COUNCIL ITEM 5D
DATE 4/23/12

MEMORANDUM

TO: Gregory J. Oravec, City Manager

FROM: Edwin M. Fry, Jr., CPA, CGFO, Assistant Finance Director

DATE: April 16, 2012

RE: FY 2011 Comprehensive Annual Financial Report

Please schedule the presentation of the FY 2011 Comprehensive Annual Financial Report to the City Council on April 23, 2012. Mr. Jay McBee of DiBartolomeo, McBee, Hartley & Barnes, P.A. will make the presentation.

Special Presentations
Approved GJO
4/18/12

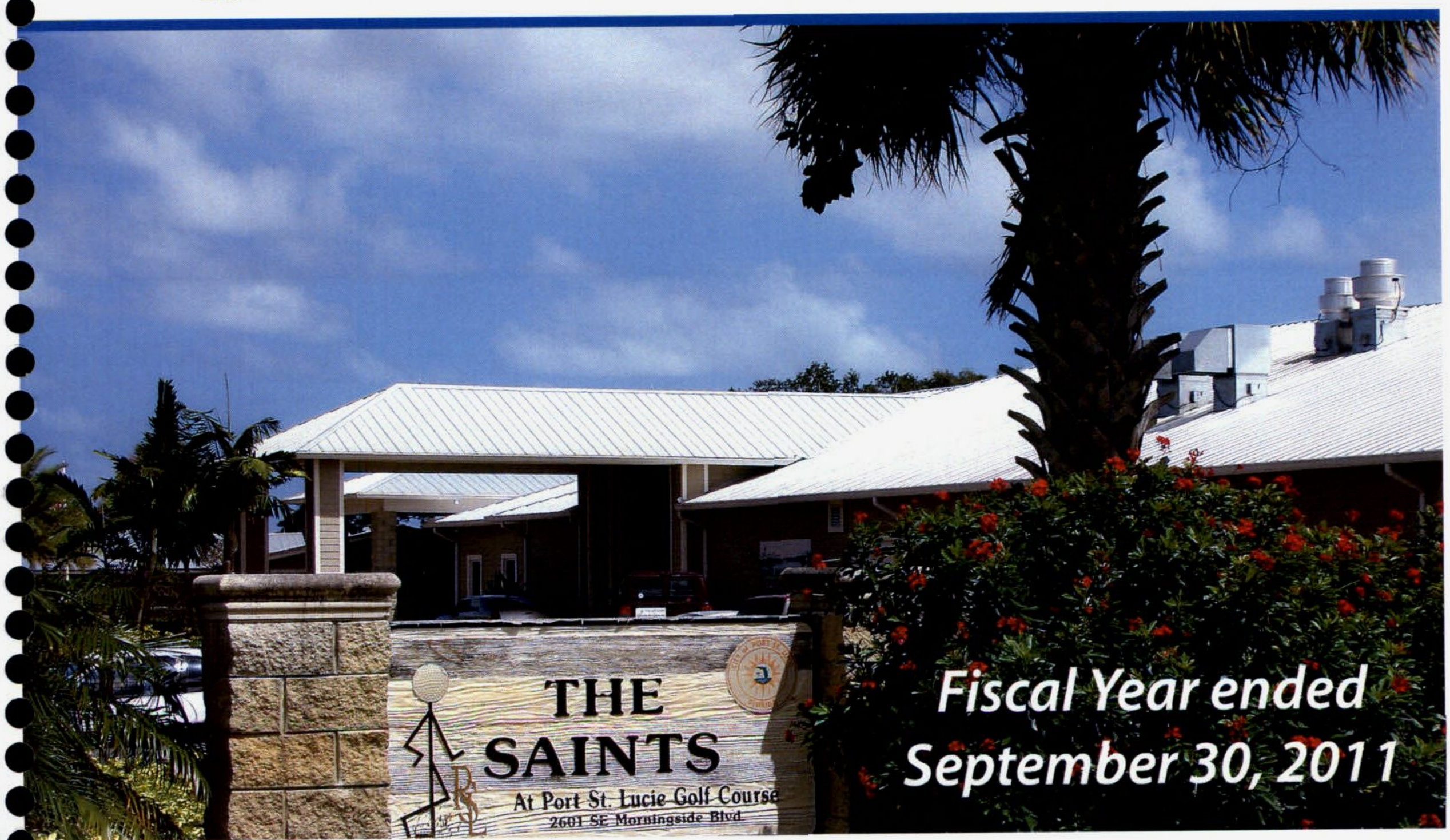
RECEIVED
APR 17 2012
City Manager's Office

CITY OF PORT ST. LUCIE, FLORIDA

A City for All Ages for 50 years, 1961 to 2011

CELEBRATE 1961 50 2011 PORT ST. LUCIE

Comprehensive Annual Financial Report



Fiscal Year ended September 30, 2011

On the Cover

Top photo:
The Welcome Center for the Port St. Lucie Country Club was on U.S. Highway 1 and Morningside Boulevard. Visitors checked in at the Welcome Center, then drove an unpaved road toward the resort, which opened in 1961 with Florida Governor Farris Bryant cutting the ribbon at the grand opening event. The resort is now Club Med Sandpiper.

Bottom photo:
Originally owned by the Port St. Lucie Country Club and opened in 1961, the Saints at Port St. Lucie Golf Course was purchased by the city in 2001. Located at 2601 S.E. Morningside Boulevard, it features an exceptional 18-hole championship course, driving range and practice area, as well as a pro shop, restaurant and rentable banquet room.

Comprehensive Annual Financial Report

Year Ended September 30, 2011

City of Port St. Lucie, Florida

"A City for All Ages"

Prepared by:

The Finance Department

"A City for All Ages"

