$187.8 million was from governmental activities and \$335.4 million was from business-type activities.
- Unrestricted net positions for governmental and business activities, respectively, were \$7.5 and \$18.2 million.
- The City's revenues for governmental funds, excluding transfers, were \$72.4 million. The expenditures for governmental funds were \$66.8 million.
- The business-type activities of the City had total operating revenues of \$57.7 million and total expenses of \$55.9 million before transfers.
- At the close of fiscal year 2021-2022, the governmental funds reported combined ending fund balances of \$84.3 million, an increase of \$12.3 million in comparison with the prior fiscal year. Approximately \$10.0 million or 11.9% of this total amount is available for spending at the government's discretion (*unassigned fund balance*).
- The City's long-term debt decreased by \$7.1 million. Business-type activities long term debt decreased by \$4.2 million. Long-term liabilities for governmental activities decreased by \$2.9 million.

Overview of the Financial Statements

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

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

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

The Basic Financial Statements include:

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

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

Government-Wide Financial Statements

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

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

- Net Investment in Capital Assets
- Restricted
- Unrestricted

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

Fund Financial Statements

The fund financial statements follow the government-wide financial statements and are expanded under the GASB 34 reporting model. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City categorizes funds into three basic fund types: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

Proprietary Funds

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

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

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

Fiduciary Funds

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

Notes to Financial Statements

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

Other Information

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

Government-Wide Financial Analysis

Net Position

The statement of net position and the concept of net position are useful indicators of a governmental entity's financial health and stability. In the case of the City, total assets (current and capital) plus deferred outflows of resources exceeds total liabilities (current and long-term) and deferred inflows of resources by \$523.2 million.

Furthermore, the City has combined positive balances in all the categories of net position - net investment in capital assets, restricted and unrestricted. The City's combined net position increased by \$44.9 million from the amounts previously reported at the end of fiscal year 2021. Governmental activities are responsible for an increase of \$20.6 million, while the business-type activities are responsible for an increase of \$24.3 million. In *Governmental Activities Funds*, the unrestricted net position increased by \$4.7 million. The *Business-Type Activities Funds* unrestricted net position decreased by \$1.3 million, though the restricted net position increased by \$14.9 million due to the increase in impact fees. The growth in the local economic activity and positive financial results has allowed the City to increase positive balances in nearly all categories of net position.

The following schedule provides a comparative summary of net position for the City for fiscal years 2021 and 2022. For more detail, see the statement of net position in the Basic Financial Section of this report immediately following this MD&A.

City of St. Cloud's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2022	2021	2022	2021	2022
Current and Other Assets	\$ 81,572,773	\$ 102,270,713	\$ 110,727,763	\$ 125,705,057	\$ 192,300,536	\$ 227,975,770
Capital Assets	140,649,757	150,727,575	246,106,728	252,500,006	386,756,485	403,227,581
Net Pension Asset	3,873,584	-	3,494,845	-	7,368,429	-
Unamortized Bond Insurance Cost	136,854	117,379	-	-	136,854	117,379
Total Assets	<u>226,232,968</u>	<u>253,115,667</u>	<u>360,329,336</u>	<u>378,205,063</u>	<u>586,562,304</u>	<u>631,320,730</u>
Deferred Outflows	8,940,092	23,159,107	1,552,632	5,443,159	10,492,724	28,602,266
Long-Term Liabilities	51,663,210	66,628,965	39,673,464	39,563,387	91,336,674	106,192,352
Other liabilities	7,962,650	13,430,687	8,240,054	5,208,200	16,202,704	18,638,887
Total Liabilities	<u>59,625,860</u>	<u>80,059,652</u>	<u>47,913,518</u>	<u>44,771,587</u>	<u>107,539,378</u>	<u>124,831,239</u>
Deferred Inflows	8,351,316	8,389,338	2,832,223	3,489,541	11,183,539	11,878,879
Net Position:						
Net Investment in Capital Assets	106,853,944	114,724,271	213,749,760	224,324,491	320,603,704	339,048,762
Restricted	57,561,348	65,587,576	77,918,749	92,852,290	135,480,097	158,439,866
Unrestricted	2,780,592	7,513,937	19,467,718	18,210,313	22,248,310	25,724,250
Total Net Position	<u>\$ 167,195,884</u>	<u>\$ 187,825,784</u>	<u>\$ 311,136,227</u>	<u>\$ 335,387,094</u>	<u>\$ 478,332,111</u>	<u>\$ 523,212,878</u>

By far the largest portion of the City's net position is *investment in capital assets* (less any related outstanding debt used to acquire those assets). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment

MANAGEMENT'S DISCUSSION AND ANALYSIS

in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate debt.

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

The statement of activities reconciles and links net position to the sources of changes in net position. Program revenues and expenses are presented by function and with their positive or negative effect on net position. General revenues and transfers, and their effect on net position, are shown separately. The statement of activities combines the effects of all revenues, expenses, and transfers to calculate net position by governmental activities, business-type activities, and in total. The schedule below provides a comparative summary of activities and the changes in net position for the City for the fiscal years ended September 30, 2021 and 2022.

City of St. Cloud's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2022	2021	2022	2021	2022
Revenues:						
Program Revenue:						
Charges for Services	\$ 16,178,746	\$ 18,741,965	\$ 58,988,114	\$ 57,691,500	\$ 75,166,860	\$ 76,433,465
Operating Grants and Contributions	1,150,625	6,180,537	-	-	1,150,625	6,180,537
Capital Grants and Contributions	18,909,074	17,543,641	34,579,356	32,798,689	53,488,430	50,342,330
General Revenues:						
Property Taxes	13,576,178	15,206,047	-	-	13,576,178	15,206,047
Other Taxes	18,023,993	22,065,315	-	-	18,023,993	22,065,315
Other Revenues	833,293	(2,684,602)	674,141	(3,760,414)	1,507,434	(6,445,016)
Total Revenues	68,671,909	77,052,903	94,241,611	86,729,775	162,913,520	163,782,678
Expenses:						
General Government	8,804,811	11,576,595	-	-	8,804,811	11,576,595
Public Safety	30,294,503	33,002,243	-	-	30,294,503	33,002,243
Transportation	9,201,916	7,348,769	-	-	9,201,916	7,348,769
Parks and Recreation	6,001,879	7,192,060	-	-	6,001,879	7,192,060
Other Operating	1,109,065	1,546,235	-	-	1,109,065	1,546,235
Electric System	145,079	97,846	-	-	145,079	97,846
Interest and Fees	1,081,340	1,118,271	-	-	1,081,340	1,118,271
Water Utility	-	-	13,610,524	16,777,150	13,610,524	16,777,150
Sewer Utility	-	-	13,081,821	15,850,928	13,081,821	15,850,928
Sanitation Utility	-	-	10,601,755	14,128,830	10,601,755	14,128,830
Stormwater Utility	-	-	2,500,567	2,688,276	2,500,567	2,688,276
Special District	-	-	8,927,518	4,286,449	8,927,518	4,286,449
Building Department	-	-	2,967,520	3,288,259	2,967,520	3,288,259
Total Expenses	56,638,593	61,882,019	51,689,705	57,019,892	108,328,298	118,901,911
Increase in Net Position						
Before Transfers	12,033,316	15,170,884	42,551,906	29,709,883	54,585,222	44,880,767
Transfers	1,943,148	5,459,016	(1,943,148)	(5,459,016)	-	-
Changes in Net Position	13,976,464	20,629,900	40,608,758	24,250,867	54,585,222	44,880,767
Net Position - Beginning	153,219,420	167,195,884	270,527,469	311,136,227	423,746,889	478,332,111
Net Position - Ending	\$ 167,195,884	\$ 187,825,784	\$ 311,136,227	\$ 335,387,094	\$ 478,332,111	\$ 523,212,878

Governmental Activities

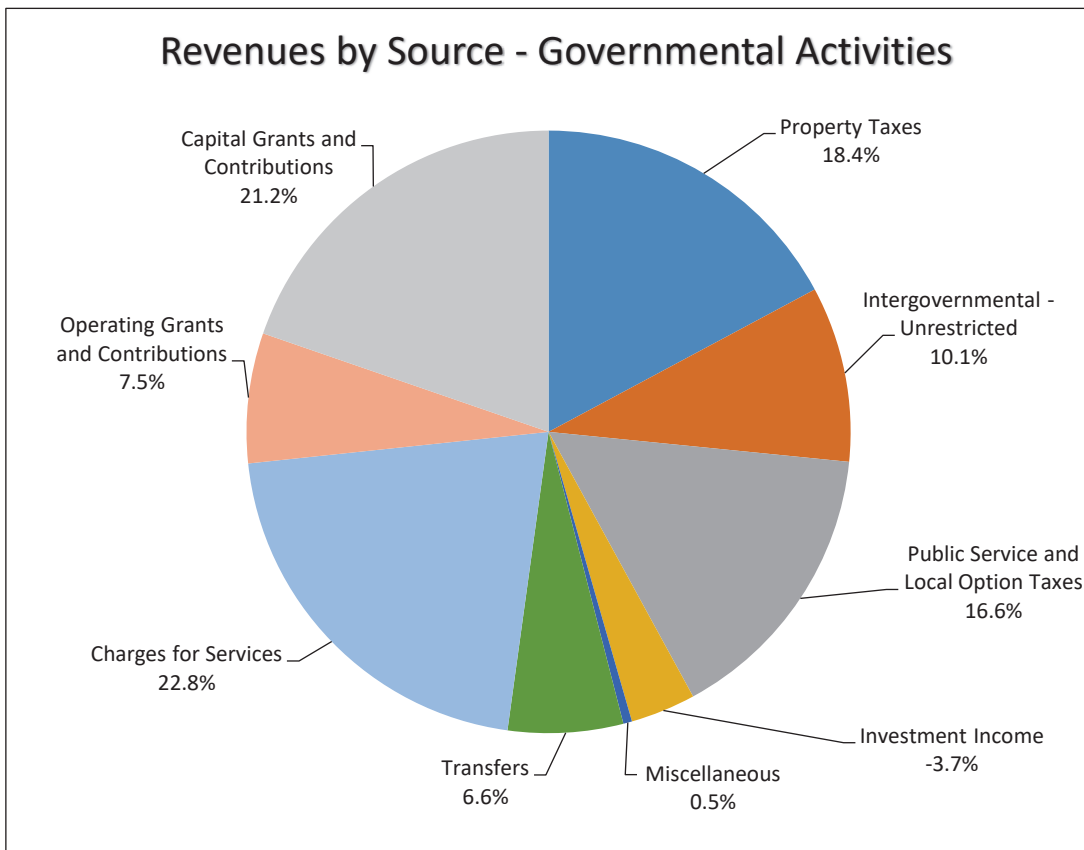
Net position of the City's governmental-type activities increased by \$20.6 million from the amounts previously reported at the end of fiscal year 2021. The primary reason for the increase is continual improvement in economic activity throughout the Metropolitan area. Please see notes to financial statements for further information.

MANAGEMENT'S DISCUSSION AND ANALYSIS

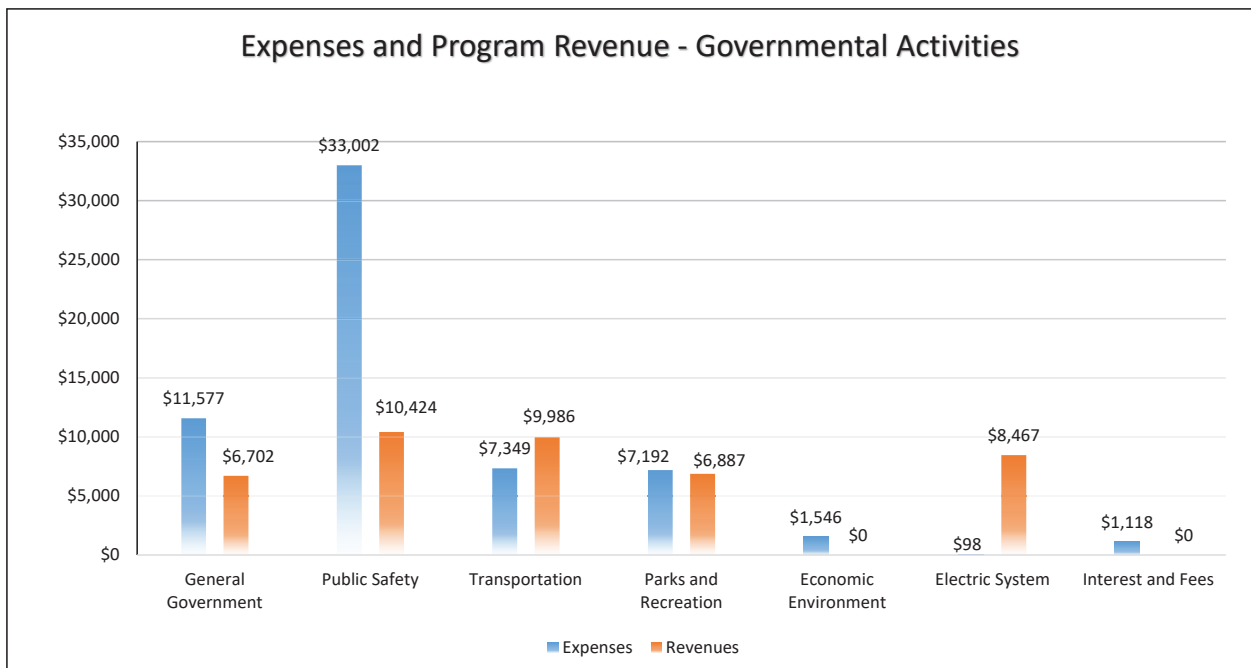
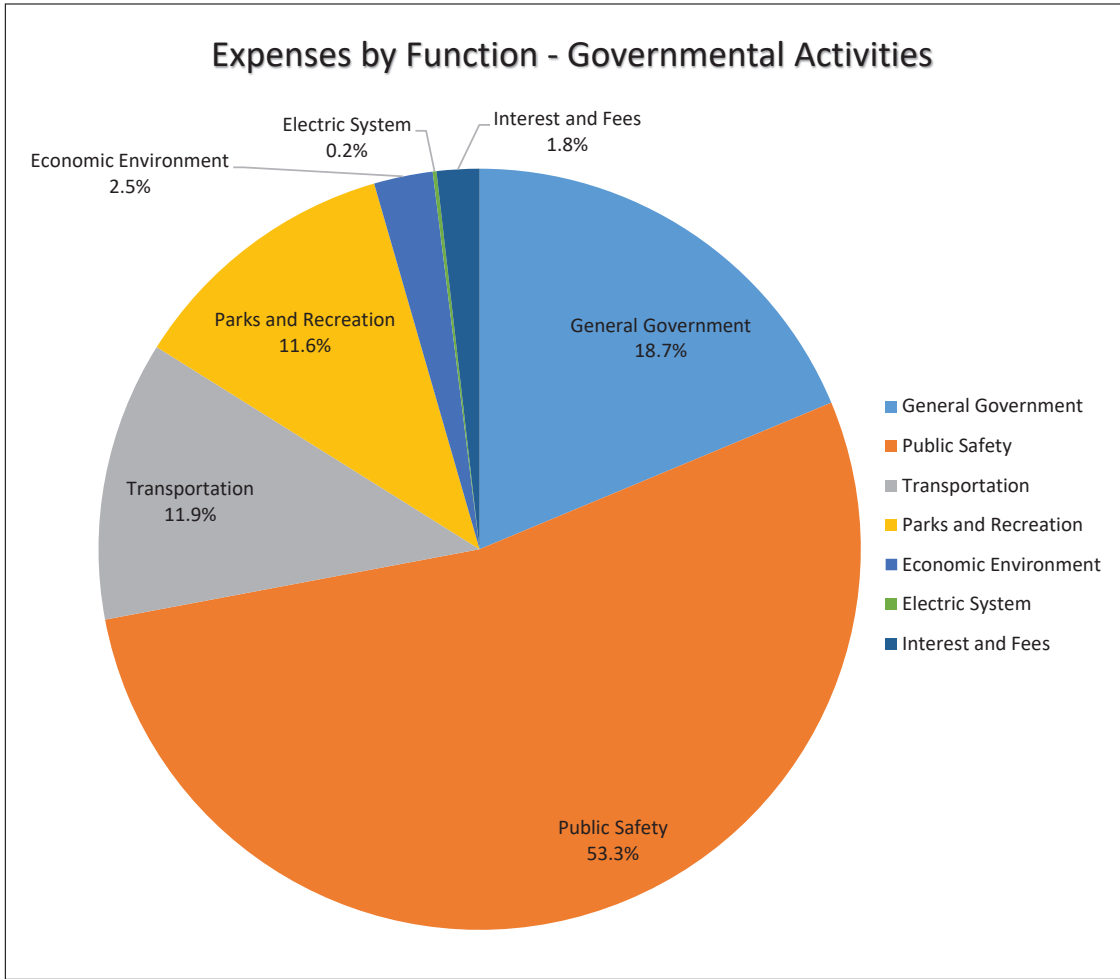
The City's major revenue sources, including property taxes, sales tax, and intergovernmental sources increased from 2021 to 2022. The Orlando Metropolitan Area continues to be one of the fastest growing regions in the United States and more so residential growth versus commercial is occurring within the City limits.

The majority of Governmental Activities revenues and expenses experienced moderate increases. The City obtained funding to facilitate the ongoing recovery from the COVID-19 pandemic from the U.S. Department of Treasury through the *American Rescue Plan Act (ARPA)*, reporting a major increase from 2021 to 2022 of \$5.0 million in the operating grants and contributions revenues. However, the City reported a decrease from 2021 to 2022 of \$3.5 million in Other Revenues - Investment Income due to negative market adjustments, the result of interest rate hikes.

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



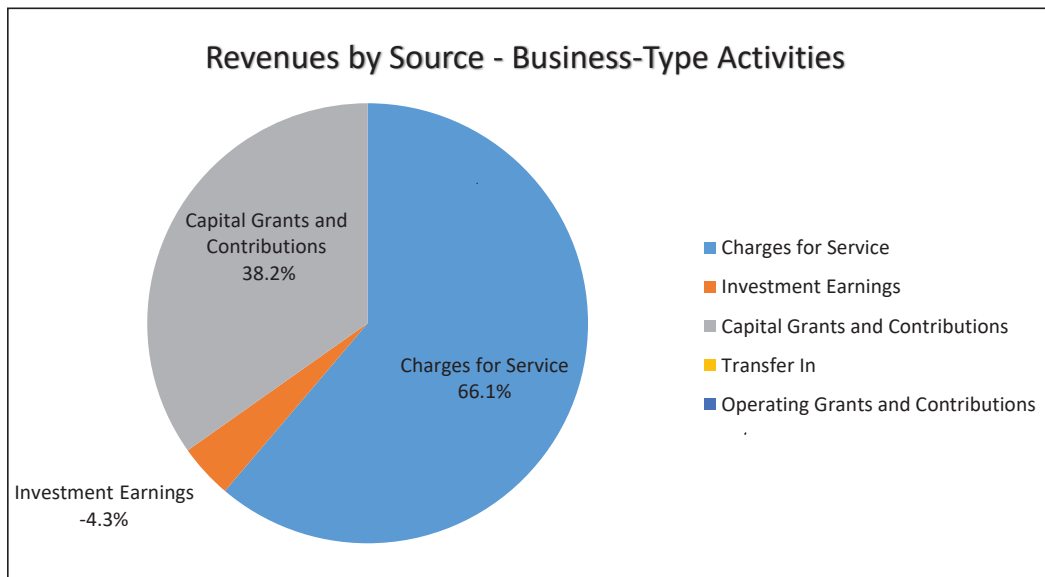
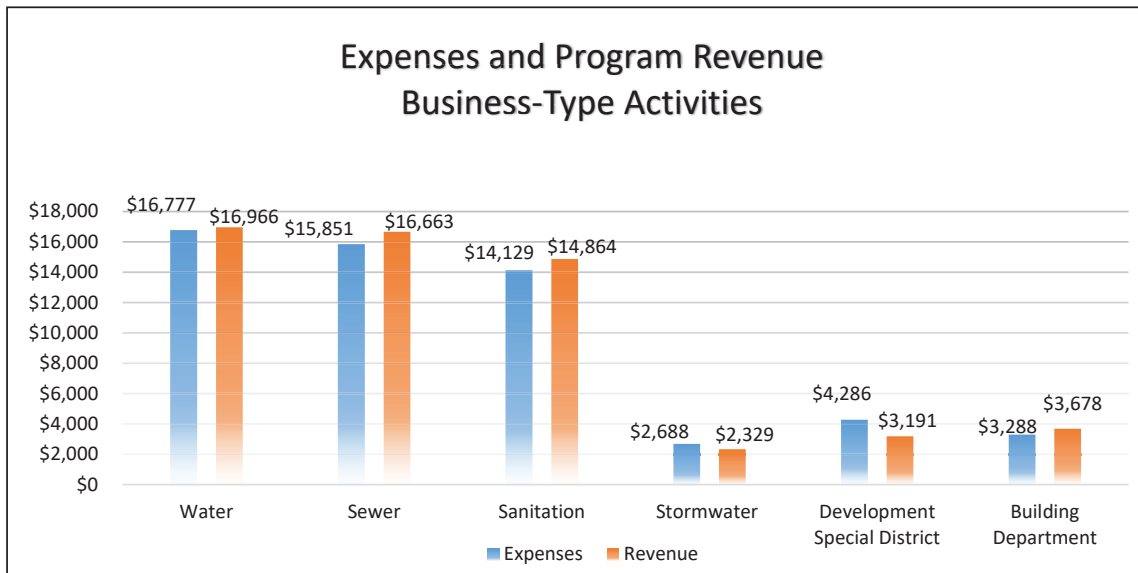
MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-Type Activities

Net position of the City's business-type activities showed an increase of \$24.3 million from the amounts previously reported at the end of fiscal year 2022. This change is attributable primarily to a steady increase in the City's service area producing 66.5% of the revenue with \$57.7 million from charges for services. Contrary, there was a decrease of \$1.8 million in capital grants and contributions due to a decrease in impact fees contributions as compared to fiscal year 2021, though this revenue stream is the second largest revenue contributor of \$32.8 million or 37.8% of total revenues. Total operating expenses for the business-type activities increased by \$5.3 million directly resulting from increased operational activity as well as national inflation rates and the increase in material costs. The following graph provides an analysis of the City's business-type activity expenses by function:



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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Funds

As of the end of fiscal year 2022, the City's *governmental funds* reported combined ending fund balances of \$84.3 million, an increase of \$12.3 million from the prior year. Total governmental revenue of \$72.4 million increased by \$5.8 million from the previous year, primarily due to increases in all major revenue sources. Total governmental expenditures showed an increase of \$5.5 million. This increase occurred primarily in the Public Safety expenditure category at \$29.7 million.

The governmental fund balances of \$82.3 million are available for spending, subject to regulatory, statutory, and budgetary restrictions. Of the available balance, \$9.3 million or 11.1% is unassigned; the remainder of the fund balance is non-spendable or restricted and not available for new spending because the funds have already been committed by law or covenant. Major commitments for specific purposes are as follows:

- \$62.9 million Restricted Use
- \$9.3 million Assigned
- \$2.0 million Non-Spendable

The **General Fund** is the City's major governmental fund. As of September 30, 2022, its fund balance was \$19.3 million with \$10.0 million of that unassigned. General Fund revenue budgeted for fiscal year 2022 was \$39.9 million in the original budget and \$40.0 million in the final budget (excluding transfers), with actual revenue received of \$43.3 million. General Fund actual expenditures were \$15.1 million less than the final budget as a result of a continued prudent spending strategy, as well as savings from vacancies throughout the City and the reduction projects with little to no activity. Additional revenues were facilitated by sustainable economic activity.

The **OUC / St. Cloud Inter-Local Fund** is an agreement with the Orlando Utility Commission (OUC) to manage the City's electric utility and calls for annual revenue-based payments to the City equal to 9.5% of sales, and such funds can be used for any legally authorized purpose. For the fiscal year 2022, the OUC fund balance had a net increase of \$922.3 thousand and reported an ending fund balance of \$2.2 million.

- \$2.2 million assigned for Economic Development

The **Capital Projects Fund** is used to account for and report financial resources that are used to build or rebuild the City's infrastructure assets used by the departments other than Water, Sewer, or Sanitation. The Capital Projects fund balance was \$24.5 million as of September 30, 2022.

- \$24.5 million restricted for Capital Additions

The **One Percent Surcharge Fund** accounts for taxes from a county-wide one percent local sales tax on the first \$5,000 of a retail transaction in which the City receives 9.5% of the revenue collected in Osceola County after the School Board receives its portion. As of September 30, 2022, the One Percent Surcharge Fund balance was \$3.4 million. Net change in fund balance was reported at \$583 thousand.

The **Mobility Impact Fee Fund** was added in May of 2017 by Ordinance. Mobility fees act as traffic impact fees but with more flexibility to include other projects other than road capacity. As of September 30, 2022, the Mobility Impact Fee Fund balance was \$14.35 million. Net change in fund balance was reported at (\$1.311) million. Revenue was at a shortfall of budget by \$901.54 thousand, this was due to the pace of revenue timing and recording.

- \$14.3 million restricted for Mobility Projects in alignment with Master Plans.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Proprietary Funds

The City’s Enterprise Funds generate revenues and expenses that are shown as business-type activities in the government-wide financial statements. At the fund level, Enterprise Funds have an unrestricted net position of \$21.8 million (excluding the Steven Plantation fund, which has an unrestricted deficit of (\$3.5) million). Of this amount, the Water Fund has \$3.5 million, the Sewer Fund has \$9.3 million, the Sanitation Fund has \$2.9 million, and the Storm Water Fund has \$2.7 million.

There was an increase in the total net position of the Enterprise Funds of \$24.3 million in the current fiscal year, attributable to the Water and Sewer Funds investing operating income in capital improvements and capital contributions by private developers. Moreover, the overall net position (excluding net investment in capital assets) represents a \$13.7 million increase from the amount previously reported in the prior year, due to increased capital contributions by private developers and income from charges for services.

The Internal Service Funds (a category of the City’s proprietary funds) are an accounting device used to accumulate and allocate costs internally among some of the City’s various functions. At the fund level, they have a total net position of \$1.3 million in the current fiscal year as compared to \$1.9 million reported at the end of fiscal year 2021. There have been adjustments in rates and other measures enacted to allow the Internal Service Fund to recover the cost of services they provide.

General Fund Budgetary Highlights

The General Fund original budget was amended to increase expenditures (excluding transfers) by \$6.4 million. Estimated revenues were increased by \$185.6 thousand when compared to the original budget. Budget changes between the original and final budgets are summarized below:

City of St. Cloud's Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual General Fund					
	Original	Final	Variance	Actual	Variance
Revenues					
Taxes	\$ 19,872,565	\$ 19,872,565	\$ -	\$ 20,125,573	\$ 253,008
Permits and Fees	2,243,200	2,243,200	-	3,118,856	875,656
Intergovernmental Revenues	5,666,320	5,666,320	-	7,240,151	1,573,831
Charges for Services	5,026,058	5,026,058	-	6,246,318	1,220,260
Fines and Forfeitures	96,000	280,149	184,149	430,045	149,896
Grants	2,267,026	2,268,526	1,500	6,392,663	4,124,137
Investment Income	104,164	104,164	-	(895,826)	(999,990)
Other Revenue	4,577,923	4,577,923	-	608,089	(3,969,834)
Total Revenues	39,853,256	40,038,905	185,649	43,265,869	3,226,964
Expenditures					
General Government	15,227,891	19,599,484	4,371,593	8,931,466	10,668,018
Public Safety	30,236,365	30,924,866	688,501	29,717,029	1,207,837
Transportation	1,885,318	2,048,128	162,810	1,558,498	489,630
Parks and Recreation	6,861,794	7,023,977	162,183	5,443,713	1,580,264
Capital Outlay	1,843,779	2,813,325	969,546	1,695,886	1,117,439
Total Expenditures	\$ 56,055,147	\$ 62,409,780	\$ 6,354,633	\$ 47,346,592	\$ 15,063,188

The notable variance for revenues were: increases due to higher than expected activity and the classification of the ARPA funding which created the difference in the Grants and Other Revenue categories.

The changes for expenditures within functions:

- City Council was increased by \$2.5 million for the operational response of recreation and transportation projects that had critical service’s needs. This included unforeseen emergencies due to back-to-back hurricane incidents.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- The City Manager Office increased by \$1.0 million in support of level of service needs to governmental services and increased salary needs due to turn-over caused through attrition and retirements.
- Capital Outlay increased by \$969.5 thousand in response to required projects as outlined in the capital plan to sustain rising costs for material and labor.

