



**ANNUAL COMPREHENSIVE FINANCIAL
REPORT
of the
CITY OF PUNTA GORDA, FLORIDA**

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2022**

PREPARED BY THE FINANCE DEPARTMENT

Kristin Simeone, CPA
Director of Finance

CITY COUNCIL

As of September 30, 2022

MAYOR	LYNNE R. MATTHEWS
VICE MAYOR	DEBORAH J. CAREY
COUNCILMEMBER	MARK KUHARSKI
COUNCILMEMBER	JAHA F. CUMMINGS
COUNCILMEMBER	MELISSA LOCKHART

CITY MANAGER

GREGORY B. MURRAY

CITY OF PUNTA GORDA, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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INTRODUCTORY SECTION

This section contains
the following subsections:

Letter of Transmittal

List of Elected
and Appointed Officials

City of Punta Gorda Organizational Chart

Certificate of Achievement
for Excellence in Financial Reporting



CITY OF PUNTA GORDA
FINANCE DEPARTMENT
326 WEST MARION AVENUE
PUNTA GORDA, FL 33950
(941) 575-3318
FAX: (941) 575-3386

May 24, 2023

To the Honorable Mayor, Members of the Council and Citizens of the City of Punta Gorda:

State law requires that all general-purpose local governments 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 certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the City of Punta Gorda for the fiscal year ended September 30, 2022.

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

The City of Punta Gorda's financial statements have been audited by Ashley Brown & Smith, a licensed certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Punta Gorda for the fiscal year ended September 30, 2022 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2022 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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



Profile of the Government

Punta Gorda, founded December 7, 1887, is the only incorporated city in Charlotte County and serves as the County Seat. The City currently occupies a land area of approximately 16 square miles and serves a population of approximately 20,157. The City is empowered to levy a property tax on properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The governing council is responsible, among other things, for passing ordinances and resolutions, adopting the budget, appointing committees, and hiring the City's Manager, Clerk and Attorney. The City's Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve two-year staggered terms. The mayor is appointed by the Council to serve a one-year term. All of the council members are elected by district.

This report includes all funds of the City. The City provides a full range of services which include police and fire protection; water, wastewater, sanitation and marina services; the maintenance of highways, streets, canals, and infrastructure; recreational activities and cultural events. In addition to general government activities, the City includes certain agencies and boards in the Annual Comprehensive Financial Report.

The annual budget serves as the foundation for the City's financial planning and control. All departments are required to submit requests for appropriation to the manager through March. The manager uses these requests as the starting point for developing a proposed budget. The manager uses budget workshops for the goal of presenting a proposed budget to the council for review in April through August. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. Department heads may make transfers of appropriations within a department. The City Manager may make transfers between departments within a fund. Transfers of appropriations between funds, however, require the special approval of the council. 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, CRA and PGI Canal Maintenance, this comparison is presented as part of the basic financial statements for the governmental funds. For Governmental Funds, other than the funds listed above, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report. This includes the following funds: BSI Canal Maintenance, Impact Fees, Gas Tax Funds, Special Use, Buckley's Pass Dredging Area, and CHNEP. Project-length financial plans are adopted for all capital project funds and the 1% Local Option Sales Tax Fund. The Debt Service Fund is used for tracking and payment of all major debt incurred by the General Fund, CRA or PGI Canal Maintenance Fund.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Long-term financial planning

For major projects the City uses a five-year capital budget. This helps recognize when major cash infusions will be necessary. These infusions may come from the issuance of debt, grants, new revenue sources, impact fees and/or a build-up of fund balance. Any or all of these methods may be utilized. Not as obvious, but just as important, is the increase in services with the costs associated with these services requested by the citizens, or mandated by external forces. Economic forecasts are performed during the year to avoid surprises due to service changes. As mentioned elsewhere, the City now utilizes a written Council approved strategic plan as well as a Long Range Financial Plan. These tools not only help guide the City staff in specific directions, but also help in the planning of the financial future of the City.

Major Initiatives

A major initiative with the future in mind is the City's adoption of a set of Goals and Strategic Objectives. These goals will assist the City as a guide toward a more planned future. They give the entire organization a shared vision, improved motivation, and serve as the basis for setting priorities.

Vision: Continue to preserve our small town character while promoting diversity, economic development and sustainability.

Vision Elements:

- Punta Gorda will preserve and enhance its historic small-town, self-sufficient community character.
- Punta Gorda will be an economically sustainable four-season community and cultural hub of Charlotte County.
- Punta Gorda will continue to be a safe and secure community.
- Punta Gorda will be a place where residents and visitors recognize the significance and character of its waterfront amenities, natural resources, and vibrant downtown.
- Strong partnerships and collaboration between the City government and all sectors of the community will embody Punta Gorda's ability to sustain its small-town, self-sufficient character.
- Punta Gorda will have a financially sustainable city government.
- Punta Gorda will position itself as the best small town to live, work and visit.

Mission: *"To preserve and enhance Punta Gorda's identity as a vibrant waterfront community, unique in character and history; and as a desirable place to live, work and visit."*

Mission Elements include:

- Become a desired, waterfront destination
- Be a better place to live, work and play
- Deliver a high level of service
- Enhance quality of life
- Retain our unique character

Values Elements:

- Maintain a culture of community engagement, teamwork, partnerships, transparency, respect, customer service, and stewardship.
- Sustain pride in Punta Gorda's history and well-preserved historical areas and natural resources.
- Support and promote local businesses.
- Value a high level of openness, and the fair and equitable treatment of all residents.
- Ensure an ethical, transparent and accountable city government.

Strategic Plan Priorities:

A strategic plan provides a tool for more effective and economical operations and demonstrates to the public that careful consideration has been given to future development and direction of the organization. The Plan provides a realistic view of the expectations for the organization and community at-large.

City Council approved a strategic plan which set priorities for FY 2023. These priorities are delineated below.

- Financial/Economic Sustainability
- Infrastructure Sustainability
- Partnerships, Communication & Collaboration
- Strategic Communications Positioning
- Quality of Life

The plan helps us stay focused in our near term objectives and tasks, while still keeping our eye on the long range perspective of our actions. Our strategic plan is dynamic and can be adjusted or molded from time to time as needed. It is a working document that evolves as development takes place. In this way, it is a document by which we can measure our success and by which the community can evaluate our performance.

Other Economic Issues Affecting City Finances

It is the City's policy to have a minimum Unassigned General Fund Balance of 13.2% in the coming fiscal year. Due to the possibility of a future decline in taxable property values, that could occur during an economic downturn, the City should consider setting aside a portion of additional savings achieved through the year for a fiscal stabilization reserve to meet unexpected immediate increase in service delivery costs or to maintain service levels in the event of a major storm or other unforeseen disaster that fundamentally alters the current tax base.

The City policy that affects the City's current and future financial statements is to increase the above mentioned fund balance an additional 0.5% each year until it meets the GFOA recommended practice of two months operating or 16.67%.

The City was affected by Hurricane Ian which made landfall in Southwest Florida as a Category 4 hurricane on September 28, 2022. The City is working with its insurance company, FEMA, and the State for recovery efforts and restoring, repairing, and/or replacing infrastructure, facilities, and buildings.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended September 30, 2021. This was the thirty-seventh consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Punta Gorda's finances.

Respectfully submitted,



GREGORY B. MURRAY
CITY MANAGER

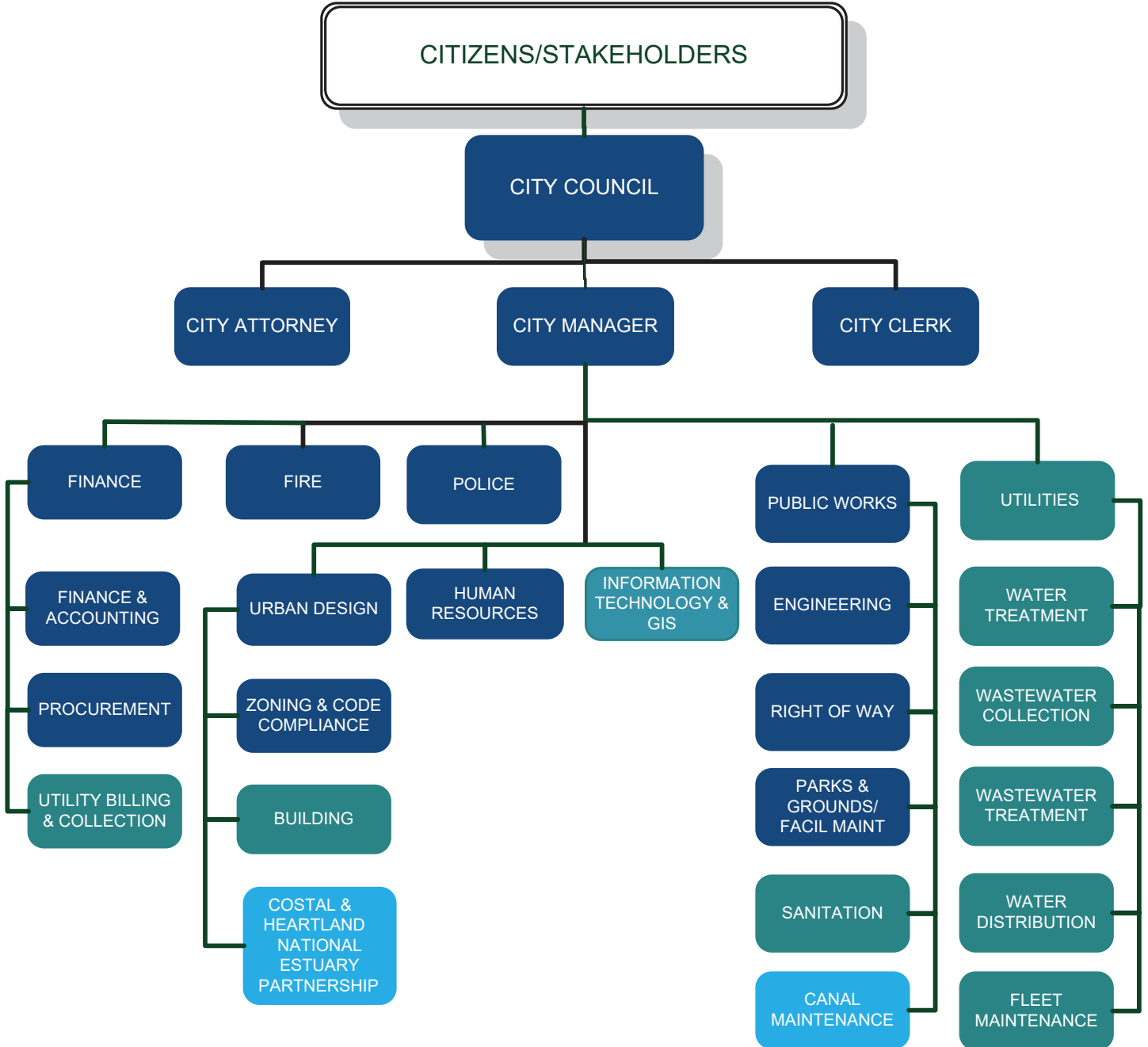


KRISTIN SIMEONE, CPA
DIRECTOR OF FINANCE

City of Punta Gorda, Florida
List of Principal Officials
As of September 30, 2022

<u>Title</u>	<u>Name</u>
Mayor	Lynne R. Matthews
Vice Mayor	Deborah J. Carey
Councilmember	Mark Kuharski
Councilmember	Jaha F. Cummings
Councilmember	Melissa Lockhart
City Manager	Gregory B. Murray
City Attorney	David M. Levin
City Clerk	Karen Smith
Chief of Police	Pamela Davis
Fire Operations Chief	Holden Gibbs
Director of Finance	Kristin Simeone
Director of Public Works	Bryan Clemons
Director of Utilities	Neil Peters

CITY OF PUNTA GORDA
 ORGANIZATION STRUCTURE
 BUDGET FY 2022



CERTIFICATE OF ACHIEVEMENT
FOR EXCELLENCE IN
FINANCIAL REPORTING

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 Punta Gorda, Florida for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Punta Gorda has received a Certificate of Achievement for the last thirty-seven consecutive years (fiscal years ended 1985 through 2021). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Punta Gorda
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This section contains
the following subsections:

Report of Independent Accountants

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Combining and Individual Fund
Statements and Schedules



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AshleyBrownCPAS.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
Punta Gorda, Florida

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of X, State Y's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of X, State Y's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as indicated 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 nonmajor fund and internal service fund financial 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 combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 nonmajor fund financial statements 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 May 24, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
May 24, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of the City of Punta Gorda's financial statements is intended to provide a narrative introduction to the basic financial statements and an analytical overview of the City's financial activities for the fiscal year ended September 30, 2022.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at September 30, 2022, by \$218.2 million (net position). Of this amount, \$28.3 million unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$12.2 million.
- As of September 30, 2022 the City's governmental funds reported combined ending net position of \$110.8 million. This is an increase of \$7.6 million. The unrestricted net position is a deficit balance of \$26 thousand.
- As of September 30, 2022 the business-type activities reported combined ending net position of \$107.4 million. This is an increase of \$4.6 million. The unrestricted net position is \$28.4 million
- The City's total long-term liabilities increased by \$14.0 million during the current fiscal year.
- Total revenues increased \$8.3 million in comparison to prior year.
- Total expenses increased \$5.6 million in comparison to prior year.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements.

The Statement of Net Position (page 22) and **The Statement of Activities** (page 23 and 24) provide information about the activities of the City as a whole and present a longer term view of the City's finances. The statements separate governmental from business-type activities, but both are measured and reported using the economic resource measurement focus and the full accrual basis of accounting.

The **Fund Financial Statements**, which report by individual fund, begin on page 25. The governmental funds measure and report activities using the current financial resources measurement focus and the modified accrual basis of accounting. Therefore you will find the reconciliation on page 29 that converts this data to an economic resources measurement focus and the accrual basis of accounting for use in the Entity-wide Financial Statements. The Fund Financial Statements present information in more detail than in the Entity-wide Financial Statements. Lesser funds, such as Fair Share Impact Fees, Canal Maintenance Districts and Special Use Fund are combined in an "other funds" column. The Governmental Accounting Standards Board (GASB) Statement No. 34 provides the authoritative guidance on the governmental financial reporting model.

THE ENTITY-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities

Government-wide Financial Statements are intended to allow the reader to assess a government's operational accountability. Operational accountability is defined as the extent to which the government has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to meet its objectives for the foreseeable future. The statements separate governmental from business-type activities. For purposes of these statements, both types are measured and reported using the economic resource measurement focus and the accrual basis of accounting.

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

The statement of activities presents information showing how the City's net position changed during fiscal year 2022. All changes in net position are reported as soon as the underlying event giving rise to the change occurs. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (uncollected taxes, earned but unused vacation leave.)

Both of these financial statements distinguish the primary types of functions of the City as defined below:

- Governmental activities—Most of the City's basic services are reported here, including the police, fire, public works, community development, parks, and general administration. Major revenues supporting these activities are ad-valorem taxes, sales and gas taxes, franchise fees, utility and communications service taxes, assessments, intergovernmental revenues, grants, fees and investments.
- Business-type activities—The City's Utilities, Sanitation, Building and Marina services are reported here. These services are supported primarily from user fees. The debt service is supported both by user fees and impact fees.

Fund Financial Statements

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

- Governmental funds account for most, if not all, of the City's tax supported activities. These include the General fund, the CRA fund, 1% Sales Tax fund, the Capital Projects fund, the Debt Service fund, the Coastal and Heartland National Estuary Partnership (CHNEP) fund, the Special Use fund, the PGI and BSI Canal Maintenance District funds, the two Gas Tax funds, Buckley's Pass Dredging Fund and the Fair Share Impact Fee funds. These funds focus on how money flows into and out of the funds, and the balances left at year end. The accounting method used is called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash (usually 60 day focus). The two criteria used are that the revenue is measurable and available. Examples of difference from economic focus are that financing and grants are considered

current revenue, and purchases of capital are considered expenditures whereas depreciation is not since there is no outlay of cash. In a highly regulatory environment, fund accounting serves a very important purpose in that funds received for specific purposes are identified as such and can readily be audited.

- Proprietary funds are used to account for the business-type activities of the government. There are two types: enterprise funds and internal service funds. The City's enterprise funds are Utilities, Sanitation, Building and Marina; the internal service fund is Information Technology Services. All proprietary funds use full accrual basis accounting and the economic measurement focus. Fees or charges are the primary revenue source for proprietary 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 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 similar to proprietary funds. The City's three pension funds are fiduciary funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes can be found beginning on page 52.

Required Supplementary Information

Generally Accepted Accounting Principles (GAAP) call for certain unaudited information to accompany the audited basic financial statements and accompanying footnotes. This information is called Required Supplementary Information (RSI) and includes this analysis, the MD&A, budgetary comparisons, and trend data on pension funding.

THE CITY AS A WHOLE

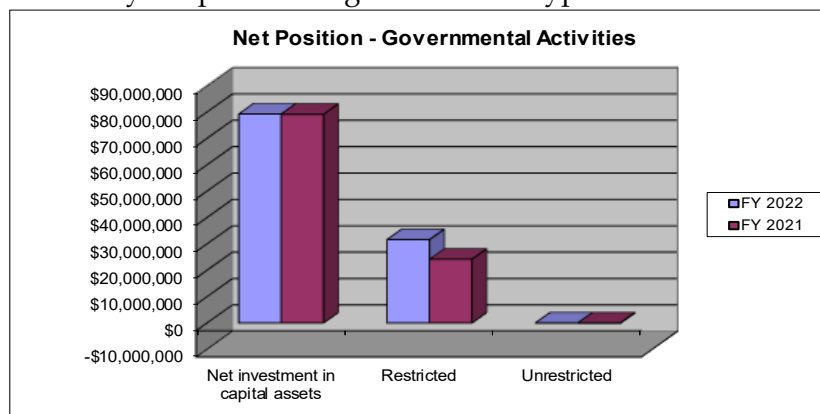
The City's combined net position as of September 30, 2022 was \$218.2 million (Table 1). The City's combined revenues, including contributions, grants, taxes and charges for services were \$68.3 million. Total city-wide expenses were \$56.1 million. The increase to city-wide net position was \$12.2 million (Table 2). Below in Table 1 is a condensed Statement of Net Position, in thousands, for the governmental activities and the business-type activities.

Table 1
Net Position
(in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 59,188	\$ 39,248	\$ 44,558	\$ 39,100	\$ 103,746	\$ 78,348
Capital assets	89,689	90,304	90,430	91,728	180,119	182,032
Total assets	148,877	129,552	134,988	130,828	283,865	260,380
Deferred Outflow s Pensions/OPEB	10,978	3,325	3,705	1,145	14,683	4,470
Long-term liabilities	(30,156)	(18,383)	(24,830)	(22,587)	(54,986)	(40,970)
Other liabilities	(5,292)	(2,660)	(3,295)	(3,538)	(8,587)	(6,198)
Total liabilities	(35,448)	(21,043)	(28,125)	(26,125)	(63,573)	(47,168)
Deferred Inflow s Pensions/OPEB/Leases	(13,616)	(8,675)	(3,162)	(3,042)	(16,778)	(11,717)
Net Position:						
Net investment in capital assets	79,228	79,126	73,084	74,286	152,312	153,412
Restricted	31,589	24,161	5,962	5,867	37,551	30,028
Unrestricted	(26)	(128)	28,360	22,653	28,334	22,525
Total net position	\$ 110,791	\$ 103,159	\$ 107,406	\$ 102,806	\$ 218,197	\$ 205,965

The largest portion of the City’s net position (69.8%) reflects its investment in capital assets (land, buildings, infrastructure and equipment) less outstanding debt used to acquire those assets. The City uses these assets to provide services to citizens; consequently these assets are not available for future spending. Restricted assets (representing 17.2% of total net position) are subject to external restrictions on how they may be used. The remaining 13.0% balance of unrestricted net position, \$28.3 million, may be used to meet the city’s ongoing obligations to citizens and creditors. It is important to recognize that this resource may be planned to repay the outstanding debt on capital. The governmental activities net position increased by \$7.6 million or 7.4%. Last fiscal year there was a \$6.8 million increase in net position. The analysis of revenues and expenses for governmental activities can be found in this MD&A on pages 10-12. The business-type activities net position increased \$4.6 million or 4.5%. The last fiscal year increase was \$2.7 million. The analysis of revenues and expenses for business-type activities can be found in this MD&A on pages 12-14. The City’s overall financial position increased by \$12.2 million or 5.9%. The prior year increase was \$9.5 million.

The following is a chart by net position of governmental-type activities.

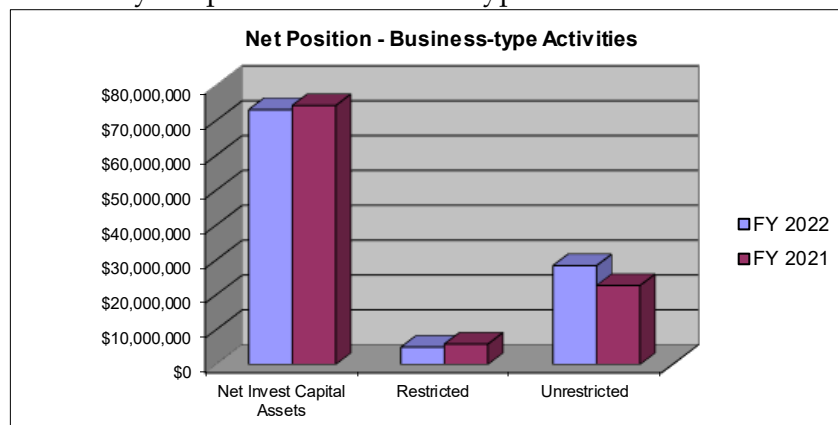


The increase is due mainly to the following significant changes in assets & liabilities:

- Current and other assets increased \$19.9 million - primarily cash, \$10.9 million as several large construction projects were budgeted and are still pending and new lease receivables per new GASB 87 guidance, \$8.7 million.

- Construction work in progress increased, \$2.0 million for harborwalk, building improvement, ADA, and other projects
- Building improvement, drainage and railroad crossing rehab projects, \$0.9 million
- Vehicle and equipment purchases, \$0.6 million
- Champagne Estates seawalls, \$0.2 million
- Right to use assets, \$0.1 million
- Accumulated depreciation, net of disposals, \$3.8 million
- Capital asset disposals, \$0.6 million
- Net pension/OPEB liabilities increased \$13.0 million
- Principal decrease on long-term liabilities, \$1.2 million
- Accounts payable and accrued liabilities increased \$1.4 million
- Unearned revenue increased \$1.2 million
- Deferred Outflows Pension/OPEB activity increased \$7.7 million while Deferred inflows from Pension/OPEB/Lease activity increased \$4.9 million

The following is a chart by net position of business-type activities.



The overall increase in net position is due mainly to the following significant changes in assets & liabilities:

- Current and other assets increased \$5.5 million - cash increased \$4.9 million while receivables increased \$0.6 million of which \$0.4 million was lease receivable
- Construction work in progress increased, \$2.9 million, due to Water plant improvements, \$0.4 million, Wastewater plant improvements, \$2.4 million, and other projects, \$0.1 million
- Water and wastewater vehicles and plant equipment, \$1.4 million
- Water distribution and wastewater system projects, \$0.2 million
- Accumulated depreciation, net of disposals, \$4.9 million
- Capital asset disposals, \$0.9 million
- Net Pension/OPEB liabilities increased \$2.9 million
- Principal decrease on long-term liabilities, \$0.7 million
- Accounts/retainage payables and accrued liabilities decreased \$0.2 million
- Deferred Outflows Pension/OPEB activity increased \$2.5 million while Deferred Inflows from Pension/OPEB/Lease activity increased \$0.1 million.

Table 2
Changes in Net Position
(in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 6,809	\$ 5,997	\$ 27,143	\$ 25,501	\$ 33,952	\$ 31,498
Operating grants and contributions	2,240	2,106	13	19	2,253	2,125
Capital grants and contributions	2,480	2,159	2,072	1,138	4,552	3,297
General revenues:						
Property taxes	13,937	11,538			13,937	11,538
Other taxes	11,475	10,206			11,475	10,206
Other	1,609	1,179	593	225	2,202	1,404
Total revenues	<u>38,550</u>	<u>33,185</u>	<u>29,821</u>	<u>26,883</u>	<u>68,371</u>	<u>60,068</u>
Expenses:						
General government	4,917	4,241			4,917	4,241
Public safety	14,932	11,389			14,932	11,389
Transportation	3,419	3,434			3,419	3,434
Economic environment	371	463			371	463
Recreation	7,095	6,665			7,095	6,665
Interest on long-term debt	184	207			184	207
Water and wastewater			19,097	18,616	19,097	18,616
Sanitation/refuse			4,416	4,043	4,416	4,043
Building Fund			1,276	1,129	1,276	1,129
Marina			432	394	432	394
Total expenses	<u>30,918</u>	<u>26,399</u>	<u>25,221</u>	<u>24,182</u>	<u>56,139</u>	<u>50,581</u>
Increase (decrease) in net position	7,632	6,786	4,600	2,701	12,232	9,487
Net position-beginning	103,159	96,373	102,806	100,105	205,965	196,478
Net position-ending	<u>\$110,791</u>	<u>\$103,159</u>	<u>\$107,406</u>	<u>\$102,806</u>	<u>\$218,197</u>	<u>\$205,965</u>

The analysis of Table 2 states the overall Total Primary Government revenues increased \$8.3 million or 13.8% from the prior year. The Governmental Activities revenues increased \$5.4 million or 16.2%. The Business-type Activities revenues increased \$2.9 million or 10.9%.

The Total Primary Government expenses increased \$5.5 million or 11.0% from the prior year. The Governmental Activities expenses increased by \$4.5 million or 17.1%. The expenses in Business-type Activities increased \$1.0 million or 4.3%.

The analysis of revenues and expenses can be found in this MD&A: Governmental Activities on pages 10-12 and Business-type Activities on pages 12-14.

Major Fund Changes in Net Position or Fund Balance

The General Fund balance at September 30, 2022 consisted of \$5.3 million for unassigned fund balance; \$6.4 million was assigned for subsequent year's budget, and \$0.3 million was for non-spendable inventories and restricted funds for public safety. This is a \$3.5 million increase in fund balance from September 30, 2021. The City Council's financial policy on fund balance minimum increased to 10.0% of annual expenditures plus \$120 thousand from health insurance savings. A more detailed analysis of revenues and expenditures can be found on pages 14-16 of the MD&A. The Community Redevelopment Agency Fund balance increased \$1.2 million. Revenues and transfers increased \$362 thousand over the prior year: tax increment financing (TIF) revenues increased \$303 thousand (due to increase in taxable value and increase in City millage rate) and miscellaneous revenues increased \$149 thousand in interest rate increases and additional rent revenue from rate increases and implementation of GASB 87. Expenditures and transfers for debt

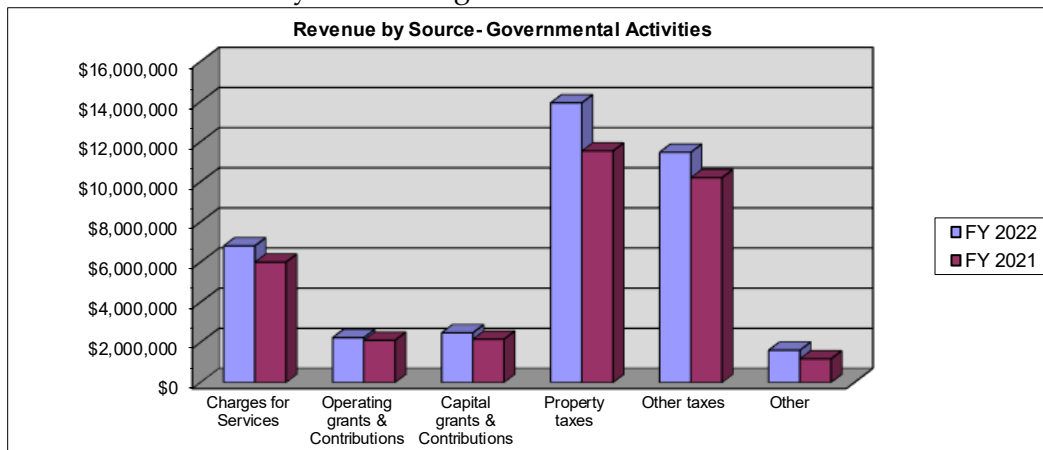
increased \$140 thousand from FY 2021. Therefore, the difference of increase in fund balance was \$0.3 million when compared to the prior year increase of \$0.9 million to fund balance.

The PGI Canal Maintenance Fund balance increased \$0.4 million. Expenditures increased \$416. Additionally, there was an increase of \$545 thousand mainly in assessments due to an increase in the assessment rate to fund additional costs of the seawall maintenance program. Therefore, the change in fund balance increased by \$0.1 million when compared to FY 2021's increase of \$0.3 million.

The Water and Wastewater Utility Fund net position increased \$4.4 million. Capital assets net of accumulated depreciation had a net decrease of \$0.9 million. Current and receivable assets increased \$4.3 million, mainly cash due to planned use for capital and lease receivable from implementation of GASB 87. Current year revenues were used to pay debt reducing liabilities by \$0.8 million. Accounts payable, retainage payable and accrued liabilities decreased \$0.7 million. Net pension/OPEB liability increased \$2.1 million. Deferred outflows increased \$1.8 million and deferred inflows increased \$0.2 million.

Governmental Activities

Below is a chart of revenues by source for governmental activities.



The following details the revenue variances between fiscal years 2021 and 2022.

Charges for services increased \$812 thousand, 13.5%, when compared to FY 2021.

- Various charges for services saw slight increases, but the majority of the increase was related to the PGI & BSI assessment fee increases from \$550 and \$460 respectively to \$650 and \$560 respectively per lot resulting in a \$621 thousand increase in charges. FPL Franchise fees increased \$272 thousand due to FPL rate increases. Buckley's Pass charges decreased \$102 thousand and other miscellaneous charges increased \$21 thousand.

Operating grants and contributions increased by \$134 thousand.

- Decrease in CHNEP operating grants and contributions of \$42 thousand
- Decrease in public safety grants \$30 thousand
- Increase in State Revenue Sharing \$206 thousand due to increased consumer spending and inflation of costs

Capital grants and contributions increased by \$321 thousand due to the following:

- Increase in private contributions for seawalls and serenity garden, \$161 thousand
- Charlotte County Tax Increment increased, \$109 thousand
- Increase in impact fees of \$51 thousand

Property tax revenues increased by \$2.4 million due to increases in taxable values and millage rate increase of 0.5163 mills.

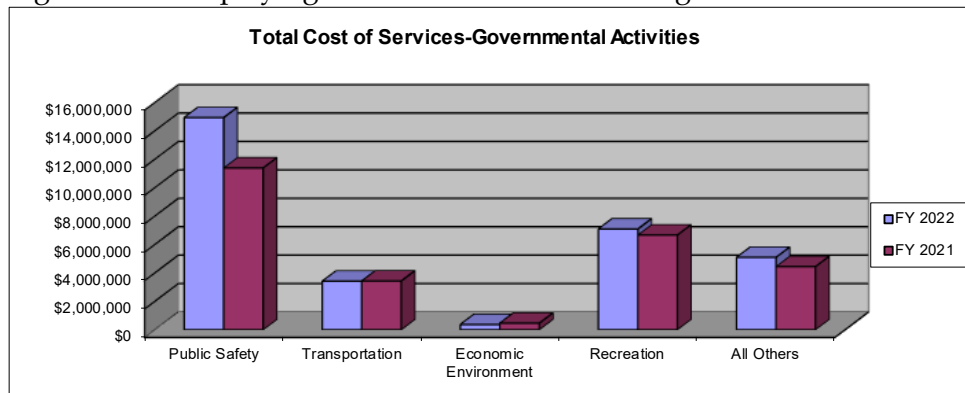
Other taxes increased \$1.3 million. Utility taxes increased \$231 thousand due to growth and rate increases from the utilities. Sales taxes increased \$278 thousand and Local Option Sales tax increased by \$666 thousand based on increased sales and inflationary increases in costs. Gas tax revenue increased by \$75 thousand.

Other revenues increased \$430 thousand as a result of \$257 thousand increase in investment earnings from rising interest rates, and an increase of \$173 thousand in other miscellaneous revenues.

The cost of all governmental activities this year, including allocations, was \$33.8 million as compared to \$29.2 million in FY 2021. As shown in the Statement of Activities on page 23, the program expenses net of indirect expense allocations (\$2.9 million) were paid through:

- \$6.8 million in charges for services; consisting of \$4.2 million canal maintenance districts and Buckley’s Pass assessments and \$2.6 million fees for general government services
- \$2.2 million in operating grants and contributions
- \$2.5 million in capital grants and contributions
- \$27.0 million in general revenues (primarily taxes)

The following is a chart displaying the total cost of services of governmental activities.



- Public safety costs increased by \$3.5 million. Net OPEB/Pension related activities in FY 2022 increase of \$2.7 million. Public Safety Employee wages and benefits increased by \$532 thousand or 5.4% due to four new authorized positions, merit and union increases, overtime, and health insurance increases. Other public safety expenses increased \$330 thousand mainly from fuel price increases, \$65 thousand, computer overhead for specific projects and additional staff, \$135 thousand, contractual services for police maintenance of body cameras, car cameras, tasers, and audio equipment, \$88 thousand, general liability increase, \$22 thousand and other miscellaneous expense, \$20 thousand.
- Transportation costs decreased by \$15 thousand. Payroll and benefits costs decreased \$185 thousand due to turnover and length of vacancies along with an increase of \$251 thousand in charges related to OPEB/pension activities in FY 2022. Operating costs decreased by \$81 thousand from paving decrease of \$152 thousand and increases in electric \$30 thousand and road and signal maintenance of \$41 thousand.
- Economic environment costs decreased by \$92 thousand. Decrease from prior year is caused by a one-time disposed asset loss of \$151 thousand that was not repeated in FY 2022 and is offset by an increase in operating costs of \$59 thousand mainly due to rebranding of wayfinding signs.