CITY COUNCIL

MAYOR
JoAnn Faiella

COUNCIL MEMBER, VICE MAYOR
Linda Bartz

COUNCIL MEMBER
Jack Kelly

COUNCIL MEMBER
Michelle Lee Berger

COUNCIL MEMBER
Shannon Martin

APPOINTED OFFICIALS

CITY MANAGER
Jerry A. Bentrott

CITY ATTORNEY
Roger G. Orr

ADMINISTRATION

ASSISTANT CITY MANAGER/ CRA DIRECTOR
Gregory J. Oravec

DIRECTOR OF UTILITIES SYSTEMS
Jesus A. Merejo

BUILDING OFFICIAL
Joel Dramis

CHIEF OF POLICE
Brian E. Reuther

CITY CLERK
Karen A. Phillips

CITY ENGINEER
Patricia Roebling

COMMUNICATIONS DIRECTOR
Edward Cunningham

COMMUNITY SERVICES DIRECTOR
Tricia Swift-Pollard

DIRECTOR OF HUMAN RESOURCES
Susan Williams

DIRECTOR OF MANAGEMENT INFORMATION SYSTEMS
Daniel Hakim

DIRECTOR OMB/PURCHASING AGENT
David K. Pollard

DIRECTOR OF FINANCE/CITY TREASURER
Marcia Dedert

PARKS & RECREATION DIRECTOR
Sherman Conrad

PLANNING & ZONING DIRECTOR
Daniel Holbrook

NEIGHBORHOOD SERVICES
James Arnold

RISK MANAGEMENT DIRECTOR
Renee' Major

City of Port St. Lucie

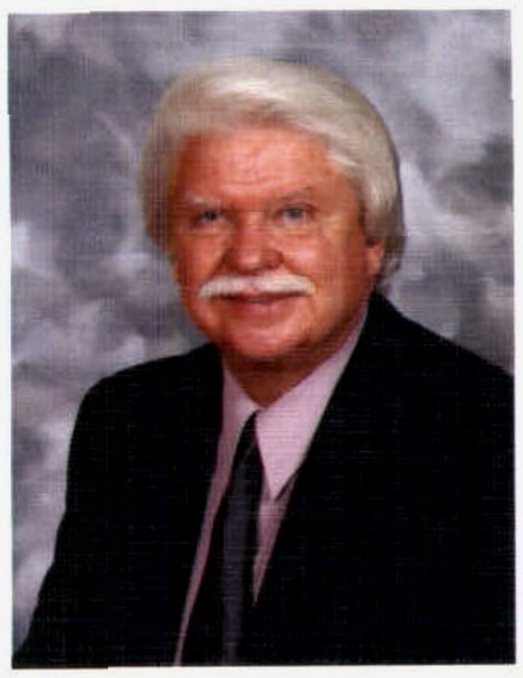
City Council

Linda Bartz
Vice Mayor
District 1

Michelle Lee Berger
District 2

JoAnn M. Faiella
Mayor

Shannon M. Martin
District 3



Jack Kelly
District 4

CELEBRATE 1961 50 2011 PORT ST. LUCIE

CITY of PORT ST. LUCIE
INCORPORATED 1961
FLORIDA

"A City for All Ages"

Introductory Section

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- Organizational Chart
- Government Finance Officers Certificate of Achievement for Excellence in Financial Reporting

"A City for All Ages"

CITY OF PORT ST. LUCIE, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

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"A City for All Ages"

CITY OF PORT ST. LUCIE

FINANCE DEPARTMENT
MARCIA DEDERT, FINANCE DIRECTOR/TREASURER

March 16, 2012

Honorable Mayor, Members of the
City Council, and Citizens of the
City of Port St. Lucie, Florida

The Comprehensive Annual Financial Report (CAFR) of the City of Port St. Lucie, Florida for the fiscal year ended September 30, 2011, is submitted herewith fulfilling the requirements of the City Charter, Florida Statutes and the Rules of the Auditor General of the State of Florida. The organization, form and contents of this report plus the accompanying financial statements and statistical tables are prepared in accordance with generally accepted accounting principles (GAAP) for state and local governments and as prescribed by the Governmental Accounting Standards Board (GASB) by the Finance Department of the City. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

The City is responsible for establishing and maintaining a comprehensive internal controls framework that is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the reliability of financial records for preparing financial statements, and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. It is our belief that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a comprehensive understanding of the City's financial activity have been included.

Florida Statutes require an independent certified public accountant's financial audit of cities in the State. The City's financial statements have been audited by DiBartolomeo, McBee, Hartley & Barnes, a firm of licensed certified public accountants. The independent audit was performed to provide reasonable assurance that the financial statements are free of material misstatement for the fiscal year ended September 30, 2011.

The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon t he audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended September 30, 2011 are fairly presented in conformity with GAAP. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The Single Audit Section is the last section of this report.

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

The government-wide financial statements, (i.e., the Statement of Net Assets and the Statement of Activities) as found in the basic financial statements, report information on all of the non-fiduciary activities of the primary government and its component units. The purpose of the government-wide financial statements is to provide a consolidated financial picture of all City activities. Governmental activities which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely mostly on fees and charges for service for support.

The Reporting Entity and Services

The City of Port St. Lucie is the most populous City in St. Lucie County. It was incorporated in 1961 and is located near the Atlantic Ocean on the southeast coast of Florida. It is situated in the southern part of St. Lucie County which lies between Indian River County to the north and Martin County to the south. The City currently occupies 116 square miles. The population as reported in the 2010 Census was 164,603 and the estimated population of the City as of April 1, 2011 was 166,041 (information supplied by the University of Florida, Bureau of Economic and Business Research (BEBR). The City was once considered the fastest growing community in both the state and the country. The City is still growing at a slower pace and per the latest BEBR report; the City is the 9th largest City in the State. The City of Port St. Lucie is empowered to levy a property tax on both real and personal property located within its boundaries. It is also empowered by state statutes to extend its corporate limits by annexation, which it has done from time to time.

Form of Government

The City was created under the Laws of Florida Act 61-2721 and operates under a Council/Manager form of government. The City Council is the principal legislative and governing body of the City. The Council is comprised of five members including the Mayor.

Pursuant to an amendment to the City's Charter, in November, 2002, the Mayor and two City Council Members were elected to a four year term. The remaining two City Council Members were elected to a two year term ending in November, 2004. Thereafter, the Mayor and City Council Members will be elected to a four year term. The City Manager is the Chief Administrative Officer of the City and is responsible to the City Council. The City Manager oversees the day-to-day operations, makes policy recommendations to the City Council and performs other duties assigned to him by the City Council including the preparation of the annual budget and the City's five-year capital improvement plan.

The City provides a range of municipal services including police protection, code inspection and enforcement, planning and zoning, community and economic development, construction and maintenance of transportation facilities, recreational and cultural activities, emergency preparedness management, water and wastewater utilities, stormwater management and general and administrative support. Independent taxing agencies provide fire protection and education services.

Financial Reporting Entity

This report includes all funds of the City that are controlled by or are dependent on the City Council. The City also exercises oversight and financial responsibility for the Port St. Lucie Governmental Finance Corporation, the Port St. Lucie Community Redevelopment Agency and the Port St. Lucie Municipal Police Officers' Retirement Trust Fund. Accordingly, these activities are included in the City's financial statements. Additional information on these three legally separate entities can be found in Note I - A in the notes to the financial statements.

The annual budget serves as the foundation for the City's financial planning and control. The budget is legally enacted through the passage of an ordinance by City Council on or before the fifteenth day of September of the fiscal year currently ending. The level of budgetary control is the department. The City Manager is authorized to transfer budgeted amounts within departments of any fund. Revisions that alter the budgeted totals of any department require approval of the City Council. Encumbrance accounting is utilized in governmental funds in order to reserve the encumbered portion of the appropriation. Encumbrances outstanding at year end are reported as reservations to fund balance and are re-appropriated as part of the following year's budget.

Economic Condition and the Local Economy

In early fiscal year 2011, the City received payment from Federal Emergency Management Agency (FEMA) in the amount of $481,247 for the final close out of project worksheets related to Hurricane Wilma, a 2005 storm. A final payment in the amount of $93,152 was received in April

2011. The reimbursement by FEMA of final close out costs related to Hurricane Wilma are the result of continuing roadway repairs and labor costs in excess of cost estimates reported on the original project worksheets.

In response to inland flooding and drainage issues observed during Hurricanes Frances and Jeanne in 2004, the City applied for and received from FEMA in 2009 the hazard mitigation grants. Phase I for drainage right of way, culvert upgrades and drainage improvements in the North St. Lucie River Improvement Project has been completed. Phase II of this federal grant was approved by City Council in July, 2011 for a total project cost of $2,261,653. $1,724,397 or 75 percent of the projected construction cost is anticipated to be reimbursed. Also, in response to drainage and flooding problems observed during Hurricane Wilma in 2005 the City applied and was approved by the Natural Resource Conservation Service (NRCS) grant to design and construct drainage improvements related to the E-8 canal for a total project cost of $2,000,000, of which 75 percent or $1,500.000 is expected to be reimbursed. The NRCS E-8 canal drainage improvement project is anticipated to be complete in 2012.