General Fund Budgetary Highlights

The changes in the revenue budget during the year are based on either new or improved information or estimates of unforeseen events. The primary changes between the original and final budget are as follows:

- Taxes: Estimated tax collections were revised upward for increased collections in ad valorem taxes, utility taxes, and higher state sales tax revenue sharing than originally projected.
- Permits, Fees and Charges for Services budgets were revised upwards to reflect both increased activity during the period and rate adjustments made to match the fees charged by the County and neighboring cities.

Capital Assets and Debt Administration

Capital Assets

The City's capital assets for its governmental and business-type activities as of September 30, 2022, are \$403.2 million (net of accumulated depreciation).

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

Within governmental activities, the largest increases from the beginning balances were in Infrastructure for \$4.6 million, Buildings and Improvements for \$4.1 million, Equipment for \$3.9 million, and an increase of \$11.0 million in Construction in Progress. These capital assets include land, software, buildings, and improvements other than buildings (including leasehold improvements), equipment, vehicles, right-to-use leased equipment, infrastructure, and construction in progress.

Factors attributing included building improvements design and re-design projects, software implementation and expansion projects, as well as road and street projects completed and put into service within the year.

	Governmental Activities 2021	Governmental Activities 2022	Business-Type Activities 2021	Business-Type Activities 2022	Total 2021	Total 2022
Land and Improvements	\$ 35,292	\$ 35,292	\$ 2,738	\$ 2,738	\$ 38,030	\$ 38,030
Construction In Progress	7,072	13,314	8,880	10,770	15,952	24,084
Buildings and Improvements	26,155	25,615	37,958	34,529	64,113	60,144
Equipment	9,221	10,165	7,089	7,131	16,310	17,296
Right-to-Use Leased Equipment	34	978	23	16	57	994
Electric Plant	4,437	4,341	-	-	4,437	4,341
Water/Sewer/Sanitation/Storm Water Utility Assets	-	-	189,444	197,316	189,444	197,316
Infrastructure (Roads and Streets)	58,472	61,022	-	-	58,472	61,022
Total	<u>\$ 140,683</u>	<u>\$ 150,727</u>	<u>\$ 246,132</u>	<u>\$ 252,500</u>	<u>\$ 386,815</u>	<u>\$ 403,227</u>

There was an increase in net capital assets in government activities of \$10.0 million, with a corresponding increase of \$6.4 million in business-type assets. Additionally, depreciation expense was consistent with the prior year. More information regarding capital assets and the net effect on net position can be found in Note 3 page 48.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Long-Term Debt

On September 30, 2022, the City had total long-term liabilities outstanding of \$74.7 million, of which \$65.5 million is from revenue bonds and notes. The remaining outstanding includes the Florida Department of Environmental Protection long-term landfill monitoring requirements (\$1.6 million), compensated absences (\$2.6 million), OPEB (\$4.1 million), and lease payable (\$ 967.2 thousand). The City’s long-term debt is secured by specified revenue sources (i.e., revenue bonds and notes) or covenants to appropriate annual debt service. The City does not have any general obligation debt that would pledge the full faith and credit of the City. At the end of the fiscal year, the City had total long-term debt outstanding of:

City of St. Cloud’s Outstanding Debt						
	Governmental Activities 2021	Governmental Activities 2022	Business-Type Activities 2021	Business-Type Activities 2022	Total 2021	Total 2022
Revenue Bonds and Notes	\$ 36,402,242	\$ 33,548,837	\$ 36,100,507	\$ 31,903,187	\$ 72,502,749	\$ 65,452,024

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

Economic Factors and Next Year’s Budgets and Rates

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

The adopted citywide budget for fiscal year 2023 is \$209,166,851. The adopted budget presented no increase to the ad valorem tax rate as the current fiscal year and the previous nine years of 5.1128 mills. Ad valorem tax collection rates are at a 96% collection rate, and ad valorem tax revenues are budgeted at \$18,326,037 in tax revenue. This positive increase of \$3,051,064 or 20% over the previous fiscal year tax revenues is primarily due to property valuations as well as new construction and improvements to property.

The adopted budget for fiscal year 2022-2023 reflects the City Council’s continued commitment to public safety, recreation, and quality municipal services for its residents and visitors.

Requests for Information

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the City’s finances.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of St. Cloud, 1300 Ninth St., St. Cloud, Florida 34769-3399.

The City’s ACFR is also available on-line at www.stcloudfl.gov under Departments – Finance.

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	Governmental Activities	Business- Type Activities	Total
Assets			
Cash and Investments	\$ 94,015,083	\$ 115,542,275	\$ 209,557,358
Receivables, Net	1,877,506	4,227,166	6,104,672
Lease Receivable	3,483,054	3,226,214	6,709,268
Due from Other Governments	1,923,612	-	1,923,612
Internal Balances	(993,420)	993,420	-
Prepaid Expenses and Deposits	1,732,898	95,425	1,828,323
Inventory - Warehouse and Fuel	231,980	1,620,557	1,852,537
Unamortized Prepaid Bond Insurance Costs	117,379	-	117,379
Capital Assets not Being Depreciated	48,605,719	13,507,534	62,113,253
Capital Assets, Net of Depreciation	102,121,856	238,992,472	341,114,328
Total Assets	253,115,667	378,205,063	631,320,730
Deferred Outflows of Resources			
Deferred Amount on Refunding	1,133,337	-	1,133,337
Pension Related	21,582,039	5,262,780	26,844,819
OPEB Related	443,731	180,379	624,110
Total Deferred Outflows of Resources	23,159,107	5,443,159	28,602,266
Liabilities			
Accounts and Retainage Payable	8,103,962	3,015,811	11,119,773
Accrued Liabilities	951,530	886,869	1,838,399
Unearned Revenue and Deposits	4,375,195	1,305,520	5,680,715
Long-Term Liabilities:			
Due Within One Year	3,626,329	8,529,918	12,156,247
Due in More Than One Year	35,840,494	26,733,700	62,574,194
Net Pension Liability, Due in More Than One Year	27,162,142	4,299,769	31,461,911
Total Liabilities	80,059,652	44,771,587	124,831,239
Deferred Inflows of Resources			
Lease Related	3,450,869	3,165,100	6,615,969
Pension Related	4,441,744	122,518	4,564,262
OPEB Related	496,725	201,923	698,648
Total Deferred Inflows of Resources	8,389,338	3,489,541	11,878,879
Net Position			
Net Investment in Capital Assets	114,724,271	224,324,491	339,048,762
Restricted for:			
Debt Service	304,068	5,948,098	6,252,166
Capital Projects	49,169,923	86,904,192	136,074,115
Transportation	15,196,459	-	15,196,459
Community Redevelopment	677,811	-	677,811
Public Safety Initiatives	239,315	-	239,315
Unrestricted	7,513,937	18,210,313	25,724,250
Total Net Position	\$ 187,825,784	\$ 335,387,094	\$ 523,212,878

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

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

Functions/Programs	Expenses	Program Revenues		
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 11,576,589	\$ 1,305,149	\$ 5,195,312	\$ 201,240
Public Safety	33,002,243	8,126,082	370,010	1,927,792
Transportation	7,316,162	-	-	9,986,020
Parks and Recreation	7,192,060	843,390	615,215	5,428,589
Economic Environment	1,578,848	-	-	-
Electric System	97,846	8,467,344	-	-
Interest and Fees	1,118,271	-	-	-
Total Governmental Activities	61,882,019	18,741,965	6,180,537	17,543,641
Business-Type Activities				
Water Utility	16,777,150	16,965,980	-	11,949,952
Sewer Utility	15,850,928	16,663,148	-	18,112,984
Sanitation Utility	14,128,830	14,863,817	-	512,544
Stormwater Utility	2,688,276	2,329,334	-	2,223,209
Development Special District	4,286,449	3,191,224	-	-
Building Department	3,288,259	3,677,997	-	-
Total Business-Type Activities	57,019,892	57,691,500	-	32,798,689
Total Primary Government	\$ 118,901,911	\$ 76,433,465	\$ 6,180,537	\$ 50,342,330

General Revenues

Property Taxes
Public Service Tax
Local Option Gas Tax
Sales Taxes
Intergovernmental, Unrestricted
Investment Income
Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

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

Net (Expense) Revenue and Change in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (4,874,888)	\$ -	\$ (4,874,888)
(22,578,359)	-	(22,578,359)
2,669,858	-	2,669,858
(304,866)	-	(304,866)
(1,578,848)	-	(1,578,848)
8,369,498	-	8,369,498
(1,118,271)	-	(1,118,271)
<u>(19,415,876)</u>	<u>-</u>	<u>(19,415,876)</u>
-	12,138,782	12,138,782
-	18,925,204	18,925,204
-	1,247,531	1,247,531
-	1,864,267	1,864,267
-	(1,095,225)	(1,095,225)
-	389,738	389,738
-	<u>33,470,297</u>	<u>33,470,297</u>
<u>(19,415,876)</u>	<u>33,470,297</u>	<u>14,054,421</u>
15,206,047	-	15,206,047
3,752,401	-	3,752,401
9,628,878	-	9,628,878
332,469	-	332,469
8,351,567	-	8,351,567
(3,099,322)	(3,760,414)	(6,859,736)
414,720	-	414,720
5,459,016	(5,459,016)	-
<u>40,045,776</u>	<u>(9,219,430)</u>	<u>30,826,346</u>
20,629,900	24,250,867	44,880,767
167,195,884	311,136,227	478,332,111
<u>\$ 187,825,784</u>	<u>\$ 335,387,094</u>	<u>\$ 523,212,878</u>

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

BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	OUC						Total Governmental Funds
	General Fund	Interlocal Agreement Fund	Mobility Fees Fund	One Percent Surcharge Fund	Capital Projects Fund	Other Governmental Funds	
Assets							
Cash and Investments	\$ 28,267,687	\$ 2,190,871	\$ 22,574,522	\$ 7,057,202	\$ 2,859,338	\$ 28,412,106	\$ 91,361,726
Customer Receivables, Net	683,316	-	-	-	-	-	683,316
Lease Receivable	2,215,568	-	-	-	-	1,267,486	3,483,054
Other Receivables, Net	1,143,466	-	4,368	-	-	1,141	1,148,975
Due from Other Governments	885,620	-	-	900,320	-	137,672	1,923,612
Due from Other Funds	-	-	-	-	24,439,888	-	24,439,888
Prepaid Expenditures and Deposits	1,713,657	-	-	-	-	8,121	1,721,778
Inventory - Warehouse and Fuel	231,980	-	-	-	-	-	231,980
Total Assets	35,141,294	2,190,871	22,578,890	7,957,522	27,299,226	29,826,526	124,994,329
Liabilities and Fund Balances							
Liabilities							
Accounts and Retainage Payable	3,517,850	12,000	-	158,441	2,756,252	66,827	6,511,370
Accrued Liabilities	934,616	-	-	2,022	-	3,406	940,044
Due to Other Governments	101	-	-	-	-	-	101
Due to Other Funds	4,857,380	-	8,229,395	4,379,419	-	7,967,114	25,433,308
Unearned Revenues	3,852,562	-	4,170	-	-	15,000	3,871,732
Deposits Payable	503,463	-	-	-	-	-	503,463
Total Liabilities	13,665,972	12,000	8,233,565	4,539,882	2,756,252	8,052,347	37,260,018
Deferred Inflows of Resources							
Lease Related	2,189,904	-	-	-	-	1,260,965	3,450,869
Total Deferred Inflows of Resources	2,189,904	-	-	-	-	1,260,965	3,450,869
Fund Balances							
Non-Spendable	1,945,637	-	-	-	-	8,121	1,953,758
Restricted	239,315	-	14,345,325	3,417,640	24,542,974	20,365,224	62,910,478
Assigned	7,057,513	2,178,871	-	-	-	139,869	9,376,253
Unassigned	10,042,953	-	-	-	-	-	10,042,953
Total Fund Balances	19,285,418	2,178,871	14,345,325	3,417,640	24,542,974	20,513,214	84,283,442
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 35,141,294	\$ 2,190,871	\$ 22,578,890	\$ 7,957,522	\$ 27,299,226	\$ 29,826,526	\$ 124,994,329

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

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

Total Fund Balances of Governmental Funds	\$	84,283,442
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$315,437,617 and the accumulated depreciation is \$164,710,042.		150,727,575
The internal service funds are used by management to charge the costs of fleet management and medical insurance coverage cost to individual funds. The net position of the internal service funds, net of its capital assets included above and pension related accounts, are included in governmental activities in the statement of net position.		1,182,437
Deferred outflows and inflows of resources are not available in the current period and, therefore, are not reported in the governmental funds. Deferred outflows and inflows of resources at year-end consist of:		
Deferred Outflows Related to Pensions		21,582,039
Deferred Outflows Related to OPEB		443,731
Deferred Outflows Related to Bond Refunding		1,133,337
Deferred Inflows Related to Pensions		(4,441,744)
Deferred Inflows Related to OPEB		(496,725)
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:		
Net Pension Liability		(27,162,142)
Lease Payable		(951,363)
Revenue Notes		(33,548,837)
Unamortized Bond Insurance Costs		117,379
Accrued Interest Payable		(76,722)
OPEB Liability		(2,920,815)
Compensated Absences		(2,045,808)
Total Net Position of Governmental Activities	\$	187,825,784

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

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	OUC						Total Governmental Funds
	General Fund	Interlocal Agreement Fund	Mobility Fees Fund	One Percent Surcharge Fund	Capital Projects Fund	Other Governmental Funds	
Revenues							
Taxes	\$ 20,125,573	\$ -	\$ -	\$ 7,310,379	\$ -	\$ 1,483,842	\$ 28,919,794
Permits and Fees	3,118,856	-	5,390,365	-	-	3,803,152	12,312,373
Intergovernmental Revenues	7,240,151	-	-	-	-	4,648,218	11,888,369
Charges for Service	6,246,318	8,467,344	-	-	-	-	14,713,662
Fines and Forfeitures	430,045	-	-	-	-	-	430,045
Grants	6,392,663	-	-	-	11,647	-	6,404,310
Investment Income (Loss)	(895,826)	(93,910)	(895,508)	(264,659)	(34,104)	(915,315)	(3,099,322)
Other Revenue	608,089	-	-	46,440	-	186,017	840,546
Total Revenues	43,265,869	8,373,434	4,494,857	7,092,160	(22,457)	9,205,914	72,409,777
Expenditures							
Current:							
General Government	8,918,810	-	-	-	-	-	8,918,810
Public Safety	29,713,548	-	-	-	-	-	29,713,548
Transportation	1,558,498	-	3,221	-	-	412,300	1,974,019
Parks and Recreation	5,441,360	-	-	-	-	-	5,441,360
Economic Environment	-	44,000	-	-	-	1,496,027	1,540,027
Capital Outlay	1,695,886	-	-	2,514,975	10,800,876	173,129	15,184,866
Principal Payments	18,071	-	-	211,804	-	2,853,406	3,083,281
Interest and Fees	419	-	-	5,368	-	937,164	942,951
(Total Expenditures)	(47,346,592)	(44,000)	(3,221)	(2,732,147)	(10,800,876)	(5,872,026)	(66,798,862)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,080,723)	8,329,434	4,491,636	4,360,013	(10,823,333)	3,333,888	5,610,915
Other Financing Sources (Uses)							
Transfers In	14,992,653	-	-	87,923	16,967,666	4,462,808	36,511,050
Transfers (Out)	(7,240,784)	(7,407,130)	(5,803,091)	(4,933,719)	(812,491)	(4,854,819)	(31,052,034)
Lease (as Lessee)	88,285	-	-	1,058,976	-	-	1,147,261
Sale of Capital Assets	12,191	-	-	9,326	-	10,546	32,063
Insurance Recoveries	26,824	-	-	-	-	-	26,824
Total Other Financing Sources (Uses)	7,879,169	(7,407,130)	(5,803,091)	(3,777,494)	16,155,175	(381,465)	6,665,164
Net Change in Fund Balances	3,798,446	922,304	(1,311,455)	582,519	5,331,842	2,952,423	12,276,079
Fund Balances, Beginning of Year	15,486,972	1,256,567	15,656,780	2,835,121	19,211,132	17,560,791	72,007,363
Fund Balances, End of Year	\$ 19,285,418	\$ 2,178,871	\$ 14,345,325	\$ 3,417,640	\$ 24,542,974	\$ 20,513,214	\$ 84,283,442

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

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

Net Change in Fund Balances - Total Governmental Funds	\$	12,276,079
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This reconciling item is the amount by which capital purchases of \$15,184,866 and capital contributions of \$4,749,129 were less than depreciation expense of \$9,752,755.		10,181,240
In the statement of activities, only the loss on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold/disposed.		(148,886)
The issuance of bonds and similar long-term debt provides current financial resources to governmental funds, and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Also, governmental funds report the effect of issuance costs, premium, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in treatment of long-term debt and related items are:		
Lease Related		(1,147,261)
Principal Payments on Bonds, Notes, Loan, and Capital Lease		3,083,281
Amortization of Bond Insurance Costs		(19,475)
Amortization of Premium		(1,484)
Amortization of Deferred Charge on Refunding		(177,278)
Some expenses reported in the statement of activities, such as compensated absences and accrued interest, do not require the use of current financial resources and are not reported as expenditures in governmental funds:		
Compensated Absences		(96,100)
Accrued Interest on Long-Term Debt		3,442
The net change in the net pension liability and deferred inflows and outflows related to pensions is reported in the statement of activities, but not in the fund statements.		(2,538,026)
The net change in the net OPEB liability and deferred inflows and outflows related to OPEB is reported in the statement of activities, but not in the fund statements.		(249,682)
The internal service fund is used by management to charge the costs of activities that benefit the entire government. The net income (expense) of the internal service fund is reported with governmental activities, excluding net income (expense) related to items included in other balances noted above.		(535,950)
Change in Net Position of Governmental Activities	\$	20,629,900

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

**STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 SEPTEMBER 30, 2022
 CITY OF ST. CLOUD, FLORIDA**

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 3,103,690	\$ 8,554,445	\$ 1,950,937	\$ 1,488,343
Restricted Assets Available for Current Liabilities	2,887,172	1,797,798	198,171	-
Receivables:				
Customers (Net of Allowance for Uncollectible Accounts)	1,089,788	1,309,553	971,520	176,777
Lease Receivable	-	3,226,214	-	-
Other Receivable	-	5,061	-	-
Unbilled Utility Revenues	-	-	517,445	157,022
Inventories	1,169,497	449,190	1,870	-
Due from Other Funds	-	-	-	993,420
Prepaid Expenses and Deposits	84,137	9,983	-	-
Total Current Assets	8,334,284	15,352,244	3,639,943	2,815,562
Non-Current Assets				
Restricted Cash, Investments, and Accrued Interest:				
Bond Proceeds	159,689	-	-	-
Sinking Fund	4,902,550	-	-	-
Sinking Fund Reserves	-	1,296,252	-	-
Customer Deposits	454,287	378,523	74,822	-
Impact Fee Funds	38,210,997	47,613,724	1,079,471	-
Landfill Closure Fund	-	-	1,603,538	-
Debt Service Reserves	-	-	-	-
(Current Portion)	(2,887,172)	(1,797,798)	(198,171)	-
Total Restricted Cash, Investments, and Accrued Interest	40,840,351	47,490,701	2,559,660	-
Capital Assets:				
Property, Plant and Equipment (Accumulated Depreciation and Amortization)	132,296,082	211,365,569	13,545,303	50,349,165
Construction in Progress	(54,222,973)	(87,228,556)	(9,098,348)	(15,507,311)
Total Capital Assets, Net	7,215,249	1,617,658	-	135,164
Total Non-Current Assets	85,288,358	125,754,671	4,446,955	34,977,018
Total Assets	\$ 134,462,993	\$ 188,597,616	\$ 10,646,558	\$ 37,792,580
Deferred Outflows of Resources				
Pension Related	\$ 1,669,263	\$ 1,169,230	\$ 1,251,325	\$ 282,357
OPEB Related	59,754	42,160	44,427	13,795
Total Deferred Outflows of Resources	\$ 1,729,017	\$ 1,211,390	\$ 1,295,752	\$ 296,152

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

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 425,306	\$ 3,795,136	\$ 19,317,857	\$ 2,653,357
199,843	250,722	5,333,706	-
-	-	3,547,638	45,215
-	-	3,226,214	-
-	-	5,061	-
-	-	674,467	-
-	-	1,620,557	-
-	-	993,420	-
-	1,305	95,425	11,120
<u>625,149</u>	<u>4,047,163</u>	<u>34,814,345</u>	<u>2,709,692</u>
-	-	159,689	-
-	-	4,902,550	-
-	-	1,296,252	-
147,166	250,722	1,305,520	-
-	-	86,904,192	-
-	-	1,603,538	-
52,677	-	52,677	-
(199,843)	(250,722)	(5,333,706)	-
-	-	90,890,712	-
-	730,696	408,286,815	638,210
-	(499,530)	(166,556,718)	(429,067)
-	1,801,838	10,769,909	-
-	2,033,004	252,500,006	209,143
-	2,033,004	343,390,718	209,143
<u>\$ 625,149</u>	<u>\$ 6,080,167</u>	<u>\$ 378,205,063</u>	<u>\$ 2,918,835</u>
\$ -	\$ 890,605	\$ 5,262,780	\$ 205,237
-	20,243	180,379	8,550
<u>\$ -</u>	<u>\$ 910,848</u>	<u>\$ 5,443,159</u>	<u>\$ 213,787</u>

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

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA
(Concluded)

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Liabilities and Net Position				
Current Liabilities				
Payable from Unrestricted Assets:				
Accounts Payable	\$ 1,536,066	\$ 813,373	\$ 223,462	\$ 7,654
Claims Payable	-	-	-	-
Accrued Liabilities	32,028	27,348	73,303	22,636
Lease Liability	3,871	2,096	-	-
Compensated Absences	143,083	77,236	74,752	-
OPEB Liability	59,754	42,160	44,427	13,795
Long-Term Liabilities Payable in One Year	-	701,527	-	-
Total Payable from Unrestricted Assets	1,774,802	1,663,740	415,944	44,085
Payable from Restricted Assets:				
Accrued Interest Payable	127,681	123,023	-	-
Deposits	454,287	378,523	74,822	-
Long-Term Liabilities Payable in One Year	2,305,204	1,296,252	123,349	-
Total Payable from Restricted Assets	2,887,172	1,797,798	198,171	-
Total Current Liabilities	4,661,974	3,461,538	614,115	44,085
Non-Current Liabilities				
Lease Liability	4,310	2,382	-	-
Long-Term Liabilities Payable After One Year	14,646,054	9,370,301	1,480,189	-
OPEB Liability	333,569	235,357	248,012	77,011
Net Pension Liability	1,363,812	955,278	1,022,351	230,690
Compensated Absences	95,388	51,491	49,835	-
Total Non-Current Liabilities	16,443,133	10,614,809	2,800,387	307,701
Total Liabilities	21,105,107	14,076,347	3,414,502	351,786
Deferred Inflows of Resources				
Lease Related	-	3,165,100	-	-
Pension Related	38,861	27,220	29,131	6,573
OPEB Related	66,890	47,196	49,733	15,443
Total Deferred Inflows of Resources	105,751	3,239,516	78,864	22,016
Net Position				
Net Investment in Capital Assets	68,488,608	114,382,113	4,446,955	34,977,018
Restricted for:				
Debt Service	4,774,869	1,173,229	-	-
Capital Projects	38,210,997	47,613,724	1,079,471	-
Unrestricted	3,506,678	9,324,077	2,922,518	2,737,912
Total Net Position	\$ 114,981,152	\$ 172,493,143	\$ 8,448,944	\$ 37,714,930

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

Business-Type Activities			Governmental
Major Funds	Non-Major Fund		Activities
Stevens			
Plantation	Building	Total	Internal
Dependent	Department		Service
Special District			Funds
\$ -	\$ 435,256	\$ 3,015,811	\$ 729,292
-	-	-	786,477
389,789	38,384	583,488	11,486
-	1,175	7,142	-
-	37,145	332,216	13,022
-	20,243	180,379	8,550
3,583,849	-	4,285,376	-
3,973,638	532,203	8,404,412	1,548,827
52,677	-	303,381	-
147,166	250,722	1,305,520	-
-	-	3,724,805	-
199,843	250,722	5,333,706	-
4,173,481	782,925	13,738,118	1,548,827
-	2,032	8,724	-
-	-	25,496,544	-
-	113,005	1,006,954	47,730
-	727,638	4,299,769	167,682
-	24,764	221,478	8,681
-	867,439	31,033,469	224,093
4,173,481	1,650,364	44,771,587	1,772,920
-	-	3,165,100	-
-	20,733	122,518	4,778
-	22,661	201,923	9,571
-	43,394	3,489,541	14,349
-	2,029,797	224,324,491	209,143
-	-	5,948,098	-
-	-	86,904,192	-
(3,548,332)	3,267,460	18,210,313	1,136,210
\$ (3,548,332)	\$ 5,297,257	\$ 335,387,094	\$ 1,345,353

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

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2022
 CITY OF ST. CLOUD, FLORIDA**

	Business-Type Activities				
	Major Funds				
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility	Stevens Plantation Dependent Special District
Operating Revenues					
Charges for Services	\$ 14,158,391	\$ 15,405,690	\$ 14,630,756	\$ 2,329,334	\$ -
Other	2,807,589	1,257,458	233,061	488	3,191,224
Total Operating Revenues	<u>16,965,980</u>	<u>16,663,148</u>	<u>14,863,817</u>	<u>2,329,822</u>	<u>3,191,224</u>
Operating Expenses					
Personnel Service	4,057,417	3,013,363	3,235,073	820,312	-
Materials and Supplies	2,329,266	649,706	1,112,248	72,145	-
Other Services and Charges	4,580,610	4,727,821	3,165,084	332,358	-
Contractual Services	1,085,126	791,702	5,771,808	45,100	-
Claims	-	-	-	-	-
Cost of Land Sales	-	-	-	-	4,057,979
Depreciation	4,250,681	6,284,837	849,905	1,418,361	-
(Total Operating Expenses)	<u>(16,303,100)</u>	<u>(15,467,429)</u>	<u>(14,134,118)</u>	<u>(2,688,276)</u>	<u>(4,057,979)</u>
Operating Income	<u>662,880</u>	<u>1,195,719</u>	<u>729,699</u>	<u>(358,454)</u>	<u>(866,755)</u>
Non-Operating Revenues (Expenses)					
Investment Income (Loss)	(1,651,751)	(1,797,124)	(71,879)	(49,468)	-
Gain (Loss) on Sale of Capital Assets	12,279	(82,835)	5,301	-	-
Interest Expense	(486,329)	(300,664)	(13)	-	(228,470)
Total Non-Operating Revenues (Expenses)	<u>(2,125,801)</u>	<u>(2,180,623)</u>	<u>(66,591)</u>	<u>(49,468)</u>	<u>(228,470)</u>
Income Before Contributions and Transfers	<u>(1,462,921)</u>	<u>(984,904)</u>	<u>663,108</u>	<u>(407,922)</u>	<u>(1,095,225)</u>
Contributions and Transfers					
Capital Contributions	11,949,952	18,112,984	512,544	2,222,721	-
Transfers from Other Funds	1,558,701	265,000	-	-	-
Transfers to Other Funds	(3,575,489)	(2,286,187)	(939,829)	(481,212)	-
Total Contributions and Transfers	<u>9,933,164</u>	<u>16,091,797</u>	<u>(427,285)</u>	<u>1,741,509</u>	<u>-</u>
Change in Net Position	<u>8,470,243</u>	<u>15,106,893</u>	<u>235,823</u>	<u>1,333,587</u>	<u>(1,095,225)</u>
Net Position					
Beginning of Year	106,510,909	157,386,250	8,213,121	36,381,343	(2,453,107)
End of Year	<u>\$ 114,981,152</u>	<u>\$ 172,493,143</u>	<u>\$ 8,448,944</u>	<u>\$ 37,714,930</u>	<u>\$ (3,548,332)</u>

