



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

**FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2023**

PREPARED BY THE FINANCE DEPARTMENT

Kristin Simeone, CPA  
Director of Finance

# **CITY COUNCIL**

As of September 30, 2023

MAYOR	LYNNE R. MATTHEWS
VICE MAYOR	MELISSA LOCKHART
COUNCILMEMBER	MARK KUHARSKI
COUNCILMEMBER	WILLIAM DRYBURGH
COUNCILMEMBER	DONNA C. PETERMAN

# **CITY MANAGER**

GREGORY B. MURRAY

CITY OF PUNTA GORDA, FLORIDA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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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

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

June 24, 2024

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, 2023.

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, 2023 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, 2023 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 20,389. 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 qualified by district and elected at-large.

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, Special Use, 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, 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 and BSI Canal Maintenance Funds.



## **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 16.7% 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 was affected by Hurricane Ian which made landfall in Southwest Florida as a Category 4 hurricane on September 28, 2022 and Hurricane Idalia as Category 3-4 hurricane on August 30, 2023. The City continues to work with its insurance company, FEMA, and the State for recovery efforts and restoring, repairing, and/or replacing infrastructure, facilities, and buildings.

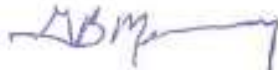
## **Awards and Acknowledgements**

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, 2022. This was the thirty-eighth 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,



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GREGORY B. MURRAY  
CITY MANAGER



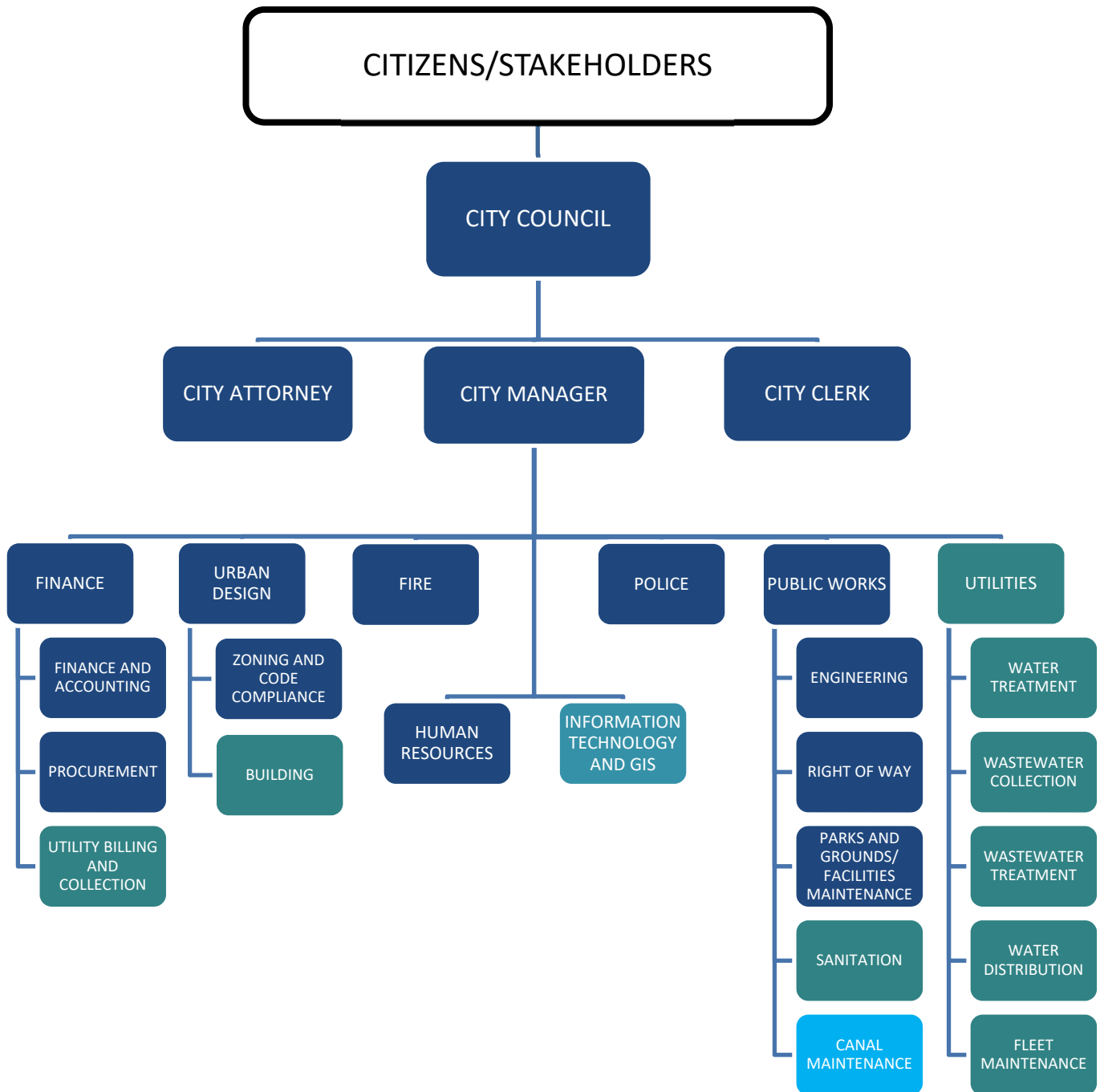
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KRISTIN SIMEONE, CPA  
DIRECTOR OF FINANCE

City of Punta Gorda, Florida  
List of Principal Officials  
As of September 30, 2023

<u>Title</u>	<u>Name</u>
Mayor	Lynne R. Matthews
Vice Mayor	Melissa Lockhart
Councilmember	Mark Kuharski
Councilmember	William Dryburgh
Councilmember	Donna C. Peterman
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, FL  
ORGANIZATION STRUCTURE  
BUDGET FY 2023



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, 2022. 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-eight consecutive years (fiscal years ended 1985 through 2022). 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, 2022

*Christopher P. Morill*

Executive Director/CEO

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## **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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## **Independent Auditor's Report**

Honorable Mayor and City Council  
City of Punta Gorda, Florida

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, 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, 2023, 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, business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Special Use Fund, the Community Redevelopment Agency Fund, and the PGI Canal Maintenance Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and other required supplementary information, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

**Required Supplementary Information, continued**

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 financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 consideration the City's internal control over financial reporting and compliance.

*Ashley, Brown & Smith, CPA's, P.A.*

Punta Gorda, Florida

June 21, 2024

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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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, 2023.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at September 30, 2023, by \$241.4 million (net position). Of this amount, \$42.0 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 \$23.2 million.
- As of September 30, 2023 the City's governmental funds reported combined ending net position of \$129.0 million. This is an increase of \$18.2 million. The unrestricted net position is \$10.2 million.
- As of September 30, 2023 the business-type activities reported combined ending net position of \$112.4 million. This is an increase of \$5.0 million. The unrestricted net position is \$31.8 million
- The City's total long-term liabilities increased by \$19.3 million during the current fiscal year.
- Total revenues increased \$17.1 million in comparison to prior year.
- Total expenses increased \$6.1 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, BSI Canal Maintenance District, and Debt Service 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 2023. 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 differences from the 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 55.

### **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**

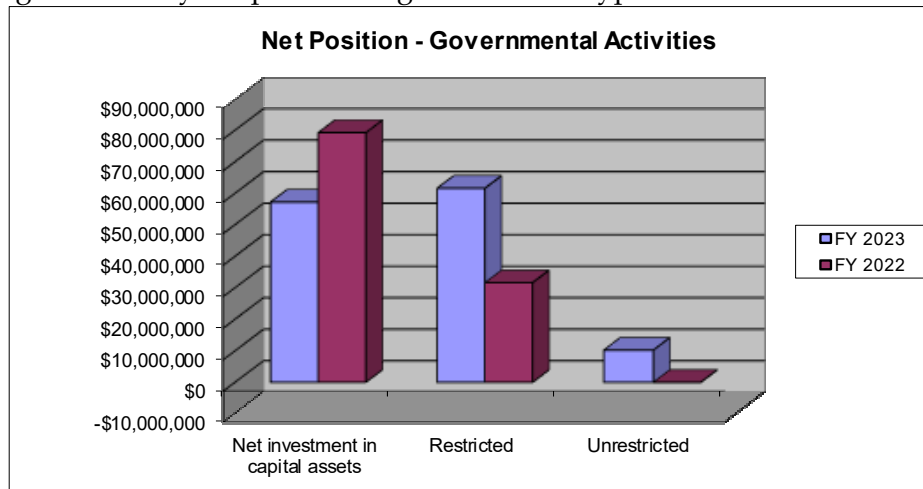
The City's combined net position as of September 30, 2023 was \$241.4 million (Table 1). The City's combined revenues, including contributions, grants, taxes and charges for services were \$85.4 million. Total city-wide expenses were \$62.2 million. The increase to city-wide net position was \$23.2 million (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)**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Current and other assets	\$ 98,071	\$ 59,188	\$ 46,704	\$ 44,558	\$ 144,775	\$ 103,746
Capital assets	93,204	89,689	94,117	90,430	187,321	180,119
Total assets	<u>191,275</u>	<u>148,877</u>	<u>140,821</u>	<u>134,988</u>	<u>332,096</u>	<u>283,865</u>
Deferred Outflow s Pensions/OPEB	6,943	10,978	2,518	3,705	9,461	14,683
Long-term liabilities	(53,599)	(30,156)	(23,688)	(24,830)	(77,287)	(54,986)
Other liabilities	(2,683)	(5,292)	(4,525)	(3,295)	(7,208)	(8,587)
Total liabilities	<u>(56,282)</u>	<u>(35,448)</u>	<u>(28,213)</u>	<u>(28,125)</u>	<u>(84,495)</u>	<u>(63,573)</u>
Deferred Inflow s Pensions/OPEB/Leases	(12,940)	(13,616)	(2,740)	(3,162)	(15,680)	(16,778)
Net Position:						
Net investment in capital assets	57,203	79,228	75,850	73,084	133,053	152,312
Restricted	61,585	31,589	4,718	5,962	66,303	37,551
Unrestricted	10,208	(26)	31,818	28,360	42,026	28,334
Total net position	<u>\$ 128,996</u>	<u>\$ 110,791</u>	<u>\$ 112,386</u>	<u>\$ 107,406</u>	<u>\$ 241,382</u>	<u>\$ 218,197</u>

The largest portion of the City’s net position (55.1%) 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 27.5% of total net position) are subject to external restrictions on how they may be used. The remaining 17.4% balance of unrestricted net position, \$42.0 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 \$18.2 million or 16.4%. Last fiscal year there was a \$7.6 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 \$5.0 million or 4.6%. The last fiscal year increase was \$4.6 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 \$23.2 million or 10.6%. The prior year increase was \$12.2 million.

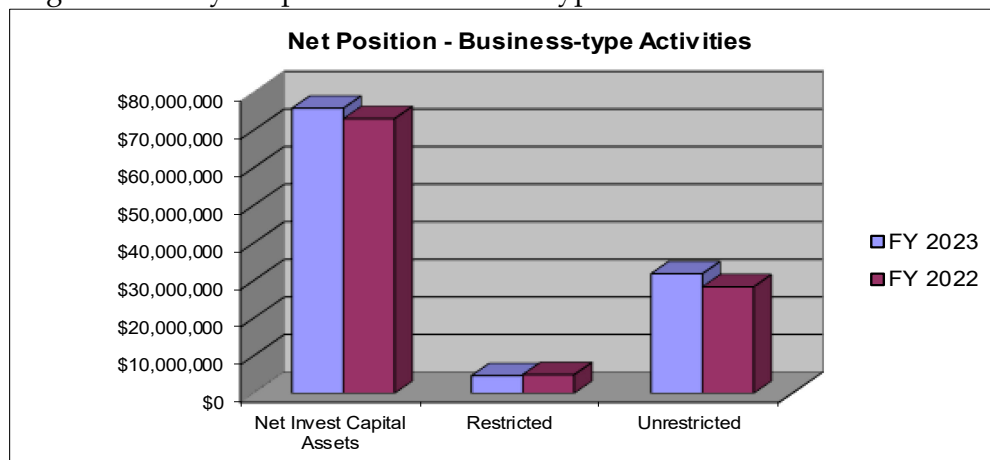
The following is a chart by net position of governmental-type activities.



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

- Current and other assets increased \$38.9 million - primarily cash, \$36.7 million as the city received \$25.0 million from a line of credit for Hurricane Ian storm repairs and \$3.6 million in insurance payments for Hurricane restoration projects which are still under construction. Also, other planned projects and planned debt service payments have accumulated funds and are pending. Amounts due from other governments increased \$2.2 million from a FEMA obligation for debris removal.
- Construction work in progress increased, \$1.1 million mainly for seawalls
- Completed projects for harborwalk, drainage, and fire apparatus, \$3.9 million
- Vehicle and equipment purchases, \$1.0 million
- Right to use assets & subscription assets increased, \$1.9 million
- Accumulated depreciation, net of disposals, \$3.8 million
- Capital asset disposals, \$0.9 million
- Net pension/OPEB liabilities decreased \$2.0 million
- Principal increase on long-term liabilities, \$23.6 million. New debt issued \$25 million and \$1.4 million principal payment on CRA debt.
- Leases and subscription based IT arrangement liabilities, \$1.8 million
- Accounts payable and accrued liabilities decreased \$0.2 million
- Unearned revenue decreased \$2.4 million
- Deferred Outflows Pension/OPEB activity decreased \$4.0 million while Deferred inflows from Pension/OPEB/Lease/Subscription activity decreased \$0.7 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 \$2.1 million - cash increased \$1.6 million while receivables increased \$0.6 million.
- Construction work in progress increased, \$6.7 million, due to Water plant improvements, \$0.5 million, Wastewater plant improvements, \$4.5 million, and water distribution improvements, \$1.7 million
- Water and wastewater vehicles and plant equipment, \$0.8 million
- Water and wastewater system projects, \$1.7 million
- Contributed forcemain and generator, \$0.3 million
- Accumulated depreciation, net of disposals, \$5.8 million
- Net Pension/OPEB liabilities decreased \$0.4 million
- Principal decrease on long-term liabilities, \$0.8 million



- Accounts/retainage payables and accrued liabilities increased \$1.2 million
- Deferred Outflows Pension/OPEB activity decreased \$1.2 million while Deferred Inflows from Pension/OPEB/Lease activity decreased \$0.4 million.

**Table 2**  
**Changes in Net Position**  
**(in Thousands)**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Revenues:						
Program revenues:						
Charges for services	\$ 8,768	\$ 6,809	\$ 29,921	\$ 27,143	\$ 38,689	\$ 33,952
Operating grants and contributions	6,139	2,240	11	13	6,150	2,253
Capital grants and contributions	2,628	2,480	686	2,072	3,314	4,552
General revenues:						
Property taxes	15,683	13,937			15,683	13,937
Other taxes	12,236	11,475			12,236	11,475
Other	7,399	1,609	1,970	593	9,369	2,202
Total revenues	<u>52,853</u>	<u>38,550</u>	<u>32,588</u>	<u>29,821</u>	<u>85,441</u>	<u>68,371</u>
Expenses:						
General government	8,387	4,917			8,387	4,917
Public safety	15,995	14,932			15,995	14,932
Transportation	3,607	3,419			3,607	3,419
Economic environment	247	371			247	371
Recreation	6,245	7,095			6,245	7,095
Interest on long-term debt	167	184			167	184
Water and wastewater			20,551	19,097	20,551	19,097
Sanitation/refuse			4,747	4,416	4,747	4,416
Building Fund			1,820	1,276	1,820	1,276
Marina			490	432	490	432
Total expenses	<u>34,648</u>	<u>30,918</u>	<u>27,608</u>	<u>25,221</u>	<u>62,256</u>	<u>56,139</u>
Increase (decrease) in net position	18,205	7,632	4,980	4,600	23,185	12,232
Net position-beginning	110,791	103,159	107,406	102,806	218,197	205,965
Net position-ending	<u>\$128,996</u>	<u>\$110,791</u>	<u>\$112,386</u>	<u>\$107,406</u>	<u>\$241,382</u>	<u>\$ 218,197</u>

The analysis of Table 2 states the overall Total Primary Government revenues increased \$17.1 million or 25.0% from the prior year. The Governmental Activities revenues increased \$14.3 million or 37.1%. The Business-type Activities revenues increased \$2.8 million or 9.3%.

The Total Primary Government expenses increased \$6.1 million or 10.9% from the prior year. The Governmental Activities expenses increased by \$3.7 million or 12.1%. The expenses in Business-type Activities increased \$2.4 million or 9.5%.

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, 2023 consisted of \$8.0 million for unassigned fund balance; \$7.8 million was assigned for subsequent year's budget, \$23.8 million restricted for seawall project and public safety and \$0.1 million for non-spendable inventories. This is a \$27.7 million increase in fund balance from September 30, 2022. The City Council's financial policy on fund balance minimum increased to 16.7% of annual expenditures. A more detailed analysis of revenues and expenditures can be found on pages 14-16 of the MD&A.

The Special Use Fund balance increased \$5.5 million. Revenues increased \$9.0 million for ARPA and FEMA grants and insurance proceeds related to Hurricane Ian. Expenditures increased \$3.5 million for debris removal, other expenditures to start repairs from Hurricane Ian, and transfers for approved projects.

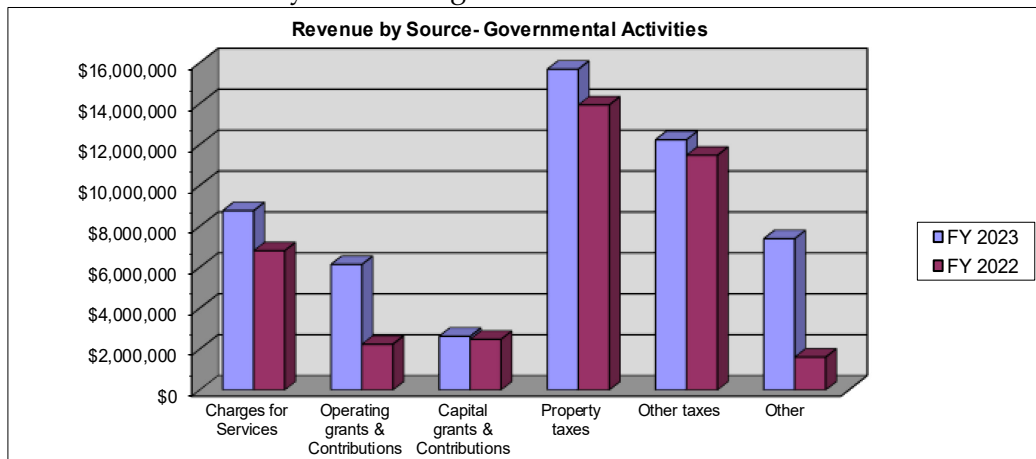
The Community Redevelopment Agency Fund balance increased \$1.9 million. Revenues and transfers increased \$0.6 million over the prior year: tax increment financing (TIF) revenues increased \$344 thousand (due to increase in taxable value) and miscellaneous revenues increased \$294 thousand in interest and payoffs of two Trabue Woods properties. Expenditures and transfers for debt decreased \$0.1 million from FY 2022. Therefore, the difference of increase in fund balance was \$0.7 million when compared to the prior year increase of \$1.2 million to fund balance.

The PGI Canal Maintenance Fund balance increased \$2.6 million. Expenditures increased \$1.0 million from the prior year. Additionally, there was an increase in revenues of \$3.2 million: \$1.6 million in assessments due to an increase in the assessment rate to fund additional costs of the canal and seawall maintenance program; \$0.3 million from higher interest revenue due to higher interest rates and balances; \$1.2 million transfer from financing; and \$0.1 FEMA grant revenue from Hurricane Irma. Therefore, the change in fund balance increased by \$2.1 million when compared to FY 2022's increase of \$0.4 million.

The Water and Wastewater Utility Fund net position increased \$3.8 million. Capital assets net of accumulated depreciation had a net increase of \$4.0 million. Current and receivable assets increased \$1.1 million, mainly cash due to planned use for capital and increase in receivables. Current year revenues were used to pay debt reducing liabilities by \$0.8 million. Accounts payable, retainage payable and accrued liabilities increased \$1.9 million. Net pension/OPEB liability decreased \$0.4 million. Deferred outflows decreased \$0.9 million and deferred inflows decreased \$0.3 million.

### Governmental Activities

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



The following details the revenue variances between fiscal years 2022 and 2023.

Charges for services increased \$2.0 million, 28.8%, when compared to FY 2022.

- Various charges for services saw slight increases, but the majority of the increase was related to the PGI & BSI assessment fee increases of \$300 per lot resulting in a \$1.8 million increase in charges. FPL Franchise fees increased \$0.3 million due to FPL rate increases. Buckley's Pass charges decreased \$0.2 million as FY 2022 was last year of assessment.

Operating grants and contributions increased by \$3.9 million.

- Decrease in CHNEP operating grants and contributions of \$1.2 million, hosting moved to Charlotte County in FY 2023
- Increase in ARPA grant of \$2.4 million for using standard allowance for general government services
- Increase in FEMA grants \$2.7 million for debris removal from Hurricane Ian

Capital grants and contributions increased by \$148 thousand due to the following:

- Increase in capital grants for seawalls and public safety, \$208 thousand
- Charlotte County Tax Increment increased, \$196 thousand
- Decrease in impact fees of \$256 thousand

Property tax revenues increased by \$1.7 million due to increases in taxable values.

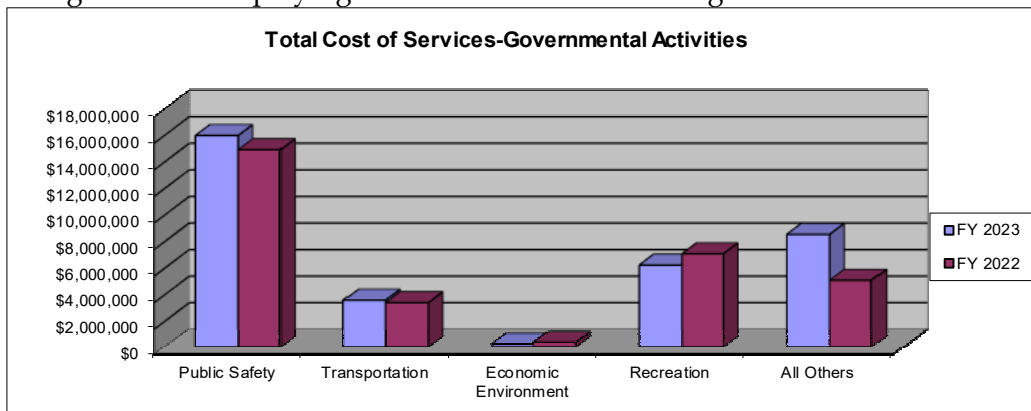
Other taxes increased \$761 thousand. Utility taxes increased \$483 thousand due to growth and rate increases from the utilities. Sales taxes increased \$76 thousand and Local Option Sales tax increased by \$153 thousand based on increased sales and inflationary increases in costs. Gas tax revenue increased by \$19 thousand. Occupational licenses increased \$30 thousand.

Other revenues increased \$5.8 million as a result of \$2.2 million increase in investment earnings from rising interest rates and higher balances caused by delayed projects and repairs, and an increase of \$3.6 million in insurance recoveries for Hurricane Ian.

The cost of all governmental activities this year, including allocations, was \$37.7 million as compared to \$33.8 million in FY 2022. As shown in the Statement of Activities on pages 23-24, the program expenses net of indirect expense allocations (\$3.1 million) were paid through:

- \$8.8 million in charges for services; consisting of \$5.9 million canal maintenance districts and \$2.9 million fees for general government services
- \$6.1 million in operating grants and contributions
- \$2.6 million in capital grants and contributions
- \$35.0 million in general revenues (primarily taxes, investment earnings, and insurance recoveries)

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



- Public safety costs increased by \$1.1 million. Net OPEB/Pension related activities in FY 2023 decrease of \$0.3 million. Public Safety Employee wages and benefits increased by \$1.2 million or 10.9% due to five new authorized positions, merit and union increases, overtime, and health insurance increases. Other public safety expenses increased \$0.2 million mainly in supplies, repair and maintenance, and depreciation.

- Transportation costs increased by \$188 thousand. Payroll and benefits costs increased \$142 thousand due to filling of vacancies and one new authorized position; and a decrease of \$118 thousand in charges related to OPEB/pension activities in FY 2023. Operating costs increased by \$164 thousand from paving increase of \$129 thousand and miscellaneous other expenditures of \$35 thousand.
- Economic environment costs decreased by \$124 thousand. Decrease from prior year is caused by completions of wayfinding signs in prior year.
- Recreation costs decreased by \$850 thousand. Decrease of \$99 thousand in personnel costs due to CHNEP hosting transferred to the County and offset in increase in parks and canal maintenance two new positions and filled vacancies. Net OPEB/pension activities in FY 2023 increased \$473 thousand. Canal Maintenance districts decrease in seawall program of \$975 thousand due to Hurricane Ian and decrease in CHNEP operating for transfer of hosting to Charlotte County net \$249 thousand.
- All others increased \$3.5 million. In the special use fund, which accounts for hurricane related and one-time use revenues for specific projects, there was an increase of \$3.2 million of expenditures related to the debris removal and various repairs that were beginning in FY 2023 related to Hurricane Ian. Personnel costs increased \$0.4 million mainly due to increases for the updated pay plan base wages, merit increases, addition of 5 authorized positions, and health insurance rate increases. Other costs decreased overall \$0.1 million in operating costs throughout all general government divisions.

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.