As a result of Tropical Storm Fay, a 100-year flooding event that impacted the City in 2008, the City applied for and was approved for two grants. The Florida Department of Environmental Protection (FDEP) and the South Florida Water Management District (SFWMD) each provided grants that totaled $1,464,884 for the Howard Creek Drainage Improvement and the Cane Slough Stormwater Treatment Area projects. These projects and related grant funding are part of the City's master plan within its designated Eastern Watershed Improvement Program (EWIP). As of September 30, 2011 these construction projects were more than 80 percent completed and will be finished in 2012.

The City of Port St. Lucie is strategically located 100 miles north of the City of Miami, 50 miles north of the City of West Palm Beach and 120 miles south of the City of Orlando. The City is served by three major north-south Florida highways: Interstate 95, the Florida Turnpike and U.S. Highway No. 1, and is located near a seaport, an international airport and has railway access. Port St. Lucie is the spring training home of the New York Mets major league baseball team and home of the St. Lucie Mets. The Professional Golf Association has a home in Port St. Lucie at PGA Village and has built a state of the art PGA learning center along with three outstanding golf courses. The Indian River State College, Florida Atlantic University and Barry University have facilities located within Port St. Lucie providing excellent higher education opportunities.

Due to the down turn in the housing market, the City looked at other industry to stimulate the City's economy. Torrey Pines Institute of Molecular Studies relocated its laboratory from Southern California to Port St. Lucie. The City built a 100,000 square foot laboratory and office space and Torrey Pines Institute moved into the new research facility headquarters in January, 2009. They now employ approximately 108 Scientists and support staff at the facility. They plan to hire another 12 in 2012 moving towards their goal of approximately 190 employees at their final build out phase 2016. Torrey Pines Institute is currently focusing on the following disease areas: HIV, Alzheimer's Disease, Autoimmune Disorders such as Multiple Sclerosis, Cancer, Pain Management and Addiction. They are presently working on a new pain medication which is inhaled and relieves pain quicker than pills with no side effects.

The Oregon Health and Science University's Vaccine and Gene Therapy Institute of Florida (VGTI-FL) were located on the third floor of the Torrey Pines facility while their 100,000 square foot laboratory and office space was under construction. Construction on the VGTI-FL facility began in October, 2010, and was completed in January, 2012. VGTI-FL's research facility has 67 employees now and plans to hire an additional 6 after the opening in 2012. The average salary is $75,897. The ultimate goal is to employee 220 Scientists and support staff. VGTI-FL is actively working with member of the Port St Lucie community to achieve their mission. The community outreach program provides internships for training community college students and developing programs for primary and secondary education. VGTI-FL continues to be involved with BioFlorida, The St Lucie County Chamber of Commerce and the Economic Development Council of St Lucie County.

Martin Memorial Health System is preparing to break ground on the construction of a 90-bed hospital in Western Port St. Lucie. This hospital will be located close to the biotechnology research corridor. Once construction begins, Martin Memorial will use as many qualified local resources as possible on the construction project. Once the hospital opens, it will employ over 400. The hospital is expected to open in 2013. The Mann Research Center has committed to build an office complex adjacent to this new hospital.

Other industry locating within the City is Wyndcrest Digital Domain Media Group, Inc. of Florida (DDMG). DDMG built a digital production studio in Port St. Lucie that will create up to 500 new jobs and expand film and computer studies at area state colleges. Construction was completed in December, 2011 for a 150,000 square foot building for the operation of a digital production studio for technology and entertainment focused on animated films, video games and visual effects. The company commenced operations in temporary quarters, but has moved to their permanent facility. The company has hired approximately 300 employees toward their goal of 500 new jobs within the City at an average salary of $70,462.

During fiscal 2005, the City issued its first general obligation bonds and received ratings from all three major rating agencies. After meetings with the rating agencies and with several site visits, the City received strong ratings of Aa3 from Moodys, AA- from Standard & Poors and A+ from Fitch. During 2010, Moody's and Fitch recalibrated its credit ratings on U.S. Public Finance that resulted in a change in the City's ratings. The recalibration resulted in an Aa2 from Moody's and AA- from Fitch. The intent of the recalibration is to ensure a greater degree of comparability across the global portfolio of credit ratings. Obtaining an "Aa" category general obligation rating places the City in the top 30 rated cities in Florida. In addition to the general obligation ratings, the City had its non-ad valorem (covenant to budget and appropriate) rating recalibrated. Both the general obligation and non-advalorem ratings have stable outlooks. These ratings have been maintained during fiscal years' 2006 through 2011 despite the slump of the residential housing market within the City. The rating agencies praised the City's tight financial controls and its ability to maintain adequate reserves.

Current and Long-Term Capital Improvements

The City of Port St. Lucie's Capital Improvement Program is a multi-year plan used to identify needed capital projects and to coordinate financing and timing of the capital additions necessary to compliment the growth of the City and to comply with requirements of the Growth Management Act.

Cash Management

The City's adopted investment policy is established with the highest priority on the preservation of the portfolio principal. Treasury yields are considered benchmarks for riskless investments and are used as the City's minimum standard for the portfolio's rate of return. The City's banking arrangement uses both a compensating balance checking account and a related money market account. The City's invested funds, excluding the pension trust funds and certain bond funds are diversified to control the risk in various instruments. These instruments include, but are not limited to, Certificates of Deposit, Money Market Accounts, U.S. Treasury bills, U.S. Government Agencies and Local Government Investment Pools. Within these instruments, the City's goal is to maintain no more than 20 percent in any one institution.

Risk Management

The City is a member of the Treasure Coast Risk Management Program (TRICO) which is a cooperative of local governments created in accordance with Florida Statute 163. The cooperative, in conjunction with the City's Risk Management Department is responsible for the administration of general property and automobile physical damage liability, workers' compensation, professional liability and flood insurance coverage.

During fiscal year 1990-1991, the City became self-insured in connection with its employee's health care program with an insurance company providing the administration of claims and reinsurance. The City and its employees contribute to the Medical Insurance Fund based on the experience rate of the prior year in relation to claims and expenses paid.

Other Post Employment Benefits

In compliance with GASB Statement 45 for Other Post Employment Benefits (OPEB), the City elected to set up a trust fund in fiscal year 2010 to accumulate resources for the payment of post employment benefits. The City's initial contribution was at 33 percent of the Annual Required Contribution (ARC) and the benefits continued to be paid on a pay as you go basis. The irrevocable trust dedicates the plan assets to provide benefits to retirees and their beneficiaries in accordance with the terms of the City's self-insured health plan.

The City has made some plan changes for new employees to reduce its future liability. The long range plan is to fund the trust at 33 percent of the estimated ARC and limit the benefits paid from the trust. Today's economy has limited the City's ability to fully fund the trust and this will be analyzed annually during the budget process.

Awards and Acknowledgments

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 Port St. Lucie, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2010. This was the nineteenth (19th) consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles GAAP and applicable legal requirements

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

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2011. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and a communications device.