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

Business-Type Activities		Governmental Activities	
Non-Major Fund			
Building Department	Total	Internal Service Funds	
\$ 3,461,298	\$ 49,985,469	\$ 9,534,831	
216,699	7,706,519	235,460	
<u>3,677,997</u>	<u>57,691,988</u>	<u>9,770,291</u>	
2,000,398	13,126,563	552,840	
48,676	4,212,041	41,192	
914,130	13,720,003	2,255,210	
223,548	7,917,284	285,241	
-	-	7,048,816	
-	4,057,979	-	
108,936	12,912,720	37,261	
<u>(3,295,688)</u>	<u>(55,946,590)</u>	<u>(10,220,560)</u>	
<u>382,309</u>	<u>1,745,398</u>	<u>(450,269)</u>	
(190,192)	(3,760,414)	(86,076)	
8,776	(56,479)	-	
<u>(1,347)</u>	<u>(1,016,823)</u>	<u>-</u>	
<u>(182,763)</u>	<u>(4,833,716)</u>	<u>(86,076)</u>	
<u>199,546</u>	<u>(3,088,318)</u>	<u>(536,345)</u>	
-	32,798,201	-	
-	1,823,701	-	
-	(7,282,717)	-	
<u>-</u>	<u>27,339,185</u>	<u>-</u>	
199,546	24,250,867	(536,345)	
5,097,711	311,136,227	1,881,698	
<u>\$ 5,297,257</u>	<u>\$ 335,387,094</u>	<u>\$ 1,345,353</u>	

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	Business-Type Activities			
	Major Funds			
	Water Utility	Sewer Utility	Sanitation Utility	Stormwater Utility
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 15,108,704	\$ 15,927,929	\$ 14,550,237	\$ 2,277,138
Cash Paid to Suppliers for Goods and Services	(8,570,128)	(5,740,506)	(9,864,333)	(441,409)
Cash Paid to Employees for Services	(3,876,207)	(2,847,882)	(3,054,524)	(749,775)
Cash Paid for Post-Closure Costs	-	-	(100,051)	-
Other Operating Revenues	2,807,589	1,257,458	233,061	488
Net Cash Provided by (Used in) Operating Activities	5,469,958	8,596,999	1,764,390	1,086,442
Cash Flows from Non-Capital Financing Activities				
Operating Grants	-	-	-	-
Transfers from Other Funds	1,558,701	265,000	-	6,523
Transfers to Other Funds	(3,575,489)	(2,286,187)	(939,829)	(481,212)
Interfund Loan Payments	(180,000)	(265,000)	-	-
Net Cash Provided by (Used in) Non-Capital Financing Activities	(2,196,788)	(2,286,187)	(939,829)	(474,689)
Cash Flows from Capital and Related Financing Activities				
Property, Plant and Equipment Acquisitions	(5,299,010)	(3,144,284)	(343,724)	(325,168)
Impact Fees	10,043,322	11,847,800	-	-
Landfill Closure Costs	-	-	(55,335)	-
Principal Payments on Debt	(2,243,922)	(1,953,397)	-	-
Interest Payments on Debt	(501,627)	(315,335)	(13)	-
Proceeds from the Sale of Assets	12,279	6,345	5,301	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	2,011,042	6,441,129	(393,771)	(325,168)
Cash Flows from Investing Activities				
Investment Income	(1,651,751)	(1,797,124)	(71,879)	(49,468)
Net Cash Provided by (Used in) Investing Activities	(1,651,751)	(1,797,124)	(71,879)	(49,468)
Net Increase (Decrease) in Cash and Cash Equivalents	3,632,461	10,954,817	358,911	237,117
Cash and Cash Equivalents, Beginning of Year	43,198,752	46,888,127	4,349,857	1,251,226
Cash and Cash Equivalents, End of Year	\$ 46,831,213	\$ 57,842,944	\$ 4,708,768	\$ 1,488,343

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

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 3,298,390	\$ 2,147,654	\$ 53,310,052	\$ 9,725,076
(2,805,772)	(749,368)	(28,171,516)	(9,689,028)
-	(1,844,923)	(12,373,311)	(519,408)
-	-	(100,051)	-
-	216,699	4,515,295	-
<u>492,618</u>	<u>(229,938)</u>	<u>17,180,469</u>	<u>(483,360)</u>
-	54	54	-
-	-	1,830,224	-
-	-	(7,282,717)	-
-	-	(445,000)	-
<u>-</u>	<u>54</u>	<u>(5,897,439)</u>	<u>-</u>
-	(1,821,081)	(10,933,267)	(48,749)
-	-	21,891,122	-
-	-	(55,335)	-
-	-	(4,197,319)	-
(389,789)	(1,347)	(1,208,111)	-
-	8,776	32,701	-
<u>(389,789)</u>	<u>(1,813,652)</u>	<u>5,529,791</u>	<u>(48,749)</u>
-	(190,192)	(3,760,414)	(86,076)
<u>-</u>	<u>(190,192)</u>	<u>(3,760,414)</u>	<u>(86,076)</u>
102,829	(2,233,728)	13,052,407	(618,185)
<u>522,320</u>	<u>6,279,586</u>	<u>102,489,868</u>	<u>3,271,542</u>
<u>\$ 625,149</u>	<u>\$ 4,045,858</u>	<u>\$ 115,542,275</u>	<u>\$ 2,653,357</u>

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA
(Concluded)

	<u>Business-Type Activities</u>			
	<u>Major Funds</u>			
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Sanitation Utility</u>	<u>Stormwater Utility</u>
<u>Reconciliation of Cash and Cash Equivalents to Statement of Net Position</u>				
Total Unrestricted Cash and Investments Per the Statement of Net Position	\$ 3,103,690	\$ 8,554,445	\$ 1,950,937	\$ 1,488,343
Total Current Restricted Cash and Investments Per the Statement of Net Position	2,887,172	1,797,798	198,171	-
Total Non-Current Restricted Cash and Investments Per the Statement of Net Position	40,840,351	47,490,701	2,559,660	-
Cash and Cash Equivalents, End of Year	<u>\$ 46,831,213</u>	<u>\$ 57,842,944</u>	<u>\$ 4,708,768</u>	<u>\$ 1,488,343</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u>				
Operating Income (Loss)	\$ 662,880	\$ 1,195,719	\$ 729,699	\$ (358,454)
Bad Debt Expense	61,079	23,283	33,711	13,263
Depreciation	4,250,681	6,284,837	849,905	1,418,361
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease):				
Accounts Receivable, Net	(71,028)	(482,041)	(7,366)	(42,014)
Prepays	(30,737)	(187)	11,600	-
Unbilled Utility Revenue	990,769	1,048,368	(80,308)	(10,182)
Inventories	(554,493)	(204,878)	-	-
Leases	-	(61,114)	-	-
Accounts and Retainage Payable	(44,185)	610,505	39,445	(5,069)
Customer Deposits	23,782	17,026	7,155	-
Compensated Absences	(41,280)	21,686	(9,961)	-
Net Pension Liability	424,808	296,019	259,726	109,913
Other Postemployment Benefits	(28,488)	(22,257)	10,007	(14,203)
Land Held for Sale	-	-	-	-
Accrued Liabilities	(173,830)	(129,967)	(79,223)	(25,173)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 5,469,958</u>	<u>\$ 8,596,999</u>	<u>\$ 1,764,390</u>	<u>\$ 1,086,442</u>
<u>Schedule of Non-Cash Capital and Related Financing Activities</u>				
Assets Acquired Under Leases	8,181	4,478	-	-
Contributions of Capital Assets	1,906,630	6,265,184	-	-
Total Non-Cash Capital and Related Financing Activities	<u>\$ 1,914,811</u>	<u>\$ 6,269,662</u>	<u>\$ -</u>	<u>\$ -</u>

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

Business-Type Activities			Governmental Activities
Major Funds	Non-Major Fund		
Stevens Plantation Dependent Special District	Building Department	Total	Internal Service Funds
\$ 425,306	\$ 3,795,136	\$ 19,317,857	\$ 2,653,357
199,843	250,722	5,333,706	-
-	-	90,890,712	-
<u>\$ 625,149</u>	<u>\$ 4,045,858</u>	<u>\$ 115,542,275</u>	<u>\$ 2,653,357</u>
\$ (866,755)	\$ 382,309	\$ 1,745,398	\$ (450,269)
-	5,490	136,826	-
-	108,936	12,912,720	37,261
-	(5,490)	(607,939)	(45,215)
-	28,145	8,821	(11,120)
-	-	1,948,647	-
-	-	(759,371)	-
-	-	(61,114)	-
185,152	403,351	1,189,199	(47,449)
107,166	(1,308,154)	(1,153,025)	-
-	4,035	(25,520)	397
-	225,057	1,315,523	6,086
-	(11,815)	(66,756)	40,863
1,067,055	-	1,067,055	-
-	(61,802)	(469,995)	(13,914)
<u>\$ 492,618</u>	<u>\$ (229,938)</u>	<u>\$ 17,180,469</u>	<u>\$ (483,360)</u>
-	3,207	15,866	-
-	-	8,171,814	-
<u>\$ -</u>	<u>\$ 3,207</u>	<u>\$ 8,187,680</u>	<u>\$ -</u>

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

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	Employee Retirement Funds
Assets	
Cash and Cash Equivalents	\$ 6,569,859
Investments at Fair Value:	
Domestic Equities	50,216,193
Foreign Equities	15,335,742
Domestic Fixed Income Funds	32,714,014
Foreign Fixed Income	2,210,390
Real Estate	16,518,479
Alternatives	5,031,692
Total Investments at Fair Value	122,026,510
Contributions Receivable	834,656
Total Assets	129,431,025
Net Position	
Restricted for Pensions	\$ 129,431,025

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

**STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	Employee Retirement Funds
Additions	
Contributions:	
Employer	\$ 6,829,255
Employer from State	834,656
Employee	1,217,521
Miscellaneous	1,609
Total Contributions	8,883,041
Investment Income:	
Investment Earnings (Loss)	(30,805,681)
Dividend Income	6,804,082
Total Income on Investments	(24,001,599)
Total Additions	(15,118,558)
Deductions	
Pension Payments	5,858,004
DROP Distribution	54,957
Refunds to Employees	651,023
Administration	1,133,260
(Total Deductions)	(7,697,244)
Net Increase (Decrease)	(22,815,802)
Net Position Restricted for Pensions	
Beginning of Year	152,246,827
End of Year	\$ 129,431,025

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

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

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

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

Reporting Entity

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

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

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

Stevens Plantation Improvement Project Dependent Special District (the DSD)

The DSD was created by the City on August 21, 2003, via City Ordinance 2003-47, pursuant to Section 189.4041 of the Florida Statutes. The purpose of the DSD is to acquire land within its geographical boundary from the proceeds of tax-exempt debt for resale to developers in association with the Stevens Plantation Development (a mixed-use, master planned community encompassing approximately 590 acres within the City). The City Council serves as the Governing Board of the DSD and has advanced certain costs to the DSD as of September 30, 2022, that are to be repaid in future years. The DSD is included as a blended component unit in the accompanying government-wide financial statements of the City.

Community Redevelopment Agency (CRA)

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

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

Government-Wide and Fund Financial Statements

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

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

The City operates the following major governmental funds:

- The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The **St. Cloud/OUC Interlocal Agreement Fund** accounts for the restricted and unrestricted resources associated with the City's agreement with the Orlando Utilities Commission (the OUC) to operate the City's electric system.
- The **Mobility Fees Fund** accounts for fees collected from the City's mobility fee ordinance to be spent to increase the capacity of or provide new roads, pedestrian walkways, or trails.
- The **One Percent Surcharge Fund** accounts from a county-wide one percent local sales tax on the first \$5,000 of a retail transaction. The City receives 9.5% of the revenue collected in Osceola County after the School Board receives its portion.
- The **Capital Projects Fund** accounts for the costs of constructing multiyear road paving, drainage, resurfacing, recreation facilities, and public building construction and renovation.

The City reports the following major proprietary funds:

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

Additionally, the City reports the following fund types:

- The **Special Revenue Funds** account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

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

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

Proprietary Funds

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

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

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal, and School Board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method state-wide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 2022, was 5.1128 mills.

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

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The City would accrue property tax receivables for unsold certificates if they were measurable and available. However, they are not measurable and available. As a result, there are no property tax receivables at September 30, 2022.

Cash and Cash Equivalents

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

Equity in Pooled Cash and Investments

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

Capital Grants and Contributions

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

Inventories and Prepaids

Inventories consist of materials and supplies used in the City's utility and general government operations and are valued using the weighted-average cost method, which approximates market value. The cost of inventories is accounted for by the consumption method, whereby inventory is recorded as expenditure when used. Appropriate allowances are recorded for obsolete and surplus items, when applicable. Payments made to vendors for services that will benefit periods beyond September 30, 2022, are recorded as prepaid items. These payments are recorded as expenditures or expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Property, plant and equipment with initial, individual costs that equal or exceed \$5,000 and estimated useful lives of over one year are recorded as capital assets. Roads, bridges, and sidewalks are capitalized when dedicated to the City within a new development or when their initial costs equal or exceed \$25,000 and possess estimated useful lives of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use lease assets, the measurement is discussed in Note 1, under *Leases*). Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

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

Buildings and Improvements	8-40 Years
Utility Line Extensions	15-50 Years
Plant and Equipment	3-20 Years
Right-to-Use Leased Equipment	3-20 Years
Meters and Transformers	15-20 Years
Infrastructure	15-50 Years

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

Compensated Absences

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

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

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

Utility Impact Fees

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

Fund Balance Reporting

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

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

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

Spendable Fund Balance:

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

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

Budgets and Budgetary Accounting

The annual operating budget serves as legal authorization for expenditures and the proposed means of financing them. The 2022 annual operating budget was prepared for all funds, except the following:

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

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

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

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

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

Leases

The city is a lessee for non-cancellable lease of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct cost. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines: (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

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The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is a lessor for a non-cancellable lease of a building. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines: (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Recent GASB Accounting Standards

The City is currently evaluating the effects that the following GASB Statements, which will be implemented in future financial statements, will have on its financial statements for subsequent fiscal years:

- The GASB has issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which will be effective for the year ending 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 GASB Statement No. 87, *Leases*, as amended.

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- The GASB has issued GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which will be effective for the year ending September 30, 2023. This Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or non-governmental entity) to provide public services by conveying control of the right to operate or use a non-financial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.

Change in Accounting Principles

For the year ended September 30, 2022, the City implemented GASB Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the City's financial statements and had no effect on the beginning net position.

Note 2 - Cash and Cash Equivalents

Pooled Cash and Investments

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

Cash Deposits

As of September 30, 2022, the City's cash deposits were entirely covered by federal depository insurance or by a banking network provided by Chapter 280 of the Florida Statutes. Florida Statutes provide for collateral pooling by banks and savings and loans and limit local government deposits to "authorized depositories". Therefore, all cash deposits held by banks can be classified as fully insured.

Investments

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

As of September 30, 2022, the City's pooled investments (including pension trust funds) are summarized below:

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Investments	Maturities	Fair Value	Rating	FMV Level
Cash and Equivalents		\$ 7,398,353		N/A
U.S. Treasury Obligations	1.84 Year Average	125,482,951	AA+	Level 2
U.S. Government Issues	1.63 Year Average	6,668,358	AA+	Level 2
Mortgage Backed Securities	13.76 Year Average	516,896	AA+	Level 2
Corporate Issues	3.41 Year Average	18,482,913	A+	Level 2
Asset Backed Securities	4.13 Year Average	237,170	A+	Level 2
State Board of Administration (SBA)				
Florida PRIME	0.06 Year Average	49,808,008	AAAm	N/A
U.S. Bank Money Market Account	0.05 Year Average	962,709	AAAm	N/A
		<u>209,557,358</u>		
Pension Funds:				
Cash and Equivalents		6,569,859		N/A
Domestic Equities		50,216,193		Level 1
Foreign Equities		15,335,742		Level 1
Domestic Fixed Income	8.58 Year Average	32,714,014	AA	Level 2
Foreign Fixed Income	9.14 Year Average	2,210,390	BBB	Level 2
Real Estate Income Funds		16,518,479		Level 3
Alternatives	3.09 Year Average	5,031,692	BB-	Level 1
Total Pension Funds		<u>128,596,369</u>		
Total Investments		<u><u>\$ 338,153,727</u></u>		

Cash and Investments Reported in Government-Wide:

Cash	\$ 7,398,353
Investments	<u>202,159,005</u>
Total Cash and Investments Reported in Government-Wide	<u><u>\$ 209,557,358</u></u>

Cash and Investments Reported in Fiduciary Funds:

Cash	\$ 6,569,859
Investments	<u>122,026,510</u>
Total Reported in Fiduciary Funds	<u><u>\$ 128,596,369</u></u>

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

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

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Florida PRIME

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

Credit Risk

U.S. Agencies are rated by Moody's Investors Service and Standard & Poor's. The City's investment policy limits investments in debt securities to the highest rating category by a nationally recognized statistical rating agency for the applicable corresponding maturity. The City's pension investment policy requires 85% of the fixed income securities to have a minimum rating of investment grade or higher as reported by a major credit rating service.

Custodial Credit Risk

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

The City's investment policy, pursuant to Section 218,415(18), Florida Statutes, requires securities purchased by the City to be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the City shall be properly designated as an asset of the City. Further, the securities must be held in an account separate and apart from the assets of the financial institution. The City's pension investments are held by the counterparty, not in the name of the City.

Interest Rate Risk

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

The City's investment policy sets limitations on instruments, diversification, and maturity based on whether the funds invested are short-term or long-term. Investments of current operating funds are considered short-term and shall have maturities no longer than twelve (12) months. Investments of reserves and other non-current operating funds shall be considered "core funds" or "surplus funds" and shall have a term appropriate to the need for the funds, however, shall not exceed five and one-half (5.50) years from the date of settlement. In addition, the weighted average effective duration shall not exceed three (3.00) years.

Concentration of Credit Risk

■ **Non-Pension Investments**

More than 5% of the City's non-pension investments are in Florida PRIME and United States Treasury Obligations. These investments are 24.68% and 62.09%, respectively, of the total non-pension investments of the City.

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■ **General Employees' Pension**

More than 5% of the City's General Employees' Pension investments are in United States Treasury Obligations, Euro Pacific Growth Fund, T Rowe Price Institutional Large Cap Core Growth Fund, Brandywine Global Dynamic US Large Cap Value Fund, Vanguard 500 Index Fund, American Realty Core Property Fund, and Intercontinental Real Estate Corporation. These investments are 12.79%, 12.88%, 8.78%, 11.76%, 8.24%, 5.88%, and 7.76%, respectively, of the total investments for the General Employees' Pension Fund.

■ **Police and Fire Pension**

More than 5% of the City's Police and Fire Pension Investments are in the United States Treasury Obligations, Euro Pacific Growth Fund, T Rowe Price Institutional Large Cap Core Growth Fund, Brandywine Global Dynamic US Large Cap Value Fund, Vanguard 500 Index Fund, Federated Treasury Obligation Institutional Shares, American Realty Core Property Fund, and Intercontinental Real Estate Corporation. These investments are 12.44%, 10.90%, 8.39%, 10.09%, 10.74%, 7.98%, 5.17%, and 6.82%, respectively, of the total investments for the Police and Fire Pension Fund.

Foreign Currency Risk

The Pension Trust Fund investment policies limit foreign investments to no more than 25% of total fund assets for the General Employees' Pension Plan and 25% of total fund assets for the Police and Fire Pension Plan. At September 30, 2022, the General Employees' Pension Plan had \$9,545,562, or 14.55% of the total fund assets and the Police and Fire Pension Plan had \$8,000,569 or 12.67% of the total fund assets invested internationally.

Note 3 - Capital Assets

	Beginning Balance	Increases	(Decreases)	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 18,400,959	\$ -	\$ -	\$ 18,400,959
Right-of-Way	16,890,955	-	-	16,890,955
Construction in Progress	7,071,821	11,016,026	(4,774,042)	13,313,805
Total Capital Assets Not Being Depreciated	<u>42,363,735</u>	<u>11,016,026</u>	<u>(4,774,042)</u>	<u>48,605,719</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	79,539,443	4,094,904	(194,551)	83,439,796
Equipment	34,821,096	3,914,586	(1,134,279)	37,601,403
Right-to-Use Leased Equipment	33,976	1,147,262	-	1,181,238
Electric Plant	44,433,410	-	(4,557)	44,428,853
Infrastructure (Roads and Streets)	95,596,600	4,584,008	-	100,180,608
Total Capital Assets Being Depreciated	<u>254,424,525</u>	<u>13,740,760</u>	<u>(1,333,387)</u>	<u>266,831,898</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(53,386,627)	(4,630,943)	192,971	(57,824,599)
Equipment	(25,599,739)	(2,823,436)	986,973	(27,436,202)
Right-to-Use Leased Equipment	-	(203,269)	-	(203,269)
Electric Plant	(39,994,221)	(97,846)	4,557	(40,087,510)
Infrastructure (Roads and Streets)	(37,123,940)	(2,034,522)	-	(39,158,462)
Total Accumulated Depreciation	<u>(156,104,527)</u>	<u>(9,790,016)</u>	<u>1,184,501</u>	<u>(164,710,042)</u>
Total Capital Assets Being Depreciated, Net	<u>98,319,998</u>	<u>3,950,744</u>	<u>(148,886)</u>	<u>102,121,856</u>
Governmental Activities Capital Depreciated, Net	<u>\$ 140,683,733</u>	<u>\$ 14,966,770</u>	<u>\$ (4,922,928)</u>	<u>\$ 150,727,575</u>

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	Beginning Balance	Increases	(Decreases)	Ending Balance
Business-Type Activities				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 2,706,584	\$ -	\$ -	\$ 2,706,584
Right-of-Way	31,041	-	-	31,041
Construction in Progress	8,879,833	7,460,309	(5,570,233)	10,769,909
Total Capital Assets Not Being Depreciated	<u>11,617,458</u>	<u>7,460,309</u>	<u>(5,570,233)</u>	<u>13,507,534</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	51,343,165	2,751,882	(209,128)	53,885,919
Water/Sewer/Sanitation Utility Plant	308,124,365	12,617,763	-	320,742,128
Equipment	28,823,505	2,127,532	(52,534)	30,898,503
Right-to-Use Leased Equipment	22,640	-	-	22,640
Total Capital Assets Being Depreciated	<u>388,313,675</u>	<u>17,497,177</u>	<u>(261,662)</u>	<u>405,549,190</u>
Less Accumulated Depreciation:				
Buildings	(13,385,663)	(6,090,926)	120,449	(19,356,140)
Water/Sewer/Sanitation Utility Plant	(118,681,789)	(4,744,113)	-	(123,425,902)
Equipment	(21,734,313)	(2,070,591)	37,318	(23,767,586)
Right-to-Use Leased Equipment	-	(7,090)	-	(7,090)
Total Accumulated Depreciation	<u>(153,801,765)</u>	<u>(12,912,720)</u>	<u>157,767</u>	<u>(166,556,718)</u>
Total Capital Assets Being Depreciated, Net	<u>234,511,910</u>	<u>4,584,457</u>	<u>(103,895)</u>	<u>238,992,472</u>
Total Business-Type Activities				
Capital Assets, Net	<u>\$ 246,129,368</u>	<u>\$ 12,044,766</u>	<u>\$ (5,674,128)</u>	<u>\$ 252,500,006</u>

Depreciation/Amortization Expense - Governmental Activities

General Government and Administration	\$ 822,601
Community Redevelopment Agency	2,465,184
Public Safety	5,091,148
Transportation	1,275,527
Parks and Recreation	449
Electric Plant - Interlocal	97,846
Capital Assets Held by the City's Internal Service	
Funds Charged to the Various Functions Based on Their Usage of the Assets	<u>37,261</u>

Total Depreciation/Amortization Expense - Governmental Activities \$ 9,790,016

Depreciation/Amortization Expense - Business-Type Activities

Water Utility	\$ 4,250,681
Sewer Utility	6,284,837
Sanitation Utility	849,905
Stormwater Utility	1,418,361
Building Department	<u>108,936</u>

Total Depreciation/Amortization Expense - Business-Type Activities \$ 12,912,720

Note 4 - Defined Benefit Pension Plans

Plan Descriptions

The City maintains two separate, single-employer defined-benefit pension plans, one for police officers and firefighters, and a general employees' retirement plan that covers substantially all other full-time City employees. These plans are maintained as pension trust funds and are included as part of the City's

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CITY OF ST. CLOUD, FLORIDA

reporting entity, using the accrual basis of accounting in accordance with U.S. GAAP. Plan member contributions are recognized in the period in which the contributions are due. Investments are reported at fair value. City ordinance and state law requires contributions to be determined by actuarial studies at least every three years. Stand-alone financial reports are not issued.

Membership of each plan consisted of the following at the date of the latest actuarial valuation, October 1, 2021 for general employees and for police officers and firefighters:

	<u>General</u>	<u>Police Officers and Firefighters</u>
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	165	75
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	272	42
Active Plan Members	<u>337</u>	<u>161</u>
Total	<u><u>774</u></u>	<u><u>278</u></u>

General Employees’ Retirement Plan

- **Plan Administration**—The General Employees’ Retirement Plan (GERP) is a single-employer defined-benefit pension plan administered by a Board of Trustees, which acts as the administrator of the GERP. The Board of Trustees consists of seven trustees, three of whom shall be legal residents of the City who are appointed by the City Council and four of whom are members of the GERP who are elected by a majority of the general employees who are members of the GERP and who vote in the election.
- **Plan Benefits**—The GERP provides retirement, termination, disability, and death benefits to GERP members and their beneficiaries.

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

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

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

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

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

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

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

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

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

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

Police Officers’ and Firefighters’ Retirement Plan

- **Plan Administration**—The Police Officers’ and Firefighters’ Retirement Plan (PFRP) is a single-employer defined-benefit pension plan administered by a Board of Trustees, which acts as the administrator of the PFRP. The Board of Trustees consists of five trustees, two of whom are legal residents appointed by the City Council, one of whom is a full-time police officer member, and one of whom is a full-time firefighter member who are elected by a majority of the police officers or firefighters, respectively, who are members of the PFRP and a fifth trustee who is chosen by a majority of the first four trustees.
- **Plan Benefits**—The PFRP provides retirement, disability, and death benefits to PFRP members and their beneficiaries.

Normal Retirement—Eligibility: Earlier of: 1) Age 55 and ten years of Credited Service, or 2) the completion of 25 years (20 for firefighters) of Credited Service, regardless of age.

- Benefit Amount: AFC times 3.75% (4.00% for firefighters) times Credited Service plus an additional fraction of 3.75% (4.00% for firefighters) where the numerator is hours of accrued sick leave and the denominator is annual scheduled work hours.

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

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

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

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

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

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- Non-Vested: Refund of member contributions.

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

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

- **Contributions**—Plan members are required to contribute 5.55% of salary for police officers and 12.62% for firefighters effective October 9, 2021, of their annual covered salary. The City is required to contribute at actuarially determined rates or 10% of the employee’s compensation, whichever is greater. Per City Code Section 54.76, the City Council may amend established contribution requirements. Actuarially determined contribution rates are based upon the remaining amount necessary for payment of Normal (current year’s) Cost and amortization of the accrued past service liability as provided in Part VII of Chapter 112, Florida Statutes.

Plan Investments

The following was the Board of Trustees’ adopted asset allocation policy as of September 30, 2022:

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

Concentrations

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

Rate of Return

For the year ended September 30, 2022, the annual money-weighted rate of return on pension plans investments, net of pension plans investment expense, are as follows:

	<u>GERP</u>	<u>PFRP</u>
Rate of Return	-16.62%	-15.79%

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

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DROP

When a member reaches normal retirement age, they may elect in writing to participate in the DROP for a maximum of five years. Participants elect to receive a credit equal to the monthly-calculated pension amount plus 6.5% Return On Investment (ROI) per annum, compounded monthly or Net ROI Return (total return net of brokerage commissions, management fees, and transaction costs). The balance of the participants' DROP accounts as of September 30, 2022, for GERP was \$1,429,463 and for PFRP \$829,861.

Net Pension Liability

The components of the net pension liability of the Sponsor on September 30, 2022, were as follows:

	GERP	PFRP
Total Pension Liability	\$ 75,750,940	\$ 85,296,097
Plan Fiduciary Net Position	(65,588,404)	(63,996,722)
Sponsor's Net Pension Liability (Asset)	\$ 10,162,536	\$ 21,299,375
Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	86.58%	75.03%

The measurement date for both plans was September 30, 2022. The measurement period and the reporting period for both plans was October 1, 2021 through September 30, 2022. The Sponsor's Net Pension Liability was measured as of September 30, 2022, which was the same date used for the Total Pension Liability.

Actuarial Assumptions

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2021 updated to September 30, 2022 using the following actuarial assumptions:

	GERP	PFRP
Investment Rate of Return	2.50%	2.50%
Projected Salary Increases	Service Based	5.75%
Inflation Rate	7.25%	7.45%
Discount Rate	7.25%	7.45%

GERP

Mortality Rate:

Healthy Active Lives:

Female: PubG.H-2010 for Employees.