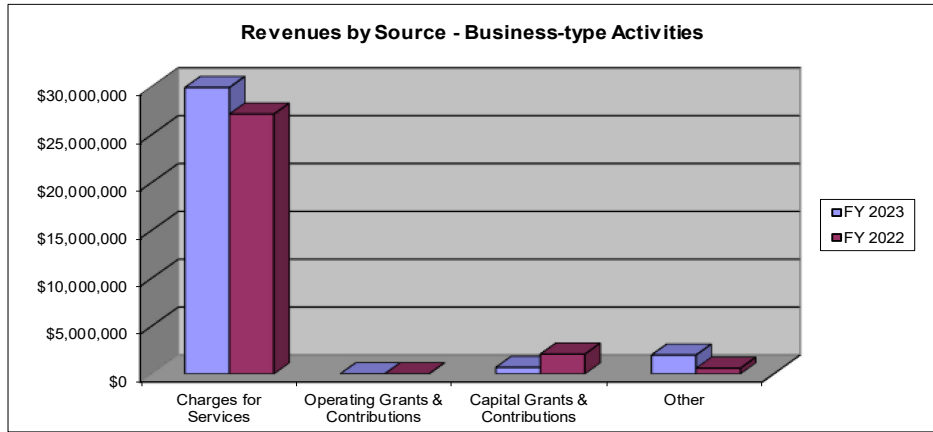
**Table 3**  
**Governmental Activities**  
(in Thousands)

	<b>Total Cost of Services (less indirect expense allocation)</b>		<b>Net Cost of Services</b>	
	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>
Public Safety	\$ 15,995	\$ 14,932	\$ (15,662)	\$ (14,550)
Transportation	3,607	3,419	(3,180)	(2,929)
Economic Environment	247	371	1,597	1,277
Recreation	6,245	7,095	( 19)	(1,421)
All Others	8,554	5,100	150	(1,766)
<b>Totals</b>	<b><u>\$ 34,648</u></b>	<b><u>\$ 30,917</u></b>	<b><u>\$ (17,114)</u></b>	<b><u>\$ (19,389)</u></b>

### **Business-type Activities**

Revenues of the City’s Business-type activities (see Table 2) totaled \$32.6 million. Operating expenses were \$27.6 million, showing an increase in net position of \$5.0 million or 4.6%. The analysis of revenues and expenses disclosed that revenues increased 9.3% and expenses increased 9.5% 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 \$2.8 million, or 10.2%, in comparison to the prior year. Water & Wastewater Utility experienced an increase in charges for services of \$1.0 million mainly due increased rates and overall consumption. Sanitation’s charges for services increased \$0.3 million in refuse collection due to increased recycling and refuse rates. Building’s charges for services increased \$1.6 million due to permits needed after Hurricane Ian and building permits growth in the City. The Laishley Park Marina charges for services decreased \$0.1 million due to docks and mooring field out of service from Hurricane Ian.

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

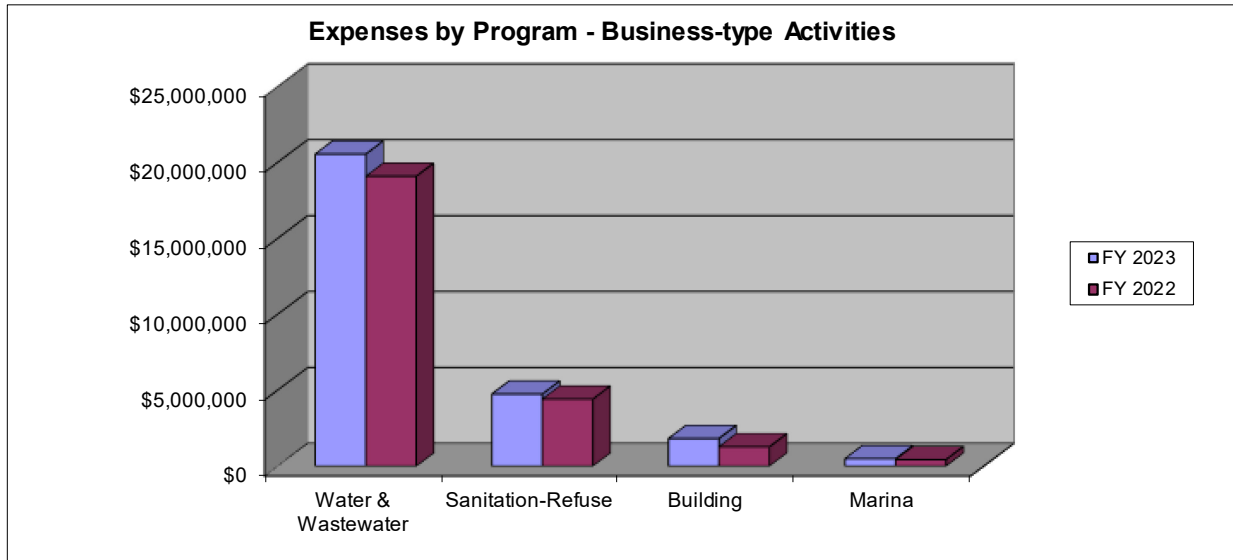
	Revenues (in thousands)		From 2022 to 2023
	2023	2022	% incr (decr)
	Water Billings	\$12,852	\$12,150
Wastewater Billings	\$8,737	\$ 8,474	3.1%
Refuse Collection	\$4,351	\$ 4,007	8.6%
Licenses, Permits, & Special Assessments	\$3,220	\$ 1,646	95.6%

Operating grants and contributions decreased by \$2 thousand primarily from the marina pump out boat operating grants.

Capital grants and contributions increased \$1.4 million. There were decreases in water and sewer impact fees of \$1.6 million from the prior year due to less homes and multi-unit projects and \$0.2 million increase in contributed capital from developers from the prior year.

The other category increased \$1.4 million mainly due to increase in interest income resulting from higher interest rates.

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



The Water & Wastewater Utility expenses increased \$1.5 million, or 7.7%, in comparison to the prior year. Personnel expenses increased \$0.8 million primarily due to a pay plan increase for general employees, three new positions, and a 6% increase in health insurance rates. Materials and supplies increased \$0.4 million mainly due to inflation of commodities and chemicals as well as some increased usage. Utility expense increased \$0.2 million due to increase in rates from FPL and higher usage by plants and lift stations. Depreciation expense increased \$0.1 million with newly constructed projects completed during the year.

The Sanitation expenses increased by \$330 thousand, or 7.5%. Personnel expenses increased \$255 thousand due to pay plan increases for general employees and a 6% increase in health insurance rates. Repairs and maintenance costs increased \$149,000 for refuse truck repairs. Depreciation expense decreased \$50 thousand as some equipment became fully depreciated. Various other expenses decreased \$24 thousand.

The Building Fund's expenses increased by \$538 thousand, or 42.1%. Personnel expenses increased \$301 thousand due to a pay plan increase for general employees, the addition of one permanent position and two temporary positions, increased overtime, OPEB increases, and 6% increase in health insurance which was mitigated substantially by vacancies from turnover. Contractual services increased \$170 thousand as the building official duties continued to be contracted as well as specific permitting discipline needs. Administrative charges increased \$43 thousand. Various other expenses increased \$24 thousand.

The Laishley Park Marina expenses increased \$60 thousand, or 13.8% primarily from increases in management company expenses, \$25 thousand, in materials and supplies for dock boxes, \$11 thousand, and in repairs and maintenance due to Hurricane Ian, \$24 thousand.

## 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 \$1.5 million or 5.9% from the original budget, which can be briefly summarized as follows:

- Supplemental appropriations: police and planning grants, \$73 thousand; repairs from insurance recoveries, \$16 thousand; preservation of historic ordinance books, \$11 thousand; closing cost for financing, \$73 thousand; vehicle and equipment, \$50 thousand;

reduction of operating to transfer to General Construction for training facility project, (\$60 thousand) and reduction for unawarded SAFER Grant for fire, (\$495 thousand).

- Purchase order rollovers from prior year for vehicle and equipment in public works, \$110 thousand; professional services for planning, \$167 thousand; marketing and other services, \$31 thousand; repairs and materials, \$32 thousand; police grants, \$39 thousand; and police and fire equipment, \$459 thousand.
- Re-appropriations from prior year for police programs, grants, and vehicle replacements, \$341 thousand; fire programs and equipment, \$47 thousand; lot mowing and distressed property maintenance, \$136 thousand; public works equipment and projects, \$384 thousand; professional services, \$80 thousand; and various other operating expenditures, \$53 thousand.

The final revenue budget (excluding transfers and line of credit) increased by \$0.3 million or 0.1%, from the original budget, which can be briefly summarized as follows:

- Net grant awards and opioid settlements, (\$284 thousand)
- Insurance recoveries, \$16, 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 \$57.8 million was due to financing of Hurricane Irma and Hurricane Ian seawall and mitigation projects with corresponding increase to transfers out to PGI and BSI canal maintenance fund. An increase in transfers out to general construction fund was \$60 thousand for training facility project.

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

#### Revenues:

- Ad Valorem taxes were over budget \$70 thousand due to lower discounts taken.
- Utility and other taxes were over budget \$552 thousand due to increased rates and customer usage.
- Utility and gas franchise fees were over budget by \$366 thousand due to increased rates and customer usage and permitting fees were under budget by \$7 thousand.
- Sales Taxes, State shared revenues, and other Housing Authority payment in lieu of taxes were over budget \$586 thousand due to economic conditions rebounding and the inflation in costs of products and services.
- Grant revenues were under budget \$50 thousand as the police department did not fully expend awards and carried unspent funds over to FY 2023.
- Charges for services were over budget \$38 thousand, mainly in planning and zoning fees and lien search fees due to more home sales and development and procurement contract administration fees.
- Fines were over budget \$3 thousand, mostly from code enforcement and false alarms.
- Miscellaneous revenues were over budget \$1.2 million as follows: interest income due to interest rates increasing and higher balances, \$0.8 million; sale of land, \$0.3 million; and various other miscellaneous revenues, \$0.1 million.

#### Expenditures:

- General government expenditures were under budget by \$1.3 million. Personnel expenditures were \$0.4 million under budget due to turnover changes and length of time to fill vacant positions in current job market and changes in health insurance elections.

Lot Mowing was \$0.2 million under budget primarily due to management of number of mows during slower growth periods. Professional and contractual services for comprehensive planning, climate adaptation plan, marketing, and various other maintenance contracts were under budget \$0.4 million as they were not completed at fiscal yearend. All other operating expenditures in all general government department/divisions were under budget \$0.3 million.

- Public Safety police operating expenditures were under budget by \$535 thousand. Personnel expenditures were under budget by \$337 thousand, mainly due to turnover. Law Enforcement Trust Funds were under budget, \$40 thousand. Police department donation programs were under budget \$67 thousand. Other overall operating accounts were under budget by \$91 thousand of which \$51 thousand is related to capitalizing subscription based IT arrangements under the new GASB accounting standard.
- Public Safety fire was under budget by \$234 thousand. Personnel expenditures were under budget \$123 thousand mainly due to reduced overtime, and from a retirement leaving a vacant position open for a short time, and new positions vacant for early part of year. Repair and Maintenance costs were \$78 thousand under budget. Other operating expenditures were under budget \$33 thousand.
- Public Safety code operating expenditures were under budget \$118 thousand. Personnel was under budget \$48 thousand due to turnover. Distressed property maintenance budget was \$63 thousand under budget and \$56 thousand of that was re-appropriated to FY 2024. Other operating expenditures were under budget \$7 thousand.
- Transportation - Right of Way expenditures were \$116 thousand under budget. Personnel expenditures were \$89 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 \$27 thousand mainly in contractual services for right of way cleaning and training.
- Recreation - Parks and Grounds expenditures were \$153 thousand under budget. Personnel expenditures were under budget \$28 thousand. Contractual services were under budget \$53 thousand in landscaping, landfill fees, and exotic tree removal. Repair and maintenance was under budget \$12 thousand due to lower vehicle and equipment repairs than anticipated. Decorations and supplies were under budget \$53 thousand and other operating expenditures were under budget \$7 thousand.
- Capital Outlay expenditures were \$0.9 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 \$213 thousand. Other vehicles, equipment, and infrastructure projects of \$780 thousand were delayed and re-appropriated to fiscal year 2024. Some of this was offset by operating expenditures for subscription based IT assets moving to capital under the new GASB accounting standard.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

The City's capital assets as of September 30, 2023 reflect an investment of \$187 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 16,114	\$ 16,428	\$ 5,403	\$ 5,403	\$ 21,517	\$ 21,831
Buildings	14,761	15,478	2,458	2,877	17,219	18,355
Improvements other than buildings	7,348	5,105	1,843	2,185	9,191	7,290
Vehicles and equipment	3,776	2,808	6,210	6,153	9,986	8,961
Infrastructure / System	44,298	45,910	66,090	68,397	110,388	114,307
Right to use assets	117	102	8	0	125	102
SBITAs	1,868	0	0	0	1,868	0
Construction work in progress	4,922	3,858	12,106	5,415	17,028	9,273
<b>Total Capital Assets</b>	<u>\$ 93,204</u>	<u>\$ 89,689</u>	<u>\$ 94,118</u>	<u>\$ 90,430</u>	<u>\$ 187,322</u>	<u>\$ 180,119</u>

Significant changes to assets this year include:

- General government and code compliance (4) vehicles, \$135 thousand
- Public works (3) vehicles and equipment, 352 thousand
- Police (8) vehicles, (1) boat, and equipment, \$541 thousand
- Fire (3) defibrillators, \$83 thousand
- (1) Utilities vehicles, \$70 thousand
- Vac truck for Wastewater Collections, \$593 thousand
- Pumps and equipment for the Treatment plants, \$127 thousand
- (1) vehicle for Building fund, \$43 thousand
- IT server and array, \$39 thousand
- Various Harborwalk projects, \$1.7 million
- Street, Sidewalk & Drainage improvements, \$337 thousand
- Seawall repairs/replacements, \$1.6 million
- Water plant improvements, \$1.0 million
- Water Distribution projects, \$2.0 million
- Wastewater gravity sewer, force main, and lift station rehabs, \$0.7 million
- Wastewater plant improvements, \$4.5 million
- Subscription-based IT arrangement assets, \$2.3 million

## Debt

As of September 30, 2023, the City had \$33.2 million of revenue note debt in the governmental activities. This is a net increase of \$23.6 million as compared to the prior year. The City made a principal payment of \$1.4 million on CRA debt and completed a \$50.0 million line of credit financing with a draw of \$25 million for Hurricane seawalls and mitigation in FY 2023. The business-type activities note debt was \$15.2 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, 2023, Right to Use leases and Subscription-based IT arrangements was \$1.9 million.

For additional information regarding capital assets and debt refer to footnote IV. D (pages 69-67) and footnote IV. E (71-80).

## **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 February 2024 current view of the economy from the Congressional Budget Office (CBO) includes the following key points:

- Economic growth slows in 2024 as unemployment increases to approximately 4.4 percent.
- CBO expects real GDP growth to accelerate in 2025 after the Federal Reserve responds to weaker economic conditions in 2024 by lowering interest rates.
- CBO projects inflation slows further in 2024 to a rate roughly in line with the Federal Reserve's long-run goal of 2 percent.
- As the demand for labor softens, the growth of employee compensation is expected to slow over the 2024-2034 period.
- In the short run, key sources of uncertainty include the projected paths for consumer spending, inflation, and interest rates.

### **Florida/Southwest Florida Regional Economic Outlook**

The Florida Legislature Office of Economic and Demographic Research issued its economic overview in January 2024. Key highlights of the report are delineated below:

- Florida's quarterly GDP movements have generally performed better than the nation as a whole since the beginning of the pandemic. The state's economy expanded by 4.4 percent in Fiscal Year 2022-23, but it is expected that growth to decelerate to 2.8 percent and 1.1 percent over the current and next fiscal years as business and consumers transition from a high inflation environment to a high interest rate environment.
- Personal income growth accelerated 7.9 percent in Fiscal Year 2022-23 as workers and employers chased historic levels of inflation and leveraged the tight labor market. It is expected high growth will continue at approximately 6.3 percent over the next two years before dropping to 5 percent.
- The December 2023 unemployment rate was 3.0%, lower than the US rate of 3.7%. It is anticipated that the unemployment rate will start an upward drift and reaching 4.3% in 2027 given the Federal Reserve's actions to cool the economy.
- 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. Florida's population growth has mostly been from net migration as current year natural increase is expected to remain negative. Between 2023 and 2030, growth is forecast to average 1.25%
- 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. As rates rose and affordability became increasingly an issue, sales have started to decrease. Homeownership rate is now meeting the long-run average from the past year of exceeding. Although the volume of existing home sales has markedly slowed, 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, below the Great Recession depths. Over the past 18 months, consumer sentiment had improved to 71.6 in July 2023, but has since declined to 69.7 in December 2023. This still remains below the long-run average of 85.0 and is not expected to reach average until FY 2025-26.
- Florida tourism is a major component of the state's economy. It is expected growth will be 6.4% and 4.9% in FY 2024 and FY 2025 respectively.

The Florida Gulf Coast University (FGCU) Regional Economic Research Institute's Southwest Florida Regional Economic Indicators Report published in January 2024 highlights:

- Southwest Florida's seasonally-adjusted unemployment rate in November 2023 is 3.1%.
- Tourist tax remained 22% below August 2022 as the region is still recovering from Hurricane Ian.
- Taxable sales for October 2023 were down 8% compared to October 2022.
- Mortgage rates remained at their highest levels since 2001, as tighter credit conditions and elevated home prices impact both demand and supply. Existing median home prices have cooled down from July to September 2023 while single-family home sales for the coastal counties have been seeing a decline since May 2023. Coastal counties single-family building permits decreased 18% from October to November 2023 but remain 23% above November 2022. Active listings were 86% above the November 2022 measure as homes are taking longer to sell, though it is uncertain the number of properties that are move-in ready given the effects of Hurricane Ian.
- Airport passenger activity increased 13% percent from November 2022 to November 2023.
- FGCU's report included Florida's Consumer Sentiment Index rose for the third month in a row, improving 1.2 points to 69.5 in December 2023.

### **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 2022 population estimates from the University of Florida, Bureau of Economic Research (BEBR) is 196,742 up from the previous year's estimate of 190,570. It is estimated that 28.2% of the population is in the age range of 45-64 and 38.3% is 65 or older. The U.S. Census Bureau estimates a July 1, 2022 population at 202,661.
- For the eleventh consecutive year, the taxable property value in the County has increased. The increase is 13.2% from the prior year. Of that amount, new construction and other adjustments accounted for -0.7%.
- Unemployment is 3.0% in May 2023 as compared to 2.3% in May 2022.
- The median sales price of an existing single family home in the County was \$380,000 in June 2023, down 5.0% from last year.
- The County reported 456 single family home sales for June 2023 down 16% from June 2022. There were 281 building permits issued in May 2023, down 28 percent from May 2022 and 31 percent over April 2023.
- Seasonally-adjusted real taxable sales totaled \$361.0 million in April 2023, up 2 percent from both April 2022 and March 2023.
- Tourist tax revenues were \$634.2 thousand in May 2023, 11 percent below May 2022.
- The Punta Gorda Airport and Enterprise Charlotte Airport Park (ECAP) continue to represent major economic drivers in the area. The airport's two carriers, Allegiant and Sun Country Airlines, connect passengers to more than 50 nonstop destinations throughout the United States. The airport re-opened one of its runways after a year-long \$15 million construction project. Nineteen new box hangars and 24 new T-hangars are under construction. Florida

Department of Transportation Office of Aviation’s Florida Aviation Economic Impact study revealed that \$1.7 billion in economic impact is brought to the County. There was a decline in passenger count in 2020 due to the pandemic but has since recovered.

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
2023	1,901,819				

- Sunseeker Resort in the Charlotte Harbor Community Redevelopment Area bordering the harbor on the north side of the US 41 South Bridge is nearing completion. It is expected to open in December 2023 with 785 guest rooms, two pools, 60,000 square foot convention space, spa and salon, fitness center, three retail/market shops and 20 dining and bar concepts.
- Parkside Village in Port Charlotte will transform the Promenades Mall site into a small city containing 791 apartments, 600 hotel rooms, and 500,000 square feet of commercial uses. A zoning change was approved to rezone the property from commercial to compact growth mixed use in June 2023.
- 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 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. To-date, over 3,000 homes have sold just as it introduces new neighborhoods, builders, amenities and a second retail center. Ranked the nation’s No. 5 best-selling master-planned community in 2022, Babcock Ranch is America’s first solar-powered town developed with the philosophy that respect for the natural environment, smart growth and sustainability elevate residents’ daily lifestyle.
- West Port Development – Construction is on-going on 450 acres in the western section of Murdock Village for mixed-use development with a maximum of 2,000 single and multi-family units, and commercial uses. Homes continue to be constructed. Arredondo Pointe/Lost Lagoon Development will include a mixture of retail, entertainment, waterpark, 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 an estimated FY 2024 population of 20,608.

- Changes in property values continue to contribute major influence on financial planning and budget preparation. Taxable property values (FY 2024) increased Citywide by 10.9% from the final previous fiscal year, including \$-18 million of new construction, annexation, and changes in exemption. This is the eleventh 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 2006 are shown below.

Year	Units Permitted	Year	Units Permitted	Year	Units Permitted
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	FY 2023	71
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- New multi-family housing unit residential construction has also emerged in the City starting in FY 2012 as shown below.

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	FY 2023	56

- City of Punta Gorda residential development - Vacant vs Developed as of July 2023.

Community	Total Parcels	Developed Residential	Vacant Residential	% Residential Developed
PGI	9,191	8,733	458	95.0%
BSI	1,837	1,696	141	92.3%
BSM	932	782	150	83.9%
Total	11,960	11,211	749	93.7%

- Citywide Master Plan - Dover Kohl & Partners is completed revised 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.
- Parkside Punta Gorda, a 297 unit apartment complex at 26060 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.
- Projects under construction include:
  - Sea Haven - 36 multi-family townhomes on West Marion Avenue
  - Meridian at Punta Gorda Isles - 127 unit assisted living facility on Bal Harbor Blvd
- Projects in planning stages include: two car washes, twelve live/work units on Cooper St, a mixed use development on East Marion Ave, a 180 unit multi-family development on North Marion Ct, an eighteen multi-family development on Purple Martin Dr, a funeral home, and two subdivisions in the Loop area.
- 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 continues to make repairs to damaged buildings, facilities, and infrastructure while working with insurance and FEMA.

## **BASIC FINANCIAL STATEMENTS**

CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF NET POSITION  
September 30, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 55,203,546	\$ 20,251,262	\$ 75,454,808
Receivables (net of allowance for uncollectibles)	1,624,314	1,910,859	3,535,173
Lease Receivable - GASB 87	8,565,799	384,437	8,950,236
Due from other governments	3,528,751	7,584	3,536,335
Internal balances	100,390	(100,390)	0
Inventories	97,075	159,435	256,510
Prepays	18,805	46,805	65,610
Restricted assets:			
Cash and cash equivalents	28,932,162	24,043,982	52,976,144
Capital assets (net of accumulated depreciation):			
Land	16,114,317	5,403,346	21,517,663
Buildings	14,761,589	2,458,190	17,219,779
Improvements other than buildings	7,348,285	1,842,682	9,190,967
Vehicles and equipment	3,775,667	6,209,371	9,985,038
Infrastructure/System	44,297,874	66,089,797	110,387,671
Construction in progress	4,921,567	12,106,437	17,028,004
Right to use assets & Subscriptions	1,984,923	7,692	1,992,615
Total assets	<u>191,275,064</u>	<u>140,821,489</u>	<u>332,096,553</u>
<b>DEFERRED OUTFLOWS</b>			
Deferred outflows related to pensions/OPEB	<u>6,943,354</u>	<u>2,518,196</u>	<u>9,461,550</u>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	2,539,544	4,423,188	6,962,732
Unearned revenue	143,683	0	143,683
Liabilities payable from restricted assets	0	94,215	94,215
Noncurrent liabilities			
Due within one year	2,153,746	896,926	3,050,672
Due in more than one year:			
Bonds, notes, compensated absences	32,501,254	14,936,081	47,437,335
Net pensions/OPEB liability	17,648,369	7,856,973	25,505,342
Net Lease/Subscription based IT arrangements	1,295,466	6,054	1,301,520
Total liabilities	<u>56,282,062</u>	<u>28,213,437</u>	<u>84,495,499</u>
<b>DEFERRED INFLOWS</b>			
Deferred inflows related to pensions/OPEB/Leases	<u>12,940,208</u>	<u>2,739,984</u>	<u>15,680,192</u>
<b>NET POSITION</b>			
Net investment in capital assets	57,203,560	75,849,682	133,053,242
Restricted for:			
Highways and streets	1,824,002	0	1,824,002
Capital projects	17,603,961	0	17,603,961
Debt service	5,005,604	1,161,205	6,166,809
Utilities System Projects	0	3,557,022	3,557,022
CRA District	1,660,823	0	1,660,823
Recreation	10,594,977	0	10,594,977
Public Safety	891,552	0	891,552
Transfer for Seawall/Mitigation projects	23,681,195	0	23,681,195
Other Purposes	196	0	196
Non-expendable	322,872	0	322,872
Unrestricted	<u>10,207,406</u>	<u>31,818,355</u>	<u>42,025,761</u>
Total net position	<u>\$ 128,996,148</u>	<u>\$ 112,386,264</u>	<u>\$ 241,382,412</u>

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF ACTIVITIES  
For the Year Ended September 30, 2023

	Expenses	Indirect Expenses Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Functions/Programs</b>					
Governmental Activities:					
General government	\$11,791,096	\$(3,404,335)	\$ 2,569,154	\$ 5,981,443	\$153,838
Public Safety	15,994,911	0	23,815	120,926	188,511
Transportation	3,507,318	99,590	320,198	0	106,422
Economic environment	231,157	15,915	0	0	1,844,119
Recreation	6,027,857	217,510	5,854,919	36,447	334,983
Interest on long-term debt	167,186	0	0	0	0
<b>Total Governmental Activities</b>	<b>37,719,525</b>	<b>(3,071,320)</b>	<b>8,768,086</b>	<b>6,138,816</b>	<b>2,627,873</b>
Business-type Activities:					
Water and wastewater	18,114,286	2,436,570	21,970,210	0	686,297
Sanitation/refuse	4,338,493	408,780	4,401,234	0	0
Building Fund	1,632,262	187,695	3,219,567	0	0
Marina Fund	452,178	38,275	330,401	10,528	0
<b>Total Business-type Activities</b>	<b>24,537,219</b>	<b>3,071,320</b>	<b>29,921,412</b>	<b>10,528</b>	<b>686,297</b>
<b>Total Functions/Programs</b>	<b>\$62,256,744</b>	<b>\$0</b>	<b>\$38,689,498</b>	<b>\$ 6,149,344</b>	<b>\$ 3,314,170</b>

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
\$ 317,674	\$0	\$ 317,674
(15,661,659)	0	(15,661,659)
(3,180,288)	0	(3,180,288)
1,597,047	0	1,597,047
(19,018)	0	(19,018)
(167,186)	0	(167,186)
<u>(17,113,430)</u>	<u>0</u>	<u>(17,113,430)</u>
0	2,105,651	2,105,651
0	(346,039)	(346,039)
0	1,399,610	1,399,610
0	(149,524)	(149,524)
<u>0</u>	<u>3,009,698</u>	<u>3,009,698</u>
<u>(17,113,430)</u>	<u>3,009,698</u>	<u>(14,103,732)</u>
15,683,418	0	15,683,418
5,325,227	0	5,325,227
6,910,777	0	6,910,777
2,625,556	1,809,884	4,435,440
4,773,589	160,470	4,934,059
<u>35,318,567</u>	<u>1,970,354</u>	<u>37,288,921</u>
18,205,137	4,980,052	23,185,189
110,791,011	107,406,212	218,197,223
<u>\$ 128,996,148</u>	<u>\$ 112,386,264</u>	<u>\$ 241,382,412</u>

CITY OF PUNTA GORDA, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2023

	<u>General</u>	<u>Special Use Fund</u>	<u>Community Redevelopment Agency Fund</u>	<u>P G I Canal Maintenance Fund</u>
ASSETS				
Cash and cash equivalents	\$ 15,576,527	\$ 5,976,754	\$ 1,597,932	\$ 8,427,633
Accounts receivable (net of allowance of \$ 38,236)	877,736	737,313	0	0
Leases	334,595	0	8,231,204	0
Restricted cash and equivalents	23,926,558	0	5,005,604	0
Due from other governments	346,855	2,669,447	0	66,279
Inventories	97,075	0	0	0
Prepaid items	<u>18,805</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total assets	<u>\$41,178,151</u>	<u>\$9,383,514</u>	<u>\$ 14,834,740</u>	<u>\$ 8,493,912</u>

See Accompanying Notes.

