



# CITY OF NORTH PORT, FLORIDA ANNUAL COMPREHENSIVE FINANCIAL REPORT



**FISCAL YEAR ENDED SEPTEMBER 30, 2021**



**CITY OF NORTH PORT  
4970 CITY HALL BOULEVARD  
NORTH PORT, FL 34286**

# **Annual Comprehensive Financial Report**

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



***CITY OF NORTH PORT, FLORIDA***

***Prepared by the Finance Department***

***Kimberly Williams, CPA, CGFO, CPM  
Finance Director***

**CITY OF NORTH PORT, FLORIDA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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# City of North Port

4970 City Hall Boulevard  
North Port, Florida 34286-4100  
(941) 429-7000  
[www.cityofnorthport.com](http://www.cityofnorthport.com)

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June 23, 2022

The Honorable Mayor and Vice-Mayor,  
Members of the City Commission,  
Citizens of the City of North Port  
North Port, Florida

We are pleased to submit the *Annual Comprehensive Financial Report* of the City of North Port, Florida (the City) for the fiscal year ended September 30, 2021. The purpose of this report is to provide the City Commission, the citizens, financial institutions and other interested parties with detailed information concerning the financial condition and performance of the City of North Port. This report meets Florida Statute requirements that each local government entity publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed independent certified public accountants.

This report consists of management's representations concerning the finances of the City of North Port. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. The City of North Port has designed internal controls to provide reasonable, not absolute, assurance that the financial statements are free from any material misstatement. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived; and (2) that the evaluation of the costs and benefits requires estimates and judgments by management. We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the City, and that all disclosures necessary to enable the reader to obtain a comprehensive understanding of the City's financial activity have been included.

The City's financial statements for the fiscal year ended September 30, 2021, have been audited by Mauldin & Jenkins LLC, a firm of licensed certified public accountants. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor's report on the basic financial statements, the combining and individual fund statements, and the supporting schedules is presented as the first component of the financial section.

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

### **Profile of the City**

The City of North Port was incorporated on June 18, 1959. The City is managed under a Commission-City Manager form of government. The legislative and governing body of the City consists of five elected citizens who are qualified voters in the City. The five elected commissioners annually select a Mayor. Each commissioner is elected to a four-year staggered term. There is a limit of two terms that any commissioner may serve. The Commission appoints the City Manager, who is the chief administrative officer of the City and directs the business of the City and its various departments. The Commission determines policy, adopts legislation, approves the City’s budget, sets taxes and fees, and appoints the City Clerk, Deputy City Clerk and the City Attorney.

The City of North Port provides a range of municipal services. Public Safety operations include police and fire protection, as well as emergency medical services, building, code enforcement and zoning. Recreational services include neighborhood parks, a skate park facility and recreational centers. Public Works provides essential street and road maintenance, drainage, traffic signalization, landscape maintenance, as well as solid waste collection. Public Utilities provides water and sewer service and reuse water for irrigation. Other services provided include planning, engineering, economic development, as well as general administrative services.

The annual budget serves as the foundation for the City’s financial planning and control functions. All departments of the City are required to submit requests for appropriation to the City Manager each year. The City Manager uses these requests as the starting point for developing a recommended budget. The City Manager then presents this recommended budget to the Commission for review during the month of July. The Commission is required to hold public hearings on the proposed budget and adopt a final budget no later than September 30, the close of the City’s fiscal year. The appropriated budget is prepared by fund, function and department. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund as well as for major special revenue funds, the comparison is presented as required supplementary information. For other governmental funds, the budget-to-actual comparison is presented in the combining and individual fund statements and schedules subsection.

### **Local Economy**

The City of North Port is the southernmost city in Sarasota County, midway between the cities of Tampa and Fort Myers, near the Gulf of Mexico. The City is comprised of 104.8 square miles, 813 miles of paved road and 81 miles of freshwater canals.

As of the 2020 census data, North Port is Sarasota County's largest municipality in population. The population of North Port has steadily increased from 57,893 in 2011 to 78,129 in 2021.

For the fiscal year 2021, the City adopted a millage rate of 3.7667 mils. Ad valorem taxes make up approximately 38% of the budgeted General Fund revenues, excluding transfers and fund balance.

### **Long-term Financial Planning**

The City of North Port's Capital Improvement Program (CIP) consists of capital projects that reflect the City's infrastructure needs over a five-year time frame and includes assets with long term value, such as buildings, roads, bridges and parks. The CIP not only includes on-going capital requirements but also includes capital additions that are necessary to comply with the Community Planning Act, as amended. The Community Planning Act requires the adoption of a Comprehensive Plan which details the additional infrastructure necessary to handle projected population increases. The CIP differentiates these capital projects from those of an on-going nature by designating them as level of service projects.

The primary objective of the City's investment program is the preservation of capital. Investment transactions are managed so as to avoid loss of principal, whether by security default or by erosion of market value. Generally, operating capital is invested locally in earnings-based checking accounts. The remainder of the City's funds are invested according to the City's investment policy, which is adopted by the Commission and may only be amended by the Commission. The most recent amendment was adopted on April 26, 2016 by City Ordinance 2016-10.

On September 17, 2020 the City adopted a new Fund Balance Policy with Resolution No. 2020-R-26. This policy established fund balance ranges for the following operating funds of the City: General Fund, Road and Drainage District, Fire Rescue District, Solid Waste District and Building Fund. The City is to retain an emergency/disaster reserve of 20% of each fund's operating expenditures. These funds are to be used, as declared appropriate by the City Commission, to ensure the maintenance of services to the public during non-routine and unforeseen disaster situations. If utilized, these reserves must be replenished either through appropriation during the next budget cycle, or a Commission approved written plan for the restoration of the fund balance to an amount within the acceptable percentages. Additionally, the City is to maintain an economic stabilization reserve of up to 10% of the fund's operating expenditures. These budget stabilization reserves are to be used for short-term cash flow purposes, unanticipated expenditures of a non-recurring nature, to meet unexpected immediate increases in service delivery costs, or to maintain service levels in the event that an economic downturn should cause a shortfall in revenues. The City may exceed the ten percent (10%) threshold if authorized by a majority vote of the City Commission. In the event of a surplus, appropriations of fund balance may be set aside for specific purposes such as anticipated budgetary shortfalls, reduction of long-term debt, pension contribution stabilization, capital projects, or capital asset renewal and replacement funds. Budget stabilization reserves and are not to be utilized for operating purposes.

## **Major Initiatives/Projects**

- Park and facility enhancements and amenities
- Warm Mineral Springs - park improvements/buildings restoration
- Blue Ridge Park pavilion improvements
- Public safety driving track
- Police Department license plate readers acquisition
- Technology network infrastructure upgrades
- Road maintenance and rehabilitation
- Drainage system improvements
- Water control structure rehabilitation program
- Sidewalks, bike lanes and pedestrian bridge construction
- Utilities lightning protection systems
- Fire Rescue – Wellen Park ladder truck acquisition
- Fire Station 81 renovations
- Fire station alerting system
- Water transmission service improvements
- Lift/booster station rehabilitation

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Port for its annual comprehensive financial report for the fiscal year ended September 30, 2020. This was the twenty-fifth consecutive year that the City received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The City also received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year beginning October 1, 2020, the same period covered by this annual comprehensive financial report. This was the fourteenth consecutive year that the City received this award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, organization, and as a communications medium.

This annual comprehensive financial report represents countless hours of preparation and could not have been accomplished without the dedicated efforts of the Finance Department. A special note of appreciation is extended to these employees for their work to ensure the timeliness and accuracy of this report.

The fiscal responsibility exhibited by the North Port City Commission throughout this fiscal year and over time is commendable. The Commission's leadership in the fiscal matters of the City combined with their dedication and commitment to the citizens truly set North Port apart.

Sincerely,



A. Jerome Fletcher II, ICMA-CM, MPA  
City Manager



Kimberly Williams, CPA, CGFO, CPM  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of North Port  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

Executive Director/CEO

# **City of North Port, Florida**

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## *Principal Officers As of September 30, 2021*

### **City Commission**

Jill Luke, Mayor  
Pete Emrich, Vice-Mayor  
Debbie McDowell, Commissioner  
Alice White, Commissioner  
Barbara Langdon, Commissioner

### **Interim City Manager**

Jason L. Yarborough

### **Assistant City Managers**

Cari A. Branco  
Juliana B. Bellia, Acting

### **Department Directors**

Charles C. Speake, Acting	Public Works
Sandra Pfundheller	Parks and Recreation
Kimberly P. Williams	Finance
Christine V. McDade	Human Resources/Risk Management
Michael J. Vuolo, Acting	Public Utilities
Scott A. Titus	Fire Rescue/EMS
Todd R. Garrison	Police
Derek M. Applegate, Acting	Neighborhood Development Services

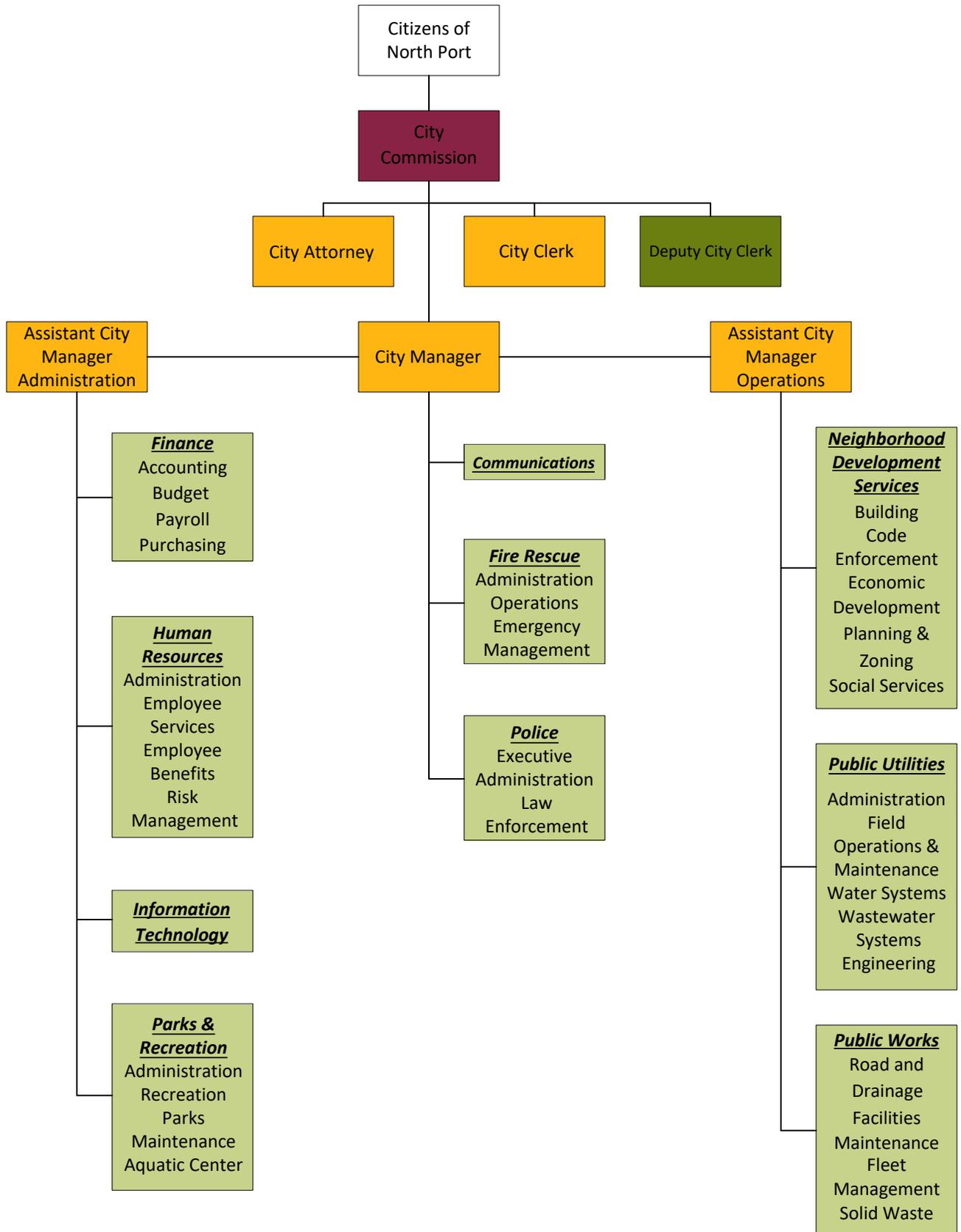
### **City Clerk**

Heather L. Faust

### **City Attorney**

Amber L. Slayton

# City of North Port Organizational Chart





## INDEPENDENT AUDITOR'S REPORT

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Honorable Mayor, City Commission  
and City Manager  
City of North Port, Florida

### **Report on the Financial Statements**

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 North Port, Florida (the "City"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

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### ***Opinions***

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Port, Florida, as of September 30, 2021, 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.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Other Information***

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

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The combining and individual fund statements and schedules and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 fund statements and schedules 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's 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.

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
June 23, 2022



## **Management's Discussion and Analysis**

As management of the City of North Port (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report and the City's financial statements beginning on page 23.

### ***Financial Highlights***

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$585,105,184 (*net position*). Of this amount, \$428,909,771 represents net investment in capital assets (*capital assets net of related debt*); \$123,493,474 is restricted for specific purposes (*restricted net position*) and the remaining portion represents *unrestricted net position* of \$32,701,939. The readers of this report should refer to the fund level statements to get a better understanding of which activities the unrestricted net position is applicable to.
- Total net position increased by \$36,207,730 during the year compared to a \$59,393,191 increase in the prior year.
- Total revenues were \$158,345,723, which was \$27,610,569 or 0.15 percent lower than last year.
- Total expenses were \$122,137,993, a decrease of \$4,425,108 or 3.5 percent from last year.
- At the close of fiscal year 2021, the City's governmental funds reported combined ending fund balances of \$134,983,457, an increase of \$24,576,562 in comparison with the prior year.
- At the close of fiscal year 2021, unassigned fund balance for the general fund was \$18,498,384 or 34.54% of total general fund expenditures.

### ***Overview of the Financial Statements***

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

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2021**

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

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

The *Statement of Activities* presents revenue and expenses and shows how the government's net position changed during the most recent fiscal year. All changes in net position are reported in a manner similar to the approach used by private sector business in that revenues are recognized when earned or established criteria are satisfied, and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, physical environment, transportation, culture and recreation, human services and economic environment. The business-type activities of the City include the water and sewer utilities.

The City's government-wide financial statements can be found on pages 23-25 of this report.

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

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

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

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2021**

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provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of North Port maintains many individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road and Drainage District Special Revenue Fund, the Fire Rescue District Special Revenue Fund, the Solid Waste District Special Revenue Fund and the Surtax Capital Projects Fund, all of which are considered to be major funds. Data from the remaining governmental funds are combined in a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual budget as described in Note B to the financial statements. A budgetary comparison statement has been provided in the Required Supplementary Information for the General Fund and each major special revenue fund with a legally adopted budget in order to demonstrate compliance with this budget. Budgetary comparison schedules for nonmajor governmental funds and major capital projects funds are presented in the *combining and individual fund statements and schedules* section elsewhere in this report.

The basic governmental fund financial statements can be found on pages 26-32 of this report.

**Proprietary Funds.** The City maintains two types of proprietary funds. An *enterprise fund* is used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its Water and Sewer Utilities.

An *internal service fund* is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City has two separate internal service funds to account for its self-insurance programs. The first internal service fund is used to account for the costs of providing coverage for workers' compensation, vehicle, and general liability/property. The second, is used to account for the provision of medical benefits to City employees and their dependents. Because these funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type information as reported as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the major enterprise fund, which is the Water and Sewer Utility System. All internal service funds are considered to be non-major funds and are combined into a single, aggregated presentation in the proprietary fund financial statements.

The basic proprietary funds financial statements can be found on pages 33-37.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2021**

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financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 38-39 of this report.

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

The notes to the financial statements can be found on pages 40-83 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information.

Required and other supplementary information can be found on pages 86-151 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets exceeded liabilities by \$585,105,184 at the close of the most recent fiscal year for the City of North Port.

A major portion of the City's net position (73%) reflects its investment in capital assets such as land, buildings, various infrastructure, equipment and construction in progress, less any related outstanding debt used to acquire those assets. The City of North Port uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
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Following is a summary chart of the City's net position for fiscal years ending 2021 and 2020:

**City of North Port's Net Position**

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 147,869,550	\$ 122,144,845	\$ 59,530,361	\$ 51,153,355	\$ 207,399,911	\$ 173,298,200
Capital assets	293,472,942	293,815,866	187,062,099	185,085,779	480,535,041	478,901,645
<b>Total assets</b>	<b>441,342,492</b>	<b>415,960,711</b>	<b>246,592,460</b>	<b>236,239,134</b>	<b>687,934,952</b>	<b>652,199,845</b>
Deferred outflows of resources	37,929,933	25,483,896	2,365,089	2,184,045	40,295,022	27,667,941
Long-term liabilities	62,953,569	100,122,843	23,230,450	29,360,556	86,184,019	129,483,399
Other liabilities	8,977,809	9,143,793	6,250,230	1,080,372	15,228,039	10,224,165
<b>Total liabilities</b>	<b>71,931,378</b>	<b>109,266,636</b>	<b>29,480,680</b>	<b>30,440,928</b>	<b>101,412,058</b>	<b>139,707,564</b>
Deferred inflows of resources	3,826,203	8,732,571	63,646	253,637	3,889,849	8,986,208
Net position:						
Net investment						
in capital assets	263,234,471	261,865,644	165,675,300	161,208,925	428,909,771	423,074,569
Restricted	107,396,978	89,152,418	16,096,496	16,045,635	123,493,474	105,198,053
Unrestricted	(1,893,099)	(10,220,257)	34,595,038	30,845,089	32,701,939	20,624,832
<b>Total net position</b>	<b>\$ 368,738,350</b>	<b>\$ 340,797,805</b>	<b>\$ 216,366,834</b>	<b>\$ 208,099,649</b>	<b>\$ 585,105,184</b>	<b>\$ 548,897,454</b>

An additional portion of the City's net position (21%) represents resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net position (\$32,701,939 or 5.6%) may be used to meet the government's ongoing obligations to citizens and creditors within the specified purposes of the individual funds.

As of September 30, 2021, the City is able to report positive balances in all three categories of net position for the government as a whole. The same situation held true for the prior fiscal year.

There was an increase of \$18.3 million in restricted net position reported for fiscal year 2021. This increase was primarily due to the accumulation of funds for multi-year capital projects not yet completed.

**Governmental Activities.** Governmental activities increased the City's net position by \$27,940,545 as the result of current fiscal year activities, accounting for 77.2% of the total growth in the City's net position.

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
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- Total governmental activities revenues increased \$12,169,660, or 10.7% in comparison to the prior year.
- Total general revenues increased \$4,227,580 (8.67%). Ad valorem taxes (\$1,337,954) increased in the current fiscal year due to a millage rate increase, continued construction growth, and increased property values in the City. Additional increases included discretionary sales surtax (\$2,402,304), the one-half local sales tax (\$1,453,963) and the state shared revenues (\$555,184) due to the partial recovery following the decreased travel and tourism caused by the coronavirus pandemic experienced during FY 2020. Partially offsetting these increases were decreases investment income (\$3,076,543) as a result of the unfavorable economy.
- Charges for services increased \$5,412,738 (9.95%) during the current fiscal year. Non-ad valorem revenues for the three districts increased in FY 2021 compared to FY 2020: the Road and Drainage District's revenues rose approximately \$311,000 due to residential growth; the Fire Rescue District's revenues rose over \$1.2 million mainly due to the 5% rate increase; and the Solid Waste District's revenues increased over \$308,000 due to residential growth. Also, the Road and Drainage District's Department of Transportation agreements increased over \$119,900; licenses and permits fees rose over \$180,900; and construction traffic road fees increased over \$437,200 all due to the rise in construction activity. Solid Waste commercial collections also rose over \$159,800 due to the growth in commercial accounts, service initiation fees increased over \$156,500 due to the rise in construction activity, and recycling sales increased over \$155,800 due to the market value increase for this activity. Aquatic center revenues increased over \$469,100 due to the rise in attendance following the limited offerings during the FY 2020 coronavirus response. Finally, there was an increase of approximately \$861,000 in service revenue due to the payments received from City employees for medical insurance compared to fiscal year 2020.
- Operating grants and contributions rose \$1,094,857 in the current year due mainly to the following grant: Coronavirus Aid, Relief & Economic Security (CARES) Act funds (\$2,022,694).
- Capital grants and contributions increased \$1,463,285 in fiscal year 2021 mainly due to the rise of \$1,310,770 in impact fees. This is due to a greater proportion of certificate of occupancies issued since the fee increase for all building permits issued after July 2019 as opposed to those issued before this date.
- Governmental activities expenses decreased \$6,157,009 (5.9%) during the current year. In comparison to last fiscal year, FRS pension expense (per the actuarial valuations) decreased \$9,711,851, particularly for public safety (\$5,984,329) and transportation (\$1,000,559), due to changes in the City's proportionate share. Partially offsetting the overall decrease were increases to salaries and wages of over \$1.8 million; health insurance costs rose over \$720,700; and Florida Retirement System (FRS) employer contributions increased over \$539,200. In fiscal year 2020,

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
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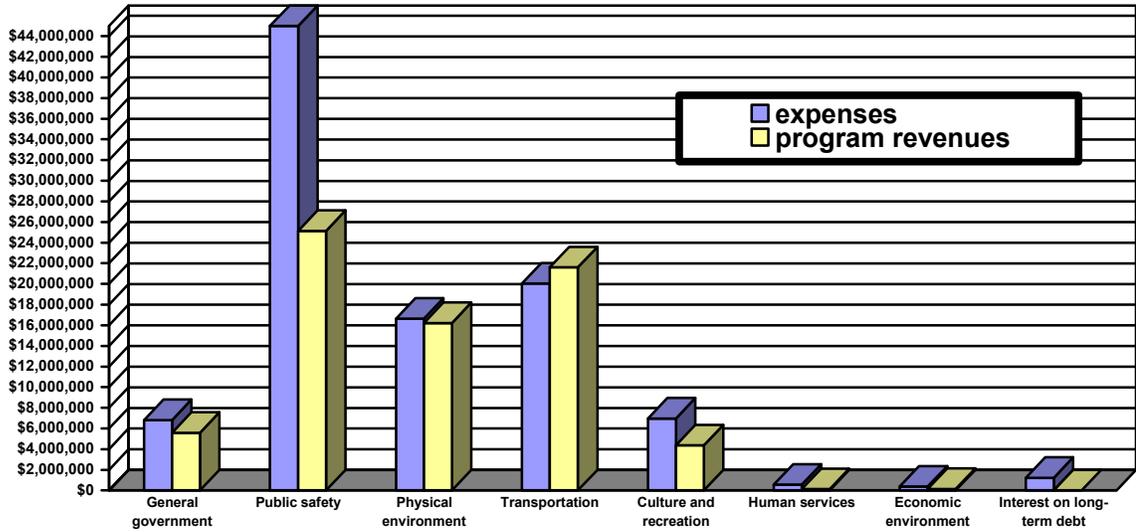
nineteen new positions were added to expand the city's current level of services. Many of these positions were not filled immediately in FY 2020 and some were not filled until fiscal year 2021. Due to the lag time in hiring new personnel, annual cost of living adjustments and merit increases, the personnel costs listed above rose over \$3.3 million in the current fiscal year. Overtime increased approximately \$596,100 due to employee turnover and the lag time in hiring new personnel; risk insurance decreased over \$147,400; and workers compensation increased approximately \$174,100. Finally, compensated absences rose over \$283,000, again public safety incurring the largest increases (\$267,340). Physical environment decreased over \$524,700 mainly in routine maintenance (\$964,755) and landscaping costs (\$216,409). Transportation increased over \$1.5 million mainly due to the \$5.9 million in capital contributions to River Road and Wellen Park according to interlocal and impact fee agreements. This was partially offset by decreases to routine road maintenance (\$1,958,746) and landscaping costs (\$439,377). Finally, long-term interest increased \$309,347 in fiscal year 2021.

**City of North Port, Florida**  
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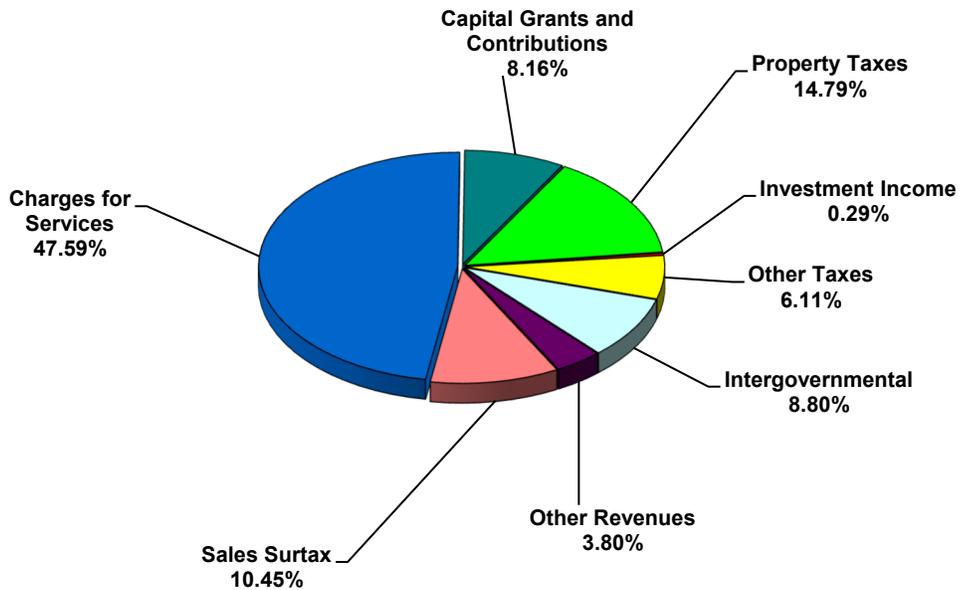
**City of North Port's Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$59,822,462	\$54,409,724	\$28,078,141	\$25,982,573	\$87,900,603	\$80,392,297
Operating grants and contributions	3,106,485	2,011,628	-	-	3,106,485	2,011,628
Capital grants and contributions	10,262,463	8,799,178	4,438,481	45,080,802	14,700,944	53,879,980
General Revenues:						
Ad valorem taxes	18,584,874	17,246,920	-	-	18,584,874	17,246,920
Discretionary sales surtaxes	13,137,051	10,734,747	-	-	13,137,051	10,734,747
Other taxes	7,676,459	7,298,695	-	-	7,676,459	7,298,695
Intergovernmental	11,063,890	8,823,155	-	-	11,063,890	8,823,155
Other	2,036,805	4,196,782	138,612	1,372,088	2,175,417	5,568,870
<b>Total Revenues</b>	<b>125,690,489</b>	<b>113,520,829</b>	<b>32,655,234</b>	<b>72,435,463</b>	<b>158,345,723</b>	<b>185,956,292</b>
<b>Expenses:</b>						
Governmental Activities:						
General government	6,808,432	10,455,849	-	-	6,808,432	10,455,849
Public safety	45,626,047	49,021,745	-	-	45,626,047	49,021,745
Physical environment	16,640,855	17,165,637	-	-	16,640,855	17,165,637
Transportation	20,032,330	18,464,013	-	-	20,032,330	18,464,013
Culture & recreation	6,966,109	7,384,613	-	-	6,966,109	7,384,613
Human services	559,609	539,240	-	-	559,609	539,240
Economic environment	378,854	447,495	-	-	378,854	447,495
Interest on long-term debt	1,230,408	921,061	-	-	1,230,408	921,061
Business-type Activities:						
Water and sewer	-	-	23,895,349	22,163,448	23,895,349	22,163,448
<b>Total Expenses</b>	<b>98,242,644</b>	<b>104,399,653</b>	<b>23,895,349</b>	<b>22,163,448</b>	<b>122,137,993</b>	<b>126,563,101</b>
Change in net position before transfers	27,447,845	9,121,176	8,759,885	50,272,015	36,207,730	59,393,191
Transfers	492,700	463,900	(492,700)	(463,900)	-	-
Change in Net Position	27,940,545	9,585,076	8,267,185	49,808,115	36,207,730	59,393,194
<b>Net Position-beginning</b>	<b>340,797,805</b>	<b>331,212,729</b>	<b>208,099,649</b>	<b>158,291,534</b>	<b>548,897,454</b>	<b>489,504,263</b>
<b>Net Position-ending</b>	<b>\$368,738,350</b>	<b>\$340,797,805</b>	<b>\$216,366,834</b>	<b>\$208,099,649</b>	<b>\$585,105,184</b>	<b>\$548,897,454</b>

**Expenses and Program Revenues - Governmental Activities**



**Revenues by Source - Governmental Activities**

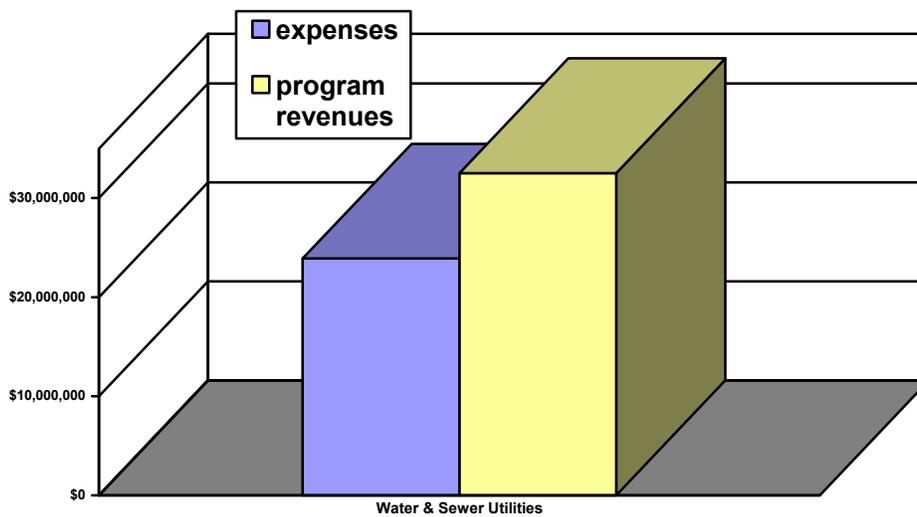


*\*Excludes transfers-in*

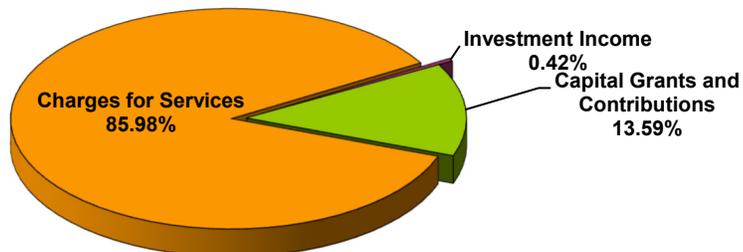
**Business-type Activities.** Business-type activities were responsible for an increase of \$8,267,185 in the total change of net position as the result of current fiscal year activities. The key elements causing the increase in the current fiscal year are:

- Developer contributed assets of approximately \$1,869,645 were capitalized during the fiscal year.
- Water and sewer impact fees collected for the fiscal year were \$2,462,322.

**Expenses and Program Revenues - Business-type Activities**



**Revenues by Source - Business-type Activities**



**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2021**

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**Financial Analysis of the City's Funds**

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

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

At the close of fiscal year 2021, the City's governmental funds reported combined ending fund balances of \$134,983,457, an increase of \$24,576,562 in comparison with the prior year. Approximately 13.7% of this total amount (\$18,498,384) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance available for spending is restricted, committed or assigned; these totaled \$116,485,073 or 86.3% of ending fund balance. Of this amount, \$106,189,101 is restricted by law or externally imposed requirements, \$8,450,199 is committed for specific purposes by the Commission and \$1,764,174 is assigned for various purposes. There was also an amount of non-spendable fund balance totaling \$81,599 or 0.06% of ending fund balance.

The General Fund is the chief operating fund of the City. The General Fund manages approximately 38% of the total governmental revenues. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$18,498,384 while the total fund balance was \$20,560,456. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 38.25% of total General Fund expenditures, while total fund balance represents 42.51% of that same amount.

The fund balance of the City's General Fund increased \$5,000,186 during the current fiscal year. The key factor for this increase was the excess of revenues over expenditures. Ad valorem taxes increased over \$1.3 million compared to last fiscal year due to the increase of approximately \$627.2 million in the taxable value of real estate located in North Port. Also, intergovernmental revenue rose over \$3.6 million due to the increase in the capital grant funds for CARES Act (\$2,022,694), Fire Rescue Safer Grant funds (\$651,236), Office of Justice Technology Initiative Grant funds (149,750), and Office of Justice COVID Supplemental Funding Grant funds (\$135,366). Although expenditures increased over last fiscal year (\$4,159,671), the rise in revenues (\$7,375,716) compared to fiscal year 2020 exceeded the rise in the expenditures.