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

Retiree Lives:

Female: PubG.H-2010 for Healthy Retirees.

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

Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees.

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

Disabled Lives:

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

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SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

PFRP

Mortality Rate:

Healthy Active Lives:

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

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

Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 for Healthy Retirees, set forward one year.

Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees.

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

Disabled Lives:

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

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

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman’s July 1, 2021 FRS valuation report for special risk employees, with appropriate risk and collar adjustments made based on plan demographics. We feel this assumption sufficiently accommodates future mortality improvements.

The most recent actuarial experience study used to review the other significant assumptions was dated August 6, 2021.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plans investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

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

NOTES TO FINANCIAL STATEMENTS
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Discount Rate

The discount rate used to measure the total pension liability for GERP and PFRP was 7.25% and 7.45%, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plans investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
GERP	6.25%	7.25%	8.25%
Sponsor's Net Pension Liability (Asset)	\$ 19,944,069	\$ 10,162,536	\$ 2,059,996
PFRP	6.45%	7.45%	8.45%
Sponsor's Net Pension Liability	\$ 32,630,186	\$ 21,299,375	\$ 12,006,246

Changes in Net Pension Liability

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

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a-b)</u>
Reporting Period Ended September 30, 2021	\$ 72,070,529	\$ 79,438,959	\$ (7,368,430)
Change for a Year:			
Service Cost	2,234,336	-	2,234,336
Interest	5,262,744	-	5,262,744
Differences Between Expected and Actual Experience	(386,095)	-	(386,095)
Contributions - Employer	-	2,671,276	(2,671,276)
Contributions - Employee	-	171,562	(171,562)
Net Investment Income	-	(13,137,897)	13,137,897
Benefit Payments, Including Refunds of Employee Contributions	(3,430,574)	(3,430,574)	-
Administrative Expense	-	(124,922)	124,922
Reporting Period Ended September 30, 2022	<u>\$ 75,750,940</u>	<u>\$ 65,588,404</u>	<u>\$ 10,162,536</u>

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

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
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The Changes in Net Pension Liability for the PFRP are as follows:

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a-b)</u>
Reporting Period Ended September 30, 2021	\$ 83,697,357	\$ 73,228,873	\$ 10,468,484
Change for a Year:			
Service Cost	2,953,804	-	2,953,804
Interest	6,337,267	-	6,337,267
Share Plan Allocation	97,776	-	97,776
Differences Between Expected and Actual Experience	(4,659,664)	-	(4,659,664)
Contributions - Employer	-	3,816,835	(3,816,835)
Contributions - State	-	834,657	(834,657)
Contributions - Employee	-	1,045,923	(1,045,923)
Net Investment Income	-	(11,652,510)	11,652,510
Benefit Payments, Including Refunds of Employee Contributions	(3,130,443)	(3,130,443)	-
Administrative Expense	-	(146,613)	146,613
Reporting Period Ended September 30, 2022	<u>\$ 85,296,097</u>	<u>\$ 63,996,722</u>	<u>\$ 21,299,375</u>

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

Pension Expense

For the year ended September 30, 2022, the City recognized Pension Expense of \$5,230,449 and \$5,986,733 for the GERP and the PFRP, respectively, and total Pension Expense of \$11,217,182.

The pension liability from the governmental funds is typically liquidated in the General Fund.

Deferred Inflows and Deferred Outflows of Resources

On September 30, 2022, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
GERP		
Differences Between Expected and Actual Experience	\$ 526,040	\$ 289,572
Changes of Assumptions	1,204,080	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	10,708,500	-
PFRP		
Differences Between Expected and Actual Experience	1,777,896	4,274,690
Changes of Assumptions	2,453,587	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	10,174,715	-
Total	<u>\$ 26,844,818</u>	<u>\$ 4,564,262</u>

NOTES TO FINANCIAL STATEMENTS
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Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

<u>Year Ending September 30,</u>	<u>GERP</u>	<u>PFRP</u>
2023	\$ 3,375,269	\$ 2,627,118
2024	2,717,016	2,280,182
2025	2,282,485	2,411,711
2026	3,774,278	3,589,108
2027	-	(776,611)
Thereafter	-	-

Other Pension Plan Information

STATEMENT OF FIDUCIARY NET POSITION AS OF SEPTEMBER 30, 2022

	<u>General Employees' Retirement Fund</u>	<u>Police Officers' and Firefighters' Retirement Fund</u>	<u>Total</u>
Assets			
Cash and Cash Equivalents	\$ 1,560,650	\$ 5,009,209	\$ 6,569,859
Investments at Fair Value:			
Domestic Equities	26,334,056	23,882,137	50,216,193
Foreign Equities	8,449,688	6,886,054	15,335,742
Domestic Fixed Income Funds	16,368,637	16,345,377	32,714,014
Foreign Fixed Income Funds	1,095,874	1,114,516	2,210,390
Real Estate	8,947,487	7,570,992	16,518,479
Alternatives	2,765,040	2,266,652	5,031,692
Total Investments at Fair Value	<u>63,960,782</u>	<u>58,065,728</u>	<u>122,026,510</u>
Contributions Receivable	-	834,656	834,656
Total Assets	<u>65,521,432</u>	<u>63,909,593</u>	<u>129,431,025</u>
Net Position			
Restricted for Pensions	<u>\$ 65,521,432</u>	<u>\$ 63,909,593</u>	<u>\$ 129,431,025</u>

NOTES TO FINANCIAL STATEMENTS
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CITY OF ST. CLOUD, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION AS OF SEPTEMBER 30, 2022

Additions

Contributions:			
Employer	\$ 2,671,277	\$ 4,157,978	\$ 6,829,255
Employer from State	-	834,656	834,656
Employee	171,593	1,045,928	1,217,521
Miscellaneous	779	830	1,609
Total Contributions	<u>2,843,649</u>	<u>6,039,392</u>	<u>8,883,041</u>
Investment Income:			
Investment Earnings (Loss)	(16,335,766)	(14,469,915)	(30,805,681)
Dividend Income	3,649,749	3,154,333	6,804,082
Total Income on Investments	<u>(12,686,017)</u>	<u>(11,315,582)</u>	<u>(24,001,599)</u>
Total Additions	<u>(9,842,368)</u>	<u>(5,276,190)</u>	<u>(15,118,558)</u>

Deductions

Pension Payments	2,776,554	3,081,450	5,858,004
Refunds to Employees	14,765	40,192	54,957
DROP Distribution	642,221	8,802	651,023
Administration	597,663	535,597	1,133,260
(Total Deductions)	<u>(4,031,203)</u>	<u>(3,666,041)</u>	<u>(7,697,244)</u>

Net Increase	(13,873,571)	(8,942,231)	(22,815,802)
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**Net Position Restricted
for Pensions**

Beginning of Year	79,395,003	72,851,824	152,246,827
End of Year	<u>\$ 65,521,432</u>	<u>\$ 63,909,593</u>	<u>\$ 129,431,025</u>

Deferred Compensation Fund

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

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

Note 5 - Leasing Activities

For the year ended September 30, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this Statement is to enhance the relevance and consistency of information about governments' leasing activities. This Statement establishes a single model for lease

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
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accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Lease Payable

The City leases various printers throughout the year by various departments as well as a mailing system lease. The City also entered into an equipment lease for Cisco systems, as well as Alta Link. All leases noted below are considered equipment related leases.

Lease agreements in which the City is a lessee are summarized as follows:

Description	Date	Payment Terms	Payment Amount	Interest Rate	Initial Lease Liability	Balance 9/30/2022
Konica Minolta Printers	11/23/2020	48 months	\$ 919	0.3277%	\$ 33,786	\$ 22,864
Mailing System	1/13/2022	60 months	297	0.6857%	24,528	21,041
Konica Minolta Printers	8/9/2022	48 months	158	2.2753%	7,273	6,970
Konica Minolta Printers	8/30/2022	48 months	147	2.2753%	6,735	6,455
Konica Minolta Printers	9/6/2022	48 months	294	2.2753%	13,470	13,178
Konica Minolta Printers	6/23/2021	48 months	252	0.4753%	10,987	8,008
Konica Minolta Printers	8/16/2022	48 months	151	2.2753%	6,952	6,662
Konica Minolta Printers	11/30/2021	48 months	148	0.4753%	7,031	5,429
Konica Minolta Printers	8/23/2022	48 months	151	2.2753%	6,920	6,632
Konica Minolta Printers	4/21/2022	48 months	86	2.0927%	3,958	3,476
Konica Minolta Printers	8/2/2022	48 months	162	2.2753%	7,458	7,147
Konica Minolta Printers	6/14/2022	48 months	86	2.0927%	3,958	3,635
Cisco Systems	11/15/2021	60 months	17,929	0.6320%	1,058,976	847,172
Atla Link	12/28/2020	48 month	388	0.3277%	11,843	8,560
Total Lease Agreements					<u>\$ 1,203,875</u>	<u>\$ 967,229</u>

Annual requirements to amortize long-term obligations and related interest are as follows:

Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 240,350	\$ 6,658	\$ 247,008
2024	242,068	4,941	247,009
2025	235,913	3,218	239,131
2026	230,662	1,512	232,174
2027	2,370	6	2,376
Total Governmental	<u>951,363</u>	<u>16,335</u>	<u>967,698</u>
Business-Type Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	7,142	1,028	8,170
2024	7,673	496	8,169
2025	1,051	16	1,067
Total Business-Type	<u>15,866</u>	<u>1,540</u>	<u>17,406</u>
Total	<u>\$ 967,229</u>	<u>\$ 17,875</u>	<u>\$ 985,104</u>

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

Amount of lease assets by major classes of underlying asset:

<u>Asset Class</u>	<u>9/30/2022 Lease Asset Value</u>	<u>Accumulated Amortization</u>
Equipment	\$ 1,203,878	\$ 210,359
Total Leases	\$ 1,203,878	\$ 210,359

Lease Receivable

The City leases various buildings and properties as well as water towers to various lessees. Lease agreements in which the City is a lessor are summarized as follows:

<u>Description</u>	<u>Original Date</u>	<u>Terms</u>	<u>Annual Payment Amount</u>	<u>Interest Rate</u>	<u>Initial Lease Receivable</u>	<u>Revenue Recognized 2022</u>
Antenna Attachment	12/13/1997	74 months	\$ 37,325	0.8037%	\$ 255,563	\$ 41,220
Antenna Attachment	10/1/2010	168 months	57,356	1.4733%	886,430	63,316
Antenna Attachment	3/13/2015	221 months	39,351	1.6077%	863,319	46,792
Land - Golf	8/20/1998	442 months	9,916	1.8823%	264,139	7,161
Building - Golf	6/7/2002	488 months	65,236	1.8823%	2,981,436	73,314
Marina Building	10/1/2021	59 months	74,177	0.6320%	359,193	73,056
Antenna Attachment	2/16/2016	52 months	13,800	0.4753%	64,535	14,751
Building	12/17/2013	93 months	16,042	1.0803%	1,446,553	185,588
Total Lessor Agreements					<u>\$ 7,121,168</u>	<u>\$ 505,198</u>

<u>Description</u>	<u>Original Date</u>	<u>Deferred Inflow 9/30/2022</u>	<u>Lease Receivable Balance 9/30/2022</u>	<u>Additional Terms</u>
Antenna Attachment	12/13/1997	\$ 214,343	\$ 218,649	Lessee has 1 extension option for 60 months
Antenna Attachment	10/1/2010	823,113	829,074	Lessee has 2 extension options for 60 months each
Antenna Attachment	3/13/2015	816,527	830,214	Lessee has 3 extension options for 60 months each
Land - Golf	8/20/1998	256,978	258,730	Lessee has 3 extension options for 120 months each
Building - Golf	6/7/2002	2,908,121	2,967,483	Lessee has 4 extension options for 120 months each
Marina Building	10/1/2021	286,137	286,887	No extensions
Antenna Attachment	2/16/2016	49,784	50,745	Lessee can terminate agreement with 60 days notice
Building	12/17/2013	1,260,966	1,267,486	Lessee has 1 extension option for 60 months
Total Lessor Agreements		<u>\$ 6,615,969</u>	<u>\$ 6,709,268</u>	

Principal and interest expected to maturity:

<u>Governmental Activities</u>			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 383,994	\$ 41,938	\$ 425,932
2024	391,796	37,979	429,775
2025	399,830	33,920	433,750
2026	392,577	29,770	422,347
2027	325,830	25,827	351,657
2028-2032	902,744	83,460	986,204
2033-2037	539,499	34,018	573,517
2038-2042	146,784	3,573	150,357
Total Governmental	<u>3,483,054</u>	<u>290,485</u>	<u>3,773,539</u>

NOTES TO FINANCIAL STATEMENTS
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CITY OF ST. CLOUD, FLORIDA

Business-Type Activities			
Fiscal Year	Principal	Interest	Total
2023	\$ 16,591	\$ 60,600	\$ 77,191
2024	23,089	60,217	83,306
2025	23,528	59,779	83,307
2026	23,975	59,332	83,307
2027	24,430	58,877	83,307
2028-2032	169,842	285,680	455,522
2033-2037	239,718	266,548	506,266
2038-2042	323,123	240,227	563,350
2043-2047	422,224	205,347	627,571
2048-2052	539,502	160,318	699,820
2053-2057	677,800	103,300	781,100
2058-2062	742,392	33,861	776,253
Total Business-Type	<u>3,226,214</u>	<u>1,594,086</u>	<u>4,820,300</u>
Total	<u>\$ 6,709,268</u>	<u>\$ 1,884,571</u>	<u>\$ 8,593,839</u>

Note 6 - Long-Term Liabilities

Long-term liability for the year ended September 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Revenue Bonds and Notes:					
Capital Improvement Bonds - 2010A	\$ 1,180,000	\$ -	\$ (1,180,000)	\$ -	\$ -
Direct Borrowing and Direct Placement:					
Florida DEP Revolving Fund Note - 2002	85,824	-	(16,181)	69,643	16,659
Florida DEP Revolving Fund Note - 2005	518,710	-	(98,632)	420,078	101,124
Florida DEP Revolving Fund Note - 2006	702,708	-	(133,592)	569,116	136,980
Capital Improvement Revenue Note - 2019	33,915,000	-	(1,425,000)	32,490,000	1,460,000
Total Revenue Bonds and Notes	<u>36,402,242</u>	<u>-</u>	<u>(2,853,405)</u>	<u>33,548,837</u>	<u>1,714,763</u>
Add: Discount	(1,484)	1,484	-	-	-
Bonds and Notes, Net of Premium	<u>36,400,758</u>	<u>1,484</u>	<u>(2,853,405)</u>	<u>33,548,837</u>	<u>1,714,763</u>
Other Liabilities:					
Lease Payable	33,976	1,147,262	(229,875)	951,363	240,350
Compensated Absences	1,949,708	1,533,145	(1,437,045)	2,045,808	1,227,485
Net OPEB Liability	2,844,260	76,555	-	2,920,815	443,731
Total Other Liabilities	<u>4,827,944</u>	<u>2,756,962</u>	<u>(1,666,920)</u>	<u>5,917,986</u>	<u>1,911,566</u>
Total Government Activities	<u>\$ 41,228,702</u>	<u>\$ 2,758,446</u>	<u>\$ (4,520,325)</u>	<u>\$ 39,466,823</u>	<u>\$ 3,626,329</u>

NOTES TO FINANCIAL STATEMENTS
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CITY OF ST. CLOUD, FLORIDA

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-Type Activities					
Utility Revenue Notes Payable for					
Direct Borrowing and Direct Placement:					
Water Utility:					
Florida DEP Revolving Fund Note - 2007-DW	\$ 8,180,179	\$ -	\$ (1,168,923)	\$ 7,011,256	\$ 1,200,204
Utility System Revenue Bonds - 2012A	10,520,000	-	(830,000)	9,690,000	855,000
SunTrust Revenue Note - 2013A	495,000	-	(245,000)	250,000	250,000
Total Water Utility	<u>19,195,179</u>	<u>-</u>	<u>(2,243,923)</u>	<u>16,951,256</u>	<u>2,305,204</u>
Sewer Utility:					
Florida DEP Revolving Fund Note - 2002	158,640	-	(24,468)	134,172	25,225
Florida DEP Revolving Fund Note - 2005	948,475	-	(148,518)	799,957	152,217
Florida DEP Revolving Fund Note - 2007-WW	11,469,364	-	(1,410,411)	10,058,953	1,445,337
SunTrust Revenue Note - 2013A	745,000	-	(370,000)	375,000	375,000
Total Sewer Utility	<u>13,321,479</u>	<u>-</u>	<u>(1,953,397)</u>	<u>11,368,082</u>	<u>1,997,779</u>
Total Utility Revenue Notes Payable for					
Direct Borrowing and Direct Placement	32,516,658	-	(4,197,320)	28,319,338	4,302,983
Stevens Plantation Dependent					
Special District Bonds	3,583,849	-	-	3,583,849	3,583,849
Total Revenue Notes and Bonds Payable	<u>36,100,507</u>	<u>-</u>	<u>(4,197,320)</u>	<u>31,903,187</u>	<u>7,886,832</u>
Other Liabilities:					
Lease Payable	22,640	-	(6,774)	15,866	7,142
Landfill Closure Liability	1,658,873	-	(55,335)	1,603,538	123,349
Compensated Absences	579,212	526,416	(551,934)	553,694	332,216
Net OPEB Liability	1,334,872	-	(147,539)	1,187,333	180,379
Total Other Liabilities	<u>3,595,597</u>	<u>526,416</u>	<u>(761,582)</u>	<u>3,360,431</u>	<u>643,086</u>
Total Business-Type Activities	<u>\$ 39,696,104</u>	<u>\$ 526,416</u>	<u>\$ (4,958,902)</u>	<u>\$ 35,263,618</u>	<u>\$ 8,529,918</u>

The following is a schedule of bonds and notes outstanding at September 30, 2022:

Description of Bonds	Purpose of Issue	Issued	Outstanding	Rates
Governmental Activities				
Revenue Bonds and Notes:				
Capital Improvement - 2010A	Refunding	\$ 20,875,000	\$ -	2.00-5.00%
Direct Borrowing and Direct Placement:				
Florida DEP Revolving Fund Note - 2002	Capital Improvement	281,223	69,643	2.93%
Florida DEP Revolving Fund Note - 2005	Capital Improvement	1,770,791	420,078	2.51%
Florida DEP Revolving Fund Note - 2006	Capital Improvement	2,312,479	569,116	2.46-2.52%
Capital Improvement Rev Note, 2019	Capital Improvement	35,585,000	32,490,000	5.01-6.00%
Total Governmental Activities		<u>\$ 60,824,493</u>	<u>\$ 33,548,837</u>	
Business-Type Activities				
Revenue Notes Payable:				
Stevens Plantation Dependent				
Special District Bonds*	Capital Improvement	\$ 5,890,000	\$ 3,583,849	6.38%
Direct Borrowing and Direct Placement:				
Water Utility:				
Florida DEP Revolving Fund Note - 2007-DW	Capital Improvement	20,708,565	7,011,258	2.51-2.84%
Utility System Revenue Bonds - 2012A	Capital Improvement	15,500,000	9,690,000	2.75%
SunTrust Revenue Note - 2013A	Refunding	2,355,000	250,000	2.02%
Total Water Utility		<u>38,563,565</u>	<u>16,951,258</u>	
Sewer Utility:				
Florida DEP Revolving Fund Note - 2002	Capital Improvement	423,533	134,172	3.07%
Florida DEP Revolving Fund Note - 2005	Capital Improvement	2,647,931	799,956	2.40-2.51%
Florida DEP Revolving Fund Note - 2007-WW	Capital Improvement	26,600,625	10,058,952	2.38-3.10%
SunTrust Revenue Note - 2013A	Refunding	3,515,000	375,000	2.02%
Total Sewer Utility		<u>33,187,089</u>	<u>11,368,080</u>	
Total Business-Type Activities		<u>\$ 77,640,654</u>	<u>\$ 31,903,187</u>	

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

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

Fiscal Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 1,714,763	\$ 850,563	\$ 4,302,983	\$ 701,149
2024	1,761,280	806,959	3,770,470	598,569
2025	1,797,968	762,173	3,869,829	499,805
2026	1,844,826	716,453	3,971,107	398,433
2027	1,610,000	671,322	4,079,354	294,335
2028-2032	8,650,000	2,723,261	8,325,595	434,113
2033-2037	9,740,000	1,570,736	-	-
2038-2042	6,430,000	329,184	-	-
Total	\$ 33,548,837	\$ 8,430,651	\$ 28,319,338	\$ 2,926,404

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

Fiscal Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ -	\$ -	\$ 3,583,849	\$ -
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
Total	\$ -	\$ -	\$ 3,583,849	\$ -

The City has pledged certain revenues to repay certain bonds and notes outstanding as of September 30, 2022. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue; the amounts of such revenues received in the current year; the current year principal and interest paid on the debt; the approximate percentage of each revenue, which is pledged to meet the debt obligation; the date through which the revenue is pledged under the debt agreement; and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2022:

Description of Bonds	Pledge Revenue	Revenue Received	Principal and Interest Paid	Estimated Percentage Pledged	Outstanding Principal and Interest	Pledged Through
Governmental Activities						
Capital Improvement Revenue Bonds 2010A Series	1% Surcharge (Covenant to Appropriate)	N/A	\$ 636,248	N/A	\$ -	2022
Capital Improvement Revenue Bonds 2010A Series	Mobility Impact Fee (Covenant to Appropriate)	N/A	\$ 585,052	N/A	\$ -	2022
Capital Improvement Revenue Refundings Note, 2019 Series	Mobility Impact Fee (Covenant to Appropriate)	N/A	\$ 2,286,441	N/A	\$ 40,859,173	2040
Direct Borrowing and Direct Placement Florida DEP Revolving Fund Notes	Net Stormwater Revenue	\$ 2,279,866	\$ 280,079	12.26%	\$ 1,117,981	2026
Business-Type Activities						
Direct Borrowing and Direct Placement: Florida DEP Revolving Fund Notes - 2002, 2005, 2007 and SunTrust Utility Revenue Note - 2013A	Net Sewer Revenue	\$ 6,964,130	\$ 2,265,706	25.29%	\$ 12,326,861	2029
Florida DEP Revolving Fund Note - 2007 - DW and Utility System Revenue Bonds 2012A and SunTrust Utility Revenue Note - 2013A	Net Water Revenue	\$ 5,052,592	\$ 2,739,103	37.44%	\$ 18,918,661	2032

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Estimated Landfill Closure Cost and Post-Closure Liability

The landfill closure was officially accepted and declared by the Florida Department of Environmental Protection on October 10, 2005. State and federal laws and regulations require the City to continue to perform certain maintenance and monitoring functions at the site for 30 years after closure. During operation of the landfill, the City annually funded a liability and an escrow account to cover estimated landfill closure costs and post-closure costs. Based upon full closure of the landfill, excess funds held in the escrow account over the originally estimated closure were withdrawn and deposited to the Sanitation Fund of the City. The remaining liability and escrow funds of \$1,603,538 and \$1,603,538, respectively, have been maintained to cover the post-closure costs estimated for the entire 30-year post-closure period. Actual costs may be different due to inflation, deflation, changes in technology, or changes in regulations.

Note 7 - Commitment and Contingencies

For Grants and Loans

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

Lawsuits

Various suits and claims arising in the ordinary course of City operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, the City does not expect any of these routine items to have a material impact on the financial condition of the City.

Construction Contracts

At September 30, 2022, the City had several uncompleted construction contracts. These contracts will be paid in future periods as work is performed. Payment will be made with proceeds from debt issues, impact fees, operating revenues, restricted cash on hand, and grants to be received. The remaining commitment on these construction contracts was approximately as follows:

Capital Projects Fund	\$ 8,680,108
Sewer Utility	52,845
Stormwater Fund	130,804
Building	1,961,251

Encumbrances

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

Note 8 - Interfund Transfers and Payables

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

NOTES TO FINANCIAL STATEMENTS
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CITY OF ST. CLOUD, FLORIDA

	<u>Due From</u>	<u>Due To</u>
Current Interfund		
General Fund	\$ -	\$ 4,857,380
Mobility Fee Fund	-	8,229,395
One Percent Surcharge Fund	-	4,379,419
Capital Projects Fund	24,439,888	-
Stormwater Fund	993,420	-
Other Governmental Funds – Non-Major	-	7,967,114
Total Current Interfund Receivables and Payables	<u>\$ 25,433,308</u>	<u>\$ 25,433,308</u>

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

The following is a reconciliation of interfund transfers:

	<u>Transfer In</u>	<u>Transfer (Out)</u>
Interfund Transfers		
General Fund	\$ 14,992,653	\$ (7,240,784)
OUC Interlocal Agreement Fund	-	(7,407,130)
Mobility Fee Fund	-	(4,933,719)
One Percent Surcharge Fund	87,923	(5,803,091)
Capital Projects Fund	16,967,666	(812,491)
Water Utility Fund	1,558,701	(3,575,489)
Sewer Utility Fund	265,000	(2,286,187)
Sanitation Utility Fund	-	(939,829)
Stormwater Utility Fund	-	(481,212)
Non-Major Funds:		
Special Revenue Funds	674,988	(4,854,819)
Debt Service Fund	3,787,820	-
Total Interfund Transfers	<u>\$ 38,334,751</u>	<u>\$ (38,334,751)</u>

The interfund transfers to the Debt Service Fund were for funding the City’s long-term notes and bonds payable. Annual budgeted transfers from the OUC Interlocal Agreement Fund to the General Fund are based on budgeted expenses and projects approved. Transfers made from the Capital Projects Fund back to other funds were for projects that were canceled, or completed under budget.

Note 9 - Risk Management

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

- General Liability
- Property
- Public Officials’ and Employment Practices Liability
- Pollution Liability
- Automobile
- Crime

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

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

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

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

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

	Fiscal Year Ended	
	September 30, 2022	September 30, 2021
Unpaid Claims, Beginning of Fiscal Year	\$ 662,373	\$ 645,218
Incurred Claims (including IBNRs)	6,435,642	5,116,180
Claims Payments	(6,311,538)	(5,099,025)
Unpaid Claims, End of Fiscal Year	\$ 786,477	\$ 662,373

Note 10 - Orlando Utilities Commission (OUC) Interlocal Agreement

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

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

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

Note 11 - Other Postemployment Benefits (OPEB)

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

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

Membership of the Plan consisted of the following:

Date of Actuarial Valuation	September 30, 2021
Retirees and Beneficiaries Receiving Benefits	21
Active Plan Members	495
Total	516

Changes in the Total OPEB Plan Liability

The following table shows the changes in the City’s OPEB Plan liability:

NOTES TO FINANCIAL STATEMENTS
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	Increase/ (Decrease) in Total OPEB Liability
Reporting Period Ended September 30, 2021	\$ 4,179,131
Changes for the Year:	
Service Cost	334,091
Interest	94,646
Differences Between Expected and Actual Experiences	(1,884)
Changes of Assumptions	(315,830)
Benefit Payments	(182,007)
Net Changes	(70,984)
Reporting Period Ended September 30, 2022	\$ 4,108,147

As of September 30, 2022, the total OPEB Plan liability was \$4,108,147 and assets held in trust were \$0, resulting in a funded ratio of 0.00%. The covered employee payroll (annual payroll of active participating employees) was \$26,231,144, and the ratio of the total OPEB Plan liability to the covered payroll was 15.66%.

Actuarial Assumptions and Methods

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

All mortality rates were based on the Pub-2010 mortality tables. All mortality rates are those outlined in Milliman’s July 1, 2021 FRS valuation report, with appropriate risk and collar adjustments made based on plan demographics.