Capital Project Fund	1% Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
<u>\$ 2,046,456</u>	<u>\$ 15,348,641</u>	<u>\$ 5,536,924</u>	<u>\$ 54,510,867</u>
0	0	0	1,615,049
0	0	0	8,565,799
0	0	0	28,932,162
75,000	261,429	109,741	3,528,751
0	0	0	97,075
<u>0</u>	<u>0</u>	<u>0</u>	<u>18,805</u>
<u><u>\$ 2,121,456</u></u>	<u><u>\$ 15,610,070</u></u>	<u><u>\$ 5,646,665</u></u>	<u><u>\$ 97,268,508</u></u>

(Continued)

CITY OF PUNTA GORDA, FLORIDA

BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2023  
(Continued)

LIABILITIES AND FUND BALANCES	General	Special Use Fund	Community Redevelopment Agency Fund	P G I Canal Maintenance Fund
Accounts payable	\$ 559,651	\$278,807	\$ 14,465	\$ 614,707
Retainage payable	0	0	0	64,725
Accrued liabilities	483,185	0	0	21,745
Due to other funds	0	0	0	0
Due to other governments	3,535	0	0	0
Unearned revenue	128,395	0	15,288	0
Total liabilities	<u>1,174,766</u>	<u>278,807</u>	<u>29,753</u>	<u>701,177</u>
 Deferred Inflows of Resources				
Deferred inflows from leases	<u>315,154</u>	<u>0</u>	<u>8,048,653</u>	<u>0</u>
 Fund balances				
Nonspendable:				
Inventories, prepaids, lease receivable	135,321	0	182,551	0
Permanent fund principal	0	0	0	0
Restricted for:				
Police programs	116,772	0	0	0
General government	0	0	0	0
Transportation/Mobility	0	0	0	0
Recreation	0	0	0	7,792,735
CRA district	0	0	1,568,179	0
CRA district debt service	0	0	5,005,604	0
Capital projects	0	0	0	0
Transfer for Seawall/Mitigation project	23,681,195	0	0	0
Other purposes	196	0	0	0
Committed for:				
Damages and one-time expenditures	0	9,104,707	0	0
Assigned to:				
Subsequent years' budget	7,786,339	0	0	0
Unassigned	7,968,408	0	0	0
Total fund balances	<u>39,688,231</u>	<u>9,104,707</u>	<u>6,756,334</u>	<u>7,792,735</u>
Total liabilities				
and fund balances	<u>\$ 41,178,151</u>	<u>\$9,383,514</u>	<u>\$ 14,834,740</u>	<u>\$ 8,493,912</u>

See Accompanying Notes.

Capital Project Fund	1% Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
\$ 67,745	\$ 23,743	\$ 229,019	\$ 1,788,137
19,370	16,707	11,622	112,424
0	0	0	504,930
0	0	0	0
0	0	0	3,535
0	0	0	143,683
<u>87,115</u>	<u>40,450</u>	<u>240,641</u>	<u>2,552,709</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>8,363,807</u>
0	0	0	317,872
0	0	5,000	5,000
0	0	774,780	891,552
0	0	0	0
0	0	1,824,002	1,824,002
0	0	2,802,242	10,594,977
0	0	0	1,568,179
0	0	0	5,005,604
2,034,341	15,569,620	0	17,603,961
0	0	0	23,681,195
0	0	0	196
0	0	0	9,104,707
0	0	0	7,786,339
0	0	0	7,968,408
<u>2,034,341</u>	<u>15,569,620</u>	<u>5,406,024</u>	<u>86,351,992</u>
<u>\$ 2,121,456</u>	<u>\$ 15,610,070</u>	<u>\$ 5,646,665</u>	<u>\$ 97,268,508</u>

CITY OF PUNTA GORDA, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
September 30, 2023

(Continued)

Total fund balance - governmental funds (page 28) \$ 86,351,992

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 \$91,219,299 less amount included in internal services \$196,289.	91,023,010
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 \$5,902,614 less Internal Service Fund \$81,966.	5,820,648
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 \$1,040,740 less Internal Service Fund \$50,906.	989,834
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.	315,602
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.	360,414
Cumulative effect of business type portion of internal services	100,390
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 \$9,187,351 less amount included in internal services \$30,490.	(9,156,861)
Proceeds from Loans are Capitalized in the Government wide Statements but is not a financial resource.	(25,000,000)
Liabilities established by implementation of GASB Statements No.'s 87 and 96 are not recognized on the government funds, however they are recorded on the the statement of net position.	(254,771)
Pension plans when unfunded are a liability on the statement of net position but are not a financial use. Total Pension Plans payable 12,091,053 less amount included in internal services \$198,885.	(11,892,168)
Other Post Employment Benefit plans when unfunded are a liability on the statement but are not a financial use. Total OPEB Plans payable \$5,557,316 less amount included in internal services \$271,825. Plus Actuarial Fees non-current \$1,598.	(5,287,089)
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 \$455,858 less Internal Service Fund \$0.	(455,858)
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 \$4,120,543 less Internal Service Fund \$201,548.	(3,918,995)
Net position of governmental activities (page 22)	<u>\$ 128,996,148</u>

See Accompanying Notes.



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CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Fiscal Year Ended September 30, 2023

	General	Special Use Fund	Community Redevelopment Agency Fund	P G I Canal Maintenance Fund
<b>Revenues</b>				
Taxes	\$ 20,021,078	\$0	\$0	\$0
Permits, fees and special assessments	2,071,096	0	0	4,963,829
Intergovernmental revenues	3,486,489	5,115,354	1,844,119	152,529
Charges for services	459,880	0	0	0
Judgments, fines and forfeits	23,179	0	0	0
Miscellaneous	5,268,690	3,871,368	786,323	324,491
<b>Total revenues</b>	<b>31,330,412</b>	<b>8,986,722</b>	<b>2,630,442</b>	<b>5,440,849</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	6,907,861	3,185,087	0	0
Public safety	13,750,767	0	0	0
Transportation	1,012,858	0	0	0
Economic environment	0	0	245,092	0
Recreation	1,568,252	0	0	2,725,080
Capital outlay	1,396,934	106,971	98	1,348,453
<b>Debt service</b>				
Principal retirement	117,381	6,462	0	0
Interest and fiscal charges	5,868	204	0	0
<b>Total expenditures</b>	<b>24,759,921</b>	<b>3,298,724</b>	<b>245,190</b>	<b>4,073,533</b>
<b>Excess expenditures (over) under revenues</b>	<b>6,570,491</b>	<b>5,687,998</b>	<b>2,385,252</b>	<b>1,367,316</b>

See Accompanying Notes.



Capital Project Fund	1% Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
\$0	\$ 4,555,950	\$ 987,567	\$ 25,564,595
0	0	1,306,764	8,341,689
75,000	0	95,108	10,768,599
0	0	316,376	776,256
0	0	0	23,179
12,101	573,769	240,671	11,077,413
<u>87,101</u>	<u>5,129,719</u>	<u>2,946,486</u>	<u>56,551,731</u>
0	0	0	10,092,948
32,015	0	0	13,782,782
0	0	1,752,389	2,765,247
1,980	0	0	247,072
0	0	530,559	4,823,891
1,437,284	2,085,503	262,180	6,637,423
0	0	1,426,000	1,549,843
0	0	158,278	164,350
<u>1,471,279</u>	<u>2,085,503</u>	<u>4,129,406</u>	<u>40,063,556</u>
<u>(1,384,178)</u>	<u>3,044,216</u>	<u>(1,182,920)</u>	<u>16,488,175</u>

(Continued)

CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Fiscal Year Ended September 30, 2023  
(Continued)

	General	Special Use Fund	Community Redevelopment Agency Fund	P G I Canal Maintenance Fund
Expenditures (continued)				
Excess expenditures (over) under revenues	6,570,491	5,687,998	2,385,252	1,367,316
Other financing sources (uses)				
Transfers in	190,555	0	1,180,844	1,227,881
Transfers out	(4,362,364)	(241,645)	(1,584,278)	0
Proceeds from Debt/ Leases/ SBITA Financing	25,295,025	80,753	0	0
Total other financing sources (uses)	21,123,216	(160,892)	(403,434)	1,227,881
Net change in fund balances	27,693,707	5,527,106	1,981,818	2,595,197
Fund balances, October 1, 2022	11,994,524	3,577,601	4,774,516	5,197,538
Fund balances, September 30, 2023	<u>\$39,688,231</u>	<u>\$9,104,707</u>	<u>\$6,756,334</u>	<u>\$ 7,792,735</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>(1,384,178)</u>	<u>3,044,216</u>	<u>(1,182,920)</u>	<u>16,488,175</u>
1,612,111	0	2,146,917	6,358,308
0	(90,000)	(80,021)	(6,358,308)
<u>0</u>	<u>0</u>	<u>0</u>	<u>25,375,778</u>
<u>1,612,111</u>	<u>(90,000)</u>	<u>2,066,896</u>	<u>25,375,778</u>
227,933	2,954,216	883,976	41,863,953
<u>1,806,408</u>	<u>12,615,404</u>	<u>4,522,048</u>	<u>44,488,039</u>
<u>\$ 2,034,341</u>	<u>\$15,569,620</u>	<u>\$ 5,406,024</u>	<u>\$86,351,992</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, 2023

Net change in fund balances -- total governmental funds (page 34) \$ 41,863,953

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.	1,702,250
Issuance of line of credit proceeds, not included on statement of revenues, expenditures and changes in fund balances.	(25,000,000)
Repayment of the principal of long-term debt \$1,426,000 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.	1,426,000
Net activity from the recognition of the effects of the Implimentation of GASB statement no. 96, Subscription based IT arrangements.	3,906
Leases payable is not a use of current economic resources and is not reportable in the governmental fund statements.	(115)
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 \$141,810.	(141,810)
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.	(88,341)
Changes in net pension obligations are only reported in the Statement of Activities.	(1,664,231)
Changes in net OPEB obligations are only reported in the Statement of Activities.	<u>103,525</u>
Change in net position of governmental activities (page 24)	<u><u>\$ 18,205,137</u></u>

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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		(Negative)
Revenues				
Taxes	\$ 19,398,780	\$ 19,398,780	\$ 20,021,078	\$ 622,298
Permits, fees and special assessments	1,712,300	1,712,300	2,071,096	358,796
Intergovernmental revenue	3,244,680	2,950,308	3,486,489	536,181
Charges for services	422,045	422,045	459,880	37,835
Judgments, fines and forfeits	20,235	20,235	23,179	2,944
Miscellaneous	3,997,445	4,023,936	5,268,690	1,244,754
Total revenues	<u>28,795,485</u>	<u>28,527,604</u>	<u>31,330,412</u>	<u>2,802,808</u>
Expenditures				
Current				
General government	8,665,405	8,215,304	6,907,861	1,307,443
Public safety	13,856,780	14,638,402	13,750,767	887,635
Transportation	1,164,730	1,128,829	1,012,858	115,971
Recreation	1,729,955	1,721,101	1,568,252	152,849
Capital Outlay	1,045,030	2,315,775	1,396,934	918,841
Debt service				
Principal retirement Leases & SBITA's	0	0	117,381	(117,381)
Interest leases & SBITA's	0	0	5,868	(5,868)
Total expenditures	<u>26,461,900</u>	<u>28,019,411</u>	<u>24,759,921</u>	<u>3,259,490</u>
Excess revenues over (under) expenditures	<u>2,333,585</u>	<u>508,193</u>	<u>6,570,491</u>	<u>6,062,298</u>
Other financing sources (uses)				
Transfers in	744,055	918,817	190,555	(728,262)
Transfers out	(2,966,535)	(60,779,185)	(4,362,364)	56,416,821
Loan Proceeds/Leases/SBITA's	0	57,825,150	25,295,025	(32,530,125)
Total other financing uses	<u>(2,222,480)</u>	<u>(2,035,218)</u>	<u>21,123,216</u>	<u>23,158,434</u>
Net change in fund balances	<u>\$ 111,105</u>	<u>\$ (1,527,025)</u>	27,693,707	<u>\$ 29,220,732</u>
Fund balances, October 1, 2022			<u>11,994,524</u>	
Fund balances, September 30, 2023			<u>\$ 39,688,231</u>	

See Accompanying Notes.

CITY OF PUNTA GORDA, FLORIDA  
SPECIAL USE FUND SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$2,445,907	\$5,120,527	\$5,115,354	(\$5,173)
Miscellaneous	5,000	4,795,477	3,871,368	(924,109)
Total revenues	<u>2,450,907</u>	<u>9,916,004</u>	<u>8,986,722</u>	<u>(929,282)</u>
Expenditures				
Current				
General Government	0	340,000	3,185,087	(2,845,087)
Capital Outlay	0	0	106,971	(106,971)
Debt Service				
Interest on GASB 87 Leases	0	0	204	(204)
Principal on GASB 87 Leases	0	0	6,462	(6,462)
Total expenditures	<u>0</u>	<u>340,000</u>	<u>3,298,724</u>	<u>(2,958,724)</u>
Revenues over (under) expenditures	<u>2,450,907</u>	<u>9,576,004</u>	<u>5,687,998</u>	<u>(3,888,006)</u>
Other financing sources (uses)				
Proceeds from leases	0	0	80,753	80,753
Transfers out	(914,095)	(3,417,569)	(241,645)	3,175,924
Total other financing uses	<u>(914,095)</u>	<u>(3,417,569)</u>	<u>(160,892)</u>	<u>3,256,677</u>
Net change in fund balance	<u>\$ 1,536,812</u>	<u>\$ 6,158,435</u>	5,527,106	<u>\$ (631,329)</u>
Fund balances, October 1, 2022			<u>3,577,601</u>	
Fund balances, September 30, 2023			<u>\$ 9,104,707</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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 1,876,700	\$ 1,876,700	\$ 1,844,119	\$ (32,581)
Miscellaneous	391,265	391,265	786,323	395,058
Total revenues	<u>2,267,965</u>	<u>2,267,965</u>	<u>2,630,442</u>	<u>362,477</u>
Expenditures				
Economic environment	721,040	1,000,492	245,092	755,400
Capital outlay	0	223,178	98	223,080
Total expenditures	<u>721,040</u>	<u>1,223,670</u>	<u>245,190</u>	<u>978,480</u>
Excess revenues over expenditures	<u>1,546,925</u>	<u>1,044,295</u>	<u>2,385,252</u>	<u>1,340,957</u>
Other financing sources (uses)				
Transfers in	1,176,535	1,176,535	1,180,844	4,309
Transfers out	(1,584,280)	(1,584,280)	(1,584,278)	2
Total other financing uses	<u>(407,745)</u>	<u>(407,745)</u>	<u>(403,434)</u>	<u>4,311</u>
Net change in fund balances	<u>\$ 1,139,180</u>	<u>\$ 636,550</u>	1,981,818	<u>\$ 1,345,268</u>
Fund balances, October 1, 2022			<u>4,774,516</u>	
Fund balances, September 30, 2023			<u>\$ 6,756,334</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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Permits, fees and special assessments	\$ 4,941,440	\$ 4,941,440	\$ 4,963,829	\$ 22,389
Intergovernmental revenues	0	7,825,150	152,529	(7,672,621)
Miscellaneous	10,920	10,920	324,491	313,571
<b>Total revenues</b>	<b>4,952,360</b>	<b>12,777,510</b>	<b>5,440,849</b>	<b>(7,336,661)</b>
<b>Expenditures</b>				
<b>Current</b>				
Recreation	5,216,960	5,695,917	2,725,080	2,970,837
Capital Outlay	15,000	55,666,190	1,348,453	54,317,737
<b>Total expenditures</b>	<b>5,231,960</b>	<b>61,362,107</b>	<b>4,073,533</b>	<b>57,288,574</b>
<b>Revenues over/(under) expenditures</b>	<b>(279,600)</b>	<b>(48,584,597)</b>	<b>1,367,316</b>	<b>49,951,913</b>
<b>Other financing sources (uses)</b>				
Transfers in	0	55,241,020	1,227,881	(54,013,139)
Transfers out	0	(7,981,660)	0	7,981,660
<b>Total other financing uses</b>	<b>0</b>	<b>47,259,360</b>	<b>1,227,881</b>	<b>(46,031,479)</b>
<b>Net change in fund balance</b>	<b>\$ (279,600)</b>	<b>\$ (1,325,237)</b>	<b>2,595,197</b>	<b>\$ 3,920,434</b>
<b>Fund balances, October 1, 2022</b>			<b>5,197,538</b>	
<b>Fund balances, September 30, 2023</b>			<b>\$ 7,792,735</b>	

See Accompanying Notes.





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CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2023

ASSETS	Business-type Activities Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 14,308,855	\$1,359,585
Accounts and refund receivable (net of allowance of \$316,013)	1,536,442	330,868
Lease Receivable-GASB 87	384,437	0
Due from other governments	0	0
Inventories	159,435	0
Prepaid items	0	0
Restricted cash and cash equivalents	24,002,257	0
Total current assets	40,391,426	1,690,453
<b>NONCURRENT ASSETS</b>		
Capital assets, net of accumulated depreciation	92,861,795	1,022,962
Right to Use Assets and Subscriptions, net	7,692	0
Prepaid rent	28,276	0
Total noncurrent assets	92,897,763	1,022,962
Total assets	133,289,189	2,713,415
<b>DEFERRED OUTFLOWS</b>		
Deferred outflows related to pensions/OPEB	1,797,142	441,589

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
\$3,943,599	\$ 639,223	\$ 20,251,262	\$ 692,679
0	43,549	1,910,859	9,265
0	0	384,437	0
5,204	2,380	7,584	0
0	0	159,435	0
0	18,529	18,529	0
<u>21,498</u>	<u>20,227</u>	<u>24,043,982</u>	<u>0</u>
<u>3,970,301</u>	<u>723,908</u>	<u>46,776,088</u>	<u>701,944</u>
178,537	46,529	94,109,823	196,289
0	0	7,692	1,624,509
<u>0</u>	<u>0</u>	<u>28,276</u>	<u>0</u>
<u>178,537</u>	<u>46,529</u>	<u>94,145,791</u>	<u>1,820,798</u>
<u>4,148,838</u>	<u>770,437</u>	<u>140,921,879</u>	<u>2,522,742</u>
<u>279,465</u>	<u>0</u>	<u>2,518,196</u>	<u>132,872</u>

CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2023  
(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	3,225,117	305,553
Retainage payable	282,572	646
Lease/Subscriptions Payable	1,637	0
Notes payable	30,678	0
Current portion of revenue notes payable	808,164	0
Accumulated unused compensated absences	41,743	10,112
Accrued liabilities	428,147	39,019
Accrued interest subscriptions	0	0
Total payable from current assets	4,818,058	355,330
Payable from restricted assets		
Customer deposits	52,490	0
Total payable from restricted assets	52,490	0
Total current liabilities	4,870,548	355,330
NONCURRENT LIABILITIES		
Revenue notes payable	14,428,061	0
Accrued compensated absences	375,689	91,007
Pension/OPEB benefits payable	5,613,025	1,384,579
Lease/Subscriptions payable	6,054	0
Total noncurrent liabilities	20,422,829	1,475,586
Total liabilities	25,293,377	1,830,916
DEFERRED INFLOWS		
Deferred inflows related to pensions/OPEB/Leases	2,068,156	425,491
NET POSITION		
Net investment in capital assets	77,625,569	1,022,962
Restricted for debt service	1,161,205	0
Utilities systems projects	14,628,685	0
Unrestricted	14,309,339	(124,365)
Total net position	\$ 107,724,798	\$ 898,597
Cumulative adjustment for internal service fund activities		
Net position of business-type activities		

See Accompanying Notes.

(Continued)

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
75,806	33,193	3,639,669	65,975
4,716	0	287,934	0
0	0	1,637	426,025
0	0	30,678	0
0	0	808,164	0
4,592	0	56,447	3,049
28,419	0	495,585	26,596
0	0	0	33,513
<u>113,533</u>	<u>33,193</u>	<u>5,320,114</u>	<u>555,158</u>
21,498	20,227	94,215	0
<u>21,498</u>	<u>20,227</u>	<u>94,215</u>	<u>0</u>
<u>135,031</u>	<u>53,420</u>	<u>5,414,329</u>	<u>555,158</u>
0	0	14,428,061	0
41,324	0	508,020	27,441
859,369	0	7,856,973	470,710
0	0	6,054	1,085,155
<u>900,693</u>	<u>0</u>	<u>22,799,108</u>	<u>1,583,306</u>
<u>1,035,724</u>	<u>53,420</u>	<u>28,213,437</u>	<u>2,138,464</u>
<u>246,337</u>	<u>0</u>	<u>2,739,984</u>	<u>201,548</u>
178,537	46,529	78,873,597	196,289
0	0	1,161,205	0
0	0	14,628,685	0
<u>2,967,705</u>	<u>670,488</u>	<u>17,823,167</u>	<u>119,313</u>
<u>\$3,146,242</u>	<u>\$ 717,017</u>	112,486,654	<u>\$ 315,602</u>
		<u>(100,390)</u>	
		<u>\$ 112,386,264</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, 2023

	Business-type Activities	
	Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
Operating revenue		
Charges for services	\$ 21,970,210	\$ 4,351,033
Licenses and permits	0	50,201
Operating grants	0	0
Miscellaneous	99,625	13,874
Total operating revenues	22,069,835	4,415,108
Operating expenses		
Personnel services	7,006,003	1,723,218
Contractual services	484,980	1,618,124
Materials and supplies	2,027,504	223,215
Utilities	1,378,625	819
Depreciation/Subscription Amortization	5,438,867	360,880
Insurance	425,410	42,789
Administrative charges	2,958,060	435,420
Repairs and maintenance	486,071	337,400
Travel and training	29,912	2,151
Rent	88,551	1,775
Total operating expenses	20,323,983	4,745,791
Operating income	1,745,852	(330,683)
Nonoperating revenues (expenses)		
Interest income	1,575,696	51,984
Insurance proceeds	16,884	0
Interest expense and fiscal charges/subscriptions	(197,858)	0
Gain (loss) on disposition of capital assets	0	0
Total nonoperating revenues (expenses)	1,394,722	51,984
Income (loss) before transfers and contributions	3,140,574	(278,699)
Totals carried forward	3,140,574	(278,699)

See Accompanying Notes.

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
\$ 188,625	\$ 330,401	\$ 26,840,269	\$ 2,213,284
3,030,942	0	3,081,143	0
0	10,528	10,528	0
15,379	14,706	143,584	589
<u>3,234,946</u>	<u>355,635</u>	<u>30,075,524</u>	<u>2,213,873</u>
1,131,435	0	9,860,656	883,057
294,152	247,925	2,645,181	483,864
41,635	18,406	2,310,760	188,290
5,260	76,413	1,461,117	8,939
18,916	11,347	5,830,010	456,287
10,890	17,972	497,061	21,652
296,657	42,275	3,732,412	-
5,341	57,051	885,863	138,531
4,513	0	36,576	25,685
5,096	18,841	114,263	95,612
<u>1,813,895</u>	<u>490,230</u>	<u>27,373,899</u>	<u>2,301,917</u>
<u>1,421,051</u>	<u>(134,595)</u>	<u>2,701,625</u>	<u>(88,044)</u>
151,560	30,644	1,809,884	0
0	0	16,884	0
0	0	(197,858)	(35,096)
0	0	0	(1,981)
<u>151,560</u>	<u>30,644</u>	<u>1,628,910</u>	<u>(37,077)</u>
<u>1,572,611</u>	<u>(103,951)</u>	<u>4,330,535</u>	<u>(125,121)</u>
<u>1,572,611</u>	<u>(103,951)</u>	<u>4,330,535</u>	<u>(125,121)</u>

(Continued)

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	3,140,574	(278,699)
Capital grants and contributions	686,297	0
Change in net position	3,826,871	(278,699)
Total net position - beginning	103,897,927	1,177,296
Total net position - ending	\$ 107,724,798	\$ 898,597

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
<u>Building Fund</u>	<u>Marina Fund</u>	<u>Total</u>	<u>Funds</u>
<u>1,572,611</u>	<u>(103,951)</u>	<u>4,330,535</u>	<u>(125,121)</u>
<u>0</u>	<u>0</u>	<u>686,297</u>	<u>0</u>
1,572,611	(103,951)	5,016,832	(125,121)
<u>1,573,631</u>	<u>820,968</u>		<u>440,723</u>
<u>\$ 3,146,242</u>	<u>\$ 717,017</u>		<u>\$ 315,602</u>
		<u>(36,780)</u>	
		<u>\$ 4,980,052</u>	

CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended September 30, 2023

	Business-type Activities Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 21,528,024	\$ 4,273,307
Cash received from operating grants	0	0
Cash payments to suppliers for goods and services	(7,696,238)	(2,642,161)
Cash payments to employees for services	(6,853,399)	(1,655,003)
Cash received/payments for other government (pass-through)	0	0
Other receipts	115,499	64,075
Net cash provided (used) by operating activities	7,093,886	40,218
<b>CASH FLOWS USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition of property, plant and equipment	(7,474,721)	(43)
Principal paid on debt	(797,977)	0
Interest and fiscal charges paid	(201,616)	0
Financing Activity GASB 87 Lease	0	0
Contributions	422,992	0
Insurance proceeds	16,884	0
Net cash provided (used) in capital and related financing activities	(8,034,438)	(43)
Totals carried forward	(940,552)	40,175

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
\$ 3,216,402	\$ 326,642	\$ 29,344,375	\$ 2,213,284
0	10,180	10,180	0
(670,799)	(489,293)	(11,498,491)	560,777
(970,114)	0	(9,478,516)	(843,909)
(718,257)	0	(718,257)	0
15,379	14,706	209,659	(8,676)
<u>872,611</u>	<u>(137,765)</u>	<u>7,868,950</u>	<u>1,921,476</u>
(44,540)	(22,912)	(7,542,216)	(2,012,711)
0	0	(797,977)	0
0	0	(201,616)	(1,583)
0	0	0	0
0	0	422,992	0
<u>0</u>	<u>0</u>	<u>16,884</u>	<u>0</u>
<u>(44,540)</u>	<u>(22,912)</u>	<u>(8,101,933)</u>	<u>(2,014,294)</u>
<u>828,071</u>	<u>(160,677)</u>	<u>(232,983)</u>	<u>(92,818)</u>

CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended September 30, 2023  
(Continued)

	Business-type Activities Enterprise Funds	
	Water and Wastewater Utility	Sanitation/ Refuse Fund
Totals brought forward	(940,552)	40,175
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received	<u>1,576,078</u>	<u>51,984</u>
Net cash provided by investing activities	<u>1,576,078</u>	<u>51,984</u>
Net increase (decrease) in cash and cash equivalents	635,526	92,159
Balances - beginning of the year	<u>37,675,586</u>	<u>1,267,426</u>
Balances - end of year	<u>\$ 38,311,112</u>	<u>\$ 1,359,585</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 1,745,852	\$ (330,683)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	5,438,867	360,880
Net (increase) decrease in:		
Receivables	(532,538)	(77,726)
Lease receivables	27,926	0
Inventories	(27,965)	0
Prepays	26,594	1,254
Net increase (decrease) in:		
Accounts payable	176,554	18,278
Lease payables/Subscription Payables	7,642	0
Accrued liabilities	91,840	17,472
Customer deposits	5,865	0
Due to other government	0	0
Change in net pension/OPEB liability	(371,652)	(69,935)
Change in deferred outflows related to pensions/OPEB	865,371	201,069
Change in deferred inflows related to pensions/OPEB/Leases	<u>(360,470)</u>	<u>(80,391)</u>
Net cash provided by (used) in operating activities	<u>\$ 7,093,886</u>	<u>\$ 40,218</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>		
Financing GASB 87 Capital Lease	\$ 8,547	\$0
Disposal of fully depreciated capital assets	27,390	0

See Accompanying Notes.

Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
Building Fund	Marina Fund	Total	
828,071	(160,677)	(232,983)	(92,818)
<u>151,560</u>	<u>30,644</u>	<u>1,810,266</u>	<u>0</u>
<u>151,560</u>	<u>30,644</u>	<u>1,810,266</u>	<u>0</u>
979,631	(130,033)	1,577,283	(92,818)
<u>2,985,466</u>	<u>789,483</u>	<u>42,717,961</u>	<u>785,497</u>
<u>\$ 3,965,097</u>	<u>\$ 659,450</u>	<u>\$ 44,295,244</u>	<u>\$ 692,679</u>
\$ 1,421,051	\$ (134,595)	\$ 2,701,625	\$ (88,044)
18,916	11,347	5,830,010	456,287
(5,204)	(897)	(616,365)	(9,265)
0	0	27,926	
0	0	(27,965)	0
0	(16,439)	11,409	1,646
(7,255)	6,029	193,606	10,524
0	0	7,642	1,511,180
16,422	0	125,734	3,114
2,039	(3,210)	4,694	0
(718,257)	0	(718,257)	0
5,958	0	(435,629)	2,298
120,286	0	1,186,726	(20,841)
<u>18,655</u>	<u>0</u>	<u>(422,206)</u>	<u>54,577</u>
<u>\$ 872,611</u>	<u>\$ (137,765)</u>	<u>\$ 7,868,950</u>	<u>\$ 1,921,476</u>
\$0	\$0	\$0	\$1,973,985
0	0	0	100,543

CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
September 30, 2023

	<u>Pension Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,001,332
Receivables: Investment income	124,206
Investments, at fair value	
U.S. Bonds and Bills	8,412,553
Federal Agency Guaranteed Securities	8,850,722
Corporate Bonds	2,995,127
Stocks	1,564,524
Mutual Funds	
Fixed Income	8,828,245
Equity	52,348,927
Pooled/Common/Commingled Funds:	
Real Estate	<u>9,199,268</u>
Total investments at fair value	<u>92,199,366</u>
Total assets	<u>93,324,904</u>
<b>LIABILITIES</b>	
Payables	
Investment & Admin Expenses	<u>41,285</u>
Total liabilities	<u>41,285</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u><u>\$ 93,283,619</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, 2023

	Pension Funds
<b>ADDITIONS</b>	
Contributions	
Employer	\$ 2,665,351
Plan members	781,187
Buy-Back	87,943
State	547,232
Total contributions	4,081,713
Investment earnings	
Net increase (decrease) in fair value of investments	5,791,346
Interest and dividends	2,826,931
Less investment expense <sup>1</sup>	(198,436)
Net investment income (loss)	8,419,841
Total additions	12,501,554
<b>DEDUCTIONS</b>	
Benefit payments, including	
refunds of member contributions	5,047,721
Lump sum DROP and share distributions	398,362
Administrative expense	177,564
Total deductions	5,623,647
Net increase (decrease) in net position	6,877,907
Net position restricted for pensions	
Beginning of year	86,405,712
End of year	\$ 93,283,619

<sup>1</sup>Investment 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, 2023

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, 2023

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, 2023

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.

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.

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, 2023

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, 2023

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, 2023.

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, 2023

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 13.2% of total General Fund expenditure. 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 \$3,404,335 for fiscal year 2023. 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, 2023

I. Organization and Summary of Significant Accounting Policies, Continued

L. New accounting standards

In fiscal year 2023, Statement No. 96, "Subscription-Based Information Technology Arrangements" was implemented. Statement No's. 91, "Conduit debt Obligations" and 94, "Public-Private-Public Partnerships and Availability Payment Arrangements", were not applicable to the city at this time. Statement No. 99, "Omnibus 2022." The requirements related to leases, PPP's, and SBITA's was implemented during the fiscal year ending September 30, 2023.

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 \$9,156,861 difference are as follows:

Noncurrent liabilities	\$9,187,351
Less: Internal Service Fund accumulated unused compensated absences included in Internal Service Fund consolidation	(30,490)
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities - Noncurrent liabilities	\$9,156,861

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 \$1,702,250 difference are as follows

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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

Capital outlay	\$ 6,637,423
Depreciation	(4,315,624)
Net effect of misc. capital transactions (disposal, sale, trade-in of assets)	<u>(619,549)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,702,250</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 \$1,426,000 difference are as follows:

Principal repayments:	
Capital Improvement revenue notes	<u>\$ 1,426,000</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,426,000</u>

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, 2023.

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, 2023 totaled \$144,203,216 including grant awards and 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, 2023

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, 2023 the carrying amounts of the City's deposits were \$45,211,249 and the bank balances were \$45,690,945. 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, 2023, 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, 2023

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, 2023 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 \$83,214,970.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, 2023:

<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	\$ 1,942,757
Wastewater System Capacity Escrow Account - reserved to pay for future expansion of the sewage treatment system	1,644,991
State Revolving Loan Fund Reserve - maintained at the level required by the loan documents	1,161,216
Water, Building and Marina Deposit Escrow Accounts - escrow accounts established for maintaining customer deposits for utility service and building permits	94,215
Utilities Construction Account - reserved for payment of the costs of new projects and major repairs of existing assets	17,647,240
Utilities Renewal and Replacement Fund	1,500,000
Special Assessments - District #4 - established to account for assessments levied for utility expansion	<u>53,563</u>
	<u><u>\$ 24,043,982</u></u>

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, 2023:

General Fund:

Cash and Cash Equivalents	
Law enforcement activities	\$ 116,772
Transfer for Seawall/Mitigation projects	\$ 23,681,195
Other purposes	196
Unearned revenue	128,395
	<u>\$ 23,926,558</u>

CRA Fund:

Cash and Cash Equivalents for debt service	<u>\$ 5,005,604</u>
	<u>\$ 28,932,162</u>

C. Interfund Asset/Liabilities/Transfers

	<u>Asset</u>	<u>Liability</u>
Cumulative effect of internal service funds	<u>\$ 100,390</u>	<u>\$ 100,390</u>
Statement of Net Position	<u>\$ 100,390</u>	<u>\$ 100,390</u>

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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 General Fund to the Canal District Funds was from financing proceeds for Hurricane Ian repairs. 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 and land development update and Ponce Park improvements.

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

	Transfer In	Transfer Out
Governmental Funds		
General Fund	\$ 190,555	\$ 4,362,364
Debt Service Fund	1,584,278	0
1% Sales Tax	0	90,000
Community Redevelopment	1,180,844	1,584,278
Capital Projects Fund	1,612,111	0
PGI Canal Maintenance Fund	1,227,881	0
Nonmajor Governmental funds	562,639	321,666
Net Governmental Funds	\$ 6,358,308	\$ 6,358,308

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

D. Capital assets

Capital assets activity for the year ended September 30, 2023 was as follows:

	Beginning Balance	Reclass/ Increases	Reclass/ Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 16,427,590	\$0	(\$313,273)	\$ 16,114,317
Construction in progress	3,857,753	5,584,275	(4,520,461)	4,921,567
Total capital assets, not being depreciated	<u>20,285,343</u>	<u>5,584,275</u>	<u>(4,833,734)</u>	<u>21,035,884</u>
Capital assets, being depreciated:				
Buildings	26,193,654	0	(6,398)	26,187,256
Right to use assets, buildings	98,712	80,753	0	179,465
Subscription-Based IT arrangements	-	2,269,010	0	2,269,010
Improvements other than buildings	13,701,635	2,980,877	0	16,682,512
Infrastructure	116,776,985	258,017	0	117,035,002
Vehicles and equipment	14,721,125	2,071,004	(541,134)	16,250,995
Right to use assets, vehicles	26,160	0	(10,034)	16,126
Total capital assets, being depreciated	<u>171,518,271</u>	<u>7,659,661</u>	<u>(557,566)</u>	<u>178,620,366</u>
Less accumulated depreciation for:				
Buildings	(10,715,172)	(713,055)	2,560	(11,425,667)
Right to use assets, buildings	(12,339)	(55,817)	0	(68,156)
Subscription-Based IT arrangements	-	(400,785)	-	(400,785)
Improvements other than buildings	(8,596,960)	(737,267)	0	(9,334,227)
Infrastructure	(70,866,725)	(1,870,403)	0	(72,737,128)
Vehicles and equipment	(11,912,771)	(1,101,710)	539,153	(12,475,328)
Right to use assets, vehicles	(10,681)	(10,090)	10,034	(10,737)
Total accumulated depreciation	<u>(102,114,648)</u>	<u>(4,889,127)</u>	<u>551,747</u>	<u>(106,452,028)</u>
Total capital assets, being depreciated, net	<u>69,403,623</u>	<u>2,770,534</u>	<u>(5,819)</u>	<u>72,168,338</u>
Governmental activities capital assets, net	<u>\$ 89,688,966</u>	<u>\$ 8,354,809</u>	<u>\$ (4,839,553)</u>	<u>\$ 93,204,222</u>

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

D. Capital assets, continued

	Beginning Balance	Reclass/ Increases	Reclass/ Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 5,403,346	\$0	\$0	\$ 5,403,346
Construction in progress	5,414,663	8,412,820	(1,721,046)	12,106,437
Total capital assets, not being depreciated	<u>10,818,009</u>	<u>8,412,820</u>	<u>(1,721,046)</u>	<u>17,509,783</u>
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	133,211,684	1,296,723	0	134,508,407
Vehicles and equipment	15,765,074	1,520,774	(27,390)	17,258,458
Right to use asset, equipment	0	8,547	0	8,547
Total capital assets, being depreciated	<u>195,113,264</u>	<u>2,826,044</u>	<u>(27,390)</u>	<u>197,911,918</u>
Less accumulated depreciation for:				
Buildings	(25,007,763)	(418,481)	0	(25,426,244)
Improvements other than buildings	(16,067,056)	(342,334)	0	(16,409,390)
System Infrastructure	(64,815,139)	(3,603,471)	0	(68,418,610)
Vehicles and equipment	(9,611,607)	(1,464,870)	27,390	(11,049,087)
Right to use asset, equipment	-	(855)	0	(855)
Total accumulated depreciation	<u>(115,501,565)</u>	<u>(5,830,011)</u>	<u>27,390</u>	<u>(121,304,186)</u>
Total capital assets, being depreciated, net	<u>79,611,699</u>	<u>(3,003,967)</u>	<u>0</u>	<u>76,607,732</u>
Business-type activities capital assets, net	<u>\$ 90,429,708</u>	<u>\$ 5,408,853</u>	<u>\$ (1,721,046)</u>	<u>\$ 94,117,515</u>

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

<b>Governmental activities:</b>	
General government	\$ 1,557,703
Public safety	767,857
Transportation	954,811
Recreation	1,152,469
Internal service funds	456,287
Total depreciation expense -- governmental activities	<u>\$ 4,889,127</u>
<b>Business-type activities:</b>	
Public utilities	\$ 5,438,868
Sanitation/refuse collection	360,880
Building	18,915
Marina	11,348
Total depreciation expense -- business-type activities	<u>\$ 5,830,011</u>

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, 2023:

	Governmental Activities - Long-Term Debt					
	Capital Improvement Revenue Notes	Pension Benefits Payable	OPEB Benefits Payable	Compensated Absences	Right to Use Leases & SBITA's	Total
Debt payable at October 1, 2022	\$ 9,605,000	\$ 14,494,505	\$5,193,368	\$ 761,322	\$ 101,402	\$30,155,597
Debt issued	25,000,000	0	0	0		25,000,000
Debt retired	(1,426,000)	0	0	0		(1,426,000)
Additions	0	608,955	618,967	221,759	2,349,764	3,799,445
Deductions	0	(3,012,407)	(255,019)	(76,132)	(586,649)	(3,930,207)
September 30, 2023 (net)	<u>\$33,179,000</u>	<u>\$ 12,091,053</u>	<u>\$5,557,316</u>	<u>\$ 906,949</u>	<u>\$ 1,864,517</u>	<u>\$53,598,835</u>
Due within one year	\$ 1,494,000	\$0	\$0	\$ 90,695	\$ 569,051	\$ 2,153,746
Due in more that one year	\$31,685,000	\$ 12,091,053	\$5,557,316	\$ 816,254	\$ 1,295,466	\$51,445,089

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, \$30,490 of compensated absences, \$198,885 of pension benefits payable and \$271,825 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, 2023

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	Right to Use Leases & SBITA's	Total
\$ 16,034,201	\$ 30,678	\$ 5,400,841	\$ 2,891,761	\$ 472,858	\$ -	\$ 24,830,339
0	0	0	0	0	0	0
(797,976)	0	0	0	0	0	(797,976)
0	0	323,937	356,580	138,894	8,547	827,958
0	0	(1,069,306)	(46,840)	(47,285)	(856)	(1,164,287)
<u>\$ 15,236,225</u>	<u>\$ 30,678</u>	<u>\$ 4,655,472</u>	<u>\$ 3,201,501</u>	<u>\$ 564,467</u>	<u>\$ 7,691</u>	<u>\$ 23,696,034</u>
\$ 808,164	\$ 30,678	\$0	\$0	\$ 56,447	\$ 1,637	\$ 896,926
\$ 14,428,061	\$0	\$ 4,655,472	\$ 3,201,501	\$ 508,020	\$ 6,054	\$ 22,799,108

CITY OF PUNTA GORDA, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2023

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

Bonds, notes, capital leases and accrued compensated absences payable at September 30, 2023 are comprised of the following:

Governmental Activities

Revenue Notes - Direct Borrowings

\$50,000,000 Line of Credit, this non-revolving line of credit was issued to fund the seawall repairs needed as a result of Hurricane Ian. The line of credit was issued on August 25, 2023, to be repaid from FEMA & State Disaster reimbursements expected in FY 2024 or beyond and PGI Canal Maintenance District assessments. Interest is payable semi-annually at 80% of SOFR plus 65%. The unused line of credit remaining and available is \$25,000,000

\$ 25,000,000

\$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.

8,179,000

Total revenue notes payable 33,179,000

Less current maturities (1,494,000)

Noncurrent portion, revenue notes payable \$ 31,685,000

The City's outstanding notes from direct borrowings related to governmental activities of \$8,179,000 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, 2023

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, Continued

Business-type Activities

Water and Wastewater Utility Revenue Notes - Direct Borrowings

<p>\$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.</p>	<p>\$ 15,236,225</p>
<p>Total revenue notes payable</p>	<p style="border-top: 1px solid black;">15,236,225</p>
<p>Less current maturities</p>	<p style="border-top: 1px solid black;">(808,164)</p>
<p>Noncurrent portion, revenue notes payable</p>	<p style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 14,428,061</p>

Water and Wastewater Utility Notes Payable

<p>Noninterest-bearing advance from a local governmental agency, payable upon collection of specified sewer impact fees anticipated to be collected in the future.</p>	<p style="border-bottom: 3px double black;">\$ 30,678</p>
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The City's outstanding notes from direct borrowings related to business-type activities of \$15,236,225 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, 2023

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

The annual requirements to amortize all debts outstanding as of September 30, 2023 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	
2024	\$ 1,494,000	\$ 132,290	\$ 808,164	\$ 191,429	\$ 30,678
2025	26,561,000	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	1,785,000	15,887	850,238	149,354	0
2029-2033	0	0	4,416,870	581,094	0
2034-2038	0	0	4,706,261	291,703	0
2039-2043	0	0	1,967,757	31,428	0
<b>Total</b>	<b>\$ 33,179,000</b>	<b>\$ 376,924</b>	<b>\$ 15,236,225</b>	<b>\$ 1,756,852</b>	<b>\$ 30,678</b>

	Compensated Absences		Pensions Payable	OPEB Payable	Leases/SBITA's Payable		Totals
	Current Portion	Noncurrent Portion			Current Portion	Noncurrent Portion	
Governmental Activities	\$ 90,695	\$ 816,254	\$ 12,091,053	\$ 5,557,316	\$ 569,051	\$ 1,295,466	\$ 20,419,835
Business-type Activities	56,447	508,020	4,655,469	3,201,501	1,637	6,054	\$ 8,421,437
	<b>\$ 147,142</b>	<b>\$ 1,324,274</b>	<b>\$ 16,746,522</b>	<b>\$ 8,758,817</b>	<b>\$ 570,688</b>	<b>\$ 1,301,520</b>	<b>\$ 28,841,272</b>

The amounts included in governmental activities for internal service funds are \$3,049 current portion of compensated absences, \$27,441 noncurrent portion compensated absences, \$198,885 pension benefits payable and \$271,825 of OPEB benefits payable.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

Fiscal Year Ending September 30	Principal and Interest Requirements to Maturity- Leases & SBITA'S		
	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 569,051	\$ 58,410	\$ 627,461
2025	495,637	41,323	536,960
2026	446,364	26,215	472,579
2027	201,255	11,541	212,796
2028	152,210	4,934	157,144
Total	<u>\$ 1,864,517</u>	<u>\$ 142,423</u>	<u>\$ 2,006,940</u>

Fiscal Year Ending September 30	Principal and Interest Requirements to Maturity-GASB 87 Leases		
	Business Type Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 1,637	\$ 173	\$ 1,810
2025	1,678	133	1,811
2026	1,719	92	1,811
2027	1,761	49	1,810
2028	897	8	905
Total	<u>\$ 7,692</u>	<u>\$ 455</u>	<u>\$ 8,147</u>

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, 2023, the value of the lease liability is \$37,457. 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, 2023 of \$98,713 with accumulated amortization of \$61,695 is included in the Governmental Activities right to use asset note.

On August 1, 2023, the City of Punta Gorda entered into a 25 month lease as Lessee for the use of Towles Plaza Suite #113. An initial lease liability was recorded in the amount of \$80,753. As of September 30, 2023, the value of the lease liability is \$74,290. The City of Punta Gorda is required to make monthly fixed payments of \$3,333. The lease has an interest rate of 3.158%. The value of the right to use asset as of September 30, 2023 of \$80,753 with accumulated amortization of \$6,460 is included with buildings on the lease class activities in the capital assets schedule above.

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, 2023, the value of the lease liability is \$2,407. 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, 2023 of \$5,130 with accumulated amortization of \$2,700 is included in the Governmental right to use asset note.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

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, 2023, the value of the lease liability is \$2,208. 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, 2023 of \$10,997 with accumulated amortization of \$8,038 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, 2023, the value of the lease liability is \$0. The City is required to make monthly fixed payments of \$489. The lease had an interest rate of 0.3280%. The value of the right to asset as of September 30, 2020 is \$10,034 with accumulated amortization of \$10,034 included in the Governmental right to use asset note. The lease had a guaranteed residual value payment of \$19,306. The City exercised its option to purchase the vehicle for \$19,306. The right to use asset and its accumulated amortization were removed from the right to use assets in the capital assets schedule and was added to the vehicles and equipment category on the schedule.

On April 1, 2023 the City of Punta Gorda, Utilities entered into a 60 month lease as Lessee for the use of Quadient Leasing IX-5 Series Postage Meter. An initial lease liability was recorded in the amount of \$8,547. As of September 30, 2023, the value of the lease liability is \$7,692. Punta Gorda is required to make quarterly fixed payments of \$453. The lease has an interest rate of 2.45%. The value of the right to use asset as of September 30, 2023 of \$8,547 with accumulated amortization of \$855 is included with equipment on the leases on the Business Type assets capital assets schedule.

On October 1, 2022, the City of Punta Gorda entered into a 65 month subscription for the use of Axon – Car Camera. An initial subscription liability was recorded in the amount of \$222,131. As of September 30, 2023, the value of the subscription liability is \$188,398. Punta Gorda is required to make annual fixed payments of \$38,151. The subscription has an interest rate of 3.409%. The value of the right to use asset as of September 30, 23 of \$222,131 with accumulated amortization of \$40,841 is included with subscriptions in the capital asset schedule.

On April 1, 2023, City of Punta Gorda entered into a 36 month subscription for the use of IAPro Software. An initial subscription liability was recorded in the amount of \$13,427. As of September 30, 2023, the value of the subscription liability is \$8,927. City of Punta Gorda, FL is required to make annual fixed payments of \$4,500. The subscription has an interest rate of 0.5420%. The value of the right to use asset as of September 30, 2023 of \$13,427 with accumulated amortization of \$2,238 is included with subscriptions in the capital asset schedule.

On September 1, 2023, City of Punta Gorda, FL entered into a 36 month subscription for the use of DebtBook Subscription. An initial subscription liability was recorded in the amount of \$32,036. As of September 30, 2023, the value of the subscription liability is \$21,036. City of Punta Gorda, FL is required to make annual fixed payments of \$11,000. The subscription has an interest rate of 3.0410%. The value of the right to use asset as of September 30, 2023 of \$32,036 with accumulated amortization of \$890 is included with subscriptions in the capital asset schedule.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

On December 12, 2022, City of Punta Gorda entered into a 36 month subscription for the use of PowerDMS Digital Management Software. An initial subscription liability was recorded in the amount of \$27,431. As of September 30, 2023, the value of the subscription liability is \$18,613. City of Punta Gorda is required to make annual fixed payments of \$8,817. The subscription has an interest rate of 0.5550%. The value of the right to use asset as of September of \$27,431 with accumulated amortization of \$7,340 is included with subscriptions in the capital asset schedule.

On October 1, 2022, the City of Punta Gorda entered into a 48 month subscription for the use of Granicus Renewal. An initial subscription liability was recorded in the amount of \$105,439. As of September 30, 2023, the value of the subscription liability is \$77,739. Punta Gorda is required to make annual fixed payments of \$27,700. The subscription has an interest rate of 3.4090%. The value of the right to use asset as of September 30, 2023 of \$105,439 with accumulated amortization of \$26,360 is included with subscriptions in the capital asset schedule.

On October 1, 2022, Punta Gorda entered into a 57 month subscription for the use of Quest - KACE Systems. An initial subscription liability was recorded in the amount of \$44,194. As of September 30 2023, the value of the subscription liability is \$26,998. City of Punta Gorda, FL is required to make annual fixed payments of \$8,900. The subscription has an interest rate of 3.4450%. The value of the right to use asset as of September 30, 2023 of \$44,194 with accumulated amortization of \$9,229 is included with subscriptions in the capital asset schedule.

On February 16, 2023, Punta Gorda entered into a 48 month subscription for the use of Quest Maintenance. An initial subscription liability was recorded in the amount of \$5,086. As of September 30, 2023, the value of the subscription liability is \$3,761. City of Punta Gorda, FL is required to make annual fixed payments of \$1,325. The subscription has an interest rate of 2.8160%. The value of the right to use asset as of September 30, 2023 of \$5,086 with accumulated amortization of \$795 is included with subscriptions in the capital asset schedule.

On January 2, 2023, Punta Gorda entered into a 72 month subscription for the use of Social Media Archiving Subscription. An initial subscription liability was recorded in the amount of \$29,580. As of September 30, 2023, the value of the subscription liability is \$24,792. Punta Gorda is required to make annual fixed payments of \$4,788. The subscription has an interest rate of 2.8540%. The value of the right to use asset as of September 30, 2023 of \$29,580 with accumulated amortization of \$3,684 is included with subscriptions in the capital asset schedule.

On October 1, 2022, Punta Gorda entered into a 24 month subscription for the use of Granicus Clearcaster Software. An initial subscription liability was recorded in the amount of \$107,415. As of September 30, 2023, the value of the subscription liability is \$55,138. Punta Gorda is required to make annual fixed payments of \$52,277. The subscription has an interest rate of 3.3470%. The value of the right to use asset as of September 30, 2023 of \$107,415 with accumulated amortization of \$53,708 is included with subscriptions in the capital asset schedule.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

On May 9, 2023, Punta Gorda entered into a 48 month subscription for the use of ESO Subscription. An initial subscription liability was recorded in the amount of \$74,320. As of September 30, 2023, the value of the subscription liability is \$55,884. Punta Gorda is required to make annual fixed payments of \$18,436. The subscription has an interest rate of 2.4670%. The value of the right to use asset as of September 30, 2023 of \$74,320 with accumulated amortization of \$7,329 is included with subscriptions in the capital asset schedule.