- Recreation costs increased by \$430 thousand. Decrease of \$94 thousand in personnel costs due primarily to turnover and length of vacancies. Net OPEB/pension activities in FY 2022 decreased \$105 thousand. Canal Maintenance districts planned increase in seawall program of \$529 thousand and parks and grounds increase in maintenance costs caused by increase in commodity and service prices of \$51 thousand was offset by a decrease in CHNEP work plan of \$125 thousand.
- All others increased \$652 thousand. Personnel costs increased \$143 thousand mainly due to an increase of 1.5 authorized positions, merit and pay plan increases, and health insurance rate increases. OPEB/Pension related costs increased \$346 thousand. Interest expense decreased \$24 thousand. Other costs increased overall \$190 thousand and is attributable primarily to a settlement of \$143 thousand, and other operating increases of \$44 thousand.

Table 3 presents the cost of each of the City’s four largest programs as well as each program’s net cost (total cost less revenue, excluding taxes, generated by the activities). The net cost represents the portion of each program that is supported by various taxes.

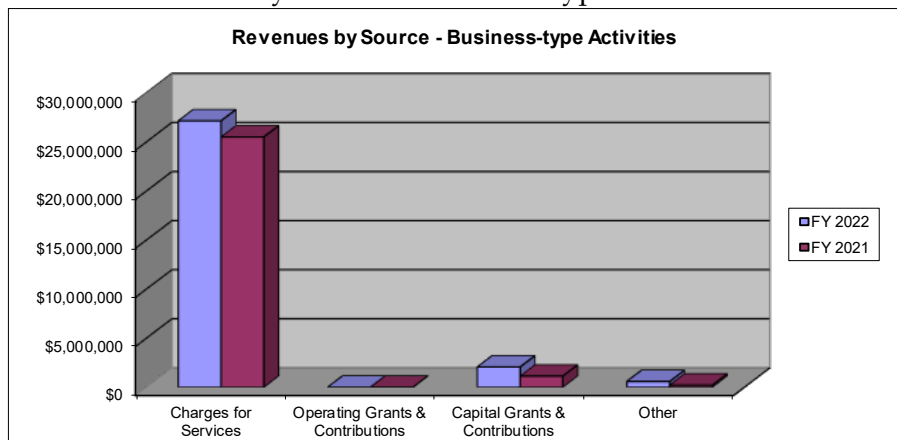
Table 3
Governmental Activities
(in Thousands)

	Total Cost of Services (less indirect expense allocation)		Net Cost of Services	
	2022	2021	2022	2021
Public Safety	\$ 14,932	\$ 11,389	\$ (14,550)	\$ (10,972)
Transportation	3,419	3,434	(2,929)	(2,937)
Economic Environment	371	463	1,277	1,076
Recreation	7,095	6,665	(1,421)	(1,548)
All Others	5,100	4,448	(1,766)	(1,756)
Totals	\$ 30,917	\$ 26,399	\$ (19,389)	\$ (16,137)

Business-type Activities

Revenues of the City’s Business-type activities (see Table 2) totaled \$29.8 million. Operating expenses were \$25.2 million, showing an increase in net position of \$4.6 million or 4.4%. The analysis of revenues and expenses disclosed that revenues increased 10.9% and expenses increased 4.3% from the prior fiscal year.

Following is a chart of revenues by source for business-type activities.



Charges for services reported in business-type activities increased \$1.6 million, or 6.4%, in comparison to the prior year. Water & Wastewater Utility experienced an increase in charges for services of \$1.3 million mainly due to increased overall consumption, growth, and increased rates. Sanitation’s charges for services increased \$170 thousand in refuse collection due to increased recycling and refuse rates. Building’s charges for services increased \$131 thousand due to building permits growth in the City. The Laishley Park Marina charges for services increased \$4 thousand in transient rentals.

The following chart shows the comparison of some specific user fee revenues.

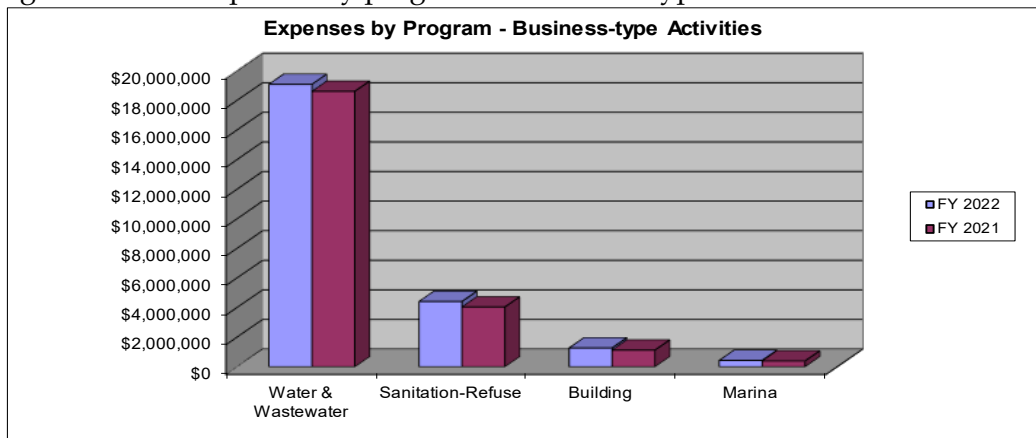
	From 2021 to 2022		
	<u>Revenues (in thousands)</u>	<u>2021</u>	<u>% incr (decr)</u>
Water Billings	\$12,150	\$11,268	7.8%
Wastewater Billings	\$8,474	\$ 8,080	4.9%
Refuse Collection	\$4,007	\$ 3,837	4.4%
Licenses, Permits, & Special Assessments	\$1,646	\$ 1,482	11.1%

Operating grants and contributions decreased by \$6 thousand primarily from the marina pump out boat operating grants.

Capital grants and contributions increased \$0.9 million. There were increases in water and sewer impact fees of \$0.9 million from the prior year due to an increase in new homes and multi-unit projects.

The other category increased \$0.4 million due to increase of \$223 thousand in interest income caused by rising interest rates, \$104 thousand increase in sale of assets (sanitation packers) and \$30 thousand in sale of sod, and \$24 thousand receipt from a class action law suit settlement in FY 2022.

Following is a chart of expenses by program for business-type activities.



The Water & Wastewater Utility expenses increased \$474 thousand, or 2.6%, in comparison to the prior year. Personnel expenses increased \$306 thousand primarily to OPEB/Pension changes \$170 thousand and a pay plan increase of five percent mid-year for general employees. Contractual services increased \$321 thousand mainly due to engineering expenses for permitting and studies. Materials and supplies increased \$200 thousand mainly due to inflation and supply chain issues of commodities and chemicals. Utility expense increased \$193 thousand due to a significant increase in rates from FPL. Interest expense decreased \$532 thousand due to final payment on an SRF loan in FY 2021. Other operating expenses decreased \$14 thousand overall.

The Sanitation expenses increased by \$373 thousand, or 9.2%. Personnel expenses increased \$146 thousand due to overtime needs from turnover and the recording of net deferred charges and expenses from pension and OPEB. Contractual services increased \$121 thousand due to recycling charges and use of contracted temporary employees due to staff shortages from turnover, sick and vacation. Depreciation increased \$36 thousand. Fuel costs increased by \$84 thousand due to higher gas prices. Various other expenses decreased \$14 thousand.

The Building Fund's expenses increased by \$147 thousand, or 13.1%. Personnel expenses increased \$44 thousand. Despite savings in personnel from the building official position, there were increases in pension related expenses. Contractual services increased \$103 thousand as the building official duties were contracted while search to fill position continues and use of contracted temporary employees for administrative and specific permitting discipline needs.

The Laishley Park Marina expenses increased \$36 thousand, or 9.2% primarily from increases in utilities expenses, \$15 thousand, due to rate increases and contracted services with the management company, \$16 thousand, due to costs of labor and commodities increasing. Other operating costs increased \$5 thousand overall.

THE CITY'S FUNDS

General Fund Budgetary Highlights

The following is a brief review of the budgeting changes from the original budget to the final budget for the General Fund. The final expenditure budget (excluding transfers) increased \$2.3 million or 9.7% from the original budget, which can be briefly summarized as follows:

- Supplemental appropriations: police and urban design donations, \$42 thousand; police grants, \$123 thousand; facilities and police equipment, \$100 thousand; repairs of equipment and property from insurance recoveries, \$90 thousand; personnel costs for staffing and fire bargaining contract changes, \$121 thousand; facilities repairs and projects, \$90 thousand; and legal services, \$95 thousand.
- Purchase order rollovers from prior year for vehicle and equipment in public works, \$170 thousand; professional services for planning, \$167 thousand; marketing and other services, \$37 thousand; facilities maintenance projects, \$35 thousand; police grants, \$28 thousand; and police and fire equipment, \$282 thousand.
- Re-appropriations from prior year for police programs, grants, and vehicle replacements, \$218 thousand; fire programs and equipment, \$107 thousand; lot mowing and distressed property maintenance, \$157 thousand; facilities equipment and projects, \$275 thousand; professional services, \$66 thousand; and various other operating expenditures, \$65 thousand.

The final revenue budget (excluding transfers and line of credit) increased by \$0.5 million or 1.9%, from the original budget, which can be briefly summarized as follows:

- Grant awards and donations, \$267 thousand
- Insurance recoveries, \$90, thousand
- Water and electric utility taxes, \$130 thousand

An increase in transfers to the general fund included \$175 thousand from the special use fund for professional services for comprehensive plan and land development regulations. An increase to line of credit proceeds of \$7.8 million was due to delay of Hurricane Irma rip rap project while awaiting permitting with a corresponding increase to transfers out to PGI canal maintenance

fund. An increase in transfers out to general construction fund was \$35 thousand for building improvements.

Variances between the General Fund's final amended budget and actual amounts are highlighted as follows:

Revenues:

- Ad Valorem taxes were over budget \$39 thousand due to lower discounts taken.
- Utility and other taxes were over budget \$154 thousand due to increased rates and customer usage.
- Utility and gas franchise fees were over budget by \$294 thousand due to increased rates and customer usage and permitting fees were over budget by \$7 thousand.
- Sales Taxes and State shared revenues were over budget \$534 thousand due to economic conditions rebounding and the inflation in costs of products and services.
- Grant revenues were under budget \$131 thousand as the police department did not fully expend awards and \$78 thousand was carried over to FY 2023.
- Charges for services were over budget \$40 thousand, mainly in planning and zoning fees and lien search fees due to more home sales and development.
- Fines were over budget \$11 thousand, mostly from code enforcement and false alarms.
- Miscellaneous revenues were over budget \$153 thousand as follows: interest income due to interest rates increasing, \$75 thousand; park rentals \$16 thousand; and various other miscellaneous revenues, \$62 thousand.

Expenditures:

- General government expenditures were under budget by \$722 thousand. Personnel expenditures were \$298 thousand under budget due to turnover changes and length of time to fill vacant positions in current job market. Lot Mowing was \$152 thousand under budget primarily due to management of number of mows during slower growth periods. Professional services for comprehensive planning, land development regulations, and marketing were under budget \$241 thousand as they were not completed at fiscal yearend. Election expenses were under budget \$45 thousand as an election process was not required. All other operating expenditures in all general government department/divisions were over budget \$14 thousand due to inflation of costs of supplies and services.
- Public Safety police operating expenditures were under budget by \$137 thousand. Personnel expenditures were under budget by \$44 thousand, mainly due to turnover. Law Enforcement Trust Funds were under budget, \$68 thousand. Police department donation programs were under budget \$57 thousand. Other overall operating accounts were over budget by \$32 thousand mainly due to inflationary increases in commodities and services.
- Public Safety fire was under budget by \$309 thousand. Personnel expenditures were under budget \$209 thousand mainly due to two new positions vacant longer than expected and turnover in two existing positions from retirements. Repair and Maintenance costs were \$78 thousand under budget. Other operating expenditures were under budget \$22 thousand.
- Public Safety code operating expenditures were under budget \$66 thousand. Distressed property maintenance budget was \$63 thousand under budget and \$56 thousand of that was re-appropriated to FY 2023. Net personnel expenditures and other operating expenditures were under budget \$3 thousand.

- Transportation - Right of Way expenditures were \$260 thousand under budget. Personnel expenditures were \$256 thousand under budget due to turnover, length of time to fill vacant positions in current job market, and competitiveness for CDL licensed employees. Other operating expenditures were under budget \$4 thousand.
- Recreation - Parks and Grounds expenditures were \$196 thousand under budget. Personnel expenditures were under budget \$79 thousand due to turnover and length of time to fill positions in current job market. Contractual services were under budget \$58 thousand in landscaping and exotic tree removal. Repair and maintenance was under budget \$34 thousand due to lower vehicle and equipment repairs than anticipated. Decorations and supplies were under budget \$18 thousand and other operating expenditures were under budget \$7 thousand.
- Capital Outlay expenditures were \$1.5 million under budget mainly due to supply chain issues and increased pricing of equipment in the market. Vehicles and equipment on order at the end of the fiscal year was \$608 thousand. Other vehicles, equipment, and infrastructure projects of \$535 thousand were delayed and re-appropriated to fiscal year 2023.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets as of September 30, 2022 reflect an investment of \$180 million, net of accumulated depreciation.

The following table provides a summary of net capital assets by category for both Governmental and Business-type activities.

Table 4
Capital Assets at Year End
(net of Depreciation, in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 16,428	\$ 16,366	\$ 5,403	\$ 5,403	\$ 21,831	\$ 21,769
Buildings	15,478	16,076	2,877	3,295	18,355	19,371
Improvements other than buildings	5,105	5,683	2,185	2,528	7,290	8,211
Vehicles and equipment	2,808	3,345	6,153	7,024	8,961	10,369
Infrastructure / System	45,910	46,975	68,397	70,940	114,307	117,915
Right to use assets	102	0	0	0	102	0
Construction work in progress	3,858	1,859	5,415	2,538	9,273	4,397
Total Capital Assets	<u>\$ 89,689</u>	<u>\$ 90,304</u>	<u>\$ 90,430</u>	<u>\$ 91,728</u>	<u>\$ 180,119</u>	<u>\$ 182,032</u>

Significant changes to assets this year include:

- (4) Public works vehicles, \$170 thousand
- Public works mower, chipper, and fountain pump, \$68 thousand
- (1) Police motorcycle fully outfitted, \$28 thousand
- (30) Self Contained Breathing Apparatus, \$250 thousand
- General government office buildouts, \$105 thousand
- Land purchases, \$62 thousand
- (3) Utilities vehicles, \$89 thousand
- (1) excavator for Utilities Water Treatment, \$32 thousand
- Vac and Slurry tank and a convault tank for Wastewater Treatment, \$223 thousand
- (4) Pumps and (3) mixers for the Treatment plants, \$181 thousand

- (1) vehicle for Building fund, \$22 thousand
- IT servers, switches, and software, \$80 thousand
- Various ADA improvements, \$305 thousand
- Various Harborwalk projects, \$1.2 million
- Street, Sidewalk & Drainage improvements, \$803 thousand
- Water plant improvements, \$548 thousand
- Water Distribution projects, \$612 thousand
- Wastewater gravity sewer, force main, and lift station rehabs, \$202 thousand
- Wastewater plant improvements, \$2.7 million

Debt

As of September 30, 2022, the City had \$9.6 million of revenue note debt in the governmental activities. This is a net decrease of \$1.4 million as compared to the prior year. The City made a principal payment of \$1.4 million in FY 2022. The business-type activities note debt was \$16.0 million. This is a decrease of \$0.8 million as compared to the prior year. Principal payments on the SRF loan were \$0.8 million.

As of September 30, 2022, Right to Use leases was \$102 thousand.

For additional information regarding capital assets and debt refer to footnote IV. D (pages 66-67) and footnote IV. E (68-73).

ECONOMIC OUTLOOK

National and state economies are key factors in assessing the City's future fiscal picture. Changes in the national, state and local economies can affect both revenues and expenditures, due to the impact on sales tax receipts and the costs and demand of providing city services. While economic changes at the state and national level can often translate into comparable changes locally, it is important to note that Punta Gorda and the Southwest Florida region as a whole often behave differently, displaying economic trends and reflecting experience that may lag or precede observed changes elsewhere.

National Economic Outlook

The November 2022 current view of the economy from the Congressional Budget Office (CBO) includes the following key points:

- Economic growth will probably be slower in 2023 than the agency projected in May 2022 but faster in 2024.
- CBO expects real GDP growth to be less than the 2.2% rate projected in May 2022 and expects 2024 to be greater than projected as the economy recovers from slow growth in 2022 and 2023.
- Stemming mainly from the estimate of slower growth in 2023, CBO expects the unemployment rate in 2023 and 2024 to be greater than May 2022 projections of 3.5% mid 2023 with gradual rise to 4.5% by the end of 2032.
- CBO expects inflation rates in 2023 and 2024 to be greater than the projections in May 2022 of 2.7% in 2023, and 2.3% per year thereafter remaining above the Federal Reserve's long-run goal of 2%.
- It is expected that interest rates will be higher than projected on three-month T-Bills in May 2022 of 2% and 2.5% respectively.
- The federal funds rate in 2024 in particular is more likely to be above the May 2022 projections of 2.6% in 2024 to reduce inflationary pressures in the economy.

Other highlights from the May 2022 economic forecast not addressed in the November 2022 current view are:

- The increase in the demand for labor is expected to continue to outpace the increase in the supply of labor, resulting in continued upward pressure on wages. The employment cost index for workers in private industry is 5.9% higher in the second quarter of 2022 than it was one year prior as compared to the annual growth rate in recent prepandemic years of 3%. Wage growth is projected to ease gradually to 3.2% in 2026.
- High deficits and debt are driven by a disconnect between spending and revenue. It is expected that spending will rise while revenue will flatten.
- CBO's latest budget projections suggest that the country is on an unsustainable fiscal trajectory and that given high debt and surging inflation, policymakers should act soon to enact a deficit-reduction plan. Additionally, they suggest that getting the country on solid fiscal ground will require lowering health care costs, securing Social Security and other trust funds that are headed toward insolvency, raising additional revenue, limiting discretionary spending growth, and cutting other low-priority spending and tax breaks.

Florida/Southwest Florida Regional Economic Outlook

The Florida Legislature Office of Economic and Demographic Research issued its economic overview in August 2022. Key highlights of the report are delineated below:

- It is anticipated that the state's economy will expand only 1% in FY 2023 and returning to a more characteristic 2% in FY 2024.
- The final growth rate for personal income for FY 2021 was 7.5% which included two different federal stimulus and relief programs which contributed to the overall increase. FY 2022 saw moderately lower growth of 5.5% workers returned to jobs or leveraged tight labor markets offsetting the loss of federal relief efforts. FY 2023 expected growth is 6.4% largely on the continuing strength of salary growth. Thereafter it is projected that annual growth rates are expected to remain solidly at or above 4%.
- The June 2022 unemployment rate was 2.8%, lower than the US rate of 3.6%.
- Population growth is the state's primary engine of economic growth, fueling both employment and income growth. Florida is currently the third most populous state, behind California and Texas. The 2020 Census indicated a slightly lower number of permanent residents than originally anticipated and new population estimates have been revised to blend the 2020 count. Florida's population growth has mostly been from net migration as current year natural increase is expected to remain negative. Between 2021 and 2030, growth is forecast to average 1.24%
- The Florida housing market soared during the pandemic. The market environment leading to this result was caused by the record low interest rates tied to the Federal Reserve's actions to stem the severity of the pandemic's economic disruption. Homeownership rate is slightly higher than the long-run average. Existing home market was overheated and now cooling off. Median sale prices remain high.
- Consumer perceptions reach a low as the national sentiment reading for June 2022 dropped to its lowest point since the pandemic began, and is now below the Great Recession depths.
- Florida tourism is a major component of the state's economy. It is expected growth will be 2.4% and 4.4% in FY 2023 and FY 2024 respectively.

The Florida Gulf Coast University (FGCU) Regional Economic Research Institute's Southwest Florida Regional Economic Indicators Report published in November 2022 highlights:

- Southwest Florida's seasonally-adjusted unemployment rate in September 2022 is 2.6%.
- Tourist tax revenues for the coastal counties were down 2% in June 2022 compared to June 2021.
- Taxable sales for August 2022 were up 17% compared to August 2021.

- Indicators relating to the real estate industry reflect a slowdown in sales and a rise in supply. Coastal counties single-family building permits decreased 25% in between September 2021 and September 2022. Single-family home sales for the coastal counties decreased 37% from September 2021 to September 2022, while median prices continued to rise increasing 12-16% over the same period. Active listings were 92% above the September 2021 measure.
- Airport passenger activity decreased 5% percent from September 2021 to September 2022.
- The FGCU Industry Diversification Index (IDI) measures the degree to which a region’s workforce is concentrated in few industries or dispersed into many. Industry diversification is an important factor explaining our state and region’s tendency to overheat during expansions in the business cycle and overcorrect during contractions in the business cycle. During the first quarter of 2022, the IDI for Southwest Florida measured at 5.30, ranking it as the 9th most industrially diverse workforce region in the state of Florida (out of 24).
- FGCU’s report included Florida’s Consumer Sentiment Index slipped to 61.1 in October 2022 down 3.4 points from September 2022. Hector Sandoval, director of the Economic Analysis Program at the University of Florida’s Bureau of Economic and Business Research states that the decrease “comes as no surprise as this month’s reading captures the impact of Hurricane Ian...Despite the damage caused by Hurricane Ian, the storm is unlikely to have a lasting effect on the state’s future economic prospects...”

Charlotte County Economic Highlights

Charlotte County has undertaken a number of initiatives to enhance its business opportunity environment. Some of the more pertinent initiatives and statistics are:

- Charlotte County continues to notice solid growth in population. The 2021 population estimates from the University of Florida, Bureau of Economic Research (BEBR) were updated to include the 2020 Census results. Charlotte County 2021 estimate is 190,570 up from their previous estimate of 187,904. It is estimated that 56% of the population is 55 or older and estimated 38% being 65 or older.
- For the tenth consecutive year, the taxable property value in the County has increased. The increase is 17.4% from the prior year. Of that amount, new construction and other adjustments accounted for 3.1%.
- Unemployment is 2.3% in May 2022 down 1.4% from May 2021.
- The median sales price of an existing single family home in the County was \$392,000 in May 2022, compared to \$320,035 the previous year, a 22% increase.
- The County reported 545 single family home sales for May 2022 down 3% from May 2021 of 561. Number of building permits issued were 390 in May 2022, an increase from 253 issued in May 2021.
- The County's taxable sales increased to \$383.1 million in April 2022, compared to \$326.1 million in April 2021, an increase of 17%. Taxable sales for March 2022 were \$348.5 million.
- Tourist tax revenues in April 2022 were \$797 thousand, up 23% from April 2021 measure.
- The Punta Gorda Airport and Enterprise Charlotte Airport Park (ECAP) continue to represent major economic drivers in the area. Allegiant’s service area from Punta Gorda flies to 45 nonstop destinations. Sun Country Airlines offers service from Punta Gorda to Minneapolis-St Paul International Airport. Although, passenger activity at the airport has risen significantly since calendar year 2011 through 2019, there was a decline in 2020 due to the pandemic with some recovery in 2021.

Year	Passenger Count	Year	Passenger Count	Year	Passenger Count
2011	291,626	2012	219,357	2013	333,611
2014	628,075	2015	836,472	2016	1,118,303
2017	1,293,337	2018	1,577,164	2019	1,644,916
2020	1,189,681	2021	1,569,836	2022	1,846,097

- Sunseeker Resort in the Charlotte Harbor Community Redevelopment Area bordering the harbor on the north side of the US 41 South Bridge has resumed construction after having been placed on hold during the pandemic and is anticipated to employ 1,150 people. It is expected to open in 2023 with 785 guest rooms, two pools, 60,000 square foot convention space, spa and salon, fitness center, three retail/market shops and 19 dining and bar concepts.
- Tuckers Grade – a planned mixed-use development at the I-75 and Tuckers Grade interchange to include 1,689 residential units, 400 hotel rooms, and 480,000 commercial retail space. The proposed project plans to attract nearby residents and the traveling public.
- Babcock Ranch, a planned new town situated on 18,000 acres bordering Charlotte County and Lee County, broke ground in June 2016. When completed the development will house 19,500 residential units with an anticipated 50,000 population; six million square feet of commercial space; 75 mega-watt solar facility; and 50 miles of trails. The development is also planning a partnership with Florida Gulf Coast University to house higher educational programs. To-date, 2,000 single-family permits have been submitted since August 2016, and development of town center is well underway with Publix opening in 2022. Babcock Ranch tops the list of "Best Eco-Friendly Communities in ideal LIVING for 2020. It was also named the fourteenth top selling master planned community in the country in 2021 by RCLCO Real Estate Advisors.
- West Port Development - Rezoning was approved for 400+ acres in the western section of Murdock Village in order to have mixed-use development with a maximum of 2,400 single and multi-family units, commercial uses, and a 150-room hotel. Homes are currently under construction with the first family having moved in. Arredondo Pointe/Lost Lagoon Development will include a mixture of retail, entertainment, water park, and hotel uses. A second phase was approved December 2021 with the sale of 156 acres to the development to include 500 single family and 300 multi family homes, a commercial development site of approximately 15 acres and a portion set aside for potential medical use.

Punta Gorda Economic Highlights

Projections show a FY 2023 population of 20,389 adjusted based on the 2020 Census of 19,471.

- Changes in property values continue to contribute major influence on financial planning and budget preparation. Taxable property values (FY 2023) increased Citywide by 12.4% from the final previous fiscal year, including \$31.5 million of new construction, annexation, and changes in exemption. This is the tenth straight year experiencing an increase in values after six straight years of declines in taxable value Citywide.
- New single-family housing unit building permit trends since FY 2005 are shown below.

Year	Units Permitted	Year	Units Permitted	Year	Units Permitted
FY 2005	467	FY 2006	241	FY 2007	190
FY 2008	98	FY 2009	12	FY 2010	37
FY 2011	30	FY 2012	56	FY 2013	88
FY 2014	100	FY 2015	125	FY 2016	113
FY 2017	127	FY 2018	115	FY 2019	89
FY 2020	102	FY 2021	143	FY 2022	122

- New multi-family housing unit residential construction has also demonstrated a positive trend starting in FY 2012.

Year	Units Permitted	Year	Units Permitted	Year	Units Permitted
FY 2012	4	FY 2013	4	FY 2014	0
FY 2015	86	FY 2016	90	FY 2017	4
FY 2018	35	FY 2019	39	FY 2020	0
FY 2021	236	FY 2022	321		

- City of Punta Gorda residential development – Vacant vs Developed as of June 2022.

Community	Total Parcels	Developed Residential	Vacant Residential	% Residential Developed
PGI	9,191	8,674	517	94.4%
BSI	1,837	1,675	162	91.2%
BSM	932	777	155	83.4%
Total	11,960	11,126	834	93.0%

- Citywide Master Plan – Dover Kohl & Partners is currently working on revising the Land Development Regulations, Form Based Codes and Comprehensive Plan recommendations based on the PLAN Punta Gorda 2019 Citywide Master Plan and City Council direction.
- Former IMPAC Campus – City Council approved a rezoning of the four plus acres for a mixed-use planned development to include conversion of one building to a 25-room hotel, relocation of the Military Heritage Museum in another building, and 3,500 square feet of office space. The museum opened in April 2019. The hotel and office space remains under construction.
- Terracap (former LOOP) development update - Goodkin Consulting (GC) was hired by the property owner to conduct a market analysis concerning development possibilities for Village Center, a proposed 171-acre mixed-use residential and commercial development. The site is at the intersection of Jones Loop Road and I-75 in Punta Gorda. The report’s findings, published in August 2015, are highlighted below:
 - ✓ Residential component – 290 residential units of which 128 are single family detached, 90 single family semi attached and 72 townhome attached.
 - ✓ Retail component – 540,000 square feet of which 300,000 is an outlet mall and 240,000 a village center.
 - ✓ Office component – 150,000 square feet consisting of 80,000 in village center with office over retail, and 70,000 of two or three single users.
 - ✓ Hotel component – dual branded with 200 rooms.
- Parkside Punta Gorda, a 297 unit apartment complex at 26020 Jones Loop Road is under construction. The apartment community has six buildings at a maximum of three stories, a community recreation area and on-site parking.
- The City’s business development strategy to enhance business and economic development has been updated to include a City of Punta Gorda Economic Development Team including City Council and key staff members.
- On September 28, 2022, Hurricane Ian made landfall in Southwest Florida. The City experienced electrical outages immediately following the storm. Damage assessment and emergency protective measures were taking place throughout the following week as FPL worked to restore power to all parts of the City. Debris removal efforts followed. The City is working with its insurance, FEMA, and State to repair and/or replace damaged buildings, facilities, and infrastructure. Other efforts focus on providing recovery services, especially in the permitting and building functions, for its citizens.

BASIC FINANCIAL STATEMENTS

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF NET POSITION
September 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 43,587,845	\$ 14,995,091	\$ 58,582,936
Receivables (net of allowance for uncollectibles)	716,235	1,300,046	2,016,281
Lease Receivable - GASB 87	8,744,267	412,363	9,156,630
Due from other governments	1,353,529	2,032	1,355,561
Internal balances	63,609	(63,609)	0
Inventories	82,999	131,470	214,469
Prepays	823,808	58,214	882,022
Restricted assets:			
Cash and cash equivalents	3,815,530	27,722,870	31,538,400
Capital assets (net of accumulated depreciation):			
Land	16,427,590	5,403,346	21,830,936
Buildings	15,478,482	2,876,671	18,355,153
Improvements other than buildings	5,104,675	2,185,016	7,289,691
Vehicles and equipment	2,808,354	6,153,467	8,961,821
Infrastructure/System	45,910,259	68,396,545	114,306,804
Construction in progress	3,857,753	5,414,663	9,272,416
Right to use assets	101,852	0	101,852
Total assets	<u>148,876,787</u>	<u>134,988,185</u>	<u>283,864,972</u>
DEFERRED OUTFLOWS			
Deferred outflows related to pensions/OPEB	<u>10,978,253</u>	<u>3,704,922</u>	<u>14,683,175</u>
LIABILITIES			
Accounts payable and other current liabilities	2,716,974	3,204,845	5,921,819
Unearned revenue	2,575,584	0	2,575,584
Liabilities payable from restricted assets	0	89,521	89,521
Noncurrent liabilities			
Due within one year	1,561,462	875,939	2,437,401
Due in more than one year:			
Bonds, notes, compensated absences	8,906,262	15,661,798	24,568,060
Net pensions/OPEB liability	19,687,873	8,292,602	27,980,475
Total liabilities	<u>35,448,155</u>	<u>28,124,705</u>	<u>63,572,860</u>
DEFERRED INFLOWS			
Deferred inflows related to pensions/OPEB/Leases	<u>13,615,874</u>	<u>3,162,190</u>	<u>16,778,064</u>
NET POSITION			
Net investment in capital assets	79,228,516	73,083,888	152,312,404
Restricted for:			
Highways and streets	1,656,851	0	1,656,851
Capital projects	13,627,728	0	13,627,728
Debt service	2,428,214	1,112,769	3,540,983
Utilities System Projects	0	4,849,519	4,849,519
CRA District	4,684,609	0	4,684,609
Recreation	7,496,384	0	7,496,384
Public Safety	694,566	0	694,566
Other Purposes	196	0	196
Non-expendable	1,000,068	0	1,000,068
Unrestricted	(26,121)	28,360,036	28,333,915
Total net position	<u>\$ 110,791,011</u>	<u>\$ 107,406,212</u>	<u>\$ 218,197,223</u>

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

	Expenses	Indirect Expenses Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<u>Functions/Programs</u>					
Governmental Activities:					
General government	\$ 8,122,092	\$(3,205,255)	\$ 2,293,291	\$ 880,556	\$160,540
Public Safety	14,931,807	0	32,926	110,629	238,552
Transportation	3,338,329	80,310	305,180	0	184,583
Economic environment	355,897	15,450	0	0	1,647,774
Recreation	6,835,040	260,235	4,177,662	1,248,560	248,182
Interest on long-term debt	183,508	0	0	0	0
Total Governmental Activities	<u>33,766,673</u>	<u>(2,849,260)</u>	<u>6,809,059</u>	<u>2,239,745</u>	<u>2,479,631</u>
Business-type Activities:					
Water and wastewater	16,831,726	2,264,670	21,002,720	-	2,071,489
Sanitation/refuse	4,019,244	396,960	4,051,559	-	0
Building Fund	1,125,893	150,470	1,645,926	-	0
Marina Fund	394,812	37,160	443,007	13,304	0
Total Business-type Activities	<u>22,371,675</u>	<u>2,849,260</u>	<u>27,143,212</u>	<u>13,304</u>	<u>2,071,489</u>
Total Functions/Programs	<u>\$56,138,348</u>	<u>\$0</u>	<u>\$33,952,271</u>	<u>\$ 2,253,049</u>	<u>\$ 4,551,120</u>

General Revenues:
Property taxes
Utility taxes and gas taxes
Sales Taxes
Investment earnings
Miscellaneous revenue
Total general revenues
Change in net position
Net Position - Beginning
Net Position - Ending

See Accompanying Notes.