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

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

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

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

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On September 30, 2022, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 102,042
Changes of Assumptions	434,389	596,606
Employer Contributions Subsequent to the Measurement Date	189,722	-
Total	<u>\$ 624,111</u>	<u>\$ 698,648</u>

The Deferred Outflows of Resources related to OPEB totaling \$624,111 resulting from the City's contributions to the Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended September 30,</u>	
2023	\$ (54,125)
2024	(54,125)
2025	(54,125)
2026	(54,125)
2027	(30,344)
Thereafter	(17,418)

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

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

	<u>1% Decrease 1.43%</u>	<u>Current Discount Rate 2.43%</u>	<u>1% Increase 3.43%</u>
Total OPEB Liability	\$ 4,550,987	\$ 4,108,147	\$ 3,719,577

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

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

	<u>1% Decrease 3.00%-6.50%</u>	<u>Healthcare Cost Trend Rate 4.00%-7.50%</u>	<u>1% Increase 5.00%-8.50%</u>
Total OPEB Liability	\$ 3,615,599	\$ 4,108,147	\$ 4,704,127

NOTES TO FINANCIAL STATEMENTS
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Note 12 - Receivable

Amounts are aggregated into a single customer receivable (net of allowance for uncollectible) line for certain funds and aggregated columns. Below is the detail of the receivables for the General Fund and enterprise funds, including the applicable allowances for uncollectible amounts:

	<u>General Fund</u>	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Sanitation Utility</u>	<u>Stormwater Utility</u>
Customer Receivables	\$ 686,399	\$ 1,165,235	\$ 1,337,346	\$ 995,249	\$ 189,621
(Less Allowance for Doubtful Accounts)	(3,083)	(75,447)	(27,793)	(23,729)	(12,844)
Customer Receivable, Net	<u><u>\$ 683,316</u></u>	<u><u>\$ 1,089,788</u></u>	<u><u>\$ 1,309,553</u></u>	<u><u>\$ 971,520</u></u>	<u><u>\$ 176,777</u></u>

Note 13 - Deficit Net Position

As of September 30, 2022, the Stevens Plantation Dependent Special District had deficit net position of \$3,548,332.

Note 14 - Fund Balance Reporting

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

Fund Balances	General Fund	OUC/St. Cloud Interlocal Fund	Mobility Fee Fund	One Percent Surcharge Fund	Capital Projects Fund	Total Other Governmental Funds	Total All Governmental Funds
Non-Spendable							
Inventory	\$ 231,980	-	-	-	-	-	\$ 231,980
Prepaid Items	1,713,657	-	-	-	-	8,121	1,721,778
Restricted for							
Community Redevelopment	-	-	-	-	-	677,811	677,811
Transportation	-	-	14,345,325	-	-	851,134	15,196,459
Federal Equitable Funds	31,812	-	-	-	-	-	31,812
Law Enforcement	207,503	-	-	-	-	-	207,503
Capital Projects	-	-	-	3,417,640	24,542,974	18,455,489	46,416,103
Debt Service	-	-	-	-	-	380,790	380,790
Assigned to							
Subsequent Year's Budget	6,357,513	-	-	-	-	-	6,357,513
Self-Insurance	700,000	-	-	-	-	-	700,000
Economic Development	-	2,178,871	-	-	-	139,869	2,318,740
Unassigned	10,042,953	-	-	-	-	-	10,042,953
Total Fund Balances	<u><u>\$ 19,285,418</u></u>	<u><u>\$ 2,178,871</u></u>	<u><u>\$ 14,345,325</u></u>	<u><u>\$ 3,417,640</u></u>	<u><u>\$ 24,542,974</u></u>	<u><u>\$ 20,513,214</u></u>	<u><u>\$ 84,283,442</u></u>

Note 15 - Subsequent Event

During the year, the City entered into an agreement with TOHO Water Authority (TOHO). As part of this agreement, TOHO would manage various operations of the City's water and sewer utilities. While some functions had already transitioned during the year, the billing process and other operations began on October 1, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
Revenues				
Taxes	\$ 19,872,565	\$ 19,872,565	\$ 20,125,573	\$ 253,008
Permits and Fees	2,243,200	2,243,200	3,118,856	875,656
Intergovernmental Revenues	5,666,320	5,666,320	7,240,151	1,573,831
Charges for Services	5,026,058	5,026,058	6,246,318	1,220,260
Fines and Forfeitures	96,000	280,149	430,045	149,896
Grants	2,267,026	2,268,526	6,392,663	4,124,137
Investment Income	104,164	104,164	(895,826)	(999,990)
Other Revenue	4,577,923	4,577,923	608,089	(3,969,834)
Total Revenues	<u>39,853,256</u>	<u>40,038,905</u>	<u>43,265,869</u>	<u>3,226,964</u>
Expenditures				
Current:				
City Council	928,352	3,445,924	385,209	3,060,715
City Manager	1,801,250	2,827,001	1,833,115	993,886
City Clerk	942,741	1,093,784	685,955	407,829
Human Resources	1,193,209	1,270,802	786,197	484,605
Finance	2,048,141	2,018,649	1,156,778	861,871
Procurement	923,806	976,178	251,186	724,992
Information Technology	2,318,070	2,590,280	1,035,065	1,555,215
Planning/Zoning	2,620,163	3,042,306	1,648,064	1,394,242
Building Maintenance	2,452,159	2,334,560	1,149,897	1,184,663
Police	18,172,289	18,696,360	18,441,212	255,148
Fire	12,064,076	12,228,506	11,275,817	952,689
Public Works	1,885,318	2,048,128	1,558,498	489,630
Parks and Recreation	6,861,794	7,023,977	5,443,713	1,580,264
Capital Outlay	1,843,779	2,813,325	1,695,886	1,117,439
(Total Expenditures)	<u>(56,055,147)</u>	<u>(62,409,780)</u>	<u>(47,346,592)</u>	<u>15,063,188</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(16,201,891)</u>	<u>(22,370,875)</u>	<u>(4,080,723)</u>	<u>18,290,152</u>
Other Financing Sources (Uses)				
Transfers from Other Funds	14,552,069	17,510,453	14,992,653	(2,517,800)
Transfers to Other Funds	(3,776,824)	(7,240,784)	(7,240,784)	-
Lease (as lessee)	-	-	88,285	88,285
Sale of Capital Assets	-	-	12,191	12,191
Insurance Recoveries	-	-	26,824	26,824
Total Other Financing Sources (Uses)	<u>10,775,245</u>	<u>10,269,669</u>	<u>7,879,169</u>	<u>(2,390,500)</u>
Net Change in Fund Balances	<u>(5,426,646)</u>	<u>(12,101,206)</u>	<u>3,798,446</u>	<u>15,899,652</u>
Fund Balance, Beginning of Year	<u>15,486,972</u>	<u>15,486,972</u>	<u>15,486,972</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 10,060,326</u>	<u>\$ 3,385,766</u>	<u>\$ 19,285,418</u>	<u>\$ 15,899,652</u>

Note to Schedule:

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

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OUC INTERLOCAL AGREEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	
Revenues				
Payments from Other Governments	\$ 7,618,506	\$ 7,618,506	\$ 8,467,344	\$ 848,838
Investment Income	12,000	12,000	(93,910)	(105,910)
Total Revenues	<u>7,630,506</u>	<u>7,630,506</u>	<u>8,373,434</u>	<u>742,928</u>
Expenditures				
Current:				
Economic Environment	150,000	150,000	44,000	106,000
(Total Expenditures)	<u>(150,000)</u>	<u>(150,000)</u>	<u>(44,000)</u>	<u>106,000</u>
Excess of Revenues Over Expenditures	<u>7,480,506</u>	<u>7,480,506</u>	<u>8,329,434</u>	<u>848,928</u>
Other Financing Sources (Uses)				
Transfers to Other Funds	(7,480,506)	(7,480,506)	(7,407,130)	73,376
Total Other Financing Sources (Uses)	<u>(7,480,506)</u>	<u>(7,480,506)</u>	<u>(7,407,130)</u>	<u>73,376</u>
Net Change in Fund Balances	-	-	922,304	922,304
Fund Balance, Beginning of Year	<u>1,256,567</u>	<u>1,256,567</u>	<u>1,256,567</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,256,567</u>	<u>\$ 1,256,567</u>	<u>\$ 2,178,871</u>	<u>\$ 922,304</u>

Note to Schedule:

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

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MOBILITY FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Permits and Fees	\$ 5,336,400	\$ 5,336,400	\$ 5,390,365	\$ 53,965
Investment Income	60,000	60,000	(895,508)	(955,508)
Total Revenues	<u>5,396,400</u>	<u>5,396,400</u>	<u>4,494,857</u>	<u>(901,543)</u>
Expenditures				
Current:				
General Government	-	350,000	-	350,000
Transportation	-	3,300	3,221	79
(Total Expenditures)	<u>-</u>	<u>(353,300)</u>	<u>(3,221)</u>	<u>350,079</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,396,400</u>	<u>5,043,100</u>	<u>4,491,636</u>	<u>(551,464)</u>
Other Financing Sources (Uses)				
Transfers to Other Funds	(2,653,295)	(5,736,869)	(5,803,091)	(66,222)
Total Other Financing Sources (Uses)	<u>(2,653,295)</u>	<u>(5,736,869)</u>	<u>(5,803,091)</u>	<u>(66,222)</u>
Net Change in Fund Balances	2,743,105	(693,769)	(1,311,455)	(617,686)
Fund Balance, Beginning of Year	<u>15,656,780</u>	<u>15,656,780</u>	<u>15,656,780</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 18,399,885</u>	<u>\$ 14,963,011</u>	<u>\$ 14,345,325</u>	<u>\$ (617,686)</u>

Note to Schedule:

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

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ONE PERCENT SURCHARGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Taxes	\$ 5,000,000	\$ 5,000,000	\$ 7,310,379	\$ 2,310,379
Investment Income	36,000	36,000	(264,659)	(300,659)
Other Revenue	-	-	46,440	46,440
Total Revenues	<u>5,036,000</u>	<u>5,036,000</u>	<u>7,092,160</u>	<u>2,056,160</u>
Expenditures				
Current:				
General Government	775,865	97,730	-	97,730
Capital Outlay	3,739,483	4,009,693	2,514,975	1,494,718
Principal Payments	-	-	211,804	(211,804)
Interest and Fees	-	-	5,368	(5,368)
(Total Expenditures)	<u>(4,515,348)</u>	<u>(4,107,423)</u>	<u>(2,732,147)</u>	<u>(1,375,276)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>520,652</u>	<u>928,577</u>	<u>4,360,013</u>	<u>3,431,436</u>
Other Financing Sources (Uses)				
Transfers from Other Funds	-	55,993	87,923	31,930
Transfers to Other Funds	(854,446)	(4,933,719)	(4,933,719)	-
Lease (as lessee)	-	-	1,058,976	1,058,976
Sale of Capital Assets	-	-	9,326	9,326
Total Other Financing Sources (Uses)	<u>(854,446)</u>	<u>(4,877,726)</u>	<u>(3,777,494)</u>	<u>1,100,232</u>
Net Change in Fund Balances	(333,794)	(3,949,149)	582,519	4,531,668
Fund Balance, Beginning of Year	<u>2,835,121</u>	<u>2,835,121</u>	<u>2,835,121</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,501,327</u>	<u>\$ (1,114,028)</u>	<u>\$ 3,417,640</u>	<u>\$ 4,531,668</u>

Note to Schedule:

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

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Grants	\$ -	\$ -	\$ 11,647	\$ 11,647
Investment Income	-	-	(34,104)	(34,104)
Total Revenues	<u>-</u>	<u>-</u>	<u>(22,457)</u>	<u>(22,457)</u>
Expenditures				
Capital Outlay	1,780,000	21,021,752	10,800,876	10,220,876
(Total Expenditures)	<u>(1,780,000)</u>	<u>(21,021,752)</u>	<u>(10,800,876)</u>	<u>(10,220,876)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(1,780,000)</u>	<u>(21,021,752)</u>	<u>(10,823,333)</u>	<u>10,198,419</u>
Other Financing Sources (Uses)				
Transfers to Other Funds	1,780,000	16,967,666	16,967,666	-
Transfers from Other Funds	-	(4,612,487)	(812,491)	3,799,996
Total Other Financing Sources (Uses)	<u>1,780,000</u>	<u>12,355,179</u>	<u>16,155,175</u>	<u>3,799,996</u>
Net Change in Fund Balances	-	(8,666,573)	5,331,842	13,998,415
Fund Balance, Beginning of Year	<u>19,211,132</u>	<u>19,211,132</u>	<u>19,211,132</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 19,211,132</u>	<u>\$ 10,544,559</u>	<u>\$ 24,542,974</u>	<u>\$ 13,998,415</u>

Note to Schedule:

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service Cost	\$ 2,234,336	\$ 2,019,461	\$ 1,830,118	\$ 1,644,685	\$ 1,475,949	\$ 1,353,872	\$ 1,719,953	\$ 1,610,096	\$ 1,542,990	\$ 1,428,694
Interest	5,262,744	5,079,659	4,698,858	4,408,210	4,051,364	3,838,179	3,755,454	3,506,599	3,229,460	2,968,071
Change in Benefit Terms	-	-	-	1,103,540	-	-	-	-	-	-
Differences Between										
Expected and Actual Experience	(386,095)	445,952	1,025,549	233,383	330,362	(265,504)	(742,927)	(487,223)	-	-
Changes in Assumptions	-	2,403,878	8,561	-	-	166,757	280,136	-	-	-
Contributions - Buy Back	-	-	-	-	-	15,216	16,475	4,115	-	-
Benefit Payments, Including Refunds of Employee Contributions	(3,430,574)	(2,805,888)	(2,871,858)	(2,570,974)	(2,479,987)	(2,479,651)	(1,682,941)	(1,582,585)	(1,168,051)	(1,319,345)
Net Change in Total Pension Liability	3,680,411	7,143,062	4,691,228	4,818,844	3,377,688	2,628,869	3,346,150	3,051,002	3,604,399	3,077,420
Total Pension Liability - Beginning	72,070,529	64,927,467	60,236,239	55,417,395	52,039,707	49,410,838	46,064,688	43,013,686	39,409,287	36,331,867
Total Pension Liability - Ending (a)	\$ 75,750,940	\$ 72,070,529	\$ 64,927,467	\$ 60,236,239	\$ 55,417,395	\$ 52,039,707	\$ 49,410,838	\$ 46,064,688	\$ 43,013,686	\$ 39,409,287
Plan Fiduciary Net Position										
Contributions - Employer	\$ 2,671,276	\$ 2,364,184	\$ 2,215,159	\$ 2,720,561	\$ 2,339,380	\$ 2,142,198	\$ 1,996,026	\$ 2,427,915	\$ 2,069,336	\$ 2,145,635
Contributions - Employee	171,562	155,517	150,302	142,820	121,357	110,834	104,401	105,253	107,804	145,360
Contributions - Buy Back	-	-	-	-	-	15,216	16,475	4,115	-	-
Net Investment Income	(13,137,897)	12,203,562	6,178,336	2,821,009	3,917,769	5,986,946	3,488,201	799,602	4,435,658	3,920,904
Benefit Payments, Including Refunds of Employee Contributions	(3,430,574)	(2,805,888)	(2,871,858)	(2,570,974)	(2,479,987)	(2,479,651)	(1,682,941)	(1,582,585)	(1,168,051)	(1,319,345)
Administrative Expense	(124,922)	(138,932)	(108,666)	(94,851)	(73,591)	(88,341)	(72,563)	(60,839)	(55,446)	(67,453)
Net Change in Plan Fiduciary Net Position	(13,850,555)	11,778,443	5,563,273	3,018,565	3,824,928	5,687,202	3,849,599	1,693,461	5,389,301	4,825,101
Plan Fiduciary Net Position - Beginning	79,438,959	67,660,516	62,097,243	59,078,678	55,253,750	49,566,548	45,716,949	44,023,488	38,634,187	33,809,086
Plan Fiduciary Net Position - Ending (b)	65,588,404	79,438,959	67,660,516	62,097,243	59,078,678	55,253,750	49,566,548	45,716,949	44,023,488	38,634,187
Net Pension Liability - Ending (a) - (b)	\$ 10,162,536	\$ (7,368,430)	\$ (2,733,049)	\$ (1,861,004)	\$ (3,661,283)	\$ (3,214,043)	\$ (155,710)	\$ 347,739	\$ (1,009,802)	\$ 775,100
Plan Fiduciary Net Position as a Percentage of the Liability of Total Pension Liability	86.58%	110.22%	104.21%	103.09%	106.61%	106.18%	100.32%	99.25%	102.35%	98.03%
Covered Payroll	\$ 17,156,153	\$ 15,597,941	\$ 14,983,974	\$ 14,290,919	\$ 12,126,709	\$ 11,180,449	\$ 10,440,155	\$ 11,036,601	\$ 10,016,147	\$ 9,406,554
Net Pension Liability as a Percentage of Covered Payroll	59.24%	-47.24%	-18.24%	-13.02%	-30.19%	-28.75%	-1.49%	3.15%	-10.08%	8.24%

Notes to Schedule:

Changes of Assumptions:

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

For measurement date September 30, 2021, the following assumption changes have been made and were adopted based on recommendations from August 6, 2021, experience study:

- Investment return assumption was reduced from 7.75% to 7.25% net of investment related expense.
- Changing the assumed salary increased rates to be 6.25% for those with less than 3 years of service, 4.75% for those with 3-5 years of service, 4.50% for those with 6-9 years of services, and 3.75% for those with 10 or more years of service.
- Changing the retirement rates to be generally lower than previously assumed for normal retirement but higher for early retirement.
- Changing the assume rates of withdrawal to be generally more withdrawals than previously assumed.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service Cost	\$ 2,953,804	\$ 2,909,533	\$ 2,617,000	\$ 2,066,573	\$ 1,891,141	\$ 1,829,376	\$ 1,743,397	\$ 1,534,345	\$ 1,309,112	\$ 1,209,341
Interest	6,337,267	5,898,018	5,191,247	4,932,417	4,646,449	4,337,544	3,975,751	3,527,267	3,331,345	3,146,732
Change in Excess State Money	-	-	-	-	-	-	(845,672)	167,060	179,991	-
Share Plan Allocation	97,776	220,707	171,276	41,515	61,968	41,835	-	-	-	-
Changes of Benefit Terms	-	2,233,122	-	(6,576)	-	-	2,314,678	-	-	-
Differences Between Expected and Actual Experience	(4,659,664)	410,709	2,482,271	(913,814)	299,766	180,857	110,348	267,013	-	-
Changes of Assumptions	-	2,461,875	648,903	765,708	396,811	195,056	1,685,690	393,847	367,974	-
Contributions - Buy Back	-	1,170	6,242	15,595	10,257	14,687	63,525	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(3,130,443)	(3,829,413)	(3,369,407)	(3,309,850)	(2,930,568)	(2,669,047)	(2,509,759)	(2,041,422)	(2,838,979)	(1,597,248)
Net Change in Total Pension Liability	1,598,740	10,305,721	7,747,532	3,591,568	4,375,824	3,930,308	6,537,958	3,848,110	2,349,443	2,758,825
Total Pension Liability - Beginning	83,697,357	73,391,636	65,644,104	62,052,536	57,676,712	53,746,404	47,208,446	43,360,336	41,010,893	38,252,068
Total Pension Liability - Ending (a)	<u>\$ 85,296,097</u>	<u>\$ 83,697,357</u>	<u>\$ 73,391,636</u>	<u>\$ 65,644,104</u>	<u>\$ 62,052,536</u>	<u>\$ 57,676,712</u>	<u>\$ 53,746,404</u>	<u>\$ 47,208,446</u>	<u>\$ 43,360,336</u>	<u>\$ 41,010,893</u>
Plan Fiduciary Net Position										
Contributions - Employer	\$ 3,816,835	\$ 3,457,052	\$ 3,686,111	\$ 2,898,931	\$ 2,418,708	\$ 2,417,281	\$ 2,289,411	\$ 2,416,007	\$ 2,287,355	\$ 1,816,519
Contributions - State	834,657	737,830	671,921	609,613	567,489	499,334	465,507	444,890	457,821	439,351
Contributions - Employee	1,045,923	587,944	595,032	542,212	452,315	451,550	394,913	376,980	347,291	304,741
Contributions - Buy Back	-	1,170	6,242	15,595	10,257	14,687	63,525	-	-	-
Net Investment Income	(11,652,510)	10,574,031	5,491,654	2,384,142	3,375,968	5,260,231	2,923,518	669,442	3,777,453	3,286,743
Benefit Payments, Including Refunds of Employee Contributions	(3,130,443)	(3,829,413)	(3,369,407)	(3,309,850)	(2,930,568)	(2,669,047)	(2,509,759)	(2,041,422)	(2,838,979)	(1,597,248)
Administrative Expense	(146,613)	(134,171)	(95,477)	(102,056)	(119,395)	(62,715)	(59,280)	(79,079)	(63,897)	(53,592)
Net Change in Plan Fiduciary Net Position	(9,232,151)	11,394,443	6,986,076	3,038,587	3,774,774	5,911,321	3,567,835	1,786,818	3,967,044	4,196,514
Plan Fiduciary Net Position - Beginning	73,228,873	61,834,430	54,848,354	51,809,767	48,034,993	42,123,672	38,555,837	36,769,019	32,801,975	28,605,461
Plan Fiduciary Net Position - Ending (b)	63,996,722	73,228,873	61,834,430	54,848,354	51,809,767	48,034,993	42,123,672	38,555,837	36,769,019	32,801,975
Net Pension Liability - Ending (a) - (b)	<u>\$ 21,299,375</u>	<u>\$ 10,468,484</u>	<u>\$ 11,557,206</u>	<u>\$ 10,795,750</u>	<u>\$ 10,242,769</u>	<u>\$ 9,641,719</u>	<u>\$ 11,622,732</u>	<u>\$ 8,652,609</u>	<u>\$ 6,591,317</u>	<u>\$ 8,208,918</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	87.49%	84.25%	83.55%	83.49%	83.28%	78.37%	81.67%	84.80%	80.00%
Covered Payroll	<u>\$ 12,466,715</u>	<u>\$ 10,586,506</u>	<u>\$ 10,721,291</u>	<u>\$ 9,769,589</u>	<u>\$ 8,149,826</u>	<u>\$ 8,136,139</u>	<u>\$ 7,743,398</u>	<u>\$ 7,806,883</u>	<u>\$ 6,809,621</u>	<u>\$ 5,975,318</u>
Net Pension Liability as a Percentage of Covered Payroll	170.85%	98.89%	107.80%	110.50%	125.68%	118.50%	150.10%	110.83%	96.79%	137.38%

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

Notes to Schedule:

Changes of Benefit Terms:

For measurement date September 30, 2021, amounts reported as changes of benefit terms, resulted from Ordinance No. 2021-66. This ordinance provided the following benefit changes for firefighters members only:

- Effective October 1, 2020, an increase in the benefit accrual rate to 4.00%, applicable only to service accrued on or after October 1, 2020.
- Effective October 1, 2021, a normal retirement eligibility upon the completion of 20 years of credited service, regardless of age. There is no change to the age 55 with 10 years of credited service eligibility.

Additional Ordinance No. 2021-52 was adopted on September 23, 2021. This Ordinance provided a one-time increase in monthly benefits for all participants in pay status on or before October 1, 2020, (including DROP retirees) equal to a flat 2.00%.

Note that this does not apply to those who are currently entitled to the 1.00% automatic COLA.

Changes of Assumptions:

For measurement date September 30, 2021, the investment rate of return was lowered from 7.70% to 7.45% per year compounded annually, net of investment related expenses.

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

GENERAL EMPLOYEES' RETIREMENT PLAN										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined										
Contributions	\$ 2,542,541	\$ 2,297,576	\$ 2,219,126	\$ 1,880,685	\$ 1,508,563	\$ 1,675,949	\$ 1,795,707	\$ 1,981,908	\$ 2,069,336	\$ 2,145,635
Contributions in Relation to the Actuarially Determined										
Contributions	2,671,276	2,364,184	2,215,159	2,720,561	2,339,380	2,142,198	1,996,026	2,427,915	2,069,336	2,145,635
Contributions Deficiency (Excess)	\$ (128,735)	\$ (66,608)	\$ 3,967	\$ (839,876)	\$ (830,817)	\$ (466,249)	\$ (200,319)	\$ (446,007)	\$ -	\$ -
Covered Payroll	\$ 17,156,153	\$ 15,597,941	\$ 14,983,974	\$ 14,290,919	\$ 12,126,709	\$ 11,180,449	\$ 10,440,155	\$ 11,036,601	\$ 10,016,147	\$ 9,406,554
Contributions as a Percentage of Covered Payroll	15.57%	15.16%	14.78%	19.04%	19.29%	19.16%	19.12%	22.00%	20.66%	22.81%

POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially Determined										
Contributions	\$ 4,519,185	\$ 3,974,175	\$ 4,243,487	\$ 3,746,637	\$ 2,989,357	\$ 2,712,589	\$ 2,471,693	\$ 2,515,377	\$ 2,565,185	\$ 2,094,349
Contributions in Relation to the Actuarially Determined										
Contributions	4,553,716	3,974,175	4,186,756	3,342,485	2,862,262	2,860,835	2,732,965	2,693,837	2,565,185	2,094,349
Contributions Deficiency (Excess)	\$ (34,531)	\$ -	\$ 56,731	\$ 404,152	\$ 127,095	\$ (148,246)	\$ (261,272)	\$ (178,460)	\$ -	\$ -
Covered Payroll	\$ 12,466,715	\$ 10,586,506	\$ 10,721,291	\$ 9,769,589	\$ 8,149,826	\$ 8,136,139	\$ 7,743,398	\$ 7,806,883	\$ 6,809,621	\$ 5,975,318
Contributions as a Percentage of Covered Payroll	36.53%	37.54%	39.05%	34.21%	35.12%	35.16%	35.29%	34.51%	37.67%	35.05%

Notes to Schedules:

Methods and Assumptions Used to Determine Contribution Rates:

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

Methods and assumptions used to determine contribution rates:

	General Employees' Retirement Plan	Police Officers' and Firefighters' Retirement Plan
Valuation Date	October 1, 2020	October 1, 2020
Funding Method	Entry Age Normal Actuarial Cost Method	Entry Age Normal Actuarial Cost Method
Asset Smoothing Methodology	Four-Year Geometric Average of Market Value Returns (Net-of-Fees)	Four-Year Geometric Average of Market Value Returns (Net-of-Fees)
Salary Increase	Years of Service % Increase	5.75% per Annum
	<1 1 2 3-9 10+	
	9.0% 7.0% 5.0% 4.5% 4.0%	
Discount Rate	7.25%	7.45%

Changes in Assumption:

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

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

GENERAL EMPLOYEES' RETIREMENT PLAN

For the Year Ended September 30:	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Annual Money-Weighted Rate of Return Net of Investment Expense	-16.62%	18.09%	9.97%	4.75%	7.09%	12.11%	7.61%	1.79%	11.26%	11.35%

POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN

For the Year Ended September 30:	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Annual Money-Weighted Rate of Return Net of Investment Expense	-15.79%	17.28%	10.00%	4.60%	7.04%	12.44%	7.61%	1.80%	11.53%	11.22%

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

Reporting Period Ended	2022	2021	2020	2019	2018
Service Cost	\$ 334,091	\$ 241,617	\$ 197,295	\$ 207,500	\$ 220,490
Interest	94,646	128,090	153,163	133,657	113,192
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(1,884)	-	(150,551)	-	-
Changes of Assumptions	(315,830)	558,499	(170,057)	(193,283)	(214,017)
Benefit Payments	(182,007)	(169,309)	(151,465)	(139,599)	(128,367)
Net Change in Total OPEB Liability	(70,984)	758,897	(121,615)	8,275	(8,702)
Total OPEB Liability - Beginning	4,179,131	3,420,234	3,541,849	3,533,574	3,542,276
Total OPEB Liability - Ending	\$ 4,108,147	\$ 4,179,131	\$ 3,420,234	\$ 3,541,849	\$ 3,533,574
Covered-Employee Payroll**	\$ 26,231,144	\$ 26,804,635	\$ 25,448,244	\$ 22,274,951	\$ 21,185,596
Sponsor's Total OPEB Liability as a Percentage of Covered Payroll	15.66%	15.59%	13.44%	15.90%	16.68%

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

** Fiscal Year 2018 covered-employee payroll projected based on actual Fiscal Year 2017 covered-employee payroll.

Notes to Schedules:

No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, Paragraph 4.

Differences Between Expected and Actual Experience

Differences between expected and actual experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2021.