In the governmental funds, a final budget to actual comparison is done. A favorable budget variance is referred to as a positive variance or gain, while an unfavorable budget variance is referred to as a negative variance or loss. Budget variances occur because budget forecasting is a plan and the City is unable to predict the future with complete accuracy. The General Fund had some noteworthy positive variances in City Clerk's budget (\$172,573), Planning and Zoning (\$381,154), Information Technology (\$178,574), Building (\$109,693), Police (\$787,626), Emergency Medical Services (\$147,604), Economic Environment (\$104,335),

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2021**

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Recreation (\$166,191) and North Port Aquatic Center (\$328,561). The Deputy City Clerk position was open through March resulting in personnel savings (51,662). The Planning and Zoning consultant fees were lower than budgeted because only a small portion of the ULDC update occurred in fiscal year 2021. Also, an Impact/Mobility Fee Study (\$134,966), an Activity Center 6 Master Plan (\$45,000), and the Activity Center Overlay (\$150,000) budgeted for FY 2021 did not occur in the current year. Savings in the Information Technology budget occurred in subscriptions and memberships (\$75,339). The Police Department had savings of over \$538,455 in personnel due to employee turnover and attrition. Partially offsetting this savings in personnel was the increase in overtime of approximately \$256,061. Other savings for the Police Department occurred in fuel (\$52,877); minor operating equipment purchases (\$42,872); training (\$53,276); and capital outlay (\$35,255). The most notable savings for Emergency Medical Services was in personnel expenditures which were lower than budgeted due to employee turnover (\$42,293). Economic development had savings of over \$31,716 in personnel due to employee turnover and attrition. Also, the department had savings in professional marketing services (\$26,416) as expenditures were lower than expected. Due to the COVID19 pandemic, many of the scheduled events and classes sponsored by the Parks Recreation department were modified, thereby resulting in savings in contracted services (\$52,303) and rentals (\$30,227). Also, capital outlay was lower than budgeted (\$106,620) as some project expenditures did not occur in the current fiscal year. Finally, the North Port Aquatic Center experienced savings in personnel (\$208,450); electricity (\$37,539); and chemicals (\$64,565).

The fund balance of the Road and Drainage District increased \$5,890,205 in fiscal year 2021 due to the excess of revenues over expenditures. The District's non ad-valorem assessments rose approximately \$310,000 due to increased rates and residential growth; construction traffic road fees increased over \$437,000 due to the rise in construction activity; and other charges for services increased over \$295,000 also due to increased construction activity. The District's expenditures decreased compared to the last fiscal year, particularly in routine road maintenance (\$1,804,642) and infrastructure (\$824,642).

The fund balance of the Fire Rescue District increased \$1,465,950 during the current fiscal year. The District's non-ad valorem revenues rose over \$1,133,000 mainly due to the 5% rate increase and the increase in the number of developed properties.

The fund balance of the Solid Waste District increased by \$2,075,881 the current fiscal year. In the current fiscal year, the District's non-ad valorem residential assessment remained at \$245 per residence. The rise in the number of developed properties caused revenues to rise over \$465,000. Commercial collections and service initiation fees increased approximately \$159,832 and \$156,575, respectively, due to the rise in residential and commercial accounts; and disposal of fixed assets increased by \$351,897 due to the auction of 5 vehicles.

The fund balance of the Surtax Fund increased \$6,724,219 in the current fiscal year due to the \$1.58 million increase in revenue compared to last fiscal year. A majority of the City's capital budget represents multi-year capital construction projects for which expenditures are recorded as the projects progress. As in the past, revenues continue to accumulate in the Surtax Fund at a rate faster than project expenditures are being made resulting in the increase.

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2021**

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**Proprietary funds.** The fund financial statements for the City's proprietary funds provide essentially the same type of information found in the government-wide financial statements, but in greater detail.

Unrestricted net position of the Water and Sewer Utilities increased \$3,587,248. The Self Insurance Risk Fund has an unrestricted net position of \$(574,533), a decrease of \$128,292 from last fiscal year. The Self Insurance Medical Fund has an unrestricted net position of \$3,552,734. Other factors concerning the finances of the proprietary funds have been addressed in the discussion of the City's business-type activities (Water and Sewer Utilities) and the City's governmental activities (Self Insurance).

### **General Fund Budgetary Highlights**

During the current fiscal year, there the increase in appropriations between the original and final amended General Fund budget totaled \$738,451. The following are the components of the increase that were adopted using available fund balance:

- Increased the original budget by \$412,490 to fund additional personnel and operating costs for both the Recreation and Parks Maintenance Divisions related to the Interlocal Agreement with the County.
- Increased the original budget by \$45,000 to fund the executive search firm to conduct the City Manager search.
- Increased the original budget by \$16,010 to fund the replacement of a totaled Facilities Maintenance transit van.
- Increased the original budget by \$20,611 to fund Narramore Park security equipment.
- Increased the original budget by \$96,540 to fund the North Port special election.
- Increased the original budget by \$10,000 to fund the First 1,000 Days mural project.
- Increased the original budget by \$137,800 to fund salary accounts in the City Manager's division.

Actual revenues, taxes and investment income, were less than the final budget by \$864,104. Electric utility service taxes were higher than expected by \$74,953 and local communicant services taxes were lower than expected by \$106,336. Investment income was overestimated by approximately \$740,000. But actual revenues, intergovernmental and charges for services, were higher than the final budget by \$4,799,685. The state shared revenues and the one-half cent local sales tax were higher than expected by \$555,184 and \$1,453,963, respectively. Additional grant funds not budgeted in the current fiscal year of \$1,649,387 contributed to the increase in intergovernmental revenues.

Actual expenditures were less than the final budget by \$3,126,281. Following are some of the significant items causing a positive variance: \$1,197,544 less-than-expected salaries and wages due to employee turnover, attrition and unfilled positions; \$808,482 less-than-expected professional services; \$211,693 less-than-expected travel and training; diligent efforts by City departments to control costs and find savings throughout the year.

**City of North Port, Florida**  
**Management’s Discussion and Analysis**  
**September 30, 2021**

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**Capital Asset and Debt Administration**

**Capital assets.** As of September 30, 2021, the City’s investment in capital assets for its governmental and business-type activities amounts to \$480,535,041 (net of accumulated depreciation). This investment in capital assets includes land, construction in process, buildings, improvements, various infrastructure, utility systems and equipment. The overall total increase in the City’s capital assets for the current fiscal year was .34% (a 0.12% decrease for governmental activities and a 1.07% increase for business-type activities).

Some of the major capital asset additions during the current fiscal year included the following:

- Blue Ridge Park parking lot, sidewalk, and pavilion
- Butler Park field lighting
- Biscayne Drive bike path
- Land purchases
- Roads
- Neighborhood park refurbishments
- Server upgrades
- Water and sewer line improvements
- Lift station rehabilitation
- Reclaimed water improvements
- Fire, police, solid waste, road and drainage and utilities vehicles and equipment
- Drainage system improvements

**City of North Port’s Capital Assets**  
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 23,618,523	\$ 23,471,176	\$ 3,566,866	\$ 3,566,866	\$27,185,389	\$27,038,042
Works of art	17,372	9,950	-	-	17,372	9,950
Buildings	36,085,430	37,669,929	14,120,591	14,404,447	50,206,021	52,074,376
Infrastructure	201,638,707	205,109,099	156,934,607	157,660,095	358,573,314	362,769,194
Equipment	24,232,875	22,714,303	7,655,262	8,050,553	31,888,137	30,764,856
Construction in progress	7,880,035	4,841,409	4,784,773	1,403,818	12,664,808	6,245,227
Total	<u>\$293,472,942</u>	<u>\$293,815,866</u>	<u>\$187,062,099</u>	<u>\$185,085,779</u>	<u>\$480,535,041</u>	<u>\$478,901,645</u>

Additional information on the City’s capital assets can be found in Note F - Capital Assets on pages 55-56 of this report.

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2021**

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**Long term debt.** As of year-end, the City had \$56,832,750 in total bonded debt outstanding compared to the \$54,480,181 last year.

Transportation Improvement Bonds - Series 2013	\$	2,310,000	\$	3,395,000
Transportation Refunding Bonds - Series 2020		30,430,000		30,925,000
Bond Premium		-		-
Deferred loss on defeasance of debt		3,488,291		(3,488,291)
Subtotal		<u>36,228,291</u>		<u>30,831,709</u>
<b>Business-type:</b>				
State Revolving Loan Funds		14,768,734		16,071,221
Utility System Refunding				
Revenue Bonds, Series 2005		4,569,686		4,984,966
Utility System Refunding				
Revenue Bonds, Series 2014		1,423,000		2,816,000
Deferred loss on defeasance of debt		(156,961)		(223,715)
Subtotal		<u>20,604,459</u>		<u>23,648,472</u>
<b>Total</b>	<b>\$</b>	<b><u>56,832,750</u></b>	<b>\$</b>	<b><u>54,480,181</u></b>

Additional information on the City's long-term debt can be found in Note H - Long-Term Liabilities found on pages 57-62 of this report.

**Economic Factors and Next Year's Budgets and Rates**

- The City of North Port had an unemployment rate of 3.9% at fiscal year-end. The City's unemployment rate was lower than the unemployment rate for Florida (4.0%) and lower than the nation's rate of 4.6% during the same time period.
- The General Fund property tax millage decreased to 3.7667 mills for fiscal year 2021.
- The City's population increased by 0.7% during the fiscal year from 77,561 to 78,129.
- The taxable value of real estate located in the City rose to \$5.75 billion in the current fiscal year, which is an increase of approximately \$627.2 million or 12.25% over the prior fiscal year.
- Single family home starts are beginning to level off.

All these factors were considered in preparing the City's budget for the 2022 fiscal year.

**City of North Port, Florida**  
**Management's Discussion and Analysis**  
**September 30, 2021**

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**Financial Contact**

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to:

**City of North Port, Florida**  
**Finance Department**  
**4970 City Hall Boulevard**  
**North Port, FL 34286-4100**

Or visit our website: <http://www.cityofnorthport.com>

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**BASIC**

**FINANCIAL STATEMENTS**

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**CITY OF NORTH PORT, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 142,446,034	\$ 34,533,627	\$ 176,979,661
Receivables (net)	5,251,505	3,813,824	9,065,329
Internal balances	90,412	(90,412)	-
Inventories	81,599	754,871	836,470
Restricted assets:			
Cash and investments	-	20,426,699	20,426,699
Receivables (net)	-	91,752	91,752
Capital assets:			
Non-depreciable	31,515,930	8,351,639	39,867,569
Depreciable (net)	261,957,012	178,710,460	440,667,472
<b>Total Assets</b>	<u>441,342,492</u>	<u>246,592,460</u>	<u>687,934,952</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on debt refundings	3,302,249	156,961	3,459,210
Deferred amount on OPEB	802,031	38,370	840,401
Deferred amount on pensions	24,834,763	1,506,724	26,341,487
<b>Total Deferred Outflows of Resources</b>	<u>28,939,043</u>	<u>1,702,055</u>	<u>30,641,098</u>
<b>LIABILITIES</b>			
Accounts payable	3,664,434	1,754,441	5,418,875
Accrued liabilities	5,014,875	-	5,014,875
Payable from restricted assets:			
Accounts payable	-	282,109	282,109
Interest payable	250,253	-	250,253
Unearned revenue	48,247	4,213,680	4,261,927
Noncurrent liabilities:			
Due within one year	2,295,876	3,497,031	5,792,907
Due in more than one year	60,657,693	19,733,419	80,391,112
<b>Total Liabilities</b>	<u>71,931,378</u>	<u>29,480,680</u>	<u>101,412,058</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred amount on OPEB	180,690	8,644	189,334
Deferred amount on pensions	29,431,117	2,438,357	31,869,474
<b>Total Deferred Inflows of Resources</b>	<u>29,611,807</u>	<u>2,447,001</u>	<u>32,058,808</u>
<b>NET POSITION</b>			
Net investment in capital assets	263,234,471	165,675,300	428,909,771
Restricted for:			
Renewal and replacement	-	3,436,549	3,436,549
Capital projects	63,006,919	12,659,947	75,666,866
Debt service	977,509	-	977,509
Public safety	13,225,058	-	13,225,058
Physical environment	13,889,268	-	13,889,268
Transportation	16,298,224	-	16,298,224
Unrestricted	(1,893,099)	34,595,038	32,701,939
<b>Total Net Position</b>	<u>\$ 368,738,350</u>	<u>\$ 216,366,834</u>	<u>\$ 585,105,184</u>

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 6,808,432	\$ 5,016,160	\$ 24,845	\$ 542,793
Public safety	45,626,047	20,995,944	2,791,127	1,349,293
Physical environment	16,640,855	15,794,720	-	424,773
Transportation	20,032,330	15,128,336	585	6,470,710
Economic environment	378,854	-	152,412	-
Human services	559,609	-	137,516	-
Culture and recreation	6,966,109	2,887,302	-	1,474,894
Interest on long-term debt	1,230,408	-	-	-
Total governmental activities	<u>98,242,644</u>	<u>59,822,462</u>	<u>3,106,485</u>	<u>10,262,463</u>
Business type activities:				
Water and sewer utilities	<u>23,895,349</u>	<u>28,078,141</u>	<u>-</u>	<u>4,438,481</u>
Total business-type activities	<u>23,895,349</u>	<u>28,078,141</u>	<u>-</u>	<u>4,438,481</u>
Total government	<u>\$ 122,137,993</u>	<u>\$ 87,900,603</u>	<u>\$ 3,106,485</u>	<u>\$ 14,700,944</u>

General revenues:  
 Taxes:  
   Ad Valorem  
   Insurance premium  
   Service  
   Local business  
   Fuel  
   Discretionary sales surtax  
 Intergovernmental - unrestricted  
 Investment income  
 Miscellaneous  
 Transfers

    Total general revenues and transfers

    Changes in net position

**Net position - beginning**

**Net position - ending**

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

**Net (Expense) Revenue and Changes in Net Position**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (1,224,634)	\$ -	\$ (1,224,634)
(20,489,683)	-	(20,489,683)
(421,362)	-	(421,362)
1,567,301	-	1,567,301
(226,442)	-	(226,442)
(422,093)	-	(422,093)
(2,603,913)	-	(2,603,913)
(1,230,408)	-	(1,230,408)
<u>(25,051,234)</u>	<u>-</u>	<u>(25,051,234)</u>
<u>-</u>	<u>8,621,273</u>	<u>8,621,273</u>
<u>-</u>	<u>8,621,273</u>	<u>8,621,273</u>
<u>(25,051,234)</u>	<u>8,621,273</u>	<u>(16,429,961)</u>
18,584,874	-	18,584,874
1,035,056	-	1,035,056
3,017,957	-	3,017,957
147,792	-	147,792
3,475,654	-	3,475,654
13,137,051	-	13,137,051
11,063,890	-	11,063,890
368,832	138,612	507,444
1,667,973	-	1,667,973
492,700	(492,700)	-
<u>52,991,779</u>	<u>(354,088)</u>	<u>52,637,691</u>
27,940,545	8,267,185	36,207,730
<u>340,797,805</u>	<u>208,099,649</u>	<u>548,897,454</u>
<u>\$ 368,738,350</u>	<u>\$ 216,366,834</u>	<u>\$ 585,105,184</u>

**CITY OF NORTH PORT, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<u>General Fund</u>	<u>Road and Drainage District</u>	<u>Fire Rescue District</u>	<u>Solid Waste District</u>
<b>ASSETS:</b>				
Cash and investments	\$ 21,141,534	\$ 25,317,720	\$ 6,787,115	\$ 6,169,373
Receivables (net of allowance for uncollectibles)	1,775,902	7,510	1,927	94,648
Due from other funds	1,189,627	-	-	-
Due from other governments	1,272,505	561,051	59,437	23
Inventories	-	-	-	-
 Total assets	 <u>25,379,568</u>	 <u>25,886,281</u>	 <u>6,848,479</u>	 <u>6,264,044</u>
<b>LIABILITIES:</b>				
Accounts payable	909,583	920,533	190,902	252,300
Due to other funds	-	270,874	418,017	113,063
Due to other governments	4,730	3	55	-
Accrued liabilities	2,886,265	-	-	221,764
Unearned revenue	48,247	-	-	-
 Total liabilities	 <u>3,848,825</u>	 <u>1,191,410</u>	 <u>608,974</u>	 <u>587,127</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - grants	169,136	246,925	-	-
Unavailable revenue - other receivables	801,151	11,672	29,920	4
 Total deferred inflows of resources	 <u>970,287</u>	 <u>258,597</u>	 <u>29,920</u>	 <u>4</u>
<b>FUND BALANCES:</b>				
Nonspendable	-	-	-	-
Restricted	-	24,436,274	6,209,585	5,676,913
Committed	297,898	-	-	-
Assigned	1,764,174	-	-	-
Unassigned	18,498,384	-	-	-
 Total fund balances	 <u>20,560,456</u>	 <u>24,436,274</u>	 <u>6,209,585</u>	 <u>5,676,913</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 25,379,568</u>	 <u>\$ 25,886,281</u>	 <u>\$ 6,848,479</u>	 <u>\$ 6,264,044</u>

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

<b>Surtax</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 35,078,698	\$ 43,074,451	\$ 137,568,891
2,401	14,099	1,896,487
-	-	1,189,627
1,398,040	56,058	3,347,114
-	81,599	81,599
<u>36,479,139</u>	<u>43,226,207</u>	<u>144,083,718</u>
764,078	338,576	3,375,972
-	151,953	953,907
-	283,674	288,462
-	-	3,108,029
-	-	48,247
<u>764,078</u>	<u>774,203</u>	<u>7,774,617</u>
46,634	-	462,695
-	20,202	862,949
<u>46,634</u>	<u>20,202</u>	<u>1,325,644</u>
-	81,599	81,599
35,668,427	34,197,902	106,189,101
-	8,152,301	8,450,199
-	-	1,764,174
-	-	18,498,384
<u>35,668,427</u>	<u>42,431,802</u>	<u>134,983,457</u>
<u>\$ 36,479,139</u>	<u>\$ 43,226,207</u>	<u>\$ 144,083,718</u>



**CITY OF NORTH PORT, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2021**

**Fund balances - total governmental funds** \$ 134,983,457

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Non-depreciable capital assets	\$ 31,515,930	
Depreciable capital assets, net	<u>261,957,012</u>	293,472,942

Internal service funds are used by management to charge the cost of self-insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.

2,832,893

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Interest payable	(250,253)	
Transportation bonds payable	(32,740,000)	
Compensated absences payable	(3,994,458)	
Net pension liability	(21,671,008)	
Other postemployment benefits (OPEB) liability	<u>(4,548,103)</u>	(63,203,822)

Certain deferred inflows in governmental funds are susceptible to full accrual on the entity-wide statements.

1,325,644

Deferred outflows and inflows of resources related to debt refundings, pensions and OPEB are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.

Deferred outflows related to debt refunding	3,302,249	
Deferred outflows related to pensions and OPEB	25,636,794	
Deferred inflows related to pensions and OPEB	<u>(29,611,807)</u>	<u>(672,764)</u>

**Net position of governmental activities** \$ 368,738,350

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

**CITY OF NORTH PORT, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>General Fund</u>	<u>Road and Drainage District</u>	<u>Fire Rescue District</u>	<u>Solid Waste District</u>
<b>REVENUES:</b>				
Taxes	\$ 22,538,531	\$ 3,475,654	\$ 247,148	\$ -
Permits, fees and special assessments	4,328,856	-	48,546	-
Intergovernmental	12,841,521	1,521,137	762,097	-
Charges for services	11,765,541	16,485,333	12,494,135	10,729,176
Fines and forfeitures	183,216	72	-	-
Investment income	59,165	61,776	22,871	18,911
Miscellaneous	1,134,412	119,604	48,853	353,283
Total revenues	<u>52,851,242</u>	<u>21,663,576</u>	<u>13,623,650</u>	<u>11,101,370</u>
<b>EXPENDITURES:</b>				
Current:				
General government	13,039,098	-	-	-
Public safety	29,852,571	-	10,510,986	-
Physical environment	-	4,518,930	-	8,540,136
Transportation	-	9,174,798	-	-
Economic environment	391,455	-	-	-
Human services	501,050	-	-	-
Culture and recreation	4,278,514	-	-	-
Capital outlay	298,581	1,248,420	22,234	-
Debt service	-	-	-	-
Total expenditures	<u>48,361,269</u>	<u>14,942,148</u>	<u>10,533,220</u>	<u>8,540,136</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,489,973</u>	<u>6,721,428</u>	<u>3,090,430</u>	<u>2,561,234</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,114,288	1,000	-	-
Transfers out	(605,500)	(850,000)	(1,624,480)	(486,130)
Insurance recoveries	1,425	17,777	-	777
Total other financing sources and (uses)	<u>510,213</u>	<u>(831,223)</u>	<u>(1,624,480)</u>	<u>(485,353)</u>
Net change in fund balances	5,000,186	5,890,205	1,465,950	2,075,881
<b>Fund balances - beginning</b>	<u>15,560,270</u>	<u>18,546,069</u>	<u>4,743,635</u>	<u>3,601,032</u>
<b>Fund balances - ending</b>	<u>\$ 20,560,456</u>	<u>\$ 24,436,274</u>	<u>\$ 6,209,585</u>	<u>\$ 5,676,913</u>

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

<u>Surtax</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 13,137,051	\$ -	\$ 39,398,384
-	17,028,015	21,405,417
50,833	948	15,176,536
86,844	7,322,148	58,883,177
-	460,094	643,382
83,252	115,790	361,765
55,456	5,981	1,717,589
<u>13,413,436</u>	<u>24,932,976</u>	<u>137,586,250</u>
12,626	5,084,966	18,136,690
22,928	3,906,817	44,293,302
-	108,828	13,167,894
177,903	6,619,498	15,972,199
-	-	391,455
-	-	501,050
58,651	1,041,789	5,378,954
6,417,109	5,055,662	13,042,006
-	2,638,817	2,638,817
<u>6,689,217</u>	<u>24,456,377</u>	<u>113,522,367</u>
<u>6,724,219</u>	<u>476,599</u>	<u>24,063,883</u>
-	3,646,630	4,761,918
-	(703,108)	(4,269,218)
-	-	19,979
<u>-</u>	<u>2,943,522</u>	<u>512,679</u>
6,724,219	3,420,121	24,576,562
<u>28,944,208</u>	<u>39,011,681</u>	<u>110,406,895</u>
<u>\$ 35,668,427</u>	<u>\$ 42,431,802</u>	<u>\$ 134,983,457</u>

**CITY OF NORTH PORT, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Net change in fund balances - total governmental funds** \$ 24,576,562

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Expenditures for capital assets	\$ 13,047,769	
Less current year depreciation	<u>(13,167,744)</u>	(119,975)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, disposals, asset transfers to/from enterprise funds).		(222,949)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Also, revenue related to prior periods that became available during the current period are reported in the funds but are eliminated in the statement of activities. This amount is the net adjustment.		(32,052)
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond principal payments	1,580,000	
Amortization of deferred amount on refunding	<u>(186,042)</u>	1,393,958

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in government funds.

Pension expense	1,507,808	
OPEB expense	(225,955)	
Change in accrued interest	14,451	
Change in compensated absences	<u>(283,031)</u>	1,013,273

Internal service funds are used by management to charge the costs of self-insurance to individual funds. The net expenses of the internal service funds are reported with governmental activities.

1,331,728

**Change in net position of governmental activities** \$ 27,940,545

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 34,533,627	\$ 4,877,143
Accounts receivable (net of allowance for uncollectibles)	3,255,552	7,904
Due from other governments	558,272	-
Inventories	754,871	-
<b>Total current assets</b>	<b>39,102,322</b>	<b>4,885,047</b>
Noncurrent assets:		
Restricted assets:		
Cash and investments	20,426,699	-
Accounts receivable (net of allowance for uncollectibles)	91,752	-
Capital assets:		
Land	3,566,866	-
Buildings	15,511,776	-
Infrastructure	217,801,288	-
Equipment	18,183,164	-
Construction in progress	4,784,773	-
Less: accumulated depreciation	(72,785,768)	-
<b>Total noncurrent assets</b>	<b>207,580,550</b>	<b>-</b>
<b>Total assets</b>	<b>246,682,872</b>	<b>4,885,047</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charges on debt refundings	156,961	-
Deferred amount on OPEB	38,370	-
Deferred amount on pension	1,506,724	-
<b>Total deferred outflows of resources</b>	<b>1,702,055</b>	<b>-</b>

(continued)

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

**CITY OF NORTH PORT, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	1,754,441	-
Liability for unpaid claims	-	1,906,846
Payable from restricted assets:		
Accounts payable	282,109	-
Customer deposits payable	130,134	-
Due to other funds	235,720	-
Revenue bonds payable	3,307,956	-
Unearned revenue	4,213,680	-
Accrued compensated absences	58,941	-
<b>Total current liabilities</b>	9,982,981	1,906,846
Noncurrent liabilities:		
Customer deposits payable	78,141	-
Revenue bonds payable	17,480,729	-
Accrued compensated absences	294,635	-
Other postemployment benefits payable	217,584	-
Net pension liability	1,662,330	-
<b>Total noncurrent liabilities</b>	19,733,419	-
<b>Total liabilities</b>	29,716,400	1,906,846
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred amount on OPEB	8,644	-
Deferred amount on pension	2,438,357	-
<b>Total deferred inflows of resources</b>	2,447,001	-
<b>NET POSITION</b>		
Net investment in capital assets	165,675,300	-
Restricted for renewal and replacement requirements	3,436,549	-
Restricted for capital projects	12,659,947	-
Unrestricted	34,449,730	2,978,201
<b>Total net position</b>	\$ 216,221,526	\$ 2,978,201
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise fund over time.	145,308	
Net position of business-type activities (page 23)	\$ 216,366,834	

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

**CITY OF NORTH PORT, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities -</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>OPERATING REVENUES</b>		
Charges for services:		
Water charges	\$ 13,754,736	\$ -
Sewer charges	12,963,680	-
Self-insurance fees	-	11,525,530
Miscellaneous	1,359,725	288,996
Total operating revenues	28,078,141	11,814,526
<b>OPERATING EXPENSES</b>		
General and administrative	4,002,572	10,337,064
Water treatment and distribution	5,292,969	-
Sewer collection and treatment	2,414,744	-
Field operations	4,209,498	-
Engineering	871,960	-
Depreciation	6,710,818	-
Total operating expenses	23,502,561	10,337,064
Operating income (loss)	4,575,580	1,477,462
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment income	138,612	7,067
Interest expense	(549,932)	-
Gain/loss on asset disposals	(5,557)	9,900
Total nonoperating revenues	(416,877)	16,967
Income (loss) before capital contributions and transfers	4,158,703	1,494,429
Capital contributions	4,438,481	-
Transfers out	(492,700)	-
Change in net position	8,104,484	1,494,429
<b>NET POSITION - BEGINNING OF YEAR</b>	208,117,042	1,483,772
<b>NET POSITION - END OF YEAR</b>	216,221,526	\$ 2,978,201

Reconciliation of the Statement of Revenues, Expenses and Changes in Fund Net Position to the Statement of Activities:

Amounts reported as business-type activities in the Statement of Activities are different because:

Net change in net position - enterprise funds	\$ 8,104,484
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise fund.	162,701
Changes in net position of business-type activities (page 25)	\$ 8,267,185

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED SEPTEMBER 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 27,490,285	\$ 11,825,411
Payments to vendors for goods and services	(9,928,775)	(3,056,681)
Payments to employees and benefit programs	(6,009,063)	-
Claims paid	-	(7,046,300)
Net cash provided by operating activities	<u>11,552,447</u>	<u>1,722,430</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating grants	25,767	-
Cash transfers to other funds	(492,700)	-
Net cash used for noncapital financing activities	<u>(466,933)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(6,836,664)	-
Proceeds from sale of capital assets	17,700	9,900
Capital grants	4,456,083	-
Principal paid on bonds and loans	(19,348,002)	-
Interest paid on bonds and loans	(574,334)	-
Proceeds from bond	16,264,500	-
Special assessments	12,966	-
Capacity fees received	2,474,302	-
Net cash provided by (used for) capital and related financing activities	<u>(3,533,449)</u>	<u>9,900</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income received	<u>138,612</u>	<u>7,067</u>
Net cash provided by investing activities	<u>138,612</u>	<u>7,067</u>
Net change in cash and cash equivalents	7,690,677	1,739,397
Cash and cash equivalents, October 1	<u>47,269,649</u>	<u>3,137,746</u>
Cash and cash equivalents, September 30	<u>\$ 54,960,326</u>	<u>\$ 4,877,143</u>
<b>Classified as:</b>		
Current assets	\$ 34,533,627	\$ 4,877,143
Restricted assets	<u>20,426,699</u>	<u>-</u>
<b>Total</b>	<u>\$ 54,960,326</u>	<u>\$ 4,877,143</u>

(Continued)

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED SEPTEMBER 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Government-type Activities</b>
	<b>Water &amp; Sewer Utilities</b>	<b>Internal Service Funds</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income	\$ 4,575,580	\$ 1,477,462
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	6,710,818	-
Increase/decrease in accounts receivable	(160,179)	10,885
Increase in due from other governments	(451,339)	-
Increase in inventories	(119,728)	-
Decrease in deferred outflows - OPEB	8,739	-
Decrease in deferred outflows - pensions	587,541	-
Increase in accounts payable	1,044,776	35
Increase in due to other funds	16,930	-
Increase in customer deposits payable	23,198	-
Decrease in compensated absences	(17,736)	-
Increase in benefits payable	2,558	-
Increase in claims payable	-	234,048
Decrease in total OPEB liability	(18,779)	-
Decrease in net pension liability	(3,033,287)	-
Increase in deferred inflows - OPEB	4,348	-
Increase in deferred inflows - pensions	2,379,007	-
Total adjustments	6,976,867	244,968
Net cash provided by operating activities	\$ 11,552,447	\$ 1,722,430
<b>NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>		
Amortization of deferred amount on defeasance of debt	\$ 66,754	\$ -
Capital asset contributions	1,869,645	-

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

**CITY OF NORTH PORT, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2021**

	<b><u>PENSION TRUST FUNDS</u></b>	<b><u>CUSTODIAL FUNDS</u></b>
<b>ASSETS</b>		
Cash and equivalents	\$ 1,657,705	\$ 21,149
Receivables:		
Interest and dividends receivable	42,171	-
Total receivables	<u>42,171</u>	<u>-</u>
Investments, at fair market value:		
Equity securities	78,981,580	-
Fixed income mutual funds	37,485,782	-
Commingled real estate funds	10,531,316	-
International equity securities	225,363	-
Total investments	<u>127,224,041</u>	<u>-</u>
Total assets	<u>128,923,917</u>	<u>21,149</u>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	82,878	-
Due to other entities	20,892	21,149
Total liabilities	<u>103,770</u>	<u>21,149</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<b><u>\$ 128,820,147</u></b>	<b><u>\$ -</u></b>

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

**CITY OF NORTH PORT, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u><b>PENSION TRUST FUNDS</b></u>	<u><b>CUSTODIAL FUNDS</b></u>
<b>ADDITIONS</b>		
Contributions:		
Plan members	\$ 905,417	\$ -
State of Florida	1,035,056	-
City of North Port	<u>2,380,967</u>	<u>-</u>
Total contributions	<u>4,321,440</u>	<u>-</u>
Investment income		
Net change in fair value of investments	18,487,787	-
Interest and dividends	<u>3,630,751</u>	<u>-</u>
Investment income	22,118,538	-
Less investment expenses	<u>(255,162)</u>	<u>-</u>
Net investment income	21,863,376	-
Impact fee collections for other governments	<u>-</u>	<u>5,089,556</u>
Total additions	<u>26,184,816</u>	<u>5,089,556</u>
<b>DEDUCTIONS</b>		
Benefits to participants	4,382,899	-
Share account distributions	253,792	-
Administrative expenses	161,046	-
Refund of participant contributions	1,337	-
Payments of impact fees to other governments	<u>-</u>	<u>5,089,556</u>
Total deductions	<u>4,799,074</u>	<u>5,089,556</u>
<b>NET INCREASE</b>	21,385,742	-
<b>NET POSITION - BEGINNING</b>	<u>107,434,405</u>	<u>-</u>
<b>NET POSITION - ENDING</b>	<u><u>\$ 128,820,147</u></u>	<u><u>\$ -</u></u>

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

**CITY OF NORTH PORT, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

***NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The financial statements of the City of North Port, Florida (the City) have been prepared in conformity with accounting principles generally accepted (GAAP) in the United States of America 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.