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (1,582,450)	\$0	\$ (1,582,450)
(14,549,700)	0	(14,549,700)
(2,928,876)	0	(2,928,876)
1,276,427	0	1,276,427
(1,420,871)	0	(1,420,871)
(183,508)	0	(183,508)
<u>(19,388,978)</u>	<u>0</u>	<u>(19,388,978)</u>
0	3,977,813	3,977,813
0	(364,645)	(364,645)
0	369,563	369,563
0	24,339	24,339
<u>0</u>	<u>4,007,070</u>	<u>4,007,070</u>
<u>(19,388,978)</u>	<u>4,007,070</u>	<u>(15,381,908)</u>
13,937,281	0	13,937,281
4,793,094	0	4,793,094
6,681,573	0	6,681,573
403,865	280,778	684,643
1,205,073	312,519	1,517,592
<u>27,020,886</u>	<u>593,297</u>	<u>27,614,183</u>
7,631,908	4,600,367	12,232,275
103,159,103	102,805,845	205,964,948
<u>\$ 110,791,011</u>	<u>\$ 107,406,212</u>	<u>\$ 218,197,223</u>

CITY OF PUNTA GORDA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2022

ASSETS	General	Debt Service Fund	Community Redevelopment Agency Fund	P G I Canal Maintenance Fund
Cash and cash equivalents	\$ 11,878,646	\$0	\$ 1,143,308	\$ 5,504,779
Accounts receivable (net of allowance of \$ 38,236)	716,235	0	0	0
Leases	348,896	0	8,395,371	0
Restricted cash and equivalents	250,611	0	3,564,919	0
Due from other governments	310,262	0	0	43,603
Inventories	82,999	0	0	0
Prepaid items	25,448	0	0	2,368
 Total assets	 <u>\$ 13,613,097</u>	 <u>\$0</u>	 <u>\$ 13,103,598</u>	 <u>\$ 5,550,750</u>

See Accompanying Notes.

Capital Project Fund	1% Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
<u>\$ 1,064,636</u>	<u>\$ 13,060,038</u>	<u>\$ 10,150,940</u>	<u>\$ 42,802,347</u>
0	0	0	716,235
0	0	0	8,744,267
0	0	0	3,815,530
0	257,101	742,563	1,353,529
0	0	0	82,999
<u>794,084</u>	<u>0</u>	<u>262</u>	<u>822,162</u>
<u><u>\$ 1,858,720</u></u>	<u><u>\$ 13,317,139</u></u>	<u><u>\$ 10,893,765</u></u>	<u><u>\$ 58,337,069</u></u>

(Continued)

CITY OF PUNTA GORDA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2022
(Continued)

LIABILITIES AND FUND BALANCES	General	Debt Service Fund	Community Redevelopment Agency Fund	P G I Canal Maintenance Fund
Accounts payable	\$ 415,254	\$0	\$ 8,511	\$ 259,737
Retainage payable	0	0	0	76,384
Accrued liabilities	749,310	0	0	17,091
Due to other funds	0	0	0	0
Due to other governments	500	0	0	0
Unearned revenue	114,570	0	15,107	0
Total liabilities	<u>1,279,634</u>	<u>0</u>	<u>23,618</u>	<u>353,212</u>
 Deferred Inflows of Resources				
Deferred inflows from leases	<u>338,939</u>	<u>0</u>	<u>8,305,464</u>	<u>0</u>
 Fund balances				
Nonspendable:				
Inventories, prepaids, lease recivable	108,447	0	89,907	2,368
Permanent fund principal	0	0	0	0
Restricted for:				
Police programs	135,845	0	0	0
Transportation/Mobility	0	0	0	0
Recreation	0	0	0	5,195,170
CRA district	0	0	1,119,690	0
CRA district debt service	0	0	3,564,919	0
Capital projects	0	0	0	0
Other purposes	196	0	0	0
Committed for:				
Damages and one-time expenditures	0	0	0	0
Assigned to:				
Subsequent years' budget	6,441,049	0	0	0
Unassigned	5,308,987	0	0	0
Total fund balances	<u>11,994,524</u>	<u>0</u>	<u>4,774,516</u>	<u>5,197,538</u>
Total liabilities and fund balances	<u>\$ 13,613,097</u>	<u>\$0</u>	<u>\$ 13,103,598</u>	<u>\$ 5,550,750</u>

See Accompanying Notes.

Capital Project Fund	1% Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 44,048	\$ 637,591	\$ 317,379	\$ 1,682,520
8,264	64,144	15,562	164,354
0	0	15,268	781,669
0	0	0	0
0	0	0	500
0	0	2,445,907	2,575,584
<u>52,312</u>	<u>701,735</u>	<u>2,794,116</u>	<u>5,204,627</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>8,644,403</u>
794,084	0	262	995,068
0	0	5,000	5,000
0	0	558,721	694,566
0	0	1,656,851	1,656,851
0	0	2,301,214	7,496,384
0	0	0	1,119,690
0	0	0	3,564,919
1,012,324	12,615,404	0	13,627,728
0	0	0	196
0	0	3,577,601	3,577,601
0	0	0	6,441,049
0	0	0	5,308,987
<u>1,806,408</u>	<u>12,615,404</u>	<u>8,099,649</u>	<u>44,488,039</u>
<u>\$ 1,858,720</u>	<u>\$ 13,317,139</u>	<u>\$ 10,893,765</u>	<u>\$58,337,069</u>



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CITY OF PUNTA GORDA, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2022
(Continued)

Total fund balance - governmental funds (page 28)	\$ 44,488,039
Amounts reported for governmental activities in the statement of net position (page 22) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Total Capital Assets \$89,587,113 less amount included in internal services \$266,355.	89,320,758
Deferred outflows of resources related to pension liability are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting. Total \$9,673,148 less Internal Service Fund \$128,126.	9,545,022
Deferred outflows of resources related to OPEB liability are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting. Total \$1,305,105 less Internal Service Fund \$59,323.	1,245,782
Internal service funds are used by management to charge the costs of information technology systems to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	440,723
Use of Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Total use of assets \$101,852.	101,852
Cumulative effect of business type portion of internal services	63,609
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. Total debt and long-term liabilities \$10,467,724 less amount included in internal services \$26,673.	(10,441,051)
Pension plans when unfunded are a liability on the statement of net position but are not a financial use. Total Pension Plans payable 14,494,505 less amount included in internal services \$232,350.	(14,262,155)
Other Post Employment Benefit plans when unfunded are a liability on the statement but are not a financial use. Total OPEB Plans payable \$5,193,368 less amount included in internal services \$236,062. Plus Actuarial Fees non-current \$5,181.	(4,962,487)
Deferred inflows of resources related to pension liability are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting. Total \$149,208 less Internal Service Fund \$3,195.	(146,013)
Deferred inflows of resources related to OPEB liability are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting. Total \$4,822,262 less Internal Service Fund \$219,194.	(4,603,068)
Net position of governmental activities (page 22)	<u>\$ 110,791,011</u>

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2022

	General	Debt Service Fund	Community Redevelopment Agency Fund	P G I Canal Maintenance Fund
Revenues				
Taxes	\$ 17,762,031	\$0	\$0	\$0
Permits, fees and special assessments	1,824,445	0	0	3,391,300
Intergovernmental revenues	3,344,229	0	1,647,774	0
Charges for services	443,567	0	0	0
Judgments, fines and forfeits	33,046	0	0	0
Miscellaneous	4,074,754	0	492,495	39,186
Total revenues	27,482,072	0	2,140,269	3,430,486
Expenditures				
Current				
General government	6,477,557	0	0	0
Public safety	12,582,353	0	0	0
Transportation	870,449	0	0	0
Economic environment	0	0	359,876	0
Recreation	1,499,848	0	0	2,999,754
Capital outlay	675,832	0	51,822	1,680
Debt service				
Principal retirement	0	1,361,000	0	0
Interest and fiscal charges	0	183,082	0	0
Total expenditures	22,106,039	1,544,082	411,698	3,001,434
Excess expenditures (over) under revenues	5,376,033	(1,544,082)	1,728,571	429,052

See Accompanying Notes.

Capital Project Fund	1% Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
\$0	\$ 4,402,506	\$ 968,344	\$ 23,132,881
0	0	1,457,678	6,673,423
0	0	1,242,617	6,234,620
0	0	300,812	744,379
0	0	0	33,046
15,140	83,020	125,273	4,829,868
15,140	4,485,526	4,094,724	41,648,217
0	0	0	6,477,557
0	0	0	12,582,353
0	0	1,589,668	2,460,117
10,165	1,306	0	371,347
4,197	0	1,728,924	6,232,723
790,460	1,869,327	59,396	3,448,517
0	0	0	1,361,000
0	0	0	183,082
804,822	1,870,633	3,377,988	33,116,696
(789,682)	2,614,893	716,736	8,531,521

(Continued)

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2022
(Continued)

	<u>General</u>	<u>Debt Service Fund</u>	<u>Community Redevelopment Agency Fund</u>	<u>P G I Canal Maintenance Fund</u>
Expenditures (continued)				
Excess expenditures (over) under revenues	<u>5,376,033</u>	<u>(1,544,082)</u>	<u>1,728,571</u>	<u>429,052</u>
Other financing sources (uses)				
Transfers in	370,675	1,544,082	1,033,013	0
Transfers out	<u>(2,204,013)</u>	<u>0</u>	<u>(1,544,082)</u>	<u>0</u>
Total other financing sources (uses)	<u>(1,833,338)</u>	<u>1,544,082</u>	<u>(511,069)</u>	<u>0</u>
Net change in fund balances	3,542,695	0	1,217,502	429,052
Fund balances, October 1, 2021	<u>8,451,829</u>	<u>0</u>	<u>3,557,014</u>	<u>4,768,486</u>
Fund balances, September 30, 2022	<u><u>\$11,994,524</u></u>	<u><u>\$0</u></u>	<u><u>\$4,774,516</u></u>	<u><u>\$ 5,197,538</u></u>

See Accompanying Notes.

<u>Capital Project Fund</u>	<u>1% Local Option Sales Tax</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>(789,682)</u>	<u>2,614,893</u>	<u>716,736</u>	<u>8,531,521</u>
<u>723,920</u>	<u>0</u>	<u>459,000</u>	<u>4,130,690</u>
<u>0</u>	<u>(90,000)</u>	<u>(292,595)</u>	<u>(4,130,690)</u>
<u>723,920</u>	<u>(90,000)</u>	<u>166,405</u>	<u>0</u>
<u>(65,762)</u>	<u>2,524,893</u>	<u>883,141</u>	<u>8,531,521</u>
<u>1,872,170</u>	<u>10,090,511</u>	<u>7,216,508</u>	<u>35,956,518</u>
<u>\$ 1,806,408</u>	<u>\$12,615,404</u>	<u>\$ 8,099,649</u>	<u>\$44,488,039</u>

CITY OF PUNTA GORDA, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2022

Net change in fund balances -- total governmental funds (page 34) \$ 8,531,521

Amounts reported for governmental activities in the statement of activities (page 24) 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 and reported as depreciation expense. This is the amount by which depreciation and capital asset adjustments were over capital outlays in the current period. Expensed items decrease net position in the statement of activities, but are not financial uses in governmental funds. (643,389)

Repayment of the principal of long-term debt \$1,361,000 consumes the current financial resources of governmental funds. This transaction has no effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and accrued interest. 1,361,000

Leases payable is not a use of current economic resources and is not reportable in the governmental fund statements. 450

Some expenditures reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds, ie Compensated absences \$25,439. (25,439)

Internal service funds are used by management to charge the costs of information technology systems to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. (27,110)

Changes in net pension obligations are only reported in the Statement of Activities. (1,253,524)

Changes in net OPEB obligations are only reported in the Statement of Activities. (311,601)

Change in net position of governmental activities (page 24) \$ 7,631,908

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 17,438,860	\$ 17,568,860	\$ 17,762,031	\$ 193,171
Permits, fees and special assessments	1,523,720	1,523,720	1,824,445	300,725
Intergovernmental revenue	2,716,130	2,941,224	3,344,229	403,005
Charges for services	403,805	403,805	443,567	39,762
Judgments, fines and forfeits	21,960	21,960	33,046	11,086
Miscellaneous	3,789,645	3,921,478	4,074,754	153,276
Total revenues	<u>25,894,120</u>	<u>26,381,047</u>	<u>27,482,072</u>	<u>1,101,025</u>
Expenditures				
Current				
General government	6,686,070	7,200,050	6,477,557	722,493
Public safety	12,626,095	13,094,339	12,582,353	511,986
Transportation	1,132,765	1,130,765	870,449	260,316
Recreation	1,675,440	1,696,022	1,499,848	196,174
Capital Outlay	868,010	2,134,528	675,832	1,458,696
Total expenditures	<u>22,988,380</u>	<u>25,255,704</u>	<u>22,106,039</u>	<u>3,149,665</u>
Excess revenues over (under) expenditures	<u>2,905,740</u>	<u>1,125,343</u>	<u>5,376,033</u>	<u>4,250,690</u>
Other financing sources (uses)				
Transfers in	280,675	455,437	370,675	(84,762)
Transfers out	(2,174,065)	(10,034,215)	(2,204,013)	7,830,202
Loan Proceeds	0	7,825,150	0	(7,825,150)
Total other financing uses	<u>(1,893,390)</u>	<u>(1,753,628)</u>	<u>(1,833,338)</u>	<u>(79,710)</u>
Net change in fund balances	<u>\$ 1,012,350</u>	<u>\$ (628,285)</u>	3,542,695	<u>\$ 4,170,980</u>
Fund balances, October 1, 2021			<u>8,451,829</u>	
Fund balances, September 30, 2022			<u>\$ 11,994,524</u>	

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY FUND
For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 1,655,830	\$ 1,655,830	\$ 1,647,774	\$ (8,056)
Miscellaneous	351,145	351,145	492,495	141,350
Total revenues	<u>2,006,975</u>	<u>2,006,975</u>	<u>2,140,269</u>	<u>133,294</u>
Expenditures				
Economic environment	361,235	666,992	359,876	307,116
Capital outlay	<u>0</u>	<u>275,000</u>	<u>51,822</u>	<u>223,178</u>
Total expenditures	<u>361,235</u>	<u>941,992</u>	<u>411,698</u>	<u>530,294</u>
Excess revenues over expenditures	<u>1,645,740</u>	<u>1,064,983</u>	<u>1,728,571</u>	<u>663,588</u>
Other financing sources (uses)				
Transfers in	1,038,065	1,038,065	1,033,013	(5,052)
Transfers out	<u>(1,544,082)</u>	<u>(1,544,082)</u>	<u>(1,544,082)</u>	<u>0</u>
Total other financing uses	<u>(506,017)</u>	<u>(506,017)</u>	<u>(511,069)</u>	<u>(5,052)</u>
Net change in fund balances	<u>\$ 1,139,723</u>	<u>\$ 558,966</u>	1,217,502	<u>\$ 658,536</u>
Fund balances, October 1, 2021			<u>3,557,014</u>	
Fund balances, September 30, 2022			<u>\$ 4,774,516</u>	

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
P G I CANAL MAINTENANCE SPECIAL REVENUE FUND
For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits, fees and special assessments	\$ 3,382,210	\$ 3,382,210	\$ 3,391,300	\$ 9,090
Intergovernmental revenues	7,825,150	8,825,660	0	(8,825,660)
Miscellaneous	8,000	8,000	39,186	31,186
	<u>11,215,360</u>	<u>12,215,870</u>	<u>3,430,486</u>	<u>(8,785,384)</u>
Total revenues				
Expenditures				
Current				
Recreation	3,491,605	3,929,150	2,999,754	929,396
Capital Outlay	0	9,168,110	1,680	9,166,430
	<u>3,491,605</u>	<u>13,097,260</u>	<u>3,001,434</u>	<u>10,095,826</u>
Total expenditures				
Revenues over/(under) expenditures	<u>7,723,755</u>	<u>(881,390)</u>	<u>429,052</u>	<u>1,310,442</u>
Other financing sources (uses)				
Transfers in	0	7,825,150	0	(7,825,150)
Transfers out	(7,981,660)	(7,981,660)	0	7,981,660
	<u>(7,981,660)</u>	<u>(156,510)</u>	<u>-</u>	<u>156,510</u>
Total other financing uses				
Net change in fund balance	<u>\$ (257,905)</u>	<u>\$ (1,037,900)</u>	429,052	<u>\$ 1,466,952</u>
Fund balances, October 1, 2021			<u>4,768,486</u>	
Fund balances, September 30, 2022			<u>\$ 5,197,538</u>	

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2022

ASSETS	Business-type Activities Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
CURRENT ASSETS		
Cash and cash equivalents	\$ 9,995,612	\$1,267,426
Accounts and refund receivable (net of allowance of \$306,883)	1,003,901	253,142
Lease Receivable-GASB 87	412,363	0
Due from other governments	0	0
Inventories	131,470	0
Prepaid items	4,260	1,254
Restricted cash and cash equivalents	27,679,974	0
Total current assets	39,227,580	1,521,822
NONCURRENT ASSETS		
Capital assets, net of accumulated depreciation	88,858,032	1,383,799
Prepaid rent	50,610	0
Total noncurrent assets	88,908,642	1,383,799
Total assets	128,136,222	2,905,621
DEFERRED OUTFLOWS		
Deferred outflows related to pensions/OPEB	2,662,513	642,658

See Accompanying Notes.

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
\$2,966,007	\$ 766,046	\$ 14,995,091	\$ 785,497
0	43,000	1,300,043	0
0	0	412,363	0
0	2,032	2,032	0
0	0	131,470	0
0	2,090	7,604	1,646
19,459	23,437	27,722,870	0
<u>2,985,466</u>	<u>836,605</u>	<u>44,571,473</u>	<u>787,143</u>
152,913	34,964	90,429,708	266,355
0	0	50,610	0
<u>152,913</u>	<u>34,964</u>	<u>90,480,318</u>	<u>266,355</u>
<u>3,138,379</u>	<u>871,569</u>	<u>135,051,791</u>	<u>1,053,498</u>
<u>399,751</u>	<u>0</u>	<u>3,704,922</u>	<u>187,449</u>

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2022
(Continued)

(Continued)

	Business-type Activities Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES		
Payable from current assets		
Accounts payable	1,586,826	287,275
Retainage payable	31,628	646
Notes payable	30,678	0
Current portion of revenue notes payable	797,976	0
Accumulated unused compensated absences	35,786	7,882
Accrued liabilities	399,689	43,841
Due to other Governments	0	0
Total payable from current assets	2,882,583	339,644
Payable from restricted assets		
Customer deposits	46,625	0
Total payable from restricted assets	46,625	0
Total current liabilities	2,929,208	339,644
NONCURRENT LIABILITIES		
Revenue notes payable	15,236,225	0
Accrued compensated absences	322,072	70,943
Pension/OPEB benefits payable	5,984,677	1,454,514
Total noncurrent liabilities	21,542,974	1,525,457
Total liabilities	24,472,182	1,865,101
DEFERRED INFLOWS		
Deferred inflows related to pensions/OPEB/Leases	2,428,626	505,882
NET POSITION		
Net investment in capital assets	71,517,574	1,383,799
Restricted for debt service	1,112,769	0
Utilities systems projects	4,849,519	0
Unrestricted	26,418,065	(206,503)
Total net position	\$ 103,897,927	\$1,177,296
Cumulative adjustment for internal service fund activities		
Net position of business-type activities		

See Accompanying Notes.

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
58,906	27,164	1,960,171	55,451
4,716	0	36,990	0
0	0	30,678	0
0	0	797,976	0
3,617	0	47,285	2,667
21,738	0	465,268	27,299
742,412	0	742,412	0
<u>831,389</u>	<u>27,164</u>	<u>4,080,780</u>	<u>85,417</u>
19,459	23,437	89,521	0
<u>19,459</u>	<u>23,437</u>	<u>89,521</u>	<u>0</u>
<u>850,848</u>	<u>50,601</u>	<u>4,170,301</u>	<u>85,417</u>
0	0	15,236,225	0
32,558	0	425,573	24,006
853,411	0	8,292,602	468,412
<u>885,969</u>	<u>0</u>	<u>23,954,400</u>	<u>492,418</u>
<u>1,736,817</u>	<u>50,601</u>	<u>28,124,701</u>	<u>577,835</u>
<u>227,682</u>	<u>0</u>	<u>3,162,190</u>	<u>222,389</u>
152,913	34,964	73,089,250	266,355
0	0	1,112,769	0
0	0	4,849,519	0
1,420,718	786,004	28,418,284	174,368
<u>\$1,573,631</u>	<u>\$ 820,968</u>	107,469,822	<u>\$ 440,723</u>
		<u>(63,609)</u>	
		<u>\$ 107,406,213</u>	

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2022

	Business-type Activities Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
Operating revenue		
Charges for services	\$ 21,002,720	\$ 4,007,169
Licenses and permits	0	44,390
Operating grants	0	0
Miscellaneous	124,617	14,605
Total operating revenues	21,127,337	4,066,164
Operating expenses		
Personnel services	6,179,720	1,468,337
Contractual services	877,824	1,625,585
Materials and supplies	1,636,645	257,732
Utilities	1,223,823	1,011
Depreciation	5,335,168	410,133
Insurance	398,607	35,480
Administrative charges	2,737,139	426,375
Repairs and maintenance	387,972	188,800
Travel and training	28,615	939
Rent	76,895	1,434
Total operating expenses	18,882,408	4,415,826
Operating income	2,244,929	(349,662)
Nonoperating revenues (expenses)		
Interest income	249,059	7,664
Insurance proceeds	12,938	0
Interest expense and fiscal charges	(207,915)	0
Gain (loss) on disposition of capital assets	17,531	104,392
Total nonoperating revenues (expenses)	71,613	112,056
Income (loss) before transfers and contributions	2,316,542	(237,606)
Totals carried forward	2,316,542	(237,606)

See Accompanying Notes.

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
\$ 84,928	\$ 443,007	\$ 25,537,824	\$ 2,118,016
1,560,998	0	1,605,388	0
0	13,304	13,304	0
11,417	27,019	177,658	1,346
<u>1,657,343</u>	<u>483,330</u>	<u>27,334,174</u>	<u>2,119,362</u>
830,833	0	8,478,890	766,773
124,269	223,247	2,850,925	784,545
20,999	6,672	1,922,048	167,613
4,073	79,698	1,308,605	10,161
17,487	11,332	5,774,120	145,823
9,379	16,636	460,102	19,871
253,027	41,160	3,457,701	0
4,345	32,881	613,998	124,288
8,887	0	38,441	34,209
3,013	19,027	100,369	93,305
<u>1,276,312</u>	<u>430,653</u>	<u>25,005,199</u>	<u>2,146,588</u>
<u>381,031</u>	<u>52,677</u>	<u>2,328,975</u>	<u>(27,226)</u>
18,931	5,124	280,778	0
0	0	12,938	0
0	0	(207,915)	0
0	0	121,923	(7,705)
<u>18,931</u>	<u>5,124</u>	<u>207,724</u>	<u>(7,705)</u>
<u>399,962</u>	<u>57,801</u>	<u>2,536,699</u>	<u>(34,931)</u>
<u>399,962</u>	<u>57,801</u>	<u>2,536,699</u>	<u>(34,931)</u>

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

(Continued)

	Business-type Activities Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
Totals brought forward	2,316,542	(237,606)
Capital grants and contributions	2,071,489	0
Change in net position	4,388,031	(237,606)
Total net position - beginning	99,509,896	1,414,902
Total net position - ending	\$ 103,897,927	\$ 1,177,296

Adjustment to reflect the consolidation of internal service fund
activities related to enterprise funds
Change in net position of business-type activities (page 24)

See Accompanying Notes.

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
<u>399,962</u>	<u>57,801</u>	<u>2,536,699</u>	<u>(34,931)</u>
<u>0</u>	<u>0</u>	<u>2,071,489</u>	<u>0</u>
399,962	57,801	4,608,188	(34,931)
<u>1,173,669</u>	<u>763,167</u>		<u>475,654</u>
<u>\$ 1,573,631</u>	<u>\$ 820,968</u>		<u>\$ 440,723</u>
		<u>(7,821)</u>	
		<u>\$ 4,600,367</u>	

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2022

	Business-type Activities Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 20,447,405	\$ 3,979,055
Cash received from operating grants	0	0
Cash payments to suppliers for goods and services	(8,966,914)	(2,514,353)
Cash payments to employees for services	(5,518,276)	(1,406,342)
Cash received for other government (pass-through)	0	0
Other receipts	109,593	58,995
Net cash provided (used) by operating activities	6,071,808	117,355
CASH FLOWS USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of property, plant and equipment	(3,692,165)	(5,383)
Sale of property, plant and equipment	17,531	108,700
Principal paid on debt	(787,917)	0
Interest and fiscal charges paid	(211,675)	0
New debt	0	0
Contributions	2,046,469	0
Intergovernmental	0	0
Insurance proceeds	12,938	0
Net cash provided (used) in capital and related financing activities	(2,614,819)	103,317
Totals carried forward	3,456,989	220,672

See Accompanying Notes.

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
\$ 1,645,532	\$ 440,227	\$ 26,512,219	\$ 2,118,016
0	13,555	13,555	0
(632,627)	(399,191)	(12,513,085)	\$ (1,195,903)
(840,072)	0	(7,764,690)	\$ (674,476)
742,412	0	742,412	0
11,417	27,019	207,024	1,498
<u>926,662</u>	<u>81,610</u>	<u>7,197,435</u>	<u>249,135</u>
(62,594)	(5,000)	(3,765,142)	(79,803)
0	0	126,231	15
0	0	(787,917)	0
0	0	(211,675)	0
0	0	0	0
0	0	2,046,469	0
0	0	0	0
0	0	12,938	0
<u>(62,594)</u>	<u>(5,000)</u>	<u>(2,579,096)</u>	<u>(79,788)</u>
<u>864,068</u>	<u>76,610</u>	<u>4,618,339</u>	<u>169,347</u>

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2022
(Continued)

	Business-type Activities Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
Totals brought forward	3,456,989	220,672
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	<u>249,059</u>	<u>7,664</u>
Net cash provided by investing activities	<u>249,059</u>	<u>7,664</u>
Net increase (decrease) in cash and cash equivalents	3,706,048	228,336
Balances - beginning of the year	<u>33,969,538</u>	<u>1,039,090</u>
Balances - end of year	<u><u>\$ 37,675,586</u></u>	<u><u>\$ 1,267,426</u></u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 2,244,929	\$ (349,662)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	5,335,168	410,133
Net (increase) decrease in:		
Receivables	(162,271)	(28,115)
Lease receivables	(412,363)	
Inventories	(13,819)	0
Prepays	26,593	1,254
Net increase (decrease) in:		
Accounts payable	(110,111)	21,750
Accrued liabilities	(921,404)	19,458
Customer deposits	8,665	0
Due to other government	(391,447)	0
Change in net pension/OPEB liability	2,053,577	510,006
Change in deferred outflows related to pensions/OPEB	(1,826,193)	(441,171)
Change in deferred inflows related to pensions/OPEB/Leases	<u>240,484</u>	<u>(26,298)</u>
Net cash provided by (used) in operating activities	<u><u>\$ 6,071,808</u></u>	<u><u>\$ 117,355</u></u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Disposal of fully depreciated capital assets	\$ 80,733	\$ 787,025

See Accompanying Notes.

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
864,068	76,610	4,618,339	169,347
<u>18,931</u>	<u>5,124</u>	<u>280,778</u>	<u>0</u>
<u>18,931</u>	<u>5,124</u>	<u>280,778</u>	<u>0</u>
882,999	81,734	4,899,117	169,347
<u>2,102,467</u>	<u>707,749</u>	<u>37,818,844</u>	<u>616,150</u>
<u>\$ 2,985,466</u>	<u>\$ 789,483</u>	<u>\$42,717,961</u>	<u>\$ 785,497</u>
\$ 381,031	\$ 52,677	\$ 2,328,975	\$ (27,226)
17,487	11,332	5,774,120	145,823
0	2,126	(188,260)	152
0	0	(13,819)	0
0	19,427	47,274	(1,646)
(204,635)	703	(292,293)	39,735
4,513	0	(897,433)	15,272
(394)	(4,655)	3,616	0
742,412	0	350,965	0
372,937	0	2,936,520	111,052
(292,939)	0	(2,560,303)	(116,438)
<u>(93,750)</u>	<u>0</u>	<u>120,436</u>	<u>82,411</u>
<u>\$ 926,662</u>	<u>\$ 81,610</u>	<u>\$ 7,609,798</u>	<u>\$ 249,135</u>
\$0	\$0	\$0	\$ 140,219

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2022

	<u>Pension Funds</u>
ASSETS	
Cash and cash equivalents	\$ 1,200,687
Receivables: Investment income	143,202
Investments, at fair value	
U.S. Bonds and Bills	13,527,211
Federal Agency Guaranteed Securities	1,523,904
Corporate Bonds	4,617,060
Stocks	1,324,834
Mutual Funds	
Fixed Income	8,429,560
Equity	44,507,046
Pooled/Common/Commingled Funds:	
Real Estate	<u>11,175,086</u>
Total investments at fair value	<u>85,104,701</u>
Total assets	<u>86,448,590</u>
LIABILITIES	
Payables	
Investment & Admin Expenses	<u>42,878</u>
Total liabilities	<u>42,878</u>
NET POSITION RESTRICTED FOR PENSIONS	<u><u>\$ 86,405,712</u></u>

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year September 30, 2022

	Pension Funds
ADDITIONS	
Contributions	
Employer	\$ 2,686,429
Plan members	666,704
Buy-Back	41,431
State	487,228
Total contributions	3,881,792
Investment earnings	
Net increase (decrease) in fair value of investments	(18,565,169)
Interest and dividends	3,885,527
Less investment expense ¹	(201,684)
Net investment income (loss)	(14,881,326)
Total additions	(10,999,534)
DEDUCTIONS	
Benefit payments, including refunds of member contributions	4,631,957
Lump sum DROP and share distributions	2,121,394
Administrative expense	180,496
Total deductions	6,933,847
Net increase (decrease) in net position	(17,933,381)
Net position restricted for pensions	
Beginning of year	104,339,093
End of year	\$ 86,405,712

¹Investment Related expenses include investment advisory, custodial and performance monitoring fees.

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

I. Organization and Summary of Significant Accounting Policies

Organization

The City of Punta Gorda, Florida (the City) was created by authority granted under the laws of Florida 5085 (1901). The City operates under a form of government which is comprised of an elected City Council (five members), of which one of those members serves as Mayor. The City provides the following services: public safety, sanitation, right of way maintenance, parks and grounds maintenance, streets and roads, canal maintenance, planning and zoning, water and wastewater services, general administrative services, marina services and the Herald Court Centre retail space with parking garage.

The City has adopted Statement of Governmental Accounting Standards Board Number 14, "Financial Reporting Entity" (GASB 14). This statement requires the financial statements of the City (the primary government) to include its component units, if any. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable.

Under criteria established by GASB 14 component units are to be either blended with the primary government or presented discretely. For a component unit to be blended it must meet one or both of the following two situations: (1) The board of the component unit is "substantively the same" as that of the primary government or (2) The component unit serves the primary government exclusively, or almost exclusively. The Community Redevelopment Agency meets both of these criteria in that the CRA board is the five City Council members plus an additional two at large members, and the CRA exists for the exclusive benefit of the primary government. The Punta Gorda Isles (PGI) and Burnt Store Isles (BSI) Canal Maintenance Assessment Districts are blended since they meet the necessary criteria in that these districts are "to be governed by a board of five members, who shall be the members of the City Council of the City of Punta Gorda". Also, the districts exist to maintain the City owned seawalls, and maintain navigability of canals within the city limits. This maintenance is almost exclusively for the benefit of the City. The pension plans of the City are reported as Fiduciary Funds. All changes in the pension plans must be approved by the City Council, and the pension plans were created for the exclusive benefit of the City.

The legal authority for the CRA is City ordinance #989-90. The legal authority for PGI and BSI is City ordinance 1159-96. The legal authority for the General Employee, Police and Firefighters' Pension Funds is City ordinances #910-88, #836-86 and #837-86 respectively.

Separate Financial Statements are not prepared for the component units, except as required for the CRA under Florida Statute 163.387.

The following is a summary of the more significant accounting policies used in the preparation of these financial statements.

A. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. 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.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

I. Organization and Summary of Significant Accounting Policies, Continued

A. Government-wide and fund financial statements, continued

Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrated 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 includes 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 governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

B. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants which are recognized if eligibility requirements have been met. 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 taxes, 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.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

I. Organization and Summary of Significant Accounting Policies, Continued

B. Measurement focus, basis of accounting, and financial statement presentation, continued

The City reports the following major governmental funds:

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

The Debt Service Fund accounts for the accumulation of funds from specific revenue sources related to a specific debt. The CRA Fund transfers tax increment financing to make debt payments on Herald Court Centre loan.

The Community Redevelopment Agency (CRA) Fund accounts for the resources received from the City and County tax increment financing to repay debt used in the revitalization of the downtown Punta Gorda area and lease proceeds that support CRA capital maintenance.

The P G I Canal Maintenance Fund accounts for assessments to properties in the P G I Canal Maintenance district to be utilized for the repair and upkeep of City-owned seawalls and maintain navigability of canals located in Punta Gorda Isles subdivision.

The Capital Projects Fund accounts for major projects or equipment purchases using various funding sources such as grants, contributions, and transfers from the General Fund or special revenue funds. This fund uses a project length budget.

The 1% Local Option Sales Tax Fund accounts for projects paid for by the taxpayer approved additional 1% sales tax revenues. This fund uses a project length budget.

The City reports the following major proprietary funds:

The Water and Wastewater Utility accounts for the activities of providing customers with potable water and wastewater disposal services.