Changes of Assumptions

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

The following are the discount rates used in each period:

Fiscal Year 2022	2.43%
Fiscal Year 2021	2.14%
Fiscal Year 2020	3.58%
Fiscal Year 2019	4.18%
Fiscal Year 2018	3.64%
Fiscal Year 2017	3.06%

Benefits Payment

The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ended on September 30, 2022. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

SUPPLEMENTAL INFORMATION

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	Special Revenue Funds			
	County Gas Tax Fund	Parks and Recreation Impact Fees Fund	Police and Fire Impact Fees Fund	Road Impact Fees Fund
Assets				
Cash and Investments	\$ 1,974,880	\$ 13,561,119	\$ 8,881,678	\$ -
Lease Receivable	-	-	-	-
Other Receivables, Net	-	-	-	-
Due from Other Governments	137,672	-	-	-
Prepaid Expenditures and Deposits	-	-	-	-
Total Assets	<u>2,112,552</u>	<u>13,561,119</u>	<u>8,881,678</u>	<u>-</u>
Liabilities and Fund Balances				
Liabilities				
Accounts and Retainage Payable	31,416	-	-	-
Accrued Liabilities	-	-	-	-
Due to Other Funds	1,230,002	1,945,684	2,041,624	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>1,261,418</u>	<u>1,945,684</u>	<u>2,041,624</u>	<u>-</u>
Deferred Inflows of Resources				
Lease Related	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Non-Spendable	-	-	-	-
Restricted	851,134	11,615,435	6,840,054	-
Assigned	-	-	-	-
Total Fund Balances	<u>851,134</u>	<u>11,615,435</u>	<u>6,840,054</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 2,112,552</u>	<u>\$ 13,561,119</u>	<u>\$ 8,881,678</u>	<u>\$ -</u>

Special Revenue Funds

Community Redevelopment Agency Fund	Economic Development Fund	Debt Service Fund	Total
\$ 3,453,925	\$ 159,714	\$ 380,790	\$ 28,412,106
-	1,267,486	-	1,267,486
-	1,141	-	1,141
-	-	-	137,672
2,125	5,996	-	8,121
<u>3,456,050</u>	<u>1,434,337</u>	<u>380,790</u>	<u>29,826,526</u>
24,061	11,350	-	66,827
2,249	1,157	-	3,406
2,749,804	-	-	7,967,114
-	15,000	-	15,000
<u>2,776,114</u>	<u>27,507</u>	<u>-</u>	<u>8,052,347</u>
-	1,260,965	-	1,260,965
-	1,260,965	-	1,260,965
2,125	5,996	-	8,121
677,811	-	380,790	20,365,224
-	139,869	-	139,869
<u>679,936</u>	<u>145,865</u>	<u>380,790</u>	<u>20,513,214</u>
<u>\$ 3,456,050</u>	<u>\$ 1,434,337</u>	<u>\$ 380,790</u>	<u>\$ 29,826,526</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	Special Revenue Funds			
	County Gas Tax Fund	Parks and Recreation Impact Fees Fund	Police and Fire Impact Fees Fund	Road Impact Fees Fund
Revenues				
Taxes	\$ 1,483,842	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	3,536,803	-	-
Impact Fees	-	1,891,786	1,911,366	-
Investment Income (Loss)	(63,401)	(414,379)	(291,323)	1,241
Other Revenue	-	-	-	-
Total Revenues	1,420,441	5,014,210	1,620,043	1,241
Expenditures				
Current:				
General Government	-	-	-	-
Transportation	412,300	-	-	-
Economic Environment	-	-	-	-
Capital Outlay	-	89,999	83,130	-
Principal Payments	-	-	-	-
Interest and Fees	-	-	-	-
(Total Expenditures)	(412,300)	(89,999)	(83,130)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,008,141	4,924,211	1,536,913	1,241
Other Financing (Uses) Sources				
Transfers to Other Funds	(1,230,000)	(761,139)	(2,145,146)	-
Transfers from Other Funds	279,568	-	-	66,222
Sale of Capital Assets	-	-	10,546	-
Total Other Financing (Uses) Sources	(950,432)	(761,139)	(2,134,600)	66,222
Net Change in Fund Balances	57,709	4,163,072	(597,687)	67,463
Fund Balances, Beginning of Year	793,425	7,452,363	7,437,741	(67,463)
Fund Balances, End of Year	\$ 851,134	\$ 11,615,435	\$ 6,840,054	\$ -

Special Revenue Funds

Community Redevelopment Agency Fund	Economic Development Fund	Debt Service Fund	Total
\$ -	\$ -	\$ -	\$ 1,483,842
1,111,415	-	-	4,648,218
-	-	-	3,803,152
(152,912)	5,459	-	(915,315)
-	186,017	-	186,017
<u>958,503</u>	<u>191,476</u>	<u>-</u>	<u>9,205,914</u>
-	-	-	-
-	-	-	412,300
1,018,723	477,304	-	1,496,027
-	-	-	173,129
-	-	2,853,406	2,853,406
-	-	937,164	937,164
<u>(1,018,723)</u>	<u>(477,304)</u>	<u>(3,790,570)</u>	<u>(5,872,026)</u>
<u>(60,220)</u>	<u>(285,828)</u>	<u>(3,790,570)</u>	<u>3,333,888</u>
(718,534)	-	-	(4,854,819)
329,198	-	3,787,820	4,462,808
-	-	-	10,546
<u>(389,336)</u>	<u>-</u>	<u>3,787,820</u>	<u>(381,465)</u>
(449,556)	(285,828)	(2,750)	2,952,423
<u>1,129,492</u>	<u>431,693</u>	<u>383,540</u>	<u>17,560,791</u>
<u>\$ 679,936</u>	<u>\$ 145,865</u>	<u>\$ 380,790</u>	<u>\$ 20,513,214</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COUNTY GAS TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Taxes	\$ 1,483,842	\$ 1,400,000	\$ 83,842
Investment Income	(63,401)	10,000	(73,401)
Total Revenues	<u>1,420,441</u>	<u>1,410,000</u>	<u>10,441</u>
Expenditures			
Operating Expenditures	412,300	500,000	87,700
(Total Expenditures)	<u>(412,300)</u>	<u>(500,000)</u>	<u>87,700</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,008,141</u>	<u>910,000</u>	<u>98,141</u>
Other Financing (Uses)			
Transfers to Other Funds	(1,230,000)	(1,230,000)	-
Transfers from Other Funds	279,568	164,379	115,189
Total Other Financing (Uses)	<u>(950,432)</u>	<u>(1,065,621)</u>	<u>115,189</u>
Net Change in Fund Balances	57,709	(155,621)	213,330
Fund Balance, Beginning of Year	<u>793,425</u>	<u>793,425</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 851,134</u>	<u>\$ 637,804</u>	<u>\$ 213,330</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PARKS AND RECREATION IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Intergovernmental Revenues	\$ 3,536,803	\$ 50,000	\$ 3,486,803
Impact Fees	1,891,786	2,205,600	(313,814)
Investment Income	(414,379)	20,000	(434,379)
Total Revenues	<u>5,014,210</u>	<u>2,275,600</u>	<u>2,738,610</u>
Expenditures			
Capital Outlay	89,999	153,999	64,000
(Total Expenditures)	<u>(89,999)</u>	<u>(153,999)</u>	<u>64,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,924,211</u>	<u>2,121,601</u>	<u>2,802,610</u>
Other Financing (Uses) Sources			
Transfers to Other Funds	(761,139)	(761,139)	-
Total Other Financing (Uses) Sources	<u>(761,139)</u>	<u>(761,139)</u>	<u>-</u>
Net Change in Fund Balances	4,163,072	1,360,462	2,802,610
Fund Balance, Beginning of Year	<u>7,452,363</u>	<u>7,452,363</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 11,615,435</u>	<u>\$ 8,812,825</u>	<u>\$ 2,802,610</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
POLICE AND FIRE IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Impact Fees	\$ 1,911,366	\$ 1,697,608	\$ 213,758
Investment Income	(291,323)	22,000	(313,323)
Total Revenues	<u>1,620,043</u>	<u>1,719,608</u>	<u>(99,565)</u>
Expenditures			
Operating Expenditures	-	78,000	78,000
Capital Outlay	83,130	154,231	71,101
(Total Expenditures)	<u>(83,130)</u>	<u>(232,231)</u>	<u>149,101</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,536,913</u>	<u>1,487,377</u>	<u>49,536</u>
Other Financing (Uses) Sources			
Transfers to Other Funds	(2,145,146)	(2,175,146)	30,000
Sale of Capital Assets	10,546	-	10,546
Total Other Financing (Uses) Sources	<u>(2,134,600)</u>	<u>(2,175,146)</u>	<u>40,546</u>
Net Change in Fund Balances	(597,687)	(687,769)	90,082
Fund Balance, Beginning of Year	<u>7,437,741</u>	<u>7,437,741</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 6,840,054</u>	<u>\$ 6,749,972</u>	<u>\$ 90,082</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ROAD IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Investment Income	\$ 1,241	\$ -	\$ 1,241
Total Revenues	<u>1,241</u>	<u>-</u>	<u>1,241</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,241</u>	<u>-</u>	<u>1,241</u>
Other Financing (Uses) Sources			
Transfers from Other Funds	66,222	-	66,222
Total Other Financing (Uses) Sources	<u>66,222</u>	<u>-</u>	<u>66,222</u>
Net Change in Fund Balances	67,463	-	67,463
Fund Balance, Beginning of Year	<u>(67,463)</u>	<u>(67,463)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ (67,463)</u>	<u>\$ 67,463</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ 1,111,415	\$ 1,111,415	\$ -
Investment Income	(152,912)	12,000	(164,912)
Total Revenues	<u>958,503</u>	<u>1,123,415</u>	<u>(164,912)</u>
Expenditures			
Current:			
Operating Expenditures	1,018,723	1,930,726	912,003
Capital Outlay	-	229,255	229,255
(Total Expenditures)	<u>(1,018,723)</u>	<u>(2,159,981)</u>	<u>1,141,258</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(60,220)</u>	<u>(1,036,566)</u>	<u>976,346</u>
Other Financing (Uses) Sources			
Transfers from Other Funds	329,198	579,178	(249,980)
Transfers to Other Funds	(718,534)	(718,534)	-
Total Other Financing (Uses) Sources	<u>(389,336)</u>	<u>(139,356)</u>	<u>(249,980)</u>
Net Change in Fund Balances	(449,556)	(1,175,922)	726,366
Fund Balance, Beginning of Year	<u>1,129,492</u>	<u>1,129,492</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 679,936</u>	<u>\$ (46,430)</u>	<u>\$ 726,366</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Investment Income (Loss)	\$ 5,459	\$ 2,400	\$ 3,059
Other Revenue	186,017	192,500	(6,483)
Total Revenues	<u>191,476</u>	<u>194,900</u>	<u>(3,424)</u>
Expenditures			
Current:			
General Government	-	1,000	1,000
Transportation	-	550	550
Economic Environment	477,304	629,058	151,754
(Total Expenditures)	<u>(477,304)</u>	<u>(630,608)</u>	<u>(153,304)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(285,828)</u>	<u>(435,708)</u>	<u>149,880</u>
Net Change in Fund Balances	(285,828)	(435,708)	149,880
Fund Balance, Beginning of Year	<u>431,693</u>	<u>431,693</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 145,865</u>	<u>\$ (4,015)</u>	<u>\$ 149,880</u>

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance</u>
Revenues			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Debt Service:			
Principal Payments	2,853,406	2,853,406	-
Interest and Fees	937,164	973,915	36,751
(Total Expenditures)	<u>(3,790,570)</u>	<u>(3,827,321)</u>	<u>36,751</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,790,570)</u>	<u>(3,827,321)</u>	<u>36,751</u>
Other Financing Sources			
Transfers from Other Funds	3,787,820	3,817,821	(30,001)
Total Other Financing Sources	<u>3,787,820</u>	<u>3,817,821</u>	<u>(30,001)</u>
Net Change in Fund Balances	(2,750)	(9,500)	6,750
Fund Balances, Beginning of Year	<u>383,540</u>	<u>383,540</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 380,790</u>	<u>\$ 374,040</u>	<u>\$ 6,750</u>

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	Motor Pool Fund	Self- Insurance Fund Health	Self- Insurance Fund Workers' Comp	Total
Assets				
Current Assets				
Cash and Investments	\$ 443,606	\$ 998,104	\$ 1,211,647	\$ 2,653,357
Accounts Receivable	-	45,215	-	45,215
Prepaid Expenses	4,453	6,667	-	11,120
Total Current Assets	448,059	1,049,986	1,211,647	2,709,692
Non-Current Assets				
Capital Assets:				
Property, Plant and Equipment	457,025	181,185	-	638,210
(Accumulated Depreciation and Amortization)	(360,395)	(68,672)	-	(429,067)
Total Capital Assets - Cost Less Depreciation	96,630	112,513	-	209,143
Total Non-Current Assets	96,630	112,513	-	209,143
Total Assets	544,689	1,162,499	1,211,647	2,918,835
Deferred Outflows of Resources				
Pension Related	205,237	-	-	205,237
OPEB Related	8,550	-	-	8,550
Total Deferred Outflows of Resources	213,787	-	-	213,787
Liabilities and Net Position				
Current Liabilities				
Accounts Payable	134,487	538,929	55,876	729,292
Claims Payable	-	343,477	443,000	786,477
Accrued Expenses	11,486	-	-	11,486
Compensated Absences	13,022	-	-	13,022
OPEB Liability	8,550	-	-	8,550
Total Current Liabilities	167,545	882,406	498,876	1,548,827
Long-Term Liabilities				
Compensated Absences	8,681	-	-	8,681
OPEB Liability	47,730	-	-	47,730
Net Pension Liability	167,682	-	-	167,682
Total Long-Term Liabilities	224,093	-	-	224,093
Total Liabilities	391,638	882,406	498,876	1,772,920
Deferred Inflows of Resources				
Pension Related	4,778	-	-	4,778
OPEB Related	9,571	-	-	9,571
Total Deferred Inflows of Resources	14,349	-	-	14,349
Net Position				
Net Investment in Capital Assets	96,630	112,513	-	209,143
Unrestricted	255,859	167,580	712,771	1,136,210
Total Net Position	\$ 352,489	\$ 280,093	\$ 712,771	\$ 1,345,353

**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

	Motor Pool Fund	Self- Insurance Fund Health	Self- Insurance Fund Workers' Comp	Total
Operating Revenues				
Charges for Services	\$ 2,536,705	\$ 6,447,362	\$ 550,764	\$ 9,534,831
Other	-	235,460	-	235,460
Total Operating Revenues	<u>2,536,705</u>	<u>6,682,822</u>	<u>550,764</u>	<u>9,770,291</u>
Operating Expenses				
Personnel Service	552,840	-	-	552,840
Materials and Supplies	41,192	-	-	41,192
Other Services and Charges	1,461,453	628,750	165,007	2,255,210
Contractual Services	32	255,223	29,986	285,241
Claims	-	6,433,533	615,283	7,048,816
Depreciation and Amortization	33,080	4,181	-	37,261
Total Operating Expenses	<u>2,088,597</u>	<u>7,321,687</u>	<u>810,276</u>	<u>10,220,560</u>
Operating (Loss) Income	<u>448,108</u>	<u>(638,865)</u>	<u>(259,512)</u>	<u>(450,269)</u>
Non-Operating Revenues				
Investment Earnings (Loss)	(10,157)	(31,965)	(43,954)	(86,076)
Total Non-Operating Revenues (Expenses)	<u>(10,157)</u>	<u>(31,965)</u>	<u>(43,954)</u>	<u>(86,076)</u>
Income Before Transfers	<u>437,951</u>	<u>(670,830)</u>	<u>(303,466)</u>	<u>(536,345)</u>
Change in Net Position	437,951	(670,830)	(303,466)	(536,345)
Net Position, Beginning of Year	<u>(85,462)</u>	<u>950,923</u>	<u>1,016,237</u>	<u>1,881,698</u>
Net Position, End of Year	<u>\$ 352,489</u>	<u>\$ 280,093</u>	<u>\$ 712,771</u>	<u>\$ 1,345,353</u>

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA

	Motor Pool Fund	Self- Insurance Fund Health	Self- Insurance Fund Workers' Comp	Total
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 2,536,705	\$ 6,637,607	\$ 550,764	\$ 9,725,076
Cash Paid to Suppliers	(1,554,337)	(7,415,235)	(719,456)	(9,689,028)
Cash Paid to Employees for Services	(519,408)	-	-	(519,408)
Net Cash Provided by (Used in) Operating Activities	<u>462,960</u>	<u>(777,628)</u>	<u>(168,692)</u>	<u>(483,360)</u>
Cash Flows from Capital and Related Financing Activities				
Property, Plant and Equipment Acquisitions	(48,749)	-	-	(48,749)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(48,749)</u>	<u>-</u>	<u>-</u>	<u>(48,749)</u>
Cash Flows from Investing Activities				
Investment Earnings	(10,157)	(31,965)	(43,954)	(86,076)
Total Cash Flows from Investing Activities	<u>(10,157)</u>	<u>(31,965)</u>	<u>(43,954)</u>	<u>(86,076)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	404,054	(809,593)	(212,646)	(618,185)
Cash and Cash Equivalents, Beginning of Year	<u>39,552</u>	<u>1,807,697</u>	<u>1,424,293</u>	<u>3,271,542</u>
Cash and Cash Equivalents, End of Year	<u>\$ 443,606</u>	<u>\$ 998,104</u>	<u>\$ 1,211,647</u>	<u>\$ 2,653,357</u>
<u>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities</u>				
Operating Income (Loss)	\$ 448,108	\$ (638,865)	\$ (259,512)	\$ (450,269)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:				
Operating Activities:				
Depreciation and Amortization	33,080	4,181	-	37,261
Changes in Assets Decrease (Increase) and Liabilities Increase (Decrease):				
Accounts Receivable	-	(45,215)	-	(45,215)
Prepays	(4,453)	(6,667)	-	(11,120)
Accounts Payable	(47,207)	(91,062)	90,820	(47,449)
Accrued Expenses	(13,914)	-	-	(13,914)
Compensated Absences	397	-	-	397
Net OPEB Liability	6,086	-	-	6,086
Net Pension Liability	40,863	-	-	40,863
Total Adjustments	<u>14,852</u>	<u>(138,763)</u>	<u>90,820</u>	<u>(33,091)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 462,960</u>	<u>\$ (777,628)</u>	<u>\$ (168,692)</u>	<u>\$ (483,360)</u>

STATISTICAL SECTION

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

**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION

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

Contents	Page
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	96
Revenue Capacity	
<i>These schedules contain information to help the reader access the factors related to the City's most significant local revenue sources, property tax, and sanitation revenue.</i>	106
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.</i>	112
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.</i>	120
Operating Information	
<i>These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.</i>	119

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

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ 80,684,971	\$ 85,331,016	\$ 84,202,671	\$ 85,880,700
Restricted	24,252,783	21,461,732	21,727,219	23,894,073
Unrestricted	8,689,621	6,972,600	604,507	(1,511,563)
Total Governmental Activities Net Position	<u><u>\$ 113,627,375</u></u>	<u><u>\$ 113,765,348</u></u>	<u><u>\$ 106,534,397</u></u>	<u><u>\$ 108,263,210</u></u>
Business-Type Activities:				
Net Investment in Capital Assets	\$ 137,555,487	\$ 141,169,776	\$ 151,857,889	\$ 158,947,255
Restricted	8,438,669	7,952,299	10,834,748	14,121,470
Unrestricted	6,069,480	5,502,670	(1,737,439)	4,624,644
Total Business-Type Activities Net Position	<u><u>\$ 152,063,636</u></u>	<u><u>\$ 154,624,745</u></u>	<u><u>\$ 160,955,198</u></u>	<u><u>\$ 177,693,369</u></u>
Primary Government:				
Net Investment in Capital Assets	\$ 218,240,458	\$ 226,500,792	\$ 236,060,560	\$ 244,827,955
Restricted	32,691,452	29,414,031	32,561,967	38,015,543
Unrestricted	14,759,101	12,475,270	(1,132,932)	3,113,081
Total Government Net Position	<u><u>\$ 265,691,011</u></u>	<u><u>\$ 268,390,093</u></u>	<u><u>\$ 267,489,595</u></u>	<u><u>\$ 285,956,579</u></u>

2017	2018	2019	2020	2021	2022
\$ 87,972,999	\$ 93,017,432	\$ 98,669,983	\$ 97,971,031	\$ 106,853,944	\$ 114,724,271
30,078,552	33,378,737	39,195,441	48,780,445	57,561,348	65,587,576
11,891	2,537,652	4,781,245	6,467,944	2,780,592	7,513,937
<u>\$ 118,063,442</u>	<u>\$ 128,933,821</u>	<u>\$ 142,646,669</u>	<u>\$ 153,219,420</u>	<u>\$ 167,195,884</u>	<u>\$ 187,825,784</u>
\$ 166,769,263	\$ 180,191,229	\$ 197,342,570	\$ 203,952,152	\$ 213,749,760	\$ 224,324,491
22,125,273	25,548,508	34,226,595	42,742,538	77,918,749	92,852,290
2,789,769	7,778,743	13,078,688	23,832,779	19,467,718	18,210,313
<u>\$ 191,684,305</u>	<u>\$ 213,518,480</u>	<u>\$ 244,647,853</u>	<u>\$ 270,527,469</u>	<u>\$ 311,136,227</u>	<u>\$ 335,387,094</u>
\$ 254,742,262	\$ 273,208,661	\$ 296,012,553	\$ 301,923,183	\$ 320,603,704	\$ 339,048,762
52,203,825	58,927,245	73,422,036	91,522,983	135,480,097	158,439,866
2,801,660	10,316,395	17,859,933	30,300,723	22,248,310	25,724,250
<u>\$ 309,747,747</u>	<u>\$ 342,452,301</u>	<u>\$ 387,294,522</u>	<u>\$ 423,746,889</u>	<u>\$ 478,332,111</u>	<u>\$ 523,212,878</u>

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

	2013	2014	2015	2016
Expenses				
Governmental Activities:				
General Government	\$ 6,794,742	\$ 6,699,618	\$ 5,957,502	\$ 4,946,449
Public Safety	16,112,807	18,302,419	19,760,542	23,098,871
Transportation	6,733,514	6,906,016	6,955,858	6,707,860
Parks and Recreation	3,723,262	4,005,833	4,390,950	4,398,586
Economic Environment	453,250	1,003,322	370,796	552,186
Electric System	1,006,715	966,718	966,718	315,708
Interest and Fees	3,036,766	3,266,350	2,656,112	2,581,830
Total Governmental Activities Expenses	37,861,056	41,150,276	41,058,478	42,601,490
Business-Type Activities:				
Water Utility	7,285,644	9,117,346	10,453,220	10,960,222
Sewer Utility	9,945,058	10,583,868	10,416,969	10,622,167
Sanitation Utility	7,985,952	8,645,749	9,163,140	9,263,695
Stormwater Utility	1,428,549	1,542,745	1,513,019	1,764,047
Development Special District	834,784	2,818,270	1,867,943	764,474
Building Department	-	-	-	-
Total Business-Type Activities Expenses	27,479,987	32,707,978	33,414,291	33,374,605
Total Primary Government Expenses	\$ 65,341,043	\$ 73,858,254	\$ 74,472,769	\$ 75,976,095
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 600,440	\$ 638,914	\$ 658,094	\$ 758,852
Public Safety	2,510,798	3,800,955	3,437,009	4,541,906
Parks and Recreation	606,861	653,553	800,219	748,009
Electric System	8,670,138	8,291,746	6,037,029	6,467,419
Operating Grants and Contributions	1,012,627	929,685	1,775,572	874,952
Capital Grants and Contributions	3,527,608	5,295,196	3,782,450	6,870,964
Total Governmental Activities	16,928,472	19,610,049	16,490,373	20,262,102
Business-Type Activities:				
Charges for Services:				
Water Utility	7,948,291	8,823,640	9,932,740	11,069,722
Sewer Utility	8,468,777	8,693,581	9,576,991	10,455,509
Sanitation Utility	8,475,746	8,396,471	9,343,414	10,244,028
Stormwater Utility	1,587,630	1,544,259	1,675,477	1,777,726
Development Special District	-	1,579,500	1,260,000	7,787
Building Department	-	-	-	-
Operating Grants and Contributions	9,000	28,311	11,446	893,355
Capital Grants and Contributions	9,722,779	7,855,974	9,860,932	16,784,716
Total Business-Type Activities	36,212,223	36,921,736	41,661,000	51,232,843
Total Primary Government Program Revenues	\$ 53,140,695	\$ 56,531,785	\$ 58,151,373	\$ 71,494,945

	2017	2018	2019	2020	2021	2022
\$	5,483,691	\$ 5,352,138	\$ 6,664,995	\$ 5,903,303	\$ 8,804,811	\$ 11,576,589
	22,074,869	23,119,191	26,392,331	27,934,401	30,294,503	33,002,243
	6,398,831	7,160,776	7,671,124	7,639,113	9,201,916	7,316,162
	4,489,325	4,828,059	5,252,656	5,008,231	6,001,879	7,192,060
	415,412	445,148	642,925	769,691	1,109,065	1,578,848
	1,557,188	894,125	699,213	472,177	145,079	97,846
	2,500,440	2,402,654	2,275,732	1,166,069	1,081,340	1,118,271
	42,919,756	44,202,091	49,598,976	48,892,985	56,638,593	61,882,019
	11,550,809	12,216,311	13,196,615	13,344,125	13,610,524	16,777,150
	11,156,101	11,613,763	12,140,863	12,971,698	13,081,821	15,850,928
	10,030,131	10,881,717	11,673,867	10,605,845	10,601,755	14,128,830
	2,225,592	2,132,730	2,432,995	2,633,013	2,500,567	2,688,276
	1,677,999	1,750,321	760,866	767,333	8,927,518	4,286,449
	-	1,281,754	1,758,767	2,266,932	2,967,520	3,288,259
	36,640,632	39,876,596	41,963,973	42,588,946	51,689,705	57,019,892
\$	79,560,388	\$ 84,078,687	\$ 91,562,949	\$ 91,481,931	\$ 108,328,298	\$ 118,901,911
\$	869,902	\$ 881,452	\$ 1,061,749	\$ 975,210	\$ 1,243,389	\$ 1,305,149
	5,677,410	4,171,948	4,454,629	4,859,895	6,207,581	8,126,082
	798,307	812,796	799,604	379,500	708,289	843,390
	6,860,168	7,285,569	7,009,383	7,579,892	8,019,487	8,467,344
	960,078	994,344	1,465,076	818,683	1,150,625	6,180,537
	7,955,513	12,666,902	15,241,261	12,097,943	18,909,074	17,543,641
	23,121,378	26,813,011	30,031,702	26,711,123	36,238,445	42,466,143
	12,894,803	12,884,069	13,826,534	14,460,327	16,305,286	16,965,980
	11,397,816	11,995,161	12,904,153	14,399,344	15,742,020	16,663,148
	11,078,291	12,207,178	12,358,305	11,996,998	12,970,936	14,863,817
	1,805,823	1,891,786	2,012,811	2,117,139	2,225,280	2,329,334
	8,011	-	-	-	8,137,284	3,191,224
	-	2,592,556	3,111,893	2,906,348	3,607,308	3,677,997
	744,000	1,336,259	160,384	717,214	-	-
	18,149,610	23,016,662	31,221,199	24,060,260	34,579,356	32,798,689
	56,078,354	65,923,671	75,595,279	70,657,630	93,567,470	90,490,189
\$	79,199,732	\$ 92,736,682	\$ 105,626,981	\$ 97,368,753	\$ 129,805,915	\$ 132,956,332

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Net (Expense)/Revenue				
Governmental Activities	\$ (20,932,584)	\$ (21,540,227)	\$ (24,568,105)	\$ (22,339,388)
Business-Type Activities	8,732,236	4,213,758	8,246,709	17,858,238
Total Primary Government Net Expense	<u>\$ (12,200,348)</u>	<u>\$ (17,326,469)</u>	<u>\$ (16,321,396)</u>	<u>\$ (4,481,150)</u>
General Revenues and Other				
Changes in Net Position				
Governmental Activities:				
General Revenues:				
Property Taxes	\$ 5,527,393	\$ 5,979,320	\$ 6,524,415	\$ 7,263,646
Intergovernmental, Unrestricted	3,517,151	3,850,890	4,206,415	4,512,622
Other Taxes	8,220,292	9,173,342	9,074,772	9,545,394
Investment Income	92,726	379,388	558,801	385,495
Miscellaneous	648,564	1,010,226	847,325	1,037,481
Transfers	343,073	1,659,984	2,641,419	1,323,563
Total Governmental Activities	<u>18,349,199</u>	<u>22,053,150</u>	<u>23,853,147</u>	<u>24,068,201</u>
Business-Type Activities:				
Investment Income	57,295	66,650	287,235	203,496
Miscellaneous	-	-	-	-
Transfers	(343,073)	(1,659,984)	(2,641,419)	(1,323,563)
Total Business-Type Activities	<u>(285,778)</u>	<u>(1,593,334)</u>	<u>(2,354,184)</u>	<u>(1,120,067)</u>
Total Primary Government General Revenues and Other Changes in Net Position	<u>\$ 18,063,421</u>	<u>\$ 20,459,816</u>	<u>\$ 21,498,963</u>	<u>\$ 22,948,134</u>
Change in Net Position				
Governmental Activities	\$ (2,583,385)	\$ 512,923	\$ (714,958)	\$ 1,728,813
Business-Type Activities	8,446,458	2,620,424	5,892,525	16,738,171
Total Primary Government Change in Net Position	<u>\$ 5,863,073</u>	<u>\$ 3,133,347</u>	<u>\$ 5,177,567</u>	<u>\$ 18,466,984</u>