**1. THE FINANCIAL REPORTING ENTITY**

The City of North Port, Florida was created, as of June 18, 1959, pursuant to the provisions of the Constitution of the State of Florida, the laws of the State of Florida and the Special Legislative Enactment of Chapter 59-1617 as amended by Chapter 59-1618. The City operates under a form of government that is comprised of five elected City Commissioners and a commission appointed City Manager. The following services are provided: public safety, road improvements, planning and zoning, building permitting and inspections, water and sewer service, refuse collection service, stormwater management, and related general administrative services. As required by GAAP, the financial statements present the activities of the City of North Port, Florida.

**Blended Component Units:** The financial statements also include three special districts, which are reported as blended component units. The districts operate under the guidance of the City Commission, which meets separately as the districts' governing body to approve the adoption of the annual budget and subsequent amendments, the issuance of debt and the execution of contracts. The financial transactions of these component units are merged in with similar transactions of the City as part of the primary government. Blended component units of the City of North Port include the Road and Drainage District, the Fire Rescue District and the Solid Waste District. Separate financial statements of the three districts are not available.

**The City of North Port Municipal Police Officers' Pension Plan and the City of North Port Municipal Firefighters' Pension Plan (the "Plans"):** The Plans are single-employer defined benefit pension plans administered by two separate Boards of Trustees, which act as the administrators of the plans. Each separate Board consists of five members each, two of whom are appointed by the Commission of the City of North Port, two of whom are active police officers/firefighters, and one member elected by the other four members and subsequently appointed by the City Commission. The Plans are reported as a fiduciary component in accordance with Governmental Accounting Standards Board Statement Number 84.

**2. 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 the nonfiduciary activities of the primary government. For the most part, 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 is 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 are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements.

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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.

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

The City reports the following major governmental funds:

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

The *road and drainage district special revenue fund* is used to account for proceeds of the local option gas taxes and district assessments that are restricted to transportation and/or stormwater drainage services.

The *fire rescue district special revenue fund* is used to account for proceeds of district assessments that are restricted for fire rescue emergency services and public safety.

The *solid waste district special revenue fund* is used to account for proceeds of district assessments that are restricted for solid waste collection and transportation of refuse, yard waste and recyclable material.

The *surtax capital projects fund* is used to account for resources that are restricted for the acquisition and/or construction of specific capital projects. This fund represents the fifteen (15) year extension of the one cent sales surtax program.

The City reports the following major proprietary fund:

The *water and sewer utilities fund* accounts for the activities associated with providing water and sewer services to the residents of the City. The City operates a sewage treatment plant, sewage pumping stations and collection systems, and a water treatment/distribution plant.

Additionally, the City reports the following fund types:

The *self-insurance funds* (internal service funds) account for the activities of risk self-insurance (workers' compensation, auto and general liability) and medical self-insurance provided to other departments on a cost reimbursement basis.

The *pension trust funds* (fiduciary funds) account for the activities of the City's firefighters' and police officers' pension trust funds, which accumulate resources for pension benefit payments to qualified pension participants.

The *county road impact fees custodial fund* (fiduciary fund) accounts for the impact fees collected for and disbursed to Sarasota County.

The *county justice impact fees custodial fund* (fiduciary fund) accounts for the impact fees collected for and disbursed to Sarasota County.

The *county general government impact fees custodial fund* (fiduciary fund) accounts for the impact fees collected for and disbursed to Sarasota County.

The *education impact fees custodial fund* (fiduciary fund) accounts for the impact fees collected for and disbursed to Sarasota County School Board.

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

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer enterprise fund are charges to customers for sales and services. Operating expenses for enterprise 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 nonoperating revenues and expenses.

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

#### **4. ASSETS, LIABILITIES, AND NET POSITION OR FUND BALANCE**

##### **a) Cash and investments**

The City is authorized by City Ordinance 2016-10, adopted April 26, 2016, to invest surplus funds in accordance with Florida Statute 218.415. Investment guidelines have been defined in the policy and authorize the City to invest in the following:

- 1) U.S. Treasuries and Government Guaranteed Obligations

- 2) Federal Agencies and Government Sponsored Enterprises (GSE)
- 3) Supranationals
- 4) Corporates
- 5) Municipals
- 6) Agency Mortgage Backed Securities
- 7) Asset-backed securities
- 8) Non-Negotiable Certificates of Deposit and Savings Accounts
- 9) Commercial Paper
- 10) Repurchase Agreements
- 11) Money Market Funds
- 12) Fixed Income Mutual Funds
- 13) Local Government Investment Pools
- 14) The Florida Local Government Surplus Funds Trust Funds (“Florida Prime”)

The City maintains a cash and investment pool that is available for use by all funds. Investment income and loss is allocated to individual funds based upon their average daily balance in the cash pool. Each fund’s individual equity in the City’s cash and investment pool is considered to be a cash equivalent, since the funds can deposit or withdraw cash at any time without prior notice or penalty.

Investments for the City are reported at fair value based upon quoted market prices. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments or values obtained from independent pricing services.

**b) Receivables and payables**

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

The non-current advances between funds, as reported in the fund financial statements, are offset by a corresponding nonspendable portion of fund balance to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles.

**c) Inventories**

Inventories are adjusted to annual counts and are valued at cost, using the first-in/first-out method. Inventory is accounted for using the consumption method, whereby inventories are recorded as expenditures when they are used.

**d) Prepaid items**

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

**e) Restricted assets**

The balances of restricted asset accounts in the business-type activities column at September 30, 2021 are as follows:

Customer deposits	\$ 208,275
Renewal and replacement funds	3,436,549
Capital project construction funds	<u>16,781,875</u>
Cash and investments	<u>\$ 20,426,699</u>
Capacity fees receivables	\$ 91,752

**f) Capital assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Improvements	5-50
Furniture and fixtures	5-10
Equipment	7-30
Vehicles	5

**g) Deferred outflows/inflows of resources**

In addition to assets and liabilities, the statement of net position and the governmental funds balance sheet will sometimes report separate sections for deferred outflows/inflows of resources. *Deferred outflows of resources* represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that period. *Deferred inflows of resources* represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that period. The City has various items that qualify for reporting in these categories. In the governmental and business-type activities columns of the government-wide statement of net position, a deferred charge on debt refunding is reported as a deferred outflow, resulting from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Another item, unavailable revenue, arises only under the modified accrual basis and accordingly, the unavailable revenue is reported as a deferred inflow only in the governmental funds

balance sheet. The governmental funds report unavailable revenue from one source: other receivables. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Additionally, the City has deferred inflows and deferred outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by actuaries, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service life of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. The changes in proportion and differences between City contributions and proportionate share of contributions are also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

#### **h) Compensated absences**

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay and other employee benefit amounts. These amounts are accrued when incurred in the government-wide and proprietary fund financial statements. In the case of governmental funds, the only portion of the liability reported would be the amount of reimbursable unused leave payable to employees who had terminated their employment as of the end of the fiscal year.

#### **i) Long-term obligations**

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

In the fund financial statements, governmental fund types recognize debt proceeds, including capital leases, during the current period. The face amount of debt issued is reported as "other financing sources."

#### **j) Net position**

The government-wide and business-type fund financial statements utilize a net position presentation.

Net position is presented in three components – net investment in capital assets, restricted, and unrestricted.

*Net Investment in Capital Assets* – this component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other

borrowings attributable to the acquisition, construction or improvement of those assets. This component does not include the portion of debt attributable to the unspent proceeds.

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

*Unrestricted* – this component consists of net position that does not meet the definition of “net investment in capital assets” and “restricted”.

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

Certain proceeds of the City’s enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as *restricted* net position on the balance sheet because their use is limited by applicable bond covenants. District revenues and impact fee revenues are set aside to be used for their respective purposes in accordance with state statutes, regulations, and City ordinances.

#### **k) Fund balance**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Classifications of fund balance are established as authorized by City Resolution No. 2011-R-14. Fund balance is reported in up to five components – nonspendable, restricted, committed, assigned and unassigned.

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

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

*Committed Fund Balance* – consists of funds that are set aside for a specific purpose by the City’s highest level of decision-making authority (ordinance). Formal action must be taken prior to the end of the fiscal year, but the amount, which will be subject to the constraint, may be determined in the subsequent period. The same formal action must be taken to remove or change the limitations placed on the funds.

*Assigned Fund Balance* – consists of funds that are set aside with the intent to be used for a specific purpose. The intended use can be established by the City Commission, delegated to a group (Management Team) or delegated to an individual City Manager or Finance Director. Projects that have been budgeted in prior fiscal years but are not complete are assigned the resources necessary to complete if not committed under contract. This amount would represent the portion of fund balance to be used in the subsequent year’s budget or to accumulate resources for a future capital project. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. Assigned funds cannot cause a deficit in unassigned fund balance.

*Unassigned Fund Balance* – consists of excess funds that have not been classified in the previous four categories. The City reports positive unassigned fund balances only in the General Fund. Negative unassigned fund balances may be reported in the other funds.

When a governmental fund has multiple classifications of fund balance, fund balance is generally depleted in the order of restricted, committed, assigned and unassigned.

The City’s formal General Fund fund balance policy establishes an emergency and disaster reserve of twenty percent of the General Fund operating expenditures. In addition, the policy establishes an economic stabilization reserve of up to ten percent of General Fund operating expenditures. The formal fund balance policy also includes the City’s three dependent districts (Road & Drainage, Fire Rescue and Solid Waste) and the City’s Building Department with the same targeted reserves of twenty percent (emergency and disaster) and ten percent (economic stabilization) of respective operating expenditures.

The composition of nonspendable, restricted, committed, assigned and unassigned fund balances at September 30, 2021 is following:

<b>Governmental Fund Balance Components:</b>	<b>Major Funds</b>			
	<b>General Fund</b>	<b>Road and Drainage District</b>	<b>Fire Rescue District</b>	<b>Solid Waste District</b>
<b>Nonspendable:</b>				
Inventories	\$ -	\$ -	\$ -	\$ -
Total nonspendable	-	-	-	-
<b>Restricted:</b>				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Enabling legislation - dependent districts	-	24,436,274	6,209,585	5,676,913
Law enforcement	-	-	-	-
Building Department	-	-	-	-
Impact fees	-	-	-	-
Environmental management	-	-	-	-
Total restricted	-	24,436,274	6,209,585	5,676,913
<b>Committed:</b>				
Capital projects	-	-	-	-
Building inspectors' education	-	-	-	-
Tree replacement	-	-	-	-
Parks and recreation	-	-	-	-
General government	-	-	-	-
Fleet maintenance	-	-	-	-
Public art	119,358	-	-	-
Historical preservation	-	-	-	-
Other - contractual	178,540	-	-	-
Total committed	297,898	-	-	-
<b>Assigned:</b>				
Subsequent year expenditures	1,126,970	-	-	-
Other purposes	637,204	-	-	-
Total assigned	1,764,174	-	-	-
<b>Unassigned</b>	18,498,384	-	-	-
Total fund balances	\$ 20,560,456	\$ 24,436,274	\$ 6,209,585	\$ 5,676,913

(continued)

	<u>Major Funds</u>		
	<u>Surtax</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>Governmental Fund Balance Components:</u></b>			
<b>Nonspendable:</b>			
Inventories	\$ -	\$ 81,599	\$ 81,599
Total nonspendable	-	81,599	81,599
<b>Restricted:</b>			
Debt service	-	1,227,762	1,227,762
Capital projects	35,668,427	-	35,668,427
Enabling legislation - dependent districts	-	9,264,931	45,587,703
Law enforcement	-	467,364	467,364
Building Department	-	7,473,847	7,473,847
Impact fees	-	15,438,064	15,438,064
Environmental management	-	325,934	325,934
Total restricted	35,668,427	34,197,902	106,189,101
<b>Committed:</b>			
Capital projects	-	2,313,653	2,313,653
Building inspectors' education	-	303,650	303,650
Tree replacement	-	1,529,229	1,529,229
Parks and recreation	-	2,778,980	2,778,980
General government	-	643,243	643,243
Fleet maintenance	-	581,540	581,540
Public art	-	-	119,358
Historical preservation	-	2,006	2,006
Other - contractual	-	-	178,540
Total committed	-	8,152,301	8,450,199
<b>Assigned:</b>			
Subsequent year expenditures	-	-	1,126,970
Other purposes	-	-	637,204
Total assigned	-	-	1,764,174
<b>Unassigned</b>			
	-	-	18,498,384
Total fund balances	\$ 35,668,427	\$ 42,431,802	\$ 134,983,457

## 5. ACCOUNTING ESTIMATES

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

### *NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY*

#### 1. BUDGETARY INFORMATION

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

- During the month of July, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1st for the purpose of determining millage requirements. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted at City Hall to obtain taxpayer comments during September.
- On or before September 30th, the budget is legally enacted for funds through passage of an ordinance.
- The City Commission must approve any revisions altering the budgeted amounts of total expenditures of any fund.

- Budgets have been adopted for the governmental and enterprise funds on a basis consistent with generally accepted accounting principles (GAAP). Expenditures may not legally exceed appropriations plus accumulated fund equity at the fund level. All annual appropriations lapse at year-end.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutorily required budgetary process. All encumbrances lapse at year-end; however, it is the City's intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. Encumbrances outstanding at year-end were \$395,529 for the General Fund, \$3,122,483 for the Road and Drainage District, \$1,726,315 for the Solid Waste District, \$7,870,873 for the Surtax Fund, \$1,757,569 for nonmajor funds, and \$2,404,043 for the Water and Sewer Utilities Fund.

Appropriations of various City projects are also recorded as reservations of budget and employed as an extension of the statutorily required budgetary process. All project appropriations lapse at year-end; however, it is the City's intention to substantially honor these appropriations under authority provided in the subsequent year's budget. Project appropriations outstanding at year-end were \$420,215 for the General Fund, \$7,814,579 for the Road and Drainage District, \$600,000 for the Fire Rescue District, \$351,020 for the Solid Waste District, \$20,713,490 for the Surtax Fund, \$10,552,554 for nonmajor funds, and \$18,632,886 for the Water and Sewer Utilities Fund.

Budgeted amounts are as originally adopted or amended by the City. Supplemental appropriations made during the fiscal year are included in the "Final Budgeted Amount" columns on the *Budgetary Comparison Schedules*. Supplemental budgetary appropriations for major funds made during the year included the following:

- The General Fund expenditure budget was increased \$1,338,451 to fund additional personnel and operating costs related to the Parks interlocal agreement with the County; costs associated with the special election; the executive search firm to conduct the City Manager search; additional equipment; adjustments to the salary accounts in the City Manager's division; and to budget for the receipt of a public safety grant.
- The Road and Drainage District expenditure budget was increased \$1,703,995 to fund the purchase of additional equipment and additional funding needed for the replacement of a water control structure.
- The Solid Waste District expenditure budget was increased \$1,766,580 to fund the purchase of property for the development of an organics transfer station and additional vehicles.

All other supplementary budgetary appropriations in the major funds were not material in relation to the original budget.

***NOTE C – DEPOSITS AND INVESTMENTS***

**Custodial Credit Risk**

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its securities that are in possession of an outside party.

At September 30, 2021, City's book balance of cash was \$5,776,930 and the bank balances were \$5,933,454. The difference between the book balance and the bank balance is deposits in transit and uncleared checks. The bank balances are insured by the Federal Depository Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. The remaining balances are collateralized pursuant to Chapter 280, Florida

Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss. The City’s investment policy requires that securities be secured through third-party custody in the City’s name.

**Interest Rate Risk**

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1-5</u>	<u>More than 5</u>
U.S. Treasuries	\$ 39,069,617	\$ 967,103	\$ 38,102,514	\$ -
Federal instrumentalities	32,236,067	1,765,745	24,629,069	5,841,253
Supra-national bonds	7,793,835	-	7,793,835	-
Municipal bonds	3,773,093	1,038,838	2,734,255	-
Corporate notes	35,868,393	1,361,294	34,507,099	-
Asset backed securities	15,614,645	-	15,225,396	389,249
SBA - LGIP	29,139,111	29,139,111	-	-
FL PALM	28,125,134	28,125,134	-	-
Money market	12,984	12,984	-	-
	<u>\$ 191,632,879</u>	<u>\$ 62,410,209</u>	<u>\$ 122,992,168</u>	<u>\$ 6,230,502</u>

Following is a reconciliation of the investment schedule above to cash and investments reported on the entity-wide statement of net position:

**Reconciliation with Statement of Net Position:**

Cash and investments	\$ 176,979,661
Cash and investments - restricted	<u>20,426,699</u>
	197,406,360
Add custodial funds' cash	21,149
Less cash book balance	(5,776,930)
Less cash on hand	<u>(17,700)</u>
Fair value total	<u>\$ 191,632,879</u>

In compliance with the City’s investment policy, as of September 30, 2021, the City minimized the interest rate risk by limiting the effective duration of security types not to exceed five and one-half years and structuring the investment portfolio so that securities matured to meet cash requirements for ongoing operations.

## **Credit Risk**

The City's investment policy limits credit risk by restricting the authorized investments to those stated in Note A, Section 4(a). The following table illustrates the credit quality distribution with credit exposure as a percentage of the City's investment securities:

<b><u>Investment Type</u></b>	<b><u>Rating</u></b>	<b><u>Portfolio</u></b>
U.S. Treasury Notes	-	20%
Federal Instrumentalities	-	17%
Supra-national agencies	AAA	4%
Corporate notes	NR to AA+	19%
Asset backed securities	NR to AAA	8%
Municipal bonds	NR to AAA	2%
Principal stability funds:		
Florida Public Assets for Liquidity Management	AAAm	15%
SBA Florida Prime	AAAm	15%

The City's investment policy establishes limitations on portfolio composition by investment type in order to control concentration of credit risk. The following maximum limits are guidelines established for diversification by instrument:

U.S. Government Guaranteed Securities	100%
Federal Agencies/GSE	75%
Supranationals	25%
Corporates	50%
Municipals	25%
Agency Mortgage Backed Securities	25%
Asset Backed Securities	25%
Non-Negotiable Collateralized Bank Deposits or Savings Accounts	50%
Commercial Paper	50%
Repurchase Agreements	40%
Money Market Funds	50%
Fixed Income Mutual Funds	20%
Intergovernmental Pools (LGIPs)	50%
Florida Local Government Surplus Funds Trust Funds	25%

## **Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the City has the ability to access.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates,

foreign exchange rates, and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the asset which are typically based on the City’s own assumptions, as there is little, if any, related market activity.

Investments that are measured at fair value using the net asset value (NAV) per share, or its equivalent, as a practical expedient are not classified in the fair value hierarchy.

The City had the following recurring fair value measurements, broken into the fair value hierarchy, as of September 30, 2021:

<u>Investment Type</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
U.S. Treasuries	\$ 39,069,617	\$ -	\$ 39,069,617
Federal Instrumentalities	-	32,236,067	32,236,067
Supra-national bonds	-	7,793,835	7,793,835
Municipal bonds	-	3,773,093	3,773,093
Corporate notes	-	35,868,393	35,868,393
Asset backed securities	-	15,614,645	15,614,645
Money market	12,984	-	12,984
	<u>\$ 39,082,601</u>	<u>\$ 95,286,033</u>	<u>\$ 134,368,634</u>
SBA Florida Prime LGIP			29,139,111
FL PALM			28,125,134
			<u>\$ 191,632,879</u>

See separate disclosures in Note I for the investments held in the City’s Fire and Police pension funds.

**NOTE D- RECEIVABLES**

Receivables as of year-end for the City’s individual major funds, nonmajor funds in the aggregate and proprietary fund, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Road & Drainage District	Fire Rescue District	Solid Waste District	Surtax
Receivables:					
Taxes	\$ 101,592	\$ -	\$ -	\$ -	\$ -
Franchise fees	770,643	-	-	-	-
Accounts	3,322,030	7,510	1,927	94,648	-
Intergovernmental	1,277,466	561,051	59,437	23	1,400,441
Special assessments	-	-	-	-	-
Gross receivables	5,471,731	568,561	61,364	94,671	1,400,441
Less: allowance for uncollectibles	(2,423,324)	-	-	-	-
Net total receivables	\$ 3,048,407	\$ 568,561	\$ 61,364	\$ 94,671	\$ 1,400,441

	Self-Insurance Fund	Self-Insurance Medical Fund	Water & Sewer Utilities	Nonmajor Governmental Funds	Total (all columns)
Receivables:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 101,592
Franchise fees	-	-	-	-	770,643
Accounts	6,667	1,237	3,623,095	14,099	7,071,213
Intergovernmental	-	-	558,272	56,058	3,912,748
Special assessments	-	-	17,073	-	17,073
Gross receivables	6,667	1,237	4,198,440	70,157	11,873,269
Less: allowance for uncollectibles	-	-	(292,864)	-	(2,716,188)
Net total receivables	\$ 6,667	\$ 1,237	\$ 3,905,576	\$ 70,157	\$ 9,157,081

**NOTE E- PROPERTY TAX**

Property taxes are levied on November 1 of each year and are due and payable upon receipt of the notice of levy. The Sarasota County, Florida, Tax Collector's Office bills and collects property taxes on behalf of the City. The tax rate to finance general governmental services for the fiscal year ended September 30, 2021 was \$3.7667 per \$1,000 of assessed taxable property value. Property tax revenues are recognized currently in the fiscal year for which the taxes are levied. On May 1 of each year, unpaid taxes become a lien on the property. The past due tax certificates are later sold at public auction and the proceeds thus collected are remitted to the City.

No accrual for the property tax levy becoming due in November 2021 is included in the accompanying financial statements since such taxes do not meet the necessary criteria. The major dates in the property tax process are listed on the following table.

<b>PROPERTY TAX CALENDAR</b>	
July 1	Assessment roll validated
September 30	Millage resolution approved
October 1	Beginning of fiscal year for which tax is to be levied
November 1	Tax bills rendered and due
November 1 - March 31	Property taxes due with various discount rates
April 1	Taxes delinquent
May 31	Tax certificates sold by County

**NOTE F – CAPITAL ASSETS**

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

	<u>Primary Government</u>			
	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 23,471,176	\$ 147,347	\$ -	\$ 23,618,523
Works of art	9,950	7,422	-	17,372
Construction in progress	4,841,409	4,032,124	993,498	7,880,035
Total capital assets not being depreciated	<u>28,322,535</u>	<u>4,186,893</u>	<u>993,498</u>	<u>31,515,930</u>
Other capital assets:				
Buildings	55,843,902	-	16,300	55,827,602
Improvements other than buildings	293,844,352	2,661,786	-	296,506,138
Equipment	52,203,106	7,192,588	2,238,783	57,156,911
Total other capital assets	<u>401,891,360</u>	<u>9,854,374</u>	<u>2,255,083</u>	<u>409,490,651</u>
Less accumulated depreciation for:				
Buildings	18,173,973	1,584,499	16,300	19,742,172
Improvements other than buildings	88,735,253	6,132,178	-	94,867,431
Equipment	29,488,803	5,451,067	2,015,834	32,924,036
Total accumulated depreciation	<u>136,398,029</u>	<u>13,167,744</u>	<u>2,032,134</u>	<u>147,533,639</u>
Total other capital assets, net of acc. depreciation	<u>265,493,331</u>	<u>(3,313,370)</u>	<u>222,949</u>	<u>261,957,012</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 293,815,866</u>	<u>\$ 873,523</u>	<u>\$ 1,216,447</u>	<u>\$ 293,472,942</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 3,566,866	\$ -	\$ -	\$ 3,566,866
Construction in progress	1,403,818	3,595,112	214,157	4,784,773
Total capital assets not being depreciated	<u>4,970,684</u>	<u>3,595,112</u>	<u>214,157</u>	<u>8,351,639</u>
Other capital assets:				
Buildings	15,817,221	35,533	340,978	15,511,776
Improvements other than buildings	213,529,946	4,370,594	99,252	217,801,288
Equipment	17,391,495	923,314	131,645	18,183,164
Total other capital assets	<u>246,738,662</u>	<u>5,329,441</u>	<u>571,875</u>	<u>251,496,228</u>
Less accumulated depreciation for:				
Buildings	1,412,774	319,389	340,978	1,391,185
Improvements other than buildings	55,869,851	5,092,706	95,876	60,866,681
Equipment	9,340,942	1,298,723	111,763	10,527,902
Total accumulated depreciation	<u>66,623,567</u>	<u>6,710,818</u>	<u>548,617</u>	<u>72,785,768</u>
Total other capital assets, net of acc. depreciation	<u>180,115,095</u>	<u>(1,381,377)</u>	<u>23,258</u>	<u>178,710,460</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 185,085,779</u>	<u>\$ 2,213,735</u>	<u>\$ 237,415</u>	<u>\$ 187,062,099</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 983,606
Public safety	2,513,399
Physical environment	3,623,492
Transportation	4,255,471
Human services	74,042
Culture and recreation	<u>1,717,734</u>
Total governmental activities depreciation expense	<u>\$ 13,167,744</u>
Business-type activities	
Water and sewer utility	<u>\$ 6,710,818</u>
Total business-type activities depreciation expense	<u>\$ 6,710,818</u>

### **Commitments**

Uncompleted commitments at September 30, 2021 consist of the following:

<u>Project</u>	<u>Spent-to-Date Not yet Capitalized</u>	<u>Remaining Commitment</u>
Fire rescue construction	\$ 549,974	\$ 1,337,137
Parks & recreation construction	679,835	604,318
Facilities maintenance equipment	-	38,591
Road and drainage construction	5,273,908	7,921,755
Grounds maintenance equipment	-	37,828
Police department construction	148,640	505,955
Solid waste equipment	-	3,090,454
Social services equipment	-	6,180

### ***NOTE G – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS***

The composition of interfund balances at September 30, 2021 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Non-major governmental	\$ 151,953
	Road and Drainage District	270,874
	Fire Rescue District	418,017
	Solid Waste District	113,063
	Water and Sewer Utility	235,720
		<u>\$ 1,189,627</u>

Balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers:

Transfers out:

<u>Transfers in:</u>	General Fund	Road and Drainage District	Fire Rescue District	Solid Waste District	Nonmajor Governmental Funds	Water & Sewer Utilities	Total
General Fund	\$ -	\$ -	\$ 8,480	\$ -	\$ 613,108	\$ 492,700	\$ 1,114,288
Road and Drainage District	-	-	1,000	-	-	-	1,000
Nonmajor Governmental Funds	605,500	850,000	1,615,000	486,130	90,000	-	3,646,630
<b>Total</b>	<b>\$ 605,500</b>	<b>\$ 850,000</b>	<b>\$ 1,624,480</b>	<b>\$ 486,130</b>	<b>\$ 703,108</b>	<b>\$ 492,700</b>	<b>\$ 4,761,918</b>

Transfers are used to move revenues from the fund that the budget requires to collect them to the fund that the budget requires to expend them.

**NOTE H – LONG-TERM LIABILITIES**

**Long-term Liability Activity**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
<b>Governmental activities:</b>					
Bonds payable:					
Transportation improvement bonds	\$ 34,320,000	\$ -	\$ (1,580,000)	\$ 32,740,000	\$ 1,630,000
Total OPEB liability	4,519,424	1,070,895	(1,042,216)	4,548,103	-
Net pension liability	57,571,992	31,850,981	(67,751,965)	21,671,008	-
Compensated absences	3,711,427	5,704,348	(5,421,317)	3,994,458	665,876
<i>Governmental activities long-term liabilities</i>	<u>\$ 100,122,843</u>	<u>\$ 38,626,224</u>	<u>\$ (75,795,498)</u>	<u>\$ 62,953,569</u>	<u>\$ 2,295,876</u>
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds	\$ 7,800,966	\$ 16,264,500	\$ (3,276,781)	\$ 20,788,685	\$ 3,307,956
State revolving loans	16,071,221	-	(16,071,221)	-	-
Total OPEB liability	236,363	682,445	(701,224)	217,584	-
Net pension liability	4,695,617	1,691,471	(4,724,758)	1,662,330	-
Compensated absences	371,312	521,080	(538,816)	353,576	58,941
Deposits payable	185,077	135,226	(112,028)	208,275	130,134
<i>Business-type activities long-term liabilities</i>	<u>\$ 29,360,556</u>	<u>\$ 19,294,722</u>	<u>\$ (25,424,828)</u>	<u>\$ 23,230,450</u>	<u>\$ 3,497,031</u>

### Liquidation - Governmental Funds

*Bonds* – In the governmental funds, the liability for bonds payable is paid by the Road Reconstruction Bond Debt Service Fund.

*Other post-employment benefits* - In the governmental funds, the OPEB liability is liquidated from the General Fund, Road and Drainage District Fund, Fire Rescue District Fund, Solid Waste District Fund, Building Fund, Tree Replacement Fund and the Fleet Maintenance Fund.

*Net pension liability* - In the governmental funds, the net pension liability is liquidated from the General Fund, Road and Drainage District Fund, Fire Rescue District Fund, Solid Waste District Fund, Building Fund, Tree Replacement Fund and the Fleet Maintenance Fund.

*Compensated absences* - In the governmental funds, the liability for compensated absences is liquidated from the General Fund, Road and Drainage District Fund, Fire Rescue District Fund, Solid Waste District Fund, Building Fund, Tree Replacement Fund and the Fleet Maintenance Fund.

### Refunding Losses

A refunding loss of \$817,039 incurred in conjunction with the issuance of the Utility System Refunding Revenue Bonds, Series 2005, is being amortized over the life of the bonds (25 years) using the bonds outstanding method. Amortization of the refunding loss on the Series 2005 bonds was \$28,535 for the year ended September 30, 2021 and is included as a component of interest expense. Unamortized refunding loss of \$137,647 is recorded as a deferred outflow on the statement of net position.

A refunding loss of \$820,427 incurred in conjunction with the issuance of the Utility System Refunding Revenue Bonds, Series 2014, is being amortized over the life of the bonds (9 years) using the bonds outstanding method. Amortization of the refunding loss on the Series 2014 bonds was \$38,219 for the year ended September 30, 2021 and is included as a component of interest expense. Unamortized refunding loss of \$19,313 is recorded as a deferred outflow on the statement of net position.

A refunding loss of \$3,565,809 incurred in conjunction with the issuance of the Taxable Capital Improvement Refunding Revenue Note, Series 2020, is being amortized over the life of the note (230 months) using the straight-line method. Amortization of the refunding loss on the Series 2020 note was \$186,042 for the year ended September 30, 2021 and is included as a component of interest expense. Unamortized refunding loss of \$3,302,249 is recorded as a deferred outflow on the statement of net position.

### Refunding Revenue Notes

Utility System Refunding Private Placement Revenue Notes, Series 2014A and Series 2014B, dated April 15, 2014 were issued in the amount of \$10,000,000 and \$1,670,000, respectively, for the purposes of providing funds to currently refund the City's outstanding Utility System Refunding Revenue Bond, Series 2010 maturing on October 1, 2014 through October 1, 2022. The Series 2014 Notes are expected to be repaid over a period of nine years. At a true interest cost of 2.15% for 2014A and 2.1% for 2014B, total interest paid over the life of the Series 2014 notes will be \$1,160,562. The expected source of repayment is the pledged funds (water and sewer revenues). The Series 2014 notes shall be on parity in all respects and shall rank equally as to lien on and source and security form the pledged funds with the outstanding parity bonds. The City currently refunded the Series 2010 bonds to reduce its total debt service payments over the next nine years by \$622,257 and to obtain an economic gain (difference between the present value of the debt service payments of the old and new debt) of \$342,541.

Taxable Capital Improvement Refunding Revenue Note, Series 2020, dated May 7, 2020 was issued in the amount of \$31,485,000 with a taxable interest rate of 2.91% and an option to convert the loan to a fixed, tax-exempt rate of 2.30% during the call window in 2023. The City issued the note to advance refund the callable portion of the City's outstanding Transportation Improvement Assessment Bonds, Series 2013 and pay the costs of issuance related to the Series 2020 Note. The City used the net proceeds along with other resources to purchase State and Local Government Securities (SLGS) that were deposited in an irrevocable escrow fund to provide for all future debt service on the refunded portion of the Series 2013 bonds. As a result, that portion of the Series 2013 bonds is considered defeased, and the City has removed the liability from its accounts. The outstanding principal of this Series 2020 note is \$30,430,000 at September 30, 2021.

The Taxable Capital Improvement Refunding Revenue Note advanced refunding allows the City to retire the debt two years earlier than the original final maturity on the refunded bonds. This is a result of the City contributing excess accumulated revenues at closing to reduce the borrowing size, along with savings from a reduced interest rate, to accelerate principal payments without an increase in budgeted debt service. The advanced refunding results in an economic gain (difference between the present value of the debt service payments of the old and new debt) of \$1,536,640. The aggregate difference in debt service between the refunding debt and the refunded debt is \$6,935,491.