The Sanitation/Refuse accounts for the collection and disposal of solid waste.

The Building Fund accounts for collection of building related permits and fees.

The Marina Fund accounts for the management and revenues of the City's marina located in Laishley Park.

Additionally, the City reports the following funds:

Internal service fund accounting for information technology services provided to other departments or agencies of the City.

The Fiduciary Funds represent the Pension Trust Funds which account for the activities of the City's retirement system, which accumulate resources for pension benefit payments made to qualified general and public safety employees.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

I. Organization and Summary of Significant Accounting Policies, Continued

B. Measurement focus, basis of accounting, and financial statement presentation, continued

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

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 Wastewater Utility Enterprise Fund, Sanitation/Refuse Enterprise Fund, and the City's Internal Services fund are charges to customers for sales and services. The Building Fund's revenues are permits and fees collected which are directly related to the building activity in the City. The predominant revenue source for the Marina Fund is slip rental. The Water and Wastewater Utility also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, cash on deposit with financial institutions, and funds on deposit in the Local Government Surplus Funds Trust Fund Investment Pool administered by the Florida State Board of Administration. The City maintains pooled cash for substantially all City funds except for restricted cash and investments held with trustees. Equity in pooled cash is an accounting and investment tool employed by the City by which the City is able to invest large amounts of idle cash for short periods of time thereby maximizing earning potential. The pooled cash is included with cash and cash equivalents. Interest income is allocated based upon the proportionate balance of each fund's equity in pooled cash and investments. For the purposes of the statement of cash flows, the City considers highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

GASB Statement No. 79, an amendment to GASB Statement No. 31 and GASB Statement No. 40 calls for investment reporting at fair value at Balance Sheet date. Since the difference between fair value and cost is minimal at Balance Sheet date, investments are stated at cost, or amortized cost, which approximates fair value. Investments held by the City's Pension Trust Funds are carried at fair value.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

I. Organization and Summary of Significant Accounting Policies, Continued

D. Accounts receivable and accrued revenues

Accounts receivable in the Water and Wastewater Utility Enterprise Fund do not include amounts for unbilled services for usage due to the immateriality of amount at September 30, 2022.

E. Short-term interfund receivables/payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

F. Inventories

Inventories consisting primarily of expendable supplies held for consumption are stated at average cost. For its governmental fund type inventories, the City utilizes the consumption method of accounting, which provides that expenditures are recognized when inventory is used. Inventories in the Enterprise Fund are valued at the lower of cost (average cost method) or market.

G. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Intangible assets, such as right to use assets, follow the same capitalization policies as tangible capital assets.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	30-40
Improvements other than buildings	10-40
Public domain infrastructure	20-50
System infrastructure	10-40
Machinery and equipment	5-20

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

I. Organization and Summary of Significant Accounting Policies, Continued

H. Accumulated compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick benefits, which will be paid to employees upon separation from City service if they meet certain criteria. The accumulated compensated absences are accrued when incurred and are reported as long-term liabilities in the Statement of Net Position.

The pay or salary rates in effect at the balance sheet date were used in the accrual calculation.

These compensated absences are paid out of the various funds that have payroll, and their accumulated liabilities.

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.

In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financing sources. Principal payments of long-term debt are reported as debt service expenditures.

J. Fund equity

In the fund financial statements, governmental funds report non-expendable, restricted, committed, assigned, and unassigned fund balances. Non-expendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Amounts that are restricted to specific purposes by constraints placed on the use of resources by creditors, grantors, contributors, or laws and regulations are restricted fund balances. Committed fund balances are amounts that can only be used for specific purposes as formally imposed by the City Council through a resolution. Assigned fund balances are for an intended use as established by the City Council. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. When both restricted and unrestricted fund balance is available for the same purpose, restricted funds will be used first. Also, unrestricted fund balance order for expenditures of the same purpose will be committed, assigned, and unassigned.

The City has established an unassigned fund balance minimum for the General Fund of 10.0% of total General Fund expenditures plus \$120,460 from health insurance savings. Also the City Council established a \$3.1 million minimum for the Utilities Fund.

K. Intragovernmental allocation of administrative expenses

The General Fund incurs certain administrative expenses for other funds including accounting, legal, personnel administration and other services. The funds that receive these services were charged \$3,205,255 for fiscal year 2022. For the government-wide financial statements these "Indirect Expenses" have been backed out to avoid double counting.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

I. Organization and Summary of Significant Accounting Policies, Continued

L. New accounting standards

Beginning with fiscal year 2013, the City implemented GASB Statement No. 63; *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and other pronouncements. This statement requires a Statement of Net Position (rather than net assets) format which segregates deferred inflows and deferred outflows from assets and liabilities respectively. Specific Items required to be broken out as deferred inflows or deferred outflows are discussed in GASB Statements 53 and 60. These items are Derivative Investments and Service Concession Arrangements respectively. None of these items affect the City at this time. The other portion of GASB Statement 63 is nomenclature. Statement No. 64; *Derivative Instruments: Application of Hedge Accounting Termination Provisions* is not applicable to the City of Punta Gorda. Fiscal year 2014, the City implemented GASB No. 67 which amended No. 25, and fiscal year 2015 the City implemented GASB 68 which amended No. 27. In fiscal year 2017, the City implemented GASB Statements 71, 73, 78 and 82. These statements amended or clarified GASB statements 67 and 68. These changes affect how pension plans are reported. GASB statement number 79, “Certain External Investment and Pool Participants” and GASB 72, “Fair Value Measurement and Application” were also implemented in fiscal year 2017. In fiscal year 2018 GASB Statement No. 75 “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions” and Statement No. 85, “Omnibus 2017” were implemented. In fiscal year 2019 GASB Statement No. 88 “Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements” was implemented. In fiscal year 2020 GASB Statement No. 83, “Certain Asset Retirement Obligations” was implemented. In fiscal year 2021, GASB Statement No. 84, “Fiduciary Activities”, GASB Statement No. 90, “Majority Equity Interests- an amendment of GASB Statements No. 14 and No. 61” and Implementation Guide No. 2019-2, “Fiduciary Activities” were implemented. In fiscal year 2022, GASB Statement No. 87 “Leases”, GASB Statement No. 92 “Omnibus 2020”, and GASB Statement No. 93 “Replacement of Interbank Offered Rates” were implemented.

II. Reconciliation of government-wide and fund financial statements

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including noncurrent liabilities, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$10,441,051 difference are as follows:

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

II. Reconciliation of government-wide and fund financial statements, Continued

Noncurrent liabilities	\$10,467,724
Less: Internal Service Fund accumulated unused compensated absences included in Internal Service Fund consolidation	<u>(26,673)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities - Noncurrent liabilities	<u>\$10,441,051</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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 and reported as depreciation expense.” Expensed items decrease net position in the statement of activities, but do not appear in the governmental funds because they are not financial uses. In the governmental funds, the proceeds from the sale of capital assets increase financial resources. However, in the statement of activities, all gains and losses resulting from sales, disposals and trade-in of capital assets are reported. The details of this \$643,389 difference are as follows

Capital outlay	\$ 3,448,517
Depreciation expense	(4,188,606)
Net effect of misc. capital transactions (disposal, sale, trade-in of assets)	<u>96,700</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (643,389)</u>

Another element of that reconciliation states that “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.” The details of this \$1,361,000 difference are as follows:

Principal repayments:	
Capital Improvement revenue notes	<u>\$ 1,361,000</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,361,000</u>

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

III. Stewardship, compliance, and accountability

A. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. All encumbrances lapse at year-end. There were no outstanding encumbrances at September 30, 2022.

B. Budgets and budgetary accounting

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

1. On or before the fifteenth day of August, the City Manager submits to the City Council a proposed operating budget for the fiscal year then commencing. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. On or before September 30th, the budget is legally enacted for the General, most Special Revenue, Enterprise and Internal Service Funds through passage of a resolution. Project-length financial plans are adopted for the Capital Project Fund, 1% Local Option Sales Tax Fund, and the Utilities Capital Project Fund.
4. Budget amounts are presented as originally adopted or as amended by the City Council. Unused appropriations lapse at year-end. Any revisions altering the budgeted amounts of total expenditures of any fund must be approved by the City Council. The City Manager can amend the budget within existing appropriations by fund. Supplemental appropriations approved by Council for the fiscal year ended September 30, 2022 totaled \$21,164,239 including interfund transfer outs.
5. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

C. Interfund transactions

Exchanges of equal or almost equal value between funds of the primary government are treated as interfund services provided and used. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transfers are reported as transfers in or out.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds

A. Cash and Investments

Deposits - The City's deposits policy allows deposits to be held in demand deposit and money market accounts. Florida Statutes require all depositories used by the City to be qualified financial institutions. All depositories used by the City are institutions designated as qualified depositories by the State Treasurer.

At September 30, 2022 the carrying amounts of the City's deposits were \$34,756,947 and the bank balances were \$34,366,592. The City's deposits are comprised of cash held in a financial institution. These deposits were entirely covered by federal depository insurance or by collateral pursuant to the Florida Security for Public Deposits Act (Florida Statutes Chapter 280).

Under this Act, financial institutions qualified as public depositories place with the State Board of Administration securities which have a fair value equal to 50% of the average daily balances for each month of all public deposits in excess of any applicable deposit insurance. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

At September 30, 2022, petty cash for all funds was \$1,400.

Investments - Florida Statutes, the City's Investment Policy and various bond covenants authorize investments in money market accounts, savings accounts, repurchase agreements, the Local Government Surplus Funds Trust Fund Investment Pool administered by the Florida State Board of Administration, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government. Certificates of deposit, savings accounts and bank balances whose value exceeds the amount of federal depository insurance are collateralized pursuant to the Florida Security for Public Deposits Act of the State of Florida. All financial institutions used by the City are institutions designated as qualified depositories by the State Treasurer.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

A. Cash and Investments, continued

Interest Rate Risk, Credit Risk, Concentration of credit risk and Custodial Credit Risk.
The City holds no investments at this time.

The Local Government Surplus Funds Trust Fund is governed by Ch. 19-7 of the Florida Administrative Code, which identifies the Rules of the State Board of Administration. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Surplus Funds Trust Fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration.

The Local Government Surplus Funds Trust Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operations procedures consistent with the requirements for a 2a-7 fund.

Since 2a-7 like pools are similar to money market funds where shares are owned in the fund rather than the actual underlying investments, disclosures for foreign currency risk, custodial credit risk and concentration of credit risk are not applicable. For credit quality risk the State Pool is not rated by a nationally recognized statistical rating agency. The pool funds are reported by the City as cash equivalents.

Additionally, to comply with GASB Statement No. 79 requirements, Florida PRIME is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate as a qualifying external investment pool. Thus, this pool operates essentially as a money market fund. Florida PRIME has a Standard & Poor's rating of AAAM at September 30, 2022 and is measured at amortized cost. There are currently no limitations as to the frequency of redemptions; however, Florida PRIME has the ability to impose restrictions on withdrawals should a material event occur. Detailed information on the withdrawal restrictions that may be imposed and Florida PRIME's responsibilities should such an event occur is described in Section 218.409(8)(a), Florida Statutes. GASB Statement No. 79 amends GASB Statement No. 31, and the value of the pool is at amortized cost. The amount of the investment was \$55,362,989.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

B. Restricted Assets – All Funds

Restricted assets of the Enterprise Funds were comprised of the following at September 30, 2022:

<u>Water and Wastewater Utility Fund, Building Fund, Marina Fund</u>	<u>Cash and Cash Equivalents</u>
Water System Capacity Escrow Account - reserved to pay for future expansion of the water treatment system	\$ 2,753,475
Wastewater System Capacity Escrow Account - reserved to pay for future expansion of the sewage treatment system	2,126,722
State Revolving Loan Fund Reserve - maintained at the level required by the loan documents	1,112,769
Water, Building and Marina Deposit Escrow Accounts - escrow accounts established for maintaining customer deposits for utility service and building permits	89,521
Utilities Construction Account - reserved for payment of the costs of new projects and major repairs of existing assets	20,088,993
Utilities Renewal and Replacement Fund	1,500,000
Special Assessments - District #4 - established to account for assessments levied for utility expansion	<u>51,390</u>
	<u><u>\$ 27,722,870</u></u>

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

B. Restricted Assets – All Funds, continued

Restricted assets of the Governmental Funds were comprised of the following at September 30, 2022:

General Fund:

Cash and Cash Equivalents	
Law enforcement activities	\$ 135,845
Other purposes	196
Unearned revenue	114,570
	<u>\$ 250,611</u>

CRA Fund:

Cash and Cash Equivalents for debt service	<u>\$ 3,564,919</u>
	<u>\$ 3,815,530</u>

C. Interfund Asset/Liabilities/Transfers

	<u>Asset</u>	<u>Liability</u>
Cumulative effect of internal service funds	<u>\$ 63,609</u>	<u>\$ 63,609</u>
Statement of Net Position	<u>\$ 63,609</u>	<u>\$ 63,609</u>

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

C. Interfund Asset/Liabilities/Transfers, continued

The interfund transfer from General Fund to CRA is the amount of incremental tax revenue received in the district. The transfer from the General Fund to the Additional Five Cent Gas Tax Fund was for the paving program. The transfer from the General Fund to the Capital Project Fund was for public works capital projects. The transfer from the CRA Fund to the Debt Fund was for debt service on Herald Court Centre (parking garage). The transfer from the 1% Sales Tax Fund to the General Fund is for capital project management. The Nonmajor Governmental transfers out are impact fees transferred to Capital Project Fund and transfers from Special Use Fund to the General Fund and the Capital Projects Fund for contributions to comprehensive plan update, Ponce Park improvements and security enhancements, and transfers from the Buckley's Pass Assessments to the General Fund.

For government-wide statement reporting purposes all transfers between major and nonmajor governmental funds have been eliminated.

	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds		
General Fund	\$ 370,675	\$ 2,204,013
Debt Service Fund	1,544,082	0
1% Sales Tax	0	90,000
Community Redevelopment	1,033,013	1,544,082
Capital Projects Fund	723,920	0
Nonmajor Governmental funds	<u>459,000</u>	<u>292,595</u>
Net Governmental Funds	<u><u>\$ 4,130,690</u></u>	<u><u>\$ 4,130,690</u></u>

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

D. Capital assets

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

	Beginning Balance	Reclass/ Increases	Reclass/ Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 16,365,573	\$62,017	\$0	\$ 16,427,590
Construction in progress	1,859,321	2,903,199	(904,767)	3,857,753
Total capital assets, not being depreciated	<u>18,224,894</u>	<u>2,965,216</u>	<u>(904,767)</u>	<u>20,285,343</u>
Capital assets, being depreciated:				
Buildings	26,089,837	105,298	(1,481)	26,193,654
Improvements other than buildings	13,625,664	80,832	(4,861)	13,701,635
Infrastructure	115,984,101	792,884	0	116,776,985
Vehicles and equipment	14,692,306	630,976	(602,157)	14,721,125
Total capital assets, being depreciated	<u>170,391,908</u>	<u>1,609,990</u>	<u>(608,499)</u>	<u>171,393,399</u>
Less accumulated depreciation for:				
Buildings	(10,014,240)	(701,316)	384	(10,715,172)
Improvements other than buildings	(7,942,407)	(659,414)	4,861	(8,596,960)
Infrastructure	(69,008,683)	(1,858,042)	0	(70,866,725)
Vehicles and equipment	(11,347,229)	(1,115,658)	550,116	(11,912,771)
Total accumulated depreciation	<u>(98,312,559)</u>	<u>(4,334,430)</u>	<u>555,361</u>	<u>(102,091,628)</u>
Total capital assets, being depreciated, net	<u>72,079,349</u>	<u>(2,724,440)</u>	<u>(53,138)</u>	<u>69,301,771</u>
Governmental activities capital assets, net	<u>\$ 90,304,243</u>	<u>\$ 240,776</u>	<u>\$ (957,905)</u>	<u>\$ 89,587,114</u>

Right to Use Asset activity for the year ended September 30, 2022 was as follows:

	Beginning Balance	Reclass/ Increases	Reclass/ Decreases	Ending Balance
Capital assets, being depreciated:				
Buildings	0	98,712	0	98,712
Vehicles and equipment	0	26,160	0	26,160
Total capital assets, being depreciated	<u>0</u>	<u>124,872</u>	<u>0</u>	<u>124,872</u>
Less accumulated amortization for:				
Buildings	0	0	(12,339)	(12,339)
Vehicles and equipment	0	0	(10,681)	(10,681)
Total accumulated amortization	<u>0</u>	<u>0</u>	<u>(23,020)</u>	<u>(23,020)</u>
Total right to use assets, being amortized, net	<u>0</u>	<u>124,872</u>	<u>(23,020)</u>	<u>101,852</u>
Governmental activities right to use assets, net	<u>\$0</u>	<u>\$ 124,872</u>	<u>\$ (23,020)</u>	<u>\$ 101,852</u>

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

D. Capital assets, continued

	Beginning Balance	Reclass/ Increases	Reclass/ Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 5,403,346	\$0	\$0	\$ 5,403,346
Construction in progress	2,538,080	4,486,069	(1,609,486)	5,414,663
Total capital assets, not being depreciated	7,941,426	4,486,069	(1,609,486)	10,818,009
Capital assets, being depreciated:				
Buildings	27,884,434	0	0	27,884,434
Improvements other than buildings	18,252,072	0	0	18,252,072
System Infrastructure	132,216,287	995,397	0	133,211,684
Vehicles and equipment	16,046,495	607,877	(889,298)	15,765,074
Total capital assets, being depreciated	194,399,288	1,603,274	(889,298)	195,113,264
Less accumulated depreciation for:				
Buildings	(24,589,282)	(418,481)	0	(25,007,763)
Improvements other than buildings	(15,723,621)	(343,435)	0	(16,067,056)
System Infrastructure	(61,276,790)	(3,538,349)	0	(64,815,139)
Vehicles and equipment	(9,022,743)	(1,473,855)	884,991	(9,611,607)
Total accumulated depreciation	(110,612,436)	(5,774,120)	884,991	(115,501,565)
Total capital assets, being depreciated, net	83,786,852	(4,170,846)	(4,307)	79,611,699
Business-type activities capital assets, net	<u>\$ 91,728,278</u>	<u>\$ 315,223</u>	<u>\$ (1,613,793)</u>	<u>\$ 90,429,708</u>

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

Governmental activities:	
General government	\$ 1,475,150
Public safety	657,173
Transportation	974,344
Recreation	1,081,939
Internal service funds	145,824
Total depreciation expense -- governmental activities	<u>\$ 4,334,430</u>
Business-type activities:	
Public utilities	\$ 5,335,168
Sanitation/refuse collection	410,133
Building	17,487
Marina	11,332
Total depreciation expense -- business-type activities	<u>\$ 5,774,120</u>

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

E. Long-Term Debt

The following is a summary of changes in bonded and other indebtedness of the City for the year ended September 30, 2022:

	Governmental Activities - Long-Term Debt					Total
	Capital Improvement Revenue Notes	Pension Benefits Payable	OPEB Benefits Payable	Compensated Absences	Right to Use Leases	
Debt payable at October 1, 2021	\$10,966,000	\$ (2,040,964)	\$8,727,993	\$ 730,198	\$ 0	\$18,383,227
Debt issued	0	0	0	0	0	0
Debt retired	(1,361,000)	0	0	0	0	(1,361,000)
Additions	0	19,366,068	856,976	104,143	124,872	20,452,059
Deductions	0	(2,830,599)	(4,391,601)	(73,019)	(23,470)	(7,318,689)
September 30, 2022 (net)	\$ 9,605,000	\$ 14,494,505	\$5,193,368	\$ 761,322	\$ 101,402	\$30,155,597

Internal service funds predominantly service the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$26,673 of compensated absences, \$232,350 of pension benefits payable and \$236,062 of OPEB balances for internal service funds are included in the above amounts.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

E. Long-Term Debt

Business-type Activities Long-Term Debt					
Water and Wastewater Utility Revenue Notes	Water and Wastewater Utility Notes	Pension Benefits Payable	OPEB Benefits Payable	Compensated Absences	Total
\$ 16,822,118	\$ 30,678	\$ 354,648	\$ 5,001,434	\$ 377,829	\$ 22,586,707
0	0	0	0	0	0
(787,917)	0	0	0	0	(787,917)
0	0	6,097,387	477,180	132,812	6,707,379
0	0	(1,051,194)	(2,586,853)	(37,783)	(3,675,830)
\$ 16,034,201	\$ 30,678	\$ 5,400,841	\$ 2,891,761	\$ 472,858	\$ 24,830,339

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

Bonds, notes, capital leases and accrued compensated absences payable at September 30, 2022 are comprised of the following:

Governmental Activities

Revenue Notes - Direct Borrowings

\$24,000,000 Line of Credit, this non-revolving line of credit was issued to fund the seawall repairs needed as a result of Hurricane Irma. The line of credit was issued on May 9, 2018, to be repaid from FEMA & State Disaster reimbursements expected in FY 2019 or beyond and PGI Canal Maintenance District assessments. Interest is payable semi-annually at 79% of LIBOR plus 84 basis points. As of September 30, 2018 the outstanding balance was \$9,250,000.00. Additional draws of \$6,610,000 were taken in FY 2019. All \$15,860,000 was repaid prior to September 30, 2019. The unused line of credit remaining and available is \$8,140,000 \$0

\$12,261,000 Revenue Note, Series 2020, this note was used to refund the \$20,030,000 Revenue Note, Series 2012 at a more favorable rate. The note was issued on April 28, 2020 to be repaid with tax increment revenues from the CRA pursuant to the interlocal agreement. In the event and to the extent that the designated revenues are insufficient, non-ad valorem revenues through a covenant to budget and appropriate, or by amendment, shall be used. Interest is payable semi-annually. The annual interest is 1.78% effective July 1, 2020. Principal is payable annually beginning on January 1, 2021 with final maturity on January 1, 2028. \$ 9,605,000

Total revenue notes payable 9,605,000

Less current maturities (1,426,000)

Noncurrent portion, revenue notes payable \$ 8,179,000

The City's outstanding notes from direct borrowings related to governmental activities of \$9,605,000 contain a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make a payment.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, Continued

Business-type Activities

Water and Wastewater Utility Revenue Notes - Direct Borrowings

\$17,588,970 Revenue Note for the construction of a Groundwater Reverse Osmosis Water Treatment Plant. State Revolving Fund Loan Agreement DW080310 final loan amount of \$17,937,336. Note is collateralized by specific revenues pledged for repayment from the water system operation and impact fees. The Interest is payable semi-annually at the following per annum rates: 1.18% up to \$7,388,585 and 1.34% for amounts over. Principal is payable semi-annually. Both principal and interest payments will commence November 15, 2020 and semi-annually thereafter on May 15 and November 15 of each year until all amounts due have been fully paid.

	16,034,201
Total revenue notes payable	16,034,201
Less current maturities	(797,976)
Noncurrent portion, revenue notes payable	\$ 15,236,225

Water and Wastewater Utility Notes Payable

Noninterest-bearing advance from a local governmental agency, payable upon collection of specified sewer impact fees anticipated to be collected in the future.

	\$ 30,678
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The City's outstanding notes from direct borrowings related to business-type activities of \$16,034,201 contain a provision that in an event of default, such as failing to make any semiannual loan payment for more than 30 days, then the agency shall cause to establish rates and collect fees and charges for use of the Water and Wastewater System in order to fulfill the agreements.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

The annual requirements to amortize all debts outstanding as of September 30, 2022 are as follows:

Year Ending September 30	Governmental Activities Long-Term Debt		Business-type Activities Long-Term Debt		
	Notes from Direct Borrowings		Notes from Direct Borrowings		
	Capital Improvement Revenue Notes		Water and Wastewater Utility Revenue Notes		Water and Wastewater Utility Notes
	Principal	Interest	Principal	Interest	
2023	\$ 1,426,000	\$ 158,278	\$ 797,976	\$ 201,617	\$ 30,678
2024	1,494,000	132,290	808,164	191,429	0
2025	1,561,000	105,100	818,483	181,110	0
2026	1,632,000	76,682	828,934	170,659	0
2027	1,707,000	46,965	839,518	160,075	0
2028-2032	1,785,000	15,887	4,361,171	636,793	0
2033-2037	0	0	4,646,898	351,066	0
2038-2042	0	0	2,933,057	65,721	0
Total	\$ 9,605,000	\$ 535,202	\$ 16,034,201	\$ 1,958,470	\$ 30,678

	Compensated Absences		Pensions Payable	OPEB Payable	Leases Payable		Totals
	Current Portion	Noncurrent Portion			Current Portion	Noncurrent Portion	
Governmental Activities	\$ 76,132	\$ 685,190	\$ 14,494,505	\$ 5,193,368	\$ 59,330	\$ 42,072	\$ 20,550,597
Business-type Activities	47,285	425,573	5,400,841	2,891,761	-	-	\$ 8,765,460
	\$ 123,417	\$ 1,110,763	\$ 19,895,346	\$ 8,085,129	\$ 59,330	\$ 42,072	\$ 29,316,057

The amounts included in governmental activities for internal service funds are \$2,667 current portion of compensated absences, \$24,006 noncurrent portion compensated absences, \$232,350 pension benefits payable and \$236,062 of OPEB benefits payable.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

Fiscal Year Ending September 30	Principal and Interest Requirements to Maturity		
	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$59,330	\$1,451	\$60,781
2024	41,038	357	41,395
2025	1,034	3	1,037
Total	\$101,402	\$1,811	\$103,213

On July 1, 2022, the City of Punta Gorda entered into a 24 month lease as Lessee for the use of the Gulf Theater. An initial lease liability was recorded in the amount of \$98,713. As of September 30, 2022, the value of the lease liability is \$86,451. The City is required to make monthly fixed payments of \$4,200. The lease has an interest rate of 2.1940%. The value of the right to use asset as of September 30, 2022 of \$86,373 with accumulated amortization of \$12,339 is included in the Governmental Activities right to use asset note.

On October 1, 2021, the City of Punta Gorda entered into a 45 month lease as Lessee for the use of a Konica Minolta-Bizhub C360I copier in the Fire Department. An initial lease liability was recorded in the amount of \$5,130. As of September 30, 2022, the value of the lease liability is \$3,772. The City is required to make quarterly fixed payments of \$346. The lease has an interest rate of 0.5550%. The value of the right to use asset as of September 30, 2022 of \$3,780 with accumulated amortization of \$1,350 is included in the Governmental right to use asset note.

On October 1, 2021, the City of Punta Gorda entered into a 32 month lease as Lessee for the use of a Konica Minolta-Bizhub C759 copier for the Urban Design department. An initial lease liability was recorded in the amount of \$10,997. As of September 30, 2022, the value of the lease liability is \$6,611. The City is required to make quarterly fixed payments of \$1,106. The lease has an interest rate of 0.4080%. The value of the right to use asset as of September 30, 2022 of \$6,977 with accumulated amortization of \$4,019 is included in the Governmental right to use asset note.

On October 1, 2021, the City entered into a 22 month lease as Lessee for the use of a 2020 Hyundai Santa Fe vehicle. An initial lease liability was recorded in the amount of \$10,034. As of September 30, 2022, the value of the lease liability is \$4,568. The City is required to make monthly fixed payments of \$489. The lease has an interest rate of 0.3280%. The value of the right to asset as of September 30, 2022 is \$4,722 with accumulated amortization of \$5,312 in included in the Governmental right to use asset note. The lease has a guaranteed residual value payment of \$19,306. The City has the option to purchase the vehicle for \$19,306.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

F. Property Taxes

Property taxes are levied on November 1 of each year, and are due and payable upon receipt of the notice of levy. The Charlotte 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, 2022 was \$3.9500 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 sold at public auction prior to June 1, and the proceeds thus collected are remitted to the City. There were no delinquent or uncollected property taxes at year-end.

No accruals for property tax levy becoming due in November 2022 are included in the accompanying general purpose financial statements since such taxes do not meet the criteria of (NCGA) Interpretation No. 3 and GASB Interpretation No. 5. The property tax calendar is as follows:

July 1	Assessment roll validated
September 30	Millage ordinance 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
June 1	Tax certificates sold by County

G. Lease Receivables and Deferred Inflow of Resources of Leases

Effective as of October 1, 2021, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financing of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. For additional information, refer to disclosures below.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

G. Lease Receivables and Deferred Inflow of Resources, continued

Effective as of October 1, 2021, City of Punta Gorda entered into a 1,018 month lease as Lessor for the use of Laishley Park Ground Lease. An initial lease receivable was recorded in the amount of \$7,670,366. As of September 30, 2022, the value of the lease receivable is \$7,663,595. The lessee is required to make monthly fixed payments of \$8,020. The lease has an interest rate of 1.2500%. The value of the deferred inflow of resources as of September 30, 2022 was \$7,579,990, and City of Punta Gorda recognized lease revenue of \$90,375 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 935 month lease as Lessor for the use of Trabue Parcel - Synovus Bank. An initial lease receivable was recorded in the amount of \$214,749. As of September 30, 2022, the value of the lease receivable is \$213,209. The lessee is required to make annual fixed payments of \$5,500. The lease has an interest rate of 2.0120%. The value of the deferred inflow of resources as of September 30, 2022 was \$211,993, and City of Punta Gorda recognized lease revenue of \$2,756 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 57 month lease as Lessor for the use of Punta Gorda Bowls in Herald Court Centre. An initial lease receivable was recorded in the amount of \$86,245. As of September 30, 2022, the value of the lease receivable is \$69,418. The lessee is required to make monthly fixed payments of \$1,500. The lease has an interest rate of 1.2100%. The value of the deferred inflow of resources as of September 30, 2022 was \$68,088, and City of Punta Gorda recognized lease revenue of \$18,157 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 36 month lease as Lessor for the use of Dream Spa Salon in Herald Court Centre. An initial lease receivable was recorded in the amount of \$107,579. As of September 30, 2022, the value of the lease receivable is \$73,351. The lessee is required to make monthly fixed payments of \$2,981. The lease has an interest rate of 1.8600%. The value of the deferred inflow of resources as of September 30, 2022 was \$71,719, and City of Punta Gorda recognized lease revenue of \$35,860 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 25 month lease as Lessor for the use of Otherside Ink in Herald Court Centre. An initial lease receivable was recorded in the amount of \$38,544. As of September 30, 2022, the value of the lease receivable is \$20,378. The lessee is required to make monthly fixed payments of \$1,530. The lease has an interest rate of 0.5400%. The value of the deferred inflow of resources as of September 30, 2022 was \$20,043, and City of Punta Gorda recognized lease revenue of \$18,501 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 24 month lease as Lessor for the use of Refinery Market in Herald Court Centre. An initial lease receivable was recorded in the amount of \$30,701. As of September 30, 2022, the value of the lease receivable is \$16,782. The lessee is required to make monthly fixed payments of \$1,168. The lease has an interest rate of 0.4600%. The value of the deferred inflow of resources as of September 30, 2022 was \$15,351, and City of Punta Gorda recognized lease revenue of \$15,351 during the fiscal year.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

G. Lease Receivables and Deferred Inflow of Resources, continued

Effective as of October 1, 2021, City of Punta Gorda entered into a 183 month lease (includes three 60 month renewals) as Lessor for the use of SBA Cell Tower. An initial lease receivable was recorded in the amount of \$362,725. As of September 30, 2022, the value of the lease receivable is \$348,896. The lessee is required to make monthly fixed payments of \$1,801. The lease has an interest rate of 2.3240%. The value of the deferred inflow of resources as of September 30, 2022 was \$338,939, and City of Punta Gorda recognized lease revenue of \$23,785 during the fiscal year.

Effective as of October 1, 2021, City of Punta Gorda entered into a 144 month lease (includes two 60 month renewals) as Lessor for the use of Verizon Wireless Tower. An initial lease receivable was recorded in the amount of \$439,432. As of September 30, 2022, the value of the lease receivable is \$412,363. The lessee is required to make monthly fixed payments of \$2,937. The lease has an interest rate of 2.0960%. The value of the deferred inflow of resources as of September 30, 2022 was \$402,812, and City of Punta Gorda recognized lease revenue of \$36,619 during the fiscal year.

Effective as of June 1, 2022, City of Punta Gorda entered into a 48 month lease as Lessor for the use of PG Chocolate & Wine in Herald Court Centre. An initial lease receivable was recorded in the amount of \$52,902. As of September 30, 2022, the value of the lease receivable is \$48,743. The lessee is required to make monthly fixed payments of \$1,082. The lease has an interest rate of 1.3250%. The value of the deferred inflow of resources as of September 30, 2022 was \$48,494, and City of Punta Gorda recognized lease revenue of \$4,409 during the fiscal year.

Effective as of September 1, 2022, City of Punta Gorda entered into a 48 month lease as Lessor for the use of Punta Gorda Coffee and Tea in Herald Court Centre. An initial lease receivable was recorded in the amount of \$73,456. As of September 30, 2022, the value of the lease receivable is \$71,954. The lessee is required to make monthly fixed payments of \$1,502. The lease has an interest rate of 1.3250%. The value of the deferred inflow of resources as of September 30, 2022 was \$71,926, and City of Punta Gorda recognized lease revenue of \$1,530 during the fiscal year.

Effective as of September 1, 2022, City of Punta Gorda entered into a 60 month lease as Lessor for the use of Morgan Stanley. An initial lease receivable was recorded in the amount of \$221,552. As of September 30, 2022, the value of the lease receivable is \$217,939. The lessee is required to make monthly fixed payments of \$3,613. The lease has an interest rate of 1.5300%. The value of the deferred inflow of resources as of September 30, 2022 was \$217,860, and City of Punta Gorda recognized lease revenue of \$3,693 during the fiscal year.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems

The City has three defined benefit pension plans which cover substantially all full-time employees. They are the General Employees' Pension Plan, Municipal Police Officers' Pension Plan and Municipal Firefighters' Pension Plan, all of which are single-employer, contributory plans. Benefit provisions and employer and employee obligations to contribute to the plans are established by State Statutes and City Ordinances. The City accounts for the plans as pension trust funds, and are included as part of the City's reporting entity. Stand-alone financial reports are not issued.