I take this opportunity to extend my appreciation to all City employees throughout the organization who have the daily responsibility of maintaining the financial records on which this report is based. Special recognition is given to the employees of the Finance Department who worked with dedication and diligence in completing this report.

Appreciation and recognition is extended to the accounting firm of DiBartolomeo, McBee, Hartley & Barnes, P. A. for the professionalism and cooperation shown during the performance of the engagement and for the assistance and advice they provided during the course of their audit. The continued interest and support of the City Council, City Manager and City Department Directors in the planning and guidance of the financial operations of the City is greatly appreciated.

Respectfully Submitted,

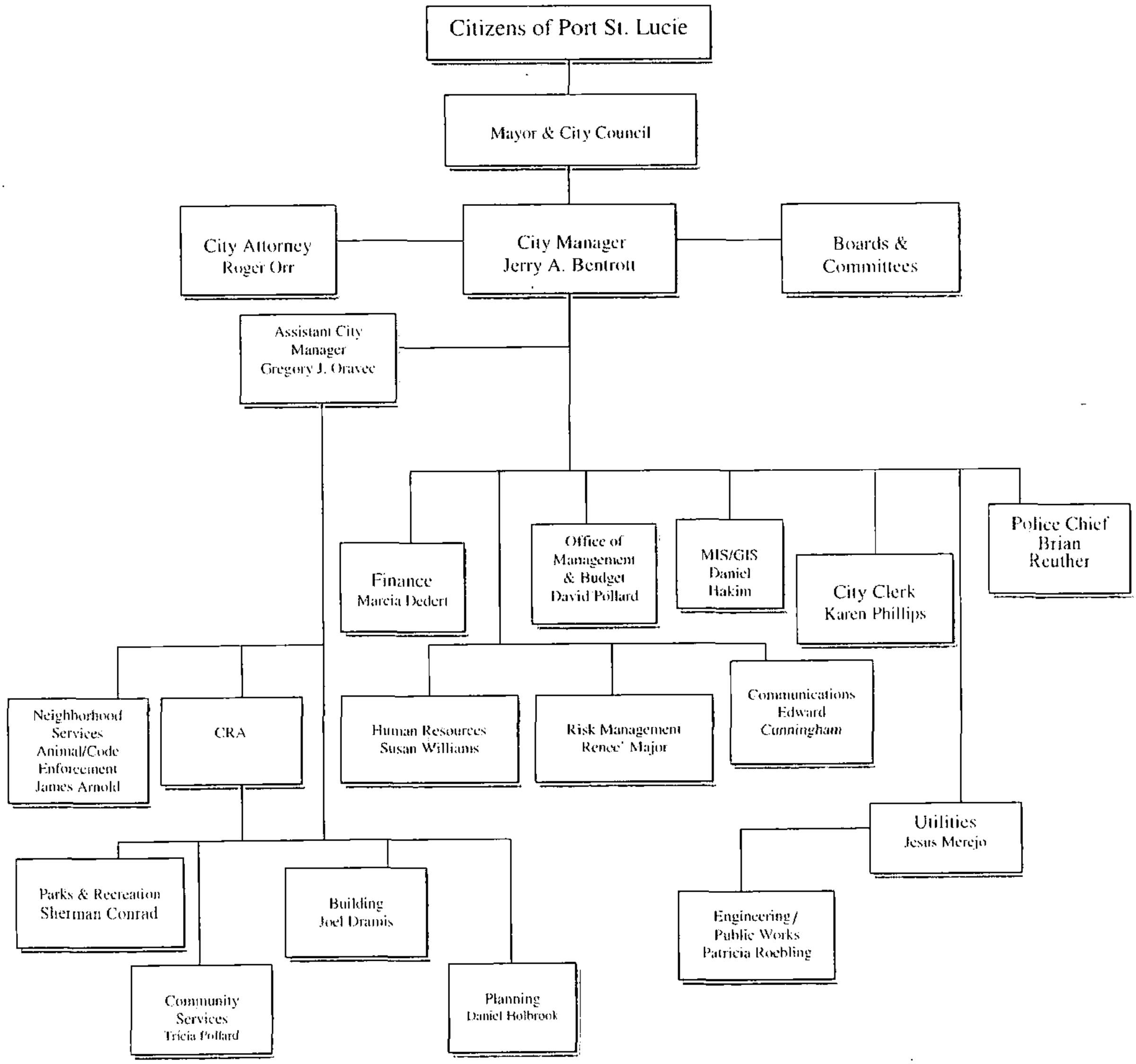
Marcia Dedert, CPA, CGFO
Director of Finance/Treasurer

CELEBRATE 1961 50 2011 PORT ST. LUCIE

CITY of PORT ST. LUCIE
INCORPORATED 1961
FLORIDA

"A City for All Ages"

"A City for All Ages"



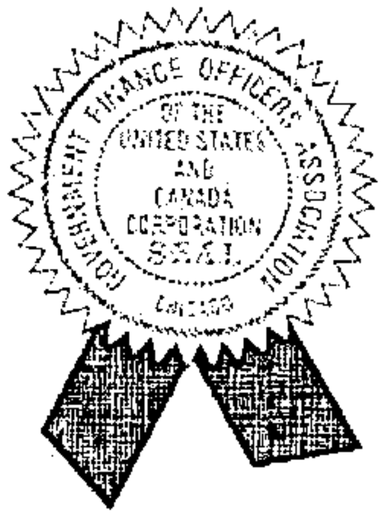
Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Port St. Lucie
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

Financial Section

DMHB DIBARTOLOMEO, McBEE, HARTLEY & BARNES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the City Council
Port St. Lucie, Florida

March 16, 2012

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Port St. Lucie, Florida (the "City') as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Port St. Lucie Municipal Police Officer's Retirement Trust Fund (MPORT), a component unit of the City of Port St. Lucie, Florida, which represent 44% and 32% of the assets and revenues, respectively, of the fiduciary funds (pension trust funds). Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Port St. Lucie MPORT Fund is based on the report of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2012 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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To the City Council
Port St. Lucie, Florida

March 16, 2012

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages MDA-1 through MDA-17 and 65 through 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements taken as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, Rules of the Auditor General, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules as listed in the table of contents and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate 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 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. 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.

D. Bartolomeo McBee Hartley & Barnes
Certified Public Accountants

"A City for All Ages"

Management's Discussion & Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis is a narrative overview and analysis of the financial activities of the City of Port St. Lucie for the fiscal year ended September 30, 2011. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal.

Financial Highlights

- At the end of fiscal year 2011, the City's assets exceeded its liabilities by $715,554,810 *(net assets)*.

- The City's total net assets decreased by $17,850,352 primarily from the decline in operating grants, capital grants and contribution revenues.

- At September 30, 2011, the City's governmental funds reported combined ending fund balances of $103,396,498 a decrease of $42,660,475 compared to the prior year. Under the new GASB Statement 54, a new presentation of fund balance is required. The City's fund balance is as follows:
  - Non-spendable - $1,001,833 inventory and prepaid items

  Spendable:
  - Restricted - $12,558,416 – debt service and grants
  - Committed - $6,200,487 – encumbrance approved by City Council
  - Assigned - $81,604,179 – intended for a specific purpose
  - Unassigned - $2,031,583 – available for any purpose

- At September 30, 2011, the fund balance of the General Fund was $15,060,457 or 24.2 percent of the total General Fund revenues and 26.5 percent of General Fund expenditures.