### **Revenue Bond**

Utility System Revenue Bond, Series 2020, dated November 12, 2020, was issued in the amount of \$16,264,500 with a tax exempt interest rate of 1.16%. The City issued the bond to extinguish the City's three outstanding Clean Water State Revolving Fund Loan (SRF Loans) as well as pay the costs of issuance related to the Series 2020 Bond. The structure of this Series 2020 Bond allows the City to retire the debt conterminously with the same final maturity, which shortened the life of the debt for two of the SRF loans by up to six years. With the Series 2020 Bond, the City was able to achieve more than \$1.2 million of aggregate net present value debt service savings. The outstanding principal of this Series 2020 note is \$14,796,000 at September 30, 2021.

### **Deposits Payable**

Before rendering water or wastewater service, the City may require an applicant for service to satisfactorily establish credit by paying a cash deposit. The amount of the initial deposit shall be according to customer class and meter size. After the customer has established continuous utility service for a period of twenty-four months and meets the following requirements, the customer's security deposit will be refunded as a credit to their utility account: 1) customer has not been disconnected for nonpayment; 2) customer has not had a returned payment in the last six months; 3) customer has not tampered with the meter; and 4) customer has not used service in a fraudulent or unauthorized manner.

**Debt Maturity:**

Debt service requirements at September 30, 2021 were as follows:

**Governmental-type Activities - Assessment Bonds**  
**Transportation Improvement Assessment Bonds**

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>
2022	1,630,000	1,001,013
2023	1,705,000	930,068
2024	1,775,000	855,686
2025	1,830,000	804,033
2026	1,885,000	750,780
2027-2031	10,275,000	2,898,798
2032-2036	11,860,000	1,314,302
2037	1,780,000	51,798
Total	<u><u>\$ 32,740,000</u></u>	<u><u>\$ 8,606,478</u></u>

**Business-type Activities - Revenue Bonds**  
**Water and Sewer Utility**

<u>Year Ended</u> <u>September 30</u>	<u>Principal</u>	<u>Interest</u>
2022	3,307,956	388,379
2023	1,918,833	323,411
2024	1,951,985	288,463
2025	1,990,619	251,835
2026	2,023,973	214,540
2027-2031	9,595,319	478,744
Total	<u><u>\$ 20,788,685</u></u>	<u><u>\$ 1,945,372</u></u>

**Description of Debt:**

**\$39,525,000** Series 2013 Transportation Improvement Assessment Bonds, due in annual installments of \$855,000 - \$1,185,000 beginning July 1, 2014 through July 1, 2023; interest between 1.00% - 5.00%; secured by a pledge of non-ad valorem capital assessments. Proceeds from the bonds provided financing for the reconstruction and rehabilitation of approximately 266 miles of existing roadways within the City. The total pledged revenue at 9/30/21, which equals remaining principal and interest, is \$2,484,750. Principal and interest paid for the current year and total capital assessments were \$1,243,900 and \$3,068,349, respectively.

Governmental  
\$ 2,310,000

Business-type  
\$ -

**\$31,485,000** Series 2020 Taxable Capital Improvement Refunding Revenue Note, due in annual installments of \$560,000 - \$2,510,000 beginning July 1, 2020 through July 1, 2037; interest at 2.91%; secured by a pledge of non-ad valorem capital assessments. Proceeds from the bonds advance refunded the callable portion of the City's outstanding Transportation Improvement Assessment Bonds, Series 2013 and paid the costs of issuance. The total pledged revenue at 9/30/21, which equals remaining principal and interest, is \$38,861,728. Principal and interest paid for the current year and total capital assessments were \$1,394,918 and \$3,068,349, respectively.

30,430,000

**\$6,211,908** Series 2005 Utility System Refunding Private Placement Revenue Bonds, due in annual installments of \$17,177 - \$592,317 beginning September 30, 2006 through September 30, 2030; interest at 4.02%; secured by a pledge of the net revenues of the system operations and impact fees. Proceeds from the bonds refunded a portion of the 2000 bonds, which provided financing for improvements to the wastewater treatment system. The pledged revenue at 9/30/21, which equals remaining principal and interest, is \$5,550,383. Principal and interest paid for the current year and total net revenues were \$618,459 and \$11,425,010, respectively.

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4,569,685

**\$11,670,000** Series 2014A (\$10,000,000) and 2014B (\$1,670,000) Utility System Private Placement Refunding Revenue Notes, due in annual installments of \$1,092,000 - \$1,423,000 beginning September 30, 2014 through September 30, 2022; interest at 2.15% for A and 2.1% for B; secured by a pledge of the net revenues of the system operations and impact fees. Proceeds from the bonds refunded the 2010 bonds, which were issued to refund the remaining 2000 bonds (issued to provide financing for improvements to the wastewater treatment system) and the 2008 refunding bonds, which were issued to refund the 1998 refunding bonds (issued to refund the 1992 bonds issued to purchase the utility system from GDU). The pledged revenue at 9/30/21, which equals remaining principal and interest, is \$1,453,492. Principal and interest paid for the current year and total net revenues were \$1,453,342 and \$11,425,010, respectively.

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1,423,000

(continued)

**Description of Debt:**

**\$16,264,500** Series 2020 Utility System Revenue Bond, due in semi-annual installments of \$1,112,254 - \$1,635,681 beginning April 1, 2021 through October 1, 2031; interest at 1.16%; secured by a pledge of the net revenues of the system operations and impact fees. Proceeds from the bonds paid off all outstanding State Revolving Fund Loans, which provided financing for improvements to the wastewater treatment system. The pledged revenue at 9/30/21, which equals remaining principal and interest, is \$15,730,183. Principal and interest paid for the current year and total net revenues were \$1,635,681 and \$11,425,010, respectively.

	<u>Governmental</u>	<u>Business-type</u>
	-	14,796,000
TOTAL	<u>\$ 32,740,000</u>	<u>\$ 20,788,685</u>

**Other Long-Term Debt Information**

Total interest expense for the year ended September 30, 2021 was \$1,230,408 in the governmental activities and \$549,932 in the business-type activities.

In accordance with bond covenants and Section 148 of the Internal Revenue Code, the City is required to rebate to the U.S. Treasury, every five years, earnings on bond proceeds in excess of the bond yield. For the year ended September 30, 2021, no amounts were earned that will have to be rebated to the U.S. Treasury.

***NOTE I – EMPLOYEE RETIREMENT SYSTEMS***

The City has three pension plans covering all full-time employees after meeting appropriate age and service requirements. They are the Florida Retirement System, the Municipal Police Officers’ Pension Trust Fund and the Municipal Firefighters’ Pension Trust Fund.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's two plans and the FRS plan and additions to/deductions from these plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**FLORIDA RETIREMENT SYSTEM**

General Information - All of the City’s full-time, non-uniform (general) employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”) and the Retiree Health Insurance Subsidy (“HIS Plan”). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (“Investment Plan”) alternative to the FRS Pension Plan, which is administered by the State Board of Administration (“SBA”). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the Department of Management Services, Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the website:

[http://www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

## **Pension Plan**

### **PLAN DESCRIPTION**

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

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

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

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

### **BENEFITS PROVIDED**

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years’ earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years’ earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the

retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

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

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

**CONTRIBUTIONS**

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary on a pretax basis to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2020 through June 30, 2021 and from July 1, 2021 through September 30, 2021, respectively, were as follows:

<b>Membership Class</b>	<b>October 1, 2020 thru June 30, 2021</b>	<b>July 1, 2021 thru September 30, 2021</b>
<b><i>FRS, Regular</i></b>	10.00%	10.82%
<b><i>FRS, Elected Officers</i></b>	49.18%	51.42%
<b><i>FRS, Senior Management Service</i></b>	27.29%	29.01%
<b><i>FRS, Special Risk Administrative Support</i></b>	35.84%	37.76%
<b><i>FRS, Special Risk</i></b>	24.45%	25.89%
<b><i>FRS, DROP</i></b>	16.98%	18.34%

The City's contributions, including employee contributions, to the Pension Plan totaled \$5,683,169 for the fiscal year ended September 30, 2021.

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At September 30, 2021, the City reported a liability of \$8,235,744 for its proportionate share of the Pension Plan’s net pension liability, an decrease of \$38,100,465 over last year’s liability of \$46,336,209. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City’s proportionate share of the net pension liability was based on the City’s 2020-21 fiscal year contributions relative to the 2019-20 fiscal year contributions of all participating members. At June 30, 2021, the City’s proportionate share was .109026906 percent, which was an increase of .002117275 percent from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$1,510,701. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,411,620	\$ -
Change of assumptions	5,635,304	-
Net difference between projected and actual earnings on Pension Plan investments	-	28,732,439
Changes in proportion and differences between City Pension Plan contributions and proportionate share of contributions	6,240,794	16,153
City Pension Plan contributions subsequent to the measurement date	1,082,873	-
Total	<u>\$ 14,370,591</u>	<u>\$ 28,748,592</u>

The deferred outflows of resources related to the Pension Plan, totaling \$1,082,873 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending	Amount
September 30:	<u>                    </u>
2022	\$ (2,723,049)
2023	(3,175,326)
2024	(4,206,085)
2025	(5,389,804)
2026	33,390
Thereafter	-

*Actuarial Assumptions* – The total pension liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.80%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.00%	2.10%	2.10%	1.10%
Fixed Income	20.00%	3.80%	3.70%	3.30%
Global Equity	54.20%	8.20%	6.70%	17.80%
Strategic Investments	3.70%	5.70%	5.40%	8.40%
Private Equity	10.80%	11.70%	8.50%	26.40%
Real Estate (Property)	10.30%	7.10%	6.20%	13.80%
Total	<u>100.00%</u>			
Assumed Inflation - Mean			2.40%	1.20%

(1) As outlined in the FRS Pension Plan's investment policy

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

*Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate* - The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate:

	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
City's proportionate share of the net pension liability	\$ 36,830,797	\$ 8,235,744	\$ (15,666,515)

#### PENSION PLAN FIDUCIARY NET POSITION

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

#### PAYABLES TO THE PENSION PLAN

At September 30, 2021, the City reported a payable in the amount of \$288,056 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2021.

#### HIS Plan

##### PLAN DESCRIPTION

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

##### BENEFITS PROVIDED

For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive these benefits, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

CONTRIBUTIONS

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2021, the HIS contribution for the period October 1, 2020 through September 30, 2021 was 1.66% pursuant to section 112.363, Florida Statutes. The City contributed 100% of its statutorily required contributions for the current and preceding five years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The City’s contributions to the HIS Plan totaled \$571,453 for the fiscal year ended September 30, 2021.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2021, the City reported a liability of \$11,696,269 for its proportionate share of the HIS Plan’s net pension liability, an increase of \$558,587 over last year’s liability of \$11,137,682. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City’s proportionate share of the net pension liability was based on the City’s 2020-21 fiscal year contributions relative to the 2019-20 fiscal year contributions of all participating members. At June 30, 2021, the City's proportionate share was .09535128600 percent, which was an increase of .004132363 percent from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$1,398,175. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 391,387	\$ 4,899
Change of assumptions	919,065	481,916
Net difference between projected and actual earnings on HIS Plan investments	12,193	-
Changes in proportion and differences between City HIS Plan contributions and proportionate share of contributions	2,236,764	1,492
City HIS Plan contributions subsequent to the measurement date	136,239	-
Total	<u>\$ 3,695,648</u>	<u>\$ 488,307</u>

The deferred outflows of resources related to the HIS Plan, totaling \$136,239 resulting from City contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	<u>Amount</u>
2022	\$ 845,884
2023	269,475
2024	556,005
2025	738,022
2026	551,956
Thereafter	109,760

*Actuarial Assumptions* – The total pension liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

*Discount Rate* - The discount rate used to measure the total pension liability was 2.16%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

*Sensitivity of the City’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate* - The following represents the City’s proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.16%) or one percentage point higher (3.16%) than the current rate:

	1% Decrease <u>1.16%</u>	Current Discount Rate <u>2.16%</u>	1% Increase <u>3.16%</u>
City’s proportionate share of the net pension liability	\$ 13,522,020	\$ 11,696,269	\$ 10,200,474

#### PENSION PLAN FIDUCIARY NET POSITION

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

## PAYABLES TO THE PENSION PLAN

At September 30, 2021, the City reported a payable in the amount of \$36,258 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2021.

### Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected City Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2020-21 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and City Elected Officers class 11.34%. The allocations include a required employee contribution of 3% of gross compensation for each member class.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over his/her account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

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

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

The City's Investment Plan pension expense totaled \$505,830 for the fiscal year ended September 30, 2021.

## **MUNICIPAL POLICE OFFICERS' PENSION - LOCAL OPTION TRUST FUND**

### PLAN DESCRIPTION

Full-time police officers of the City of North Port Police Department participate in either the City of North Port, Florida Police Officers' Pension - Local Option Trust Fund (the "Plan") or the Florida Retirement System (FRS). Per Resolution passed by the City, effective July 1, 2016, police officers hired on or after this date participate solely in the FRS. Members active on July 1, 2016 had the option of participating prospectively in the FRS. The Florida Police Officers' Pension – Local Option Trust Fund is a single-employer defined benefit pension plan that was established December 14, 1979, pursuant to Florida Statutes, Chapter 185 and the City of North Port (City) Ordinance. Benefit provisions are established by City ordinances and the Florida Statutes and may be amended by the City Commission. The Plan is managed by a five-member Board of Trustees comprised of two members appointed by the Commission of the City of North Port, Florida (the City), two police officers elected by the Plan membership and one member elected by the other four members and subsequently appointed, as a ministerial duty, by the City Commission. The Plan is part of the City's financial reporting entity and is therefore included in these financial statements as a Pension Trust Fund. The City of North Port, Florida Police Officers' Pension – Local Option Trust Fund annually issues a publicly available financial report that includes financial statements and required supplementary information. The latest available report may be obtained by writing to the Board of Trustees, c/o Amber McNeill, Plan Administrator, Resource Centers, LLC, 4100 Center Pointe Drive, Ste. 108, Fort Myers, Florida 33916.

### BENEFITS PROVIDED

Under the Plan, a member may retire with normal benefits after the earlier of age 55 with 10 years of credited service, or completion of 25 years of credited service, regardless of age. Normal retirement benefits for members hired prior to May 27, 2014 are 3.5% of the member's average final compensation times credited service years, plus a \$165 monthly benefit supplement. For members hired after May 27, 2014, the normal retirement benefit is 3.15% of average final compensation times credited service years, plus a \$165 monthly benefit supplement. Early retirement benefits are available for members who are age 45 and have ten years of credited service. For members hired prior to May 27, 2014, the monthly pension benefit calculated as of the date of early retirement is reduced 3% per year for each year prior to normal retirement and the member has less than 15 years of credited service, 2% per year for members with at least 15 years of service but less than 20 years of service, and 1% per year for members with more than 20 years of service. For members hired after May 27, 2014, the monthly pension benefit calculated as of the date of early retirement is reduced 3% for each year by which the commencement of benefits precedes the normal retirement date. Additionally, the Plan has provisions for disability retirement, death benefits and deferred vested benefits.

Any member who is eligible for normal retirement may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment as a police officer. Upon participation in the DROP, the member becomes a retiree for all plan purposes so that he or she ceases to accrue any further benefits under the Plan. There was 1 member in the DROP at September 30, 2021 and the drop balance was \$141,532.

Effective October 1, 2015, a supplemental retirement benefit in the form of individual share accounts was created for each active police officer (including DROP participants). The supplemental share plan retirement benefit is funded solely by premium tax revenues received by the City pursuant to Florida Statutes Chapter 185. A plan member with ten or more years of credited service upon termination of employment shall be

eligible to receive a distribution of 100% of the balance in his or her share account, together with all earnings and losses and interest credited to the share account through date of termination of employment.

**CONTRIBUTIONS**

Contribution requirements are established and may be amended by the City Commission and are based on the benefit structure established by the City. Plan members are required to contribute 8% of their annual covered salary. The payments are deducted from the members’ salary and remitted by the City to the Plan at the end of each pay period. The City makes quarterly contributions to the Plan based on the greater of an actuarially determined employer contribution based on a percentage of covered payroll or the minimum percentage of 18% as specified by City ordinance. In addition, the Plan receives an annual contribution of casualty insurance premium tax monies from the State of Florida pursuant to Chapter 185, *Florida Statutes* (the state contribution). The City recognizes these on-behalf payments from the State as revenue and personnel expenditures in the City’s General Fund before they are recorded as contributions in the Police Officers’ Pension Fund.

The City’s contributions, including employee contributions, to the Pension Plan totaled \$2,094,438 for the fiscal year ended September 30, 2021.

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At September 30, 2021, the City reported a net pension liability of \$1,389,583 for the Police Officers’ Pension, an decrease of \$2,157,623 over last year’s liability of \$3,547,206. The net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2019, updated to September 30, 2020.

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$1,801,541. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	\$ 450,736	\$ 989,979
Change of assumptions	1,322,282	-
Net difference between projected and actual earnings on Pension Plan investments	-	458,315
City Pension Plan contributions subsequent to the measurement date	<u>2,211,775</u>	<u>-</u>
Total	<u>\$ 3,984,793</u>	<u>\$ 1,448,294</u>

The deferred outflows of resources related to the Pension Plan, totaling \$2,211,775 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year Ended September 30:	<u>Amount</u>
2022	\$ (114,567)
2023	402,418
2024	350,417
2025	(313,544)
2026	-
Thereafter	-

*Actuarial assumptions:* The total pension liability was determined by an actuarial valuation as of October 1, 2019, updated to September 30, 2020, using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	2.00% - 17.00%
Investment rate of return	7.35%

*Mortality Rate Healthy Active Lives:*

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

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

*Mortality Rate Healthy Retiree Lives:*

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

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

*Mortality Rate Beneficiary Lives:*

Female: PubG.H-2010 for Healthy Retirees.

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

*Mortality Rate Disabled Lives:*

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

The most recent actuarial experience study used to review the other significant assumptions was dated September 5, 2013.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce long term expected rates 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 plan's target asset allocation as of September 30, 2021, are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return
Domestic equity	7.5%
International equity	8.5%
Intermediate fixed income	2.5%
Global bond	3.5%
Real estate	4.5%
GTAA	3.5%

*Discount rate:* The discount rate used to measure the total pension liability was 7.35%. 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 plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the net pension liability of the City:* The changes in the components of the net pension liability of the City for the fiscal year ended September 30, 2021 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
<b>Balances at 9/30/20</b>	\$ 50,000,940	\$ 46,453,734	\$ 3,547,206
<b>Changes for the year:</b>			
Service cost	1,680,272	-	1,680,272
Interest on total pension liability	3,764,787	-	3,764,787
Differences between expected and actual experience	(607,594)	-	(607,594)
Change in assumptions	602,053	-	602,053
Benefit payments, including refunds of employee contributions	(2,294,330)	(2,296,002)	1,672
Contributions - employer & employee	-	2,890,316	(2,890,316)
Net investment income	-	5,059,449	(5,059,449)
Administrative expenses	-	(107,897)	107,897
Other changes	243,055	-	243,055
<b>Net change</b>	3,388,243	5,545,866	(2,157,623)
<b>Balances at 9/30/21</b>	\$ 53,389,183	\$ 51,999,600	\$ 1,389,583

*Sensitivity of the net pension liability to changes in the discount rate:* The following presents the net pension liability of the City, calculated using the discount rate of 7.35%, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.35%) or 1-percentage-point higher (8.35%) than the current rate:

	1% Decrease 6.35%	Current Discount Rate 7.35%	1% Increase 8.35%
City's net pension liability	\$ 7,871,732	\$ 1,389,583	\$ (4,017,083)

**PENSION PLAN FIDUCIARY NET POSITION**

Detailed information regarding the Plan’s fiduciary net position is available in the separately issued City of North Port, Florida Police Officers’ Pension – Local Option Trust Fund financial report.

**MUNICIPAL FIREFIGHTERS’ PENSION - LOCAL OPTION TRUST FUND**

**PLAN DESCRIPTION**

Full-time firefighters of the City of North Port Fire Department participate in either the City of North Port, Florida Firefighters’ Pension - Local Option Trust Fund (the “Plan”) or the Florida Retirement System (FRS). Firefighters hired after July 1, 2016 participate solely in the FRS. Members active on July 1, 2016 had the option of participating prospectively in the FRS. The Plan is a single employer defined benefit pension fund that was established November 5, 1974, pursuant to Florida Statutes, Chapter 175, and City Ordinance 74-13. The Plan was amended most recently by Ordinance 2012-18. Benefit provisions are established by City ordinances and the Florida Statutes and may be amended by the City Commission. The Plan is managed by a five-member Board of Trustees comprised of two members appointed by the Commission of the City of North Port, Florida (the City), two members elected by the Plan membership and one member elected by the other four members and subsequently appointed, as a ministerial duty, by the City Commission. The Plan is part of the City’s financial reporting entity and is therefore included in these financial statements as a Pension Trust Fund. The City of North Port, Florida Firefighters’ Pension – Local Option Trust Fund annually issues a publicly available financial report that includes financial statements and required supplementary information. The latest available report may be obtained by writing to the Board of Trustees, c/o David A. Carroll, Plan Administrator, 492 River Hills Drive, Max Meadows, Virginia 24360.

**BENEFITS PROVIDED**

Under the Plan, a member may retire with normal benefits after the earlier of age 55 with 10 years of credited service, or age 52 with 25 years of credited service. Reduced early retirement benefits are available once a member reaches age 50 and accumulates 10 years of credited service. Normal retirement benefits are 3.5% (3.0% for members hired on or after October 12, 2012) of the member’s average final compensation times credited service years. Early retirement benefits are the same as normal retirement benefits, reduced by 3.0% for each year by which the commencement of benefits precedes the normal retirement date. Additionally, the Plan has provisions for disability retirement, death benefits and deferred vested benefits.

Any member hired before October 1, 2012, who is eligible for normal retirement may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment as a firefighter. Upon participation in the DROP, the member becomes a retiree for all plan purposes so that he or she ceases to accrue any further benefits under the Plan. Members hired on or after October 1, 2012, are not eligible to participate in the DROP. The DROP balance as of September 30, 2021, was \$637,596.

Effective September 1, 2012, a supplemental retirement benefit in the form of individual share accounts was created for each active firefighter, living retiree (including DROP participants) and disability benefit recipients and beneficiary survivors receiving a survivor retirement benefit. For plan years beginning October 1, 2012 and later, all premium tax revenues received by the City in excess of \$250,000 will be allocated to the share accounts based on years of credited service. Effective December 31, 2013, and each December 31 thereafter, each share account will be credited or debited with earnings or losses based upon the amount in the share account at the close of the immediately preceding plan year at a rate equal to the Plan's actual net rate of investment return for the preceding plan year. An active firefighter (including DROP participants) with ten or more years of credited service upon termination of employment shall be eligible to receive a distribution of 100% of the balance in their respective share account, together with all earnings and losses and interest credited to the share account through the date of termination of employment. Retiree participants (including disability benefit recipients and beneficiary survivors) shall receive distribution of the annual share allocation in the form of a thirteenth monthly check equal to the annual crediting described above. Vested terminated members shall be entitled to participate in this supplemental retirement benefit upon commencing receipt of retirement benefits from the Plan.

### CONTRIBUTIONS

Contribution requirements are established and may be amended by the City of North Port Commission and are based on the benefit structure established by the City. Members are required to contribute 10.6% of their salary (effective March 1, 2016). Pursuant to Chapter 175 of the Florida Statutes, a premium tax on certain casualty insurance contracts written on North Port properties is collected by the state and remitted to the Fund for the state's annual contribution amount. The City recognizes these on-behalf payments from the State as revenue and personnel expenditures in the City's General Fund before they are recorded as contributions in the Firefighters' Pension Fund. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions at actuarially determined rates. Administrative costs are financed through investment earnings.

The City's contributions, including employee contributions, to the Pension Plan totaled \$1,128,035 for the fiscal year ended September 30, 2020.

### PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2021, the City reported a net pension liability of \$2,011,742 for the Firefighters' Pension, an increase of \$765,230 over last year's net pension asset of \$1,246,512. The net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2019, updated to September 30, 2020.

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$1,503,990. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 859,414	\$ 1,005,504
Change of assumptions	2,226,793	-
Net difference between projected and actual earnings on Pension Plan investments	-	178,777
City Pension Plan contributions subsequent to the measurement date	<u>1,204,248</u>	<u>-</u>
Total	<u>\$ 4,290,455</u>	<u>\$ 1,184,281</u>

The deferred outflows of resources related to the Pension Plan, totaling \$1,204,248 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2022. Other amounts reported as deferred outflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending Year Ended September 30:	<u>Amount</u>
2022	\$ 1,417,905
2023	614,654
2024	151,745
2025	(282,378)
2026	-
Thereafter	-

*Actuarial assumptions.* The total pension liability was determined by an actuarial valuation as of October 1, 2019 updated to September 30, 2020, using the following actuarial assumptions applied to all measurement periods:

Inflation	2.50%
Salary increases	Service based
Investment rate of return	7.00%

*Mortality Rate Healthy Active Lives:*

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

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

*Mortality Rate Healthy Retiree Lives:*

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

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

*Mortality Rate Beneficiary Lives:*

Female: PubG.H-2010 for Healthy Retirees.

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

*Mortality Rate Disabled Lives:*

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

The most recent actuarial experience study used to review the other significant assumptions was dated May 10, 2017.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce long term expected rates 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 plan's target asset allocation as of September 30, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	7.5%
International equity	8.5%
Broad market fixed income	2.5%
Global fixed income	3.5%
Real estate	4.5%
GTAA	3.5%

*Discount rate.* The discount rate used to measure the total pension asset was 7.00%. 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 plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the net pension liability of the City:* The changes in the components of the net pension liability of the City for the fiscal year ended September 30, 2021 were as follows:

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (asset) (a-b)</u>
<b>Balances at 9/30/20</b>	\$ 52,450,230	\$ 51,203,718	\$ 1,246,512
<b>Changes for the year:</b>			
Service cost	900,497	-	900,497
Interest on total pension liability	3,803,540	-	3,803,540
Differences between expected and actual experience	250,384	-	250,384
Change in assumptions	1,631,930	-	1,631,930
Benefit payments, including refunds of employee contributions	(1,776,208)	(1,783,317)	7,109
Contributions - employer & employee	-	1,470,875	(1,470,875)
Net investment income	-	4,625,187	(4,625,187)
Administrative expenses	-	(81,658)	81,658
Other changes	186,174	-	186,174
<b>Net change</b>	<u>4,996,317</u>	<u>4,231,087</u>	<u>765,230</u>
<b>Balances at 9/30/21</b>	<u>\$ 57,446,547</u>	<u>\$ 55,434,805</u>	<u>\$ 2,011,742</u>

*Sensitivity of the net pension liability to changes in the discount rate:* The following presents the net pension asset of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's net pension (asset) liability	\$ 9,752,611	\$ 2,011,742	\$ (4,339,638)

## PENSION PLAN FIDUCIARY NET POSITION

Detailed information regarding the Plan's fiduciary net position is available in the separately issued City of North Port, Florida Firefighters' Pension – Local Option Trust Fund financial report.

Applicable totals for all of the City's defined benefit pension plans are reflected below:

	<u>Police Officers' Pension</u>	<u>Firefighters' Pension</u>	<u>FRS Pension</u>	<u>HIS Pension</u>	<u>Total</u>
City's net pension (asset) liability	\$ 1,389,583	\$ 2,011,742	\$ 8,235,744	\$ 11,696,269	\$ 23,333,338
Deferred outflows of resources	3,984,793	4,290,455	14,370,591	3,695,648	26,341,487
Deferred inflows of resources	1,448,294	1,184,281	28,748,592	488,307	31,869,474
Pension expense/expenditure	1,801,541	1,503,990	2,016,531	1,398,175	6,720,237

***NOTE J – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS***

Plan Description – Retired Police Officers, Firefighters and general employees, as well as their dependents, are permitted to remain covered under the City’s single-employer defined benefit medical plan as long as they pay the premium not exceeding the rate developed by blending the claims experience of all plan members for the plan and coverage elected. The plan does not issue a stand-alone financial report.

Benefits Provided - The City subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at the 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 has assumed an obligation to pay for the implicit subsidy for the covered lifetimes of the current retirees and their spouses, as well for the covered lifetimes of the current employees after they retire in the future.

The plan also provides all retirees and their dependents with dental, vision and life benefits at a subsidized cost.

Funding Policy – Currently, the City’s OPEB benefits are unfunded. Since this OPEB is directly tied to insurance coverage for active employees, a separate single employer benefit plan has not been established to account for the benefits and obligations related to the implicit rate subsidy. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. Therefore, the ultimate subsidies which are provided over time are financed directly by general assets of the City, which are invested in short-term fixed income instruments according to its investment policy.

*Employees Covered by Benefit Terms*

Per the most current actuarial valuation census date of September 2020, the following employees were covered by the benefits terms:

Active employees	590
Inactive employees or spouses currently receiving benefits	<u>25</u>
	615

*Total OPEB Liability*

At September 30, 2021, the City reported a total OPEB liability of \$4,765,687, a decrease of \$9,900 over last year’s liability of \$4,755,787. The total OPEB liability was measured as of September 30, 2021 and was determined by an actuarial valuation date of October 1, 2019.

*Actuarial Assumptions and Other Inputs*

The total OPEB liability in the October 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	4.00%
Discount rate	2.43%
Healthcare cost trend rates	6.50% for 2021, decreasing to an ultimate rate of 4.50% for 2036 and later years
Retirees' share of benefit-related costs	100% of projected health insurance premiums for retirees

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of September 30, 2021.

Mortality rates were based on the RP-2000 Combined Healthy Mortality, Sex-Distinct table.

The actuarial assumptions used in the October 1, 2019 valuation were based on census data as of September 30, 2020.

*Changes in the Total OPEB Liability*

Changes in the total OPEB liability were as follows:

<b>Total OPEB liability, September 30, 2020</b>	<u>\$ 4,755,787</u>
<b>Service cost</b>	270,403
<b>Interest</b>	99,267
<b>Difference between expected and actual experience</b>	-
<b>Changes in assumptions and other inputs</b>	(125,505)
<b>Benefit payments</b>	(234,265)
<b>Other changes</b>	-
<b>Net changes</b>	<u>9,900</u>
 <b>Total OPEB liability, September 30, 2021</b>	 <u>\$ 4,765,687</u>

Changes of assumptions reflects a change in the discount rate from 2.14% for 2020 to 2.43% for 2021.

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

The following represents 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 1% lower or 1% higher than the current discount rate:

	<b>Discount Rate</b>		
	<u>1% Increase</u>	<u>Valuation Rate</u>	<u>1% Decrease</u>
Net OPEB liability	\$4,364,775	\$4,765,687	\$5,217,446
Change	-8.41%		9.48%

The following represents 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 1% lower or 1% higher than the current healthcare cost trend rates:

	<b>Health Care Trend</b>		
	<u>1% Increase</u>	<u>Valuation Rate</u>	<u>1% Decrease</u>
Net OPEB liability	\$5,361,874	\$4,765,687	\$4,262,411
Change	12.51%		-10.56%

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:*

For the year ended September 30, 2021, the City recognized OPEB expense of \$454,527. At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 18,960
Changes of assumptions	840,401	170,374
Total	<u>\$ 840,401</u>	<u>\$ 189,334</u>

Future deferred outflows/inflows of resources are as follows:

Fiscal Year Ending September 30:	Amount
2022	\$ 84,857
2023	84,857
2024	84,857
2025	84,857
2026	84,857
Thereafter	226,782

***NOTE K – DEFERRED COMPENSATION PLAN***

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

Plan amendments have been made, so that the plan is in compliance with IRC Section 457, as amended by the 1996 changes to the tax code. The assets are now held in various custodial accounts. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the various participants of the plan.

***NOTE L - RISK MANAGEMENT***

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Risk Management attempts to identify and evaluate the areas of potential loss to the City in order to reduce their occurrences. Acknowledging that some loss is inevitable, routine or predictable losses are self-insured, while other more unpredictable or catastrophic losses are transferred to insurance companies.

Effective October 1, 2018, the City became self-insured with respect to employee medical coverage. This covers all eligible active employees and their dependents, as well as retirees that opt in. The Human Resources Department manages the medical self-insured plan.

The City has a self-insurance risk retention program for workers' compensation, automobile liability and general liability (including employee benefits, law enforcement, public officials' and employment practices liability). Workers' compensation risks in excess of \$350,000 per occurrence, automobile liability risks in excess of \$100,000 per person/per accident, and general liability risks in excess of \$100,000 per occurrence are co-insured with an outside carrier.

The programs are accounted for using internal service funds. Revenues for these funds consist mostly of amounts contributed by other City funds. Both revenues and the related charges are recorded as interfund services. Accordingly, the related charges are reflected as expenditures, or expense items, in the appropriate funds.