The City also has 3 former employees participating 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 State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site: www.dms.myflorida.com/workforce_operations/retirement/publications.

Plan Descriptions

(a) General Employees' Pension Plan

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- 1) Two City Council appointees,
- 2) Two members of the system elected by a majority of the other covered General Employees, and
- 3) A fifth member elected by the other four and appointed by Council.

The Plan is closed as of July 27, 2011.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

Plan Membership as of October 1, 2021:

Inactive plan members or beneficiaries currently receiving benefits	157
Inactive plan members entitled to but not yet receiving benefits	15
Active plan members	<u>52</u>
	<u>224</u>

Current membership as of September 30, 2022 is comprised of the following:

Retirees receiving benefits	130
Vested terminated employees	16
Beneficiaries	12
DROP	18
Active employees	
Fully-vested	45
Non-vested	0

Benefits Provided

The Plan provides retirement, termination, disability and death benefits.

Normal Retirement:

Eligibility: Age 60 and 5 years of credited service.

Benefit Amount: 3.00% of average final compensation times credited service.

Early Retirement:

Eligibility: Age 55 and 5 years of credited service.

Benefit Amount: Accrued benefit, deferred to age 60 or payable immediately and reduced 1/15th per year prior to age 60.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

Vesting (Termination):

Less than 5 years of credited service: Refund of member contributions.

5 years or more: Accrued benefit payable at age 60, or reduced benefit payable at age 55, or refund of member contributions.

Disability:

Eligibility: Totally and permanently disabled, as determined by the Board. Members are covered after ten (10) years of credited service.

Benefit Amount: 3.00% of average final compensation times credited service, but not less than 60% of average final compensation for service related disabilities. Benefits are payable for life.

Pre-Retirement Death Benefits:

Less than 10 years of credited service: Prior to eligibility for early or normal retirement refund of member contributions. After becoming eligible for retirement, accrued benefit, payable for 10 years.

At least 10 years of credited service: Beneficiary receives the accrued benefit payable for 10 years when the member would have been eligible for normal or early (reduced) retirement.

Contributions

Employee: 8.10% of total pay. When a member's accrued benefit is 100% of AFC, the Member may elect to continue making member contributions and accrue a higher AFC or to discontinue member contributions and freeze his benefit.

City: Remaining amount necessary for payment of normal (current year's) cost and amortization of the accrued past liability, as provided in Part VII of Chapter 112, Florida Statutes. The City Contribution cannot be less than 12% of payroll.

Investments

Investment Policy:

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

Asset Class	Target Allocation
Domestic Equity	35.00%
International Equity	15.00%
Broad Market Fixed Income	35.00%
Fixed Income (Non-Core)	5.00%
Real Estate	10.00%
Total	100.00%

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the pension plan's fiduciary net position.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

Rate of Return:

For the year ended September 30, 2022 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -12.69 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program

Eligibility: Satisfaction of normal or early retirement requirements.

Participation: Not to exceed 84 months.

Rate of Return: At member's election:

- (1) Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter, or
- (2) 6.50% per annum compounded monthly.

Members may elect to change form of return one time.

The DROP balance as of September 30, 2022 is \$1,436,914.

Net Pension Liability

The measurement date is September 30, 2022.

The measurement period for the pension expense was October 1, 2021 to September 30, 2022. The reporting period is October 1, 2021 through September 30, 2022.

The Sponsor's Net Pension Liability was measured as of September 30, 2022.

The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

NET PENSION LIABILITY OF THE SPONSOR

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

Total Pension Liability	\$	58,653,139
Plan Fiduciary Net Position		<u>(47,989,028)</u>
Sponsor's Net Pension Liability	\$	<u>10,664,111</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability		81.82%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of October 1, 2021 updated to September 30, 2022 using the following actuarial assumptions:

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

Inflation	2.50%
Salary Increases	Service Based
Discount Rate	6.75%
Investment Rate of Return	6.75%

Mortality Rates Healthy Active Lives:

Female: PubG.H-2010 (Above Median) for Employees.

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

Mortality Rates Healthy Retiree Lives:

Female: PubG.H-2010 for Healthy Retirees.

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

Mortality Rates Healthy Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees.

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

Mortality Rate Disabled Lives:

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

All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

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

The most recent actuarial experience study used to review the other significant assumptions was dated September 12, 2022.

The long-term expected rate of return on pension plan investments can be 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.

For 2022 the inflation rate assumption of the investment advisor was 2.50%.

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

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

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

Asset Class	Long Term Expected Real Rate of Return ¹
Domestic Equity	7.50%
International Equity	8.50%
Broad Market Fixed Income	2.50%
Fixed Income (Non-Core)	2.50%
Real Estate	4.50%

¹Source AndCo Consulting

Discount Rate:

The discount rate used to measure the total pension liability was 6.75 percent.

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 NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2021	\$ 58,882,351	\$ 58,196,141	\$ 686,210
Changes for a Year:			
Service Cost	583,803	0	583,803
Interest	3,849,201	0	3,849,201
Differences between Expected and Actual Experience	(293,250)	0	(293,250)
Changes of assumptions	512,928	0	512,928
Contributions - Employer	0	1,831,700	(1,831,700)
Contributions - Employee	0	243,914	(243,914)
Net Investment Income	0	(7,337,215)	7,337,215
Benefit Payments, including Refunds of Employee Contributions	(4,881,894)	(4,881,894)	0
Administrative Expense	0	(63,618)	63,618
Net Changes	(229,212)	(10,207,113)	9,977,901
Balances at September 30, 2022	\$ 58,653,139	\$ 47,989,028	\$ 10,664,111

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

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

	1% Decrease <u>5.75%</u>	Current Discount Rate <u>6.75%</u>	1% Increase <u>7.75%</u>
Sponsor's Net Pension Liability	\$ 16,804,679	\$ 10,664,111	\$ 5,449,479

For the year ended September 30, 2022, the Sponsor will recognize a Pension Expense of \$1,962,569.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$0	\$ 146,625
Changes of assumptions	256,464	0
Net Difference between Projected and Actual Earnings on Pension Plan Investments	<u>5,624,097</u>	<u>0</u>
Total	<u>\$ 5,880,561</u>	<u>\$ 146,625</u>

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:	
2023	\$ 1,305,801
2024	970,469
2025	1,223,947
2026	2,233,719
2027	0
Thereafter	0

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

Valuation Date: 10/01/2020

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.

Mortality Rate: *Healthy Active lives:*
Female: PubG.H-2010 (Above Median) for Employees,
Male: PubG.H-2010 for Employees, set back one year.

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

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

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

All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

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

Termination Rates: See table later in this section. These rates were adopted based on the September 12, 2022 experience study.

Disability Rates: See table later in this section for sample rates (assumes none are Line-OF-Duty). These rates are similar to those utilized by other municipal General Employee programs. No change to prior assumption as a result of our September 12, 2022 experience study.

Retirement Age: See table later in this section. These rates were adopted based on the September 12, 2022 experience study.

Interest Rate: 6.75% net of fees through 2023 and 6.50% thereafter. This is supported by the target asset allocation of the trust and the expected long-term return by asset class and contemplates a change in the asset allocation after 2023.

Salary Increases: See table later in this section. Final salary in year of retirement is increased to account for additional non-regular compensation (determined individually). This assumption was adopted based on results of the September 12, 2022 experience study.

Payroll Growth: None.

Asset Valuation Method: All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

Decrement Rate Tables:

Age	% Becoming Disabled During the Year	% Retiring During the Year
20	0.14%	
30	0.18%	
40	0.30%	
50	1.00%	
55	1.00%	9.0%
56	1.00%	7.5%
57-59	1.00%	7.5%
60		55.0%
61-64		30.0%
65-69		50.0%
70+		100.0%

Service	Expected Salary Increase	Expected Termination Rate
0	7.0%	18.0%
1	6.0%	9.0%
2	5.0%	8.0%
3	5.0%	10.0%
4	4.8%	10.0%
5-9	4.5%	4.0%
10-14	4.5%	3.0%
15+	4.5%	2.0%

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a) Two City Council appointees,
- b) Two members of the system elected by a majority of the other covered Police Officers, and
- c) A fifth member elected by the other four Members.

Plan Membership as of October 1, 2021:

Inactive plan members or beneficiaries currently receiving benefits	40
Inactive plan members entitled to but not yet receiving benefits	9
Active plan members	<u>33</u>
	<u>82</u>

Current membership as of September 30, 2022 is comprised of the following:

Retirees receiving benefits	30
Vested terminated employees	5
Vested Due Refund	4
Beneficiaries	1
Disability benefits	6
DROP	4
Active employees	
Fully-vested	16
Non-vested	19

Benefits Provided

The Plan provides retirement, termination, disability and death benefits. A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the City of Punta Gorda Police Officer's Retirement System prepared by Foster & Foster Actuaries and Consultants.

Normal Retirement:

Eligibility: Members hired before December 18, 2013: Earlier of age 45 and the completion of 20 years of credited service, or age 55.

Members Hired on and after December 18, 2013: Earlier of age 55 and the completion of 10 years of credited service or 25 years of credited service regardless of age.

Benefit Amount: Members hired before December 18, 2013: 3.50% of average final compensation times credited service.

Members hired on and after December 18, 2013: 3.00% of average final compensation times credited service.

Form of Benefit: 10 Year certain and life thereafter (options available).

Early Retirement:

Eligibility: Age 45 and 10 years of credited service.

Benefit Amount: Accrued benefit, reduced 3.00% per year early.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

Vesting (Termination):

Less than 5 years: Refund of member contributions.

5 years or more: Accrued benefit payable at age 45 or later, on a reduced basis if to commence prior to normal retirement date or refund of member contributions.

Disability:

Eligibility:

a) 10 years of service for non-service related; coverage from date of hire for service-incurred.

b) Total and permanent disability prior to normal retirement date.

Benefit amount: Members Hired before December 18, 2013: 3.50% of average final compensation (AFC) times credited service, but not less than 60% of AFC for service-incurred disabilities.

Members Hired on and after December 18, 2013: 3.00% of average final compensation (AFC) times credited service, but not less than 60% of AFC for service incurred disabilities.

Pre-Retirement Death Benefits:

Service-Incurred with Spouse or Dependent Child: To Spouse: 60% of Member's Average Final Compensation (AFC). To each Child (if no spouse): 15% of Member's AFC. Overall maximum benefit to children is 60% of AFC.

Non-Service-Incurred or No Spouse or Children: Value of accrued pension benefit paid to designated beneficiary.

Chapter 185 Share Plan:

Each year, 50% of State Monies received in excess of \$200,000 is allocated to the Share Plan.

Contributions

Employee: 8.00% of total pay.

Premium Tax: 0.85% tax on premiums for casualty insurance policies.

City: Remaining amount necessary for payment of normal (current year's) cost and amortization of the accrued past service liability as provided in Part VII of Chapter 112, Florida Statutes.

Investments

Investment Policy:

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

Asset Class	Target Allocation
Domestic Equity	45.00%
International Equity	15.00%
Domestic Fixed Income	35.00%
Real Estate	5.00%
Total	100.00%

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the pension plan's fiduciary net position.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

Rate of Return:

For the year ended September 30, 2022 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -17.79 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program

Eligibility: Satisfaction of normal or early retirement requirements (earlier of age 55, or age 45 with 20 years of credited service).

Participation: Not to exceed 60 months.

Rate of Return: At member's election:

- (1) Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter, or
- (2) 6.50% per annum compounded monthly.

Members may elect to change form of return one time during the period of DROP participation. The DROP balance as of September 30, 2022 is \$499,269.

Net Pension Liability

The measurement date is September 30, 2022.

The measurement period for the pension expense was October 1, 2021 to September 30, 2022.

The reporting period is October 1, 2021 through September 30, 2022.

The Sponsor's Net Pension Liability was measured as of September 30, 2022.

The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

NET PENSION LIABILITY OF THE SPONSOR

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

Total Pension Liability	\$ 25,022,702
Plan Fiduciary Net Position	<u>(19,560,609)</u>
Sponsor's Net Pension Liability	<u>\$ 5,462,093</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	78.17%

Actuarial Assumptions:

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

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) Municipal Police Officers' Pension Plan, continued

Inflation	2.50%
Salary Increases	Service Based
Discount Rate	7.00%
Investment Rate of Return	7.00%

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 Healthy Active Lives:

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

Male: PubS.H-2010 (Below Median) for Employees, 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.

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

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

75% of active Member deaths are assumed to be service-incurred.

The most recent actuarial experience study used to review the other significant assumptions was dated June 19, 2019.

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. For 2022 the inflation rate assumption of the investment advisor was 2.50%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

Asset Class	Long Term Expected Real Rate of Return ¹
Domestic Equity	7.50%
International Equity	8.50%
Domestic Fixed Income	2.50%
Real Estate	4.50%
Total	

¹ Source: AndCo Consulting

Discount Rate:

The discount rate used to measure the total pension liability was 7.00 percent.

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.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2021	\$ 23,439,026	\$ 24,114,919	\$ (675,893)
Changes for a Year:			
Service Cost	613,854	0	613,854
Interest	1,643,327	0	1,643,327
Share Plan Allocation	20,453	0	20,453
Differences between Expected and Actual Experience	459,601	0	459,601
Contributions - Employer	0	516,213	(516,213)
Contributions - State	0	240,905	(240,905)
Contributions - Employee	0	200,691	(200,691)
Net Investment Income	0	(4,295,701)	4,295,701
Benefit Payments, including Refunds of Employee Contributions	(1,153,559)	(1,153,559)	0
Administrative Expense	0	(62,859)	62,859
Net Changes	1,583,676	(4,554,310)	6,137,986
Balances at September 30, 2022	\$ 25,022,702	\$ 19,560,609	\$ 5,462,093

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

	Current Discount		
	1% Decrease 6.00%	Rate 7.00%	1% Increase 8.00%
Sponsor's Net Pension Liability	\$ 8,399,364	\$ 5,462,093	\$ 3,030,196

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

For the year ended September 30, 2022, the Sponsor will recognize a Pension Expense of \$1,401,458.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 549,768	\$ -
Changes of assumptions	-	35,835
Net Difference between Projected and Actual Earnings on Pension Plan Investments	2,984,028	-
Total	\$ 3,533,796	\$ 35,835

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

Year ended September 30:		
2023	\$	813,231
2024		693,125
2025		796,666
2026		1,194,939
2027		0
Thereafter		0

Valuation Date: 10/01/2020

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 can be found in the October 1, 2020 Actuarial Valuation for the City of Punta Gorda Police Officers' Retirement System prepared by Foster & Foster Actuaries and Consultants.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

Methods and assumptions used to determine contribution rates:

Funding Method:	Frozen entry age actuarial cost method. The following loads are applied for determining the minimum required contribution: Interest – None, based on 7.00% assumption and Salary – A full year, based on current 6.40% assumption.
Mortality:	<p><i>Healthy Active Lives:</i> Female: PubS.H-2010 (Below Median) for Employees, set forward one year. Male: PubS.H-2010 (Below Median) for Employees, set forward one year</p> <p><i>Healthy Retiree Lives:</i> Female: PubS.H-2010 for Healthy Retirees, set forward one year. Male: PubS.H-2010 for Healthy Retirees, set forward one year.</p> <p><i>Beneficiary Lives:</i> Female: PubG.H-2010 for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year</p> <p><i>Disabled Lives:</i> 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees</p> <p>All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel that this assumption sufficiently accommodates future mortality improvements. The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.</p>
Termination Rates:	75% of active deaths are assumed to be service-incurred. See table of sample rates later in this section. This assumption was adopted as a result of the June 19, 2019 experience study.
Disability Rates:	See table of sample rates later in this section. This assumption was confirmed as part of an experience study dated June 19, 2019. It is assumed that 75% of disablements are service related.
Retirement Age:	100% at 25 years of service, otherwise 50% at first eligibility, 20% for next four years of eligibility, and 100% at 5 years after first eligibility. This assumption was adopted as a result of the June 19, 2019 experience study.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

Early Retirement: Commencing upon a member's eligibility for early retirement, members are assumed to retire with an immediate subsidized benefit at the rate of 2% per year. We feel that this assumption is reasonable based on the plan provisions.

Interest Rate: 7.00% per year, compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Salary Increases: See table later in this section. This assumption was adopted as a result of the June 19, 2019 experience study. Final salary in year of retirement is increased individually, based on data provided by the City, to account for additional non-regular compensation.

Payroll Growth: 0.86% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

Asset Valuation Method: All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.

Termination and Disability Rate Table:

Age	% Becoming Disabled	% Terminating
	During the Year	During the Year
20	0.03%	11.6%
25	0.03%	11.0%
30	0.04%	9.8%
35	0.05%	7.8%
40	0.07%	5.3%
45	0.10%	3.3%
50	0.18%	1.4%
55	0.36%	0.6%
60	0.90%	0.5%
65+	2.22%	0.0%

Salary Scale Table:

Service	Salary Scale
	Rate
0-4	7.50%
5-9	5.50%
10-14	5.00%
15+	4.50%

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan

Plan Description:

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of:

- a) Two City Council appointees,
- b) Two members of the system elected by a majority of the other covered Firefighters, and a
- c) Fifth member elected by the other four and appointed by Council.

All Firefighters as of the effective date, and all future new Firefighters, shall become members of this system as a condition of employment.

Plan Membership as of October 1, 2021:

Inactive plan members or beneficiaries currently receiving benefits	22
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	<u>26</u>
	<u>51</u>

Current membership as of September 30, 2022 is comprised of the following:

Retirees receiving benefits	15
Vested terminated employees	3
Vested Due Refund	1
Beneficiaries	1
Disability benefits	5
DROP	1
Active employees	
Fully-vested	21
Non-vested	7

Benefits Provided

The Plan provides retirement, termination, disability and death benefits. A summary of the benefit provisions can be found in the October 1, 2021 Actuarial Valuation Report for the City of Punta Gorda 's Firefighters' Retirement System prepared by Foster & Foster Actuaries and Consultants.

Normal Retirement:

Eligibility: Earlier of age 55 or the completion of 25 years of credited service.

Benefit Amount: 3.50% of average final compensation times credited service for members hired before 10/1/2012. 3.00% (3.5% for service earned after 9/30/2021) of average final compensation times credited service for members hired on and after 10/01/2012.

Form of Benefit: 10 year certain and life thereafter (options available).

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

Early Retirement:

Eligibility: Age 45 and 10 years of credited service.

Benefit Amount: Accrued benefit, reduced 3.00% per year early.

Vesting (Termination):

Less than 5 years of Credited Service: Refund of member contributions.

5 years or more: Accrued benefit payable at age 45 or later, on an actuarially reduced basis if to commence prior to normal retirement date or Refund of member contributions.

Disability:

Eligibility: a) 10 years of service for non-service related; coverage from date of hire for service-incurred.

b) Total and permanent disability prior to normal retirement date.

Benefit Amount: 3.50% (3.00% if hired on or after 10/1/2012) of average final compensation (AFC) times credited service, but not less than 60% of AFC for service related disabilities, or 25% of AFC for non-service related disabilities.

Death Benefits:

Pre-Retirement Service-Incurred with Spouse or Dependent Child:

To Spouse: 60% of member's average final compensation (AFC).

To each Child (if no Spouse): 15% of Member's AFC. Overall maximum benefit to children is 60% of AFC.

Pre-Retirement Non-Service-Incurred or no Spouse or Children: Value of accrued pension benefit paid to designated beneficiary.

Chapter 175 Share Plan:

Allocation: Each year premium tax monies received pursuant to Chapter 175, Florida Statutes in excess of \$209,406 will be allocated to individual Member Share accounts based on full years of credited service with the City. Investment Earnings: Net rate of investment return, for each firefighter employed on the preceding September 30. Distribution: Lump sum payment at retirement, termination, disability, or death. Vesting Service Requirement: Same as for other benefits (see above).

Contributions

Employee: For members hired on or after 10/1/2012: 8.00% of total pay for the fiscal year ending 9/30/2021. 9.50% for each fiscal year thereafter. For members hired prior to 10/01/2012: 9.00% for the fiscal year ending 09/30/2014, 9.50% for each fiscal year thereafter. City: Remaining amount necessary for payment of Normal (current year's) cost and amortization of the accrued past service liability as provided in Part VII of Chapter 112, Florida Statutes. Notwithstanding the previous sentence, the City's total annual contribution shall be at least 12% of the covered payroll.

Premium Tax: 1.85% tax on premiums for insurance policies.

Investments

Investment Policy:

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

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

Asset Class	Target Allocation
Domestic Equity	50.00%
International Equity	15.00%
Domestic Fixed Income	20.00%
Global Fixed Income	5.00%
Real Estate	10.00%
Total	100.00%

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the pension plan's fiduciary net position.

Rate of Return:

For the year ended September 30, 2022 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -14.66 percent.

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

Deferred Retirement Option Program

Eligibility: 25 years of credited service with the City or normal retirement age.

Participation: Not to exceed 60 months.

The DROP balance as of September 30, 2022 is \$1,163,996.

Net Pension Liability

The measurement date is September 30, 2022.

The measurement period for the pension expense was October 1, 2021 to September 30, 2022.

The reporting period is October 1, 2021 through September 30, 2022.

The Sponsor's Net Pension Liability was measured as of September 30, 2022.

The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

NET PENSION LIABILITY OF THE SPONSOR

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

Total Pension Liability	\$ 22,625,216
Plan Fiduciary Net Position	(18,856,075)
Sponsor's Net Pension Liability	\$ 3,769,141
Plan Fiduciary Net Position as a percentage of Total Pension Liability	83.34%

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

Actuarial Assumptions:

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

Inflation	2.50%
Salary Increases	6.00%
Discount Rate	7.45%
Investment Rate of Return	7.45%

Mortality Rate Healthy Active Lives:

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

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

Mortality Rate Retiree Lives:

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

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 (Below Median) 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.

All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel that this assumption sufficiently accommodates future mortality improvements.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July1, 2021 FRS valuation report for special risk employees, with adjustments made based on plan demographics.

90% of active Member deaths are assumed to be service related.

The most recent actuarial experience study used to review the other significant assumptions was dated September 10, 2020.

The long-term expected rate of return on pension plan investments can be 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. For 2022 the inflation rate assumption of the investment advisor was 2.50%.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

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

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

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return¹</u>
Domestic Equity	7.50%
International Equity	8.50%
Domestic Fixed Income	2.50%
Global Fixed Income	3.50%
Real Estate	4.50%
Total	

¹Source AndCo Consulting

Discount Rate:

The discount rate used to measure the Total Pension Liability was 7.45 percent. 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.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at September 30, 2021	\$ 20,331,400	\$ 22,028,033	\$(1,696,633)
Changes for a Year:			
Service Cost	639,667	0	639,667
Interest	1,573,539	0	1,573,539
Share Plan Allocation	36,917	0	36,917
Differences between Expected and Actual Experience	266,346	0	266,346
Changes of assumptions	348,760	0	348,760
Changes of benefit terms	105,054	0	105,054
Contributions - Employer	0	338,516	(338,516)
Contributions - State	0	246,323	(246,323)
Contributions - Employee	0	222,099	(222,099)
Contributions - buy Back	41,431	41,431	-
Net Investment Income	0	(3,248,410)	3,248,410
Benefit Payments, including Refunds of Employee Contributions	(717,898)	(717,898)	0
Administrative Expense	0	(54,019)	54,019
Net Changes	<u>2,293,816</u>	<u>(3,171,958)</u>	<u>5,465,774</u>
Balances at September 30, 2022	<u>\$ 22,625,216</u>	<u>\$ 18,856,075</u>	<u>\$ 3,769,141</u>

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

	1% Decrease	Current Discount Rate	1% Increase
	6.45%	7.45%	8.45%
Sponsor's Net Pension Liability	\$ 6,336,746	\$ 3,769,141	\$ 1,619,200

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

For the year ended September 30, 2022, the Sponsor will recognize a Pension Expense of \$1,088,287.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 954,595	\$0
Changes of assumptions	290,635	41,007
Net Difference between Projected and Actual Earnings on Pension Plan Investments	<u>1,991,773</u>	<u>0</u>
Total	<u>\$ 3,237,003</u>	<u>\$ 41,007</u>

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

Year ended September 30:	
2023	\$ 651,007
2024	549,082
2025	697,454
2026	1,195,935
2027	102,518
Thereafter	0

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

Valuation Date: 10/01/2020

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: *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 (Below Median) for Healthy Retirees, set forward one year. *Beneficiary Lives:* Female: PubG.H-2010 (Below Median) for Healthy Retirees. Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year. *Disabled Lives:* 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.
All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel that this assumption sufficiently accommodates future mortality improvements.
The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.
90% of active deaths are assumed to be service-incurred.

Termination Rates: See table later in this section for sample rates applicable prior to 10 years of employment. In addition, all members are assumed to have a 1.0% rate for all ages after completing 10 or more years of employment. The assumption is based on the results of an experience study dated September 10, 2020

Disability Rates: See table later in this section for sample rates. It is assumed that 90% of disablements are service related. This assumption was developed from those used by other plans containing Florida Municipal Firefighters.

Retirement Age: See Table later in this section. The assumption is based on the results of an experience study dated September 10, 2020.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

Early Retirement:	Commencing upon a member's eligibility for early retirement (age 45 with 10 years of credited service), members are assumed to retire with an immediate subsidized benefit at the rate of 2% per year. We feel that this assumption is reasonable based on the plan provisions.
Interest Rate:	7.45% per year, compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.
Salary Increases:	6.0% per year up to the assumed retirement age; see table later in this section. Final salary in year of retirement is increased individually to account for additional non-regular compensation. We feel that this assumption is reasonable on a long term basis.
Payroll Growth:	0.00% for purposes of amortizing the unfunded actuarial accrued liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.
Asset Valuation Method:	All assets are valued at fair value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

Assumption Tables

% Terminating During the Year		% Becoming Disabled During the Year		Current Salary as % of Salary at age 55		% Retiring During the Year	
Age	Rate	Age	Rate	Age	Rate	Years After First Eligible	Rate
20	6.0%	20	0.03%	20	13.00%	<1	70.00%
30	5.0%	30	0.04%	30	23.30%	1-2	50.00%
40	2.6%	40	0.07%	40	41.70%	3+	100.00%
50	0.8%	50	0.18%	50	74.70%		

(d) Florida Retirement System (FRS)

Plan Description:

The Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

The City had three employees that had been covered by the Florida Retirement System. All of the three employees have retired and the City hasn't any Net Pension Obligation going forward. The City does not anticipate that it will ever have any other employees under this plan.

As a result the Sponsor will recognize a Net Pension Obligation of \$0, Deferred Outflows of resources of \$0, a Deferred Inflows of Resources of \$0 and a net revenue of \$0 in the current year.

Annual Pension Costs and Net Pension Obligations

The City has no net pension obligations as all actuarially determined amounts are contributed each year. The City's annual pension costs for the General Employees' pension plan was \$1,831,700, Municipal Police Officers' pension plan \$516,213, Municipal Firefighters' pension plan \$338,516 for fiscal year ended September 30, 2022.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

Pension balances at September 30, 2022 were as follows:

	General Employees' Pension Plan	Municipal Police Officers' Pension Plan	Municipal Firefighters' Pension Plan	Total
ASSETS				
Cash and cash equivalents	\$ 659,758	\$ 346,055	\$ 194,874	\$ 1,200,687
Receivables: Investment income	105,506	37,696	0	143,202
Investments, at fair value				
U.S. Bonds and Bills	9,407,705	4,119,506	0	13,527,211
Federal Agency Guaranteed Securities	1,027,548	496,356	0	1,523,904
Corporate Bonds	3,185,454	1,431,606	0	4,617,060
Stocks	1,324,834	0	0	1,324,834
Mutual Funds				
Fixed Income	4,888,866	358,492	3,182,202	8,429,560
Equity	21,013,213	12,784,255	10,709,578	44,507,046
Pooled/Common/Commingled Funds: Real Estate	6,400,790	0	4,774,296	11,175,086
Total investments at fair value	<u>47,248,410</u>	<u>19,190,215</u>	<u>18,666,076</u>	<u>85,104,701</u>
Total assets	<u>48,013,674</u>	<u>19,573,966</u>	<u>18,860,950</u>	<u>86,448,590</u>
LIABILITIES				
Payables				
Investment & Admin Expenses	<u>24,646</u>	<u>13,357</u>	<u>4,875</u>	<u>42,878</u>
Total liabilities	<u>24,646</u>	<u>13,357</u>	<u>4,875</u>	<u>42,878</u>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 47,989,028</u>	<u>\$ 19,560,609</u>	<u>\$ 18,856,075</u>	<u>\$ 86,405,712</u>

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

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

	General Employees' Pension Plan	Municipal Police Officers' Pension Plan	Municipal Firefighters' Pension Plan	Total
ADDITIONS				
Contributions				
Employer	\$ 1,831,700	\$ 516,213	\$ 338,516	\$ 2,686,429
Plan Members	243,914	200,691	222,099	666,704
Buy-Back	0	0	41,431	41,431
State	0	240,905	246,323	487,228
Total contributions	<u>2,075,614</u>	<u>957,809</u>	<u>848,369</u>	<u>3,881,792</u>
Investment income				
Net Increase (decrease) in fair value of investments	(9,412,156)	(4,758,112)	(4,394,901)	(18,565,169)
Interest and dividends	2,198,092	512,427	1,175,008	3,885,527
Less investment expense ¹	(123,151)	(50,016)	(28,517)	(201,684)
Net investment income (loss)	<u>(7,337,215)</u>	<u>(4,295,701)</u>	<u>(3,248,410)</u>	<u>(14,881,326)</u>
Total additions	<u>(5,261,601)</u>	<u>(3,337,892)</u>	<u>(2,400,041)</u>	<u>(10,999,534)</u>
DEDUCTIONS				
Benefit payments, including				
refunds of member contributions	2,795,743	1,153,388	682,826	4,631,957
Lump sum DROP and share distributions	2,086,151	171	35,072	2,121,394
Administrative expense	63,618	62,859	54,019	180,496
Total deductions	<u>4,945,512</u>	<u>1,216,418</u>	<u>771,917</u>	<u>6,933,847</u>
Net increase (decrease) in net position	(10,207,113)	(4,554,310)	(3,171,958)	(17,933,381)
NET POSITION RESTRICTED FOR PENSIONS				
Beginning of year	<u>58,196,141</u>	<u>24,114,919</u>	<u>22,028,033</u>	<u>104,339,093</u>
End of year	<u>\$ 47,989,028</u>	<u>\$ 19,560,609</u>	<u>\$ 18,856,075</u>	<u>\$ 86,405,712</u>

¹Investment Related expenses include investment advisory, custodial and performance monitoring fees.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

Below is a summary of the pension plans.

	Fiduciary	Pension	Net Pension	Deferred	Deferred	Pension
	Net Position	Liabilities	Liability	Outflows	Inflows	Expense
General Employees Pension	\$ 47,989,028	\$ 58,653,139	\$ 10,664,111	\$ 5,880,561	\$ 146,625	\$ 1,962,569
Police Pension	19,560,609	25,022,702	5,462,093	3,533,796	35,835	1,401,458
Firefighters Pension	18,856,075	22,625,216	3,769,141	3,237,003	41,007	1,088,287
Total	\$ 86,405,712	\$ 106,301,057	\$ 19,895,345	\$ 12,651,360	\$ 223,467	\$ 4,452,314

Defined Contribution Pension Plan

August 2011 the City closed the General Employees' Defined Benefit Plan to new entrants. As a replacement the City created a Defined Contribution Plan for new employees as well as current employees who had not joined the Defined Benefit Plan.

The Defined Contribution Plan is self directed by the employee regarding investment choices. The Plan is managed by ICMA, a large investment company used exclusively by Governmental entities.

Plan specifics are as follows:

- Vesting: 0 to 5 years 0%
 5+ years 100%
- Contributions:
 - Prior to 10/1/2021
 - City match is 100% of employees' contribution up to 5% of includable wages
 - City match is 50% of employees' contribution from 5% to 10% of includable wages
 - Maximum City Match 7.5% of includable wages
 - Beginning 10/1/2021
 - City match is 100% of employees' contribution up to 10% of includable wages

Total Balance in the Plan as of September 30, 2022 is \$2,580,397, which includes City and Employee Contributions as well as earnings for the year. The amount of forfeitures in FY 2022 were \$27,509. The amount of the City contribution in FY 2022 was \$222,440, resulting in net pension expense of \$194,931. Thirty-four members are vested with a total account balance of \$1,490,676. This is included in the amount above. The total number of Plan members was eighty-three as of September 30, 2022.

I. Other Postemployment Benefits (OPEB)

Plan Description:

The City of Punta Gorda's Retiree Health Care Plan (Plan) is a single-employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet retirement eligibility requirements under one of the City's retirement plans to continue medical and life insurance coverage as a participant in the City's plan. For purposes of applying Paragraph 4 under Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the Plan does not meet the requirements for an OPEB plan administered through a trust.

CITY OF PUNTA GORDA, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2022

IV. Detailed notes on all funds, Continued

I. Other Postemployment Benefits (OPEB), continued

Employees Covered by Benefit Terms.

At September 30, 2022, the following employees were covered by the benefit terms:

Inactive Plan Members, or Beneficiaries Currently Receiving Benefits	21
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	<u>278</u>
	<u>299</u>

Benefits Provided:

A retired employee and his or her spouse and eligible dependents are eligible to continue health insurance identical to active employees if they meet the eligibility for retirement under the applicable retirement plan. The retiree is responsible for paying the entire monthly premium for health coverage and that of any covered spouse or eligible dependents.