- During the year, the City issued bonds in the amount of $42,900,000 and retired bonds and certificates of participation in the amount of $70,160,690 for a net decrease of $27,260,690. The debt issued included Special Assessment District Refunding Bonds, Series 2011A, in the amount of $10,910,000, Special Assessment District Refunding Bonds, Series 2011B, in the amount of $20,665,000 and Stormwater Utility Refunding Bonds, Series 2011, in the amount of $11,325,000.

Overview of the Financial Statements

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

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

The *Statement of Net Assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All Changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused sick leave).

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

The government-wide financial statements include not only the City itself which is the *primary government*, but also a legally separate Port St. Lucie Governmental Finance Corporation and a legally separate Community Redevelopment Agency (CRA) for which the City is financially accountable. They are both governed by the same board members; the City Council. Accordingly, the financial information for these *component units* has been *blended* with and included as an integral part of the primary government.

The government-wide financial statements can be found on pages 1-2 of this report.

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

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

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

The City maintains 46 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service Fund, Community Redevelopment Agency Fund, Community Redevelopment Agency Tax Increment Finance Capital Improvement Project (CIP) Fund, USA 5-6-7A Water & Sewer Special Assessment Collection Fund, Wyndcrest Digital Domain Media Group (DDMG) CIP Fund and Southwest Annexation District I Special Assessment Collection Fund, all of which are considered to be major funds. Data from the other 39 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 3-8 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the Water and Sewer Utility Operating Fund, the Stormwater Utility Fund and for the Golf Course Fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for the Medical Trust Fund. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Utility Fund, the Stormwater Utility Fund and the Golf Course Fund as the City has elected to report all the enterprise funds as major funds in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 9-14 of this report.

Fiduciary funds. Fiduciary funds and Agency funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds and Agency funds are *not* reported in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary and agency fund financial statements can be found on pages 15-16 of this report.

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

The notes to the financial statements can be found on pages 17-66 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's compliance with its general fund budget, other major fund budgets and the City's progress in funding its obligation to provide pension benefits to its employees.

Required supplementary information can be found on pages 67-74 of this report.

The combining statements referred to earlier in connection with *non*-major governmental funds are presented immediately following the required supplementary information on pensions.

Combining and individual fund statements can be found on pages 75-88 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Port St. Lucie, assets exceeded liabilities by $715,554,810 at the close of the most recent fiscal year. The City's decrease in net assets for this fiscal year is $17,850,352.

City of Port St Lucie
Net Assets on September 30, 2011
(In Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Assets:						
Current and other assets	$ 459,608	$ 322,069	$169,156	$179,513	$ 628,764	$ 501,582
Capital assets	768,885	759,727	700,185	703,956	1,469,070	1,463,683
Total assets	1,228,493	1,081,796	869,341	883,469	2,097,834	1,965,265
Liabilities:						
Long-term liabilities outstanding	518,120	551,662	493,789	498,382	1,011,909	1,050,044
Other Liabilities	351,085	162,808	19,285	19,008	370,370	181,816
Total Liabilities	869,205	714,470	513,074	517,390	1,382,279	1,231,860
Net Assets:						
Investment in capital assets, net of related debt	304,238	304,349	271,709	250,895	575,947	555,244
Restricted	49,172	102,011	73,138	89,846	122,310	191,857
Unrestricted	5,878	(39,034)	11,420	25,338	17,298	(13,696)
Total net assets	$ 359,288	$ 367,326	$356,267	$366,079	$ 715,555	$ 733,405

A portion of the City's total net assets are restricted approximately 17.1 percent, consisting of $58,209,922 in restricted capital project cash and investments, $64,008,433 in restricted debt service funds and $92,105 restricted for stormwater claims. The City has unspent bond proceeds for capital projects and debt service reserve requirements in cash and investments that must be restricted.

The City's total net assets also include $575,946,676 (80.5 percent) invested in capital assets (e.g. land, utility plant and equipment, buildings, improvements, machinery and equipment and infrastructure), less any related debt used to acquire those assets still outstanding. The City uses these capital assets to provide services to citizens. Consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of $17,297,674 (2.4 percent) is in *unrestricted net assets*. This balance represents $ 5,877,718 (34 percent) in the governmental activity and $11,419,956 (66 percent) in the business-type activity. This balance represents available financial resource of the total government.

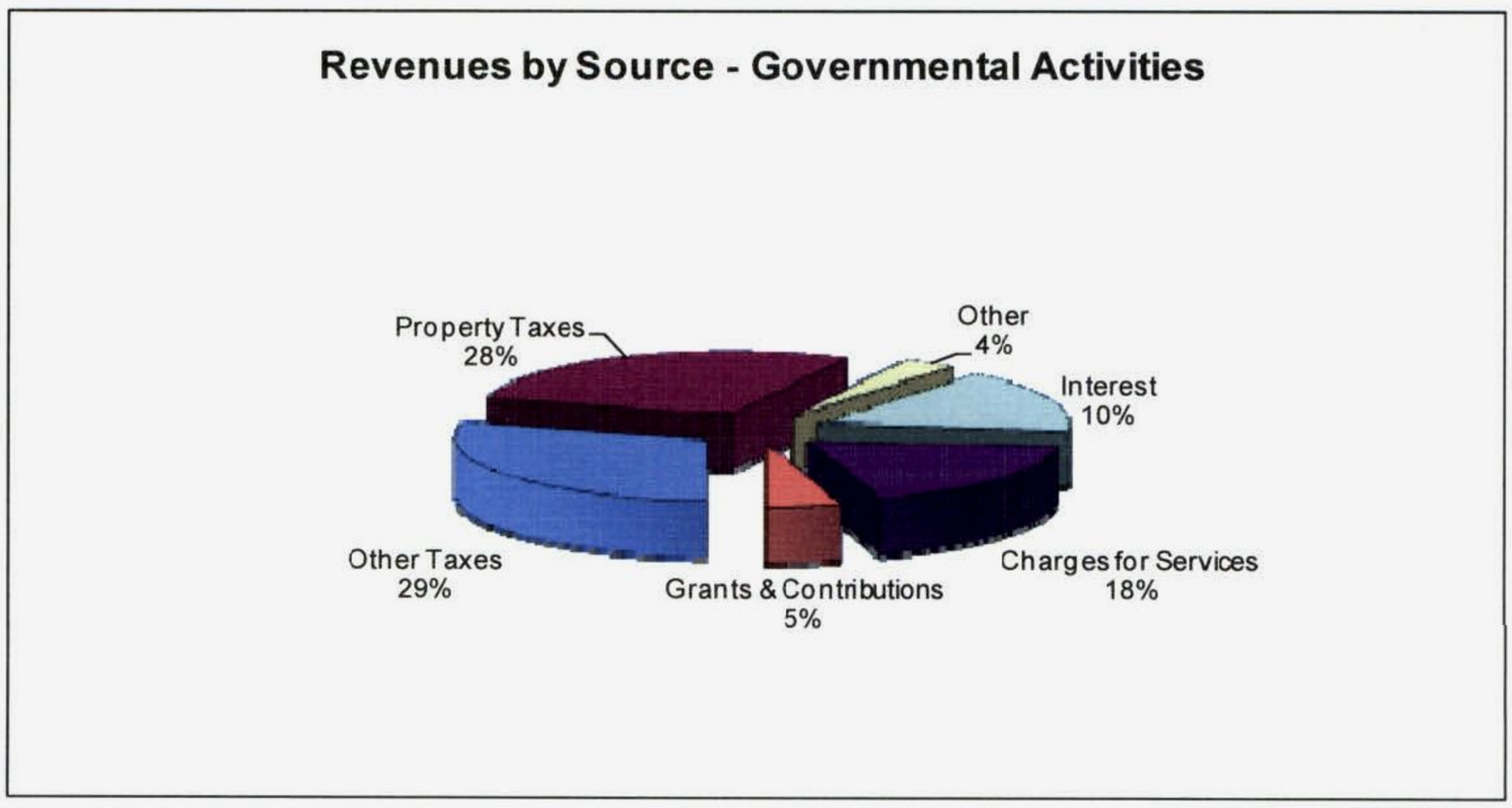
The City's net assets decreased by $17,850,352 from $733,405,162 to $715,554,810 during the current fiscal year. The decline in the City's revenue from operating grants and contributions (61.8 percent), and capital grants and contributions (32.7 percent) accounts for the majority of the decrease. The City's combined total revenues remained flat with an increase of $253,795 (0.1 percent).