Liabilities of the self-insurance funds are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities typically include an amount for claims that have been incurred but not reported (IBNRs). There were no material amounts of IBNR claims recorded as of fiscal year-end.

Self-insurance risk claims expense for fiscal year ending September 30, 2021 were as follows: workers' compensation (\$534,099); automobile (\$58,460) and general liability (\$526,232). Self-insurance medical claims expense for the same period was \$6,161,557.

***NOTE M – CONTINGENT LIABILITIES***

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the City.



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**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

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Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements.

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND - GAAP BASIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Taxes	\$ 22,660,800	\$ 22,660,800	\$ 22,538,531	\$ (122,269)
Permits and special assessments	4,123,830	4,123,830	4,328,856	205,026
Intergovernmental	7,982,460	8,184,907	12,841,521	4,656,614
Charges for services	11,622,470	11,622,470	11,765,541	143,071
Fines and forfeiture	169,410	169,410	183,216	13,806
Investment income	801,000	801,000	59,165	(741,835)
Miscellaneous	854,920	939,920	1,134,412	194,492
Total revenues	<u>48,214,890</u>	<u>48,502,337</u>	<u>52,851,242</u>	<u>4,348,905</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
City Commission	460,960	460,960	397,334	63,626
City Attorney	995,290	995,290	902,115	93,175
City Clerk	815,630	946,850	774,277	172,573
Finance	1,759,930	1,759,930	1,673,957	85,973
Planning & Zoning	1,373,570	1,794,863	1,413,709	381,154
IT	2,570,500	2,640,566	2,461,992	178,574
Human Resources	1,142,870	1,142,870	1,065,223	77,647
City Manager	1,273,830	1,456,630	1,370,145	86,485
Facilities Maintenance	2,148,350	2,176,690	2,214,200	(37,510)
Non-Departmental	779,470	779,470	766,146	13,324
Total General government	<u>13,320,400</u>	<u>14,154,119</u>	<u>13,039,098</u>	<u>1,115,021</u>
Public safety:				
Building	782,040	782,040	672,347	109,693
Police	21,212,060	21,366,254	20,578,628	787,626
Emergency Medical Services	8,714,440	8,749,200	8,601,596	147,604
Total Public safety	<u>30,708,540</u>	<u>30,897,494</u>	<u>29,852,571</u>	<u>1,044,923</u>
Economic environment:				
Economic Development	445,790	495,790	391,455	104,335
Human services:				
Social Services	\$ 477,880	\$ 568,116	\$ 501,050	\$ 67,066

(continued)

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND - GAAP BASIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Culture and recreation:				
Recreation	\$ 1,898,150	\$ 1,970,034	\$ 1,803,843	\$ 166,191
North Port Aquatic Center	1,606,190	1,606,190	1,277,659	328,531
Parks Maintenance	931,660	1,284,527	1,197,012	87,515
Total Parks and recreation	<u>4,436,000</u>	<u>4,860,751</u>	<u>4,278,514</u>	<u>582,237</u>
Capital outlay	<u>69,790</u>	<u>511,280</u>	<u>298,581</u>	<u>212,699</u>
Total expenditures	<u>49,458,400</u>	<u>51,487,550</u>	<u>48,361,269</u>	<u>3,126,281</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,243,510)</u>	<u>(2,985,213)</u>	<u>4,489,973</u>	<u>7,475,186</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,105,800	1,105,800	1,114,288	8,488
Transfers out	(605,500)	(605,500)	(605,500)	-
Insurance recoveries	15,000	38,615	1,425	(37,190)
Total other financing sources (uses)	<u>515,300</u>	<u>538,915</u>	<u>510,213</u>	<u>(28,702)</u>
Net change in fund balances	(728,210)	(2,446,298)	5,000,186	7,446,484
<b>Fund balances - beginning</b>	<u>15,560,270</u>	<u>15,560,270</u>	<u>15,560,270</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 14,832,060</u>	<u>\$ 13,113,972</u>	<u>\$ 20,560,456</u>	<u>\$ 7,446,484</u>

**CITY OF NORTH PORT, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**ROAD AND DRAINAGE DISTRICT SPECIAL REVENUE FUND - GAAP BASIS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Taxes	\$ 3,032,700	\$ 3,032,700	\$ 3,475,654	\$ 442,954
Intergovernmental	474,400	545,600	1,521,137	975,537
Charges for services	15,465,940	15,465,940	16,485,333	1,019,393
Fines and forfeitures	-	-	72	72
Investment income	500,000	500,000	61,776	(438,224)
Miscellaneous	69,090	69,090	119,604	50,514
Total revenues	<u>19,542,130</u>	<u>19,613,330</u>	<u>21,663,576</u>	<u>2,050,246</u>
<b>EXPENDITURES</b>				
Current:				
Physical environment	5,625,926	8,082,116	4,518,930	3,563,186
Transportation	11,422,334	16,409,144	9,174,798	7,234,346
Capital outlay	2,094,620	5,332,381	1,248,420	4,083,961
Total expenditures	<u>19,142,880</u>	<u>29,823,641</u>	<u>14,942,148</u>	<u>14,881,493</u>
Excess (deficiency) of revenues over (under) expenditures	<u>399,250</u>	<u>(10,210,311)</u>	<u>6,721,428</u>	<u>16,931,739</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	1,000	1,000
Transfers out	(850,000)	(850,000)	(850,000)	-
Insurance recoveries	4,000	4,000	17,777	13,777
Total other financing sources (uses)	<u>(846,000)</u>	<u>(846,000)</u>	<u>(831,223)</u>	<u>14,777</u>
Net change in fund balances	(446,750)	(11,056,311)	5,890,205	16,946,516
<b>Fund balances - beginning</b>	<u>18,546,069</u>	<u>18,546,069</u>	<u>18,546,069</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 18,099,319</u>	<u>\$ 7,489,758</u>	<u>\$ 24,436,274</u>	<u>\$ 16,946,516</u>

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
FIRE RESCUE DISTRICT SPECIAL REVENUE FUND - GAAP BASIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Taxes	\$ 213,750	\$ 213,750	\$ 247,148	\$ 33,398
Permits, fees and special assessments	21,750	21,750	48,546	26,796
Intergovernmental	45,360	645,360	762,097	116,737
Charges for services	12,469,440	12,469,440	12,494,135	24,695
Investment income	200,000	200,000	22,871	(177,129)
Miscellaneous	41,090	51,090	48,853	(2,237)
Total revenues	<u>12,991,390</u>	<u>13,601,390</u>	<u>13,623,650</u>	<u>22,260</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	11,153,860	11,127,920	10,510,986	616,934
Capital outlay	-	626,460	22,234	604,226
Total expenditures	<u>11,153,860</u>	<u>11,754,380</u>	<u>10,533,220</u>	<u>1,221,160</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,837,530</u>	<u>1,847,010</u>	<u>3,090,430</u>	<u>1,243,420</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(1,615,000)	(1,624,480)	(1,624,480)	-
Total other financing sources (uses)	<u>(1,615,000)</u>	<u>(1,624,480)</u>	<u>(1,624,480)</u>	<u>-</u>
Net change in fund balances	222,530	222,530	1,465,950	1,243,420
<b>Fund balances - beginning</b>	<u>4,743,635</u>	<u>4,743,635</u>	<u>4,743,635</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 4,966,165</u>	<u>\$ 4,966,165</u>	<u>\$ 6,209,585</u>	<u>\$ 1,243,420</u>

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
SOLID WASTE DISTRICT SPECIAL REVENUE FUND - GAAP BASIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Charges for services	\$ 9,864,170	\$ 9,864,170	\$ 10,729,176	\$ 865,006
Investment income	200,000	200,000	18,911	(181,089)
Miscellaneous	53,000	353,000	353,283	283
Total revenues	<u>10,117,170</u>	<u>10,417,170</u>	<u>11,101,370</u>	<u>684,200</u>
<b>EXPENDITURES</b>				
Current:				
Physical environment	9,376,140	9,357,205	8,540,136	817,069
Capital outlay	254,900	2,117,600	-	2,117,600
Total expenditures	<u>9,631,040</u>	<u>11,474,805</u>	<u>8,540,136</u>	<u>2,934,669</u>
Excess (deficiency) of revenues over (under) expenditures	<u>486,130</u>	<u>(1,057,635)</u>	<u>2,561,234</u>	<u>3,618,869</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(486,130)	(486,130)	(486,130)	-
Insurance recoveries	-	-	777	777
Total other financing sources (uses)	<u>(486,130)</u>	<u>(486,130)</u>	<u>(485,353)</u>	<u>777</u>
Net change in fund balances	-	(1,543,765)	2,075,881	3,619,646
<b>Fund balances - beginning</b>	<u>3,601,032</u>	<u>3,601,032</u>	<u>3,601,032</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 3,601,032</u>	<u>\$ 2,057,267</u>	<u>\$ 5,676,913</u>	<u>\$ 3,619,646</u>

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FLORIDA RETIREMENT SYSTEM**

Reporting Period Ending Measurement Date	9/30/2021 6/30/2021	9/30/2020 6/30/2020	9/30/2019 6/30/2019	9/30/2018 6/30/2018	9/30/2017 6/30/2017	9/30/2016 6/30/2016	9/30/2015 6/30/2015	9/30/2014 6/30/2014
City's proportion of the net pension liability	0.109026906%	0.106909631%	0.092593407%	0.073301635%	0.065258818%	0.045151798%	0.046986625%	0.046039515%
City's proportionate share of the net pension liability	\$ 8,235,744	\$ 46,336,209	\$ 31,887,880	\$ 22,078,832	\$ 19,303,121	\$ 11,400,864	\$ 6,068,953	\$ 2,809,087
City's covered payroll during the measurement period	\$ 33,758,043	\$ 31,655,209	\$ 28,169,562	\$ 23,757,517	\$ 21,020,634	\$ 17,307,411	\$ 16,803,308	\$ 16,641,254
City's proportionate share of the net pension liability as a percentage of its covered payroll	24.40%	146.38%	113.20%	92.93%	91.83%	65.87%	36.12%	16.88%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
FLORIDA RETIREMENT SYSTEM**

Reporting Period Ending	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Contractually required contribution	\$ 4,153,454	\$ 3,552,133	\$ 2,871,064	\$ 2,089,038	\$ 1,698,848	\$ 1,101,099	\$ 1,145,574	\$ 1,008,461
Contributions in relation to the contractually determined contributions	<u>(4,153,454)</u>	<u>(3,552,133)</u>	<u>(2,871,064)</u>	<u>(2,089,038)</u>	<u>(1,698,848)</u>	<u>(1,101,099)</u>	<u>(1,145,574)</u>	<u>(1,008,461)</u>
Contribution deficiency (excess)	<u>\$ -</u>							
City's covered payroll	34,424,901	32,240,924	29,166,166	24,593,513	20,856,232	18,171,274	16,856,399	16,516,607
Contributions as a percentage of covered payroll	12.07%	11.02%	9.84%	8.49%	8.15%	6.06%	6.80%	6.11%

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FLORIDA RETIREMENT SYSTEM  
HEALTH INSURANCE SUBSIDY PROGRAM**

Reporting Period Ending Measurement Date	9/30/2021 6/30/2021	9/30/2020 6/30/2020	9/30/2019 6/30/2019	9/30/2018 6/30/2018	9/30/2017 6/30/2017	9/30/2016 6/30/2016	9/30/2015 6/30/2015	9/30/2014 6/30/2014
City's proportion of the net pension liability	0.095351286%	0.091218923%	0.084215030%	0.072737184%	0.065919137%	0.055995879%	0.055413179%	0.056009210%
City's proportionate share of the net pension liability	\$ 11,696,269	\$ 11,137,682	\$ 9,422,819	\$ 7,698,585	\$ 7,048,378	\$ 6,526,088	\$ 5,651,273	\$ 5,236,998
City's covered payroll during the measurement period	\$ 33,758,043	\$ 31,655,209	\$ 28,169,562	\$ 23,757,517	\$ 21,020,634	\$ 17,307,411	\$ 16,803,308	\$ 16,641,254
City's proportionate share of the net pension liability as a percentage of its covered payroll	34.65%	35.18%	33.45%	32.40%	33.53%	37.71%	33.63%	31.47%
Plan fiduciary net position as a percentage of the total pension liability	3.00%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
FLORIDA RETIREMENT SYSTEM  
HEALTH INSURANCE SUBSIDY PROGRAM**

Reporting Period Ending	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Contractually required contribution	\$ 560,476	\$ 525,652	\$ 467,638	\$ 394,456	\$ 348,863	\$ 287,015	\$ 211,824	\$ 191,869
Contributions in relation to the contractually determined contributions	<u>(560,476)</u>	<u>(525,652)</u>	<u>(467,638)</u>	<u>(394,456)</u>	<u>(348,863)</u>	<u>(287,015)</u>	<u>(211,824)</u>	<u>(191,869)</u>
Contribution deficiency (excess)	<u>\$ -</u>							
City's covered payroll	34,424,901	32,240,924	29,166,166	24,593,513	20,856,232	18,171,274	16,856,399	16,516,607
Contributions as a percentage of covered payroll	1.63%	1.63%	1.60%	1.60%	1.67%	1.58%	1.26%	1.16%

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
NORTH PORT POLICE OFFICERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY  
AND RELATED RATIOS**

<b>Reporting Period Ending Measurement Date</b>	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
<b>Total pension liability</b>								
Service cost	\$ 1,610,388	\$ 1,680,272	\$ 1,707,877	\$ 1,780,290	\$ 1,882,560	\$ 1,693,377	\$ 1,991,280	\$ 1,967,848
Interest on total pension liability	3,950,133	3,764,787	3,518,998	3,364,267	3,103,881	2,867,478	2,731,953	2,485,396
Change in excess state money	-	-	-	-	-	(688,670)	162,203	127,413
Share plan allocation	260,760	243,055	215,381	173,918	125,720	159,765	-	-
Changes of benefit terms	-	-	-	-	-	4,812	-	-
Differences between expected and actual experience	(367,528)	(607,594)	488,870	(582,492)	472,241	(860,314)	(1,104,588)	-
Changes of assumptions	2,796,088	602,053	565,173	528,699	569,256	782,433	-	-
Contributions - buy back	63,311	-	-	1,225	53,000	71,560	24,568	-
Benefit payments, including refunds of employee contributions	(2,512,541)	(2,294,330)	(2,793,475)	(2,329,700)	(1,827,860)	(1,878,394)	(1,323,724)	(1,267,557)
<b>Net change in total pension liability</b>	<u>5,800,611</u>	<u>3,388,243</u>	<u>3,702,824</u>	<u>2,936,207</u>	<u>4,378,798</u>	<u>2,152,047</u>	<u>2,481,692</u>	<u>3,313,100</u>
<b>Total pension liability - beginning</b>	<u>53,389,183</u>	<u>50,000,940</u>	<u>46,298,116</u>	<u>43,361,909</u>	<u>38,983,111</u>	<u>36,831,064</u>	<u>34,349,372</u>	<u>31,036,272</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 59,189,794</u>	<u>\$ 53,389,183</u>	<u>\$ 50,000,940</u>	<u>\$ 46,298,116</u>	<u>\$ 43,361,909</u>	<u>\$ 38,983,111</u>	<u>\$ 36,831,064</u>	<u>\$ 34,349,372</u>
<b>Plan fiduciary net position</b>								
Contributions - employer	\$ 1,671,015	\$ 1,943,746	\$ 1,969,588	\$ 2,045,282	\$ 1,831,771	\$ 2,270,516	\$ 2,374,183	\$ 2,254,752
Contributions - state	540,760	523,055	495,381	453,918	405,720	378,333	341,432	306,642
Contributions - employee	487,334	423,515	439,024	475,208	557,859	500,840	517,932	528,422
Net investment income (loss)	11,316,980	5,059,449	1,152,706	3,758,327	4,560,969	2,445,510	(212,104)	2,200,982
Benefit payments, including refunds of employee contributions	(2,512,541)	(2,296,002)	(2,793,475)	(2,352,282)	(1,827,860)	(1,880,377)	(1,323,724)	(1,267,557)
Administrative expenses	(87,890)	(107,897)	(109,655)	(94,350)	(70,413)	(78,881)	(68,912)	(70,301)
<b>Net change in plan fiduciary net position</b>	<u>11,415,658</u>	<u>5,545,866</u>	<u>1,153,569</u>	<u>4,286,103</u>	<u>5,458,046</u>	<u>3,635,941</u>	<u>1,628,807</u>	<u>3,952,940</u>
<b>Plan fiduciary net position - beginning</b>	<u>51,999,600</u>	<u>46,453,734</u>	<u>45,300,165</u>	<u>41,014,062</u>	<u>35,556,016</u>	<u>31,920,075</u>	<u>30,291,268</u>	<u>26,338,328</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>63,415,258</u>	<u>51,999,600</u>	<u>46,453,734</u>	<u>45,300,165</u>	<u>41,014,062</u>	<u>35,556,016</u>	<u>31,920,075</u>	<u>30,291,268</u>
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ (4,225,464)</u>	<u>\$ 1,389,583</u>	<u>\$ 3,547,206</u>	<u>\$ 997,951</u>	<u>\$ 2,347,847</u>	<u>\$ 3,427,095</u>	<u>\$ 4,910,989</u>	<u>\$ 4,058,104</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	107.14%	97.40%	92.91%	97.84%	94.59%	91.21%	86.67%	88.19%
<b>Covered payroll</b>	\$ 5,292,794	\$ 5,301,467	\$ 5,487,798	\$ 5,940,108	\$ 6,310,736	\$ 6,260,499	\$ 6,550,454	\$ 6,605,273
<b>City's net pension liability as a percentage of covered payroll</b>	-79.83%	26.21%	64.64%	16.80%	37.20%	54.74%	74.97%	61.44%

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
NORTH PORT POLICE OFFICERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS**

Reporting Period Ending Measurement Date	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Actuarially determined contributions	\$ 1,951,015	\$ 2,223,746	\$ 2,249,588	\$ 2,325,282	\$ 2,111,771	\$ 2,449,745	\$ 2,553,412	\$ 2,429,885
From excess state monies reserve	-	-	-	-	-	528,906	-	-
Contributions in relation to the actuarially determined contributions	1,951,015	2,223,746	2,249,588	2,325,282	2,111,771	2,550,516	2,553,412	2,429,885
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (629,677)	\$ -	\$ -
Covered payroll	5,292,794	5,487,798	5,487,798	5,940,108	6,310,736	6,260,499	6,550,454	6,605,273
Contributions as a percentage of covered payroll	36.86%	40.52%	40.99%	39.15%	33.46%	40.74%	38.98%	36.79%

Valuation Date 10/1/2019

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:

Mortality rate

*Healthy Active Lives:*

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

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

*Healthy 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: PubS.H-2010 for Healthy Retirees.

Male: PubS.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.

The above 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, 2019 FRS valuation report for special risk employees.

Inflation

2.50% per year

Salary increases

Credited Service

Assumption

First 2 years 17.0%

2 - 10 years 8.5%

11 - 20 years 6.0%

More than 20 years 2.0%

(continued)

**CITY OF NORTH PORT, FLORIDA  
 NORTH PORT POLICE OFFICERS' PENSION TRUST FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CONTRIBUTIONS**

Interest rate	7.00% per year compounded annually, net of investment related expenses.	
Payroll growth	0.00% per year	
Final year salary load	Projected salary at retirement is increased 20% to account for non-regular compensation (no load for members hired after January 1, 2012).	
Normal retirement	<u>Years Eligible for Normal Ret.</u>	<u>Percent Retiring</u>
	0	66.7%
	1	50.0%
	2 or more	100.0%
Early retirement	Commencing with attainment of early retirement status (age 45 with 10 years of service).	
	Members are assumed to retire with an immediate subsidized benefit at the rate of 10% per year.	
Termination rates	<u>Credited Service</u>	<u>Assumption</u>
	First year	24.0%
	1 - 4 years	6.0%
	5 - 19 years	3.0%
	20 or more years	0.0%

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
 NORTH PORT POLICE OFFICERS' PENSION TRUST FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PENSION INVESTMENT RETURN**

	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses for the City's pension plan	21.93%	10.94%	2.55%	9.13%	12.74%	7.41%	-0.62%	8.12%

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
NORTH PORT FIREFIGHTERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION (ASSET) LIABILITY  
AND RELATED RATIOS**

<b>Reporting Period Ending Measurement Date</b>	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
<b>Total pension liability</b>								
Service cost	\$ 998,065	\$ 900,497	\$ 917,681	\$ 904,670	\$ 1,264,321	\$ 1,693,631	\$ 1,716,153	\$ 1,686,083
Interest on total pension liability	4,016,731	3,803,540	3,566,668	3,351,560	3,620,964	3,400,658	3,048,515	2,767,378
Share plan allocation	244,296	186,174	169,797	164,503	126,129	121,775	126,215	137,316
Changes of benefit terms	-	-	(5,208)	-	-	174,592	-	-
Differences between expected and actual experience	(18,990)	250,384	864,392	876,960	(2,641,499)	(2,262,386)	555,367	-
Changes of assumptions	-	1,631,930	1,577,924	-	(831,381)	1,378,943	-	-
Contributions - buy back	-	-	-	-	-	2,808	-	-
Benefit payments, including refunds of employee contributions	(2,125,487)	(1,776,208)	(2,568,220)	(2,306,593)	(1,200,337)	(1,104,257)	(1,288,806)	(924,447)
<b>Net change in total pension liability</b>	<b>3,114,615</b>	<b>4,996,317</b>	<b>4,523,034</b>	<b>2,991,100</b>	<b>338,197</b>	<b>3,405,764</b>	<b>4,157,444</b>	<b>3,666,330</b>
<b>Total pension liability - beginning</b>	<b>57,446,547</b>	<b>52,450,230</b>	<b>47,927,196</b>	<b>44,936,096</b>	<b>44,597,899</b>	<b>41,192,135</b>	<b>37,034,691</b>	<b>33,368,361</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 60,561,162</b>	<b>\$ 57,446,547</b>	<b>\$ 52,450,230</b>	<b>\$ 47,927,196</b>	<b>\$ 44,936,096</b>	<b>\$ 44,597,899</b>	<b>\$ 41,192,135</b>	<b>\$ 37,034,691</b>
<b>Plan fiduciary net position</b>								
Contributions - employer	\$ 709,952	\$ 651,211	\$ 682,166	\$ 675,521	\$ 670,404	\$ 1,000,835	\$ 1,079,568	\$ 1,250,193
Contributions - state	494,296	436,173	419,796	414,503	376,129	371,775	376,215	387,316
Contributions - employee	418,083	383,491	401,719	397,806	394,793	529,101	554,392	585,968
Net investment income	10,548,464	4,625,187	1,880,144	4,318,358	4,557,086	2,867,698	430,037	3,008,184
Benefit payments, including refunds of employee contributions	(2,126,824)	(1,783,317)	(2,568,220)	(2,306,593)	(1,200,337)	(1,108,103)	(1,288,806)	(924,447)
Administrative expenses	(72,839)	(81,658)	(70,429)	(88,089)	(86,131)	(83,371)	(66,053)	(64,072)
<b>Net change in plan fiduciary net position</b>	<b>9,971,132</b>	<b>4,231,087</b>	<b>745,176</b>	<b>3,411,506</b>	<b>4,711,944</b>	<b>3,577,935</b>	<b>1,085,353</b>	<b>4,243,142</b>
<b>Plan fiduciary net position - beginning</b>	<b>55,434,805</b>	<b>51,203,718</b>	<b>50,458,542</b>	<b>47,047,036</b>	<b>42,335,092</b>	<b>38,757,157</b>	<b>37,671,804</b>	<b>33,428,662</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 65,405,937</b>	<b>\$ 55,434,805</b>	<b>\$ 51,203,718</b>	<b>\$ 50,458,542</b>	<b>\$ 47,047,036</b>	<b>\$ 42,335,092</b>	<b>\$ 38,757,157</b>	<b>\$ 37,671,804</b>
<b>Net pension liability (asset) - ending (a) - (b)</b>	<b>\$ (4,844,775)</b>	<b>\$ 2,011,742</b>	<b>\$ 1,246,512</b>	<b>\$ (2,531,346)</b>	<b>\$ (2,110,940)</b>	<b>\$ 2,262,807</b>	<b>\$ 2,434,978</b>	<b>\$ (637,113)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	108.00%	96.50%	97.62%	105.28%	104.70%	94.93%	94.09%	101.72%
<b>Covered payroll</b>	\$ 3,944,177	\$ 3,617,839	\$ 3,789,804	\$ 3,752,890	\$ 3,724,458	\$ 5,136,900	\$ 5,806,134	\$ 5,689,014
<b>City's net pension liability as a percentage of covered payroll</b>	-122.83%	55.61%	32.89%	-67.45%	-56.68%	44.05%	41.94%	-11.20%

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
NORTH PORT FIREFIGHTERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS**

Reporting Period Ending Measurement Date	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Actuarially determined contributions	\$ 959,952	\$ 901,211	\$ 932,165	\$ 925,520	\$ 920,402	\$ 1,250,835	\$ 1,353,147	\$ 1,500,193
Contributions in relation to the actuarially determined contributions	959,952	901,211	932,166	925,521	901,310	1,269,928	1,353,147	1,500,193
	\$ -	\$ -	\$ (1)	\$ (1)	\$ 19,092	\$ (19,093)	\$ -	\$ -
Covered payroll	3,944,177	3,789,804	3,789,804	3,752,890	3,724,458	5,136,900	5,806,134	5,689,014
Contributions as a percentage of covered payroll	24.34%	23.78%	24.60%	24.66%	24.20%	24.72%	23.31%	26.37%

Valuation Date 10/1/2019

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:

Funding method Entry age normal actuarial cost method  
Amortization method New UAAL amortization are amortized over 15 years.  
Asset valuation method Each year, the prior actuarial value of assets is brought forward utilizing the historical geometric 4-year average market value return. It is possible that over time this technique will produce an insignificant bias above or below market value.  
Mortality *Healthy Active Lives:*  
Female: PubS.H-2010 for Employees, set forward one year.  
Male: PubS.H-2010 for Employees, set forward one year.  
*Healthy 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: PubS.H-2010 for Healthy Retirees.  
Male: PubS.H-2010 for Healthy Retirees, set back one year.  
*Disabled Lives :*  
Female: 80% PubG.H-2010 for Disabled Retirees/20% PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2008. We feel this assumption sufficiently accomodates future mortality improvements.

Salary increases	Service	Increase
	< 10 years	7.0%
	10-14 years	5.5%
	15-29 years	5.0%
	20+ years	4.5%

This assumption was adopted with the May 10, 2017 actuarial experience study.

Interest rate 7.00% per year compounded annually

(continued)

**CITY OF NORTH PORT, FLORIDA  
NORTH PORT FIREFIGHTERS' PENSION TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS**

Payroll growth 0.00% per year. This assumption is supported given that the Plan is closed to new hires.  
Post retirement COLA 3.00% from age 55 until 63

<u>Service</u>	<u>Age</u>	<u>Assumed Rate</u>
< 25 years	50-51	10.0%
	52-53	25.0%
	54-57	50.0%
	58+	100.0%
25+ years	50	5.0%
	51	50.0%
	52+	100.0%

Disability rates This assumption was adopted in conjunction with the May 10, 2017 actuarial experience study.  
Termination rates See table below. It is assumed that 75% of disablements are service related.  
See table below.

<u>Age</u>	<u>% Becoming Disabled During the Year</u>
20	0.03%
30	0.04%
40	0.07%
50	0.18%

<u>Service</u>	<u>Age</u>	<u>Assumed Rate</u>
<5	20-24	10.0%
	25-29	7.0%
	30-49	6.0%
	50-54	1.0%
	55+	0.1%
5+	20-44	6.0%
	45-49	5.0%
	50-54	1.0%
	55+	0.1%

This assumption was adopted with the May 10, 2017 actuarial experience study.

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
 NORTH PORT FIREFIGHTERS' PENSION TRUST FUND  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PENSION INVESTMENT RETURN**

	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expenses for the City's pension plan	19.22%	9.11%	3.75%	9.32%	10.78%	7.24%	1.09%	8.84%

**Notes to the Schedule:**

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

**CITY OF NORTH PORT, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS**

<b>Measurement Date</b>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
<b>Total OPEB liability</b>				
Service cost	\$ 270,402	\$ 201,821	\$ 250,464	\$ 238,046
Interest on total OPEB liability	99,267	130,588	125,181	106,492
Difference between expected and actual experience	-	(23,828)	-	-
Changes of assumptions and other inputs	(125,505)	808,143	19,198	57,988
Benefit payments	(234,264)	(197,694)	(175,788)	(152,898)
Other changes	-	90,206	567	21,985
<b>Net change in total OPEB liability</b>	<u>9,900</u>	<u>1,009,236</u>	<u>219,622</u>	<u>271,613</u>
<b>Total OPEB liability - beginning</b>	<u>4,755,787</u>	<u>3,746,551</u>	<u>3,526,929</u>	<u>3,255,316</u>
<b>Total OPEB liability - ending</b>	<u>\$ 4,765,687</u>	<u>\$ 4,755,787</u>	<u>\$ 3,746,551</u>	<u>\$ 3,526,929</u>
<b>Covered payroll</b>	\$ 34,930,762	\$ 34,930,762	\$ 31,678,389	\$ 31,678,389
<b>City's total OPEB liability as a percentage of covered payroll</b>	13.61%	13.61%	11.13%	11.13%

**Notes to the Schedule:**

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



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# **COMBINING & INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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This section includes financial statements and schedules which are not part of the basic financial statements, but are presented for purposes of additional analysis.