Total OPEB Liability

The measurement date is September 30, 2022. The measurement period for the OPEB expense was October 1, 2021 to September 30, 2022. The reporting period is October 1, 2021 through September 30, 2022.

The Sponsor's Total OPEB Liability was measured as of September 30, 2022.

Actuarial Assumptions:

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2022, using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	Varies By Service.
Discount Rate	4.77%
Initial Trend Rate	7.00%
Ultimate Trend Rate	4.00%
Years to Ultimate	52

Mortality:

All mortality rates were based on the RP-2000 mortality tables. All mortality rates are those outlined in Milliman's July 1, 2021 Florida Retirement System (FRS) valuation report. All tables include fully generational adjustments for mortality improvements using gender-specific improvement scale MP-2018.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

I. Other Postemployment Benefits (OPEB), continued

Mortality-Active Lives:

For female (non-special risk) lives, the headcount-weighted PubG-2010 female above-median income employee table was used. For female special risk lives, the headcount-weighted PubS-2010 female (below-median income, for Police) employee table, set forward one year, was used. For male (non-special risk) lives, the headcount-weighted PubG-2010 male employee table, set back one year, was used. For male special risk lives, the headcount-weighted PubS-2010 male (below-median income, for Police) employee table, set forward one year, was used.

Mortality-Inactive Healthy Lives:

For female (non-special risk) lives, the headcount-weighted PubG-2010 female healthy retiree table was used. For female special risk lives, the headcount-weighted PubS-2010 female healthy retiree table, set forward one year, was used. For male (non-special risk) lives, the headcount-weighted PubG-2010 male healthy retiree table, set back one year, was used. For male special risk lives, the headcount-weighted PubS-2010 male (below-median income, for Firefighters) healthy retiree table, set forward one year, was used.

Mortality-Disabled Lives:

For female (non-special risk) lives, the headcount-weighted PubG-2010 female disabled retiree table, set forward 3 years, was used. For female special risk lives, an 80% headcount-weighted PubG-2010 female disabled retiree, 20% headcount-weighted PubS-2010 female disabled retiree blended table was used. For male (non-special risk) lives, the headcount-weighted PubG-2010 male disabled retiree table, set forward 3 years, was used. For Male special risk lives, an 80% headcount-weighted PubG-2010 male disabled retiree, 20% headcount-weighted PubS-2010 male disabled retiree blended table was used.

Discount Rate:

Given the City's decision not to fund the program, all future benefit payments were discounted using a high quality municipal bond rate of 4.77%. The high quality municipal bond rate was based on the S & P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices on the measurement date. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

I. Other Postemployment Benefits (OPEB), continued

	Change in Total OPEB Liability	Increases and (Decreases) in Total OPEB Liability
Reporting Period Ending September 30, 2021		\$ 13,729,427
Changes for the Year:		
Service Cost		978,106
Interest		356,048
Differences between Expected and Actual Experience		(64,188)
Changes of assumptions		(6,802,866)
Changes of benefit terms		0
Contributions - Employer		0
Benefit Payments		(111,398)
Other Changes		0
Net Changes		(5,644,298)
Reporting Period Ending September 30, 2022		\$ 8,085,129

Changes in assumptions reflect a change in the discount rate from 2.43% for the reporting period ended September 30, 2021, to 4.77% for the reporting period ended September 30, 2022. Also reflected as assumption changes are updated health care costs and premiums, updated retirement, termination, and salary increase rate for those in the City's General Employees' pension plans.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

I. Other Postemployment Benefits (OPEB), continued

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

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

	1% Decrease <u>3.77%</u>	Current Discount Rate <u>4.77%</u>	1% Increase <u>5.77%</u>
Total OPEB Liability (Asset)	\$ 9,805,872	\$ 8,085,129	\$ 6,751,506

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

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

	1% Decrease <u>3.00%-6.25%</u>	Healthcare Cost Trend Rates <u>4.00%-7.25%</u>	1% Increase <u>5.00%-8.25%</u>
Total OPEB Liability (Asset)	\$ 6,666,237	\$ 8,085,129	\$ 9,933,839

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

I. Other Postemployment Benefits (OPEB), continued

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

For the year ended September 30, 2022, the City will recognize OPEB Expense of \$578,671. On September 30, 2022, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$0	\$ 421,818
Changes of assumptions	2,031,816	7,085,565
Total	\$ 2,031,816	\$ 7,507,383

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB Expense as follows:

Year ended September 30:	
2023	\$ (763,933)
2024	\$ (763,933)
2025	\$ (763,930)
2026	\$ (633,966)
2027	\$ (792,632)
Thereafter	\$ (1,757,173)

J. Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed expenses might constitute a contingent liability of the City. The City does not believe any such contingent liabilities are material.

The City is contingently liable with respect to litigation incidental to the ordinary course of its operations. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of lawsuits will not have a material adverse effect on the financial position of the City.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

K. Risk Management

The City is a member of a local government liability risk pool.

The pool administers insurance activities relating to property, general, automobile, public officials' liability, workers' compensation, and auto physical damage. The pool assesses each member its pro rata share of the estimated amount required to meet current year losses, operating expenses and reinsurance costs (premiums).

To reduce its exposure to large losses on all types of insured events the pool uses reinsurance policies purchased from third-party carriers.

The City is a member of Public Risk Management (PRM) for the City's employee health plan. It is a self-funded HMO/PPO plan using the Blue Cross Blue Shield of Florida network, administered by Blue Cross Blue Shield of Florida. The fund is fully funded annually. The premiums for this coverage are paid by the various departments on a per employee coverage basis.

CITY OF PUNTA GORDA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

IV. Detailed notes on all funds, Continued

L. Miscellaneous Revenue – Governmental Fund Types

At September 30, 2022, miscellaneous revenue consisted of the following:

<u>General Fund</u>	
Interest	\$ 89,866
Administrative Charges	3,205,255
Lease Interest and amortized deferred inflows	9,957
Other	769,676
	<u>4,074,754</u>
<u>Community Redevelopment Agency</u>	
Interest	911
Lease Interest and amortized deferred inflows	89,907
Other	401,677
	<u>492,495</u>
<u>P G I Canal Maintenance Fund</u>	
Interest	38,763
Other	423
	<u>39,186</u>
<u>Capital Project Fund</u>	
Contributions from Private Sources	15,075
Other	65
	<u>15,140</u>
<u>1% Local Option Sales Tax</u>	
Interest	82,945
Other	75
	<u>83,020</u>
<u>Other Governmental Funds</u>	
Interest	59,261
Insurance recovery	53,880
Other	12,132
	<u>125,273</u>
	<u>\$ 4,829,868</u>

REQUIRED SUPPLEMENTARY INFORMATION

Trend Information for Pension Plans

CITY OF PUNTA GORDA, FLORIDA
EMPLOYEES' PENSION PLANS
SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years

Municipal General Employees' Pension

Year ended September 30:	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual Money-Weighted Rate of Return										
Net of Investment Expense	-12.69%	16.49%	9.50%	4.47%	8.24%	10.41%	7.07%	0.56%	9.33%	13.68%

Municipal Police Officers' Pension

Year ended September 30:	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual Money-Weighted Rate of Return										
Net of Investment Expense	-17.79%	19.48%	12.19%	4.06%	9.54%	10.94%	7.83%	-1.39%	9.74%	12.92%

Municipal Firefighters' Pension

Year ended September 30:	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual Money-Weighted Rate of Return										
Net of Investment Expense	-14.66%	23.71%	12.57%	4.93%	11.08%	14.04%	9.22%	0.00%	8.50%	14.74%

This information is required for 10 years.

**CITY OF PUNTA GORDA, FLORIDA
EMPLOYEES' PENSION PLANS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

Municipal General Employees' Pension	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	09/30/2017	09/30/2016	09/30/2015	09/30/2014
Total Pension Liability									
Service Cost	\$ 583,803	\$ 684,299	\$ 768,708	\$ 819,179	\$ 810,496	\$ 779,310	\$ 824,917	\$ 936,664	\$ 1,073,877
Interest	3,849,201	3,838,686	3,787,283	3,667,114	3,612,714	3,518,739	3,370,301	3,249,754	3,082,449
Share Plan Allocation	0	0	0	0	0	0	0	0	0
Changes of benefit terms	0	0	0	0	0	0	0	0	0
Differences between Expected and Actual Experience	(293,250)	(314,450)	(34,975)	320,344	(129,908)	257,764	(602,266)	(688,753)	0
Changes of assumptions	512,928	0	1,519,844	0	1,269,378	1,280,668	2,014,707	0	0
Contributions - Buy Back	0	0	0	51,388	120,000	30,496	0	15,736	0
Benefit Payments, including Refunds of Employee Contributions	(4,881,894)	(3,022,605)	(3,359,536)	(2,822,186)	(3,446,926)	(2,521,363)	(1,745,206)	(1,947,218)	(1,773,467)
Net Change in Total Pension Liability	(229,212)	1,185,930	2,681,324	2,035,839	2,235,754	3,345,614	3,862,453	1,566,183	2,382,859
Total Pension Liability - Beginning	58,882,351	57,696,421	55,015,097	52,979,258	50,743,504	47,397,890	43,535,437	41,969,254	39,586,395
Total Pension Liability - Ending (a)	<u>\$ 58,653,139</u>	<u>\$ 58,882,351</u>	<u>\$ 57,696,421</u>	<u>\$ 55,015,097</u>	<u>\$ 52,979,258</u>	<u>\$ 50,743,504</u>	<u>\$ 47,397,890</u>	<u>\$ 43,535,437</u>	<u>\$ 41,969,254</u>
Plan Fiduciary Net Position									
Contributions - Employer	1,831,700	1,831,665	1,831,619	1,759,599	1,733,431	1,712,254	1,675,103	1,891,929	1,956,900
Contributions - Employee	243,914	265,337	326,217	352,687	364,789	375,985	412,586	429,302	478,707
Contributions - Buy Back	0	0	0	51,388	120,000	30,496	0	15,736	0
Net Investment income	(7,337,215)	8,440,710	4,545,574	2,074,990	3,637,775	4,235,468	2,683,966	209,246	3,082,886
Benefit Payments, Including Refunds of Employee Contributions	(4,881,894)	(3,022,605)	(3,359,536)	(2,822,186)	(3,446,926)	(2,521,363)	(1,745,206)	(1,947,218)	(1,773,467)
Administrative Expense	(63,618)	(62,783)	(64,246)	(61,776)	(71,028)	(61,037)	(71,349)	(42,525)	(32,788)
Net Change in Plan Fiduciary Net Position	(10,207,113)	7,452,324	3,279,628	1,354,702	2,338,041	3,771,803	2,955,100	556,470	3,712,238
Plan Fiduciary Net Position - Beginning	58,196,141	50,743,817	47,464,189	46,109,487	43,771,446	39,999,643	37,044,543	36,488,073	32,775,835
Plan Fiduciary Net Position - Ending (b)	<u>\$ 47,989,028</u>	<u>\$ 58,196,141</u>	<u>\$ 50,743,817</u>	<u>\$ 47,464,189</u>	<u>\$ 46,109,487</u>	<u>\$ 43,771,446</u>	<u>\$ 39,999,643</u>	<u>\$ 37,044,543</u>	<u>\$ 36,488,073</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 10,664,111</u>	<u>\$ 686,210</u>	<u>\$ 6,952,604</u>	<u>\$ 7,550,908</u>	<u>\$ 6,869,771</u>	<u>\$ 6,972,058</u>	<u>\$ 7,398,247</u>	<u>\$ 6,490,894</u>	<u>\$ 5,481,181</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.82%	98.83%	87.95%	86.27%	87.03%	86.26%	84.39%	85.09%	86.94%
Covered Payroll ¹	\$ 3,011,295	\$ 3,275,765	\$ 4,031,904	\$ 4,350,981	\$ 4,503,565	\$ 4,641,783	\$ 5,093,648	\$ 6,865,470	\$ 5,909,963
Net Pension Liability as a Percentage of Covered Payroll	354.14%	20.95%	172.44%	173.54%	152.54%	150.20%	145.24%	94.54%	92.74%

Notes to Schedule:

¹The Covered Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement Period which includes DROP payroll. The reported Covered Payroll number for the fiscal year 2014 was based on Pensionable Salary.

Changes of Assumptions:

For measurement date 09/30/2022, based on the results of the September 12, 2022 Actuarial study, the following assumption changes are incorporated:

1. Change assumed individual Salary increases to be 7.00% for those with less than 1 year of service, 6.00% for those with 5 or more years of service.
2. Change assumed retirement rates to be generally lower than previous assumed for age 55 and 56 and higher in the age range of 57-64 and extending 100% retirement age from age 65 to age70.
3. Change the assumed withdrawal rates to be generally more withdrawals then previously assumed.

For measurement date 09/30/2020, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS Valuation Report for non-special-risk employees, with appropriate adjustments made based on plan demographics. Additionally, the investment rate of return was lowered from 7.00% to 6.75% per year compounded annually, net of investment related expenses.

For Measurement date 09/30/2019 the inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant and the interest rate assumption was changed from 7.75% net of fees through 2023 and 7.25% thereafter to 7.50% net of fees through 2023 and 7.25% thereafter.

For measurement date 09/30/2018, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.25% to 7.00%.

For measurement date 09/30/2017, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality have been changed from those in the July 1, 2015 FRS valuation report to those used in the July 1, 2016 FRS valuation report. Additionally, the interest rate assumption was changed from 7.50% net of fees through 2023 and 7.25% thereafter to 7.25% net of fees through 2023 and 7.00% thereafter.

For measurement date 09/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System.

This information is required for 10 years, additional years' information will be provided once it is available.

**CITY OF PUNTA GORDA, FLORIDA
EMPLOYEES' PENSION PLANS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

Municipal Police Officers' Pension Measurement Date ²	09/30/2022	09/30/2021	09/30/2020	09/30/2019	09/30/2018	09/30/2017	09/30/2016	09/30/2015	09/30/2014
Total Pension Liability									
Service Cost	\$ 613,854	\$ 617,383	\$ 622,313	\$ 709,884	\$ 593,416	\$ 636,723	\$ 555,746	\$ 570,363	\$ 526,910
Interest	1,643,327	1,547,149	1,482,295	1,501,423	1,448,738	1,360,108	1,263,445	1,286,569	1,210,004
Change in Excess State Money	0	0	0	0	0	(134)	0	0	0
Share Plan Allocation	20,453	11,719	11,385	630	2,156	0	0	0	0
Differences between Expected and Actual Experience	459,601	358,336	103,601	(230,763)	(435,224)	51,450	(141,785)	(802,974)	0
Changes of assumptions	0	0	(143,341)	990,613	0	0	377,986	164,476	0
Contributions-Buy Back	0	0	0	0	0	34,736	0	0	0
Benefit Payments, including Refunds of Employee Contributions	(1,153,559)	(1,160,600)	(1,129,089)	(1,034,449)	(1,057,059)	(735,142)	(1,043,059)	(923,770)	(722,843)
Net Change in Total Pension Liability	1,583,676	1,373,987	947,164	1,937,338	552,027	1,347,741	1,012,333	294,664	1,014,071
Total Pension Liability - Beginning	23,439,026	22,065,039	21,117,875	19,180,537	18,628,510	17,280,769	16,268,436	15,973,772	14,959,701
Total Pension Liability - Ending (a)	\$ 25,022,702	\$ 23,439,026	\$ 22,065,039	\$ 21,117,875	\$ 19,180,537	\$ 18,628,510	\$ 17,280,769	\$ 16,268,436	\$ 15,973,772
Plan Fiduciary Net Position									
Contributions - Employer	516,213	562,748	499,503	432,825	449,219	356,145	409,363	513,912	548,795
Contributions - State	240,905	223,437	222,769	201,260	204,311	194,170	189,149	174,722	173,165
Contributions - Employee	200,691	200,603	207,668	198,663	177,160	185,399	175,660	159,694	147,103
Contributions-Buy Back	0	0	0	0	0	34,736	0	0	0
Net Investment Income	(4,295,701)	3,982,940	2,242,636	727,996	1,589,295	1,646,451	1,108,041	(205,046)	1,265,663
Benefit Payments, Including Refunds of Employee Contributions	(1,153,559)	(1,160,600)	(1,129,089)	(1,034,449)	(1,057,059)	(735,142)	(1,043,059)	(923,770)	(722,843)
Administrative Expense	(62,859)	(50,111)	(60,292)	(75,400)	(52,484)	(28,996)	(21,570)	(23,002)	(14,496)
Net Change in Plan Fiduciary Net Position	(4,554,310)	3,759,017	1,983,195	450,895	1,310,442	1,652,763	817,584	(303,490)	1,397,387
Plan Fiduciary Net Position - Beginning	24,114,919	20,355,902	18,372,707	17,921,812	16,611,370	14,958,607	14,141,023	14,444,513	13,047,126
Plan Fiduciary Net Position - Ending (b)	\$ 19,560,609	\$ 24,114,919	\$ 20,355,902	\$ 18,372,707	\$ 17,921,812	\$ 16,611,370	\$ 14,958,607	\$ 14,141,023	\$ 14,444,513
Net Pension Liability - Ending (a) - (b)	\$ 5,462,093	\$ (675,893)	\$ 1,709,137	\$ 2,745,168	\$ 1,258,725	\$ 2,017,140	\$ 2,322,162	\$ 2,127,413	\$ 1,529,259
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.17%	102.88%	92.25%	87.00%	93.44%	89.17%	86.56%	86.92%	90.43%
Covered Payroll¹	\$ 2,508,638	\$ 2,507,538	\$ 2,595,853	\$ 2,483,295	\$ 2,214,507	\$ 2,317,484	\$ 2,195,754	\$ 2,171,581	\$ 1,838,786 *
Net Pension Liability as a Percentage of Covered Payroll	217.73%	-26.95%	65.84%	110.55%	56.84%	87.04%	105.76%	97.97%	83.17%

Notes to Schedule:

¹The Covered Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

² Effective for the City's fiscal year ending 09/30/2017, the GASB 68 measurement date of the Pension Expense has been approved and changed from 09/30/2016 to 09/30/2017.

Changes of Assumptions:

For measurement date 09/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees.

For measurement date 09/30/2019, amounts reported as changes of assumptions resulted from an Experience Study dated June 19, 2019, the Board approved the following changes to the assumptions and methods:

- 1.) Reduce Investment Return assumption from 7.75% to 7.00%.
- 2.) Amend assumed individual salary increases from a flat 6.0% per year to a service based table.
- 3.) Amend assumed rates of Retirement to be 100% at 25 years, otherwise 50% at first eligibility, 20% for next 4 years of eligibility and 100% at 5 years after first eligibility.
- 4.) Increase all expected termination rates by 25%.

For measurement date 09/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees.

The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

For measurement date 09/30/2015 the investment rate of return has been lowered from 8.00% to 7.75% per year, net of investment related expenses and the salary increase assumption has been lowered from 7.00% to 6.00%.

This information is required for 10 years, additional years' information will be provided once it is available.

**CITY OF PUNTA GORDA, FLORIDA
EMPLOYEES' PENSION PLANS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

Municipal Firefighters' Pension	9/30/2022	09/30/2021	09/30/2020	09/30/2019	09/30/2018	09/30/2017	09/30/2016	09/30/2015	09/30/2014
Total Pension Liability									
Service Cost	639,667	595,529	514,933	460,863	461,830	455,334	411,823	353,613	433,718
Interest	1,573,539	1,409,144	1,300,260	1,208,636	1,128,827	1,065,754	997,747	1,018,193	949,706
Share Plan Allocation	36,917	37,778	6,365	0	0	0	15,001	37,775	38,240
Changes of benefit terms	105,054	0	0	(5,618)	0	0	0	0	0
Differences between Expected and Actual Exp	266,346	649,965	544,754	21,713	118,281	96,635	(169,539)	(1,226,224)	0
Changes of assumptions	348,760	0	(82,015)	0	0	0	202,057	324,227	0
Contributions - Buy Back	41,431	0	0	0	0	0	0	0	0
Benefit Payments, including Refunds of Empl	(717,898)	(639,127)	(563,033)	(563,033)	(782,099)	(838,640)	(407,546)	(430,563)	(540,379)
Net Change in Total Pension Liability	2,293,816	2,053,289	1,721,264	1,122,561	926,839	779,083	1,049,543	77,021	881,285
Total Pension Liability - Beginning	20,331,400	18,278,111	16,556,847	15,434,286	14,507,447	13,728,364	12,678,821	12,601,800	11,720,515
Total Pension Liability - Ending (a)	22,625,216	20,331,400	18,278,111	16,556,847	15,434,286	14,507,447	13,728,364	12,678,821	12,601,800
Plan Fiduciary Net Position									
Contributions - Employer	338,516	335,930	318,946	406,246	378,656	284,402	238,589	399,158	460,347
Contributions - State	246,323	247,184	215,771	198,399	158,594	197,070	224,407	247,181	247,646
Contributions - Employee	222,099	204,934	191,598	170,587	151,820	161,260	157,379	146,058	140,886
Contributions - Buy Back	41,431	0	0	0	0	0	0	0	0
Net Investment Income	(3,248,410)	4,226,599	1,973,023	733,277	1,472,194	1,655,621	1,000,732	(311)	799,801
Benefit Payments, Including Refunds of Empl	(717,898)	(639,127)	(563,033)	(563,033)	(782,099)	(838,640)	(407,546)	(430,563)	(540,379)
Administrative Expense	(54,019)	(35,038)	(39,250)	(28,965)	(26,283)	(22,956)	(25,679)	(27,006)	(39,889)
Net Change in Plan Fiduciary Net Position	(3,171,958)	4,340,482	2,097,055	916,511	1,352,882	1,436,757	1,187,882	334,517	1,068,412
Plan Fiduciary Net Position - Beginning	22,028,033	17,687,551	15,590,496	14,673,985	13,321,103	11,884,346	10,696,464	10,361,947	9,293,535
Plan Fiduciary Net Position - Ending (b)	18,856,075	22,028,033	17,687,551	15,590,496	14,673,985	13,321,103	11,884,346	10,696,464	10,361,947
Net Pension Liability - Ending (a) - (b)	3,769,141	(1,696,633)	590,560	966,351	760,301	1,186,344	1,844,018	1,982,357	2,239,853
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.34%	108.34%	96.77%	94.16%	95.07%	91.82%	86.57%	84.36%	82.23%
Covered Payroll¹	2,337,879	2,257,924	2,101,551	1,869,643	1,702,646	1,752,641	1,700,238	1,686,074	1,575,575
Net Pension Liability as a Percentage of Covered Payroll	161.22%	-75.14%	28.10%	51.69%	44.65%	67.69%	108.46%	117.57%	142.16%

Notes to Schedule:

¹ The Covered Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll. The reported Covered Payroll number for the fiscal year 2014 was based on Pensionable Salary.

Changes of Benefit terms:

For measurement date 09/30/2022, amounts reported as changes of benefits resulted from Ordinance No. 1987-2022, which provided the following benefit changes:

- Benefit Accrual Rate: accrual rate for service earned after October 1, 2021 will be 3.5% for all Members (increased from the current rate of 3.0% for Members hired on and after October 1, 2012).
- Member Contribution Rate: member contributions will increase from 8.0% of salary to 9.5% of salary effective October 1, 2021 for all Members hired on or after October 1, 2021.
- Actuarially equivalent Pop-up optional form of payment will be offered at retirement.
- Post Retirement Investment Account (PRIA) is now provided to members participating in DROP.

For measurement date 09/30/2019, amounts reported as changes of benefit terms resulted from the provisions of Chapter 112.1816, Florida Statutes. The Statutes state that, effective July 1, 2019, a death or disability (under the Plan's definition of total and permanent disability) for a Firefighter due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer will be treated as duty-related.

Changes of Assumptions:

For measurement date 09/30/2022, the investment rate of return was lowered from 7.60% to 7.45% per year, net investment related expenses.

For measurement date 09/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics. Additionally, as approved by the Board as a result of an Experience Study performed on September 10, 2020, the following 1) The investment return assumption was reduced from 7.75% to 7.60%, net of investment related expenses. 2) The assumed Normal Retirement Date was amended to be 70% in the first year eligible for Normal Retirement, 50% in each of the next two years after eligibility and 100% at three years following first eligibility for Normal Retirement. Also, the assumption that if a Member is eligible for Normal Retirement on the valuation date, they will work one more year was eliminated. 3) The assumed rates of pre-retirement withdrawal were amended from an age-based table to one based upon age and service.

Effective for the City's fiscal year ending 09/30/2017, the GASB 68 measurement date of the Pension Expense has been approved and changed from 09/30/2019 to 09/30/2017.

For measurement date 09/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees. The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

For the year ending 09/30/2015 the investment rate of return has been lowered from 8.00% to 7.75% per year, net of investment related expenses.

This information is required for 10 years, additional years' information will be provided once it is available.

**CITY OF PUNTA GORDA, FLORIDA
EMPLOYEES' PENSION PLANS
SCHEDULE OF CONTRIBUTIONS**

Municipal General Employees' Pension

	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>09/30/2017</u>	<u>09/30/2016</u>	<u>09/30/2015</u>	<u>09/30/2014</u>
Actuarially Determined Contribution	\$ 1,219,224	\$ 1,359,765	\$ 1,680,770	\$ 1,658,215	\$ 1,569,292	\$ 1,452,020	\$ 1,674,763	\$ 1,886,773	\$ 1,678,429
Contributions in relation to the Actuarially Determined Contributions	<u>1,831,700</u>	<u>1,831,665</u>	<u>1,831,619</u>	<u>1,759,599</u>	<u>1,733,431</u>	<u>1,712,254</u>	<u>1,675,103</u>	<u>1,891,929</u>	<u>1,956,900</u>
Contribution Deficiency (Excess)	<u>\$ (612,476)</u>	<u>\$ (471,900)</u>	<u>\$ (150,849)</u>	<u>\$ (101,384)</u>	<u>\$ (164,139)</u>	<u>\$ (260,234)</u>	<u>\$ (340)</u>	<u>\$ (5,156)</u>	<u>\$ (278,471)</u>
Covered Payroll ¹	\$ 3,011,295	\$ 3,275,765	\$ 4,031,904	\$ 4,350,981	\$ 4,503,565	\$ 4,641,783	\$ 5,093,648	\$ 6,865,470	\$ 5,909,963
Contributions as a percentage of Covered Payroll	60.83%	55.92%	45.43%	40.44%	38.49%	36.89%	32.89%	27.56%	33.11%

¹The Covered Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

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.

This information is required for 10 years, additional years' information will be provided once it is available.

Municipal Police Officers' Pension

	<u>09/30/2022</u>	<u>09/30/2021</u>	<u>09/30/2020</u>	<u>09/30/2019</u>	<u>09/30/2018</u>	<u>09/30/2017</u>	<u>09/30/2016</u>	<u>09/30/2015</u>	<u>09/30/2014</u>
Actuarially Determined Contribution	\$ 727,597	\$ 763,378	\$ 701,658	\$ 598,561	\$ 638,368	\$ 531,593	\$ 576,560	\$ 688,345	\$ 704,255
Contributions in relation to the Actuarially Determined Contributions	<u>736,665</u>	<u>774,467</u>	<u>710,887</u>	<u>633,455</u>	<u>651,374</u>	<u>550,315</u>	<u>598,512</u>	<u>688,634</u>	<u>721,959</u>
Contribution Deficiency (Excess)	<u>\$ (9,068)</u>	<u>\$ (11,089)</u>	<u>\$ (9,229)</u>	<u>\$ (34,894)</u>	<u>\$ (13,006)</u>	<u>\$ (18,722)</u>	<u>\$ (21,952)</u>	<u>\$ (289)</u>	<u>\$ (17,704)</u>
Covered Payroll ¹	\$ 2,508,638	\$ 2,507,538	\$ 2,595,853	\$ 2,483,295	\$ 2,214,507	\$ 2,317,484	\$ 2,195,754	\$ 2,171,581	\$ 1,838,786 *
Contributions as a percentage of Covered Payroll	29.37%	30.89%	27.39%	25.51%	29.41%	23.75%	27.26%	31.71%	39.26%

¹ The Covered Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP Payroll.

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.

This information is required for 10 years, additional years' information will be provided once it is available.

Municipal Firefighters' Pension

	<u>09/30/2022</u>	<u>09/30/2021</u>	<u>09/30/2020</u>	<u>09/30/2019</u>	<u>09/30/2018</u>	<u>09/30/2017</u>	<u>09/30/2016</u>	<u>09/30/2015</u>	<u>09/30/2014</u>
Actuarially Determined Contribution	\$ 547,922	\$ 528,136	\$ 476,763	\$ 572,534	\$ 537,250	\$ 481,012	\$ 447,995	\$ 608,564	\$ 609,088
Contributions in relation to the Actuarially Determined Contributions	<u>547,922</u>	<u>545,336</u>	<u>528,352</u>	<u>604,645</u>	<u>537,250</u>	<u>481,472</u>	<u>447,995</u>	<u>608,564</u>	<u>669,753</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (17,200)</u>	<u>\$ (51,589)</u>	<u>\$ (32,111)</u>	<u>\$ 0</u>	<u>\$ (460)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (60,665)</u>
Covered Payroll ¹	\$ 2,337,879	\$ 2,257,924	\$ 2,101,551	\$ 1,869,643	\$ 1,702,646	\$ 1,752,641	\$ 1,700,238	\$ 1,686,074	\$ 1,575,575 *
Contributions as a percentage of Covered Payroll	23.44%	24.15%	25.14%	32.34%	31.55%	27.47%	26.35%	36.09%	42.51%

¹ The Covered Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP Payroll.

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.

This information is required for 10 years, additional years' information will be provided once it is available.

**CITY OF PUNTA GORDA, FLORIDA
EMPLOYEES' PENSION PLANS
SCHEDULE OF CHANGES IN THE SPONSOR'S TOTAL OPEB LIABILITY AND RELATED RATIOS**

	<u>09/30/2022</u>	<u>09/30/2021</u>	<u>09/30/2020</u>	<u>09/30/2019</u>	<u>09/30/2018</u>
Total OPEB Liability					
Service Cost	\$ 978,106	\$ 1,023,128	\$ 748,017	\$ 599,223	\$ 667,471
Interest	356,048	308,769	413,802	387,624	345,039
Differences Between Expected and Actual Experience	(64,188)	0	(548,483)	0	0
Changes of Assumptions	(6,802,866)	(955,486)	2,095,723	1,269,335	(1,039,741)
Benefit Payments	(111,398)	(104,110)	(124,132)	(114,937)	(105,933)
Net Change in Total OPEB Liability	(5,644,298)	272,301	2,584,927	2,141,245	(133,164)
Total OPEB Liability - Beginning	<u>13,729,427</u>	<u>13,457,126</u>	<u>10,872,199</u>	<u>8,730,954</u>	<u>8,864,118</u>
Total OPEB Liability - Ending	<u>\$ 8,085,129</u>	<u>\$ 13,729,427</u>	<u>\$ 13,457,126</u>	<u>\$ 10,872,199</u>	<u>\$ 8,730,954</u>
Covered-Employee Payroll (projected)	\$ 16,360,824	\$ 17,776,485	\$ 16,955,823	\$ 15,791,818	\$ 15,059,907
Sponsor's Total OPEB Liability as a Percentage of Covered-Employee Payroll	49.42%	77.23%	79.37%	68.85%	57.97%

Notes to Schedule:

Differences Between Expected and Actual Experience:

Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2022.

Covered employee payroll was projected one year forward from the valuation date for the reporting period ending September 30, 2021.

Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

FY 2022	4.77%
FY 2021	2.43%
FY 2020	2.14%
FY 2019	3.58%
FY 2018	4.18%
FY 2017	3.64%

Also reflected as assumption changes are updated health care costs and premiums, updated retirement, termination, and salary increase rate for those in the City's General Employees' pension plans.

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

Note: For purposes of applying Paragraph 4 under Statement No. 75, Accounting and Financial Reporting for Post Employment Benefits Other Than Pensions, the Plan does not meet the requirements for an OPEB plan administered through a trust and therefore there are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

This information is required for 10 years, additional years' information will be provided once it is available.



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CITY OF PUNTA GORDA, FLORIDA

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Impact Fees – Used to account for the receipt and disbursement of impact fees for Parks, Transportation/Mobility and Public Safety.

Special Use Fund – This fund is used to track insurance, grants and other revenues received due to hurricanes and damaged property, with offsetting related repairs and other one-time expenditures.

Burnt Store Isles Canal Maintenance Assessment District – Accounts for funds to be utilized for the repair and upkeep of City-owned seawalls and maintain navigability of canals located in the Burnt Store Isles subdivision.

Five Cent Gas Tax – Legislation allows this tax to be used for road capital.

Six Cent Gas Tax – Legislation allows this tax to be used for transportation expenditures. These allowed uses include street sweeping, street lights, traffic lights, bridge maintenance and sidewalk repairs.

The Coastal and Heartland National Estuary Partnership – Accounts for revenues and expenditures attributable for the protection of the exceptional estuaries and water resources in a 5,416 square mile area that includes the Peace, Myakka, Caloosahatchee, and the Estero Rivers and the coastal waters of Dona and Roberts Bays, Lemon Bay, Charlotte Harbor, the Caloosahatchee, Pine Island Sound, and the Estero Bay.

Buckley's Pass Dredging Area – Accounts for the assessment funds of benefited properties to be utilized for the construction of Buckley's Pass, an additional access to Charlotte Harbor, and repayment of any interfund loans required for the project.