On May 1, 2023, Punta Gorda entered into a 72 month subscription for the use of Adobe Acrobat Pro. An initial subscription liability was recorded in the amount of \$86,636. As of September 30, 2023, the value of the subscription liability is \$71,327. Punta Gorda is required to make annual fixed payments of \$15,343. The subscription has an interest rate of 2.4780%. The value of the right to use asset as of September 30, 2023 of \$86,636 with accumulated amortization of \$6,016 is included with subscriptions in the capital asset schedule.

On April 16, 2023, Punta Gorda entered into a 72 month subscription for the use of VMware Subscription. An initial subscription liability was recorded in the amount of \$134,766. As of September 30, 2023, the value of the subscription liability is \$110,909. Punta Gorda is required to make annual fixed payments of \$23,858. The subscription has an interest rate of 2.4780%. The value of the right to use asset as of September 30, 2023 of \$134,766 with accumulated amortization of \$10,295 is included with subscriptions in the capital asset schedule.

On June 2, 2023, Punta Gorda entered into a 36 month subscription for the use of VMware Carbon Black Endpoint. An initial subscription liability was recorded in the amount of \$39,096. As of September 30, 2023, the value of the subscription liability is \$28,957. Punta Gorda is required to make annual fixed payments of \$10,139. The subscription has an interest rate of 2.5030%. The value of the right to use asset as of September 30, 2023 of \$39,096 with accumulated amortization of \$4,308 is included with subscriptions in the capital asset schedule.

On June 24, 2023, Punta Gorda entered into a 36 month subscription for the use of KnowBe4 Security Awareness Training Subscription. An initial subscription liability was recorded in the amount of \$17,784. As of September 30, 2023, the value of the subscription liability is \$11,807. Punta Gorda is required to make annual fixed payments of \$5,976. The subscription has an interest rate of 0.8170%. The value of the right to use asset as of September 30, 2023 of \$17,784 with accumulated amortization of \$1,597 is included with subscriptions in the capital asset schedule.

On May 4, 2023, Punta Gorda entered into a 72 month subscription for the use of Rubrik Upgraded Enterprise. An initial subscription liability was recorded in the amount of \$565,346. As of September 30, 2023, the value of the subscription liability is \$478,046. Punta Gorda is required to make annual fixed payments of \$87,300. The subscription has an interest rate of 3.5290%. The value of the right to use asset as of September 30, 2023 of \$565,346 with accumulated amortization of \$38,475 is included with subscriptions in the capital asset schedule.

On November 20, 2022, Punta Gorda entered into a 48 month subscription for the use of Siteimprove Subscription. An initial subscription liability was recorded in the amount of \$27,096. As of September 30, 2023, the value of the subscription liability is \$21,315. Punta Gorda is required to make annual fixed payments of \$5,781. The subscription has an interest rate of 3.4090%. The value of the right to use asset as of September 30, 2023 of \$27,096 with accumulated amortization of \$5,852 is included with subscriptions in the capital asset schedule.



CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

E. Long-Term Debt, continued

On October 1, 2022, Punta Gorda entered into a 48 month subscription for the use of NaviLine Software. An initial subscription liability was recorded in the amount of \$697,848. As of September 30, 2023, the value of the subscription liability is \$514,518. Punta Gorda is required to make annual fixed payments of \$183,330. The subscription has an interest rate of 3.4090%. The value of the right to use asset as of September 30, 2023 of \$697,848 with accumulated amortization of \$174,462 is included with subscriptions in the capital asset schedule.

On August 29, 2023, Punta Gorda entered into a 48 month subscription for the use of ESO Scheduling. An initial subscription liability was recorded in the amount of \$4,706. As of September 30, 2023, the value of the subscription liability is \$3,531. Punta Gorda is required to make annual fixed payments of \$1,175. The subscription has an interest rate of 2.9260%. The value of the right to use asset as of September 30, 2023 of \$4,706 with accumulated amortization of \$105 is included with subscriptions in the capital asset schedule.

On October 1, 2022, Punta Gorda entered into a 59 month subscription for the use of Citrix Cloud Subscription. An initial subscription liability was recorded in the amount of \$17,323. As of September 30, 2023, the value of the subscription liability is \$13,207. Punta Gorda is required to make annual fixed payments of \$4,709. The subscription has an interest rate of 3.4450%. The value of the right to use asset as of September 30, 2023 of \$17,323 with accumulated amortization of \$3,469 is included with subscriptions in the capital asset schedule.

On November 16, 2022, Punta Gorda entered into a 48 month subscription for the use of SCW Veritas Essential. An initial subscription liability was recorded in the amount of \$17,349. As of September 30, 2023, the value of the subscription liability is \$13,253. Punta Gorda is required to make annual fixed payments of \$4,096. The subscription has an interest rate of 3.2540%. The value of the right to use asset as of September 30, 2023 of \$17,349 with accumulated amortization of \$3,795 is included with subscriptions in the capital asset schedule.

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, 2023 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 2023 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:

CITY OF PUNTA GORDA, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2023

IV. Detailed notes on all funds, Continued

F. Property taxes, continued

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.

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, 2023, the value of the lease receivable is \$7,658,073. 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, 2023 was \$7,489,615, 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, 2023, the value of the lease receivable is \$211,999. 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, 2023 was \$209,236, and City of Punta Gorda recognized lease revenue of \$2,756 during the fiscal year.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds

G. Lease Receivables and Deferred Inflow of Resources, continued

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, 2023, the value of the lease receivable is \$51,942. 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, 2023 was \$49,931, 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, 2023, the value of the lease receivable is \$37,569. 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, 2023 was \$35,860, 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, 2023, the value of the lease receivable is \$1,575. 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, 2023 was \$1,542, 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, 2023, the value of the lease receivable is \$1,587. 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, 2023 was \$0, and City of Punta Gorda recognized lease revenue of \$15,351 during the fiscal year.

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, 2023, the value of the lease receivable is \$334,595. 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, 2023 was \$315,154, 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, 2023, the value of the lease receivable is \$384,437. 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, 2023 was \$366,193, and City of Punta Gorda recognized lease revenue of \$36,619 during the fiscal year.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

G. Lease Receivables and Deferred Inflow of Resources, continued

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, 2023, the value of the lease receivable is \$36,202. 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, 2023 was \$35,268, and City of Punta Gorda recognized lease revenue of \$13,226 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, 2023, the value of the lease receivable is \$54,733. 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, 2023 was \$53,562, and City of Punta Gorda recognized lease revenue of \$18,364 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, 2023, the value of the lease receivable is \$177,526. 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, 2023 was \$173,549, and City of Punta Gorda recognized lease revenue of \$44,310 during the fiscal year.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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](http://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, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

*Plan Membership as of October 1, 2022:*

Inactive plan members or beneficiaries currently receiving benefits	160
Inactive plan members entitled to but not yet receiving benefits	16
Active plan members	<u>45</u>
	<u>221</u>

Current membership as of September 30, 2023 is comprised of the following:

Retirees receiving benefits	136
Vested terminated employees	17
Beneficiaries	10
DROP	16
Active employees	
Fully-vested	40
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 1/15<sup>th</sup> per year prior to age 60.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, 2023:

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, 2023

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, 2023 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.65 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, 2023 is \$1,621,223.

Net Pension Liability

The measurement date is September 30, 2023.

The measurement period for the pension expense was October 1, 2022 to September 30, 2023. The reporting period is October 1, 2022 through September 30, 2023.

The Sponsor's Net Pension Liability was measured as of September 30, 2023.

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, 2023 were as follows:

Total Pension Liability	\$	59,846,595
Plan Fiduciary Net Position		<u>(50,787,220)</u>
Sponsor's Net Pension Liability	\$	<u>9,059,375</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability		84.86%

*Actuarial Assumptions:*

The total pension liability was determined by an actuarial valuation as of October 1, 2022 updated to September 30, 2023 using the following actuarial assumptions:



CITY OF PUNTA GORDA, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2023

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.

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 2023 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, 2023 are summarized in the following table:

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NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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 <sup>1</sup>
Domestic Equity	7.50%
International Equity	8.50%
Broad Market Fixed Income	2.50%
Fixed Income (Non-Core)	2.50%
Real Estate	4.50%

<sup>1</sup>Source 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 (6.75 percent) was applied to all periods of projected benefit payments to determine the total pension liability.

No projected benefit payments were discounted using a high-quality municipal bond rate of 4.87 percent. The high-quality municipal bond rate was based on the daily rate closest to, but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index.

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at September 30, 2022	\$ 58,653,139	\$ 47,989,028	\$ 10,664,111
Changes for a Year:			
Service Cost	515,390	0	515,390
Interest	3,879,862	0	3,879,862
Differences between Expected and Actual Experience	176,385	0	176,385
Changes of assumptions	0	0	0
Contributions - Employer	0	1,831,740	(1,831,740)
Contributions - Employee	0	249,093	(249,093)
Net Investment Income	0	4,171,307	(4,171,307)
Benefit Payments, including Refunds of Employee Contributions	(3,378,181)	(3,378,181)	0
Administrative Expense	0	(75,767)	75,767
Net Changes	1,193,456	2,798,192	(1,604,736)
Balances at September 30, 2023	\$ 59,846,595	\$ 50,787,220	\$ 9,059,375

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Sponsor's Net Pension Liability	\$ 15,236,828	\$ 9,059,375	\$ 3,806,963

For the year ended September 30, 2023, the Sponsor will recognize a Pension Expense of \$2,227,324.

On September 30, 2023, 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	\$88,193	\$ 0
Changes of assumptions	0	0
Net Difference between Projected and Actual Earnings on Pension Plan Investments	3,645,423	0
Total	<u>\$ 3,733,616</u>	<u>\$ 0</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:	
2024	\$ 862,984
2025	1,028,269
2026	2,038,041
2027	(195,678)
2028	0
Thereafter	0

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

Valuation Date: 10/01/2021

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 for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. We feel 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 non-special-risk employees, with appropriate adjustments made based on plan demographics.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

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:	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 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.
Amortization Method:	New UAAL amortization bases are amortized over a 15-year period. The amortization payment is subject to a minimum based on a 30-year amortization of the UAAL in order to comply with Actuarial Standard of Practice No.4. Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(a) General Employees' Pension Plan, continued

Low-Default-Risk Obligation Measure: Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.87% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2023. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

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%
56-59	1.00%	7.5%
60	0.00%	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  
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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, 2022:*

Inactive plan members or beneficiaries currently receiving benefits	41
Inactive plan members entitled to but not yet receiving benefits	9
Active plan members	<u>35</u>
	<u>85</u>

Current membership as of September 30, 2023 is comprised of the following:

Retirees receiving benefits	29
Vested terminated employees	4
Vested Due Refund	7
Beneficiaries	2
Disability benefits	6
DROP	4
Active employees	
Fully-vested	22
Non-vested	13

*Benefits Provided*

The Plan provides retirement, termination, disability and death benefits. A summary of the benefit provisions can be found in the October 1, 2022 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 earned prior to March 1, 2023 plus 3.25% of Average Final Compensation times Credited Service earned on and after March 1, 2023.

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, 2023

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 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 earned prior to March 1, 2023 plus 3.25% of Average Final Compensation times Credited Service earned on and after March 1, 2023, 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:

Allocation: Each year, 50% of State Monies received in excess of \$200,000 is allocated to the Share Plan. Investment Earnings: Net rate of investment return, for each Police Officer employed on the preceding September 30. Distribution: Lump sum payment at retirement, termination, disability, or death.

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, 2023:

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



CITY OF PUNTA GORDA, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

*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, 2023 the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 12.95 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 retirement requirements.

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, 2023 is \$756,475.

Net Pension Liability

The measurement date is September 30, 2023.

The measurement period for the pension expense was October 1, 2022 to September 30, 2023.

The reporting period is October 1, 2022 through September 30, 2023.

The Sponsor's Net Pension Liability was measured as of September 30, 2023.

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, 2023 were as follows:

Total Pension Liability	\$	26,452,404
Plan Fiduciary Net Position		(21,956,158)
Sponsor's Net Pension Liability	\$	4,496,246
Plan Fiduciary Net Position as a percentage of Total Pension Liability		83.00%

*Actuarial Assumptions:*

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2022 updated to September 30, 2023 using the following actuarial assumptions:

CITY OF PUNTA GORDA, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2023

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 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.

75% of active 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 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 2023 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, 2023, as provided by AndCo Consulting, are summarized in the following table:

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

<sup>1</sup> Source: AndCo Consulting

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

Discount Rate:

The single equivalent Discount Rate 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 (7.00 percent) was applied to all periods of projected benefit payments to determine the Total Pension Liability. No projected benefit payments were discounted using a high-quality municipal bond rate of 4.87 percent. The high-quality municipal bond rate was based on the daily rate closest to, but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at September 30, 2022	\$ 25,022,702	\$ 19,560,609	\$ 5,462,093
Changes for a Year:			
Service Cost	610,300	0	610,300
Interest	1,752,498	0	1,752,498
Share Plan Allocation	37,674	0	37,674
Differences between Expected and Actual Experience	19,940	0	19,940
Changes of assumptions	0	0	0
Contributions-Buy Back	75,356	75,356	0
Changes of benefit terms	128,560	0	128,560
Contributions - Employer	0	480,967	(480,967)
Contributions - State	0	275,348	(275,348)
Contributions - Employee	0	266,277	(266,277)
Net Investment Income	0	2,546,395	(2,546,395)
Benefit Payments, including Refunds of Employee Contributions	(1,194,626)	(1,194,626)	0
Administrative Expense	0	(54,168)	54,168
Net Changes	1,429,702	2,395,549	(965,847)
Balances at September 30, 2022	<u>\$ 26,452,404</u>	<u>\$ 21,956,158</u>	<u>\$ 4,496,246</u>

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

	Current Discount		
	1% Decrease	Rate	1% Increase
	6.00%	7.00%	8.00%
Sponsor's Net Pension Liability	\$ 7,556,798	\$ 4,496,246	\$ 1,963,939

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, 2023, the Sponsor will recognize a Pension Expense of \$1,534,688.

On September 30, 2023, 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 Actual and Expected Experience	\$ 334,339	\$ 0
Changes of assumptions	0	0
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,419,402	0
Total	\$ 1,753,741	\$ 0

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:	
2024	\$ 461,624
2025	565,165
2026	963,438
2027	(236,486)
2028	0
Thereafter	0

Valuation Date: 10/01/2021

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, 2021 Actuarial Valuation for the City of Punta Gorda Police Officers' Retirement System prepared by Foster & Foster Actuaries and Consultants.

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 6.20% assumption.

Mortality: *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

CITY OF PUNTA GORDA, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

*Healthy Retiree Lives:* Female: PubS.H-2010 for Healthy Retirees, set forward one year. Male: PubS.H-2010 for Healthy Retirees, set forward one year.

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

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

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

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

Termination Rates: 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 4 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.

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.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(b) Municipal Police Officers' Pension Plan, continued

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.

Amortization Method: New UAAL amortization bases are amortized over the following amortization periods: Assumption/Method Changes – 20 Years and Benefit Changes – 30 Years. The amortization payment is subject to a minimum based on 30-year amortization of the UAAL in order to comply with Actuarial Standard of Practice No. 4. Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Low-Default-Risk Obligation Method: Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.87% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2023. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

Termination and Disability Rate Table:	% Becoming Disabled		% Terminating
	Age	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:	Salary Scale	
	Service	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, 2023

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, 2022:*

Inactive plan members or beneficiaries currently receiving benefits	22
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>28</u>
	<u>54</u>

Current membership as of September 30, 2023 is comprised of the following:

Retirees receiving benefits	16
Vested terminated employees	2
Vested Due Refund	2
Beneficiaries	1
Disability benefits	6
DROP	0
Active employees	
Fully-vested	22
Non-vested	10

*Benefits Provided*

The Plan provides retirement, termination, disability and death benefits. A summary of the benefit provisions can be found in the October 1, 2022 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, 2023

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% for service earned prior to 10/1/2021 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, 2023:



CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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%
Real Estate	10.00%
Infrastructure	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.

*Rate of Return:*

For the year ended September 30, 2023 the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 8.99 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. Rate of return: Actual net rate of investment return credited each fiscal quarter. Distribution: Lump sum (options available) at termination of employment. The DROP balance as of September 30, 2023 is \$1,188,521.

Net Pension Liability

The measurement date is September 30, 2023.

The measurement period for the pension expense was October 1, 2022 to September 30, 2023.

The reporting period is October 1, 2022 through September 30, 2023.

The Sponsor's Net Pension Liability was measured as of September 30, 2023.

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, 2023 were as follows:

Total Pension Liability	\$ 23,731,142
Plan Fiduciary Net Position	(20,540,241)
Sponsor's Net Pension Liability	\$ 3,190,901
Plan Fiduciary Net Position as a percentage of Total Pension Liability	86.55%

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, 2022 Updated to September 30, 2023 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	6.00%
Discount Rate	7.45%
Long-Term Rate of Return	7.45%

*Mortality Rate Healthy Active Lives:*

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

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

*Mortality Rate Healthy Retiree Lives:*

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

Male: PubS.H-2010 (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 deaths are assumed to be service-incurred.

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 2023 the inflation rate assumption of the investment advisor was 2.50%.

CITY OF PUNTA GORDA, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
 September 30, 2023

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, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return<sup>1</sup></u>
Domestic Equity	7.50%
International Equity	8.50%
Domestic Fixed Income	2.50%
Real Estate	4.50%
Infrastructure	4.50%
Total	

<sup>1</sup>Source AndCo Consulting

Discount Rate:

The single equivalent 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 (7.45%) was applied to all periods of projected benefit payments to determine the Total Pension Liability. No projected benefit payments were discounted using a high-quality municipal bond rate of 4.87 percent. The high-quality municipal bond rate was based on the daily rate closest to, but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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, 2022	\$ 22,625,216	\$ 18,856,075	\$ 3,769,141
Changes for a Year:			
Service Cost	713,133	0	713,133
Interest	1,705,230	0	1,705,230
Share Plan Allocation	62,478	0	62,478
Differences between Expected and Actual Experience	(514,226)	0	(514,226)
Changes of assumptions	0	0	0
Changes of benefit terms	0	0	0
Contributions - Employer	0	352,644	(352,644)
Contributions - State	0	271,884	(271,884)
Contributions - Employee	0	265,817	(265,817)
Contributions - buy Back	12,587	12,587	0
Net Investment Income	0	1,702,139	(1,702,139)
Benefit Payments, including Refunds of Employee Contributions	(873,276)	(873,276)	0
Administrative Expense	0	(47,629)	47,629
Net Changes	1,105,926	1,684,166	(578,240)
Balances at September 30, 2023	<u>\$ 23,731,142</u>	<u>\$ 20,540,241</u>	<u>\$ 3,190,901</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	\$ 5,886,187	\$ 3,190,901	\$ 932,721

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

For the year ended September 30, 2023, the Sponsor will recognize a Pension Expense of \$1,364,239.

On September 30, 2023, 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 Actual and Expected Experience	\$ 687,751	\$428,520
Changes of assumptions	232,508	27,338
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,413,644	0
Total	\$ 2,333,903	\$ 455,858

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:	
2024	\$ 403,772
2025	552,144
2026	1,050,625
2027	(42,792)
2028	(85,704)
Thereafter	0

Valuation Date: 10/01/2021

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.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

	<p><i>Disabled Lives:</i> 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.</p> <p>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.</p>
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.
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. The assumption is based on plan provisions taking into account the size of the plan. 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. The assumption is based on the results of an experience study dated September 10, 2020 and taking into account expectations of future increases.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(c) Municipal Firefighters' Pension Plan, continued

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 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.

Amortization Method: New UAAL amortization bases are amortized over 15 years. The amortization payment is subject to a minimum based on a 30-year amortization of the UAAL in order to comply with Actuarial Standard of Practice No. 4, as recently amended. Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Funding Method: Entry Age Normal Actuarial Cost Method. The following loads are applied for determining the minimum required contribution: Interest – None, based on current 7.45% assumption and Salary – A full year, based on current 6.00% assumption.

Low-Default-Risk Obligation Measure: Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.87% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2023. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

**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%		

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
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IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

(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 \$1,831,740, Municipal Police Officers' pension plan \$480,967, Municipal Firefighters' pension plan \$352,644 for fiscal year ended September 30, 2023.



CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

Pension balances at September 30, 2023 were as follows:

	General Employees' Pension Plan	Municipal Police Officers' Pension Plan	Municipal Firefighters' Pension Plan	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 313,537	\$ 252,160	\$ 435,635	\$ 1,001,332
Receivables: Investment income	92,961	31,245	0	124,206
Investments, at fair value				
U.S. Bonds and Bills	5,848,594	2,563,959	0	8,412,553
Federal Agency Guaranteed Securities	6,262,461	2,588,261	0	8,850,722
Corporate Bonds	2,118,470	876,657	0	2,995,127
Stocks	1,564,524	0	0	1,564,524
Mutual Funds				
Fixed Income	5,202,033	365,859	3,260,353	8,828,245
Equity	24,104,792	15,290,307	12,953,828	52,348,927
Pooled/Common/Commingled Funds: Real Estate	5,303,343	0	3,895,925	9,199,268
Total investments at fair value	<u>50,404,217</u>	<u>21,685,043</u>	<u>20,110,106</u>	<u>92,199,366</u>
Total assets	<u>50,810,715</u>	<u>21,968,448</u>	<u>20,545,741</u>	<u>93,324,904</u>
<b>LIABILITIES</b>				
Payables				
Investment & Admin Expenses	<u>23,495</u>	<u>12,290</u>	<u>5,500</u>	<u>41,285</u>
Total liabilities	<u>23,495</u>	<u>12,290</u>	<u>5,500</u>	<u>41,285</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u><u>\$ 50,787,220</u></u>	<u><u>\$ 21,956,158</u></u>	<u><u>\$ 20,540,241</u></u>	<u><u>\$ 93,283,619</u></u>

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

Pension activity for the year ended September 30, 2023 was as follows:

	General Employees' Pension Plan	Municipal Police Officers' Pension Plan	Municipal Firefighters' Pension Plan	Total
<b>ADDITIONS</b>				
Contributions				
Employer	\$ 1,831,740	\$ 480,967	\$ 352,644	\$ 2,665,351
Plan Members	249,093	266,277	265,817	781,187
Buy-Back	0	75,356	12,587	87,943
State	0	275,348	271,884	547,232
Total contributions	<u>2,080,833</u>	<u>1,097,948</u>	<u>902,932</u>	<u>4,081,713</u>
Investment income				
Net Increase (decrease) in fair value of investments	2,613,564	2,131,298	1,046,484	5,791,346
Interest and dividends	1,669,856	466,734	690,341	2,826,931
Less investment expense <sup>1</sup>	<u>(112,113)</u>	<u>(51,637)</u>	<u>(34,686)</u>	<u>(198,436)</u>
Net investment income (loss)	<u>4,171,307</u>	<u>2,546,395</u>	<u>1,702,139</u>	<u>8,419,841</u>
Total additions	<u>6,252,140</u>	<u>3,644,343</u>	<u>2,605,071</u>	<u>12,501,554</u>
<b>DEDUCTIONS</b>				
Benefit payments, including				
refunds of member contributions	2,979,819	1,194,626	873,276	5,047,721
Lump sum DROP and share distributions	398,362	0	0	398,362
Administrative expense	<u>75,767</u>	<u>54,168</u>	<u>47,629</u>	<u>177,564</u>
Total deductions	<u>3,453,948</u>	<u>1,248,794</u>	<u>920,905</u>	<u>5,623,647</u>
Net increase (decrease) in net position	2,798,192	2,395,549	1,684,166	6,877,907
<b>NET POSITION RESTRICTED FOR PENSIONS</b>				
Beginning of year	<u>47,989,028</u>	<u>19,560,609</u>	<u>18,856,075</u>	<u>86,405,712</u>
End of year	<u>\$ 50,787,220</u>	<u>\$ 21,956,158</u>	<u>\$ 20,540,241</u>	<u>\$ 93,283,619</u>

<sup>1</sup>Investment Related expenses include investment advisory, custodial and performance monitoring fees.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

H. Employee Retirement Systems, continued

Below is a summary of the pension plans.

	Fiduciary Net Position	Pension Liabilities	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
General Employees Pension	\$ 50,787,220	\$ 59,846,595	\$ 9,059,375	\$ 3,733,616	\$ 0	\$ 2,227,324
Police Pension	21,956,158	26,452,404	4,496,246	1,753,741	0	1,534,688
Firefighters Pension	20,540,241	23,731,142	3,190,901	2,333,903	455,858	1,364,239
<b>Total</b>	<b>\$ 93,283,619</b>	<b>\$ 110,030,141</b>	<b>\$ 16,746,522</b>	<b>\$ 7,821,260</b>	<b>\$ 455,858</b>	<b>\$ 5,126,251</b>

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 MissionSquare, 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, 2023 is \$3,307,547, which includes City and Employee Contributions as well as earnings for the year. The amount of forfeitures in FY 2023 were \$28,101. The amount of the City contribution in FY 2023 was \$257,263, resulting in net pension expense of \$229,162. Thirty-nine members are vested with a total account balance of \$2,382,492. This is included in the amount above. The total number of Plan members was eighty as of September 30, 2023.

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, 2023

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	278
	299

*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, 2023. The measurement period for the OPEB expense was October 1, 2022 to September 30, 2023. The reporting period is October 1, 2022 through September 30, 2023.

The Sponsor's Total OPEB Liability was measured as of September 30, 2023.

*Actuarial Assumptions:*

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2022, updated to September 30, 2023, using the following actuarial assumptions:

Inflation Rate		2.50%
Salary Increase Rate(s)	Varies By Service.	
Discount Rate		4.87%
Initial Trend Rate		7.25%
Ultimate Trend Rate		4.00%
Years to Ultimate		52

*Mortality:*

All mortality rates were based on the Pub-2010 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.

*Mortality-Active Lives:*

For female (non-special risk) lives, headcount-weighted PubG-2010 female above-median income employee, Scale MP-2018. For female special risk lives, headcount-weighted PubS-2010 female (below-median income, for Police) employee table, set forward one year, Scale MP-2018. For male (non-special risk) lives, headcount-weighted PubG-2010 male employee table with one year setback MP-2018. For male special risk lives, headcount-weighted PubS-2010 male (below-median income, for Police) employee table, set forward one year, Scale MP-2018.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

I. Other Postemployment Benefits (OPEB), continued

Mortality-Inactive Healthy Lives:

For female (non-special risk) lives, headcount-weighted PubG-2010 female healthy retiree table, Scale MP-2018. For female special risk lives, headcount-weighted PubS-2010 female healthy retiree table, set forward one year, Scale MP-2018. For male (non-special risk) lives, headcount-weighted PubG-2010 male healthy retiree table with one year set back, Scale MP-2018. For male special risk lives, headcount-weighted PubS-2010 male (below-median income, for Fire) healthy retiree table, set forward one year, Scale MP-2018.