**CITY OF NORTH PORT, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

**Special Revenue**

	<b>Inspector Education</b>	<b>Florida Contraband Forfeiture</b>	<b>Police Education</b>	<b>Historical Preservation</b>
<b>ASSETS:</b>				
Cash and investments	\$ 336,470	\$ 431,679	\$ 19,711	\$ 2,006
Receivables (net of allowance for uncollectibles)	-	3,787	-	-
Due from other governments	-	11,100	1,417	-
Inventories	-	-	-	-
Total assets	<u>\$ 336,470</u>	<u>\$ 446,566</u>	<u>\$ 21,128</u>	<u>\$ 2,006</u>
<b>LIABILITIES:</b>				
Accounts payable	\$ 32,820	\$ 330	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Total liabilities	<u>32,820</u>	<u>330</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - other receivables	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES:</b>				
Nonspendable	-	-	-	-
Restricted	-	446,236	21,128	-
Committed	303,650	-	-	2,006
Total fund balances	<u>303,650</u>	<u>446,236</u>	<u>21,128</u>	<u>2,006</u>
Total liabilities and fund balances	<u>\$ 336,470</u>	<u>\$ 446,566</u>	<u>\$ 21,128</u>	<u>\$ 2,006</u>

**Special Revenue**

<b>Tree Replacement</b>	<b>Warm Mineral Springs</b>	<b>Building Department</b>	<b>Escheated Lots - Land &amp; Future Projects</b>	<b>Environmental Management</b>
\$ 1,527,341	\$ 2,855,836	\$ 7,345,795	\$ 643,243	\$ 326,369
6,250	1,217	-	-	-
-	-	16	-	-
-	-	-	-	-
<u>\$ 1,533,591</u>	<u>\$ 2,857,053</u>	<u>\$ 7,345,811</u>	<u>\$ 643,243</u>	<u>\$ 326,369</u>
\$ 713	\$ 69,908	\$ 43,959	\$ -	\$ 435
3,649	-	103,212	-	-
-	8,165	-	-	-
<u>4,362</u>	<u>78,073</u>	<u>147,171</u>	<u>-</u>	<u>435</u>
-	-	3	-	-
-	-	3	-	-
-	-	-	-	-
-	-	7,198,637	-	325,934
<u>1,529,229</u>	<u>2,778,980</u>	<u>-</u>	<u>643,243</u>	<u>-</u>
<u>1,529,229</u>	<u>2,778,980</u>	<u>7,198,637</u>	<u>643,243</u>	<u>325,934</u>
<u>\$ 1,533,591</u>	<u>\$ 2,857,053</u>	<u>\$ 7,345,811</u>	<u>\$ 643,243</u>	<u>\$ 326,369</u>

(continued)

**CITY OF NORTH PORT, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
	<u>Fleet Maintenance</u>	<u>Road Reconstruction Bond Debt Service</u>	<u>Law Enforcement Impact Fees</u>	<u>Fire Impact Fees</u>
<b>ASSETS:</b>				
Cash and investments	\$ 748,410	\$ 1,223,687	\$ 1,270,072	\$ 876,271
Receivables (net of allowance for uncollectibles)	2,845	-	-	-
Due from other governments	39,450	4,075	-	-
Inventories	81,599	-	-	-
Total assets	<u>\$ 872,304</u>	<u>\$ 1,227,762</u>	<u>\$ 1,270,072</u>	<u>\$ 876,271</u>
<b>LIABILITIES:</b>				
Accounts payable	\$ 143,874	\$ -	\$ -	\$ 46,537
Due to other funds	45,092	-	-	-
Due to other governments	-	-	-	-
Total liabilities	<u>188,966</u>	<u>-</u>	<u>-</u>	<u>46,537</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - other receivables	20,199	-	-	-
Total deferred inflows of resources	<u>20,199</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES:</b>				
Nonspendable	81,599	-	-	-
Restricted	-	1,227,762	1,270,072	829,734
Committed	581,540	-	-	-
Total fund balances	<u>663,139</u>	<u>1,227,762</u>	<u>1,270,072</u>	<u>829,734</u>
Total liabilities and fund balances	<u>\$ 872,304</u>	<u>\$ 1,227,762</u>	<u>\$ 1,270,072</u>	<u>\$ 876,271</u>

**Capital Projects**

<b>Parks and Recreation Impact Fees</b>	<b>Transportation Impact Fees</b>	<b>Solid Waste Impact Fees</b>	<b>General Government Impact Fees</b>	<b>Renewal &amp; Replacement - General Fund</b>
\$ 2,825,111	\$ 8,364,809	\$ 591,429	\$ 1,832,418	\$ 1,578,137
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 2,825,111</u>	<u>\$ 8,364,809</u>	<u>\$ 591,429</u>	<u>\$ 1,832,418</u>	<u>\$ 1,578,137</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	275,509	-	-	-
-	275,509	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,825,111	8,089,300	591,429	1,832,418	-
-	-	-	-	1,578,137
<u>2,825,111</u>	<u>8,089,300</u>	<u>591,429</u>	<u>1,832,418</u>	<u>1,578,137</u>
<u>\$ 2,825,111</u>	<u>\$ 8,364,809</u>	<u>\$ 591,429</u>	<u>\$ 1,832,418</u>	<u>\$ 1,578,137</u>

(continued)

**CITY OF NORTH PORT, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<b>Capital Projects</b>			
	<b>Renewal &amp; Replacement - Road &amp; Drainage District</b>	<b>Renewal &amp; Replacement - Fire Rescue District</b>	<b>Renewal &amp; Replacement - Solid Waste District</b>	<b>Renewal &amp; Replacement - Building Fund</b>
<b>ASSETS:</b>				
Cash and investments	\$ 2,212,533	\$ 3,856,545	\$ 3,195,853	\$ 275,210
Receivables (net of allowance for uncollectibles)	-	-	-	-
Due from other governments	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 2,212,533	\$ 3,856,545	\$ 3,195,853	\$ 275,210
<b>LIABILITIES:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Total liabilities	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - other receivables	-	-	-	-
Total deferred inflows of resources	-	-	-	-
<b>FUND BALANCES:</b>				
Nonspendable	-	-	-	-
Restricted	2,212,533	3,856,545	3,195,853	275,210
Committed	-	-	-	-
Total fund balances	2,212,533	3,856,545	3,195,853	275,210
Total liabilities and fund balances	\$ 2,212,533	\$ 3,856,545	\$ 3,195,853	\$ 275,210

**Capital Projects**

<b>Renewal &amp; Replacement - Fleet Management Fund</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 735,516	\$ 43,074,451
-	14,099
-	56,058
-	81,599
<u>\$ 735,516</u>	<u>\$ 43,226,207</u>
\$ -	\$ 338,576
-	151,953
-	283,674
<u>-</u>	<u>774,203</u>
-	20,202
<u>-</u>	<u>20,202</u>
-	81,599
-	34,197,902
735,516	8,152,301
<u>735,516</u>	<u>42,431,802</u>
<u>\$ 735,516</u>	<u>\$ 43,226,207</u>

**CITY OF NORTH PORT, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Special Revenue</b>			
	<b>Inspector Education</b>	<b>Florida Contraband Forfeiture</b>	<b>Police Education</b>	<b>Historical Preservation</b>
<b>REVENUES:</b>				
Permits, fees and special assessments	\$ 58,135	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	401,050	18,404	-
Investment income	781	478	57	6
Miscellaneous	-	-	-	-
Total revenues	58,916	401,528	18,461	6
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
Public safety	22,357	8,324	14,000	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	22,357	8,324	14,000	-
Excess (deficiency) of revenues over (under) expenditures	36,559	393,204	4,461	6
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	36,559	393,204	4,461	6
<b>Fund balances - beginning</b>	267,091	53,032	16,667	2,000
<b>Fund balances - ending</b>	\$ 303,650	\$ 446,236	\$ 21,128	\$ 2,006

**Special Revenue**

<u>Tree Replacement</u>	<u>Warm Mineral Springs</u>	<u>Building Department</u>	<u>Escheated Lots - Land &amp; Future Projects</u>	<u>Environmental Management</u>
\$ 340,780	\$ -	\$ 4,128,928	\$ -	\$ -
110	-	838	-	-
-	1,777,424	53,275	-	-
40,640	-	-	-	-
3,697	5,837	18,760	555	894
-	-	943	1,397	-
<u>385,227</u>	<u>1,783,261</u>	<u>4,202,744</u>	<u>1,952</u>	<u>894</u>
-	-	-	-	-
-	-	3,831,853	-	-
97,868	-	-	-	-
-	-	-	-	-
-	889,111	-	-	1,269
-	10,848	-	372,883	-
-	-	-	-	-
<u>97,868</u>	<u>899,959</u>	<u>3,831,853</u>	<u>372,883</u>	<u>1,269</u>
<u>287,359</u>	<u>883,302</u>	<u>370,891</u>	<u>(370,931)</u>	<u>(375)</u>
-	-	-	-	-
-	-	(40,000)	-	-
-	-	(40,000)	-	-
<u>287,359</u>	<u>883,302</u>	<u>330,891</u>	<u>(370,931)</u>	<u>(375)</u>
<u>1,241,870</u>	<u>1,895,678</u>	<u>6,867,746</u>	<u>1,014,174</u>	<u>326,309</u>
<u>\$ 1,529,229</u>	<u>\$ 2,778,980</u>	<u>\$ 7,198,637</u>	<u>\$ 643,243</u>	<u>\$ 325,934</u>

(continued)

**CITY OF NORTH PORT, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
	<u>Fleet Maintenance</u>	<u>Road Reconstruction Bond Debt Service</u>	<u>Law Enforcement Impact Fees</u>	<u>Fire Impact Fees</u>
<b>REVENUES:</b>				
Permits, fees and special assessments	\$ -	\$ 3,068,349	\$ 493,578	\$ 608,299
Intergovernmental	-	-	-	-
Charges for services	5,491,449	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	723	4,477	3,133	4,427
Miscellaneous	3,245	-	-	-
Total revenues	<u>5,495,417</u>	<u>3,072,826</u>	<u>496,711</u>	<u>612,726</u>
<b>EXPENDITURES:</b>				
Current:				
General government	5,084,966	-	-	-
Public safety	-	-	-	30,283
Physical environment	-	-	-	-
Transportation	-	32,140	-	-
Culture and recreation	-	-	-	-
Capital outlay	32,698	-	191,753	877,626
Debt service	-	2,638,817	-	-
Total expenditures	<u>5,117,664</u>	<u>2,670,957</u>	<u>191,753</u>	<u>907,909</u>
Excess (deficiency) of revenues over (under) expenditures	<u>377,753</u>	<u>401,869</u>	<u>304,958</u>	<u>(295,183)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	(50,000)	-	(225,653)	(387,455)
Total other financing sources (uses)	<u>(50,000)</u>	<u>-</u>	<u>(225,653)</u>	<u>(387,455)</u>
Net change in fund balances	327,753	401,869	79,305	(682,638)
<b>Fund balances - beginning</b>	<u>335,386</u>	<u>825,893</u>	<u>1,190,767</u>	<u>1,512,372</u>
<b>Fund balances - ending</b>	<u>\$ 663,139</u>	<u>\$ 1,227,762</u>	<u>\$ 1,270,072</u>	<u>\$ 829,734</u>

**Capital Projects**

<b>Parks and Recreation Impact Fees</b>	<b>Transportation Impact Fees</b>	<b>Solid Waste Impact Fees</b>	<b>General Government Impact Fees</b>	<b>Renewal &amp; Replacement - General Fund</b>
\$ 1,474,894	\$ 5,934,120	\$ 378,139	\$ 542,793	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
6,156	27,494	1,522	3,985	3,674
-	-	396	-	-
<u>1,481,050</u>	<u>5,961,614</u>	<u>380,057</u>	<u>546,778</u>	<u>3,674</u>
-	-	-	-	-
-	-	-	-	-
-	-	6,348	-	-
-	6,587,293	-	-	-
151,409	-	-	-	-
198,170	6,177	288,627	-	169,079
-	-	-	-	-
<u>349,579</u>	<u>6,593,470</u>	<u>294,975</u>	<u>-</u>	<u>169,079</u>
<u>1,131,471</u>	<u>(631,856)</u>	<u>85,082</u>	<u>546,778</u>	<u>(165,405)</u>
-	-	-	-	605,500
-	-	-	-	-
-	-	-	-	<u>605,500</u>
1,131,471	(631,856)	85,082	546,778	440,095
<u>1,693,640</u>	<u>8,721,156</u>	<u>506,347</u>	<u>1,285,640</u>	<u>1,138,042</u>
<u>\$ 2,825,111</u>	<u>\$ 8,089,300</u>	<u>\$ 591,429</u>	<u>\$ 1,832,418</u>	<u>\$ 1,578,137</u>

(continued)

**CITY OF NORTH PORT, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Capital Projects**

	<b>Renewal &amp; Replacement - Road &amp; Drainage District</b>	<b>Renewal &amp; Replacement - Fire Rescue District</b>	<b>Renewal &amp; Replacement - Solid Waste District</b>	<b>Renewal &amp; Replacement - Building Fund</b>
<b>REVENUES:</b>				
Permits, fees and special assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	6,236	7,758	12,530	684
Miscellaneous	-	-	-	-
Total revenues	<u>6,236</u>	<u>7,758</u>	<u>12,530</u>	<u>684</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	4,612	-
Transportation	65	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	690,771	-	2,217,030	-
Debt service	-	-	-	-
Total expenditures	<u>690,836</u>	<u>-</u>	<u>2,221,642</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(684,600)</u>	<u>7,758</u>	<u>(2,209,112)</u>	<u>684</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	850,000	1,615,000	486,130	40,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>850,000</u>	<u>1,615,000</u>	<u>486,130</u>	<u>40,000</u>
Net change in fund balances	165,400	1,622,758	(1,722,982)	40,684
<b>Fund balances - beginning</b>	<u>2,047,133</u>	<u>2,233,787</u>	<u>4,918,835</u>	<u>234,526</u>
<b>Fund balances - ending</b>	<u>\$ 2,212,533</u>	<u>\$ 3,856,545</u>	<u>\$ 3,195,853</u>	<u>\$ 275,210</u>

**Capital Projects**

<b>Renewal &amp; Replacement - Fleet Management Fund</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ 17,028,015
-	948
-	7,322,148
-	460,094
1,926	115,790
-	5,981
<u>1,926</u>	<u>24,932,976</u>
-	5,084,966
-	3,906,817
-	108,828
-	6,619,498
-	1,041,789
-	5,055,662
-	2,638,817
<u>-</u>	<u>24,456,377</u>
<u>1,926</u>	<u>476,599</u>
50,000	3,646,630
-	(703,108)
<u>50,000</u>	<u>2,943,522</u>
51,926	3,420,121
<u>683,590</u>	<u>39,011,681</u>
<u>\$ 735,516</u>	<u>\$ 42,431,802</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 INSPECTOR EDUCATION SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 87,110	\$ 87,110	\$ 58,135	\$ (28,975)
Investment income	5,000	5,000	781	(4,219)
Total revenues	<u>92,110</u>	<u>92,110</u>	<u>58,916</u>	<u>(33,194)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>41,820</u>	<u>41,820</u>	<u>22,357</u>	<u>19,463</u>
Total expenditures	<u>41,820</u>	<u>41,820</u>	<u>22,357</u>	<u>19,463</u>
Net change in fund balances	50,290	50,290	36,559	(13,731)
<b>Fund balances - beginning</b>	<u>267,091</u>	<u>267,091</u>	<u>267,091</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 317,381</u>	<u>\$ 317,381</u>	<u>\$ 303,650</u>	<u>\$ (13,731)</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 FLORIDA CONTRABAND FORFEITURE SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Fines and forfeitures	\$ -	\$ -	\$ 401,050	\$ 401,050
Investment income	1,000	1,000	478	(522)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>401,528</u>	<u>400,528</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>17,960</u>	<u>17,960</u>	<u>8,324</u>	<u>9,636</u>
Total expenditures	<u>17,960</u>	<u>17,960</u>	<u>8,324</u>	<u>9,636</u>
Net change in fund balances	(16,960)	(16,960)	393,204	410,164
<b>Fund balances - beginning</b>	<u>53,032</u>	<u>53,032</u>	<u>53,032</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 36,072</u>	<u>\$ 36,072</u>	<u>\$ 446,236</u>	<u>\$ 410,164</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 POLICE EDUCATION SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Fines and forfeitures	\$ 9,000	\$ 9,000	\$ 18,404	\$ 9,404
Investment income	500	500	57	(443)
Total revenues	<u>9,500</u>	<u>9,500</u>	<u>18,461</u>	<u>8,961</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
Total expenditures	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
Net change in fund balances	(4,500)	(4,500)	4,461	8,961
<b>Fund balances - beginning</b>	<u>16,667</u>	<u>16,667</u>	<u>16,667</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 12,167</u>	<u>\$ 12,167</u>	<u>\$ 21,128</u>	<u>\$ 8,961</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 HISTORICAL PRESERVATION SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ -	\$ -	\$ 6	\$ 6
Total revenues	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>
Net change in fund balances	-	-	6	6
<b>Fund balances - beginning</b>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,006</u>	<u>\$ 6</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 TREE REPLACEMENT SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 151,500	\$ 151,500	\$ 340,780	\$ 189,280
Intergovernmental	-	-	110	110
Fines and forfeitures	-	-	40,640	40,640
Investment income	34,000	34,000	3,697	(30,303)
Total revenues	<u>185,500</u>	<u>185,500</u>	<u>385,227</u>	<u>199,727</u>
<b>EXPENDITURES</b>				
Current:				
Physical environment	<u>118,260</u>	<u>118,260</u>	<u>97,868</u>	<u>20,392</u>
Total expenditures	<u>118,260</u>	<u>118,260</u>	<u>97,868</u>	<u>20,392</u>
Net change in fund balances	67,240	67,240	287,359	220,119
<b>Fund balances - beginning</b>	<u>1,241,870</u>	<u>1,241,870</u>	<u>1,241,870</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 1,309,110</u>	<u>\$ 1,309,110</u>	<u>\$ 1,529,229</u>	<u>\$ 220,119</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 WARM MINERAL SPRINGS SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Charges for services	\$ 1,281,050	\$ 1,281,050	\$ 1,777,424	\$ 496,374
Investment income	40,000	40,000	5,837	(34,163)
Total revenues	<u>1,321,050</u>	<u>1,321,050</u>	<u>1,783,261</u>	<u>462,211</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	902,060	1,142,211	889,111	253,100
Capital outlay	-	2,074,351	10,848	2,063,503
Total expenditures	<u>902,060</u>	<u>3,216,562</u>	<u>899,959</u>	<u>2,316,603</u>
Net change in fund balances	418,990	(1,895,512)	883,302	2,778,814
<b>Fund balances - beginning</b>	<u>1,895,678</u>	<u>1,895,678</u>	<u>1,895,678</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 2,314,668</u>	<u>\$ 166</u>	<u>\$ 2,778,980</u>	<u>\$ 2,778,814</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
BUILDING DEPARTMENT SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 3,247,660	\$ 3,247,660	\$ 4,128,928	\$ 881,268
Intergovernmental	-	-	838	838
Charges for services	40,600	40,600	53,275	12,675
Investment income	100,000	100,000	18,760	(81,240)
Miscellaneous	2,000	2,000	943	(1,057)
Total revenues	<u>3,390,260</u>	<u>3,390,260</u>	<u>4,202,744</u>	<u>812,484</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	4,094,540	4,165,157	3,831,853	333,304
Capital outlay	69,130	2,610,831	-	2,610,831
Total expenditures	<u>4,163,670</u>	<u>6,775,988</u>	<u>3,831,853</u>	<u>2,944,135</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(773,410)</u>	<u>(3,385,728)</u>	<u>370,891</u>	<u>3,756,619</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(40,000)	(40,000)	(40,000)	-
Total other financing sources (uses)	<u>(40,000)</u>	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>
Net change in fund balances	(813,410)	(3,425,728)	330,891	3,756,619
<b>Fund balances - beginning</b>	<u>6,867,746</u>	<u>6,867,746</u>	<u>6,867,746</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 6,054,336</u>	<u>\$ 3,442,018</u>	<u>\$ 7,198,637</u>	<u>\$ 3,756,619</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 ESCHEATED LOTS - LAND AND FUTURE PROJECTS SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ -	\$ -	\$ 555	\$ 555
Miscellaneous	-	-	1,397	1,397
Total revenues	-	-	1,952	1,952
<b>EXPENDITURES</b>				
Current:				
Capital outlay	-	974,935	372,883	602,052
Total expenditures	-	974,935	372,883	602,052
Net change in fund balances	-	(974,935)	(370,931)	604,004
<b>Fund balances - beginning</b>	1,014,174	1,014,174	1,014,174	-
<b>Fund balances - ending</b>	\$ 1,014,174	\$ 39,239	\$ 643,243	\$ 604,004

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 ENVIRONMENTAL MANAGEMENT SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 15,000	\$ 15,000	\$ 894	\$ (14,106)
Total revenues	15,000	15,000	894	(14,106)
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	-	19,715	1,269	18,446
Capital outlay	-	266,058	-	266,058
Total expenditures	-	285,773	1,269	284,504
Net change in fund balances	15,000	(270,773)	(375)	270,398
<b>Fund balances - beginning</b>	326,309	326,309	326,309	-
<b>Fund balances - ending</b>	\$ 341,309	\$ 55,536	\$ 325,934	\$ 270,398

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
FLEET MANAGEMENT SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Charges for services	\$ 5,959,050	\$ 5,959,050	\$ 5,491,449	\$ (467,601)
Investment income	6,000	6,000	723	(5,277)
Miscellaneous	-	-	3,245	3,245
Total revenues	<u>5,965,050</u>	<u>5,965,050</u>	<u>5,495,417</u>	<u>(469,633)</u>
<b>EXPENDITURES</b>				
Current:				
General government	5,858,500	5,924,603	5,084,966	839,637
Capital outlay	<u>56,000</u>	<u>58,898</u>	<u>32,698</u>	<u>26,200</u>
Total expenditures	<u>5,914,500</u>	<u>5,983,501</u>	<u>5,117,664</u>	<u>865,837</u>
Excess (deficiency) of revenues over (under) expenditures	<u>50,550</u>	<u>(18,451)</u>	<u>377,753</u>	<u>396,204</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balances	550	(68,451)	327,753	396,204
<b>Fund balances - beginning</b>	<u>335,386</u>	<u>335,386</u>	<u>335,386</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 335,936</u>	<u>\$ 266,935</u>	<u>\$ 663,139</u>	<u>\$ 396,204</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 ROAD RECONSTRUCTION BOND DEBT SERVICE FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Permits and special assessments	\$ 3,009,610	\$ 3,009,610	\$ 3,068,349	\$ 58,739
Investment income	80,000	80,000	4,477	(75,523)
Total revenues	<u>3,089,610</u>	<u>3,089,610</u>	<u>3,072,826</u>	<u>(16,784)</u>
<b>EXPENDITURES</b>				
Current:				
Transportation	40,000	40,000	32,140	7,860
Debt service	2,638,820	2,638,820	2,638,817	3
Total expenditures	<u>2,678,820</u>	<u>2,678,820</u>	<u>2,670,957</u>	<u>7,863</u>
Net change in fund balances	410,790	410,790	401,869	(8,921)
<b>Fund balances - beginning</b>	<u>825,893</u>	<u>825,893</u>	<u>825,893</u>	<u>-</u>
<b>Fund balances - ending</b>	<u><u>\$ 1,236,683</u></u>	<u><u>\$ 1,236,683</u></u>	<u><u>\$ 1,227,762</u></u>	<u><u>\$ (8,921)</u></u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
LAW ENFORCEMENT IMPACT FEES CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 496,570	\$ 496,570	\$ 493,578	\$ (2,992)
Investment income	25,000	25,000	3,133	(21,867)
Total revenues	<u>521,570</u>	<u>521,570</u>	<u>496,711</u>	<u>(24,859)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	-	4,254	-	4,254
Capital outlay	-	348,226	191,753	156,473
Total expenditures	<u>-</u>	<u>352,480</u>	<u>191,753</u>	<u>160,727</u>
Excess of revenues over expenditures	<u>521,570</u>	<u>169,090</u>	<u>304,958</u>	<u>135,868</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers out	(225,650)	(225,650)	(225,653)	(3)
Total other financing sources	<u>(225,650)</u>	<u>(225,650)</u>	<u>(225,653)</u>	<u>(3)</u>
Net change in fund balances	295,920	(56,560)	79,305	135,865
<b>Fund balances - beginning</b>	<u>1,190,767</u>	<u>1,190,767</u>	<u>1,190,767</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 1,486,687</u>	<u>\$ 1,134,207</u>	<u>\$ 1,270,072</u>	<u>\$ 135,865</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
FIRE IMPACT FEES CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 623,870	\$ 623,870	\$ 608,299	\$ (15,571)
Investment income	35,000	35,000	4,427	(30,573)
Total revenues	658,870	658,870	612,726	(46,144)
<b>EXPENDITURES</b>				
Current:				
Public Safety	-	31,000	30,283	717
Capital outlay	1,266,600	1,235,600	877,626	357,974
Total expenditures	1,266,600	1,266,600	907,909	358,691
Excess (deficiency) of revenues over (under) expenditures	(607,730)	(607,730)	(295,183)	312,547
<b>OTHER FINANCING SOURCES:</b>				
Transfers out	(387,450)	(387,450)	(387,455)	(5)
Total other financing sources	(387,450)	(387,450)	(387,455)	(5)
Net change in fund balances	(995,180)	(995,180)	(682,638)	312,542
<b>Fund balances - beginning</b>	1,512,372	1,512,372	1,512,372	-
<b>Fund balances - ending</b>	\$ 517,192	\$ 517,192	\$ 829,734	\$ 312,542

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 PARKS AND RECREATION IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 1,536,700	\$ 1,536,700	\$ 1,474,894	\$ (61,806)
Investment income	1,000	1,000	6,156	5,156
Total revenues	1,537,700	1,537,700	1,481,050	(56,650)
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	-	271,453	151,409	120,044
Capital outlay	443,650	1,926,317	198,170	1,728,147
Total expenditures	443,650	2,197,770	349,579	1,848,191
Net change in fund balances	1,094,050	(660,070)	1,131,471	1,791,541
<b>Fund balances - beginning</b>	1,693,640	1,693,640	1,693,640	-
<b>Fund balances - ending</b>	\$ 2,787,690	\$ 1,033,570	\$ 2,825,111	\$ 1,791,541

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 TRANSPORTATION IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 6,143,390	\$ 6,143,390	\$ 5,934,120	\$ (209,270)
Investment income	140,000	140,000	27,494	(112,506)
Total revenues	<u>6,283,390</u>	<u>6,283,390</u>	<u>5,961,614</u>	<u>(321,776)</u>
<b>EXPENDITURES</b>				
Current:				
Transportation	880,850	6,311,784	6,311,784	-
Capital outlay	-	2,409,280	6,177	2,403,103
Total expenditures	<u>880,850</u>	<u>8,721,064</u>	<u>6,317,961</u>	<u>2,403,103</u>
Net change in fund balances	5,402,540	(2,437,674)	(356,347)	2,081,327
<b>Fund balances - beginning</b>	<u>8,721,156</u>	<u>8,721,156</u>	<u>8,721,156</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 14,123,696</u>	<u>\$ 6,283,482</u>	<u>\$ 8,364,809</u>	<u>\$ 2,081,327</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 SOLID WASTE IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Permits and special assessments	\$ 387,660	\$ 387,660	\$ 378,139	\$ (9,521)
Investment income	6,000	6,000	1,522	(4,478)
Miscellaneous	-	-	396	396
Total revenues	393,660	393,660	380,057	(13,603)
<b>EXPENDITURES</b>				
Current:				
Physical environment	15,000	15,000	6,348	8,652
Capital outlay	294,500	294,500	288,627	5,873
Total expenditures	309,500	309,500	294,975	14,525
Net change in fund balances	84,160	84,160	85,082	922
<b>Fund balances - beginning</b>	506,347	506,347	506,347	-
<b>Fund balances - ending</b>	\$ 590,507	\$ 590,507	\$ 591,429	\$ 922

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL GOVERNMENT IMPACT FEES CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Permits, fees and special assessments	\$ 566,990	\$ 566,990	\$ 542,793	\$ (24,197)
Investment income	20,000	20,000	3,985	(16,015)
Total revenues	<u>586,990</u>	<u>586,990</u>	<u>546,778</u>	<u>(40,212)</u>
<b>EXPENDITURES</b>				
Capital outlay	60,000	120,000	-	120,000
Total expenditures	<u>60,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>
Net change in fund balances	526,990	466,990	546,778	79,788
<b>Fund balances - beginning</b>	<u>1,285,640</u>	<u>1,285,640</u>	<u>1,285,640</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 1,812,630</u>	<u>\$ 1,752,630</u>	<u>\$ 1,832,418</u>	<u>\$ 79,788</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
SURTAX CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Local option sales taxes	\$ 9,704,500	\$ 9,704,500	\$ 13,137,051	\$ 3,432,551
Intergovernmental	-	-	50,833	50,833
Charges for services	-	-	86,844	86,844
Investment income	800,000	800,000	83,252	(716,748)
Miscellaneous	-	-	55,456	55,456
Total revenues	<u>10,504,500</u>	<u>10,504,500</u>	<u>13,413,436</u>	<u>2,908,936</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	12,626	(12,626)
Public safety	80,000	161,309	22,928	138,381
Transportation	2,582,000	4,524,796	177,903	4,346,893
Culture and recreation	-	122,359	58,651	63,708
Capital outlay	<u>11,016,970</u>	<u>31,606,218</u>	<u>6,417,109</u>	<u>25,189,109</u>
Total expenditures	<u>13,678,970</u>	<u>36,414,682</u>	<u>6,689,217</u>	<u>29,725,465</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,174,470)</u>	<u>(25,910,182)</u>	<u>6,724,219</u>	<u>32,634,401</u>
Net change in fund balances	(3,174,470)	(25,910,182)	6,724,219	32,634,401
<b>Fund balances - beginning</b>	<u>28,944,208</u>	<u>28,944,208</u>	<u>28,944,208</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 25,769,738</u>	<u>\$ 3,034,026</u>	<u>\$ 35,668,427</u>	<u>\$ 32,634,401</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 RENEWAL AND REPLACEMENT - GENERAL FUND CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 25,000	\$ 25,000	\$ 3,674	\$ (21,326)
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>3,674</u>	<u>(21,326)</u>
<b>EXPENDITURES</b>				
Capital outlay	170,000	295,000	169,079	125,921
Total expenditures	<u>170,000</u>	<u>295,000</u>	<u>169,079</u>	<u>125,921</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(145,000)</u>	<u>(270,000)</u>	<u>(165,405)</u>	<u>104,595</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	605,500	605,500	605,500	-
Total other financing sources (uses)	<u>605,500</u>	<u>605,500</u>	<u>605,500</u>	<u>-</u>
Net change in fund balances	460,500	335,500	440,095	104,595
<b>Fund balances - beginning</b>	<u>1,138,042</u>	<u>1,138,042</u>	<u>1,138,042</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 1,598,542</u>	<u>\$ 1,473,542</u>	<u>\$ 1,578,137</u>	<u>\$ 104,595</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 RENEWAL AND REPLACEMENT - ROAD AND DRAINAGE DISTRICT CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 50,000	\$ 50,000	\$ 6,236	\$ (43,764)
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>6,236</u>	<u>(43,764)</u>
<b>EXPENDITURES</b>				
Current:				
Transportation	-	65	65	-
Capital outlay	<u>422,400</u>	<u>779,063</u>	<u>690,771</u>	<u>88,292</u>
Total expenditures	<u>422,400</u>	<u>779,128</u>	<u>690,836</u>	<u>88,292</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(372,400)</u>	<u>(729,128)</u>	<u>(684,600)</u>	<u>44,528</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>850,000</u>	<u>850,000</u>	<u>850,000</u>	<u>-</u>
Total other financing sources (uses)	<u>850,000</u>	<u>850,000</u>	<u>850,000</u>	<u>-</u>
Net change in fund balances	477,600	120,872	165,400	44,528
<b>Fund balances - beginning</b>	<u>2,047,133</u>	<u>2,047,133</u>	<u>2,047,133</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 2,524,733</u>	<u>\$ 2,168,005</u>	<u>\$ 2,212,533</u>	<u>\$ 44,528</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
RENEWAL AND REPLACEMENT - FIRE RESCUE DISTRICT CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 40,000	\$ 40,000	\$ 7,758	\$ (32,242)
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>7,758</u>	<u>(32,242)</u>
<b>EXPENDITURES</b>				
Current:				
Capital outlay	300,000	488,665	-	488,665
Total expenditures	<u>300,000</u>	<u>488,665</u>	<u>-</u>	<u>488,665</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(260,000)</u>	<u>(448,665)</u>	<u>7,758</u>	<u>456,423</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,615,000	1,615,000	1,615,000	-
Total other financing sources (uses)	<u>1,615,000</u>	<u>1,615,000</u>	<u>1,615,000</u>	<u>-</u>
Net change in fund balances	1,355,000	1,166,335	1,622,758	456,423
<b>Fund balances - beginning</b>	<u>2,233,787</u>	<u>2,233,787</u>	<u>2,233,787</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 3,588,787</u>	<u>\$ 3,400,122</u>	<u>\$ 3,856,545</u>	<u>\$ 456,423</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGETARY COMPARISON SCHEDULE  
RENEWAL AND REPLACEMENT - SOLID WASTE DISTRICT CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Investment income	\$ 100,000	\$ 100,000	\$ 12,530	\$ (87,470)
Total revenues	100,000	100,000	12,530	(87,470)
<b>EXPENDITURES</b>				
Current:				
Physical environment	-	4,612	4,612	-
Capital outlay	1,835,400	3,839,819	2,217,030	1,622,789
Total expenditures	1,835,400	3,844,431	2,221,642	1,622,789
Excess (deficiency) of revenues over (under) expenditures	(1,735,400)	(3,744,431)	(2,209,112)	1,535,319
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	486,130	486,130	486,130	-
Total other financing sources (uses)	486,130	486,130	486,130	-
Net change in fund balances	(1,249,270)	(3,258,301)	(1,722,982)	1,535,319
<b>Fund balances - beginning</b>	4,918,835	4,918,835	4,918,835	-
<b>Fund balances - ending</b>	\$ 3,669,565	\$ 1,660,534	\$ 3,195,853	\$ 1,535,319

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 RENEWAL AND REPLACEMENT - BUILDING FUND CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 5,000	\$ 5,000	\$ 684	\$ (4,316)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>684</u>	<u>(4,316)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	40,000	40,000	40,000	-
Total other financing sources (uses)	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Net change in fund balances	45,000	45,000	40,684	(4,316)
<b>Fund balances - beginning</b>	<u>234,526</u>	<u>234,526</u>	<u>234,526</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 279,526</u>	<u>\$ 279,526</u>	<u>\$ 275,210</u>	<u>\$ (4,316)</u>

**CITY OF NORTH PORT, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 RENEWAL AND REPLACEMENT - FLEET MANAGEMENT FUND CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ 17,000	\$ 17,000	\$ 1,926	\$ (15,074)
Total revenues	<u>17,000</u>	<u>17,000</u>	<u>1,926</u>	<u>(15,074)</u>
<b>EXPENDITURES</b>				
Capital outlay	8,250	8,250	-	8,250
Total expenditures	<u>8,250</u>	<u>8,250</u>	<u>-</u>	<u>8,250</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,750</u>	<u>8,750</u>	<u>1,926</u>	<u>(6,824)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,000	50,000	50,000	-
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balances	58,750	58,750	51,926	(6,824)
<b>Fund balances - beginning</b>	<u>683,590</u>	<u>683,590</u>	<u>683,590</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 742,340</u>	<u>\$ 742,340</u>	<u>\$ 735,516</u>	<u>\$ (6,824)</u>



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# INTERNAL SERVICE FUNDS

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Internal service funds are used to account for the financing of goods or services provided by one department or fund to other departments or funds of the government on a cost reimbursement basis.