Permanent Fund

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Gilchrist Intention – This fund accounts for assets donated by Albert W. Gilchrist, the interest on which shall be spent on right-of-way beautification.

CITY OF PUNTA GORDA, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2022

	Special Revenue Funds				
	Impact Fees Parks	Impact Fees Mobility	Impact Fees Public Safety	Special Use Fund	BSI Canal Maintenance
ASSETS:					
Cash and cash equivalents	\$ 716,159	\$ 618,810	\$ 558,721	\$ 6,023,507	\$ 1,052,882
Due from other governments	0	0	0	1	7,455
Prepaid items	0	0	0	0	262
Total Assets	<u>\$ 716,159</u>	<u>\$ 618,810</u>	<u>\$ 558,721</u>	<u>\$ 6,023,508</u>	<u>\$ 1,060,599</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,032
Retainage payable	0	0	0	0	15,562
Accrued liabilities	0	0	0	0	0
Unearned revenue	0	0	0	2,445,907	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,445,907</u>	<u>17,594</u>
Fund Balances:					
Nonspendable:					
Inventories and prepaids	0	0	0	0	262
Permanent fund principal	0	0	0	0	0
Restricted for:					
Public Safety	0	0	558,721	0	0
Transportation/Mobility	0	618,810	0	0	0
Recreation	716,159	0	0	0	1,042,743
Committed for:					
Damages or one-time expenditures	0	0	0	3,577,601	0
Total Fund Balances	<u>716,159</u>	<u>618,810</u>	<u>558,721</u>	<u>3,577,601</u>	<u>1,043,005</u>
Total Liabilities and Fund Balances	<u>\$ 716,159</u>	<u>\$ 618,810</u>	<u>\$ 558,721</u>	<u>\$ 6,023,508</u>	<u>\$ 1,060,599</u>

Special Revenue Funds				Permanent Fund	Total Nonmajor Governmental
Five Cent Gas Tax	Six Cent Gas Tax	Coastal&Hrtlnd Natl Estuary Partnership	Buckley's Pass Dredging Area	Gilchrist Intention Fund	
\$ 117,565	\$ 894,448	\$ 153,080	\$ 10,260	\$ 5,508	\$ 10,150,940
23,603	69,314	637,932	4,258	0	742,563
0	0	0	0	0	262
<u>\$ 141,168</u>	<u>\$ 963,762</u>	<u>\$ 791,012</u>	<u>\$ 14,518</u>	<u>\$ 5,508</u>	<u>\$ 10,893,765</u>
\$0	\$ 67,397	\$ 247,950	\$0	\$0	\$ 317,379
0	0	0	0	0	15,562
0	0	15,268	0	0	15,268
0	0	0	0	0	2,445,907
<u>0</u>	<u>67,397</u>	<u>263,218</u>	<u>0</u>	<u>0</u>	<u>2,794,116</u>
0	0	0	0	0	262
0	0	0	0	5,000	5,000
		0	0	0	558,721
141,168	896,365	0	0	508	1,656,851
0	0	527,794	14,518	0	2,301,214
0	0	0	0	0	3,577,601
<u>141,168</u>	<u>896,365</u>	<u>527,794</u>	<u>14,518</u>	<u>5,508</u>	<u>8,099,649</u>
<u>\$ 141,168</u>	<u>\$ 963,762</u>	<u>\$ 791,012</u>	<u>\$ 14,518</u>	<u>\$ 5,508</u>	<u>\$ 10,893,765</u>

CITY OF PUNTA GORDA, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2022

	Special Revenue Funds				
	Impact Fees Parks	Impact Fees Mobility	Impact Fees Public Safety	Special Use Fund	BSI Canal Maintenance
Revenues:					
Taxes	\$0	\$0	\$0	\$0	\$0
Permits, fees and Special Assessments	248,182	184,583	238,552	0	579,777
Intergovernmental	0	0	0	0	0
Charges for Services	0	0	0	0	0
Miscellaneous	4,546	3,882	3,365	32,354	7,975
Total revenues	<u>252,728</u>	<u>188,465</u>	<u>241,917</u>	<u>32,354</u>	<u>587,752</u>
Expenditures:					
Current:					
Transportation	0	0	0	0	0
Recreation	0	0	0	0	581,855
Capital Outlay	0	0	0	0	332
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>582,187</u>
Excess (deficiency) of revenue over expenditures	<u>252,728</u>	<u>188,465</u>	<u>241,917</u>	<u>32,354</u>	<u>5,565</u>
Other Financing Sources (Uses):					
Transfers in	0	0	0	0	0
Transfers out	(7,625)	0	0	(4,295)	0
Total other financing sources (uses)	<u>(7,625)</u>	<u>0</u>	<u>0</u>	<u>(4,295)</u>	<u>0</u>
Net change in fund balances	245,103	188,465	241,917	28,059	5,565
Fund Balances, October 1, 2021	<u>471,056</u>	<u>430,345</u>	<u>316,804</u>	<u>3,549,542</u>	<u>1,037,440</u>
Fund Balances, September 30, 2022	<u>\$ 716,159</u>	<u>\$ 618,810</u>	<u>\$ 558,721</u>	<u>\$ 3,577,601</u>	<u>\$ 1,043,005</u>

Special Revenue Funds				Permanent Fund	Total Nonmajor Governmental
Five Cent Gas Tax	Six Cent Gas Tax	Coastal&Hrtlnd Natl Estuary Partnership	Buckley's Pass Dredging Area	Gilchrist Intention Fund	
\$ 295,339	\$ 673,005	\$0	\$0	\$0	\$ 968,344
0	0	0	206,584	0	1,457,678
0	0	1,242,617	0	0	1,242,617
0	300,812	0	0	0	300,812
687	64,520	7,908	0	36	125,273
<u>296,026</u>	<u>1,038,337</u>	<u>1,250,525</u>	<u>206,584</u>	<u>36</u>	<u>4,094,724</u>
677,883	911,785	0	0	0	1,589,668
0	0	1,145,596	1,473	0	1,728,924
0	59,064		0	0	59,396
<u>677,883</u>	<u>970,849</u>	<u>1,145,596</u>	<u>1,473</u>	<u>0</u>	<u>3,377,988</u>
<u>(381,857)</u>	<u>67,488</u>	<u>104,929</u>	<u>205,111</u>	<u>36</u>	<u>716,736</u>
459,000	0	0	0	0	459,000
0	0	0	(280,675)	0	(292,595)
<u>459,000</u>	<u>0</u>	<u>0</u>	<u>(280,675)</u>	<u>0</u>	<u>166,405</u>
77,143	67,488	104,929	(75,564)	36	883,141
<u>64,025</u>	<u>828,877</u>	<u>422,865</u>	<u>90,082</u>	<u>5,472</u>	<u>7,216,508</u>
<u>\$ 141,168</u>	<u>\$ 896,365</u>	<u>\$ 527,794</u>	<u>\$ 14,518</u>	<u>\$ 5,508</u>	<u>\$ 8,099,649</u>

CITY OF PUNTA GORDA, FLORIDA
 PARK IMPACT FEE SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits, fees and Special Assessments	\$ 142,080	\$ 142,080	\$ 248,182	106,102
Miscellaneous	550	550	4,546	3,996
Total revenues	<u>142,630</u>	<u>142,630</u>	<u>252,728</u>	<u>110,098</u>
Expenditures				
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess revenues over expenditures	<u>142,630</u>	<u>142,630</u>	<u>252,728</u>	<u>110,098</u>
Other financing uses				
Transfers out	<u>(145,000)</u>	<u>(429,806)</u>	<u>(7,625)</u>	<u>422,181</u>
Total other financing uses	<u>(145,000)</u>	<u>(429,806)</u>	<u>(7,625)</u>	<u>422,181</u>
Net change in fund balance	<u>\$ (2,370)</u>	<u>\$ (287,176)</u>	245,103	<u>\$ 532,279</u>
Fund balances, October 1, 2021			<u>471,056</u>	
Fund balances, September 30, 2022			<u>\$ 716,159</u>	

CITY OF PUNTA GORDA, FLORIDA
MOBILITY IMPACT FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits, fees and Special Assessments	\$ 132,205	\$ 132,205	\$ 184,583	\$ 52,378
Miscellaneous	430	430	3,882	3,452
Total revenues	<u>132,635</u>	<u>132,635</u>	<u>188,465</u>	<u>55,830</u>
Expenditures				
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	<u>132,635</u>	<u>132,635</u>	<u>188,465</u>	<u>55,830</u>
Other financing uses				
Transfers Out	<u>(180,000)</u>	<u>(402,481)</u>	<u>0</u>	<u>402,481</u>
Total other financing uses	<u>(180,000)</u>	<u>(402,481)</u>	<u>0</u>	<u>402,481</u>
Net change in fund balance	<u>\$ (47,365)</u>	<u>\$ (269,846)</u>	188,465	<u>\$ 458,311</u>
Fund balances, October 1, 2021			<u>430,345</u>	
Fund balances, September 30, 2022			<u>\$618,810</u>	

CITY OF PUNTA GORDA, FLORIDA
PUBLIC SAFETY IMPACT FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits, fees and Special Assessments	\$ 219,078	\$ 219,078	\$ 238,552	\$ 19,474
Miscellaneous	1,320	1,320	3,365	2,045
Total revenues	<u>220,398</u>	<u>220,398</u>	<u>241,917</u>	<u>21,519</u>
Expenditures				
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess revenues over expenditures	<u>220,398</u>	<u>220,398</u>	<u>241,917</u>	<u>21,519</u>
Other financing uses				
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balance	<u>\$ 220,398</u>	<u>\$ 220,398</u>	241,917	<u>\$ 21,519</u>
Fund balances, October 1, 2021			<u>316,804</u>	
Fund balances, September 30, 2022			<u>\$ 558,721</u>	

CITY OF PUNTA GORDA, FLORIDA
SPECIAL USE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Miscellaneous	5,000	5,000	32,354	27,354
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>32,354</u>	<u>27,354</u>
Expenditures				
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	<u>5,000</u>	<u>5,000</u>	<u>32,354</u>	<u>27,354</u>
Other financing sources (uses)				
Transfers out	<u>(2,000,000)</u>	<u>(2,507,769)</u>	<u>(4,295)</u>	<u>2,503,474</u>
Total other financing uses	<u>(2,000,000)</u>	<u>(2,507,769)</u>	<u>(4,295)</u>	<u>2,503,474</u>
Net change in fund balance	<u><u>\$(1,995,000)</u></u>	<u><u>\$(2,502,769)</u></u>	28,059	<u><u>\$ 2,530,828</u></u>
Fund balances, October 1, 2021			<u>3,549,542</u>	
Fund balances, September 30, 2022			<u><u>\$3,577,601</u></u>	

CITY OF PUNTA GORDA, FLORIDA
 B S I CANAL MAINTENANCE SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		(Negative)
Revenues				
Intergovernmental	\$ 294,500	\$ 294,500	\$ 0	\$ (294,500)
Permits, fees and Special Assessments	577,905	577,905	579,777	1,872
Miscellaneous	1,500	1,500	7,975	6,475
Total revenues	<u>873,905</u>	<u>873,905</u>	<u>587,752</u>	<u>(286,153)</u>
Expenditures				
Current				
Recreation	1,087,080	1,125,089	581,855	543,234
Capital outlay	0	310,333	332	310,001
Total expenditures	<u>1,087,080</u>	<u>1,435,422</u>	<u>582,187</u>	<u>853,235</u>
Revenues over (under) expenditures	<u>(213,175)</u>	<u>(561,517)</u>	<u>5,565</u>	<u>567,082</u>
Other financing sources (uses)				
Transfers Out	0	0	0	0
Total other financing uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balance	<u>\$ (213,175)</u>	<u>\$ (561,517)</u>	5,565	<u>\$ 567,082</u>
Fund balances, October 1, 2021			<u>1,037,440</u>	
Fund balances, September 30, 2022			<u>\$ 1,043,005</u>	

CITY OF PUNTA GORDA, FLORIDA
 FIVE CENT GAS TAX FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 270,300	\$ 270,300	\$ 295,339	\$ 25,039
Miscellaneous	130	130	687	557
Total revenues	<u>270,430</u>	<u>270,430</u>	<u>296,026</u>	<u>25,596</u>
Expenditures				
Current				
Transportation	<u>730,000</u>	<u>750,070</u>	<u>677,883</u>	<u>72,187</u>
Total expenditures	<u>730,000</u>	<u>750,070</u>	<u>677,883</u>	<u>72,187</u>
Revenues over (under) expenditures	<u>(459,570)</u>	<u>(479,640)</u>	<u>(381,857)</u>	<u>97,783</u>
Other financing sources				
Transfers in	<u>459,000</u>	<u>459,000</u>	<u>459,000</u>	<u>0</u>
Total other financing sources	<u>459,000</u>	<u>459,000</u>	<u>459,000</u>	<u>0</u>
Net change in fund balance	<u>\$ (570)</u>	<u>\$ (20,640)</u>	77,143	<u>\$ 97,783</u>
Fund balances, October 1, 2021			<u>64,025</u>	
Fund balances, September 30, 2022			<u>\$ 141,168</u>	

CITY OF PUNTA GORDA, FLORIDA
SIX CENT GAS TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 596,700	\$ 596,700	\$ 673,005	\$ 76,305
Charges for Services	302,500	302,500	300,812	(1,688)
Miscellaneous	5,620	25,125	64,520	39,395
Total revenues	<u>904,820</u>	<u>924,325</u>	<u>1,038,337</u>	<u>114,012</u>
Expenditures				
Current				
Transportation	1,007,460	1,109,003	911,785	197,218
Capital Outlay	45,000	82,500	59,064	23,436
Total expenditures	<u>1,052,460</u>	<u>1,191,503</u>	<u>970,849</u>	<u>220,654</u>
Revenues over (under) expenditures	<u>(147,640)</u>	<u>(267,178)</u>	<u>67,488</u>	<u>334,666</u>
Net change in fund balance	<u>\$ (147,640)</u>	<u>\$ (267,178)</u>	67,488	<u>\$ 334,666</u>
Fund balances, October 1, 2021			<u>828,877</u>	
Fund balances, September 30, 2022			<u>\$ 896,365</u>	

CITY OF PUNTA GORDA, FLORIDA
 COASTAL AND HEARTLAND NATIONAL ESTUARY PARTNERSHIP FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenue	1,040,500	1,667,010	1,242,617	\$ (424,393)
Miscellaneous	0	0	7,908	7,908
Total revenues	<u>1,040,500</u>	<u>1,667,010</u>	<u>1,250,525</u>	<u>(416,485)</u>
Expenditures				
Current				
Recreation	1,032,718	1,730,360	1,145,596	584,764
Total expenditures	<u>1,032,718</u>	<u>1,730,360</u>	<u>1,145,596</u>	<u>584,764</u>
Net change in fund balances	<u>\$ 7,782</u>	<u>\$ (63,350)</u>	104,929	<u>\$ 168,279</u>
Fund balances, October 1, 2021			<u>422,865</u>	
Fund balances, September 30, 2022			<u>\$ 527,794</u>	

CITY OF PUNTA GORDA, FLORIDA
 BUCKLEY'S PASS DREDGING AREA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 For the Fiscal Year Ended September 30, 2022

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits, fees and Special Assessments	203,065	203,065	206,584	3,519
Total revenues	<u>203,065</u>	<u>203,065</u>	<u>206,584</u>	<u>3,519</u>
Expenditures				
Current				
Recreation	5,000	5,000	1,473	3,527
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>1,473</u>	<u>3,527</u>
Net change in fund balances	<u>\$ 198,065</u>	<u>\$ 198,065</u>	205,111	<u>\$ 7,046</u>
Other financing sources (uses)				
Transfers out	<u>(280,675)</u>	<u>(280,675)</u>	<u>(280,675)</u>	<u>0</u>
Total other financing uses	<u>(280,675)</u>	<u>(280,675)</u>	<u>(280,675)</u>	<u>7,046</u>
Net change in fund balance	<u>\$ (280,675)</u>	<u>\$ (82,610)</u>	(75,564)	<u>\$ 7,046</u>
Fund balances, October 1, 2021			<u>90,082</u>	
Fund balances, September 30, 2022			<u>\$ 14,518</u>	

INTERNAL SERVICE FUNDS

Internal Service Funds are operated on a cost-reimbursement basis used to account for the financing of services provided by one department or agency to other departments of the City. The City currently has one Internal Service Fund.

- Information Technology provides a central computer system and communications for the benefit of all City Departments.

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF NET POSITION
INTERNAL SERVICE FUND
September 30, 2022

	<u>Information Technology</u>
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 785,497
Prepaid	<u>1,646</u>
Total current assets	<u>787,143</u>
Noncurrent Assets	
Capital assets, net of accumulated depreciation	<u>266,355</u>
Total noncurrent assets	<u>266,355</u>
Total assets	<u>1,053,498</u>
Deferred Outflows	
Deferred outflows related to pensions/OPEB	<u>187,449</u>
LIABILITIES AND FUND EQUITY	
Current Liabilities	
Accounts payable	55,451
Current portion compensated absences	2,667
Accrued liabilities	<u>27,299</u>
Total current liabilities	<u>85,417</u>
Noncurrent Liabilities	
Accrued compensated absences	24,006
Pension/OPEB benefits payable	<u>468,412</u>
Total noncurrent liabilities	<u>492,418</u>
Total liabilities	<u>577,835</u>
Deferred Inflows	
Deferred Inflows related to pensions/OPEB	<u>222,389</u>
NET POSITION	
Net investment in capital assets	266,355
Unrestricted	<u>174,368</u>
Total net position	<u>\$ 440,723</u>

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUND
For the Fiscal Year Ended September 30, 2022

	Information Technology
Operating Revenues	
Charges for services	\$ 2,118,016
Miscellaneous	1,346
Total operating revenues	2,119,362
Operating Expenses	
Personnel services	766,773
Contractual services	784,545
Materials and supplies	167,613
Utilities	10,161
Depreciation	145,823
Insurance	19,871
Repairs and maintenance	124,288
Travel and training	34,209
Rent	93,305
Total operating expenses	2,146,588
Operating gain (loss)	(27,226)
Nonoperating revenues (expenses)	
Gain (Loss) on disposal of capital assets	(7,705)
Total nonoperating revenues (expenses)	(7,705)
Change in net position	(34,931)
Net position - beginning	475,654
Net position - ending	\$ 440,723

CITY OF PUNTA GORDA, FLORIDA
STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
For the Fiscal Year Ended September 30, 2022

	<u>Information Technology</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from services provided	\$ 2,118,016
Cash payments to suppliers for goods and services	(1,195,903)
Cash payments to employees for services	(674,476)
Other receipts	<u>1,498</u>
Net cash provided by operating activities	<u>249,135</u>
CASH FLOWS (USED FOR) PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition of property, plant, and equipment	(79,803)
Sale of equipment	<u>15</u>
Net cash used in capital and related financing activities	<u>(79,788)</u>
Net increase in cash and cash equivalents	169,347
Cash and cash equivalents at beginning of year	<u>616,150</u>
Cash and cash equivalents at end of year	<u>\$ 785,497</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating gain (Loss)	\$ (27,226)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	145,823
Net (increase) decrease in:	
Accounts receivable	152
Prepays	(1,646)
Net increase (decrease) in:	
Accounts payable	39,735
Accrued liabilities	15,272
Change in net pension/OPEB liability	111,052
Change in deferred inflows related to pensions/OPEB	(116,438)
Change in deferred outflows related to pensions/OPEB	<u>82,411</u>
Net cash provided by operating activities	<u>\$ 249,135</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:	
Disposal of fully depreciated capital assets	\$ 140,219



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STATISTICAL SECTION

CITY OF PUNTA GORDA, FLORIDA

STATISTICAL SECTION
(Unaudited)

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

<u>Contents</u>	<u>Page</u>
Financial Trends	141
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	
Revenue Capacity	151
These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	
Debt Capacity	155
These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	
Table of Computation of Legal Debt Margin is omitted because the Constitution of the State of Florida (FS 200.181) and City of Punta Gorda set no legal debt limit.	
Demographic and Economic Information	159
These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	161
These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.	

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

City of Punta Gorda, Florida
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2022	2021	2020	2019
Governmental activities				
Net Investment in capital assets	\$ 79,228,516	\$ 79,126,131	\$ 80,655,504	\$ 77,868,024
Restricted	31,588,616	24,160,639	17,958,953	16,616,812
Unrestricted	<u>(26,121)</u>	<u>(127,667)</u>	<u>(2,241,092)</u>	<u>(3,734,859)</u>
Total governmental activities net position	<u><u>\$ 110,791,011</u></u>	<u><u>\$ 103,159,103</u></u>	<u><u>\$ 96,373,365</u></u>	<u><u>\$ 90,749,977</u></u>
Business-type activities				
Net Investment in capital assets	\$ 73,083,888	\$ 74,286,254	\$ 81,587,869	\$ 80,802,208
Restricted	5,962,288	5,866,885	1,613,353	1,374,755
Unrestricted	<u>28,360,037</u>	<u>22,652,706</u>	<u>16,903,416</u>	<u>9,392,072</u>
Total business-type activities net position	<u><u>\$ 107,406,213</u></u>	<u><u>\$ 102,805,845</u></u>	<u><u>\$ 100,104,638</u></u>	<u><u>\$ 91,569,035</u></u>
Primary government				
Net Investment in capital assets	\$ 152,312,404	\$ 153,412,385	\$ 162,243,373	\$ 158,670,232
Restricted	37,550,904	30,027,524	19,572,306	17,991,567
Unrestricted	<u>28,333,916</u>	<u>22,525,039</u>	<u>14,662,324</u>	<u>5,657,213</u>
Total primary government net position	<u><u>\$ 218,197,224</u></u>	<u><u>\$ 205,964,948</u></u>	<u><u>\$ 196,478,003</u></u>	<u><u>\$ 182,319,012</u></u>

Per the Statement of Net Position

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 52,726,536	\$ 49,814,944	\$ 37,664,271	\$ 38,085,493	\$ 45,244,762	\$ 43,711,445
10,408,669	8,245,109	6,195,576	5,923,953	5,112,090	4,945,700
(3,167,480)	2,399,857	9,363,493	3,775,599	3,017,663	2,466,809
<u>\$ 59,967,725</u>	<u>\$ 60,459,910</u>	<u>\$ 53,223,340</u>	<u>\$ 47,785,045</u>	<u>\$ 53,374,515</u>	<u>\$ 51,123,954</u>
\$ 57,907,294	\$ 54,273,261	\$ 52,611,061	\$ 50,998,883	\$ 50,177,751	\$ 47,680,340
807,509	382,212	377,561	375,436	374,737	3,534,634
15,537,041	16,778,165	11,938,979	7,330,018	7,996,830	5,486,147
<u>\$ 74,251,844</u>	<u>\$ 71,433,638</u>	<u>\$ 64,927,601</u>	<u>\$ 58,704,337</u>	<u>\$ 58,549,318</u>	<u>\$ 56,701,121</u>
\$ 110,633,830	\$ 104,088,205	\$ 90,275,332	\$ 89,084,376	\$ 95,422,513	\$ 91,391,785
11,216,178	8,627,321	6,573,137	6,299,389	5,486,827	8,480,334
12,369,561	19,178,022	21,302,472	11,105,617	11,014,493	7,952,956
<u>\$ 134,219,569</u>	<u>\$ 131,893,548</u>	<u>\$ 118,150,941</u>	<u>\$ 106,489,382</u>	<u>\$ 111,923,833</u>	<u>\$ 107,825,075</u>

City of Punta Gorda, Florida

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year			
	2022	2021	2020	2019
Expenses				
Governmental activities:				
General government	\$ 4,916,837	\$ 4,241,567	\$ 4,761,260	\$ 4,853,807
Public safety	\$ 14,931,807	11,389,201	11,575,010	10,914,000
Transportation	\$ 3,418,639	3,433,774	3,579,938	3,975,860
Economic environment	\$ 371,347	463,226	354,777	389,599
Recreation	\$ 7,095,275	6,664,994	6,512,467	5,090,823
Interest on long-term debt	\$ 183,508	206,720	357,397	761,752
Total governmental activities expenses	<u>30,917,413</u>	<u>26,399,482</u>	<u>27,140,849</u>	<u>25,985,841</u>
Business-type activities:				
Water and wastewater	19,096,396	18,616,122	18,483,147	15,962,263
Sanitation/refuse	4,416,204	4,042,866	3,970,474	3,902,861
Building Fund	1,276,363	1,128,948	1,265,872	1,061,185
Marina Fund	431,972	394,523	402,981	377,956
Total business-type activities expenses	<u>25,220,935</u>	<u>24,182,459</u>	<u>24,122,474</u>	<u>21,304,265</u>
Total primary government expenses	<u>\$ 56,138,348</u>	<u>\$ 50,581,941</u>	<u>\$ 51,263,323</u>	<u>\$ 47,290,106</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 2,293,291	\$ 1,985,553	\$ 1,899,885	\$ 1,955,370
Public Safety	32,926	40,956	38,656	32,157
Transportation	305,180	311,583	294,044	281,068
Recreation	4,177,662	3,659,186	4,261,074	5,897,890
Operating grants and contributions	2,239,745	2,105,510	2,311,466	2,094,557
Capital grants and contributions	2,479,631	2,158,977	2,279,628	25,683,250
Total governmental activities program revenues	<u>11,528,435</u>	<u>10,261,765</u>	<u>11,084,753</u>	<u>35,944,292</u>
Business-type activities:				
Charges for Services:				
Water and Sewer	21,002,720	19,706,633	19,102,732	18,238,239
Sanitation/refuse	4,051,559	3,874,264	3,746,490	3,693,988
Building Fund	1,645,926	1,481,800	939,086	1,201,603
Marina Fund	443,007	438,786	463,467	463,010
Operating grants and contributions	13,304	18,863	52,180	7,834
Capital grants and contributions	2,071,489	1,138,094	7,715,415	14,246,885
Total business-type activities program revenues	<u>29,228,005</u>	<u>26,658,440</u>	<u>32,019,370</u>	<u>37,851,559</u>
Total primary government program revenues	<u>\$ 40,756,440</u>	<u>\$ 36,920,205</u>	<u>\$ 43,104,123</u>	<u>\$ 73,795,851</u>

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 4,636,326	\$ 3,580,902	\$ 3,228,631	\$ 3,703,548	\$ 3,104,181	\$ 3,700,758
9,815,931	9,929,664	7,636,743	9,855,648	9,545,036	8,963,993
3,397,617	3,241,684	2,977,812	3,863,105	2,521,786	3,135,032
474,915	762,373	517,709	268,170	369,530	315,774
4,249,795	5,172,284	5,183,922	6,016,711	4,903,586	4,957,977
402,358	388,313	410,793	452,138	511,552	861,963
<u>22,976,942</u>	<u>23,075,220</u>	<u>19,955,610</u>	<u>24,159,320</u>	<u>20,955,671</u>	<u>21,935,497</u>
15,581,687	14,483,381	14,126,622	14,778,240	14,178,055	14,502,662
3,455,036	3,240,797	2,846,100	2,871,811	2,828,035	2,801,361
920,858	848,188	661,928	790,186	617,141	578,421
457,960	364,672	365,560	359,993	313,107	262,959
<u>20,415,541</u>	<u>18,937,038</u>	<u>18,000,210</u>	<u>18,800,230</u>	<u>17,936,338</u>	<u>18,145,403</u>
<u>\$ 43,392,483</u>	<u>\$ 42,012,258</u>	<u>\$ 37,955,820</u>	<u>\$ 42,959,550</u>	<u>\$ 38,892,009</u>	<u>\$ 40,080,900</u>
\$ 1,905,119	\$ 1,866,062	\$ 1,831,915	\$ 1,800,456	\$ 1,831,762	\$ 1,610,489
45,945	32,397	57,365	17,073	18,000	13,109
268,664	240,094	216,787	190,366	181,993	164,868
3,448,788	3,465,713	3,353,743	3,025,733	3,026,325	3,027,570
1,674,741	1,490,768	1,617,603	1,743,586	581,741	578,158
1,723,012	3,115,504	1,372,064	1,211,809	2,423,487	2,066,261
<u>9,066,269</u>	<u>10,210,538</u>	<u>8,449,477</u>	<u>7,989,023</u>	<u>8,063,308</u>	<u>7,460,455</u>
17,749,168	17,983,634	16,073,754	15,224,890	14,787,349	14,725,171
3,550,236	3,376,456	3,169,987	3,007,194	2,975,695	2,943,612
1,077,971	1,018,537	952,712	938,682	720,922	700,241
395,513	410,002	401,755	369,635	311,782	234,247
35,378	5,726	0	0	30,312	0
<u>3,043,715</u>	<u>2,619,498</u>	<u>3,350,066</u>	<u>1,403,846</u>	<u>737,575</u>	<u>2,000,105</u>
<u>25,851,981</u>	<u>25,413,853</u>	<u>23,948,274</u>	<u>20,944,247</u>	<u>19,563,635</u>	<u>20,603,376</u>
<u>\$ 34,918,250</u>	<u>\$ 35,624,391</u>	<u>\$ 32,397,751</u>	<u>\$ 28,933,270</u>	<u>\$ 27,626,943</u>	<u>\$ 28,063,831</u>

City of Punta Gorda, Florida

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(continued)

	Fiscal Year			
	2022	2021	2020	2019
Net (Expense)/Revenue				
Government activities	\$ (19,388,978)	\$ (16,137,717)	\$ (16,056,096)	\$ 9,958,451
Business type activities	4,007,070	2,475,981	7,896,896	16,547,294
Total primary government net expense	<u>\$ (15,381,908)</u>	<u>\$ (13,661,736)</u>	<u>\$ (8,159,200)</u>	<u>\$ 26,505,745</u>
General Revenues and Other				
Changes in Net Position				
Government activities:				
Property taxes	\$ 13,937,281	\$ 11,538,370	\$ 11,032,152	\$ 9,590,484
Utility taxes and gas taxes	4,793,094	4,468,282	4,437,630	4,440,498
Sales taxes	6,681,573	5,738,043	4,794,177	4,872,371
Investment earnings	403,865	44,211	327,535	653,768
Miscellaneous	1,205,073	1,134,549	1,087,990	1,266,680
Transfers	0	0	0	0
Total governmental activities	<u>27,020,886</u>	<u>22,923,455</u>	<u>21,679,484</u>	<u>20,823,801</u>
Business-type activities:				
Investment earnings	280,778	44,128	187,527	505,242
Miscellaneous	312,519	181,098	451,180	264,655
Transfers	0	0	0	0
Total business-type activities	<u>593,297</u>	<u>225,226</u>	<u>638,707</u>	<u>769,897</u>
Total primary government	<u>\$ 27,614,183</u>	<u>\$ 23,148,681</u>	<u>\$ 22,318,191</u>	<u>\$ 21,593,698</u>
Change in Net Position				
Governmental activities	\$ 7,631,908	\$ 6,785,738	\$ 5,623,388	\$ 30,782,252
Business-type activities	4,600,367	2,701,207	8,535,603	17,317,191
Total primary government	<u>\$ 12,232,275</u>	<u>\$ 9,486,945</u>	<u>\$ 14,158,991</u>	<u>\$ 48,099,443</u>

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ (13,910,673)	\$ (12,864,682)	\$ (11,506,133)	\$ (16,170,297)	\$ (12,892,363)	\$ (14,475,042)
5,436,440	6,476,815	5,948,064	2,144,017	1,627,297	2,457,973
<u>\$ (8,474,233)</u>	<u>\$ (6,387,867)</u>	<u>\$ (5,558,069)</u>	<u>\$ (14,026,280)</u>	<u>\$ (11,265,066)</u>	<u>\$ (12,017,069)</u>
\$ 8,898,730	\$ 8,288,276	\$ 7,762,213	\$ 7,443,942	\$ 7,113,559	\$ 7,126,709
4,353,742	4,324,289	4,108,696	3,976,441	3,944,839	3,839,081
4,711,876	4,454,904	4,142,913	3,776,880	3,430,409	3,194,173
355,383	144,617	53,246	39,818	13,322	19,477
774,346	4,355,310	875,852	1,948,105	640,795	697,490
0	0	1,508	26,592	0	0
<u>19,094,077</u>	<u>21,567,396</u>	<u>16,944,428</u>	<u>17,211,778</u>	<u>15,142,924</u>	<u>14,876,930</u>
352,616	151,448	52,141	39,298	12,192	18,180
217,682	204,973	224,567	247,355	208,708	131,660
0	0	(1,508)	(26,592)	0	0
<u>570,298</u>	<u>356,421</u>	<u>275,200</u>	<u>260,061</u>	<u>220,900</u>	<u>149,840</u>
<u>\$ 19,664,375</u>	<u>\$ 21,923,817</u>	<u>\$ 17,219,628</u>	<u>\$ 17,471,839</u>	<u>\$ 15,363,824</u>	<u>\$ 15,026,770</u>
\$ 5,183,404	\$ 8,702,714	\$ 5,438,295	\$ 1,041,481	\$ 2,250,561	\$ 401,888
6,006,738	6,833,236	6,223,264	2,404,078	1,848,197	2,607,813
<u>\$ 11,190,142</u>	<u>\$ 15,535,950</u>	<u>\$ 11,661,559</u>	<u>\$ 3,445,559</u>	<u>\$ 4,098,758</u>	<u>\$ 3,009,701</u>

City of Punta Gorda, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2022	2021	2020	2019
General Fund				
Non-expendable	\$ 108,447	\$ 96,261	\$ 71,249	\$ 118,765
Restricted	136,041	109,231	75,838	63,260
Assigned	6,441,049	5,379,627	2,498,098	2,235,254
Unassigned	<u>5,308,987</u>	<u>2,866,710</u>	<u>5,198,552</u>	<u>4,109,774</u>
Total general fund	<u><u>\$ 11,994,524</u></u>	<u><u>\$ 8,451,829</u></u>	<u><u>\$ 7,843,737</u></u>	<u><u>\$ 6,527,053</u></u>
All Other Governmental Funds				
Non-expendable	\$ 891,621	\$ 804,346	\$ 5,000	\$ 5,000
Restricted	28,024,293	23,150,801	17,806,865	16,429,986
Committed	<u>3,577,601</u>	<u>3,549,542</u>	<u>3,996,211</u>	<u>3,609,151</u>
Total all other governmental funds	<u><u>\$ 32,493,515</u></u>	<u><u>\$ 27,504,689</u></u>	<u><u>\$ 21,808,076</u></u>	<u><u>\$ 20,044,137</u></u>

Fiscal year 2011 fund balance classifications have been revised due to the implementation of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 80,732	\$ 70,083	\$ 63,499	\$ 61,842	\$ 61,943	\$ 61,130
45,797	66,499	66,264	56,057	43,040	39,272
2,270,590	2,318,195	1,811,189	1,339,579	1,484,576	1,396,255
3,434,295	2,896,557	2,365,335	2,171,940	1,470,469	1,200,223
<u>\$ 5,831,414</u>	<u>\$ 5,351,334</u>	<u>\$ 4,306,287</u>	<u>\$ 3,629,418</u>	<u>\$ 3,060,028</u>	<u>\$ 2,696,880</u>
\$ 5,000	\$ 5,176	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
10,277,140	8,103,351	5,994,579	4,502,135	5,069,050	4,901,428
3,911,180	4,403,815	1,465,661	1,535,901	550,584	783,674
<u>\$ 14,193,320</u>	<u>\$ 12,512,342</u>	<u>\$ 7,465,240</u>	<u>\$ 6,043,036</u>	<u>\$ 5,624,634</u>	<u>\$ 5,690,102</u>

City of Punta Gorda, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2022	2021	2020	2019
Revenues				
Taxes	\$ 23,132,881	\$ 19,743,651	\$ 18,593,199	\$ 13,040,379
Licenses and permits	6,673,423	5,837,004	7,103,067	5,029,421
Intergovernmental	6,234,620	5,707,321	4,905,443	33,404,080
Charges for services	744,379	695,659	687,849	424,245
Fines and forfeits	33,046	106,273	36,234	108,278
Miscellaneous	4,829,868	4,321,574	4,551,965	7,833,982
Total revenues	<u>41,648,217</u>	<u>36,411,482</u>	<u>35,877,757</u>	<u>59,840,385</u>
Expenditures				
Current:				
General government	6,477,557	6,120,520	6,069,926	6,256,517
Public safety	12,582,353	11,720,216	10,954,136	10,229,310
Transportation	2,460,117	2,734,218	2,532,148	2,937,941
Economic environment	371,347	312,141	354,887	387,198
Recreation	6,232,723	5,793,930	5,440,654	4,494,391
Debt service:				
Principal	1,361,000	1,295,000	1,185,094	16,945,000
Interest and other charges	183,082	206,720	357,397	761,752
Capital outlay	3,448,517	1,924,032	5,943,986	17,891,820
Total expenditures	<u>33,116,696</u>	<u>30,106,777</u>	<u>32,838,228</u>	<u>59,903,929</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,531,521</u>	<u>6,304,705</u>	<u>3,039,529</u>	<u>(63,544)</u>
Other financing sources (uses)				
Transfers in	4,130,690	5,274,736	5,324,647	28,013,972
Transfers out	(4,130,690)	(5,274,736)	(5,324,647)	(28,013,972)
Issuance of debt	0	0	41,094	6,610,000
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>41,094</u>	<u>6,610,000</u>
Net change in fund balances	<u>\$ 8,531,521</u>	<u>\$ 6,304,705</u>	<u>\$ 3,080,623</u>	<u>\$ 6,546,456</u>
Debt service as a percentage of noncapital expenditures	<u>5.20%</u>	<u>5.33%</u>	<u>5.74%</u>	<u>42.15%</u> ²

¹ During FY 2013, (4) loans for the CRA district were refinanced resulting in the retirement of the four loans and new debt financing being issued as one loan. When calculating the debt service as a percentage of noncapital expenditures, the net change in principal plus all interest paid was used.