Mortality-Disabled Lives:

For female (non-special risk) lives, headcount-weighted PubG-2010 female disabled retiree table, set forward 3 years, Scale MP-2018. For female special risk lives, 80% headcount-weighted PubG-2010 female disabled retiree, 20% headcount-weighted PubS-2010 female disabled retiree blended table, Scale MP-2018. For male (non-special risk) lives, headcount-weighted PubG-2010 male disabled retiree table, set forward 3 years, Scale MP-2018. For Male special risk lives, 80% headcount-weighted PubG-2010 male disabled retiree, 20% headcount-weighted PubS-2010 male disabled retiree blended table, Scale MP-2018.

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 4.87%. 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.

Retirement Rates:

General Pension Plan and Defined Contribution Plan Employees – See Table later in this section. These rates were adopted based on the September 12, 2002 experience study. Fire Pension Plan Employees – See Fire assumption table later in this section. These assumptions were adopted as a result of the September 10, 2020 experience study. Police Pension Plan Employees – 100% at 25 years of service, otherwise 50% at first eligibility, 20% for next 4 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.

Early Retirement Rates:

General Pension Plan and Defined Contribution Employees – Age 55-56 10.0% retiring during the year and Age 57-59 2.5% retiring during the year. Fire Pension Plan Employees – See Fire assumption table later in this section. These assumptions were adopted as a result of the September 10, 2020 experience study. Police Pension Plan Employees – 2% per year until Normal Retirement Eligibility.

Termination Rates:

General Pension Plan and Defined Contribution Plan Employees – See table later in this section. These rates were adopted based on the September 12, 2022 experience study. Fire Pension Plan Employees – See Fire assumptions table later in this section. These assumptions were adopted as a result of the September 10, 2020 experience study. Police Pension Plan Employees – See Police assumptions table later in this section. These assumptions were adopted as a result of the June 19, 2019 experience study.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

I. Other Postemployment Benefits (OPEB), continued

Disability Rates:

General Pension Plan and Defined Contribution Plan Employees – Age 20 0.14%, age 30 0.18%, age 40 0.30%, age 50 1.00%. Fire Pension Plan Employees – See Fire assumptions table. Police Pension Plan Employees – See Police assumptions table.

Funding Method: Entry Age Cost Method (Level Percentage of Pay)

Marital Status: 100% assumed married, with male spouses 3 years older than female spouses.

Health Care Participation: 20% participation assumed, with 50% electing spouse coverage.

Medical Aging (Morbidity) Factors: Developed based on a study performed by Dale Yamamoto for the Society of Actuaries. Used to measure the annual increases in per capita claim costs for each age and relative cost by gender.

Health Care Inflation: Initial rate of 7.25% in fiscal 2023, then 7.00% in fiscal 2024, grading down to the ultimate trend rate of 4.00% in 2075. The below rates reflect recent health care trend rate surveys, blended with long-term rates from the Getzen model published by the Society of Actuaries.

Fiscal Year	Rate
2023	7.25%
2024	7.00%
2025	6.75%
2026	6.50%
2027	6.25%
2028	6.00%
2029	5.75%
2030	5.50%
2031-2052	5.25%
2053-2060	5.00%
2061-2067	4.75%
2068-2071	4.50%
2072-2074	4.25%
2075+	4.00%

General Pension Plan Employees Tables:

Service	Salary Scale		% Terminating During the Year		% Retiring During the Year		
	Current Year	Prior Year	Current Year	Prior Year	Age	Current Year	Prior Year
0	7.00%	6.00%	18.00%	18.00%	55	9.00%	10.00%
1	6.00%	6.00%	9.00%	10.00%	56	7.50%	10.00%
2	5.00%	5.50%	8.00%	9.00%	57-59	7.50%	2.50%
3	5.00%	4.50%	10.00%	8.00%	60	55.00%	50.00%
4	4.75%	4.50%	10.00%	7.00%	61-64	30.00%	25.00%
5-9	4.50%	4.00%	4.00%	3.00%	65-69	50.00%	100.00%
10-14	4.50%	4.00%	3.00%	3.00%	70+	100.00%	100.00%
15-19	4.50%	4.00%	2.00%	2.00%			
20+	4.50%	4.00%	2.00%	1.00%			

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

I. Other Postemployment Benefits (OPEB), continued

*Fire Pension Plan Employees Tables:*

Age	% Terminating During the Year	% Becoming Disabled During the Year	Current Salary as % of Salary at age 55	% Retiring During the Year	
				Years After First Eligible	Rate
20	6.0%	0.03%	13.0%	<1	70.0%
30	5.0%	0.04%	23.3%	1-2	50.0%
40	2.6%	0.07%	41.7%	3+	100.0%
50	0.8%	0.18%	74.7%		

*Police Pension Plan Employees Tables:*

Age	% Terminating During the Year	% Becoming Disabled During the Year	Salary Scale	
			Service	Rate
20	11.6%	0.03%	0-4	7.50%
25	11.0%	0.03%	5-9	5.50%
30	9.8%	0.04%	10-14	5.00%
35	7.8%	0.05%	15+	4.50%
40	5.3%	0.07%		
45	3.3%	0.10%		
50	1.4%	0.18%		
55	60.0%	0.36%		
60	50.0%	0.90%		
65+	0.0%	2.22%		

Change in Total OPEB Liability		Increases and (Decreases) in Total OPEB Liability
Reporting Period Ending September 30, 2022		\$ 8,085,129
Changes for the Year:		
Service Cost		566,160
Interest		409,388
Differences between Expected and Actual Experience		0
Changes of assumptions		(162,753)
Changes of benefit terms		0
Contributions - Employer		0
Benefit Payments		(139,107)
Other Changes		0
Net Changes		<u>673,688</u>
Reporting Period Ending September 30, 2023		<u>\$ 8,758,817</u>

Changes in assumptions reflect a change in the discount rate from 4.77% for the reporting period ended September 30, 2022, to 4.87% for the reporting period ended September 30, 2023.

CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

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	Current Discount Rate	1% Increase
	<u>3.87%</u>	<u>4.87%</u>	<u>5.87%</u>
Total OPEB Liability (Asset)	\$ 10,590,777	\$ 8,758,817	\$ 7,336,325

*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	Healthcare Cost Trend Rates	1% Increase
	<u>3.00%-6.25%</u>	<u>4.00%-7.25%</u>	<u>5.00%-8.25%</u>
Total OPEB Liability (Asset)	\$ 7,182,599	\$ 8,758,817	\$ 10,820,877

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

For the year ended September 30, 2023, the City will recognize OPEB Expense of \$193,921. On September 30, 2023, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$0	\$ 352,851
Changes of assumptions	1,640,291	6,141,483
Total	<u>\$ 1,640,291</u>	<u>\$ 6,494,334</u>

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:	
2024	\$ (784,277)
2025	(784,274)
2026	(654,310)
2027	(812,976)
2028	(812,971)
Thereafter	(1,005,235)



CITY OF PUNTA GORDA, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2023

IV. Detailed notes on all funds, Continued

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.

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, 2023

IV. Detailed notes on all funds, Continued

L. Miscellaneous Revenue – Governmental Fund Types

At September 30, 2023, miscellaneous revenue consisted of the following:

<u>General Fund</u>	
Interest	\$ 853,891
Administrative Charges	3,404,335
Lease Interest and amortized deferred inflows	8,715
Law Enforcement programs	58,772
Other	942,977
	<u>5,268,690</u>
<u>Community Redevelopment Agency</u>	
Interest	263,981
Lease Interest and amortized deferred inflows	99,405
Lease revenues	363,505
Other	59,432
	<u>786,323</u>
<u>Special Revenue Fund</u>	
Interest	284,913
Insurance recovery	3,586,352
Other	103
	<u>3,871,368</u>
<u>P G I Canal Maintenance Fund</u>	
Interest	323,037
Other	1,454
	<u>324,491</u>
<u>Capital Project Fund</u>	
Contributions from Private Sources	12,000
Other	101
	<u>12,101</u>
<u>1% Local Option Sales Tax</u>	
Interest	573,768
Other	1
	<u>573,769</u>
<u>Other Governmental Funds</u>	
Interest	209,746
Other	30,925
	<u>240,671</u>
	<u>\$11,077,413</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:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return Net of Investment Expense	8.65%	-12.69%	16.49%	9.50%	4.47%	8.24%	10.41%	7.07%	0.56%	9.33%

Municipal Police Officers' Pension

Year ended September 30:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return Net of Investment Expense	12.95%	-17.79%	19.48%	12.19%	4.06%	9.54%	10.94%	7.83%	-1.39%	9.74%

Municipal Firefighters' Pension

Year ended September 30:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return Net of Investment Expense	8.99%	-14.66%	23.71%	12.57%	4.93%	11.08%	14.04%	9.22%	0.00%	8.50%

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

	9/30/2023	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
<b>Total Pension Liability</b>										
Service Cost	\$ 515,390	\$ 583,803	\$ 684,299	\$ 768,708	\$ 819,179	\$ 810,496	\$ 779,310	\$ 824,917	\$ 936,664	\$ 1,073,877
Interest	3,879,862	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	0
Changes of benefit terms	0	0	0	0	0	0	0	0	0	0
Differences between Expected and Actual Experience	176,385	(293,250)	(314,450)	(34,975)	320,344	(129,908)	257,764	(602,266)	(688,753)	0
Changes of assumptions	0	512,928	0	1,519,844	0	1,269,378	1,280,668	2,014,707	0	0
Contributions - Buy Back	0	0	0	0	51,388	120,000	30,496	0	15,736	0
Benefit Payments, including Refunds of Employee Contributions	(3,378,181)	(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	1,193,456	(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	58,653,139	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)	\$ 59,846,595	\$ 58,653,139	\$ 58,882,351	\$ 57,696,421	\$ 55,015,097	\$ 52,979,258	\$ 50,743,504	\$ 47,397,890	\$ 43,535,437	\$ 41,969,254
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 1,831,740	\$ 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	249,093	243,914	265,337	326,217	352,687	364,789	375,985	412,586	429,302	478,707
Contributions - Buy Back	0	0	0	0	51,388	120,000	30,496	0	15,736	0
Net Investment income	4,171,307	(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	(3,378,181)	(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	(75,767)	(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	2,798,192	(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	47,989,028	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)	\$ 50,787,220	\$ 47,989,028	\$ 58,196,141	\$ 50,743,817	\$ 47,464,189	\$ 46,109,487	\$ 43,771,446	\$ 39,999,643	\$ 37,044,543	\$ 36,488,073
Net Pension Liability - Ending (a) - (b)	\$ 9,059,375	\$ 10,664,111	\$ 686,210	\$ 6,952,604	\$ 7,550,908	\$ 6,869,771	\$ 6,972,058	\$ 7,398,247	\$ 6,490,894	\$ 5,481,181
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.86%	81.82%	98.83%	87.95%	86.27%	87.03%	86.26%	84.39%	85.09%	86.94%
Covered Payroll <sup>1</sup>	\$ 3,075,224	\$ 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	294.59%	354.14%	20.95%	172.44%	173.54%	152.54%	150.20%	145.24%	94.54%	92.74%

**Notes to Schedule:**

<sup>1</sup>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 Assumptions:**

For measurement date 09/30/2023, there were no changes in 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 age
3. Change the assumed withdrawal rates to be generally more withdrawals than 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.

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

Municipal Police Officers' Pension Measurement Date <sup>2</sup>	09/30/2023	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
<b>Total Pension Liability</b>										
Service Cost	\$ 610,300	\$ 613,854	\$ 617,383	\$ 622,313	\$ 709,884	\$ 593,416	\$ 636,723	\$ 555,746	\$ 570,363	\$ 526,910
Interest	1,752,498	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	0	(134)	0	0	0
Share Plan Allocation	37,674	20,453	11,719	11,385	630	2,156	0	0	0	0
Changes in Benefit Terms	128,560	0	0	0	0	0	0	0	0	0
Differences between Expected and Actual Experience	19,940	459,601	358,336	103,601	(230,763)	(435,224)	51,450	(141,785)	(802,974)	0
Changes of assumptions	0	0	0	(143,341)	990,613	0	0	377,986	164,476	0
Contributions-Buy Back	75,356	0	0	0	0	0	34,736	0	0	0
Benefit Payments, including Refunds of Employee Contributions	(1,194,626)	(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	1,429,702	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	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	14,959,701
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 26,452,404</b>	<b>\$ 25,022,702</b>	<b>\$ 23,439,026</b>	<b>\$ 22,065,039</b>	<b>\$ 21,117,875</b>	<b>\$ 19,180,537</b>	<b>\$ 18,628,510</b>	<b>\$ 17,280,769</b>	<b>\$ 16,268,436</b>	<b>\$ 15,973,772</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 480,967	\$ 516,213	\$ 562,748	\$ 499,503	\$ 432,825	\$ 449,219	\$ 356,145	\$ 409,363	\$ 513,912	\$ 548,795
Contributions - State	275,348	240,905	223,437	222,769	201,260	204,311	194,170	189,149	174,722	173,165
Contributions - Employee	266,277	200,691	200,603	207,668	198,663	177,160	185,399	175,660	159,694	147,103
Contributions-Buy Back	75,356	0	0	0	0	0	34,736	0	0	0
Net Investment income	2,546,395	(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	(1,194,626)	(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	(54,168)	(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	2,395,549	(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	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	13,047,126
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 21,956,158</b>	<b>\$ 19,560,609</b>	<b>\$ 24,114,919</b>	<b>\$ 20,355,902</b>	<b>\$ 18,372,707</b>	<b>\$ 17,921,812</b>	<b>\$ 16,611,370</b>	<b>\$ 14,958,607</b>	<b>\$ 14,141,023</b>	<b>\$ 14,444,513</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 4,496,246</b>	<b>\$ 5,462,093</b>	<b>\$ (675,893)</b>	<b>\$ 1,709,137</b>	<b>\$ 2,745,168</b>	<b>\$ 1,258,725</b>	<b>\$ 2,017,140</b>	<b>\$ 2,322,162</b>	<b>\$ 2,127,413</b>	<b>\$ 1,529,259</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>83.00%</b>	<b>78.17%</b>	<b>102.88%</b>	<b>92.25%</b>	<b>87.00%</b>	<b>93.44%</b>	<b>89.17%</b>	<b>86.56%</b>	<b>86.92%</b>	<b>90.43%</b>
<b>Covered Payroll<sup>1</sup></b>	<b>\$ 3,328,451</b>	<b>\$ 2,508,638</b>	<b>\$ 2,507,538</b>	<b>\$ 2,595,853</b>	<b>\$ 2,483,295</b>	<b>\$ 2,214,507</b>	<b>\$ 2,317,484</b>	<b>\$ 2,195,754</b>	<b>\$ 2,171,581</b>	<b>\$ 1,838,786</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>135.09%</b>	<b>217.73%</b>	<b>-26.95%</b>	<b>65.84%</b>	<b>110.55%</b>	<b>56.84%</b>	<b>87.04%</b>	<b>105.76%</b>	<b>97.97%</b>	<b>83.17%</b>

**Notes to Schedule:**

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

<sup>2</sup> 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 09/30/2023, there have been no assumption changes. Changes of Benefit terms adopted by Ordinance No. 2007-2023 were for those members hired on or after December 18, 2013, the benefit accrual rate for service earned on or after March 1, 2023 is increased from 3.00% to 3.25%

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.

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

Municipal Firefighters' Pension

	9/30/2023	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
<b>Total Pension Liability</b>										
Service Cost	\$ 713,133	\$ 639,667	\$ 595,529	\$ 514,933	\$ 460,863	\$ 461,830	\$ 455,334	\$ 411,823	\$ 353,613	\$ 433,718
Interest	1,705,230	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	62,478	36,917	37,778	6,365	0	0	0	15,001	37,775	38,240
Changes of benefit terms	0	105,054	0	0	(5,618)	0	0	0	0	0
Differences between Expected and Actual Experience	(514,226)	266,346	649,965	544,754	21,713	118,281	96,635	(169,539)	(1,226,224)	0
Changes of assumptions	0	348,760	0	(82,015)	0	0	0	202,057	324,227	0
Contributions - Buy Back	12,587	41,431	0	0	0	0	0	0	0	0
Benefit Payments, including Refunds of Employee Contributions	(873,276)	(717,898)	(639,127)	(563,033)	(563,033)	(782,099)	(838,640)	(407,546)	(430,563)	(540,379)
Net Change in Total Pension Liability	1,105,926	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	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	11,720,515
Total Pension Liability - Ending (a)	\$ 23,731,142	\$ 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
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 352,644	\$ 338,516	\$ 335,930	\$ 318,946	\$ 406,246	\$ 378,656	\$ 284,402	\$ 238,589	\$ 399,158	\$ 460,347
Contributions - State	271,884	246,323	247,184	215,771	198,399	158,594	197,070	224,407	247,181	247,646
Contributions - Employee	265,817	222,099	204,934	191,598	170,587	151,820	161,260	157,379	146,058	140,886
Contributions - Buy Back	12,587	41,431	0	0	0	0	0	0	0	0
Net Investment Income	1,702,139	(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 Employee Contributions	(873,276)	(717,898)	(639,127)	(563,033)	(563,033)	(782,099)	(838,640)	(407,546)	(430,563)	(540,379)
Administrative Expense	(47,629)	(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	1,684,166	(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	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	9,293,535
Plan Fiduciary Net Position - Ending (b)	\$ 20,540,241	\$ 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)	\$ 3,190,901	\$ 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	86.55%	83.34%	108.34%	96.77%	94.16%	95.07%	91.82%	86.57%	84.36%	82.23%
Covered Payroll <sup>1</sup>	\$ 2,798,069	\$ 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 Cover	114.04%	161.22%	-75.14%	28.10%	51.69%	44.65%	67.69%	108.46%	117.57%	142.16%

Notes to Schedule:

<sup>1</sup> 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, 2012.
- 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 09/30/2023, there were no assumption changes. Effective October 1, 2023 the amortization payment is subject to a minimum based on a 30-year amortization of the UAAL in order to comply with Actuarial Standard of Practice No. 4, as recently amended.

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.

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

Municipal General Employees' Pension

	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially Determined Contribution	\$ 753,646	\$ 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	1,831,740	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
Contribution Deficiency (Excess)	\$ (1,078,094)	\$ (612,476)	\$ (471,900)	\$ (150,849)	\$ (101,384)	\$ (164,139)	\$ (260,234)	\$ (340)	\$ (5,156)	\$ (278,471)
Covered Payroll <sup>1</sup>	\$ 3,075,224	\$ 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	59.56%	60.83%	55.92%	45.43%	40.44%	38.49%	36.89%	32.89%	27.56%	33.11%

<sup>1</sup>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.*

Municipal Police Officers' Pension

	09/30/2023	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
Actuarially Determined Contribution	\$ 692,686	\$ 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	718,641	736,665	774,467	710,887	633,455	651,374	550,315	598,512	688,634	721,959
Contribution Deficiency (Excess)	\$ (25,955)	\$ (9,068)	\$ (11,089)	\$ (9,229)	\$ (34,894)	\$ (13,006)	\$ (18,722)	\$ (21,952)	\$ (289)	\$ (17,704)
Covered Payroll <sup>1</sup>	\$ 3,328,451	\$ 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	21.59%	29.37%	30.89%	27.39%	25.51%	29.41%	23.75%	27.26%	31.71%	39.26%

<sup>1</sup> 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.*

Municipal Firefighters' Pension

	09/30/2023	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
Actuarially Determined Contribution	\$ 562,050	\$ 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	562,050	547,922	545,336	528,352	604,645	537,250	481,472	447,995	608,564	669,753
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ (17,200)	\$ (51,589)	\$ (32,111)	\$ 0	\$ (460)	\$ 0	\$ 0	\$ (60,665)
Covered Payroll <sup>1</sup>	\$ 2,798,069	\$ 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	20.09%	23.44%	24.15%	25.14%	32.34%	31.55%	27.47%	26.35%	36.09%	42.51%

<sup>1</sup> 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.*



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

	09/30/2023	09/30/2022	09/30/2021	09/30/2020	09/30/2019	09/30/2018
<b>Total OPEB Liability</b>						
Service Cost	\$ 566,160	\$ 978,106	\$ 1,023,128	\$ 748,017	\$ 599,223	\$ 667,471
Interest	409,388	356,048	308,769	413,802	387,624	345,039
Differences Between Expected and Actual Experience	0	(64,188)	0	(548,483)	0	0
Changes of Assumptions	(162,753)	(6,802,866)	(955,486)	2,095,723	1,269,335	(1,039,741)
Benefit Payments	(139,107)	(111,398)	(104,110)	(124,132)	(114,937)	(105,933)
Net Change in Total OPEB Liability	673,688	(5,644,298)	272,301	2,584,927	2,141,245	(133,164)
Total OPEB Liability - Beginning	8,085,129	13,729,427	13,457,126	10,872,199	8,730,954	8,864,118
Total OPEB Liability - Ending	<u>\$ 8,758,817</u>	<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)	\$ 17,182,137	\$ 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	50.98%	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, 2023.

*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 2023	4.87%
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, 2023. 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.

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.

**Debt Service 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.

**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, 2023

	Special Revenue Funds				
	Impact Fees Parks	Impact Fees Mobility	Impact Fees Public Safety	BSI Canal Maintenance	Five Cent Gas Tax
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 834,594	\$ 711,365	\$ 774,788	\$ 1,958,028	\$ 71,444
Accounts receivable	0	0	0	0	0
Due from other governments	0	0	0	11,898	25,759
Prepaid items	0	0	0	0	0
<b>Total Assets</b>	<b><u>\$ 834,594</u></b>	<b><u>\$ 711,365</u></b>	<b><u>\$ 774,788</u></b>	<b><u>\$ 1,969,926</u></b>	<b><u>\$ 97,203</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts payable	\$9	\$7	\$8	\$ 138,620	\$0
Retainage payable	0	0	0	11,622	0
Accrued liabilities	0	0	0	0	0
Unearned revenue	0	0	0	0	0
<b>Total Liabilities</b>	<b><u>9</u></b>	<b><u>7</u></b>	<b><u>8</u></b>	<b><u>150,242</u></b>	<b><u>0</u></b>
<b>Fund Balances:</b>					
<b>Nonspendable:</b>					
Inventories and prepaids	0	0	0	0	0
Permanent fund principal	0	0	0	0	0
<b>Restricted for:</b>					
Public Safety	0	0	774,780	0	
Transportation/Mobility	0	711,358	0	0	97,203
Recreation	834,585	0	0	1,819,684	0
<b>Committed for:</b>					
<b>Total Fund Balances</b>	<b><u>834,585</u></b>	<b><u>711,358</u></b>	<b><u>774,780</u></b>	<b><u>1,819,684</u></b>	<b><u>97,203</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 834,594</u></b>	<b><u>\$ 711,365</u></b>	<b><u>\$ 774,788</u></b>	<b><u>\$ 1,969,926</u></b>	<b><u>\$ 97,203</u></b>

Special Revenue Funds			Debt Service Funds	Permanent Fund	Total Nonmajor Governmental
Six Cent Gas Tax	Coastal&Hrtlnd Natl Estuary Partnership	Buckley's Pass Dredging Area	Debt Service Fund	Gilchrist Intention Fund	
\$ 1,032,991	\$ 133,455	\$ 14,518	\$0	\$ 5,741	\$ 5,536,924
0	0	0	0	0	0
72,084	0	0	0	0	109,741
0	0	0	0	0	0
<u>\$ 1,105,075</u>	<u>\$ 133,455</u>	<u>\$ 14,518</u>	<u>\$ -</u>	<u>\$ 5,741</u>	<u>\$ 5,646,665</u>
\$ 90,375	\$0	\$0	\$0	\$0	\$ 229,019
0	0	0	0	0	11,622
0	0	0	0	0	0
0	0	0	0	0	0
<u>90,375</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>240,641</u>
0	0	0	0	0	-
0	0	0	0	5,000	5,000
	0	0	0	0	774,780
1,014,700	0	0	0	741	1,824,002
0	133,455	14,518	0	0	2,802,242
<u>1,014,700</u>	<u>133,455</u>	<u>14,518</u>	<u>0</u>	<u>5,741</u>	<u>5,406,024</u>
<u>\$ 1,105,075</u>	<u>\$ 133,455</u>	<u>\$ 14,518</u>	<u>\$0</u>	<u>\$ 5,741</u>	<u>\$ 5,646,665</u>

CITY OF PUNTA GORDA, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 September 30, 2023

	Special Revenue Funds				
	Impact Fees Parks	Impact Fees Mobility	Impact Fees Public Safety	BSI Canal Maintenance	Five Cent Gas Tax
Revenues:					
Taxes	\$0	\$0	\$0	\$0	\$ 296,556
Permits, fees and Special Assessments	120,740	106,423	188,511	891,090	0
Intergovernmental	0	0	0	61,714	0
Charges for Services	0	0	0	0	0
Miscellaneous	33,609	29,023	28,748	73,145	7,238
Total revenues	<u>154,349</u>	<u>135,446</u>	<u>217,259</u>	<u>1,025,949</u>	<u>303,794</u>
Expenditures:					
Current:					
General Government	0	0	0	0	0
Transportation	0	0	0	0	806,759
Recreation	0	0	0	99,268	0
Capital Outlay	0	0	0	253,641	0
Debt Service					
Principal retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>352,909</u>	<u>806,759</u>
Excess (deficiency) of revenue over expenditures	<u>154,349</u>	<u>135,446</u>	<u>217,259</u>	<u>673,040</u>	<u>(502,965)</u>
Other Financing Sources (Uses):					
Transfers in	0	0	0	103,639	459,000
Transfers out	(35,923)	(42,898)	(1,200)	0	0
Total other financing sources (uses)	<u>(35,923)</u>	<u>(42,898)</u>	<u>(1,200)</u>	<u>103,639</u>	<u>459,000</u>
Net change in fund balances	118,426	92,548	216,059	776,679	(43,965)
Fund Balances, October 1, 2022	<u>716,159</u>	<u>618,810</u>	<u>558,721</u>	<u>1,043,005</u>	<u>141,168</u>
Fund Balances, September 30, 2023	<u>\$ 834,585</u>	<u>\$ 711,358</u>	<u>\$ 774,780</u>	<u>\$ 1,819,684</u>	<u>\$ 97,203</u>