**SELF-INSURANCE RISK FUND** - This fund is used to account for the self-insurance cost of providing coverage for workers' compensation, vehicle, and general liability.

**SELF-INSURANCE MEDICAL FUND** - This fund is used to account for the provision of medical benefits to City employees and their dependents through the City's self-insurance program.

**CITY OF NORTH PORT, FLORIDA  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS  
 SEPTEMBER 30, 2021**

	<b>Internal Service Funds</b>		
	<b>Self Insurance - Risk</b>	<b>Self Insurance - Medical</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 809,218	\$ 4,067,925	\$ 4,877,143
Accounts receivable	6,667	1,237	7,904
<b>Total assets</b>	815,885	4,069,162	4,885,047
<b>LIABILITIES</b>			
Liability for unpaid claims	1,390,418	516,428	1,906,846
<b>Total liabilities</b>	1,390,418	516,428	1,906,846
<b>NET POSITION</b>			
Unrestricted	(574,533)	3,552,734	2,978,201
<b>Total net position</b>	\$ (574,533)	\$ 3,552,734	\$ 2,978,201

**CITY OF NORTH PORT, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<b>Internal Service Funds</b>		<b>Total</b>
	<b>Self Insurance - Risk</b>	<b>Self Insurance - Medical</b>	
<b>OPERATING REVENUES</b>			
Charges for services:			
Self-insurance fees	\$ 1,942,270	\$ 9,583,260	\$ 11,525,530
Miscellaneous	67,753	221,243	288,996
Total operating revenues	<u>2,010,023</u>	<u>9,804,503</u>	<u>11,814,526</u>
<b>OPERATING EXPENSES</b>			
General and administrative	<u>2,148,623</u>	<u>8,188,441</u>	<u>10,337,064</u>
Total operating expenses	<u>2,148,623</u>	<u>8,188,441</u>	<u>10,337,064</u>
Operating income (loss)	<u>(138,600)</u>	<u>1,616,062</u>	<u>1,477,462</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	408	6,659	7,067
Gain/loss on asset disposals	<u>9,900</u>	<u>-</u>	<u>9,900</u>
Total nonoperating revenues	<u>10,308</u>	<u>6,659</u>	<u>16,967</u>
Change in net position	(128,292)	1,622,721	1,494,429
<b>NET POSITION (DEFICIT) - BEGINNING OF YEAR</b>	<u>(446,241)</u>	<u>1,930,013</u>	<u>1,483,772</u>
<b>NET POSITION (DEFICIT) - END OF YEAR</b>	<u>\$ (574,533)</u>	<u>\$ 3,552,734</u>	<u>\$ 2,978,201</u>

**CITY OF NORTH PORT, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED SEPTEMBER 30, 2021**

	<b>Internal Service Funds</b>		
	<b>Self Insurance - Risk</b>	<b>Self Insurance - Medical</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 2,019,243	\$ 9,584,925	\$ 11,604,168
Payments to vendors for goods and services	(1,029,832)	(2,026,849)	(3,056,681)
Claims paid	(912,104)	(6,134,196)	(7,046,300)
Net cash provided by operating activities	<u>77,307</u>	<u>1,423,880</u>	<u>1,501,187</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from sale of capital assets	<u>9,900</u>	<u>-</u>	<u>9,900</u>
Net cash provided by capital and related financing activities	<u>9,900</u>	<u>-</u>	<u>9,900</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income received	<u>408</u>	<u>6,659</u>	<u>7,067</u>
Net cash provided by investing activities	<u>408</u>	<u>6,659</u>	<u>7,067</u>
Net change in cash and cash equivalents	87,615	1,430,539	1,518,154
Cash and cash equivalents, October 1	<u>721,603</u>	<u>2,416,143</u>	<u>3,137,746</u>
Cash and cash equivalents, September 30	<u>\$ 809,218</u>	<u>\$ 3,846,682</u>	<u>\$ 4,655,900</u>
<b>Classified as:</b>			
Current assets	<u>\$ 809,218</u>	<u>\$ 4,067,925</u>	<u>\$ 4,877,143</u>
<b>Total</b>	<u>\$ 809,218</u>	<u>\$ 4,067,925</u>	<u>\$ 4,877,143</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	<u>\$ (138,600)</u>	<u>\$ 1,616,062</u>	<u>\$ 1,477,462</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Decrease in accounts receivable	9,220	1,665	10,885
Increase in accounts payable	-	35	35
Increase in claims payable	206,687	27,361	234,048
Total adjustments	<u>215,907</u>	<u>29,061</u>	<u>244,968</u>
Net cash provided by operating activities	<u>\$ 77,307</u>	<u>\$ 1,645,123</u>	<u>\$ 1,722,430</u>

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# FIDUCIARY FUNDS

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## ***PENSION TRUST FUNDS***

Trust funds are used to administer resources reserved and held by a governmental unit in a trustee capacity. Use of these trust funds facilitates the discharge of responsibilities placed upon the governmental unit by virtue of law or other authority.

**POLICE OFFICERS' PENSION TRUST FUND** - This fund is used to account for the accumulation of resources for pension benefit payments to participants of the City's Municipal Police Officers' Pension Plan.

**FIREFIGHTERS' PENSION TRUST FUND** - This fund is used to account for the accumulation of resources for pension benefit payments to participants of the City's Municipal Firefighters' Pension Plan.

## ***CUSTODIAL FUNDS***

Custodial funds are used to account for assets held by the government as an agent for individuals, private organizations and/or other governmental units. They are custodial in nature and do not involve the measurement of results of operations.

**COUNTY ROAD IMPACT FEES FUND** - This fund is used to account for county road impact fees collected for and disbursed to Sarasota County.

**EDUCATION IMPACT FEES FUND** - This fund is used to account for education impact fees collected for and disbursed to the Sarasota County School Board.

**COUNTY JUSTICE IMPACT FEES FUND** - This fund is used to account for county justice impact fees collected for and disbursed to Sarasota County.

**COUNTY GENERAL GOVERNMENT IMPACT FEES FUND** - This fund is used to account for county general government impact fees collected for and disbursed to Sarasota County.

**CITY OF NORTH PORT, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**SEPTEMBER 30, 2021**

	<b>Pension Trust Funds</b>		
	<b>Police Officers' Pension Trust Fund</b>	<b>Firefighters' Pension Trust Fund</b>	<b>Totals</b>
<b>ASSETS</b>			
Cash and equivalents	\$ 1,279,628	\$ 378,077	\$ 1,657,705
Receivables:			
Interest and dividends receivable	42,171	-	42,171
Total receivables	42,171	-	42,171
Investments, at fair market value:			
Equity securities	40,380,735	38,600,845	78,981,580
Fixed income mutual funds	17,052,743	20,433,039	37,485,782
Commingled real estate funds	4,478,422	6,052,894	10,531,316
International equity securities	225,363	-	225,363
Total investments, at fair value	62,137,263	65,086,778	127,224,041
Total assets	63,459,062	65,464,855	128,923,917
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	43,804	39,074	82,878
Due to broker	-	20,892	20,892
Total liabilities	43,804	59,966	103,770
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<b>\$ 63,415,258</b>	<b>\$ 65,404,889</b>	<b>\$ 128,820,147</b>

**CITY OF NORTH PORT, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Pension Trust Funds</b>		
	<b>Police Officers' Pension Trust Fund</b>	<b>Firefighters' Pension Trust Fund</b>	<b>Totals</b>
<b>ADDITIONS</b>			
Contributions:			
Plan members	\$ 487,334	\$ 418,083	\$ 905,417
State of Florida	540,760	494,296	1,035,056
City of North Port	1,671,015	709,952	2,380,967
Total contributions	<u>2,699,109</u>	<u>1,622,331</u>	<u>4,321,440</u>
Investment income:			
Net change in fair value of investments	10,175,715	8,312,072	18,487,787
Interest and dividends	1,276,638	2,354,113	3,630,751
Investment income	11,452,353	10,666,185	22,118,538
Less investment expenses	<u>(135,373)</u>	<u>(119,789)</u>	<u>(255,162)</u>
Net investment income	<u>11,316,980</u>	<u>10,546,396</u>	<u>21,863,376</u>
Total additions	<u>14,016,089</u>	<u>12,168,727</u>	<u>26,184,816</u>
<b>DEDUCTIONS</b>			
Benefits to participants	2,512,541	1,870,358	4,382,899
Share account distributions	-	253,792	253,792
Administrative expenses	87,890	73,156	161,046
Refunds of participant contributions	<u>-</u>	<u>1,337</u>	<u>1,337</u>
Total deductions	<u>2,600,431</u>	<u>2,198,643</u>	<u>4,799,074</u>
<b>NET INCREASE</b>	11,415,658	9,970,084	21,385,742
<b>NET POSITION - BEGINNING</b>	<u>51,999,600</u>	<u>55,434,805</u>	<u>107,434,405</u>
<b>NET POSITION - ENDING</b>	<u>\$ 63,415,258</u>	<u>\$ 65,404,889</u>	<u>\$ 128,820,147</u>

**CITY OF NORTH PORT, FLORIDA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 SEPTEMBER 30, 2021**

	<b>Custodial Funds</b>				
	<b>County Road Impact Fees Custodial Fund</b>	<b>County Justice Impact Fees Custodial Fund</b>	<b>County General Government Impact Fees Custodial Fund</b>	<b>Education Impact Fees Custodial Fund</b>	<b>Totals</b>
<b>ASSETS</b>					
Cash and equivalents	\$ 2,340	\$ 5,710	\$ 907	\$ 12,192	\$ 21,149
Total assets	2,340	5,710	907	12,192	21,149
<b>LIABILITIES</b>					
Due to other entities	2,340	5,710	907	12,192	21,149
Total liabilities	2,340	5,710	907	12,192	21,149
<b>TOTAL NET POSITION</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF NORTH PORT, FLORIDA  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Custodial Funds</b>				<b>Totals</b>
	<b>County Road Impact Fees Custodial Fund</b>	<b>County Justice Impact Fees Custodial Fund</b>	<b>County General Government Impact Fees Custodial Fund</b>	<b>Education Impact Fees Custodial Fund</b>	
<b>ADDITIONS</b>					
Impact fee collections for other governments	\$ 672,073	\$ 1,800,122	\$ 285,799	\$ 2,331,562	\$ 5,089,556
Total additions	<u>672,073</u>	<u>1,800,122</u>	<u>285,799</u>	<u>2,331,562</u>	<u>5,089,556</u>
<b>DEDUCTIONS</b>					
Payments of Impact fees to other governments	<u>672,073</u>	<u>1,800,122</u>	<u>285,799</u>	<u>2,331,562</u>	<u>5,089,556</u>
Total deductions	<u>672,073</u>	<u>1,800,122</u>	<u>285,799</u>	<u>2,331,562</u>	<u>5,089,556</u>
<b>NET CHANGE</b>	-	-	-	-	-
<b>NET POSITION - BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION - ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**Statistical Section  
(Unaudited)**

This part of the City of North Port's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Pages</u></b>
<b>Financial Trends Information</b>	<b>152-157</b>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity Information</b>	<b>158-161</b>
These schedules contain information to help the reader assess the City's local revenue source	
<b>Debt Capacity Information</b>	<b>162-167</b>
These schedules present information to help the reader assess the City's debt burden and its ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	<b>168-169</b>
These schedules offer demographic and economic indicators to help the reader understand the environment in which the City's financial activities take place	
<b>Operating Information</b>	<b>170-172</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules was obtained from the Annual Comprehensive Financial Reports for the relevant year.

Schedule 1  
City of North Port, Florida  
Net Position by Component  
Last Ten Fiscal Years  
*(accrual basis of accounting)*

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental activities</b>										
Net investment in capital assets	\$ 223,775,300	\$ 230,333,540	\$ 234,882,721	\$ 237,026,274	\$ 241,472,557	\$ 244,303,830	\$ 243,253,519	\$ 258,208,628	\$ 261,865,644	\$ 263,234,471
Restricted	49,259,616	45,641,773	55,770,974	62,452,659	71,250,430	72,908,693	76,818,949	76,395,819	89,152,418	107,396,978
Unrestricted	16,955,264	16,468,879	12,727,589	2,702,120	3,708,285	2,580,398	1,021,685	(3,391,718)	(10,220,257)	(1,893,099)
Total governmental activities net position	<u>289,990,180</u>	<u>292,444,192</u>	<u>303,381,284</u>	<u>302,181,053</u>	<u>316,431,272</u>	<u>319,792,921</u>	<u>321,094,153</u>	<u>331,212,729</u>	<u>340,797,805</u>	<u>368,738,350</u>
<b>Business-type activities</b>										
Net investment in capital assets	79,479,072	83,727,413	84,974,490	86,998,132	89,029,570	94,222,893	100,361,537	110,295,914	161,208,925	165,675,300
Restricted	6,623,346	5,950,232	5,538,481	7,094,824	12,325,750	15,165,600	18,379,282	22,604,884	16,045,635	16,096,496
Unrestricted	14,012,517	14,139,200	14,743,672	14,623,995	17,032,841	20,618,285	23,358,343	25,390,736	30,845,089	34,595,038
Total business-type activities net position	<u>100,114,935</u>	<u>103,816,845</u>	<u>105,256,643</u>	<u>108,716,951</u>	<u>118,388,161</u>	<u>130,006,778</u>	<u>142,099,162</u>	<u>158,291,534</u>	<u>208,099,649</u>	<u>216,366,834</u>
<b>Primary government</b>										
Net investment in capital assets	303,254,372	314,060,953	319,857,211	324,024,406	330,502,127	338,526,723	343,615,056	368,504,542	423,074,569	428,909,771
Restricted	55,882,962	51,592,005	61,309,455	69,547,483	83,576,180	88,074,293	95,198,231	99,000,703	105,198,053	123,493,474
Unrestricted	30,967,781	30,608,079	27,471,261	17,326,115	20,741,126	23,198,683	24,380,028	21,999,018	20,624,832	32,701,939
Total primary government net position	<u>\$ 390,105,115</u>	<u>\$ 396,261,037</u>	<u>\$ 408,637,927</u>	<u>\$ 410,898,004</u>	<u>\$ 434,819,433</u>	<u>\$ 449,799,699</u>	<u>\$ 463,193,315</u>	<u>\$ 489,504,263</u>	<u>\$ 548,897,454</u>	<u>\$ 585,105,184</u>

**Schedule 2**  
**City of North Port, Florida**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental activities:										
General government	\$ 5,443,315	\$ 5,576,054	\$ 5,474,035	\$ 7,312,658	\$ 7,126,349	\$ 8,492,041	\$ 8,417,543	\$ 11,811,197	\$ 10,455,849	\$ 6,808,432
Public safety	27,432,173	27,591,686	28,688,863	28,523,541	28,963,557	33,404,665	35,883,205	42,902,595	49,021,745	45,626,047
Physical environment	11,121,362	12,308,823	11,890,530	13,366,178	13,501,369	17,504,341	15,875,586	16,321,527	17,165,637	16,640,855
Transportation	10,064,929	12,094,208	11,035,370	13,860,150	12,308,111	16,821,250	18,137,765	14,977,069	18,464,013	20,032,330
Economic environment	542,865	526,849	331,987	225,113	218,487	299,851	328,608	288,008	447,495	378,854
Human services	430,452	409,326	372,461	392,101	361,663	368,544	465,085	512,109	539,240	559,609
Culture and recreation	1,481,053	1,762,877	1,697,522	2,791,605	2,844,658	3,546,622	8,014,001	5,765,160	7,384,613	6,966,109
Interest on long-term debt	527,271	475,419	1,362,416	1,841,080	1,823,375	1,749,711	1,671,000	1,568,458	921,061	1,230,408
Total governmental activities expenses:	<u>57,043,420</u>	<u>60,745,242</u>	<u>60,853,184</u>	<u>68,312,426</u>	<u>67,147,569</u>	<u>82,187,025</u>	<u>88,792,793</u>	<u>94,146,123</u>	<u>104,399,653</u>	<u>98,242,644</u>
Business-type activities:										
Water and Sewer	16,374,879	16,214,079	17,252,790	17,855,795	17,717,194	18,260,636	19,868,575	20,652,431	22,163,448	23,895,349
Total business-type activities expenses:	<u>16,374,879</u>	<u>16,214,079</u>	<u>17,252,790</u>	<u>17,855,795</u>	<u>17,717,194</u>	<u>18,260,636</u>	<u>19,868,575</u>	<u>20,652,431</u>	<u>22,163,448</u>	<u>23,895,349</u>
Total primary government expenses	<u>73,418,299</u>	<u>76,959,321</u>	<u>78,105,974</u>	<u>86,168,221</u>	<u>84,864,763</u>	<u>100,447,661</u>	<u>108,661,368</u>	<u>114,798,554</u>	<u>126,563,101</u>	<u>122,137,993</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	2,915,348	3,020,995	3,307,698	3,522,744	3,615,385	3,999,965	3,721,399	5,943,226	5,592,389	5,016,160
Public safety	9,701,924	10,959,122	12,724,026	13,264,272	13,798,654	14,248,090	15,266,048	16,792,712	18,370,336	20,995,944
Physical environment	11,146,751	11,662,983	11,581,023	11,888,808	12,474,915	13,850,528	13,190,296	13,389,869	14,579,571	15,794,720
Transportation	6,981,639	7,602,325	10,641,111	11,163,721	11,765,016	12,196,139	12,736,785	13,221,586	14,283,584	15,128,336
Economic environment	1,850	-	-	-	-	-	-	-	3,170	-
Human services	31,153	35,745	29,071	11,441	-	-	-	-	-	-
Culture and recreation	349,013	336,658	817,973	1,452,399	1,530,529	1,524,833	1,645,073	1,668,200	1,580,674	2,887,302
Operating grants and contributions	327,977	171,456	142,159	123,435	146,689	251,976	153,524	1,945,374	2,011,628	3,106,485
Capital grants and contributions	939,286	1,233,594	3,678,035	1,746,577	3,732,510	2,899,662	4,206,564	4,494,430	8,799,178	10,262,463
Total governmental activities program revenues	<u>32,394,941</u>	<u>35,022,878</u>	<u>42,921,096</u>	<u>43,173,397</u>	<u>47,063,698</u>	<u>48,971,193</u>	<u>50,919,689</u>	<u>57,455,397</u>	<u>65,220,530</u>	<u>73,191,410</u>
Business-type activities:										
Charges for services:										
Water and Sewer	14,943,875	16,795,809	17,617,220	18,563,645	19,678,748	21,213,468	22,221,715	23,128,272	25,982,573	28,078,141
Operating grants and contributions	-	-	-	-	1,000	-	-	-	-	-
Capital grants and contributions	2,271,112	3,358,686	1,899,485	4,191,521	7,940,452	8,835,408	9,823,272	12,590,072	45,080,802	4,438,481
Total business-type activities program revenue:	<u>17,214,987</u>	<u>20,154,495</u>	<u>19,516,705</u>	<u>22,755,166</u>	<u>27,620,200</u>	<u>30,048,876</u>	<u>32,044,987</u>	<u>35,718,344</u>	<u>71,063,375</u>	<u>32,516,622</u>
Total primary government program revenues	<u>49,609,928</u>	<u>55,177,373</u>	<u>62,437,801</u>	<u>65,928,563</u>	<u>74,683,898</u>	<u>79,020,069</u>	<u>82,964,676</u>	<u>93,173,741</u>	<u>136,283,905</u>	<u>105,708,032</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities	(24,648,479)	(25,722,364)	(17,932,088)	(25,139,029)	(20,083,871)	(33,215,832)	(37,873,104)	(36,690,726)	(39,179,123)	(25,051,234)
Business type activities	840,108	3,940,416	2,263,915	4,899,371	9,903,006	11,788,240	12,176,412	15,065,913	48,899,927	8,621,273
Total primary government net expense	<u>\$ (23,808,371)</u>	<u>\$ (21,781,948)</u>	<u>\$ (15,668,173)</u>	<u>\$ (20,239,658)</u>	<u>\$ (10,180,865)</u>	<u>\$ (21,427,592)</u>	<u>\$ (25,696,692)</u>	<u>\$ (21,624,813)</u>	<u>\$ 9,720,804</u>	<u>\$ (16,429,961)</u>

(continued)

Schedule 2 (continued)  
City of North Port, Florida  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Revenues and Other Changes in Net Position</b>										
Government activities:										
Taxes										
Ad valorem	\$ 7,850,463	\$ 8,071,414	\$ 8,102,022	\$ 9,228,706	\$ 10,087,025	\$ 11,017,060	\$ 12,079,877	\$ 13,589,528	\$ 17,246,920	\$ 18,584,874
Insurance premium	708,123	701,173	693,958	717,647	750,107	781,849	868,421	915,178	959,228	1,035,056
Service	2,621,537	2,597,548	2,602,545	2,613,049	2,597,884	2,731,686	2,851,977	2,952,450	3,083,831	3,017,957
Local business	150,948	154,888	133,502	136,049	142,197	118,613	137,009	130,086	133,248	147,792
Fuel	2,519,605	2,575,867	2,648,684	2,722,094	2,857,991	2,980,577	3,177,820	3,292,590	3,122,388	3,475,654
Discretionary sales surtax	6,097,183	6,883,376	7,424,336	8,172,571	8,679,097	9,131,513	9,901,615	10,823,129	10,734,747	13,137,051
Intergovernmental	4,982,968	5,689,363	6,310,324	6,982,072	7,487,367	7,977,419	8,570,871	9,191,838	8,823,155	11,063,890
Investment income	765,900	359,012	340,457	898,718	898,381	914,764	1,070,053	3,858,565	3,445,375	368,832
Miscellaneous	411,176	812,484	263,442	410,035	446,111	511,310	855,214	1,614,538	751,407	1,667,973
Transfers in	-	331,251	349,910	357,530	387,930	412,690	420,260	441,400	463,900	492,700
Total governmental activities	<u>26,107,903</u>	<u>28,176,376</u>	<u>28,869,180</u>	<u>32,238,471</u>	<u>34,334,090</u>	<u>36,577,481</u>	<u>39,933,117</u>	<u>46,809,302</u>	<u>48,764,199</u>	<u>52,991,779</u>
Business-type activities:										
Investment income	253,290	92,745	56,352	208,289	196,305	243,067	376,416	1,567,859	1,372,088	138,612
Miscellaneous	-	-	3,304	19,237	(40,171)	-	-	-	-	-
Transfers out	-	(331,251)	(349,910)	(357,530)	(387,930)	(412,690)	(420,260)	(441,400)	(463,900)	(492,700)
Total business-type activities	<u>253,290</u>	<u>(238,506)</u>	<u>(290,254)</u>	<u>(130,004)</u>	<u>(231,796)</u>	<u>(169,623)</u>	<u>(43,844)</u>	<u>1,126,459</u>	<u>908,188</u>	<u>(354,088)</u>
Total primary government	<u>26,361,193</u>	<u>27,937,870</u>	<u>28,578,926</u>	<u>32,108,467</u>	<u>34,102,294</u>	<u>36,407,858</u>	<u>39,889,273</u>	<u>47,935,761</u>	<u>49,672,387</u>	<u>52,637,691</u>
<b>Change in Net Position</b>										
Governmental activities	1,459,424	2,454,012	10,937,092	7,099,442	14,250,219	3,361,649	2,060,013	10,118,576	9,585,076	27,940,545
Business-type activities	1,093,398	3,701,910	1,973,661	4,769,367	9,671,210	11,618,617	12,132,568	16,192,372	49,808,115	8,267,185
Total primary government	<u>\$ 2,552,822</u>	<u>\$ 6,155,922</u>	<u>\$ 12,910,753</u>	<u>\$ 11,868,809</u>	<u>\$ 23,921,429</u>	<u>\$ 14,980,266</u>	<u>\$ 14,192,581</u>	<u>\$ 26,310,948</u>	<u>\$ 59,393,191</u>	<u>\$ 36,207,730</u>

Schedule 3  
City of North Port, Florida  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund</b>										
Nonspendable	\$ -	\$ 47,720	\$ 8,724	\$ 8,658	\$ 230,664	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	1,204,621	159,195	-	-	-	-	-	-	-	-
Committed	65,942	62,000	91,665	71,100	88,818	96,923	226,728	71,721	377,383	297,898
Assigned	2,607,519	1,920,189	1,274,111	549,008	582,848	1,250,037	1,090,668	2,230,331	1,433,814	1,764,174
Unassigned	7,048,977	8,515,309	8,911,526	10,324,089	10,566,834	11,298,674	11,964,336	11,894,567	13,749,073	18,498,384
Total general fund	<u>10,927,059</u>	<u>10,704,413</u>	<u>10,286,026</u>	<u>10,952,855</u>	<u>11,469,164</u>	<u>12,645,634</u>	<u>13,281,732</u>	<u>14,196,619</u>	<u>15,560,270</u>	<u>20,560,456</u>
<b>All Other Governmental Funds</b>										
Nonspendable	85,913	101,971	488,738	74,521	3,162,730	1,855,593	912,300	672,385	52,435	81,599
Restricted	44,754,105	40,512,146	82,515,916	84,037,531	80,582,096	75,590,794	69,355,038	75,189,280	88,268,794	106,189,101
Committed	12,253,091	13,005,335	11,538,200	12,397,414	13,148,982	12,951,881	13,478,605	4,942,992	6,525,396	8,152,301
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(37,429)	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 57,055,680</u>	<u>\$ 53,619,452</u>	<u>\$ 94,542,854</u>	<u>\$ 96,509,466</u>	<u>\$ 96,893,808</u>	<u>\$ 90,398,268</u>	<u>\$ 83,745,943</u>	<u>\$ 80,804,657</u>	<u>\$ 94,846,625</u>	<u>\$ 114,423,001</u>

**Schedule 4**  
**City of North Port, Florida**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	<b>Fiscal Year</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Revenues</b>					
Taxes	\$ 19,947,859	\$ 20,984,266	\$ 21,605,047	\$ 23,590,116	\$ 25,114,301
Permits, fees and special assessments	4,301,775	4,329,926	8,473,706	10,067,692	11,952,302
Intergovernmental	5,489,049	6,319,650	9,722,334	8,065,596	8,227,712
Charges for services	34,164,683	36,446,062	39,172,936	39,632,216	41,757,552
Fines and forfeiture	179,809	288,529	357,801	398,566	577,256
Investment income	765,900	359,012	340,457	898,718	894,398
Miscellaneous	681,670	975,258	471,296	670,962	752,459
<b>Total revenues</b>	<b>65,530,745</b>	<b>69,702,703</b>	<b>80,143,577</b>	<b>83,323,866</b>	<b>89,275,980</b>
<b>Expenditures</b>					
General government	11,915,962	11,875,470	13,335,577	13,265,911	14,977,611
Public safety	26,343,281	26,204,602	27,727,273	27,628,170	27,504,767
Physical environment	9,017,469	9,954,925	9,590,224	10,419,561	11,038,233
Transportation	7,265,774	8,870,383	8,109,291	9,830,214	9,111,671
Economic environment	536,503	523,751	338,201	213,424	213,540
Human services	350,767	327,101	298,161	280,302	304,826
Culture and recreation	953,515	972,033	992,752	1,888,022	2,039,255
Capital outlay	10,871,277	3,856,905	22,241,013	17,232,406	19,556,761
Debt service					
Principal	1,553,021	10,984,758	2,075,163	2,817,386	2,604,660
Interest	527,271	475,419	978,142	1,801,681	1,893,659
<b>Total expenditures</b>	<b>69,334,840</b>	<b>74,045,347</b>	<b>85,685,797</b>	<b>85,377,077</b>	<b>89,244,983</b>
Excess (deficiency) of revenues over (under) expenditures	(3,804,095)	(4,342,644)	(5,542,220)	(2,053,211)	30,997
<b>Other financing sources (uses)</b>					
Proceeds from capital leases	-	159,036	-	-	-
Proceeds from bonds	-	-	40,742,230	-	-
Proceeds from loans	-	-	4,843,703	4,255,011	411,180
Transfers in	6,539,495	2,190,908	3,898,832	3,521,370	2,991,960
Transfers out	(6,539,495)	(1,859,657)	(3,548,922)	(3,163,840)	(2,604,030)
Insurance recoveries	69,588	193,483	111,392	74,111	70,544
<b>Total other financing sources</b>	<b>69,588</b>	<b>683,770</b>	<b>46,047,235</b>	<b>4,686,652</b>	<b>869,654</b>
<b>Net change in fund balances</b>	<b>\$ (3,734,507)</b>	<b>\$ (3,658,874)</b>	<b>\$ 40,505,015</b>	<b>\$ 2,633,441</b>	<b>\$ 900,651</b>
Debt service as a percentage of noncapital expenditures	3.56%	16.33%	4.81%	6.78%	6.45%

Note: Includes general, special revenue, capital projects and debt service funds

<b>Fiscal Year</b>				
<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
\$ 26,761,298	\$ 29,016,719	\$ 31,702,961	\$ 35,280,362	\$ 39,398,384
13,192,572	14,565,819	14,631,618	18,954,867	21,405,417
8,219,878	8,683,044	10,927,282	11,209,574	15,176,536
43,512,801	45,245,977	48,605,417	52,387,382	58,883,177
203,665	285,074	193,891	273,923	643,382
908,156	1,061,730	3,818,175	3,402,720	361,765
812,201	1,079,299	866,163	743,453	1,717,589
<u>93,610,571</u>	<u>99,937,662</u>	<u>110,745,507</u>	<u>122,252,281</u>	<u>137,586,250</u>
14,815,022	16,159,528	17,028,973	16,845,601	18,136,690
29,715,286	33,142,327	38,015,601	40,991,937	44,293,302
13,558,966	12,572,936	12,564,279	13,366,001	13,167,894
11,684,980	13,798,870	9,982,655	13,058,433	15,972,199
290,184	325,099	276,594	416,115	391,455
259,851	367,555	403,264	433,905	501,050
2,162,461	6,864,408	4,108,353	5,412,530	5,378,954
22,407,282	18,727,677	25,549,860	12,305,315	13,042,006
2,629,191	2,667,580	3,624,627	3,710,000	1,580,000
1,868,928	1,792,474	1,711,460	1,045,629	1,058,817
<u>99,392,151</u>	<u>106,418,454</u>	<u>113,265,666</u>	<u>107,585,466</u>	<u>113,522,367</u>
(5,781,580)	(6,480,792)	(2,520,159)	14,666,815	24,063,883
-	-	-	-	-
-	-	-	31,485,000	-
-	-	-	(31,386,829)	-
2,550,916	5,235,197	13,636,176	3,645,760	4,761,918
(2,138,226)	(4,814,937)	(13,194,776)	(3,181,860)	(4,269,218)
49,820	44,305	52,360	176,733	19,979
<u>462,510</u>	<u>464,565</u>	<u>493,760</u>	<u>738,804</u>	<u>512,679</u>
<u>\$ (5,319,070)</u>	<u>\$ (6,016,227)</u>	<u>\$ (2,026,399)</u>	<u>\$ 15,405,619</u>	<u>\$ 24,576,562</u>
<u>5.84%</u>	<u>5.09%</u>	<u>6.08%</u>	<u>4.99%</u>	<u>2.63%</u>

**Schedule 5**  
**City of North Port, Florida**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Real Property			Personal Property	Less:	Total Taxable Assessed Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Industrial Property <sup>a</sup>		Tax-Exempt Property		
2012	\$ 2,446,786,570	\$ 275,872,800	\$ 420,725,155	\$ 150,852,852	\$ 1,015,462,006	\$ 2,278,775,371	\$ 3.57
2013	2,463,603,579	263,782,230	401,901,576	146,729,184	1,009,966,953	2,266,049,616	3.62
2014 <sup>b</sup>	-	-	-	154,015,443	1,009,895,744	2,421,145,761	3.45
2015	2,817,111,574	288,915,800	424,517,200	149,974,143	1,034,434,435	2,646,084,282	3.60
2016	2,987,267,151	312,499,500	511,460,900	159,553,703	1,083,308,501	2,887,472,753	3.60
2017	3,327,431,094	345,523,900	578,100,800	158,748,029	1,143,143,888	3,266,659,935	3.48
2018	3,732,427,469	355,551,900	642,928,000	158,375,711	1,223,791,242	3,665,491,838	3.41
2019	4,073,971,470	376,435,000	806,399,900	176,326,733	1,301,480,420	4,131,652,683	3.41
2020	4,582,623,191	401,740,000	822,657,800	180,890,829	1,372,828,786	4,615,083,034	3.87
2021	5,839,531,140	536,841,800	796,597,000	226,578,833	1,653,370,743	5,746,178,030	3.77

**Source:** Sarasota County Property Appraiser

**Note:** Property is assessed at market value. The Save Our Homes Amendment caps homesteaded property at a maximum increase in the taxable value of 3% per year. Tax rate is per \$1,000 of assessed value.