City of Port St Lucie
Changes in Net Assets on September 30, 2011
(In Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Program revenues:						
Charges for services	$ 24,137	$ 21,615	$ 76,904	$ 73,017	$101,041	$ 94,632
Operating grants and contributions	5,972	17,251	819	535	6,791	17,786
Capital grants and contributions	132	6,967	13,280	12,968	13,412	19,935
General revenues:						
Property taxes	37,124	37,221	-	-	37,124	37,221
Other taxes	38,180	34,336	-	-	38,180	34,336
State revenue sharing	2,486	2,297	-	-	2,486	2,297
Interest income	20,968	12,689	2,518	3,422	23,486	16,111
Other revenues	2,059	1,488	1,347	1,859	3,406	3,347
Total revenues	131,058	133,864	94,868	91,801	225,926	225,665
Expenses:						
General government	13,220	11,206	-	-	13,220	11,206
Public safety	37,292	40,258	-	-	37,292	40,258
Physical environment	2,219	3,243	-	-	2,219	3,243
Transportation	37,504	32,711	-	-	37,504	32,711
Economic environment	9,607	20,236	-	-	9,607	20,236
Human Services	1,381	1,648	-	-	1,381	1,648
Culture and recreation	10,306	10,506	-	-	10,306	10,506
Interest on long-term debt	27,331	26,867	-	-	27,331	26,867
water and wastewater	-	-	83,214	85,545	83,214	85,545
Stormwater	-	-	19,788	17,691	19,788	17,691
Golf course	-	-	1,914	1,872	1,914	1,872
Total expenses	138,860	146,675	104,916	105,108	243,776	251,783
Increase in net assets before transfers	(7,802)	(12,811)	(10,048)	(13,307)	(17,850)	(26,118)
Transfers	(236)	8,332	236	(8,332)	-	-
Changes in net assets	(8,038)	(4,479)	(9,812)	(21,639)	(17,850)	(26,118)
Net assets - beginning	367,326	371,805	366,079	387,718	733,405	759,523
Net assets - ending	$ 359,288	$367,326	$356,267	$366,079	$715,555	$733,405

Governmental activities. Governmental activities decreased the City's net assets by $8,038,738 which is 45.0 percent of the decrease in total net assets. Key elements of this decrease are as follows:

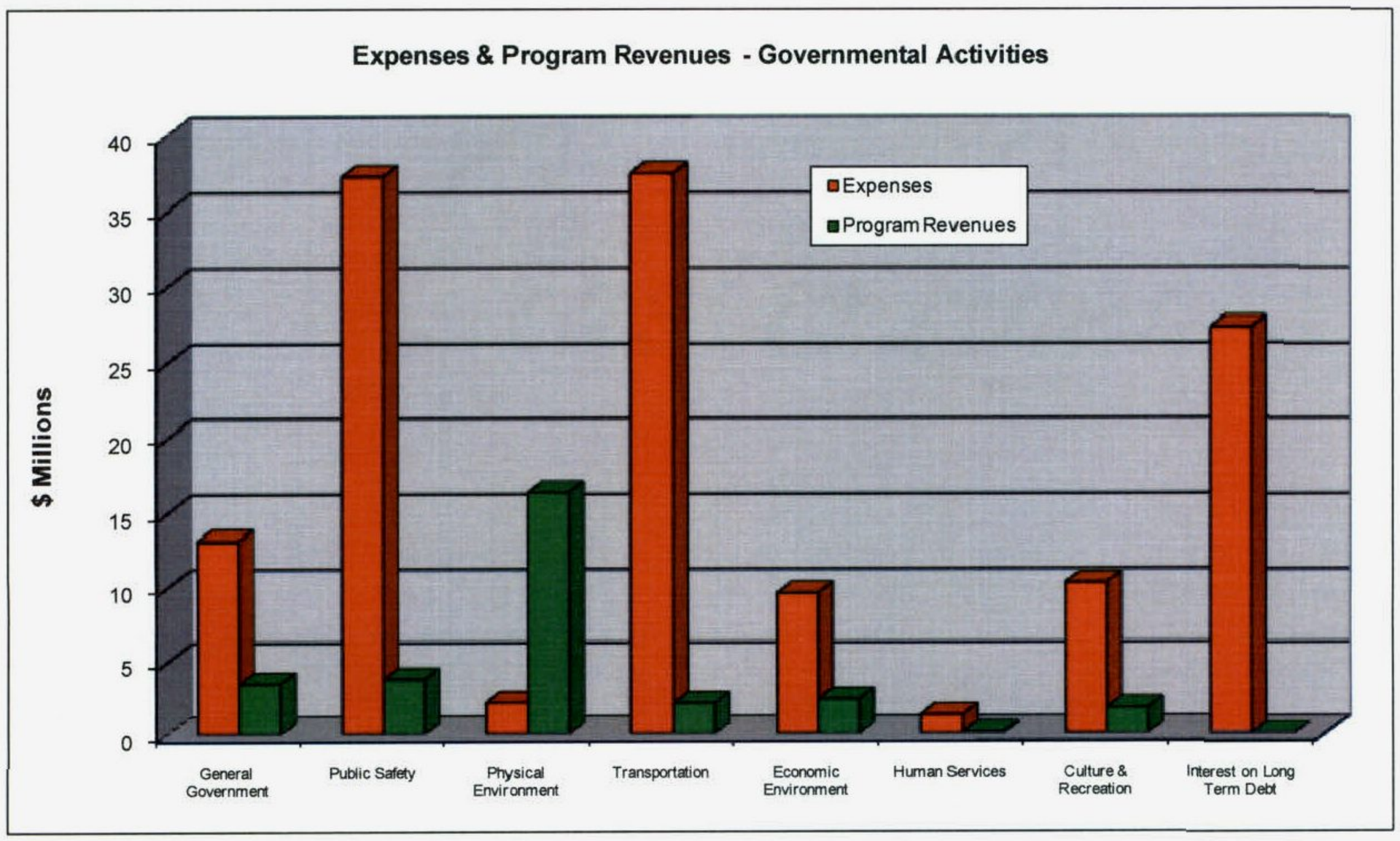
- Other taxes, which include Franchise and Utility Tax, Communication Service Tax, Local Business Tax, Half Cent Sales Tax, Local Option Gas Tax and Insurance Premiums increased 11.2 percent primarily as a result of increasing the Electric Utility Tax rate from 5 percent to 10 percent.
- Charges for services increased 11.7 percent from the previous year due to assessment collections for infrastructure improvements and increased revenue in transportation.
- Operating grants and contributions decreased $11,279,176 (65.4 percent) from the previous year. The City had received a Neighborhood Stabilization Program (NSP) grant through the Department of Housing and Urban Development (HUD) and expended $10,374,236 in fiscal year 2010. The expenditures for fiscal year 2011 were much lower and operating grants are recorded based on expenditures.
- Capital grants and contributions decreased by $6,835,443 (98.1 percent) from the previous year. The City received a $5 million credit enhancement fee from VGTI-FL for the City's Credit rating to secure the bonds in the prior fiscal year and this one-time fee was used on the Becker road improvement project.