Special Revenue Funds			Debt Service	Permanent	Total
Six	Coastal&Hrtlnd	Buckley's	Funds	Fund	Nonmajor
Cent	Natl Estuary	Pass	Debt	Gilchrist	Governmental
Gas Tax	Partnership	Dredging Area	Service	Intention	
			Fund	Fund	
\$ 691,011	\$0	\$0	\$0	\$0	\$ 987,567
0	0	0	0	0	1,306,764
0	33,394	0	0	0	95,108
316,376	0	0	0	0	316,376
65,117	3,558	0	0	233	240,671
<u>1,072,504</u>	<u>36,952</u>	<u>0</u>	<u>0</u>	<u>233</u>	<u>2,946,486</u>
0	0	0	0	0	-
945,630	0	0	0	0	1,752,389
0	431,291	0	0	0	530,559
8,539		0	0	0	262,180
0	0	0	1,426,000	0	1,426,000
0	0	0	158,278	0	158,278
<u>954,169</u>	<u>431,291</u>	<u>0</u>	<u>1,584,278</u>	<u>0</u>	<u>4,129,406</u>
118,335	(394,339)	0	(1,584,278)	233	(1,182,920)
0	0	0	1,584,278	0	2,146,917
0	0	0	0	0	(80,021)
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,584,278</u>	<u>0</u>	<u>2,066,896</u>
118,335	(394,339)	0	0	233	883,976
896,365	527,794	14,518	0	5,508	4,522,048
<u>\$ 1,014,700</u>	<u>\$ 133,455</u>	<u>\$ 14,518</u>	<u>\$0</u>	<u>\$ 5,741</u>	<u>\$ 5,406,024</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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits, fees and Special Assessments	\$ 143,855	\$ 143,855	\$ 120,740	(23,115)
Miscellaneous	1,250	1,250	33,609	32,359
Total revenues	<u>145,105</u>	<u>145,105</u>	<u>154,349</u>	<u>9,244</u>
Expenditures				
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess revenues over expenditures	<u>145,105</u>	<u>145,105</u>	<u>154,349</u>	<u>9,244</u>
Other financing uses				
Transfers out	<u>(250,000)</u>	<u>(672,181)</u>	<u>(35,923)</u>	<u>636,258</u>
Total other financing uses	<u>(250,000)</u>	<u>(672,181)</u>	<u>(35,923)</u>	<u>636,258</u>
Net change in fund balance	<u><u>\$(104,895)</u></u>	<u><u>\$(527,076)</u></u>	118,426	<u><u>\$ 645,502</u></u>
Fund balances, October 1, 2022			<u>716,159</u>	
Fund balances, September 30, 2023			<u><u>\$ 834,585</u></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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits, fees and Special Assessments	\$ 132,980	\$ 132,980	\$ 106,423	\$ (26,557)
Miscellaneous	700	700	29,023	28,323
Total revenues	<u>133,680</u>	<u>133,680</u>	<u>135,446</u>	<u>1,766</u>
Expenditures				
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	<u>133,680</u>	<u>133,680</u>	<u>135,446</u>	<u>1,766</u>
Other financing uses				
Transfers Out	<u>(112,000)</u>	<u>(514,481)</u>	<u>(42,898)</u>	<u>471,583</u>
Total other financing uses	<u>(112,000)</u>	<u>(514,481)</u>	<u>(42,898)</u>	<u>471,583</u>
Net change in fund balance	<u>\$ 21,680</u>	<u>\$ (380,801)</u>	92,548	<u>\$ 473,349</u>
Fund balances, October 1, 2022			<u>618,810</u>	
Fund balances, September 30, 2023			<u>\$ 711,358</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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits, fees and Special Assessments	\$ 221,365	\$ 221,365	\$ 188,511	\$ (32,854)
Miscellaneous	2,000	2,000	28,748	26,748
Total revenues	<u>223,365</u>	<u>223,365</u>	<u>217,259</u>	<u>(6,106)</u>
Expenditures				
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess revenues over expenditures	<u>223,365</u>	<u>223,365</u>	<u>217,259</u>	<u>(6,106)</u>
Other financing uses				
Transfers out	<u>(450,000)</u>	<u>(450,000)</u>	<u>(1,200)</u>	<u>448,800</u>
Total other financing uses	<u>(450,000)</u>	<u>(450,000)</u>	<u>(1,200)</u>	<u>448,800</u>
Net change in fund balance	<u>\$ (226,635)</u>	<u>\$ (226,635)</u>	216,059	<u>\$ 442,694</u>
Fund balances, October 1, 2022			<u>558,721</u>	
Fund balances, September 30, 2023			<u>\$ 774,780</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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 0	\$ 294,500	\$ 61,714	\$ (232,786)
Permits, fees and Special Assessments	887,220	887,220	891,090	3,870
Miscellaneous	1,240	1,240	73,145	71,905
Total revenues	<u>888,460</u>	<u>1,182,960</u>	<u>1,025,949</u>	<u>(157,011)</u>
Expenditures				
Current				
Recreation	1,268,325	1,776,274	99,268	1,677,006
Capital outlay	<u>0</u>	<u>2,821,631</u>	<u>253,641</u>	<u>2,567,990</u>
Total expenditures	<u>1,268,325</u>	<u>4,597,905</u>	<u>352,909</u>	<u>4,244,996</u>
Revenues over (under) expenditures	<u>(379,865)</u>	<u>(3,414,945)</u>	<u>673,040</u>	<u>4,087,985</u>
Other financing sources (uses)				
Transfers In	0	2,511,630	103,639	(2,407,991)
Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing uses	<u>0</u>	<u>2,511,630</u>	<u>103,639</u>	<u>(2,407,991)</u>
Net change in fund balance	<u>\$ (379,865)</u>	<u>\$ (903,315)</u>	776,679	<u>\$ 1,679,994</u>
Fund balances, October 1, 2022			<u>1,043,005</u>	
Fund balances, September 30, 2023			<u>\$ 1,819,684</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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 287,660	\$ 287,660	\$ 296,556	\$ 8,896
Miscellaneous	120	120	7,238	7,118
Total revenues	<u>287,780</u>	<u>287,780</u>	<u>303,794</u>	<u>16,014</u>
Expenditures				
Current				
Transportation	745,000	817,185	806,759	10,426
Total expenditures	<u>745,000</u>	<u>817,185</u>	<u>806,759</u>	<u>10,426</u>
Revenues over (under) expenditures	<u>(457,220)</u>	<u>(529,405)</u>	<u>(502,965)</u>	<u>26,440</u>
Other financing sources				
Transfers in	459,000	459,000	459,000	0
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>\$ 1,780</u>	<u>\$ (70,405)</u>	<u>(43,965)</u>	<u>\$ 26,440</u>
Fund balances, October 1, 2022			<u>141,168</u>	
Fund balances, September 30, 2023			<u>\$ 97,203</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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 666,035	\$ 666,035	\$ 691,011	\$ 24,976
Charges for Services	308,155	308,155	316,376	8,221
Miscellaneous	5,940	16,982	65,117	48,135
Total revenues	<u>980,130</u>	<u>991,172</u>	<u>1,072,504</u>	<u>81,332</u>
Expenditures				
Current				
Transportation	1,226,980	1,417,929	945,630	472,299
Capital Outlay	0	12,000	8,539	3,461
Total expenditures	<u>1,226,980</u>	<u>1,429,929</u>	<u>954,169</u>	<u>475,760</u>
Revenues over (under) expenditures	<u>(246,850)</u>	<u>(438,757)</u>	<u>118,335</u>	<u>557,092</u>
Net change in fund balance	<u><u>\$ (246,850)</u></u>	<u><u>\$ (438,757)</u></u>	118,335	<u><u>\$ 557,092</u></u>
Fund balances, October 1, 2022			<u>896,365</u>	
Fund balances, September 30, 2023			<u><u>\$ 1,014,700</u></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, 2023

	Budgets		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental revenue	\$0	\$0	\$ 33,394	\$ 33,394
Miscellaneous	0	0	3,558	3,558
<b>Total revenues</b>	<b>0</b>	<b>0</b>	<b>36,952</b>	<b>36,952</b>
<b>Expenditures</b>				
<b>Current</b>				
Recreation	390,958	390,958	431,291	(40,333)
<b>Total expenditures</b>	<b>390,958</b>	<b>390,958</b>	<b>431,291</b>	<b>(40,333)</b>
Excess revenues over/(under) expenditures	(390,958)	(390,958)	(394,339)	(3,381)
<b>Net change in fund balances</b>	<b>(\$390,958)</b>	<b>(\$390,958)</b>	<b>(394,339)</b>	<b>\$ (3,381)</b>
Fund balances, October 1, 2022			527,794	
Fund balances, September 30, 2023			\$ 133,455	

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, 2023

	Budgets		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits, fees and Special Assessments	\$0	\$0	\$0	\$0
Total revenues	0	0	0	0
Expenditures				
Current				
Recreation	0	0	0	0
Total expenditures	0	0	0	0
Excess revenues over/(under) expenditures	0	0	0	0
Net change in fund balance	<u>\$0</u>	<u>\$0</u>	0	<u>\$0</u>
Fund balances, October 1, 2022			<u>14,518</u>	
Fund balances, September 30, 2023			<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, 2023

	<u>Information Technology</u>
<b>ASSETS</b>	
Current Assets	
Cash and cash equivalents	\$ 692,679
Accounts receivable	9,265
Total current assets	<u>701,944</u>
Noncurrent Assets	
Capital assets, net of accumulated depreciation	196,289
Right to use assets & subscriptions, net	1,624,509
Total noncurrent assets	<u>1,820,798</u>
Total assets	<u>2,522,742</u>
Deferred Outflows	
Deferred outflows related to pensions/OPEB	<u>132,872</u>
<b>LIABILITIES AND FUND EQUITY</b>	
Current Liabilities	
Accounts payable	65,975
Current portion compensated absences	3,049
Current portion Subscriptions payable	426,025
Accrued interest subscriptions	33,513
Accrued liabilities	26,596
Total current liabilities	<u>555,158</u>
Noncurrent Liabilities	
Accrued compensated absences	27,441
Pension/OPEB benefits	470,710
Subscriptions payable	1,085,155
Total noncurrent liabilities	<u>1,583,306</u>
Total liabilities	<u>2,138,464</u>
Deferred Inflows	
Deferred Inflows related to pensions/OPEB	<u>201,548</u>
<b>NET POSITION</b>	
Net investment in capital assets	196,289
Unrestricted	119,313
Total net position	<u>\$ 315,602</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, 2023

	<u>Information Technology</u>
Operating Revenues	
Charges for services	\$ 2,213,284
Miscellaneous	<u>589</u>
Total operating revenues	<u>2,213,873</u>
Operating Expenses	
Personnel services	883,057
Contractual services	483,864
Materials and supplies	188,290
Utilities	8,939
Depreciation/Subscription Amortization	456,287
Insurance	21,652
Repairs and maintenance	138,531
Travel and training	25,685
Rent	<u>95,612</u>
Total operating expenses	<u>2,301,917</u>
Operating gain (loss)	<u>(88,044)</u>
Nonoperating revenues (expenses)	
Interest expense subscriptions	(35,096)
Gain (Loss) on disposal of capital assets	<u>(1,981)</u>
Total nonoperating revenues (expenses)	<u>(37,077)</u>
Change in net position	(125,121)
Net position - beginning	<u>440,723</u>
Net position - ending	<u><u>\$ 315,602</u></u>

CITY OF PUNTA GORDA, FLORIDA  
STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUND  
For the Fiscal Year Ended September 30, 2023

	<u>Information Technology</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from services provided	\$ 2,213,284
Cash payments to suppliers for goods and services	560,777
Cash payments to employees for services	(843,909)
Other receipts	<u>(8,676)</u>
Net cash provided by operating activities	<u>1,921,476</u>
 <b>CASH FLOWS (USED FOR) PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Acquisition of property, plant, and equipment	(2,012,711)
Interest and fiscal charges paid	<u>(1,583)</u>
Net cash used in capital and related financing activities	<u>(2,014,294)</u>
Net increase in cash and cash equivalents	(92,818)
Cash and cash equivalents at beginning of year	<u>785,497</u>
Cash and cash equivalents at end of year	<u><u>\$ 692,679</u></u>
 <b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating gain (Loss)	\$ (88,044)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	456,287
Net (increase) decrease in:	
Accounts receivable	(9,265)
Prepays	1,646
Net increase (decrease) in:	
Accounts payable	10,524
Lease payables/Subscriptions payables	1,511,180
Accrued liabilities	3,114
Change in net pension/OPEB liability	2,298
Change in deferred inflows related to pensions/OPEB	(20,841)
Change in deferred outflows related to pensions/OPEB	<u>54,577</u>
Net cash provided by operating activities	<u><u>\$ 1,921,476</u></u>
 <b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>	
Financing GASB 87 & GASB 96 Leases and SBITA's	\$ 1,973,985
Disposal of fully depreciated capital assets	100,543

## **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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	147
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	157
These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	
<b>Debt Capacity</b>	161
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.	
<b>Demographic and Economic Information</b>	165
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.	
<b>Operating Information</b>	167
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			
	2023	2022	2021	2020
<b>Governmental activities</b>				
Net Investment in capital assets	\$ 57,203,560	\$ 79,228,516	\$ 79,126,131	\$ 80,655,504
Restricted	61,585,182	31,588,616	24,160,639	17,958,953
Unrestricted	10,207,406	(26,121)	(127,667)	(2,241,092)
Total governmental activities net position	\$ 128,996,148	\$ 110,791,011	\$ 103,159,103	\$ 96,373,365
<b>Business-type activities</b>				
Net Investment in capital assets	\$ 75,849,682	\$ 73,083,888	\$ 74,286,254	\$ 81,587,869
Restricted	4,718,227	5,962,288	5,866,885	1,613,353
Unrestricted	31,818,355	28,360,037	22,652,706	16,903,416
Total business-type activities net position	\$ 112,386,264	\$ 107,406,213	\$ 102,805,845	\$ 100,104,638
<b>Primary government</b>				
Net Investment in capital assets	\$ 133,053,242	\$ 152,312,404	\$ 153,412,385	\$ 162,243,373
Restricted	66,303,409	37,550,904	30,027,524	19,572,306
Unrestricted	42,025,761	28,333,916	22,525,039	14,662,324
Total primary government net position	\$ 241,382,412	\$ 218,197,224	\$ 205,964,948	\$ 196,478,003

Per the Statement of Net Position

<b>Fiscal Year</b>					
<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 77,868,024	\$ 52,726,536	\$ 49,814,944	\$ 37,664,271	\$ 38,085,493	\$ 45,244,762
16,616,812	10,408,669	8,245,109	6,195,576	5,923,953	5,112,090
(3,734,859)	(3,167,480)	2,399,857	9,363,493	3,775,599	3,017,663
<u>\$ 90,749,977</u>	<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>
\$ 80,802,208	\$ 57,907,294	\$ 54,273,261	\$ 52,611,061	\$ 50,998,883	\$ 50,177,751
1,374,755	807,509	382,212	377,561	375,436	374,737
9,392,072	15,537,041	16,778,165	11,938,979	7,330,018	7,996,830
<u>\$ 91,569,035</u>	<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>
\$ 158,670,232	\$ 110,633,830	\$ 104,088,205	\$ 90,275,332	\$ 89,084,376	\$ 95,422,513
17,991,567	11,216,178	8,627,321	6,573,137	6,299,389	5,486,827
5,657,213	12,369,561	19,178,022	21,302,472	11,105,617	11,014,493
<u>\$ 182,319,012</u>	<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>

**City of Punta Gorda, Florida**

Changes in Net Position

Last Ten Fiscal Years

*(accrual basis of accounting)*

	Fiscal Year			
	2023	2022	2021	2020
<b>Expenses</b>				
Governmental activities:				
General government	\$ 8,386,761	\$ 4,916,837	\$ 4,241,567	\$ 4,761,260
Public safety	15,994,911	14,931,807	11,389,201	11,575,010
Transportation	3,606,908	3,418,639	3,433,774	3,579,938
Economic environment	247,072	371,347	463,226	354,777
Recreation	6,245,367	7,095,275	6,664,994	6,512,467
Interest on long-term debt	167,186	183,508	206,720	357,397
Total governmental activities expenses	<u>34,648,205</u>	<u>30,917,413</u>	<u>26,399,482</u>	<u>27,140,849</u>
Business-type activities:				
Water and wastewater	20,550,856	19,096,396	18,616,122	18,483,147
Sanitation/refuse	4,747,273	4,416,204	4,042,866	3,970,474
Building Fund	1,819,957	1,276,363	1,128,948	1,265,872
Marina Fund	490,453	431,972	394,523	402,981
Total business-type activities expenses	<u>27,608,539</u>	<u>25,220,935</u>	<u>24,182,459</u>	<u>24,122,474</u>
Total primary government expenses	<u>\$ 62,256,744</u>	<u>\$ 56,138,348</u>	<u>\$ 50,581,941</u>	<u>\$ 51,263,323</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	\$ 2,569,154	\$ 2,293,291	\$ 1,985,553	\$ 1,899,885
Public Safety	23,815	32,926	40,956	38,656
Transportation	320,198	305,180	311,583	294,044
Recreation	5,854,919	4,177,662	3,659,186	4,261,074
Operating grants and contributions	6,138,816	2,239,745	2,105,510	2,311,466
Capital grants and contributions	2,627,873	2,479,631	2,158,977	2,279,628
Total governmental activities program revenues	<u>17,534,775</u>	<u>11,528,435</u>	<u>10,261,765</u>	<u>11,084,753</u>
Business-type activities:				
Charges for Services:				
Water and Sewer	21,970,210	21,002,720	19,706,633	19,102,732
Sanitation/refuse	4,401,234	4,051,559	3,874,264	3,746,490
Building Fund	3,219,567	1,645,926	1,481,800	939,086
Marina Fund	330,401	443,007	438,786	463,467
Operating grants and contributions	10,528	13,304	18,863	52,180
Capital grants and contributions	686,297	2,071,489	1,138,094	7,715,415
Total business-type activities program revenues	<u>30,618,237</u>	<u>29,228,005</u>	<u>26,658,440</u>	<u>32,019,370</u>
Total primary government program revenues	<u>\$ 48,153,012</u>	<u>\$ 40,756,440</u>	<u>\$ 36,920,205</u>	<u>\$ 43,104,123</u>



Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 4,853,807	\$ 4,636,326	\$ 3,580,902	\$ 3,228,631	\$ 3,703,548	\$ 3,104,181
10,914,000	9,815,931	9,929,664	7,636,743	9,855,648	9,545,036
3,975,860	3,397,617	3,241,684	2,977,812	3,863,105	2,521,786
389,599	474,915	762,373	517,709	268,170	369,530
5,090,823	4,249,795	5,172,284	5,183,922	6,016,711	4,903,586
761,752	402,358	388,313	410,793	452,138	511,552
<u>25,985,841</u>	<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>
15,962,263	15,581,687	14,483,381	14,126,622	14,778,240	14,178,055
3,902,861	3,455,036	3,240,797	2,846,100	2,871,811	2,828,035
1,061,185	920,858	848,188	661,928	790,186	617,141
377,956	457,960	364,672	365,560	359,993	313,107
<u>21,304,265</u>	<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>\$ 47,290,106</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>
\$ 1,955,370	\$ 1,905,119	\$ 1,866,062	\$ 1,831,915	\$ 1,800,456	\$ 1,831,762
32,157	45,945	32,397	57,365	17,073	18,000
281,068	268,664	240,094	216,787	190,366	181,993
5,897,890	3,448,788	3,465,713	3,353,743	3,025,733	3,026,325
2,094,557	1,674,741	1,490,768	1,617,603	1,743,586	581,741
25,683,250	1,723,012	3,115,504	1,372,064	1,211,809	2,423,487
<u>35,944,292</u>	<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>
18,238,239	17,749,168	17,983,634	16,073,754	15,224,890	14,787,349
3,693,988	3,550,236	3,376,456	3,169,987	3,007,194	2,975,695
1,201,603	1,077,971	1,018,537	952,712	938,682	720,922
463,010	395,513	410,002	401,755	369,635	311,782
7,834	35,378	5,726	0	0	30,312
14,246,885	3,043,715	2,619,498	3,350,066	1,403,846	737,575
<u>37,851,559</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>\$ 73,795,851</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>

**City of Punta Gorda, Florida**

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(continued)

	Fiscal Year			
	2023	2022	2021	2020
<b>Net (Expense)/Revenue</b>				
Government activities	\$ (17,113,430)	\$ (19,388,978)	\$ (16,137,717)	\$ (16,056,096)
Business type activities	3,009,698	4,007,070	2,475,981	7,896,896
Total primary government net expense	<u>\$ (14,103,732)</u>	<u>\$ (15,381,908)</u>	<u>\$ (13,661,736)</u>	<u>\$ (8,159,200)</u>
<b>General Revenues and Other</b>				
<b>Changes in Net Position</b>				
Government activities:				
Property taxes	\$ 15,683,418	\$ 13,937,281	\$ 11,538,370	\$ 11,032,152
Utility taxes and gas taxes	5,325,227	4,793,094	4,468,282	4,437,630
Sales taxes	6,910,777	6,681,573	5,738,043	4,794,177
Investment earnings	2,625,556	403,865	44,211	327,535
Miscellaneous	4,773,589	1,205,073	1,134,549	1,087,990
Transfers	0	0	0	0
Total governmental activities	<u>35,318,567</u>	<u>27,020,886</u>	<u>22,923,455</u>	<u>21,679,484</u>
Business-type activities:				
Investment earnings	1,809,884	280,778	44,128	187,527
Miscellaneous	160,470	312,519	181,098	451,180
Transfers	0	0	0	0
Total business-type activities	<u>1,970,354</u>	<u>593,297</u>	<u>225,226</u>	<u>638,707</u>
Total primary government	<u>\$ 37,288,921</u>	<u>\$ 27,614,183</u>	<u>\$ 23,148,681</u>	<u>\$ 22,318,191</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 18,205,137	\$ 7,631,908	\$ 6,785,738	\$ 5,623,388
Business-type activities	4,980,052	4,600,367	2,701,207	8,535,603
Total primary government	<u>\$ 23,185,189</u>	<u>\$ 12,232,275</u>	<u>\$ 9,486,945</u>	<u>\$ 14,158,991</u>

Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 9,958,451	\$ (13,910,673)	\$ (12,864,682)	\$ (11,506,133)	\$ (16,170,297)	\$ (12,892,363)
16,547,294	5,436,440	6,476,815	5,948,064	2,144,017	1,627,297
<u>\$ 26,505,745</u>	<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>
\$ 9,590,484	\$ 8,898,730	\$ 8,288,276	\$ 7,762,213	\$ 7,443,942	\$ 7,113,559
4,440,498	4,353,742	4,324,289	4,108,696	3,976,441	3,944,839
4,872,371	4,711,876	4,454,904	4,142,913	3,776,880	3,430,409
653,768	355,383	144,617	53,246	39,818	13,322
1,266,680	774,346	4,355,310	875,852	1,948,105	640,795
0	0	0	1,508	26,592	0
<u>20,823,801</u>	<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>
505,242	352,616	151,448	52,141	39,298	12,192
264,655	217,682	204,973	224,567	247,355	208,708
0	0	0	(1,508)	(26,592)	0
<u>769,897</u>	<u>570,298</u>	<u>356,421</u>	<u>275,200</u>	<u>260,061</u>	<u>220,900</u>
<u>\$ 21,593,698</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>
\$ 30,782,252	\$ 5,183,404	\$ 8,702,714	\$ 5,438,295	\$ 1,041,481	\$ 2,250,561
17,317,191	6,006,738	6,833,236	6,223,264	2,404,078	1,848,197
<u>\$ 48,099,443</u>	<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>

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

	<b>Fiscal Year</b>			
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
General Fund				
Non-expendable	\$ 135,321	\$ 108,447	\$ 96,261	\$ 71,249
Restricted	23,798,163	136,041	109,231	75,838
Assigned	7,786,339	6,441,049	5,379,627	2,498,098
Unassigned	<u>7,968,408</u>	<u>5,308,987</u>	<u>2,866,710</u>	<u>5,198,552</u>
Total general fund	<u>\$ 39,688,231</u>	<u>\$ 11,994,524</u>	<u>\$ 8,451,829</u>	<u>\$ 7,843,737</u>
All Other Governmental Funds				
Non-expendable	\$ 187,551	\$ 891,621	\$ 804,346	\$ 5,000
Restricted	37,371,503	28,024,293	23,150,801	17,806,865
Committed	<u>9,104,707</u>	<u>3,577,601</u>	<u>3,549,542</u>	<u>3,996,211</u>
Total all other governmental funds	<u>\$ 46,663,761</u>	<u>\$ 32,493,515</u>	<u>\$ 27,504,689</u>	<u>\$ 21,808,076</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.

<b>Fiscal Year</b>					
<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 118,765	\$ 80,732	\$ 70,083	\$ 63,499	\$ 61,842	\$ 61,943
63,260	45,797	66,499	66,264	56,057	43,040
2,235,254	2,270,590	2,318,195	1,811,189	1,339,579	1,484,576
<u>4,109,774</u>	<u>3,434,295</u>	<u>2,896,557</u>	<u>2,365,335</u>	<u>2,171,940</u>	<u>1,470,469</u>
<u>\$ 6,527,053</u>	<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>
\$ 5,000	\$ 5,000	\$ 5,176	\$ 5,000	\$ 5,000	\$ 5,000
16,429,986	10,277,140	8,103,351	5,994,579	4,502,135	5,069,050
3,609,151	3,911,180	4,403,815	1,465,661	1,535,901	550,584
<u>\$ 20,044,137</u>	<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>

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

	<b>Fiscal Year</b>			
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Revenues</b>				
Taxes	\$ 25,564,595	\$ 23,132,881	\$ 19,743,651	\$ 18,593,199
Licenses and permits	8,341,689	6,673,423	5,837,004	7,103,067
Intergovernmental	10,768,599	6,234,620	5,707,321	4,905,443
Charges for services	776,256	744,379	695,659	687,849
Fines and forfeits	23,179	33,046	106,273	36,234
Miscellaneous	11,077,413	4,829,868	4,321,574	4,551,965
Total revenues	<u>56,551,731</u>	<u>41,648,217</u>	<u>36,411,482</u>	<u>35,877,757</u>
<b>Expenditures</b>				
Current:				
General government	10,092,948	6,477,557	6,120,520	6,069,926
Public safety	13,782,782	12,582,353	11,720,216	10,954,136
Transportation	2,765,247	2,460,117	2,734,218	2,532,148
Economic environment	247,072	371,347	312,141	354,887
Recreation	4,823,891	6,232,723	5,793,930	5,440,654
Debt service:				
Principal	1,549,843	1,361,000	1,295,000	1,185,094
Interest and other charges	164,350	183,082	206,720	357,397
Capital outlay	6,637,423	3,448,517	1,924,032	5,943,986
Total expenditures	<u>40,063,556</u>	<u>33,116,696</u>	<u>30,106,777</u>	<u>32,838,228</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,488,175</u>	<u>8,531,521</u>	<u>6,304,705</u>	<u>3,039,529</u>
<b>Other financing sources (uses)</b>				
Transfers in	6,358,308	4,130,690	5,274,736	5,324,647
Transfers out	(6,358,308)	(4,130,690)	(5,274,736)	(5,324,647)
Issuance of debt	25,375,778	0	0	41,094
Total other financing sources (uses)	<u>25,375,778</u>	<u>0</u>	<u>0</u>	<u>41,094</u>
<b>Net change in fund balances</b>	<u><u>\$ 41,863,953</u></u>	<u><u>\$ 8,531,521</u></u>	<u><u>\$ 6,304,705</u></u>	<u><u>\$ 3,080,623</u></u>
Debt service as a percentage of noncapital expenditures	<u>5.13%</u>	<u>5.20%</u>	<u>5.33%</u>	<u>5.74%</u> <sup>1</sup>

1 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.