<sup>a</sup> Industrial property amount includes railroad properties classified as centrally assessed property.

<sup>b</sup> Information for the breakdown of the real property not available from the County for 2014.

**Schedule 6**  
**City of North Port, Florida**  
**Direct and Overlapping Property Tax Rates,**  
**Last Ten Fiscal Years**  
**(Per \$1,000 of Assessed Value)**

Fiscal Year Ended September 30,	City of North Port		Overlapping Rates <sup>a</sup>		Total Direct and Overlapping Rates
	Operating Miliage	Total City Millage	Sarasota County	School Board of Sarasota County	
2012	\$ 3.5681	\$ 3.5681	\$ 4.8569	\$ 7.6350	\$ 16.0600
2013	3.6167	3.6167	4.9097	7.8160	16.3424
2014	3.4474	3.4474	4.8987	7.9700	16.3161
2015	3.5974	3.5974	4.8827	7.7770	16.2571
2016	3.5974	3.5974	4.8319	7.7630	16.1923
2017	3.4770	3.4770	4.8148	7.4330	15.7248
2018	3.4070	3.4070	4.7857	7.2090	15.4017
2019	3.4070	3.4070	4.7681	7.0030	15.1781
2020	3.8735	3.8735	4.7946	6.9430	15.6111
2021	3.7667	3.7667	4.8083	6.9750	15.5500

**Source:** Sarasota County Tax Collector

**Note:** <sup>a</sup> Overlapping rates are those of county governments that apply to property owners within the City of North Port.

**Schedule 7**  
**City of North Port, Florida**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>2021</u>			<u>2012</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
16979 TTS LLC	\$ 59,655,470	1	1.29%	\$ -		0.00%
North Port Woodspring LLC	42,044,900	2	0.91	-		-
CEAI Lakes at North Port LLC	35,149,700	3	0.76	-		-
DiVosta Homes LP	18,953,262	4	0.41	12,134,784	5	0.53
Main Street Ranchlands LLP	18,338,679	5	0.40	-		-
ECHO Price Crossing LLC	18,060,350	6	0.39	-		-
Walmart Stores East LP	16,721,100	7	0.36	14,427,300	2	0.63
US 41 Retail LLC	15,631,900	8	0.34	-		-
J S D Limited Partnership	14,459,600	9	0.31	-		-
American Momentum Bank	13,754,967	10	0.30			
Marsh Creek Holdings Ltd	-		-	17,096,600	1	0.75
Gran Paradiso I LLC	-		-	12,782,044	3	0.56
Benderson Randall TTEE	-		-	12,331,600	4	0.54
Lowes Home Centers Inc.	-		-	11,867,200	6	0.52
Walgreen Co.	-		-	11,113,400	7	0.49
Comcast Cable	-		-	10,024,358	8	0.44
Florida Power & Light Company	-		-	5,504,600	9	0.24
Verizon	-		-	516,900	10	0.02
	<u>\$ 252,769,928</u>		<u>5.47%</u>	<u>\$ 107,798,786</u>		<u>4.72%</u>

**Source:** Sarasota County Property Appraiser

**Schedule 8  
City of North Port, Florida  
Property Tax Levies and Tax Collections  
Last Ten Fiscal Years**

<b>Fiscal Year Ended September 30,</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount <sup>a</sup></b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2012	\$ 8,150,499	\$ 7,760,853	95%	\$ 130,625	\$ 7,891,478	97%
2013	8,201,835	7,939,111	97%	28,949	7,968,060	97%
2014	8,339,025	8,073,073	97%	25,255	8,098,328	97%
2015	9,551,208	9,203,451	96%	33,350	9,236,801	97%
2016	10,390,485	10,053,675	97%	36,046	10,089,721	97%
2017	11,347,328	10,981,013	97%	14,695	10,995,708	97%
2018	12,520,445	12,065,182	96%	15,950	12,081,132	96%
2019	14,093,894	13,573,579	96%	23,248	13,596,827	96%
2020	17,876,524	17,208,377	96%	49,350	17,257,727	97%
2021	19,281,714	18,527,656	96%	-	18,527,656	96%

**Source:** Sarasota County Property Appraiser

**Note:** (a) Includes discount taken for early payment of property taxes.

**Schedule 9**

**City of North Port, Florida**

**Ratios of Outstanding Debt by Type**

**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	Sales Tax Revenue Bonds	Capital Leases	Transportation Improvement Assessment Bonds <sup>d</sup>	SIB Loans Payable	Water and Sewer Bonds <sup>e</sup>	SRF Loans Payable			
2012	\$ 10,320,000	\$ 1,144,434	\$ -	\$ -	\$ 17,395,327	\$ 22,367,183	\$ 51,226,944	1.62 %	873
2013 <sup>b</sup>	-	638,712	-	-	16,472,043	23,846,934	40,957,689	1.25 %	691
2014	-	238,550	38,989,628	4,843,703	15,557,247	22,726,833	82,355,961	2.41 %	1,366
2015	-	80,860	38,060,314	7,294,019	14,491,980	21,504,673	81,431,846	2.41 %	1,307
2016	-	40,771	37,107,679	4,347,208	13,380,988	20,391,364	75,268,010	2.07 %	1,167
2017 <sup>c</sup>	-	-	36,121,772	2,634,627	12,222,464	19,247,015	70,225,878	1.77 %	1,045
2018	-	-	35,097,662	2,634,627	10,857,551	18,572,477	67,162,317	1.55 %	951
2019 <sup>f</sup>	-	-	34,040,426	-	9,250,410	17,338,817	60,629,653	1.27 %	823
2020	-	-	34,320,000	-	7,800,966	16,071,221	58,192,187	1.12 %	750
2021 <sup>g</sup>	-	-	32,740,000	-	20,788,685	-	53,528,685	0.97 %	685

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

<sup>a</sup> Personal income and population data can be found in Schedule 14.

<sup>b</sup> Sales Tax Revenue Bonds were defeased during fiscal year 2013.

<sup>c</sup> Final lease payment made during fiscal year 2017.

<sup>d</sup> Includes bond premium/deferred amount on refunding.

<sup>e</sup> Includes bond discount/deferred amount on refunding.

<sup>f</sup> Final SIB loan payment made during fiscal year 2019

<sup>g</sup> SRF loans were defeased during fiscal year 2021.

**Schedule 10**  
**City of North Port, Florida**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended September 30,</b>	<b>Sales Tax Revenue Bonds</b>	<b>Transportation Improvement Assessment Bonds<sup>d</sup></b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property<sup>a</sup></b>	<b>Per Capita<sup>b</sup></b>
2012	\$ 10,320,000	\$ -	\$ 10,320,000	0.45%	176
2013 <sup>c</sup>	-	-	-	0.00%	-
2014	-	38,989,628	38,989,628	1.61%	628
2015	-	38,060,314	38,060,314	1.44%	611
2016	-	37,107,679	37,107,679	1.29%	576
2017	-	36,121,772	36,121,772	1.11%	538
2018	-	35,097,662	35,097,662	0.96%	497
2019	-	34,040,426	34,040,426	0.82%	462
2020	-	34,320,000	34,320,000	0.74%	442
2021	-	32,740,000	32,740,000	0.57%	419

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

<sup>a</sup>See Schedule 5 for property value data.

<sup>b</sup>Population data can be found in Schedule 14.

<sup>c</sup>Sales Tax Revenue Bonds were defeased July, 2013.

<sup>d</sup>Includes bond premium.

Schedule 11  
City of North Port, Florida  
Direct and Overlapping Governmental Activities Debt  
As of September 30, 2021

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>a</sup>	Estimated Share of Overlapping Debt
<b>Overlapping debt</b>			
Sarasota County School Board	\$ 109,908,670	17.70%	\$ 19,449,375
Sarasota County Board of County Commissioners	379,334,000	17.70%	67,126,725
Subtotal, overlapping debt			86,576,100
<b>City of North Port, direct debt</b>			35,040,134
<b>Total direct and overlapping debt</b>			\$ 121,616,234

**Source:** Assessed value data used to estimate applicable percentages provided by Sarasota County Property Appraiser.

**Note:** <sup>a</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values.

**Schedule 12**  
**City of North Port, Florida**  
**Legal Debt Margin Information**

No general obligation bonds have been issued on behalf of the City of North Port, Florida.

**Schedule 13**  
**City of North Port, Florida**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Water & Sewer Revenue Bonds/SRF Loans						Coverage
	Utility Gross Revenues <sup>a</sup>	Less: Operating Expenses <sup>b</sup>	Net Available Revenue	Debt Service			
				Principal	Interest		
2012	\$ 15,197,165	\$ 10,884,361	\$ 4,312,804	\$ 1,700,682	\$ 1,601,181	1.31	
2013	16,888,554	11,325,211	5,563,343	2,240,324	1,254,345	1.59	
2014	17,673,572	12,334,234	5,339,338	2,234,757	1,196,568	1.56	
2015	18,771,934	12,720,355	6,051,579	2,543,340	947,457	1.73	
2016	19,875,053	12,343,867	7,531,186	2,390,179	1,033,571	2.20	
2017	21,456,535	12,686,632	8,769,903	2,449,862	974,039	2.56	
2018	22,598,131	14,276,724	8,321,407	2,690,684	916,116	2.31	
2019	24,696,131	14,748,909	9,947,222	2,948,618	849,093	2.62	
2020	27,354,661	15,507,071	11,847,590	3,028,285	771,667	3.12	
2021	28,216,753	16,791,743	11,425,010	3,276,780	549,932	2.99	

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

**Note:** <sup>a</sup> Excludes any government grants, water impact fees, sewer impact fees, and special assessments proceeds.

<sup>b</sup> Excludes depreciation.

<sup>c</sup> The sales tax revenue bonds were currently refunded with available funds.

<sup>d</sup> The sales tax revenue bonds were defeased July, 2013.

<sup>e</sup> A two-year moratorium on transportation impact fees was approved by the City Commission on January 30, 2012. The moratorium was extended until January 31, 2015 at the January 27, 2014 Commission meeting.

<sup>f</sup> No principal or interest payments due on the SIB loan until FY 2015.

<sup>g</sup> This loan was paid off in FY 2019.

Sales Tax Revenue Bonds				State Infrastructure Bank Loan					
Half-Cent	Debt Service			Transportation	Discretionary	Debt Service			
Sales Tax	Principal	Interest	Coverage	Impact	Sales	Principal	Interest	Coverage	
Revenues				Fees	Surtax				
\$ 3,908,879	\$ 735,000	\$ 467,996	3.25	\$ -	\$ -	\$ -	\$ -	-	-
4,235,193	10,320,000	442,271	0.39 <sup>c</sup>	-	-	-	-	-	-
-	-	-	- <sup>d</sup>	-	7,424,336	-	-	-	- <sup>e, f</sup>
-	-	-	-	305,963	8,172,571	1,804,695	16,565	4.66	
-	-	-	-	1,907,710	8,679,097	1,684,571	136,689	5.81	
-	-	-	-	1,790,894	9,131,513	1,673,420	147,840	6.00	
-	-	-	-	2,661,848	9,901,615	1,712,580	108,680	6.90	
-	-	-	-	2,505,843	10,823,129	2,634,627	65,866	4.94 <sup>g</sup>	
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

**Schedule 14**  
**City of North Port, Florida**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

<b>Year</b>	<b>Population <sup>a</sup></b>	<b>Personal Income</b>	<b>Per Capita Personal Income <sup>b</sup></b>	<b>Unemployment Rate <sup>c</sup></b>
2012	58,674	3,154,842,306	53,769	9.1%
2013	59,231	3,282,700,482	55,422	7.2%
2014	60,295	3,416,374,995	56,661	6.2%
2015	62,325	3,374,711,775	54,147	5.6%
2016	64,472	3,637,897,072	56,426	5.2%
2017	67,196	3,965,437,548	59,013	3.6%
2018	70,631	4,345,431,013	61,523	3.0%
2019	73,652	4,777,657,936	64,868	3.1%
2020	77,561	5,187,124,558	66,878	5.4%
2021	78,129	5,538,096,036	70,884	3.9%

**Source:**

<sup>a</sup> City of North Port Neighborhood Development Services Department

<sup>b</sup> Bureau of Economic and Business Research, University of Florida; County data is used due to no city data being available.

<sup>c</sup> U.S. Bureau of Labor Statistics

**Schedule 15**  
**City of North Port, Florida**  
**Principal Employers in Sarasota County**  
**Current Year and Nine Years Ago**

<b>Employer</b>	<b>2021</b>			<b>2012</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Sarasota Memorial Hospital	7,704	1	4.08%	3,039	3	2.05%
School Board of Sarasota County	5,811	2	3.08%	4,309	1	2.91%
Publix Super Markets, Inc.	3,999	3	2.12%	1,454	4	0.98%
Sarasota County Government	3,583	4	1.90%	3,305	2	2.23%
PGT Innovations	2,228	5	1.18%	1,019	6	0.69%
Venice Regional Bayfront Health	1,305	6	0.69%	1,300	5	0.88%
City of Sarasota	785	7	0.42%	-	-	-
City of North Port	712	8	0.38%	-	-	-
Helios Technologies, Inc.	678	9	0.36%	697	7	0.47%
Doctors Hospital of Sarasota	589	10	0.31%	-	-	-
Tervis Tumbler	-	-	-	687	8	0.46%
FCCI Insurance Group	-	-	-	661	9	0.47%
Sunset Automotive Group	-	-	-	650	10	0.44%
	<u>27,394</u>		<u>14.52%</u>	<u>17,121</u>		<u>11.58%</u>
Total Sarasota County Employment	<u>188,710</u>			<u>148,149</u>		

**Source:** Sarasota County *Annual Comprehensive Financial Report 2021*, modified to include the City of North Port's employee counts.  
 Statistics provided are for Sarasota County; not available solely for North Port.

**Schedule 16**  
**City of North Port, Florida**  
**Full-time Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>Fiscal Year</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>General Government</b>										
Commission	5	5	5	5	5	5	5	5	5	5
City Attorney	-	-	-	2	4	4	4	5	5	6
City Auditor and Clerk	7	6	6	6	6	7	10	10	9	8
Finance	13	13	13	13	14	15	17	17	17	16
Planning and Zoning	7	7	8	11	12	12	16	16	15	18
Building Department	17	18	20	24	26	28	31	32	37	38
General Services	22	21	24	24	17	19	20	-	-	-
Information Technology	-	-	-	-	-	-	-	13	14	14
Social Services	-	-	-	-	-	-	-	5	5	6
City Manager's Office	5	5	5	6	7	7	8	9	8	8
Human Resources	-	-	-	-	7	8	10	11	11	10
Fleet Maintenance	12	12	12	12	12	12	13	13	14	14
Parks and Recreation	18	19	19	19	19	20	20	37	47	62
<b>Public Safety</b>										
Police - uniform	102	102	102	102	103	104	109	120	123	124
Police - general employees	31	30	30	30	33	37	41	42	42	44
Fire Rescue	92	92	92	92	93	100	110	135	130	136
<b>Physical Environment</b>										
Facilities Maintenance	22	21	20	20	18	17	18	11	9	9
Solid Waste Management	34	36	36	37	38	40	40	43	44	44
<b>Transportation</b>										
Road and Drainage	86	86	86	87	85	86	91	93	99	106
<b>Economic Environment</b>										
Economic Development	2	2	2	1	2	2	2	2	3	4
<b>Enterprise funds</b>										
Utilities	57	59	59	63	67	70	77	80	82	83
<b>Total</b>	<b>532</b>	<b>534</b>	<b>539</b>	<b>554</b>	<b>568</b>	<b>593</b>	<b>642</b>	<b>699</b>	<b>719</b>	<b>755</b>

**Source:** City of North Port Budget

**Note:** Staffing level indicates the number of positions budgeted in each department. Figures include both full-time and part-time positions.

**Schedule 17**  
**City of North Port, Florida**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>Fiscal Year</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Police										
Physical arrests	1,840	1,827	1,439	1,075	930	814	606	969	797	761
Parking violations	106	387	209	144	184	227	132	92	18	36
Traffic violations	10,677	11,272	10,008	9,633	6,970	8,507	8,573	13,137	9,471	10,416
Fire										
Emergency Responses	5,849	6,018	6,100	6,556	7,093	7,669	7,876	8,620	9,904	11,192
Streets and highways										
Streets resurfaced ( <i>miles</i> )	23	-	61	95	130	132	132	132	33	6.3
Paved Streets ( <i>miles</i> )	813	813	813	813	813	813	813	813	823	823
Water										
New connections	167	249	424	687	709	757	1014	882	966	848
Water mains breaks	0	8	4	1	6	12	8	13	9	11
Average daily consumption ( <i>millions of gallons</i> )	2.56	2.94	3.14	2.88	3.10	3.26	3.09	3.39	3.28	3.41
Peak daily consumption ( <i>millions of gallons</i> )	3.66	4.16	3.26	4.19	3.85	4.16	4.40	4.66	4.73	4.19
Wastewater										
Average daily sewage treatment ( <i>millions of gallons</i> )	2.13	2.18	2.30	2.24	2.42	2.37	2.49	2.43	2.06	2.52
Solid waste collection										
Solid waste collected ( <i>tons per year</i> )	23,058	24,547	28,107	30,139	32,837	34,060	34,767	35,534	38,796	42,296
Recyclables collected ( <i>tons per year</i> )	7,895	8,188	8,502	9,386	10,434	10,926	11,611	12,060	11,622	11,272

**Source:** Various City Departments

**Note:** Indicators are not available for the general government function.

**Schedule 18**  
**City of North Port, Florida**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>Fiscal Year</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	74	74	74	73	74	72	72	81	85	87
Fire Stations	5	5	5	5	5	5	5	6	6	6
Streets and highways										
Streets ( <i>miles</i> )	813	813	813	813	813	813	813	813	823	823
Traffic Signals	18	18	19	19	19	19	19	21	22	24
Water										
Water mains ( <i>miles</i> )	295	300	304	306	320	328	338	349	354	366
Storage capacity ( <i>millions of gallons</i> )	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Fire hydrants	1632	1685	1710	1728	1790	1896	1974	2062	2139	2244
Wastewater										
Sanitary sewers ( <i>miles</i> )	216	219	233	235	240	248	262	270	273	283
Treatment capacity ( <i>millions of gallons</i> )	4.40	4.40	4.40	4.40	4.40	4.40	4.90	4.90	4.90	6.90
Manholes	3184	3232	3271	3316	3420	3570	3775	3913	3948	4125
Lift Stations	99	99	100	100	101	107	110	112	113	116
Solid waste collection										
Collection trucks	38	39	41	41	43	43	47	53	53	53

**Source:** Various city departments

**Note:** No capital asset indicators are available for the general government function.



**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**

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Honorable Mayor, City Commission  
and City Manager  
City of North Port, 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 North Port, Florida (the “City”), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated June 23, 2022.

**Internal Control Over Financial Reporting**

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

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

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

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## 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, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

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

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
June 23, 2022

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

---

Honorable Mayor, City Commission  
and City Manager  
City of North Port, Florida

**Report on Compliance for Each Major Federal Program**

We have audited the City of North Port, 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, 2021. 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.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

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, 2021.

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## Report on Internal Control Over Compliance

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

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

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

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

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
June 23, 2022

**CITY OF NORTH PORT, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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**SECTION I  
SUMMARY OF AUDIT RESULTS**

**Financial Statements**

Type of report the auditor issued on whether the financial Statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:  
Material weaknesses identified?  yes  no

Significant deficiencies identified not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

**Federal Awards**

Internal control over major programs:  
Material weaknesses identified?  yes  no

Significant deficiencies identified not considered to be material weaknesses?  yes  none reported

Type of auditor's report issued on compliance for major federal programs and state financial assistance Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?  yes  no

Identification of major federal program:

CFDA Number  
97.083

Name of Federal Program or Cluster  
**U.S. Department of Homeland Security**  
Staffing for Adequate Fire and Emergency Response

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  yes  no

The City did not expend in excess of \$750,000 of state financial assistance for the year ended September 30, 2021.

**CITY OF NORTH PORT, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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**SECTION II  
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

There were no current year audit findings reported.

**SECTION III  
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

**SECTION IV  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

There were no prior year audit findings reported.

CITY OF NORTH PORT, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Federal/State/Pass-Through Grantor	Program or Cluster Title	CFDA No.	Contract/Grant No.	Federal Expenditures
U.S. Department of Health and Human Services	HRSA Covid-19 Uninsured Program	93.461	Federal	\$ 16,490
<b>Total U.S. Department of Health and Human Services</b>				<b><u>16,490</u></b>
U.S. Department of Homeland Security	FEMA Hazard Mitigation Grant Program for Generator	97.039	H0131	20,638
U.S. Department of Homeland Security	FEMA Staffing for Adequate Fire and Emergency Response for WVID	97.083	EMW-2017-FH-00165	662,391
U.S. Department of Homeland Security	FEMA Pass Through - Ready, Set, Go for Targeted Risk Reduction Assistance	97.044	None	4,525
U.S. Department of Homeland Security	Emergency Food and Shelter - CARES Program	97.024	LRO 171400007-CARES	2,619
U.S. Department of Homeland Security	Emergency Food and Shelter - Phase 37	97.024	LRO 171400007-37	2,618
U.S. Department of Homeland Security	Hurricane Irma Stafford Act Aid Provided to Collier County Wildfire	97.036	Z1066	173,852
U.S. Department of Homeland Security		97.046	FEMA-5309-FM-FL	<u>8,450</u>
<b>Total U.S. Department of Homeland Security</b>				<b><u>875,093</u></b>
U.S. Department of Housing and Urban Development	Community Development Block Grant for Staffing through Sarasota County	14.218	B-20-UC-12-0014	<u>54,000</u>
<b>Total U.S. Department of Housing and Urban Development</b>				<b><u>54,000</u></b>
U.S. Department of Justice	Bulletproof Vests, 50% match Gulf States Law Enforcement Technology Assistancc Initiative - License Plate Readers	16.607	2019-BPV	6,952
U.S. Department of Justice	JAG grant for the purchase of firearms	16.843	2020-RZ-BX-0015	149,750
U.S. Department of Justice	Bulletproof Vests, 50% match	16.738	2021-JAGD-SARA-1-4R-020	2,035
U.S. Department of Justice	2020 Coronavirus Emergency Supplemental Funding Program	16.607	2020-BPV	6,017
U.S. Department of Justice		16.034	FDLE 2021-CESF-SARA-3-C9-1000JP 2020-VD-BX-0174	<u>135,366</u>
<b>Total U.S. Department of Justice</b>				<b><u>300,120</u></b>
U.S. Department of Transportation	LAP agreement federal pass-through FDOT for bike lane/sidewalks on Biscayne from Elyton to Glenallen	20.205	440153-1-58-01	<u>536,590</u>
<b>Total U.S. Department of Transportation</b>				<b><u>536,590</u></b>
Office of National Drug Control Policy	Bradenton Police Department - High Intensity Drug Trafficking Areas Program	95.001	G21CF0015A	<u>6,379</u>
<b>Total Executive Office of the President</b>				<b><u>6,379</u></b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<b><u>\$ 1,788,672</u></b>

**CITY OF NORTH PORT, FLORIDA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

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**NOTE 1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of the City of North Port, Florida (the “City”) under programs of the federal government for the year ended September 30, 2021. The information in the Schedule is presented in accordance with the requirements of the Title 2 *U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, they are not intended to and do not present the financial position, changes in net position or cash flows of the City. The City’s reporting entity is defined in Note 1 of the City’s basic financial statements. All awards received directly from federal and state agencies, as well as amounts passed through other government agencies are included in the accompanying Schedule of Expenditures of Federal Awards.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for grants which are accounted for in the governmental fund types and on the accrual basis of accounting for grants which are accounted for in the proprietary fund types. Such expenditures are recognized following the cost principles contained in Title 2 *U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement, except for the Equitable Sharing Programs for Justice and Treasury which follow, *Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies*. Pass-through entity identifying numbers are presented where available.

**NOTE 3. INDIRECT COST RATE**

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

**NOTE 4. SUBRECIPIENTS**

The City did not provide federal funding to any subrecipients for the year ended September 30, 2021.

## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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Honorable Mayor, City Commission,  
and City Manager  
City of North Port, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the City of North Port, Florida (the "City"), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated June 23, 2022.

### **Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 Reporting Requirements**

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 Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 23, 2022, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations in the preceding annual financial audit report requiring correction.

### **Official Title and Legal Authority**

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

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**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 has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identify the specific conditions(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. 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 the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

**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.

**Additional Matters**

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

**Purpose of this Letter**

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



Bradenton, Florida  
June 23, 2022



## INDEPENDENT ACCOUNTANT'S REPORT

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Honorable Mayor, City Commission,  
and City Manager  
City of North Port, Florida

We have examined the City of North Port, Florida's (the "City") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2021. Management of the City 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 specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

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

This report is intended solely for the information and use of the City and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
June 23, 2022



# City of North Port

Finance Department  
4970 City Hall Boulevard  
North Port, Florida 34286  
(941) 429-7107

[www.cityofnorthport.com](http://www.cityofnorthport.com)

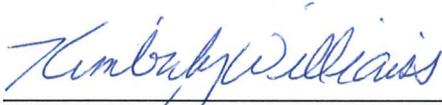
Fax: (941) 429-7209

## AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Kimberly Williams, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the City of North Port, Florida which is a local governmental entity of the State of Florida.
2. The governing body of the City of North Port, Florida adopted Ordinance No. 2020-42 implementing the current impact fees.
3. The City of North Port, Florida has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

  
\_\_\_\_\_  
Kimberly Williams, Finance Director

STATE OF FLORIDA  
COUNTY OF SARASOTA

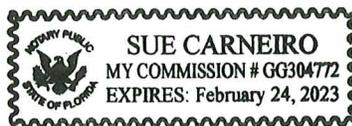
SWORN TO AND SUBSCRIBED before me this 22<sup>nd</sup> day of June, 2022.

  
\_\_\_\_\_  
NOTARY PUBLIC  
Print Name Sue Carneiro

Personally known  or produced identification \_\_\_\_\_

Type of identification produced: Driver's License

My Commission Expires:



**CITY OF NORTH PORT, FL  
SUPPLEMENTAL INFORMATION  
DEPENDENT SPECIAL DISTRICTS  
SEPTEMBER 30, 2021**

<b>Road and Drainage District</b>				<b>Fire Rescue District</b>				<b>Solid Waste District</b>			
Total Number of Employees	Total Compensation	Total Number of Independent Contractors	Total Compensation	Total Number of Employees	Total Compensation	Total Number of Independent Contractors	Total Compensation	Total Number of Employees	Total Compensation	Total Number of Independent Contractors	Total Compensation
89	\$ 4,444,020	1	\$ 34,365	125	\$ 5,358,863	-	\$ -	40	\$ 2,039,915	-	\$ -
Project Description			Expenditures	No applicable construction projects > \$65,000				No applicable construction projects > \$65,000			
Road Rehabilitation			\$ 1,127,723								
Biscayne Drive Bike Lanes			544,106								
Hillsborough/Cranberry Intersection Improveme			142,393								
Rehab. of Water Control Structure 108			128,469								
Tropicaire Boulevard Road Reconstruction			79,249								
Price Traffic Signal at High School			45,538								
Public Works Facility Phase II			31,113								
Drainage System Improvements			12,706								
Total construction projects > \$65,000			<u>\$ 2,111,297</u>								

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**Note:** The information on pages 187 through 190 is required per the *Rules of the Auditor General*, Chapter 10.550. The auditor provides no assurance on the information presented.

**CITY OF NORTH PORT, FLORIDA  
BUDGET VARIANCE REPORT  
DEPENDENT SPECIAL DISTRICT - ROAD AND DRAINAGE DISTRICT  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Taxes	\$ 3,032,700	\$ 3,032,700	\$ 3,475,654	\$ 442,954
Intergovernmental	474,400	545,600	1,521,137	975,537
Charges for services	15,465,940	15,465,940	16,485,333	1,019,393
Fines and forfeitures	-	-	72	72
Investment income	500,000	500,000	61,776	(438,224)
Miscellaneous	69,090	69,090	119,604	50,514
Total revenues	<u>19,542,130</u>	<u>19,613,330</u>	<u>21,663,576</u>	<u>2,050,246</u>
<b>EXPENDITURES</b>				
Current:				
Physical environment	5,625,926	8,082,116	4,518,930	3,563,186
Transportation	11,422,334	16,409,144	9,174,798	7,234,346
Capital outlay	2,094,620	5,332,381	1,248,420	4,083,961
Total expenditures	<u>19,142,880</u>	<u>29,823,641</u>	<u>14,942,148</u>	<u>14,881,493</u>
Excess (deficiency) of revenues over (under) expenditures	<u>399,250</u>	<u>(10,210,311)</u>	<u>6,721,428</u>	<u>16,931,739</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	1,000	1,000
Transfers out	(850,000)	(850,000)	(850,000)	-
Insurance recoveries	4,000	4,000	17,777	13,777
Total other financing sources (uses)	<u>(846,000)</u>	<u>(846,000)</u>	<u>(831,223)</u>	<u>14,777</u>
Net change in fund balances	(446,750)	(11,056,311)	5,890,205	16,946,516
<b>Fund balances - beginning</b>	<u>18,546,069</u>	<u>18,546,069</u>	<u>18,546,069</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 18,099,319</u>	<u>\$ 7,489,758</u>	<u>\$ 24,436,274</u>	<u>\$ 16,946,516</u>

**CITY OF NORTH PORT, FLORIDA  
BUDGET VARIANCE REPORT  
DEPENDENT SPECIAL DISTRICT - FIRE RESCUE DISTRICT  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Taxes	\$ 213,750	\$ 213,750	\$ 247,148	\$ 33,398
Permits, fees and special assessments	21,750	21,750	48,546	26,796
Intergovernmental	45,360	645,360	762,097	116,737
Charges for services	12,469,440	12,469,440	12,494,135	24,695
Investment income	200,000	200,000	22,871	(177,129)
Miscellaneous	41,090	51,090	48,853	(2,237)
Total revenues	<u>12,991,390</u>	<u>13,601,390</u>	<u>13,623,650</u>	<u>22,260</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	11,153,860	11,127,920	10,510,986	616,934
Capital outlay	-	626,460	22,234	604,226
Total expenditures	<u>11,153,860</u>	<u>11,754,380</u>	<u>10,533,220</u>	<u>1,221,160</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,837,530</u>	<u>1,847,010</u>	<u>3,090,430</u>	<u>1,243,420</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(1,615,000)</u>	<u>(1,624,480)</u>	<u>(1,624,480)</u>	-
Total other financing sources (uses)	<u>(1,615,000)</u>	<u>(1,624,480)</u>	<u>(1,624,480)</u>	-
Net change in fund balances	222,530	222,530	1,465,950	1,243,420
<b>Fund balances - beginning</b>	<u>4,743,635</u>	<u>4,743,635</u>	<u>4,743,635</u>	-
<b>Fund balances - ending</b>	<u><u>\$ 4,966,165</u></u>	<u><u>\$ 4,966,165</u></u>	<u><u>\$ 6,209,585</u></u>	<u><u>\$ 1,243,420</u></u>

**CITY OF NORTH PORT, FLORIDA  
BUDGET VARIANCE REPORT  
DEPENDENT SPECIAL DISTRICT - SOLID WASTE DISTRICT  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Charges for services	\$ 9,864,170	\$ 9,864,170	\$ 10,729,176	\$ 865,006
Investment income	200,000	200,000	18,911	(181,089)
Miscellaneous	53,000	353,000	353,283	283
Total revenues	<u>10,117,170</u>	<u>10,417,170</u>	<u>11,101,370</u>	<u>684,200</u>
<b>EXPENDITURES</b>				
Current:				
Physical environment	9,376,140	9,357,205	8,540,136	817,069
Capital outlay	254,900	2,117,600	-	2,117,600
Total expenditures	<u>9,631,040</u>	<u>11,474,805</u>	<u>8,540,136</u>	<u>2,934,669</u>
Excess (deficiency) of revenues over (under) expenditures	486,130	(1,057,635)	2,561,234	3,618,869
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(486,130)	(486,130)	(486,130)	-
Insurance recoveries	-	-	777	777
Total other financing sources (uses)	<u>(486,130)</u>	<u>(486,130)</u>	<u>(485,353)</u>	<u>777</u>
Net change in fund balances	-	(1,543,765)	2,075,881	3,619,646
<b>Fund balances - beginning</b>	<u>3,601,032</u>	<u>3,601,032</u>	<u>3,601,032</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 3,601,032</u>	<u>\$ 2,057,267</u>	<u>\$ 5,676,913</u>	<u>\$ 3,619,646</u>