2017	2018	2019	2020	2021	2022
\$ (19,798,378)	\$ (17,389,080)	\$ (19,567,274)	\$ (22,181,862)	\$ (20,400,148)	\$ (19,415,876)
19,437,722	26,047,075	33,631,306	28,068,684	41,877,765	33,470,297
<u>\$ (360,656)</u>	<u>\$ 8,657,995</u>	<u>\$ 14,064,032</u>	<u>\$ 5,886,822</u>	<u>\$ 21,477,617</u>	<u>\$ 14,054,421</u>

\$ 7,889,505	\$ 8,949,522	\$ 10,170,449	\$ 11,741,556	\$ 13,576,178	\$ 15,206,047
4,848,217	5,895,419	6,381,177	5,658,982	6,642,926	8,351,567
9,743,963	10,406,248	10,758,255	10,157,070	11,381,067	13,713,748
318,793	615,028	1,478,383	1,050,336	567,682	(3,099,322)
1,197,474	399,359	660,190	922,390	265,611	414,720
5,630,658	1,955,487	3,831,668	3,224,279	1,943,148	5,459,016
<u>29,628,610</u>	<u>28,221,063</u>	<u>33,280,122</u>	<u>32,754,613</u>	<u>34,376,612</u>	<u>40,045,776</u>

183,272	486,183	1,329,735	1,035,211	674,141	(3,760,414)
-	-	-	-	-	-
<u>(5,630,658)</u>	<u>(1,955,487)</u>	<u>(3,831,668)</u>	<u>(3,224,279)</u>	<u>(1,943,148)</u>	<u>(5,459,016)</u>
<u>(5,447,386)</u>	<u>(1,469,304)</u>	<u>(2,501,933)</u>	<u>(2,189,068)</u>	<u>(1,269,007)</u>	<u>(9,219,430)</u>

<u>\$ 24,181,224</u>	<u>\$ 26,751,759</u>	<u>\$ 30,778,189</u>	<u>\$ 30,565,545</u>	<u>\$ 33,107,605</u>	<u>\$ 30,826,346</u>
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\$ 9,830,232	\$ 10,831,983	\$ 13,712,848	\$ 10,572,751	\$ 13,976,464	\$ 20,629,900
13,990,336	24,577,771	31,129,373	25,879,616	40,608,758	24,250,867

<u>\$ 23,820,568</u>	<u>\$ 35,409,754</u>	<u>\$ 44,842,221</u>	<u>\$ 36,452,367</u>	<u>\$ 54,585,222</u>	<u>\$ 44,880,767</u>
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CITY OF ST. CLOUD
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Non-Spendable	\$ 2,451,601	\$ 2,442,265	\$ 2,028,328	\$ 1,801,074
Restricted	35,011	710,839	310,896	892,953
Assigned	2,704,016	4,087,045	4,231,520	207,172
Unassigned	3,939,062	3,407,545	2,918,251	7,281,247
Total General Fund	<u>\$ 9,129,690</u>	<u>\$ 10,647,694</u>	<u>\$ 9,488,995</u>	<u>\$ 10,182,446</u>
All Other Governmental Funds				
Non-Spendable	\$ 392,900	\$ 380,195	\$ 507,310	\$ 1,638
Restricted	26,969,155	23,213,807	22,957,746	26,191,375
Assigned	1,540,480	1,094,998	1,249,540	808,919
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>\$ 28,902,535</u>	<u>\$ 24,689,000</u>	<u>\$ 24,714,596</u>	<u>\$ 27,001,932</u>

Note:

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

2017	2018	2019	2020	2021	2022
\$ 1,836,846	\$ 1,777,917	\$ 1,973,964	\$ 1,936,943	\$ 3,443,608	\$ 1,945,637
1,265,947	39,938	42,573	29,309	29,537	239,315
31,854	1,433,135	1,001,880	3,383,003	5,053,709	7,057,513
10,169,034	10,697,849	10,080,338	8,209,189	6,960,118	10,042,953
<u>\$ 13,303,681</u>	<u>\$ 13,948,839</u>	<u>\$ 13,098,755</u>	<u>\$ 13,558,444</u>	<u>\$ 15,486,972</u>	<u>\$ 19,285,418</u>
\$ 1,305	\$ 1,522	\$ 2,705	\$ 846	\$ 4,203	\$ 8,121
30,249,805	32,516,986	39,339,956	48,279,648	54,895,867	62,671,163
260,379	341,686	1,398,640	1,431,831	1,687,784	2,318,740
(146,821)	(108,404)	(481,795)	(78,478)	(67,463)	-
<u>\$ 30,364,668</u>	<u>\$ 32,751,790</u>	<u>\$ 40,259,506</u>	<u>\$ 49,633,847</u>	<u>\$ 56,520,391</u>	<u>\$ 64,998,024</u>

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

	2013	2014	2015	2016
Revenues				
Taxes	\$ 13,747,685	\$ 14,691,833	\$ 15,599,187	\$ 16,809,041
Licenses and Permits	3,213,534	3,207,093	3,686,839	6,848,369
Intergovernmental	4,310,955	4,505,628	4,887,562	5,164,335
Charges for Services	2,172,825	10,982,679	8,958,552	9,478,806
Fines and Forfeitures	227,983	188,216	150,204	190,264
Grants	461,348	1,923,534	1,075,282	373,532
Investment Income	92,707	318,742	558,801	385,422
Other Revenues	2,338,838	1,689,454	1,496,163	1,700,547
Total Revenues	35,236,013	37,507,179	36,412,590	40,950,316
Expenditures				
Current:				
General Government	6,262,085	4,895,805	4,933,674	5,291,917
Public Safety	14,878,555	16,984,759	18,560,826	19,708,851
Physical Environment	-	304	-	-
Transportation	2,309,765	2,407,052	2,352,860	1,844,756
Parks and Recreation	2,776,356	2,882,584	3,239,828	3,245,669
Economic Environment	454,552	1,003,322	370,884	550,898
Capital Outlay	4,164,800	5,956,120	4,518,763	4,190,641
Debt Service:				
Principal Retirement	4,466,055	4,407,950	2,678,142	2,892,145
Interest and Fees	3,045,367	3,313,472	2,658,275	2,540,894
Debt Issuance Costs	-	-	-	-
(Total Expenditures)	(38,357,535)	(41,851,368)	(39,313,252)	(40,265,771)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,121,522)	(4,344,189)	(2,900,662)	684,545
Other Financing Sources (Uses)				
Issuance of Debt	-	-	-	972,490
Bond Premium	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Transfers in/from Other Funds	14,797,585	14,662,831	17,264,505	19,916,711
Transfers (out)/(to) Other Funds	(14,473,388)	(13,014,173)	(14,983,741)	(18,592,959)
Sale of Capital Assets	-	-	-	-
Insurance Recoveries	-	-	-	-
Other Financing Sources (Uses)	324,197	1,648,658	2,280,764	2,296,242
Net Change in Fund Balances	\$ (2,797,325)	\$ (2,695,531)	\$ (619,898)	\$ 2,980,787
Debt Service as a Percentage of Non-Capital Expenditures	22.0%	21.5%	15.3%	15.1%

	2017	2018	2019	2020	2021	2022
\$	17,633,468	\$ 19,355,770	\$ 20,928,705	\$ 21,898,628	\$ 24,957,243	\$ 28,919,794
	8,359,304	8,356,146	11,957,241	11,772,765	15,782,303	12,312,373
	5,580,674	6,538,387	7,071,498	5,765,943	10,319,004	11,888,369
	10,230,842	10,838,656	11,048,764	11,466,179	12,840,722	14,713,662
	205,461	153,285	162,109	105,044	186,650	430,045
	685,407	443,684	1,215,078	1,028,528	1,338,040	6,404,310
	317,261	615,028	1,478,386	1,050,338	567,683	(3,099,322)
	1,596,474	851,678	1,037,675	622,539	632,747	840,546
	<u>44,608,891</u>	<u>47,152,634</u>	<u>54,899,456</u>	<u>53,709,964</u>	<u>66,624,392</u>	<u>72,409,777</u>
	6,120,256	5,448,154	6,314,706	6,047,977	7,285,082	8,918,810
	20,443,363	21,308,489	24,124,422	26,107,192	27,386,170	29,713,548
	-	-	-	-	-	-
	1,536,532	1,880,374	2,209,756	2,342,751	3,926,483	1,974,019
	3,447,659	3,763,598	4,050,481	3,918,648	4,484,740	5,441,360
	422,255	451,677	638,426	781,430	1,088,807	1,540,027
	6,277,401	8,057,599	8,936,769	4,630,186	13,012,081	15,184,866
	3,055,355	2,794,661	2,574,751	2,985,118	3,071,028	3,083,281
	2,452,757	2,371,289	2,255,245	1,087,982	1,031,719	942,951
	-	-	-	-	-	-
	<u>(43,755,578)</u>	<u>(46,075,841)</u>	<u>(51,104,556)</u>	<u>(47,901,284)</u>	<u>(61,286,110)</u>	<u>(66,798,862)</u>
	<u>853,313</u>	<u>1,076,793</u>	<u>3,794,900</u>	<u>5,808,680</u>	<u>5,338,282</u>	<u>5,610,915</u>
	-	-	-	35,585,000	-	1,147,261
	-	-	-	-	-	-
	-	-	-	(35,493,000)	-	-
	28,485,467	18,210,264	23,228,627	24,451,244	33,922,724	36,511,050
	(22,854,809)	(16,254,777)	(20,365,895)	(21,226,965)	(30,492,093)	(31,052,034)
	-	-	-	464,386	27,333	32,063
	-	-	-	244,685	18,826	26,824
	<u>5,630,658</u>	<u>1,955,487</u>	<u>2,862,732</u>	<u>4,025,350</u>	<u>3,476,790</u>	<u>6,665,164</u>
\$	<u>6,483,971</u>	<u>\$ 3,032,280</u>	<u>\$ 6,657,632</u>	<u>\$ 9,834,030</u>	<u>\$ 8,815,072</u>	<u>\$ 12,276,079</u>
	14.7%	13.6%	11.5%	9.4%	8.5%	7.8%

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Annual Tonnage										
City	21,616	22,622	23,805	25,135	27,416	29,155	29,706	31,005	50,195	42,938
Non-City	64,042	58,888	68,648	71,276	74,718	80,859	78,638	73,692	63,278	54,414
Total	<u>85,658</u>	<u>81,510</u>	<u>92,453</u>	<u>96,411</u>	<u>102,134</u>	<u>110,014</u>	<u>108,344</u>	<u>104,697</u>	<u>113,473</u>	<u>97,352</u>
Rates										
City	\$44	\$44	\$47	\$42	\$42	\$42	\$42	\$42	\$42	\$57
Non-City	44	44	47	47	49	49	51	51	51	69
Customers										
Residential	15,011	15,048	15,669	16,874	17,420	18,533	19,660	20,795	22,262	22,495
Commercial	442	459	458	278	567	309	338	325	386	595
Shared Containers	-	-	-	142	143	153	157	159	142	146
Dumpsters	364	362	361	326	380	346	404	390	410	437
Rates										
Curbside:										
Residential	\$17	\$17	\$18	\$18	\$18	\$18	\$18	\$20	\$20	\$20
Commercial	17	17	18	18	18	18	18	20	20	20
Additional	100	100	100	100	100	100	100	100	100	100
Dumpsters	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable

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

Fiscal Year	Real Property		Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2013	\$ 1,096,284,020	\$ 1,669,866,208	\$ 70,515,273	\$ 364,835,412
2014	1,140,657,725	1,777,302,566	69,154,635	379,884,058
2015	1,249,263,227	1,999,034,036	71,600,022	392,169,804
2016	1,402,905,315	2,271,106,956	69,847,916	387,216,147
2017	1,529,793,107	2,481,494,926	67,108,420	384,641,893
2018	1,721,422,794	2,756,485,576	77,202,223	512,965,691
2019	1,973,204,723	3,187,568,228	72,843,938	524,883,070
2020	2,301,699,575	3,725,971,390	86,429,409	540,484,533
2021	2,667,598,669	4,241,418,591	86,163,840	535,780,468
2022	3,034,386,008	4,761,587,899	81,459,852	531,318,698

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

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

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

Centrally Assessed Property		Total			Percent of Total
Assessed Value	Estimated Actual Value	Assessed Value	Direct Tax Rate	Estimated Actual Value	Assessed Value to Total Estimated Actual Value
\$ -	\$ -	\$ 1,166,799,293	4.9128	\$ 2,034,701,620	57.3%
-	-	1,209,812,360	5.1128	2,157,186,624	56.1%
-	-	1,320,863,249	5.1128	2,391,203,840	55.2%
-	-	1,472,753,231	5.1128	2,658,323,103	55.4%
-	-	1,596,901,527	5.1128	2,866,136,819	55.7%
-	-	1,798,625,017	5.1128	3,269,451,267	55.0%
-	-	2,046,048,661	5.1128	3,712,451,298	55.1%
-	-	2,388,128,984	5.1128	4,266,455,923	56.0%
-	-	2,753,762,509	5.1128	4,777,199,059	57.6%
-	-	3,115,845,860	5.1128	5,292,906,597	58.9%

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

City Direct Rates				Overlapping Rates		
Fiscal Year	Basic Rate	General Obligation Debt Service	Total Direct Rate	Osceola County	Osceola County School District	South Florida Water Management
2022	5.1128	-	5.1128	7.1626	5.5160	0.2301
2021	5.1128	-	5.1128	7.1635	6.0260	0.2675
2020	5.1128	-	5.1128	7.1858	6.2400	0.2795
2019	5.1128	-	5.1128	7.1858	6.4110	0.2936
2018	5.1128	-	5.1128	7.1997	6.7490	0.3100
2017	5.1128	-	5.1128	7.1928	6.9050	0.3307
2016	5.1128	-	5.1128	7.2186	7.2610	0.3551
2015	5.1128	-	5.1128	7.1839	7.3750	0.3842
2014	5.1128	-	5.1128	7.1958	7.5090	0.4110
2013	4.9128	-	4.9128	7.1966	7.3230	0.4289

Source: Osceola County Tax Collector

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

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

Taxpayer	Fiscal Year 2021/2022 (a)			Fiscal Year 2012/2013 (b)		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
PROGRESS RESIDENTIAL BORROWER LLC	\$ 33,734,803	1	1.08%			
LENNAR HOMES LLC	25,991,915	2	0.83%			
SOLEIL BLU WEST ELEVEN LLC	24,790,500	3	0.80%			
IH3 / IH4 / IH5/ IH6 PROPERTY FLORIDA LP	22,719,631	4	0.73%			
2013-1 / 2017-1 / 2017-2 / 2018-2 / 2018-3 / 2018-4 / 2019-1 IH BORROWER LP	13,938,614	5	0.45%			
MARK MHP LTD THE / SUGAR MILL MHP LTD / SUGAR MILL NORTH LLC	12,522,344	6	0.40%			
WAL-MART STORES EAST LP	11,523,627	7	0.37%	\$ 10,777,987	2	0.92%
OSCEOLA SC LLC/ST CLOUD REGIONAL MEDICAL CENTER	11,061,912	8	0.36%	17,342,822	1	1.49%
MERCURY MARINE #7 / BRUNSWICK CORP	10,029,767	9	0.32%			
SUMMIT CRESTWOOD APARTMENTS LTD / CRESTWOOD APTS	9,959,292	10	0.32%			
NEPTUNE BAY APARTMENTS				9,877,499	3	0.85%
INLAND DIV ST CLOUD 13TH LLC / INLAND AMERICAN ST FL D R HORTON INC				8,985,200	4	0.77%
EMBARQ FL INC / SPRINT NEXTEL WIRELESS / SPRINT COM INC				7,887,059	5	0.68%
ROSEWOOD INTEREST INC				6,699,595	6	0.57%
STEVENS PLANTATION				6,440,300	7	0.55%
SEMBLER / TREASURE FL JOINT VENTURE II				6,434,204	8	0.55%
OAKS SHOPPING CENTER INC THE				6,284,900	9	0.54%
				5,933,700	10	0.51%
Total Taxable Assessed Value	176,272,405		5.66%	86,663,266		7.43%
Total Taxable Assessed Value All Other Taxpayers	2,939,573,455		94.34%	1,080,136,027		92.57%
Total Taxable Assessed Value All Taxpayers	\$ 3,115,845,860		100.00%	\$ 1,166,799,293		100.00%

(a) The fiscal year ended September 30, 2022, tax levy is based on the 2021 taxable value.

(b) The fiscal year ended September 30, 2013, tax levy is based on the 2012 taxable value.

Source: Osceola County Property Appraiser

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

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 5,725,653	\$ 5,513,129	96.29%	\$ 14,261	\$ 5,527,390	96.54%
2014	6,193,240	5,958,031	96.20%	21,289	5,979,320	96.55%
2015	6,785,871	6,506,571	95.88%	17,844	6,524,415	96.15%
2016	7,539,265	7,243,253	96.07%	20,393	7,263,646	96.34%
2017	8,161,308	7,870,071	96.43%	19,434	7,889,505	96.67%
2018	9,193,298	8,907,454	96.89%	42,068	8,949,522	97.35%
2019	10,461,038	10,161,389	97.14%	9,060	10,170,449	97.22%
2020	12,210,026	11,729,490	96.06%	12,066	11,741,556	96.16%
2021	14,079,437	13,559,058	96.30%	17,120	13,576,178	96.43%
2022	15,930,697	15,202,610	95.43%	3,437	15,206,048	95.45%

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

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

Fiscal Year	Governmental Type Activities		Business-Type	Total Primary Government	Percentage of Personal Income	Per Capita
	Revenue Bonds	Special Assessment Bonds	Revenue Bonds			
2013	\$ 58,318,905	\$ -	\$ 66,600,479	\$ 124,919,384	11.80%	\$ 3,189
2014	53,910,955	-	63,477,977	117,388,932	10.53%	2,959
2015	51,334,604	-	60,228,808	111,563,412	9.03%	2,700
2016	49,356,603	-	56,498,966	105,855,569	8.03%	2,462
2017	46,271,334	-	52,779,183	99,050,517	6.84%	2,197
2018	43,447,700	-	48,972,187	92,419,887	5.96%	1,987
2019	40,878,973	-	45,071,371	85,950,344	5.09%	1,795
2020	39,467,868	-	41,075,091	80,542,959	4.04%	1,582
2021	36,400,758	-	36,100,507	72,501,265	2.84%	1,230
2022	33,548,837	-	31,903,187	65,452,024	N/A	1,067

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
N/A = Not available at time of publication.

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

Fiscal Year ⁽¹⁾	Limited General Obligation Bonds	Total	Percentage of Actual Taxable Value of Property	Per Capita
2022				
2021				
2020				
2019				
2018				
2017				
2016				
2015				
2014				
2013				

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

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

CITY OF ST. CLOUD
Direct and Overlapping - Governmental Activities Debt
as of September 30, 2022
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Overlapping (2)	Estimated Share of Direct and Overlapping Debt (2)
Overlapping Debt			
School District of Osceola County Florida			
Long-Term Debt (1)			
Self Supporting State Bonds			
Series 2011ARFD	\$ 165,000	9.1352%	\$ 15,073
Series 2014A	559,000	9.1352%	51,066
Series 2017ARFD	536,000	9.1352%	48,965
District Revenue Bonds			
Sales Tax Revenue Bonds, Series 2015	13,582,000	9.1352%	1,240,745
Sales Tax Revenue Bonds, Series 2017	5,785,000	9.1352%	528,472
Capital Outlay Sales Tax Revenue Bonds, Series 2017	66,675,000	9.1352%	6,090,905
Capital Outlay Sales Tax Revenue Bonds, Series 2020	68,180,000	9.1352%	6,228,390
Certificates of Participation			
Series 2013A	2,820,000	9.1352%	257,613
Series 2014A	3,605,000	9.1352%	329,325
Series 2015A	2,990,000	9.1352%	273,143
Series 2017A	38,335,000	9.1352%	3,501,985
Series 2020A	3,190,000	9.1352%	291,413
Series 2021A	20,885,000	9.1352%	1,907,890
Qualified School Construction Bonds			
Series 2010A	40,500,000	9.1352%	3,699,762
Education Benefit Districts			
Bellalago Benefit District	7,350,540	9.1352%	671,488
Total Osceola County School District (1)	275,157,540	9.1352%	25,136,235
Osceola County			
Limited General Obligation Debt			
Series 2015	4,285,000	9.1352%	391,444
Series 2020	7,700,000	9.1352%	703,412
Total Osceola County	11,985,000	9.1352%	1,094,856
Subtotal - Overlapping Debt	287,142,540	9.1352%	26,231,091
Direct Debt			
City of St. Cloud	33,548,837	100.0000%	33,548,837
Total Direct and Overlapping Debt	\$ 320,691,377		\$ 59,779,928

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

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

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

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

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

Governmental-Type Activities

One Percent Surcharge Revenue Notes

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2013	\$ 3,504,152	\$ -	\$ 3,504,152	\$ 906,470	\$ 351,837	2.78
2014	3,785,580	-	3,785,580	932,518	324,643	3.01
2015	4,133,978	-	4,133,978	1,574,195	359,650	2.14
2016	4,438,492	-	4,438,492	1,648,686	289,724	2.29
2017	4,661,119	-	4,661,119	1,710,363	225,089	2.41
2018	5,135,595	-	5,135,595	1,421,411	173,139	3.22
2019	5,419,234	-	5,419,234	1,143,507	114,970	4.31
2020	4,649,414	-	4,649,414	1,177,370	80,664	3.70
2021	5,505,238	-	5,505,238	627,757	41,918	8.22
2022	7,812,591	-	7,812,591	614,732	21,516	12.28

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

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

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

Governmental-Type Activities

Gas Tax Revenue Bonds

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service (1)	Debt Service		Coverage
				Principal	Interest	
2013	\$ 1,317,560	\$ 340,590	\$ 1,317,560	\$ 416,055	\$ 90,061	2.60
2014	1,302,546	599,530	1,302,546	202,950	77,129	4.65
2015	1,315,950	496,930	1,315,950	208,142	71,937	4.70
2016 (2)	1,794,354	1,007,362	1,794,354	213,467	66,612	6.41
2017	1,817,205	1,373,430	1,817,205	218,928	61,151	6.49
2018	1,916,167	1,634,928	1,916,167	224,529	55,550	6.84
2019	2,033,207	-	2,033,207	230,273	49,806	7.26
2020	2,127,557	-	2,127,557	236,165	43,914	7.60
2021	2,231,556	-	2,231,556	242,208	37,871	7.97
2022	2,279,866	-	2,279,866	248,406	31,673	8.14

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

(2) Funding source changed to Stormwater revenue in FY 2016.

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

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

Governmental-Type Activities

Traffic/Mobility Impact Fee Bonds

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2013	\$ 1,393,492	\$ -	\$ 1,393,492	\$ 833,530	\$ 2,290,397	0.45
2014	1,221,292	-	1,221,292	857,482	2,265,391	0.39
2015	1,472,656	-	1,472,656	895,805	2,226,588	0.47
2016	3,201,916	-	3,201,916	941,314	2,183,235	1.02
2017 (3)	3,265,589	-	3,265,589	979,637	2,145,583	1.04
2018	4,137,457	-	4,137,457	1,003,589	2,120,373	1.32
2019	6,610,945	-	6,610,945	1,051,493	2,072,589	2.12
2020	6,346,987	-	6,346,987	1,417,630	862,540	2.78
2021	8,078,336	-	8,078,336	1,912,243	933,895	2.84
2022	4,496,071	-	4,496,071	1,990,268	881,225	1.57

- (1) Total Revenues (including interest).
- (2) Total Operating Expenses Exclusive of Depreciation.
- (3) Mobility fees added in 2017.

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

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

Business-Type Activities

Water Utility Revenue Bonds

Fiscal Year	Gross Revenues	Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2013	\$ 9,723,906	\$ 4,146,469	\$ 5,577,437	\$ 1,333,101	\$ 941,821	2.45
2014	10,551,428	5,288,846	5,262,582	1,311,355	890,730	2.39
2015	11,676,597	5,970,689	5,705,908	1,391,668	857,043	2.54
2016	12,777,184	6,141,334	6,635,850	1,927,661	814,893	2.42
2017	14,614,213	6,660,795	7,953,418	1,979,350	764,876	2.90
2018	14,764,541	7,156,715	7,607,826	2,026,755	716,363	2.77
2019	16,111,439	8,266,460	7,844,979	2,079,895	664,492	2.86
2020	16,475,456	8,867,131	7,608,325	2,133,789	609,507	2.77
2021	18,131,225	9,061,952	9,069,273	2,188,458	553,069	3.31
2022	17,105,011	12,052,419	5,052,592	2,243,922	495,181	1.84

(1) Total operating expenses exclusive of depreciation.

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

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

Business-Type Activities

Sewer Utility Revenue Bonds

Fiscal Year	Gross Revenues	Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2013	\$ 10,718,872	\$ 5,056,485	\$ 5,662,387	\$ 2,658,008	\$ 722,936	1.67
2014	10,366,495	5,648,292	4,718,203	1,811,147	659,549	1.91
2015	11,904,870	5,287,600	6,617,270	1,857,504	612,831	2.68
2016	12,638,003	5,099,130	7,538,873	1,802,180	564,647	3.19
2017	13,440,582	5,376,924	8,063,658	1,740,432	522,654	3.56
2018	13,321,254	5,418,713	7,902,541	1,780,242	486,691	3.49
2019	14,574,125	5,823,048	8,751,077	1,820,920	446,575	3.86
2020	15,886,510	6,603,896	9,282,614	1,862,491	402,913	4.10
2021	17,076,231	6,526,400	10,549,831	1,909,976	358,145	4.65
2022	16,146,722	9,182,592	6,964,130	1,953,397	312,309	3.07

(1) Total operating expenses exclusive of depreciation.

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

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

Year	CITY OF ST. CLOUD		OSCEOLA COUNTY			
	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2013	39,171	\$ 1,058,361	\$ 27,019	35.5	57,538	7.2%
2014	39,674	1,114,363	28,088	35.9	58,851	6.4%
2015	41,316	1,235,803	29,911	36.4	60,125	5.7%
2016	42,998	1,318,534	30,665	36.5	62,648	4.8%
2017	45,094	1,447,337	32,096	35.7	67,796	3.6%
2018	46,519	1,551,223	33,346	35.7	71,901	3.3%
2019	47,874	1,687,941	35,258	36.7	69,332	3.0%
2020	50,897	1,995,671	39,210	36.0	68,519	13.3%
2021	58,964	2,556,325	43,354	36.0	74,769	5.4%
2022	61,331	N/A	N/A	37.0	79,043	3.2%

- Sources:** (1) University of Florida Bureau of Economic and Business Research (BEBR) <http://bebr.ufl.edu>.
(2) Bureau of Economic Analysis <https://www.bea.gov>.
Per Capita shown for Osceola County. Personal Income for St. Cloud determined by multiplying per capita by City population.
(3) Florida Legislature Office of Economic and Demographic Research <http://edr.state.fl.us>.
Median age shown for Osceola County.
(4) Osceola County School Board; <http://www.osceola.k12.fl.us>; Enrollment shown is for Osceola County.
(5) Unemployment rate shown for Osceola County.

N/A = Not available at time of publication.

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

Employer	2022			2013		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
School District of Osceola County	7,903	1	8.38%	6,000	1	7.84%
Walt Disney Company - Osceola County Offices	3,419	2	3.63%	3,700	2	4.83%
Adventist Health System	2,998	3	3.18%			
Osceola Regional Medical Center	1,593	4	1.69%	1,357	7	1.77%
Osceola County Government	1,410	5	1.50%	2,348	4	3.07%
Buena Vista Construction Company	1,296	6	1.37%			
McLane/Suneast, Inc.	1,270	7	1.35%	900	9	1.18%
Lowes RDC	1,035	8	1.10%	607	10	0.79%
Jr. Davis Construction Company, Inc.	928	9	0.98%			
Omni Orlando Resort at Champions Gate	831	10	0.88%			
Wal-Mart Stores, Inc.				2,730	3	3.57%
Florida Hospital Celebration & Kissimme				1,750	5	2.29%
Gaylord Palms Resort & Convention Center				1,445	6	1.89%
Publix Supermarkets				1,350	8	1.76%
Total Largest Employers	<u>22,683</u> ⁽¹⁾		<u>24.06%</u>	<u>22,187</u>		<u>28.99%</u>
Total All Other Employers	<u>71,615</u>			<u>54,349</u>		
Total Employment	<u>94,298</u> ⁽²⁾			<u>76,536</u> ⁽³⁾		

Sources: ⁽¹⁾ Florida Department of Economic Opportunity (DEO) <http://www.myflorida.com/agency>.