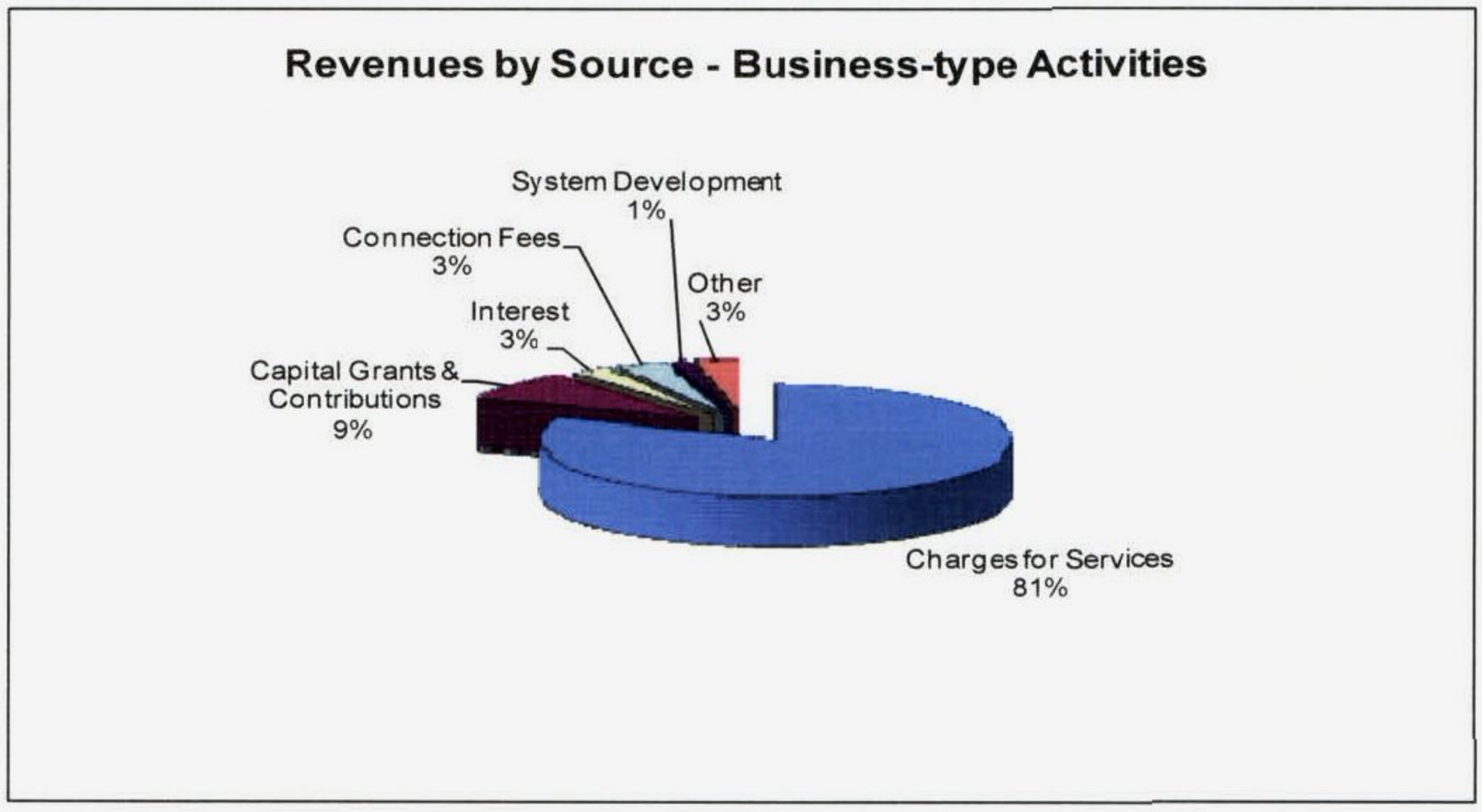
For the most part, governmental activity expenses decreased and the net change was a decrease of $7,814,777 (5.3 percent).

- The economic environment expenses had the largest increase in the prior year from development and an economic growth grant to Wyndcrest Digital Domain Media Group (DDMG) and the largest decrease in the current year of $10,629,130 (52.5 percent). These one-time expenditures were not repeated in the current year.

- Public safety expenses decreased by $2,966,005 (7.4 percent) from the prior year. The City reduced the police officers by 26 full time equivalent (FTE) employees and had savings in the self-insured health insurance plan.
- Expenses for transportation increased by $4,792,866 (14.7 percent) from the prior year. The $5,000,000 credit enhancement fee received from VGTI-FL was used to complete segment #4 on the Becker Road project.
- Expenses for the general government increased by $2,013,461 (17.9 percent) compared to the prior year. The City owned property at the Civic Center has stormwater fees and a special assessment payment of $1,956,941 that was new in this fiscal year.
- Physical Environment expense decreased by $1,022,795 (31.6 percent) compared to the prior year. In the prior year several special assessment issues were defeased and there were large write offs on deferred charges, and in the current year, amortization was much lower.
- The remaining functions in the governmental activities had smaller decreases in human services of $266,908 (16.2 percent) and culture and recreation of $200,162 (1.9 percent) from the staffing reductions.
- Debt service expense increased by $463,896 (1.7 percent) interest on the Wyndcrest DDMG Lease Revenue Bonds closed in FY 2010 and the City paid a full year of interest in FY 2011.



Business-type activities. Business-type activities decreased the City's net assets by $9,811,614 accounting for 55.0 percent of the total decline in the City's net assets.