² During FY 2019, loans for the purpose of restoring seawalls to pre-IRMA conditions, were repaid when FEMA and FDEP reimbursed the City for the expenses incurred during the disaster.

Fiscal Year					
2018	2017	2016	2015	2014	2013
\$ 12,272,828	\$ 11,636,110	\$ 10,909,448	\$ 10,543,202	\$ 10,161,079	\$ 10,195,386
4,452,979	4,406,396	1,524,959	1,486,621	1,445,354	1,230,021
8,828,108	9,656,069	7,717,910	7,492,798	7,184,444	6,543,568
414,352	429,500	421,882	387,768	343,258	355,927
49,974	81,856	72,172	98,977	42,961	63,605
5,329,201	8,605,448	7,544,247	8,011,528	6,723,409	6,649,596
<u>31,347,442</u>	<u>34,815,379</u>	<u>28,190,618</u>	<u>28,020,894</u>	<u>25,900,505</u>	<u>25,038,103</u>
5,827,076	5,176,802	5,002,263	4,846,039	4,811,534	5,043,882
9,789,721	9,405,454	9,262,835	9,108,890	9,053,951	8,424,603
2,675,045	2,655,518	2,513,517	3,143,704	1,888,899	2,405,189
503,464	762,373	517,709	401,240	369,530	315,774
4,246,892	5,433,875	5,310,909	5,414,963	4,237,088	4,218,972
1,015,000	950,000	900,000	2,105,216	2,046,295	22,172,865 ¹
402,358	388,313	410,793	452,138	511,552	861,963
13,976,828	3,950,895	2,182,992	1,622,108	2,683,976	3,070,412
<u>38,436,384</u>	<u>28,723,230</u>	<u>26,101,018</u>	<u>27,094,298</u>	<u>25,602,825</u>	<u>46,513,660</u>
<u>(7,088,942)</u>	<u>6,092,149</u>	<u>2,089,600</u>	<u>926,596</u>	<u>297,680</u>	<u>(21,475,557)</u>
13,817,124	7,065,449	2,666,969	3,025,491	3,980,822	4,509,331
(13,817,124)	(7,065,449)	(2,657,496)	(2,964,295)	(3,980,822)	(4,567,754)
9,250,000	0	0	0	0	20,030,000 ¹
<u>9,250,000</u>	<u>0</u>	<u>9,473</u>	<u>61,196</u>	<u>0</u>	<u>19,971,577</u>
<u>\$ 2,161,058</u>	<u>\$ 6,092,149</u>	<u>\$ 2,099,073</u>	<u>\$ 987,792</u>	<u>\$ 297,680</u>	<u>\$ (1,503,980)</u>
<u>5.79%</u>	<u>5.40%</u>	<u>5.62%</u>	<u>10.04%</u>	<u>11.16%</u>	<u>6.92% ¹</u>

City of Punta Gorda, Florida
 Just Value and Taxable Value of All Property
 Last Ten Fiscal Years

<u>Fiscal Year Ended September 30,</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2022	\$4,171,599,853	\$ 183,210,631	\$ 693,097,442	3,661,713,042	3.9500
2021	3,981,561,400	175,531,369	673,662,047	3,483,430,722	3.4337
2020	3,816,920,298	165,214,842	656,784,224	3,325,350,916	3.4337
2019	3,579,196,820	165,735,428	636,253,869	3,108,678,379	3.1969
2018	3,349,072,869	161,058,431	622,275,656	2,887,855,644	3.1969
2017	3,132,857,200	185,081,357	632,635,398	2,685,303,159	3.1969
2016	2,945,135,176	182,943,467	614,313,894	2,513,764,749	3.1969
2015	2,815,013,377	188,769,555	605,534,870	2,398,248,062	3.1969
2014	2,700,515,874	202,436,500	594,728,298	2,308,224,076	3.1969
2013	2,640,313,961	199,879,382	581,427,730	2,258,765,613	3.2462
2012	2,748,747,297	196,395,091	577,549,653	2,367,592,735	2.7462

Source: Charlotte County County Property Appraiser (DR 403)

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

City of Punta Gorda, Florida
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 (rate per \$1,000 of assessed value)

Fiscal Year Ended September 30,	Total Direct Rate		Overlapping Rates ^a				Charlotte County School Board	Total Direct and Overlapping Rates
	Operating Millage		SWFWMD	WCIND	Other	Charlotte County		
2022	3.9500		0.2535	0.0394	0.2000	6.3007	6.8500	17.5936
2021	3.4337		0.2669	0.0394	0.2000	6.3007	6.9520	17.1927
2020	3.4337		0.2801	0.0394	0.2000	6.3007	7.1400	17.3939
2019	3.1969		0.2955	0.0394	0.2000	6.3007	6.3480	16.3805
2018	3.1969		0.3131	0.0394	0.2000	6.3007	6.5960	16.6461
2017	3.1969		0.3317	0.0394	0.2000	6.3007	6.9270	16.9957
2016	3.1969		0.3488	0.0394	0.2000	6.3007	7.2110	17.2968
2015	3.1969		0.3658	0.0394	0.2000	6.3007	7.3650	17.4678
2014	3.1969		0.3818	0.0394	0.2000	6.3007	7.5810	17.6998
2013	3.2462		0.3928	0.0394	0.2000	6.2796	7.4910	17.6490

Source: Charlotte County Property Appraiser (Tax Roll Certification- Ad Valorem Rates)

Note: The City's operating millage rate is the only component of the Total Direct Rate for the last ten fiscal years

^a Overlapping rates are those of county governments that apply to property owners within the City of Punta Gorda

City of Punta Gorda, Florida

Principal Property Taxpayers

Last Ten Fiscal Years

(in millions)

Rank Taxpayer/Type of Business	Taxable Assessed Value (in millions)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
1 Florida Power & Light Co. Electric Utility	\$ 103.6	\$ 88.2	\$ 68.0	\$ 67.3	\$ 59.8	\$ 59.8	\$ 49.2	\$ 43.4	\$ 43.0	\$ 45.1
2 Punta Gorda Medical Center/Shorepoint prev. Bayfront Health Punta Gorda Hospital	21.0	23.7	24.7	23.6	23.2	23.2	25.4	26.1	26.4	29.6
3 Wal-Mart Stores East LP	16.6	16.2	15.8	15.5	-	-	-	-	-	-
4 Smartstop Self Storage REIT Inc	14.5	14.1	-	-	-	-	-	-	-	-
5 JB Fishville Retail Land LLC/ATA Fishville, Shopping Center Fishermen's Village	12.3	11.1	11.3	8.3	7.5	7.5	8.9	8.4	7.2	12.5
6 NM Imperial LLC Leasing	9.6	8.7	7.2	-	-	-	-	-	-	-
7 Punta Gorda Resl Est Invest LLC/ Life Care Center	9.4	8.7	-	-	-	-	-	-	-	-
8 Gettel PG-T (dba Gettel Toyota) Dealership	9.2	8.5	10.0	8.0	6.2	6.2	5.4	5.3	-	-
9 Branch Burnt Store LP	8.0	7.3	-	-	-	-	-	-	-	-
10 Gettel PG-CDJR Inc (dba Gettel Chrysler Jeep Dodge Ram) Dealership	7.9	-	-	-	-	-	-	-	-	-
AAA Innovation LLC	-	7.4	-	-	-	-	-	-	-	-
Punta Gorda Hotel Partners LLC/ Springhill Suites	-	-	8.5	-	-	-	-	-	-	-
Embarq Sprint-United Telephone Co. of FL Telephone Utility	-	-	7.6	8.6	9.4	9.5	10.3	10.6	11.4	13.3
Punta Gorda AA Hotel, LLC PG Waterfront Hotel	-	-	7.6	7.2	7.0	7.0	7.0	7.6	8.2	9.5
Punta Gorda Leased Housing Assoc. Seven Palms Apartments	-	-	7.3	-	-	-	-	-	-	-
Wyvern Hospitality, LLC	-	-	-	6.8	7.2	7.2	7.4	7.3	6.8	7.8
Home Depot USA, Inc	-	-	-	6.1	6.1	6.2	6.5	6.5	6.9	7.1
Isles Yacht Club Inc.	-	-	-	6.0	5.9	5.9	5.7	5.7	5.7	5.2
Harbor Resort Hotel, LLC Four Points by Sheraton	-	-	-	5.8	5.9	5.0	-	-	7.6	5.3
Colonial Realty, Limited-shopping center Shopping Center Burnt Store	-	-	-	-	-	-	5.9	6.0	6.1	6.0
Total	\$ 212.1	\$ 193.9	\$ 168.0	\$ 163.2	\$ 138.2	\$ 137.5	\$ 131.7	\$ 126.9	\$ 129.3	\$ 141.4
City Total Taxable Assessed Value	\$4,127.5	\$3,326.4	\$3,326.4	\$3,108.7	\$2,890.0	\$2,685.3	\$2,513.8	\$2,398.2	\$2,308.2	\$2,258.8
Principal Taxpayer's Percentage of total	5.14%	5.83%	5.05%	5.25%	4.78%	5.12%	5.24%	5.29%	5.60%	6.26%

City of Punta Gorda, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal year Ended September 30,	Taxes Levied for the Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$14,463,754	\$13,935,123	96.35%	\$2,158	\$13,937,281	96.36%
2021	11,961,051	11,538,370	96.47%	0	11,538,370	96.47%
2020	11,418,250	11,032,152	96.62%	0	11,032,152	96.62%
2019	9,938,126	9,589,999	96.50%	485	9,590,484	96.50%
2018	9,232,175	8,897,919	96.38%	811	8,898,730	96.39%
2017	8,584,633	8,286,481	96.53%	1,795	8,288,276	96.55%
2016	8,034,956	7,762,139	96.60%	74	7,762,213	96.61%
2015	7,684,073	7,443,084	96.86%	858	7,443,942	96.87%
2014	7,379,151	7,113,559	96.40%	0	7,113,559	96.40%
2013	7,332,405	7,126,709	97.19%	0	7,126,709	97.19%

Source: City of Punta Gorda Finance Department and Charlotte County Tax Collector (DR 403)

**City of Punta Gorda, Florida
Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended September 30,	Governmental	Business-Type Activities			Total Primary Government	Ratio of Outstanding Debt to	
	Capital Revenue Notes	Water and Wastewater Bonds	Water and Wastewater Revenue Notes	Water and Wastewater Notes		Total Personal Income	Per Capita
2022	\$ 9,605,000	\$ 0	\$ 16,034,201	\$ 30,678	\$25,669,879	2.6%	\$1,273
2021	10,966,000	0	16,822,118	0	27,788,118	3.0%	1,415
2020	12,261,000	0	15,897,861	0	28,158,861	3.1%*	1,446*
2019	13,405,000	0	5,669,482	0	19,074,482	2.1%	956
2018	23,740,000	0	5,998,434	0	29,738,434	3.8%	1,581
2017	15,505,000	0	3,719,981	0	19,224,981	2.7%	1,034
2016	16,455,000	0	1,677,272	0	18,132,272	2.7%	1,017
2015	17,355,000	0	2,548,732	0	19,903,732	2.8%	1,129
2014	19,460,217	0	3,392,401	0	22,852,618	3.3%	1,302
2013	21,506,512	1,525,000	4,209,541	0	27,241,053	4.3%	1,570

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

*FY 2020 ratio of outstanding debt & per capita debt adjusted for 2020 US Census population data.

City of Punta Gorda, Florida
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

There has been no General Bonded Debt Outstanding for the past ten fiscal years.

City of Punta Gorda, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2022

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Percent Applicable to Punta Gorda ^a</u>	<u>Amount of Overlapping Debt Applicable to Punta Gorda ^a</u>
Overlapping debt^b			
Charlotte County School Board			
Qualified Zone Academy Bonds	\$ 5,000,000	19.00%	\$ 950,000
Qualified School Construction	60,000,000	19.00%	11,400,000
	<u>65,000,000</u>		<u>12,350,000</u>
Charlotte County			
General Obligation Debt	15,155,000	19.00%	2,879,450
Revenue Bonds	13,745,708	19.00%	2,611,685
Notes/Loans	69,159,000	19.00%	13,140,210
	<u>98,059,708</u>		<u>18,631,345</u>
Subtotal Overlapping Debt			30,981,345
City direct debt^c			9,605,000
Total direct and overlapping debt			<u><u>40,586,345</u></u>

^a The percentage of overlapping debt applicable is estimated using taxable assessed property values in the City of Punta Gorda to total taxable assessed valuation of property in Charlotte County.

^b Source: Charlotte County Florida Schedule of Overlapping Debt FY 2022 (unaudited)

^c City of Punta Gorda ACFR Schedule of Outstanding Debt by Type

City of Punta Gorda, Florida
Pledged-Revenues Coverage
Last Ten Fiscal Years

Water & Sewer Utility Revenue Bonds

Fiscal Year Ended September 30,	Pledged Revenues (a)	Less: Operating Expenses (b)	Net Available Revenue	Debt Service Requirements Coverage	
2022	\$0	\$0	\$0	\$0	0
2021	0	0	0	0	0
2020	0	0	0	0	0
2019	0	0	0	0	0
2018	0	0	0	0	0
2017	0	0	0	0	0
2016	0	0	0	0	0
2015	0	0	0	0	0
2014	Revenue Bonds Retired				
2013	16,766,618	10,119,087	6,647,531	1,565,031	4.2

(a) Includes operating and nonoperating revenues, available impact fees and other pledged revenues.

(b) Excludes depreciation expense and the cost associated with Billing and Collection division.

**City of Punta Gorda, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years**

<u>Fiscal year Ended September 30,</u>	<u>Population City of Punta Gorda (a)</u>	<u>Population Charlotte County (a)</u>	<u>Per Capita Income (b)</u>	<u>Total Personal Income City of Punta Gorda (in thousands)</u>	<u>Unemployment Rate (c)</u>
2022	20,157	196,742	\$ 49,469	\$ 997,147	3.0%
2021	19,637	190,570	46,684	916,734	4.3%
2020*	19,471	186,847	47,303	921,037	5.4%
2019	19,961	181,770	45,839	914,992	3.5%
2018	18,811	177,987	41,310	777,082	3.9%
2017	18,588	178,465	38,473	715,136	4.0%
2016	17,835	173,115	37,745	673,182	5.6%
2015	17,632	173,115	39,997	705,227	5.5%
2014	17,556	164,739	39,457	692,707	6.2%
2013	17,349	162,449	36,694	636,604	6.6%

Note: Information presented is the most current available.

^a **Source:** Bureau of Economic and Business Research (BEBR) of the University of Florida (except for FY 2010)

U.S. Bureau of Economic Analysis, Published November, 2016 for FY 2016

^b **Source:** FY 2013 through FY 2015 Federal Reserve Bank of St. Louis
FY 2016 through FY 2018, U.S. Department of Labor, Bureau of Statistics.
FY 2019 through FY 2022 U.S. Census Bureau Quick Facts.

^c **Source:** U.S. Department of Labor, Bureau of Statistics

*Fiscal year 2020 population data have been updated to reflect the 2020 US Census.

City of Punta Gorda, Florida
Principal Employers
(Punta Gorda MSA)

<u>Employer</u>	<u>Fiscal Year End 2022</u>			<u>Fiscal Year End 2013</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total MSA Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total MSA Employment</u>
Charlotte County School Board	2,250	1	2.99%	2,140	1	3.29%
Publix Super Markets, Inc.	1,386	2	1.84%	1,105	4	1.70%
Charlotte County Board of Commisioners	1,264	3	1.68%	1,112	3	1.71%
Millennium Physician Group	1,120	4	1.49%	0	0	0.00%
Shore Point Health PC (fka Bayfront Health PC fka Peace River Medical)	1,050	5	1.40%	900	5	1.38%
Fawcett Memorial Hospital	850	6	1.13%	840	6	1.30%
Charlotte County Sheriff's Office	752	7	1.00%	617	8	0.95%
Shore Point Health PG (fka Bayfront Health PG fka Charlotte Regional)	600	8	0.80%	780	7	1.20%
Cheney Brothers	550	9	0.73%	0	0	0.00%
Wal-Mart Associates, Inc.	507	10	0.67%	1,500	2	2.31%
Home Depot	0	0	0.00%	450	9	0.69%
Charlotte Correctional Institute	<u>0</u>	0	<u>0.00%</u>	<u>340</u>	10	<u>0.52%</u>
Total Employed	<u>10,329</u>		<u>13.73%</u>	<u>9,784</u>		<u>15.05%</u>

Note: Percentage calculation is number of employees divided by the total employed labor force as provided by the U.S. Department of Labor, Bureau of Labor Statistics.

Source: Charlotte County Clerk of the Circuit Court and County Comptroller

City of Punta Gorda, Florida
 Authorized Full-time Equivalent City Government Employees by Function/Program
 Last Ten Fiscal Years

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Manager's Office	3.25	3.00	2.50	2.50	2.50	1.50	1.50	1.50	1.50	1.50
Human Resources	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
City Clerk	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00
Procurement	7.50	7.50	7.50	7.50	7.50	7.50	6.50	6.50	6.50	6.90
Finance	8.50	8.50	8.50	8.50	8.50	8.00	8.00	8.00	7.50	9.00
Legal	0.75	1.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Public Works										
Public Works Administration	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Engineering	5.00	4.50	4.50	4.00	4.00	4.00	4.00	4.00	4.80	4.80
Right of Way Maint	14.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	14.00
Parks and Grounds	11.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Facilities Maintenance	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Police	58.00	56.00	56.00	53.00	53.00	49.00	49.00	49.00	49.00	49.00
Fire	32.00	30.00	30.00	29.00	29.00	29.00	28.00	28.00	28.00	28.00
Urban Design										
(1) Urban Design/Growth Mgmt	6.00	6.00	5.00	5.00	5.00	6.00	5.00	5.00	5.00	1.00
Zoning & Code Compliance	6.00	6.00	6.00	6.00	6.00	5.00	6.00	6.00	6.00	3.00
Urban Design	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.80
Punta Gorda Isles Canal Maintenance	9.00	9.00	9.00	13.00	13.00	9.00	9.00	9.00	9.00	9.00
Coastal & Heartland National										
(2) Estuary Partnership	7.00	6.00	6.00	4.00	4.00	4.00	4.00	4.00	0.00	0.00
Utilities										
Billing and Collections	6.00	6.00	6.00	6.00	6.00	6.00	6.00	5.00	5.00	5.00
Utilities Administration	7.00	7.00	7.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00
Water Treatment	18.00	18.00	18.00	18.00	18.00	17.00	17.00	16.00	16.00	16.00
Wastewater Collection	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Wastewater Treatment	15.75	15.75	15.75	15.75	15.50	15.00	15.00	14.00	13.50	13.50
Water Distribution	17.00	17.00	16.00	17.00	16.50	16.50	16.50	18.00	18.00	18.00
Fleet Maintenance	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.60
Sanitation/Refuse	20.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00
Building	11.00	10.50	9.50	9.50	9.00	8.00	8.00	6.56	6.56	5.00
Information Technology										
Information Technology (IT)	8.00	7.00	7.00	6.00	6.00	5.00	5.00	5.00	5.00	4.00
Total	306.25	295.25	291.25	287.75	285.50	272.50	270.50	267.56	263.36	264.60

Source: City of Punta Gorda Amended Authorized Budget Position Summary

- (1) FY 2014 Growth Mgmt Admin, Code Compliance and Urban Design were restructured and merged between Urban Design and Zoning & Code Compliance.
- (2) FY 2015 began hosting the Coastal and Heartland National Estuary Partnership (CHNEP)

City of Punta Gorda, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Calls for Service	17,305	18,053	17,012	15,513	14,229	12,597	12,894	13,151	11,858	12,333
Citations Issued	2,595	3,523	5,197	5,839	7,007	4,435	7,194	7,901	10,567	9,842
Traffic crashes	703	707	633	710	676	604	595	582	493	441
Narcotics arrests	62	64	44	210	293	160	200	244	190	113
Fire Department										
Fires	83	71	57	63	61	70	58	78	68	50
EMS and Police assistance calls	2,830	2,539	2,362	2,658	2,762	2,688	2,640	2,573	2,323	2,248
Building										
Building permits issued	3,348	3,104	2,740	2,820	2,473	2,001	1,932	1,804	1,580	1,553
Building inspections conducted	6,475	5,376	4,850	6,288	5,885	5,969	6,316	5,279	4,139	3,806
Dwelling units permitted	443	312	113	142	164	128	246	120	100	99
Streets and Highways										
Streets resurfaced (<i>miles</i>)	4.8	6.0	4.5	4.5	4.0	4.6	5.0	5.0	1.5	5.0
New sidewalks (linear feet)	0	0	2,670	220	425	0	0	1,090	350	2,084
Water										
New connections	161	312	344	283	227	227	316	278	148	111
Average daily consumption (<i>thousands of gallons</i>)	5,414	5,480	5,365	4,842	5,085	5,165	4,687	4,442	4,364	4,352
Peak daily consumption (<i>thousands of gallons</i>)	8,460	8,386	9,904	8,002	7,328	7,072	6,969	6,481	5,318	6,067
Water equivalent residential units (ERU)	23,929	23,374	23,062	22,706	22,426	22,114	21,511	21,103	20,870	20,790
Wastewater										
Average daily sewage treatment (<i>thousands of gallons</i>)	2,761	2,680	2,522	2,523	2,540	2,451	2,618	2,409	2,507	2,281
Sewer equivalent residential units (ERU)	17,977	17,809	17,567	17,242	16,935	16,602	16,228	15,904	15,694	15,557
Solid waste collection										
Solid waste collected (<i>tons per day</i>)	30.6	30.4	33.8	30.5	32.0	28.5	27.8	24.8	23.9	23.5
Recyclables collected (<i>tons per day</i>) <i>includes yardwaste</i>	16.0	16.4	18.8	19.3	26.6	17.3	16.9	13.5	13.3	13.4
Punta Gorda Isles Canal										
Seawall replacement (feet)	5,899	5,057	4,916	24,965	28,445	8,173	7,164	6,984	7,398	6,414
Seawall cap replacement (feet)	0	0	0	0	404	916	1,062	559	929	6,126
Total miles of seawall	92.0	92.0	91.0	91.0	91.0	91.0	91.0	91.0	91.0	91.0
Total miles of canals	46.0	46.0	45.5	45.5	45.5	45.5	45.5	45.5	45.5	45.5
Burnt Store Isles Canal										
Seawall replacement (feet)	1,369	1,026	987	2,161	0	1,114	1,206	1,284	1,484	1,788
Seawall cap replacement (feet)	0	0	0	0	103	331	118	51	0	699
Total miles of seawall	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0
Total miles of canals	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0

Source: Various city departments monthly reports and ERU Total reports.

City of Punta Gorda, Florida
Capital Assets Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-Stations	2	2	2	2	2	2	2	2	2	2
Number of Police Officers Authorized	40	38	38	37	37	34	34	34	34	34
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Number of Firefighters Authorized	29	27	27	26	26	26	26	26	26	26
Streets and Highways										
Streets (<i>miles</i>)	120	120	120	116	116	116	116	116	116	116
Unpaved streets (<i>miles</i>)	1	1	1	2	2	2	2	2	2	2
1 Streetlights	1,850	1,850	1,850	800	800	720	720	720	720	720
Traffic signal intersections	19	19	19	19	19	19	19	19	19	19
Water										
Water mains (<i>miles</i>)	269	269	267	240	240	238	238	238	237	237
Storage capacity (<i>thousands of gallons</i>)	8,870	8,870	8,870	6,870	6,870	6,870	6,870	6,870	6,870	6,870
Fire hydrants	1,304	1,304	1,319	1,243	1,242	1,230	1,230	1,230	1,253	1,234
Wastewater										
Sanitary sewers (<i>miles</i>)	138	138	138	129	129	129	130	130	130	130
Treatment capacity (<i>millions</i>)	4	4	4	4	4	4	4	4	4	4
Solid waste collection										
Collection trucks	11	10	10	10	10	10	10	10	10	10
Parks and recreation										
Acreage	120.0	120.0	120.0	120.0	120.0	120.0	120.0	110.8	104.0	104.0
Number of Parks	22	22	22	22	22	22	22	20	19	19

1 Fiscal Year 2020 includes Streetlights and Highmast lights and excludes decorator lights.

Source: City of Punta Gorda Finance Department.

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

CITY OF PUNTA GORDA, FLORIDA
 SCHEDULE OF RECEIPTS AND EXPENDITURES OF FUNDS
 RELATED TO THE DEEPWATER HORIZON OIL SPILL
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

<u>Source</u>	<u>Amount Received in the 2022 Fiscal Year</u>	<u>Amount Expended in the 2022 Fiscal Year</u>
British Petroleum:		
Class Action Lawsuit -		
Agreement No. DH011	<u>\$ 244,791</u>	<u>\$ 244,791</u>

Note: The above funds represent 100% of the City's funds received and expended in relation to the Deepwater Horizon Oil Spill. There were no other federal or state awards received by the City that are related to the Deepwater Horizon Oil Spill.

MANAGEMENT LETTER

Honorable Mayor and City Council
City of Punta Gorda, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Punta Gorda, Florida (the “City”), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated May 24, 2023.

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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated May 24, 2023, should be considered in conjunction with this management letter.

Prior Audit Finding

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 recommendations made in the preceding audit report.

Official Title and Legal Authority

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

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendation 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 determined that there are no special district component units required to report to the City.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the City reported the following information regarding the Punta Gorda Isles ("PGI") and Burnt Store Isles ("BSI") Canal Maintenance Assessment Districts:

- a. The total number of District employees compensated in the last pay period of the District's fiscal year is 7 for each of PGI and BSI.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year is zero for each District.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency is \$591,164 for PGI and \$32,480 for BSI.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency is zero for each District.
- e. Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project is as follows:

PGI

1. IRMA Rip Rap PGI with a final budget of \$8,237,001, \$1,680 spent.
2. IRMA "D" PGI Canal Labor, Mat & Supp with a final budget of \$931,109, \$0 spent.

BSI

1. IRMA Rip Rap BSI with a final budget of \$310,333, \$0 spent.

Special District Component Units, Continued

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the City amends a final adopted budget under Section 189.016(6), Florida Statutes, as on pages 35-37 and 126-138 in the City's ACFR.

Additional Matters

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

Purpose of this Letter

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
May 24, 2023



May 24, 2023

Memo to: City Council
Memo through: Gregory Murray, City Manager
Memo from: Kristin Simeone, Director of Finance
Regarding: Comments and recommendations from Auditors regarding our Financial Statements

AUDITORS' COMMENTS:

I. Prior year comments which continue to apply.

None.

II. Current year comments and recommendations.

None.

I agree with the management letter comments from the auditing firm of Ashley, Brown & Smith, CPAs.

Kristin Simeone, CPA
Director of Finance

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

To the Honorable Mayor and City Council
City of Punta Gorda, 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, each major fund, the business-type activities, and the aggregate remaining fund information of the City of Punta Gorda, Florida (the “City”), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated May 24, 2023.

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.

Internal Control over Financial Reporting , continued

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

Compliance and Other Matters

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

Purpose of this Report

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
May 24, 2023



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366 E OLYMPIA AVE, PUNTA GORDA, FL 33950
AshleyBrownCPAS.com

**Report of Independent Accountant on Compliance with
Local Government Investment Policies and Gulf Coast Audits,
Requirements of Sections 218.415 and 288.8018, *Florida Statutes***

Honorable Mayor and City Council
City of Punta Gorda, Florida

Report on Compliance

We have examined the City of Punta Gorda, Florida's (the "City's") compliance with the local government investment policy requirements of 218.415, Florida Statutes, and Gulf Coast audits (Deepwater Horizon Oil Spill) requirements of 288.8018, Florida Statutes, during the year ended September 30, 2022. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Scope

Our examination was conducted in accordance with AICPA Professional Standards, AT-C Section 315, promulgated by the American Institute of Certified Public Accountants and, accordingly, included 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 examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

Opinion

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

The purpose of this report is to comply with the audit requirements of Sections 218.415 and 288.8018, Florida Statutes, and Rules of the Auditor General.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
May 24, 2023



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**Independent Auditor's Report on Schedule of Receipts and Expenditures of Funds
Related to the Deepwater Horizon Oil Spill**

Honorable Mayor and City Council
City of Punta Gorda, Florida

We have audited the financial statements of the City of Punta Gorda, Florida, (the "City") as of and for the year ended September 30, 2022, and have issued our report thereon dated May 24, 2022 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Oil Spill is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
May 24, 2022



CITY OF PUNTA GORDA

FINANCE DEPARTMENT
326 WEST MARION AVENUE
PUNTA GORDA, FL 33950
(941) 575-3318
FAX: (941) 575-3386

AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Kristin Simeone, who being duly sworn, deposes and says on oath that:

1. I am the Director of Finance for the City of Punta Gorda which is a local governmental entity of the State of Florida;
2. The City of Punta Gorda adopted Ordinance No. 1933-2020 implementing revised impact fees; and
3. The City of Punta Gorda has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

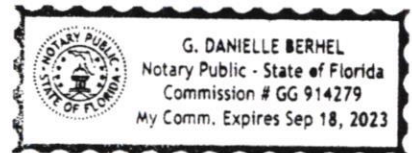
FURTHER AFFIANT SAYETH NAUGHT.

Kristin Simeone
Director of Finance, City of Punta Gorda

STATE OF FLORIDA
COUNTY OF CHARLOTTE

SWORN TO AND SUBSCRIBED before me this 31st day of May, 2023.

G. Danielle Berhel
NOTARY PUBLIC
Print Name G. Danielle Berhel



Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires:

9-18-2023