⁽²⁾ Florida Department of Economic Opportunity (DEO), Local Area Unemployment Statistics (LAUS).

⁽³⁾ Osceola County ACFR - Fiscal Year 2013.

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

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Council Members	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
City Clerk	6.50	6.50	6.50	6.50	6.00	6.00	7.50	8.00	6.00	6.00
City Manager	1.00	3.00	3.00	4.00	9.00	10.00	12.50	16.50	20.00	21.00
Human Resources	7.00	7.00	7.00	6.00	7.00	7.00	7.00	8.00	8.00	9.00
Information Technology	12.50	12.50	13.00	13.00	12.00	13.00	13.00	10.00	10.50	12.50
Finance & Accounting	19.00	19.00	18.00	34.50	18.00	19.50	18.00	19.00	21.00	16.00
Building & Permitting	30.00	30.00	30.00	21.00	22.00	25.00	30.00	34.00	36.00	28.00
Planning & Zoning	12.00	12.00	13.00	8.00	8.00	10.00	19.00	16.00	20.00	21.00
Public Safety										
Police										
Sworn Officers	80.50	80.50	83.00	83.50	83.50	87.50	98.50	100.50	105.50	105.50
Civilians	52.00	54.00	54.00	55.50	63.50	62.50	64.50	65.50	67.50	64.50
Fire										
Sworn Officers	36.00	35.00	48.00	48.00	48.00	46.00	50.00	58.00	59.00	59.00
Civilians	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Emergency Services	20.00	20.00	20.00	20.00	20.00	24.00	24.00	19.00	26.00	26.00
Public Works										
Engineering	12.00	10.00	8.00	7.00	7.00	5.00	5.00	6.00	9.00	9.00
Street Maintenance	16.00	16.00	16.00	16.00	15.00	15.00	16.00	18.00	18.00	18.00
Building Maintenance	-	-	-	-	-	-	-	-	-	16.00
Fleet Maintenance	6.00	6.00	7.00	7.00	7.00	7.00	8.00	7.00	7.00	9.00
Traffic Control	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Turf & Landscape	19.00	19.00	20.00	17.50	9.50	13.50	13.50	14.00	13.00	13.00
Parks & Recreation	75.50	74.00	74.50	71.50	72.50	72.50	78.50	75.00	76.50	79.50
Water	77.50	79.50	96.50	77.00	90.00	90.00	95.00	92.50	97.00	104.00
Sewer	10.00	10.00	12.00	12.00	12.00	12.00	13.00	13.00	14.00	14.00
Sanitation	34.00	35.00	35.00	35.00	37.00	37.00	37.00	37.00	39.00	40.00
Total	536.00	538.50	574.00	552.50	556.50	572.00	619.50	626.50	662.50	680.50

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

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

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government:										
Building Permits Issued	2,085	2,428	2,590	3,195	3,825	5,782	4,944	4,416	5,790	5,678
Building Inspections Conducted	11,533	12,102	12,903	17,087	21,698	28,940	43,536	35,769	36,674	41,694
Police:										
Physical Arrests	1,284	1,327	1,293	1,188	1,435	1,109	1,102	950	783	1,058
Citations	6,581	5,188	4,370	3,519	3,170	5,260	5,983	5,864	4,807	5,993
Calls for Service	69,645	69,785	83,829	83,109	85,186	90,667	95,432	92,906	96,854	100,714
Fire:										
EMS Responses	4,192	3,279	4,211	4,238	4,530	4,672	5,026	5,236	6,195	6,299
Fires Emergencies	1,620	1,313	1,371	1,487	1,735	1,813	1,835	2,074	2,420	2,312
Inspections	741	1,030	1,293	1,235	1,061	1,355	1,327	1,380	1,960	1,965
Refuse Collection:										
Refuse Collected (Tons per Year)	26,949	30,459	31,043	33,153	35,460	37,143	38,366	41,170	43,800	46,647
Refuse - Transfer Station (Tons per Year)	93,841	92,180	92,465	98,172	103,305	112,909	129,101	94,853	91,434	92,141
Other Public Works:										
Street Resurfacing (Miles)	3	3	1	3	-	3	4	1	8	7
Potholes Repaired (Yards)	2,064	5,029	4,850	5,317	4,100	3,600	3,376	2,448	1,340	855
Parks & Recreation:										
Camp Registrations	3,398	2,998	4,102	5,799	4,661	5,281	3,844	589	2,451	2,332
Pool Memberships	267	322	432	182	755	448	774	318	899	1,181
Private Use Rentals	160	178	252	315	427	496	650	437	866	769
Boat Basin Rentals	98	109	118	200	552	546	509	527	486	269
Potable Water:										
Total Average Connections/Customers	21,200	22,282	22,887	24,255	25,602	26,978	28,020	30,573	33,167	33,165
Average Annual Daily Consumption (MGD)	6	7	5	5	6	6	6	6	6	7
Wastewater:										
Total Connections	15,035	15,261	16,437	17,437	18,512	19,772	20,619	23,176	24,254	27,499
Average Annual Daily Sewage Treatment (MGD)	5	5	5	5	5	5	5	5	5	5
Reuse Water:										
Total Connections	3,865	4,129	4,845	5,191	5,567	6,726	7,204	8,857	9,401	10,975

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

Source: Various City of St. Cloud Departments

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

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Stations (Square Footage)	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0	28,638.0
Training Facilities (Square Footage)	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,686.0	3,689.0	3,689.0	3,689.0
Marked Vehicles	65.0	65.0	63.0	61.0	69.0	73.0	92.0	88.0	92.0	100.0
Unmarked Vehicles	28.0	36.0	39.0	32.0	36.0	38.0	35.0	43.0	37.0	44.0
Special Operation Vehicles	9.0	12.0	14.0	16.0	19.0	22.0	24.0	26.0	30.0	33.0
Fire:										
Stations	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Fire Trucks/Engines	6.0	6.0	6.0	5.0	6.0	6.0	6.0	6.0	6.0	6.0
Fire Rescue Vehicles (Ambulances)	5.0	5.0	5.0	5.0	7.0	8.0	8.0	8.0	8.0	8.0
Public Relations Vehicles				2.0	2.0	2.0	2.0	2.0	2.0	2.0
Refuse Collection:										
Collection Trucks	24.0	26.0	26.0	26.0	30.0	27.0	33.0	28.0	34.0	34.0
Public Works:										
Storm Sewers (Miles)	140.0	141.5	142.9	145.8	153.0	200.0	156.8	345.0	347.7	356.7
Paved Miles	147.4	148.8	174.4	175.4	161.3	200.0	190.4	195.8	198.8	209.7
Unpaved Miles	-	-	-	-	1.2	1.2	1.2	10	10	10
Parks and Recreation:										
Parks	13.0	15.0	15.0	15.0	16.0	17.0	18.0	19.0	19.0	19.0
Park Acreage	241.0	287.0	287.0	291.4	419.4	420.4	421.4	640.4	640.4	640.4
Boat Slips	143.0	143.0	143.0	143.0	143.0	143.0	143.0	143.0	143.0	143.0
Playgrounds	11.0	11.0	11.0	11.0	13.0	13.0	14.0	14.0	14.0	14.0
Baseball Fields	13.0	13.0	13.0	13.0	14.0	14.0	14.0	14.0	14.0	14.0
Soccer Fields	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Community Centers	5.0	5.0	5.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0
Urban Agricultural Area	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Water:										
Water Mains (Miles)	289.0	290.9	295.4	301.4	317.7	331.1	346.6	355.4	355.4	464.0
Fire Hydrants	2,137.0	2,180.0	2,211.0	2,279.0	2,450.0	2,594.0	2,738.0	2,867.0	2,889.0	3,279.0
Storage Capacity (Millions of Gallons)	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Treatment Capacity (Millions of Gallons)	15.8	15.8	15.8	15.8	15.8	15.8	15.8	15.8	15.8	15.8
Wastewater:										
Sanitary Sewers (Miles)	172.0	175.0	246.7	257.9	271.2	285.3	300.2	306.4	306.4	339.0
Treatment Capacity (Millions of Gallons)	6.0	6.0	6.0	6.0	6.0	6.0	7.6	7.6	7.6	7.6

Note: Beginning in FY 2020, roadways are tracked by lane mile.

Source: Various City of St. Cloud Departments

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

<u>Fiscal Year</u>	<u>Commercial Construction Value</u>	<u>Residential Construction</u>	
		<u>Number of Units</u>	<u>Value</u>
2013	\$ 7,068,724	644	\$ 72,072,288
2014	1,069,463	732	76,172,287
2015	4,035,475	788	101,991,287
2016	16,804,745	663	106,951,632
2017	11,365,658	748	230,969,900
2018	22,245,440	880	275,378,601
2019	26,416,791	1,234	407,186,844
2020	28,982,394	1,030	344,472,052
2021	14,995,602	1,198	462,107,726
2022	58,899,214	1,130	425,211,054

Notes:

Source: City of St. Cloud Building Department

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

<u>Year⁽¹⁾</u>	<u>Air Visitors</u>	<u>Auto Visitors</u>	<u>Train/Bus Visitors</u>	<u>Total Visitors</u>	<u>% Change</u>
2013	3,709,000	3,047,000	81,000	6,837,000	5.20%
2014	3,876,000	3,185,000	84,000	7,154,000	4.64%
	<u>Room Nights</u>	<u>Occupancy</u>	<u>Total Economic Impact</u>	<u>Total Visitors</u>	<u>% Change</u>
2015 ⁽²⁾	7,525,300	72.40%	\$ 4,546,247,300	6,100,000	N/A
2016 ⁽³⁾	7,149,000	73.20%	\$ 5,431,139,000	7,460,000	22.30%
2017 ⁽³⁾	7,545,000	75.60%	\$ 5,934,129,000	7,901,000	5.91%
2018 ⁽⁴⁾	10,216,000	62.20%	\$ 6,000,000,000	8,600,000	8.85%
2019	10,446,000	63.60%	\$ 5,300,000,000	9,200,000	6.98%
2020	6,500,000	45.70%	\$ 5,000,000,000	6,000,000	-34.78%
2021	7,678,000	50.08%	\$ 5,500,000,000	9,587,000	59.78%
2022	10,982,000	63.59%	\$ 5,900,000,000	10,873,000	13.41%

Notes:

- ⁽¹⁾ Data is on calendar year basis.
- ⁽²⁾ Experience Kissimmee hired a new vendor for fiscal year 2015, the new vendor used different methodology in their calculations. Information about visitors by air, auto, or train/bus is not available.
- ⁽³⁾ Data consists of 11 calendar months.
- ⁽⁴⁾ Since 2018 data is calculated on calendar year.

Source:

Osceola County; Experience Kissimmee

CITY OF ST. CLOUD
Insurance Coverage
September 30, 2022

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

CITY OF ST. CLOUD
Insurance Coverage
September 30, 2022

<u>Types of Coverage</u>	<u>Coverages and Limits</u>	<u>Deductibles</u>
I. Group Health		
1 PPO Coverage - Preferred Plan		Office Co-pay \$ 30 Specialist Co-pay \$ 40 Hospital Ded + Coins Rx - Tier 1 \$ 10 Rx - Tier 2 \$ 30 Rx - Tier 3 \$ 50 Emer. Room \$ 300 Co-Ins. 80/20 Max. out of Pocket \$ 4,000 Individual \$ 8,000 Family Deductible \$ 1,250 Individual \$ 2,500 Family
2 PPO Coverage - Standard Plan		Office Co-pay \$ 30 Specialist Co-pay \$ 50 Hospital Ded + Coins Rx - Tier 1 \$ 10 Rx - Tier 2 \$ 30 Rx - Tier 3 \$ 50 Emer. Room \$ 300 Co-Ins. 80/20 Max. out of Pocket \$ 5,000 Individual \$ 10,000 Family Deductible \$ 1,750 Individual \$ 3,500 Family
J. Group Life and Accidental Death and Dismemberment Insurance	1 times annual earnings rounded to the next higher multiple of \$1,000 Maximum amount of \$150,000 AD&D an amount equal to life insurance	
K. Accidental Death and Dismemberment <i>(Statutory Death Benefit Coverages for Police Officers and Firefighters)</i>	<ul style="list-style-type: none"> • Line of Duty Coverage Principal Sum: \$75,000.00 • Fresh Pursuit Coverage Principal Sum: \$150,000.00 • Unlawful & Intentional Coverage Principal Sum: \$225,000 	
L. Employee Long-Term Disability	66-2/3 of the first \$7,500 of predisability earnings, subject to income which will reduce disability section Maximum Benefit Period: later of normal retirement age Maximum: \$5,000; Minimum: \$100 Partial disability included	
M. Group Dental Insurance		
Low Plan	Preventative Procedures Basic Procedures Major Procedures Orthodontia Year Deductible (In Network) Year Deductible (Out of Network) Annual Max Annual Max Ortho	100/0 Co-Ins. 80/20 Co-Ins. 50/50 Co-Ins. 50/50 Individual \$0 / Family \$0 Individual \$50 / Family \$150 \$ 1,000 \$ 1,000
High Plan	Preventative Procedures Basic Procedures Major Procedures Orthodontia Year Deductible (In Network) Year Deductible (Out of Network) Annual Max Annual Max Ortho	100/0 Co-Ins. 100/0 Co-Ins. 60/40 Co-Ins. 50/50 Individual \$0 / Family \$0 Individual \$50 / Family \$150 \$ 1,500 \$ 2,000
N. Fiduciary Liability		
Police Officers & Firefighters	\$ 1,000,000	\$ 5,000
General Employees	\$ 1,000,000	\$ 5,000

CITY OF ST. CLOUD
Miscellaneous Statistical Data
September 30, 2022

CITY OF ST. CLOUD, FLORIDA

(UNAUDITED)

Date of Incorporation

March 4, 1911

Original Charter Adopted

September 12, 1967

Present Charter Adopted

January 27, 1994

Re-Published on February 11, 2010

Most Recent Referendum

March 17, 2009

Form of Government

Council - Manager

Terms of Office

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

Boundary Areas

Municipality - 29.45 Square Miles

Electric Service Area - 150 Square Miles

COMPLIANCE SECTION

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

COMPLIANCE SECTION

CITY OF ST. CLOUD, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

<u>Federal Awards</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract Number</u>	<u>Program Award Amount</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development				
Passed Through Osceola County:				
Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-12-0067	\$ 519,782	\$ 127,983
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-12-00067	350,922	<u>32,938</u>
Total U.S. Department of Housing and Urban Development				<u>160,921</u>
U.S. Department of Justice				
Bulletproof Vest Partnership Program	16.607	2019BUBX19098189	12,799	635
Bulletproof Vest Partnership Program	16.607	2020BA2000SX03	7,750	4,851
Bulletproof Vest Partnership Program	16.607	2021BUBX21025525	16,240	7,395
Public Safety Partnership and Community Policing Grants	16.710	2020UMWX0221	500,000	101,483
Federal Equitable Program	16.922	FL0490100	-	<u>18,420</u>
				<u>132,784</u>
Passed Through Osceola County:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-JAGC-OSCE-5-5R-144	10,885	10,885
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2022-JAGD-OSCE-1-4B-008	5,541	5,541
COVID-19 - 2020 FDLE Coronavirus Emergency Supplemental Funding	16.034	2021-CESF-OSCE-1-C9-070	140,429	<u>140,429</u>
				<u>156,855</u>
Total U.S. Department of Justice				<u>289,639</u>
U.S. Department of Homeland Security				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2017-00294	983,828	108,699
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4337-DR-FL	469,176	462
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4468-DR-FL	223,656	<u>167,742</u>
Total U.S. Department of Homeland Security				<u>276,903</u>
U.S. Department of Treasury				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027			<u>5,034,391</u>
Total U.S. Department of Treasury				<u>5,034,391</u>
Total Expenditures of Federal Awards				<u>\$ 5,761,854</u>

Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of St. Cloud, Florida, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Therefore, amounts presented in this schedule may differ from the amounts presented in, or used in, the preparation of the basic financial statements.

Indirect Cost Rate

The City of St. Cloud has elected not to use the 10% de minimis indirect cost rate allowed under the OMB Uniform Guidance.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Cloud, Florida (the City) as of and for the year ended September 30, 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 May 8, 2023.

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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on

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St. Cloud, Florida

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

the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*, which consist of:

2022-1—Notice of Event of Default

The U.S. Bank National Association acts as the trustee (the Trustee) for the Stevens Plantation Improvement Project Dependent Special District (the District). The District was formed in 2003 and is presented as a blended component unit of the City.

In May 2013, the bondholders of the outstanding \$4,460,000 portion of the \$5,890,000 Stevens Plantation Improvement Project Dependent Special District Revenue Bonds, Series 2003 (the Bonds) received a Notice of Event of Default because the Trustee did not receive sufficient payments from the District for the payment of: (i) interest due on the Bonds on May 1, 2013; and (ii) principal maturity on the Bonds due and payable on May 1, 2013, and the amounts on deposit in the revenue fund and the reserve account were insufficient to pay the interest and principal on the Bonds due and payable on May 1, 2013.

At the direction of the beneficial holders of the Bonds, a principal distribution and payment of \$876,151 was made in December 2020 towards the outstanding \$4,460,000 Bonds, leaving a remaining balance of \$3,583,849. Also, at the direction of the beneficial holders of the Bonds, partial interest payments were made in June 2017 of \$710,812, in February 2020 of \$1,321,827, and in December 2020 of \$526,286 for interest accrued during the period November 1, 2011, through October 31, 2020.

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

The District entered into the sale of the last property held in September 2022; however, final distribution of funds from sales were not received by September 30, 2022.

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

Additionally, we noted certain other matters that we have reported to management in a separate letter dated May 8, 2023.

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

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

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

Purpose of this Report

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

Purvis Gray

May 8, 2023
Ocala, Florida

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of St. Cloud, Florida's (the City) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2022. The City's major federal programs 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 for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

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). 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.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance 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 will always detect material non-compliance when it exists. The risk of not detecting material non-compliance 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. Non-compliance 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 as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material non-compliance, 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, 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, non-compliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Purvis Gray

May 8, 2023
Ocala, Florida

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of Auditor’s Report Issued:	Unmodified
Internal Control over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Non-compliance material to financial statements noted?	Yes

Federal Awards

Internal Control over Major Programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	No
Type of Auditor’s Report Issued on Compliance for Major Programs:	Unmodified
Any Audit Findings Disclosed that are Required to be Reported in Accordance with 2 CFR 200.516(a)?	No

Identification of Major Programs:

Federal Program or Cluster

U.S. Department of Treasury: COVID-19 - Coronavirus State and Local Fiscal Recovery Funds:	Assistance Listing No.: 21.027
Dollar Threshold Used to Distinguish Between Type A and Type B Programs – Federal Programs:	\$750,000
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	No

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
CITY OF ST. CLOUD, FLORIDA**

FINANCIAL STATEMENT FINDINGS

Findings Related to the Basic Financial Statements Required to be Reported Under Generally Accepted Government Auditing Standards (GAGAS)

See 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* comment 2022-1.

Other Issues

The following statement, as applicable to the situation, may be required in the Schedule of Findings and Questioned Costs:

- No summary schedule of prior audit findings is required because there were no prior audit findings related to federal programs.

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

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

We have examined the City of St. Cloud, Florida's (the City) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2022, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

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



May 8, 2023
Ocala, Florida

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MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the City of St. Cloud, Florida (the City) as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated May 8, 2023.

Auditor’s Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*.

Other Reports and Schedules

We have issued our Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor’s Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on an examination conducted in accordance with American Institute of Certified Public Accountants *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 May 8, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Tabulation of Uncorrected Audit Findings		
Current Year Findings	2020-2021 FY Findings	2019-2020 FY Findings
2022-1	2021-1	2020-1
2022-2	2021-2	2020-2

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

MANAGEMENT LETTER

Official Title and Legal Authority

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

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. In connection with our audit, we noted financial condition concerns with the Steven's Plantation Dependent Special District (the District). Additional information can be found in the management letter comment 2020-2.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. See attached list of the management letter comments.

Special District Component Units

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the St. Cloud Community Redevelopment Agency (CRA) reported this information in the CRA's separately issued financial statements.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the District reported the following information that was not subject to auditing procedures:

- The total number of District employees compensated in the last pay period of the District's fiscal year as 0.
- The total number of independent contractors to whom non-employee compensation was paid in the last month of the District's fiscal year as 1.

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

MANAGEMENT LETTER

- All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as \$213,902.
- There was no 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.
- 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 is not applicable for the District.

Additional Matters

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

Purpose of this Letter

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

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



May 8, 2023
Ocala, Florida

MANAGEMENT LETTER COMMENTS

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

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

2022-2—Stevens Plantation Dependent Special District

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

Our review of the financial condition of the District indicates that there are several issues management needs to continue to address. These issues as of September 30, 2022, consist of the following:

- Bonds Payable of the District of \$3,583,849 were in default at September 30, 2022. We recommend that management continue to work with both legal and bond counsel to determine the legal liability associated with the default and the plans to address how to resolve the defaulted status of the Bonds.
- During the fiscal year ended September 30, 2022, the District sold the remaining Land Held for Sale that was reported in the prior fiscal year.
- The District has obtained interfund borrowings from both the General Fund and Orlando Utilities Commission Interlocal Agreement Fund to cover the deficit and meet the operating needs of the fund for several years. In prior years, a majority of this balance (approximately \$9,500,000) was reclassified from an interfund borrowing to a permanent transfer of funds. An additional \$350,000 was transferred during 2021 for the payment of 2018 tax assessments and other expenses of the District, while none of the advance was repaid in the current year. We recommend that the City continue to monitor the future potential for recovery of these advances and consider the source of funds and recoverability of future advances to the District.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland | Tampa

purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

An Independent Member of the BDO Alliance USA

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

MANAGEMENT LETTER COMMENTS

- Through notifications from the Stevens Plantation Community Development District (the CDD) and review of their September 30, 2019 audit report, the CDD is not in compliance with certain provisions of their bond indentures for their Special Assessment Revenue Bonds, Series 2003A and 2003B, including those relating to: 1) collecting assessments to provide payment of debt service, and 2) making its semi-annual debt service principal and interest payments. The District holds land held for sale that is assessed annually by the CDD for operations maintenance and their proportion of the infrastructure improvements purchased through the issuance of the bonds. Through 2013, the District had paid their annual assessments; however, after that time, the Tax Collector has sold tax certificates each year to satisfy delinquent taxes and assessments on the properties owned by the District. Since then, the City has satisfied tax certificates as required to avoid foreclosure of District-owned property. The District has made no subsequent assessments, except for specific parcels sold since 2013. Additionally, there are restrictions on the land such that if there are any land sales, a portion of the sales proceeds are required to be submitted to the CDD for payment on the 2003B bonds. During the 2013 fiscal year, the District received notice from the CDD that the remaining assessment value of \$6,445,676 was due and payable for the 2003B bonds. Since 2013, the District has paid \$6,187,041 from land sales to the CDD.

We recommend that management continue to work with legal and bond counsel to resolve these issues, addressing the financial stability and legal liability associated with the indebtedness associated with the District, including its relationship with the CDD, especially now that all the land that was held has been sold.

Purvis Gray

May 8, 2023
Ocala, Florida



May 08, 2023

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

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Re: RESPONSE TO AUDITOR'S MANAGEMENT LETTER COMMENTS

Dear Ladies and Gentlemen:

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

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2022-1-Stevens Plantation Dependent Special District Notice of Event of Default

St. Cloud's Response:

The City agrees with the Auditor's comments.

Bonds Payable of the District is currently in default

The City and the DSD aggressively marketed the property for sale at the highest possible value, while working with the bondholders to obtain the highest possible net proceeds from sales to satisfy the DSD bonds. On September 29, 2022, the DSD closed on the sale of the last of the property owned by it and subject to the bond obligations. The covenants for the subject bonds provide that the DSD is only obligated to satisfy the outstanding bonds from the net proceeds derived from the sale of the real property. Therefore, as the last of the real property owned by the DSD has been sold, the DSD's bond obligation has been extinguished. We understand that the Bond Trustee is in the process of disbursing the funds from the land sales and upon disbursement the remaining DSD Bonds and related debt assessments will be cancelled.

2022-2--Stevens Plantation Dependent Special District

St. Cloud's Response:

The City agrees with the Auditor's comments.

Bonds Payable of the District is currently in default

The City and the DSD aggressively marketed the property for sale at the highest possible value, while working with the bondholders to obtain the highest possible net proceeds from sales to satisfy the DSD bonds. On September 29, 2022, the DSD closed on the sale of the last of the property owned by it and



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subject to the bond obligations. The covenants for the subject bonds provide that the DSD is only obligated to satisfy the outstanding bonds from the net proceeds derived from the sale the of real property. Therefore, as the last of the real property owned by the DSD has been sold, the DSD’s bond obligation has been extinguished. We understand that the Bond Trustee is in the process of disbursing the funds from the land sales and upon disbursement the remaining DSD Bonds the related debt assessments will be cancelled.

During the fiscal year ended September 30, 2022, the District sold the remaining Land Held for Sale that was reported in the prior fiscal year.

On September 29, 2022, the DSD closed on the sale of the last of the property owned by it and subject to the bond obligations. Net proceeds of this sale have been distributed in accordance with the bond covenants.

The District has obtained inter-fund borrowings from both the General Fund and OUC Inter-local Agreement Fund to cover the deficit. Recommend the City to continue to monitor potential for recovery of these advances and consider the source of funds and recoverability of future advances to the District.

In FY2022, the City had no advances as it relates to the payment of District tax assessments. The City made a direct transfer for the payment of the 2019 delinquent taxes due. The direct transfer was decided due to the inability to guarantee collection of funds from the District. Budget Amendment Resolution depicted the Council's approval for the needed transfer which is also transparent in the financial statements as well in Note 8.

The Stevens Plantation Community Development District (CDD) is not in compliance with certain provisions of the bond indentures, including paying the annual tax assessment.

All remaining delinquent taxes were satisfied from proceeds of the September 29, 2022 sale of the last of the property owned by the DSD.

Sincerely,

City of St Cloud

Jeff Cooper, CGFO
Interim Finance Director

May 08, 2023

AFFIDAVIT

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BEFORE ME, the undersigned authority, personally appeared (Jeffrey Cooper), who being duly sworn, deposes and says on oath that:

- I am the Chief Financial Officer (Interim Finance Director) of The City of St. Cloud Florida which is a local jurisdiction (city) of the State of Florida;
- The City of St. Cloud has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.
- See the listing of impact fees adopted on the following page.


FURTHER AFFIANT SAYETH NAUGHT.




 (Jeffrey Cooper)

STATE OF FLORIDA
 COUNTY OF OSCEOLA

SWORN TO AND SUBSCRIBED before me this 1st day of May, 2023

 Jessie Light
 NOTARY PUBLIC
 STATE OF FLORIDA
 Comm# GG944491
 Expires 1/6/2024



 NOTARY PUBLIC
 Print Name Jessie Light

Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires:
1/6/2024



The impact fees adopted by ordinance or resolution as follows:

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- The City of St. Cloud, Florida adopted Ordinance No. 1992-C providing for the establishment of Park and Recreation Impact Fees, effective on January 14, 1992.
- The City of St. Cloud, Florida adopted Ordinance No. 2010-051 that established the Potable Water Impact Fees, effective on January 1, 2011.
- The City of St. Cloud, Florida adopted Ordinance No. 2010-052 that established the Sewer Impact Fees, effective on January 1, 2011.
- The City of St. Cloud, Florida adopted Ordinance No. 2017-43 that established the Public Safety Impact Fees, effective on January 1, 2018.

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- The City of St. Cloud, Florida adopted Resolution No. 2019-253R adopting the Mobility Fee Schedule and discount percentages, effective on April 1, 2020.
- The City of St. Cloud, Florida adopted Ordinance No. 2020-10 which established the Solid Waste Impact Fees, effective on July 1, 2020.