<b>Fiscal Year</b>					
<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 13,040,379	\$ 12,272,828	\$ 11,636,110	\$ 10,909,448	\$ 10,543,202	\$ 10,161,079
5,029,421	4,452,979	4,406,396	1,524,959	1,486,621	1,445,354
33,404,080	8,828,108	9,656,069	7,717,910	7,492,798	7,184,444
424,245	414,352	429,500	421,882	387,768	343,258
108,278	49,974	81,856	72,172	98,977	42,961
7,833,982	5,329,201	8,605,448	7,544,247	8,011,528	6,723,409
<u>59,840,385</u>	<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>
6,256,517	5,827,076	5,176,802	5,002,263	4,846,039	4,811,534
10,229,310	9,789,721	9,405,454	9,262,835	9,108,890	9,053,951
2,937,941	2,675,045	2,655,518	2,513,517	3,143,704	1,888,899
387,198	503,464	762,373	517,709	401,240	369,530
4,494,391	4,246,892	5,433,875	5,310,909	5,414,963	4,237,088
16,945,000	1,015,000	950,000	900,000	2,105,216	2,046,295
761,752	402,358	388,313	410,793	452,138	511,552
<u>17,891,820</u>	<u>13,976,828</u>	<u>3,950,895</u>	<u>2,182,992</u>	<u>1,622,108</u>	<u>2,683,976</u>
<u>59,903,929</u>	<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>(63,544)</u>	<u>(7,088,942)</u>	<u>6,092,149</u>	<u>2,089,600</u>	<u>926,596</u>	<u>297,680</u>
28,013,972	13,817,124	7,065,449	2,666,969	3,025,491	3,980,822
(28,013,972)	(13,817,124)	(7,065,449)	(2,657,496)	(2,964,295)	(3,980,822)
<u>6,610,000</u>	<u>9,250,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>6,610,000</u>	<u>9,250,000</u>	<u>0</u>	<u>9,473</u>	<u>61,196</u>	<u>0</u>
<u>\$ 6,546,456</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>42.15%</u>	<u>5.79%</u>	<u>5.40%</u>	<u>5.62%</u>	<u>10.04%</u>	<u>11.16%</u>

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

<b>Fiscal Year Ended September 30,</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Less: Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
2023	\$4,679,318,935	\$200,571,640	\$ 754,819,618	4,125,070,957	3.9500
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

**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 <sup>a</sup>				Charlotte County School Board	Total Direct and Overlapping Rates
	Operating Millage		SWFWMD	WCIND	Other	Charlotte County		
2023	3.9500		0.2260	0.0394	0.2000	6.1687	6.5540	17.1381
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

**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

<sup>a</sup> 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)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
1 Florida Power & Light Co. Electric Utility	\$ 113.9	\$ 103.6	\$ 88.2	\$ 68.0	\$ 67.3	\$ 59.8	\$ 59.8	\$ 49.2	\$ 43.4	\$ 43.0
2 Punta Gorda Medical Center/Shorepoint prev. Bayfront Health Punta Gorda Hospital	20.0	21.0	23.7	24.7	23.6	23.2	23.2	25.4	26.1	26.4
3 Wal-Mart Stores East LP	18.0	16.6	16.2	15.8	15.5	-	-	-	-	-
4 Smartstop Self Storage REIT Inc	15.9	14.5	14.1	-	-	-	-	-	-	-
5 JB Fishville Retail Land LLC/ATA Fishville, Shopping Center Fishermen's Village	13.7	12.3	11.1	11.3	8.3	7.5	7.5	8.9	8.4	7.2
6 Luxury Senior Living I LLC (dba Hampton Manor)	11.5	-	-	-	-	-	-	-	-	-
7 Branch Burnt Store LP (dba Burnt Store Marketplace)	11.1	8.0	7.3	-	-	-	-	-	-	-
8 NM Imperial LLC (dba Buttonwood Village) Leasing	10.5	9.6	8.7	7.2	-	-	-	-	-	-
9 Punta Gorda Resl Est Invest LLC/ Life Care Center	10.3	9.4	8.7	-	-	-	-	-	-	-
10 Gettel PG-T (dba Gettel Toyota) Dealership	10.0	9.2	8.5	10.0	8.0	6.2	6.2	5.4	5.3	-
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
Punta Gorda AA Hotel, LLC PG Waterfront Hotel	-	-	-	7.6	7.2	7.0	7.0	7.0	7.6	8.2
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
Home Depot USA, Inc	-	-	-	-	6.1	6.1	6.2	6.5	6.5	6.9
Isles Yacht Club Inc.	-	-	-	-	6.0	5.9	5.9	5.7	5.7	5.7
Harbor Resort Hotel, LLC Four Points by Sheraton	-	-	-	-	5.8	5.9	5.0	-	-	7.6
Colonial Realty, Limited-shopping center Shopping Center Burnt Store	-	-	-	-	-	-	-	5.9	6.0	6.1
<b>Total</b>	<b>\$ 234.9</b>	<b>\$ 212.1</b>	<b>\$ 193.9</b>	<b>\$ 168.0</b>	<b>\$ 163.2</b>	<b>\$ 138.2</b>	<b>\$ 137.5</b>	<b>\$ 131.7</b>	<b>\$ 126.9</b>	<b>\$ 129.3</b>
<b>City Total Taxable Assessed Value</b>	<b>\$4,575.0</b>	<b>\$4,127.5</b>	<b>\$3,326.4</b>	<b>\$3,326.4</b>	<b>\$3,108.7</b>	<b>\$2,890.0</b>	<b>\$2,685.3</b>	<b>\$2,513.8</b>	<b>\$2,398.2</b>	<b>\$2,308.2</b>
<b>Principal Taxpayer's Percentage of total</b>	<b>5.13%</b>	<b>5.14%</b>	<b>5.83%</b>	<b>5.05%</b>	<b>5.25%</b>	<b>4.78%</b>	<b>5.12%</b>	<b>5.24%</b>	<b>5.29%</b>	<b>5.60%</b>

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

<u>Fiscal year Ended September 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collections within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2023	\$16,294,020	\$15,533,946	95.34%	\$149,472	\$15,683,418	96.25%
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%

**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 Activities		Business-Type Activities			Total Primary Government	Ratio of Outstanding Debt to	
	Capital Revenue Notes	Right to Use Leases & SBITA's	Water and Wastewater Revenue Notes	Water and Wastewater Notes	Right to Use Leases & SBITA's		Total Personal Income	Per Capita
2023	\$ 33,179,000	\$ 1,864,517	\$ 15,236,224	\$ 30,678	\$ 7,691	\$ 50,318,110	4.5%	\$ 2,468
2022	9,605,000	101,402	16,034,201	30,678	0	25,771,281	2.6%	1,279
2021	10,966,000	0	16,822,118	0	0	27,788,118	3.0%	1,415
2020	12,261,000	0	15,897,861	0	0	28,158,861	3.1%*	1,446*
2019	13,405,000	0	5,669,482	0	0	19,074,482	2.1%	956
2018	23,740,000	0	5,998,434	0	0	29,738,434	3.8%	1,581
2017	15,505,000	0	3,719,981	0	0	19,224,981	2.7%	1,034
2016	16,455,000	0	1,677,272	0	0	18,132,272	2.7%	1,017
2015	17,355,000	0	2,548,732	0	0	19,903,732	2.8%	1,129
2014	19,460,217	0	3,392,401	0	0	22,852,618	3.3%	1,302

**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 capital 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, 2023

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Percent Applicable to Punta Gorda <sup>a</sup></u>	<u>Amount of Overlapping Debt Applicable to Punta Gorda <sup>a</sup></u>
<b>Overlapping debt<sup>b</sup></b>			
<b>Charlotte County School Board</b>			
Qualified School Construction Bond	\$ 60,000,000	19.00%	\$ 11,400,000
	60,000,000		11,400,000
 <b>Charlotte County</b>			
General Obligation Debt	12,195,000	19.00%	2,317,050
Revenue Bonds	12,344,745	19.00%	2,345,502
Notes/Loans	57,181,000	19.00%	10,864,390
Leases/Subscriptions	11,714,503	19.00%	2,225,756
	93,435,248		17,752,698
Subtotal Overlapping Debt			29,152,698
<b>City direct debt<sup>c</sup></b>			35,043,517
<b>Total direct and overlapping debt</b>			64,196,215

<sup>a</sup> 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.

<sup>b</sup> Source: Charlotte County Florida Schedule of Overlapping Debt FY 2023 (unaudited)

<sup>c</sup> 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**

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Fiscal Year Ended September 30,	Pledged Revenues (a)	Less: Operating Expenses (b)	Net Available Revenue	Debt Service Requirements Coverage	
2023	\$0	\$0	\$0	\$0	0
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				

(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>
2023	20,389	204,126	\$ 54,606	\$ 1,113,362	3.9%
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%

Note: Information presented is the most current available.

<sup>a</sup> **Source:** Bureau of Economic and Business Research (BEBR) of the University of Florida  
U.S. Bureau of Economic Analysis, Published November, 2016 for FY 2016

<sup>b</sup> **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 2023 U.S. Census Bureau Quick Facts.

<sup>c</sup> **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 2023</u>			<u>Fiscal Year End 2014</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	3.10%
Charlotte County Board of Commisioners	1,422	2	1.89%	982	3	1.43%
Shore Point Health PC (fka Bayfront Health PC fka Peace River Medical)	1,319	3	1.75%	900	4	1.31%
Sunseeker Resort	1,300	4	1.73%	0	0	0.00%
Publix Super Markets, Inc.	1,219	5	1.62%	790	6	1.15%
Millennium Physician Group	1,128	6	1.50%	0	0	0.00%
Fawcett Memorial Hospital	930	7	1.23%	865	5	1.26%
Charlotte County Sheriff's Office	733	8	0.97%	618	8	0.90%
Wal-Mart Associates, Inc.	625	9	0.83%	1,500	2	2.18%
Cheney Brothers	550	10	0.73%	0	0	0.00%
Shore Point Health PG (fka Bayfront Health PG fka Charlotte Regional)	0	0	0.00%	680	7	0.99%
Home Depot	0	0	0.00%	450	9	0.65%
Charlotte Correctional Institute	<u>0</u>	0	<u>0.00%</u>	<u>340</u>	10	<u>0.50%</u>
Total Employed	<u>11,476</u>		<u>15.24%</u>	<u>9,265</u>		<u>13.47%</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

<b>Function/Program</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>General Government</b>										
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	3.25	3.00	2.50	2.50	2.50	1.50	1.50	1.50	1.50
Human Resources	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
City Clerk	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Procurement	8.50	7.50	7.50	7.50	7.50	7.50	7.50	6.50	6.50	6.50
Finance	8.50	8.50	8.50	8.50	8.50	8.50	8.00	8.00	8.00	7.50
Legal	0.75	0.75	1.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Public Works</b>										
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	5.00	4.50	4.50	4.00	4.00	4.00	4.00	4.00	4.80
Right of Way Maint	15.00	14.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Parks and Grounds	12.00	11.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Facilities Maintenance	5.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Police	61.00	58.00	56.00	56.00	53.00	53.00	49.00	49.00	49.00	49.00
Fire	33.00	32.00	30.00	30.00	29.00	29.00	29.00	28.00	28.00	28.00
<b>Urban Design</b>										
Urban Design/Growth Mgmt	8.00	6.00	6.00	5.00	5.00	5.00	6.00	5.00	5.00	5.00
Zoning & Code Compliance	7.00	6.00	6.00	6.00	6.00	6.00	5.00	6.00	6.00	6.00
Punta Gorda Isles Canal Maintenance	10.00	9.00	9.00	9.00	13.00	13.00	9.00	9.00	9.00	9.00
Coastal & Heartland National (1) Estuary Partnership	0.00	7.00	6.00	6.00	4.00	4.00	4.00	4.00	4.00	0.00
<b>Utilities</b>										
Billing and Collections	7.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	5.00	5.00
Utilities Administration	7.00	7.00	7.00	7.00	6.00	5.00	5.00	5.00	5.00	5.00
Water Treatment	18.00	18.00	18.00	18.00	18.00	18.00	17.00	17.00	16.00	16.00
Wastewater Collection	17.00	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	15.75	15.50	15.00	15.00	14.00	13.50
Water Distribution	17.00	17.00	17.00	16.00	17.00	16.50	16.50	16.50	18.00	18.00
Fleet Maintenance	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Sanitation/Refuse	20.00	20.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00
Building	12.00	11.00	10.50	9.50	9.50	9.00	8.00	8.00	6.56	6.56
<b>Information Technology</b>										
Information Technology (IT)	9.00	8.00	7.00	7.00	6.00	6.00	5.00	5.00	5.00	5.00
<b>Total</b>	<b>318.25</b>	<b>306.25</b>	<b>295.25</b>	<b>291.25</b>	<b>287.75</b>	<b>285.50</b>	<b>272.50</b>	<b>270.50</b>	<b>267.56</b>	<b>263.36</b>

**Source:** City of Punta Gorda Amended Authorized Budget Position Summary

(1) FY 2015 began hosting the Coastal and Heartland National Estuary Partnership (CHNEP); FY 2023 hosting moved to Charlotte County

**City of Punta Gorda, Florida**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Police</b>										
Calls for Service	18,041	17,305	18,053	17,012	15,513	14,229	12,597	12,894	13,151	11,858
Citations Issued	2,901	2,595	3,523	5,197	5,839	7,007	4,435	7,194	7,901	10,567
Traffic crashes	877	703	707	633	710	676	604	595	582	493
Narcotics arrests	49	62	64	44	210	293	160	200	244	190
<b>Fire Department</b>										
Fires	90	83	71	57	63	61	70	58	78	68
EMS and Police assistance calls	2,953	2,830	2,539	2,362	2,658	2,762	2,688	2,640	2,573	2,323
<b>Building</b>										
1 Building permits issued	7,760	3,348	3,104	2,740	2,820	2,473	2,001	1,932	1,804	1,580
1 Building inspections conducted	15,037	6,475	5,376	4,850	6,288	5,885	5,969	6,316	5,279	4,139
Dwelling units permitted	127	443	312	113	142	164	128	246	120	100
<b>Streets and Highways</b>										
Streets resurfaced (miles)	4.8	4.8	6.0	4.5	4.5	4.0	4.6	5.0	5.0	1.5
New sidewalks (linear feet)	300	0	0	2,670	220	425	0	0	1,090	350
<b>Water</b>										
New connections	124	161	312	344	283	227	227	316	278	148
Average daily consumption (thousands of gallons)	6,586	5,414	5,480	5,365	4,842	5,085	5,165	4,687	4,442	4,364
Peak daily consumption (thousands of gallons)	11,017	8,460	8,386	9,904	8,002	7,328	7,072	6,969	6,481	5,318
Water equivalent residential units (ERU)	24,079	23,929	23,374	23,062	22,706	22,426	22,114	21,511	21,103	20,870
<b>Wastewater</b>										
Average daily sewage treatment (thousands of gallons)	2,757	2,761	2,680	2,522	2,523	2,540	2,451	2,618	2,409	2,507
Sewer equivalent residential units (ERU)	18,397	17,977	17,809	17,567	17,242	16,935	16,602	16,228	15,904	15,694
<b>Solid waste collection</b>										
Solid waste collected (tons per day)	32.1	30.6	30.4	33.8	30.5	32.0	28.5	27.8	24.8	23.9
2 Recyclables collected (tons per day) includes yardwaste	12.4	16.0	16.4	18.8	19.3	26.6	17.3	16.9	13.5	13.3
<b>Punta Gorda Isles Canal</b>										
Seawall replacement (feet)	3,868	5,899	5,057	4,916	24,965	28,445	8,173	7,164	6,984	7,398
Seawall cap replacement (feet)	0	0	0	0	0	404	916	1,062	559	929
Total miles of seawall	92.0	92.0	92.0	91.0	91.0	91.0	91.0	91.0	91.0	91.0
Total miles of canals	46.0	46.0	46.0	45.5	45.5	45.5	45.5	45.5	45.5	45.5
<b>Burnt Store Isles Canal</b>										
Seawall replacement (feet)	195	1,369	1,026	987	2,161	0	1,114	1,206	1,284	1,484
Seawall cap replacement (feet)	0	0	0	0	0	103	331	118	51	0
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.

1 Increased permits and inspections in FY 2023 due to Hurricane Ian, a category 4 storm, that caused major damage in September 2022.

2 Reduction in recyclables including yardwaste in FY 2023 due to Hurricane Ian debris removal in the first quarter of FY 2023 which is tracked in cubic yards rather than tonnage. Total cubic yards of vegetative debris was 166,267.

**City of Punta Gorda, Florida**  
**Capital Assets Statistics by Function/Program**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<u>2023</u>	<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>
<b>Police</b>										
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	42	40	38	38	37	37	34	34	34	34
<b>Fire</b>										
Stations	3	3	3	3	3	3	3	3	3	3
Number of Firefighters Authorized	30	29	27	27	26	26	26	26	26	26
<b>Streets and Highways</b>										
Streets ( <i>miles</i> )	120	120	120	120	116	116	116	116	116	116
Unpaved streets ( <i>miles</i> )	1	1	1	1	2	2	2	2	2	2
<sup>1</sup> Streetlights	1,840	1,850	1,850	1,850	800	800	720	720	720	720
Traffic signal intersections	19	19	19	19	19	19	19	19	19	19
<b>Water</b>										
Water mains ( <i>miles</i> )	269	269	269	267	240	240	238	238	238	237
Storage capacity ( <i>thousands of gallons</i> )	8,870	8,870	8,870	8,870	6,870	6,870	6,870	6,870	6,870	6,870
Fire hydrants	1,322	1,304	1,304	1,319	1,243	1,242	1,230	1,230	1,230	1,253
<b>Wastewater</b>										
Sanitary sewers ( <i>miles</i> )	138	138	138	138	129	129	129	130	130	130
Treatment capacity ( <i>millions</i> )	4	4	4	4	4	4	4	4	4	4
<b>Solid waste collection</b>										
Collection trucks	10	11	10	10	10	10	10	10	10	10
<b>Parks and recreation</b>										
Acreage	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	110.8	104.0
Number of Parks	22	22	22	22	22	22	22	22	20	19

<sup>1</sup> Beginning in 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, 2023

<u>Source</u>	<u>Amount Received in the 2023 Fiscal Year</u>	<u>Amount Expended in the 2023 Fiscal Year</u>
<b>British Petroleum:</b> Class Action Lawsuit - Agreement No. DH011	<u>\$ 0</u>	<u>\$ 0</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.



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 24 day of JUNE, 2024.

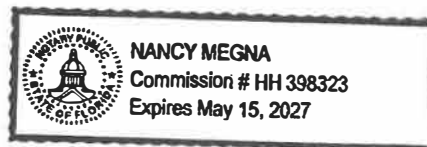
Nancy Megna  
NOTARY PUBLIC  
Print Name NANCY MEGNA

Personally known  or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:

5/15/27



## 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, 2023, and have issued our report thereon dated June 21, 2024.

### **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 June 21, 2024, 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 9 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 \$806,848 for PGI and \$35,309 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 \$8,235,320, \$0 spent.
2. IANPGI and IANPRO Canal Labor, Materials, Contractors & supplies with a final budget of \$47,415,870, \$1,348,453 spent.

### **BSI**

1. IRMA Rip Rap BSI with a final budget of \$310,001, \$0 spent.
2. IANBSI and IANPRO Canal Labor, Materials, Contractors & supplies with a final budget of \$2,511,630, \$253,641 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 36-39 and 133-140 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, CPA's, P.A.*

Punta Gorda, Florida  
June 21, 2024



CITY OF PUNTA GORDA

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

June 24, 2024

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 of the City of Punta Gorda, Florida (the "City") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 21, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

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.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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, CPA's, P.A.*

Punta Gorda, Florida  
June 21, 2024

**Report of Independent Accountants' 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

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, 2023. City management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

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

*Ashley, Brown & Smith, CPA's, P.A.*

Punta Gorda, Florida  
June 21, 2024



PHONE: 941.639.6600 | FAX: 941.639.6115  
366 E OLYMPIA AVE, PUNTA GORDA, FL 33950  
AshleyBrownCPAS.com

## **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, 2023, and have issued our report thereon dated June 21, 2024 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, CPA's, P.A.*

Punta Gorda, Florida  
June 21, 2024

**CITY OF PUNTA GORDA, FLORIDA**

**SINGLE AUDIT REPORT**

FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2023

**Independent Auditors' Report on Compliance For Each Major Federal Program and  
on Internal Control over Compliance required by *Uniform Guidance***

To the Honorable Mayor and City Council  
City of Punta Gorda, Florida

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

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

We have audited the City of Punta Gorda, Florida (the "City") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the fiscal year ended September 30, 2023. The City's major federal programs are identified in the Schedule of Expenditures of Federal Awards and the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the fiscal year ended September 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards, the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.



### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, that planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

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

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

*Ashley, Brown & Smith, CPA's, P.A.*

Punta Gorda, Florida  
June 21, 2024

**City of Punta Gorda, Florida**  
 Schedule of Findings and Questioned Costs  
 Federal Programs  
 For the fiscal year ended September 30, 2023

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financing reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies)?	None reported
Noncompliance material to financial statements noted?	No

**Federal Award Programs**

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies)?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (section 200.516(a)).	No

Identification of major federal programs:

<b><u>Major Federal Programs:</u></b>	<b><u>ALN Number</u></b>
Clean Water State Revolving Fund	66.458
Coronavirus State and Local Fiscal Recovery Funds	21.027

Dollar threshold used to determine Type A programs:	
Federal programs	\$ 750,000
Auditee qualified as low-risk auditee?	No

**City of Punta Gorda, Florida**  
Schedule of Findings and Questioned Costs - (Continued)  
Federal Programs  
For the fiscal year ended September 30, 2023

**Section II – Financial Statement Findings**

This section identifies significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

**Section III – Findings and Questioned Costs - Major Federal Programs**

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major federal programs, as required to be reported by 2 CFR 200.516(a).

There were no findings required to be reported by 2 CFR 200.516(a).

**Section IV - Status of Prior Year Audit Findings**

The City did not meet the Uniform Guidance threshold requiring a Federal Single audit for the year ended September 30, 2022. The City did not meet the State Financial Assistance thresholds requiring a State single audit for the year ended September 30, 2022. Therefore, the City had no findings which to report for the Summary Schedule of Prior Years' Audit Findings.

The City had no audit findings reported in the schedule of Findings and Questioned Costs for the year ended September 30, 2023, therefore, the City is not required to prepare a corrective action plan.

**City of Punta Gorda, Florida**  
**Schedule of Expenditures of Federal Awards**

**For the fiscal year ended September 30, 2023**

FEDERAL AGENCY <i>Pass-through entity</i> Federal/ State Program Title	Assistance Listing Number	Award Number	Federal Expenditures
<b>FEDERAL AWARDS:</b>			
<u>U.S. DEPARTMENT OF THE INTERIOR</u>			
Clean Vessel Act	15.616	MV460	\$ 3,314
Clean Vessel Act	15.616	MV430	2,214
TOTAL U.S. DEPARTMENT OF THE INTERIOR			<u>5,528</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Bulletproof Vest Partnership Program	16.607	N/A	9,500
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>9,500</u>
<u>U.S. DEPARTMENT OF THE TREASURY</u>			
<i>Passed through the Florida Division of Emergency Management</i>			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	2,445,907
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	1,018
TOTAL U.S. DEPARTMENT OF THE TREASURY			<u>2,446,925</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>			
National Estuary Program	66.456	00D90019	32,792
Clean Water State Revolving Fund	66.458	WW080320	3,885,210
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			<u>3,918,002</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
<i>Passed through the Florida Division of Emergency Management</i>			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z3255	2,664,272
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4337-DR-FL / Z0243	276,692
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>2,940,964</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 9,320,919</u>

The accompanying notes are an integral part of this schedule.

**City of Punta Gorda, Florida**  
**Notes to Schedule of Expenditures of Federal Awards**

**For the fiscal year ended September 30, 2023**

**NOTE 1 – GENERAL**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all federal awards of the City of Punta Gorda, Florida (the “City”) for the year ended September 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of the City, the schedule is not intended to and does not present the financial position, changes in net position, or cash flows of the City. The City’s reporting entity is defined in Note 1 to the City’s basic financial statements for the fiscal year ended September 30, 2023. All federal award programs received directly from federal and state agencies, as well as federal award programs passed through other government agencies, are included in the schedule.

**NOTE 2 – BASIS OF ACCOUNTING**

The Schedule is presented using the modified accrual basis of accounting, which is described in Note 1 to the City’s basic financial statements for the fiscal year ended September 30, 2023. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The City did not utilize the 10-percent de minimis indirect cost rate for reimbursement of grant expenditures as covered in 2 CFR 200.414 (f) Indirect Costs.

**NOTE 3 – CONTINGENCIES**

Grant monies received by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does not believe that such disallowances, if any, would have a material effect on the financial position of the City. As of September 30, 2023, there were no material questioned or disallowed costs as a result of grant audits in process or completed of which management was aware. Any adjustments to grant funding are recorded in the year the adjustment occurs.

**NOTE 4 - ASSISTANCE PROVIDED THROUGH AMERICAN RESCUE PLAN ACT**

American Rescue Plan Act of 2021 (ARPA) was adopted in March 2021. Section 9901 of the Act authorizes Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), funding a variety of local projects in response to the health emergency under Assistance Listing Number 21.027. The City expended \$2,446,925 of CSLRF funds according to the funding agreement with the Department of Treasury during the fiscal year ended September 30, 2023.