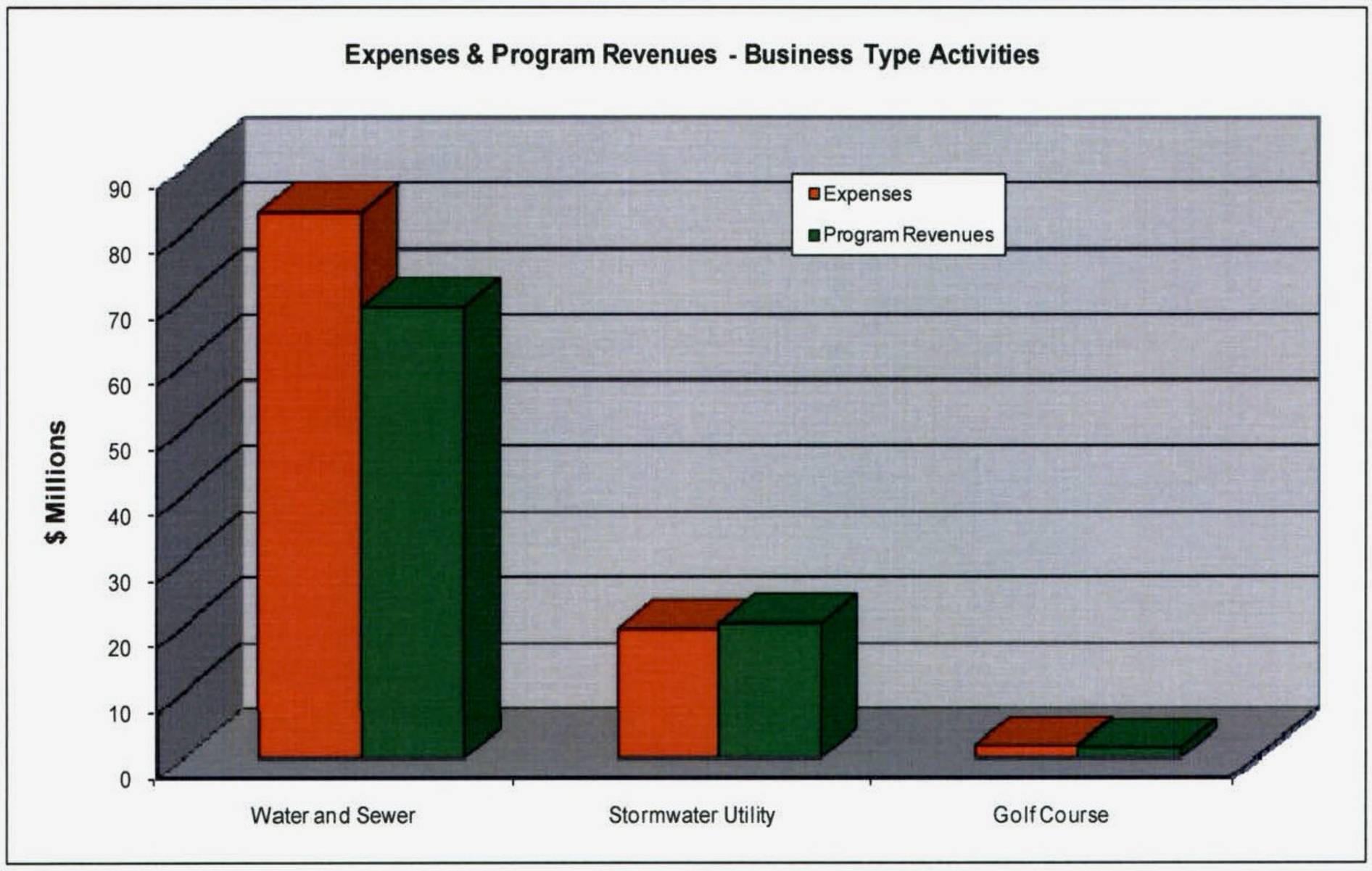
Key elements of the business-type activity net assets increases and decreases are as follows:

- The City's Water & Waste Water Utility change in net assets decreased by $12,365,490. There was an increase in operating revenue of $3,633,400 (6.9 percent) due to a 3 percent rate increase and new customer growth for the current fiscal year. The operating expense had an overall decrease of $1,958,412 (3.2 percent). Personal services decreased by $1,059,651 (5.8 percent) because the departments reduced staffing by 22 FTE's this fiscal year with a total reduction of 57 FTE's over the past two years. Contractual services and operating supplies and expenses also had reduction in expense of $ 610,326 (46.3 percent) and $751,390 (6.2 percent) respectively. The only increase was in depreciation expense and it has exceeded $30 million. The Utility continues to increase assets and finds it more difficult to cash fund this line item from operating revenues.

- The City's Stormwater Utility Fund had an increase in net assets of $2,620,575 and revenue was relatively flat with an increase of $200,057 (1.1 percent). The stormwater fees are collected annually on the County tax statement as an assessed fee and the City did not increase that fee this fiscal year. The overall increase in operating expenses was $1,125,249 (7.4 percent) over the prior year. This increase was due to work crews previously charged to the road and bridge fund in the drainage division being shifted to stormwater. The increase in personal services was $391,204 (6.9 percent). The largest increase was in contractual services $713,161 (11.2 percent) from out-sourcing services on drainage projects. Operating supplies and expenses also increased $109,078 (4.1 percent) because of the increase in staffing. The overall increase in net assets has elevated the equity position to a positive balance.

- The City's Golf Course change in net assets decreased $66,699. Revenues increased by $102,464 (7.0 percent) and operating expenses increased by $49,296 (2.6 percent) from the prior year. The current transfer-in from the general fund was $210,000 the same as the prior

year. The goal for the golf course is to be self sufficient and this will be the last year that the golf course will receive a subsidy from the general fund. The golf course is close to the break even point on the cash basis of accounting but did not generate enough revenue to fund non-cash expenditures such as depreciation and accrued paid time off.



Financial Analysis of the City's Funds

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

Governmental Funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. This information is useful in assessing the City's financing requirements. In accordance with GASB Statement 54, the new fund balance was implemented in the previous fiscal year. The changes to the equity section are designed to indicate the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the fund can be spent. The five components of fund balance are as follows:

- *Non-spendable*: Amounts not in spendable form examples are inventory and pre-paid items.

Spendable Fund balances:

- *Restricted*: Spendable resources which are restricted by external legal restrictions such as debt services and assets held for resale in the NSP grant.
- *Committed*: Spendable resources which are committed by City Council action such as contractual obligations.

- *Assigned*: Spendable resources which are assigned by the City to specific uses such as capital projects and debt service payments.
- *Unassigned*: Spendable resources which can be used for any City purpose. In the general fund it represents the cash carry forward into the next year's budget.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $103,396,498, a decrease of $42,660,475 in comparison with the prior year. The decrease is from spending and encumbering funds for large capital projects.

The *General Fund* is the chief operating fund of the City. At the end of the current fiscal year, total fund balance of the General Fund was $15,060,457. As a measure of the General Fund's liquidity, it may be useful to compare total fund balances to total fund revenues and expenditures. The City feels it is a prudent financial policy to maintain at least 20 percent fund balance. The City's total fund balance represents 24.2 percent of revenues and 26.5 percent of expenditures in the General Fund.

The fund balance of the City's General Fund increased by $2,486,615 during the current fiscal year. Revenues increased by $5,499,293 (9.7 percent) and expenditures decreased by $4,221,820 (6.9 percent) compared to the prior fiscal year.

- Revenues from property taxes increased by $120,084 (0.5 percent) and revenues from the Communication Service Tax decreased by $154,842 (2.5 percent). There was an increase in the Electric Utility Tax rate from 5 percent to 10 percent which contributed to a $4,116,349 revenue increase (91.1 percent) for an overall increase in taxes of $4,068,173 (11.6 percent). Licenses and permits decreased $315,614 (3.5 percent) due to a decrease in electric franchise fees. Intergovernmental revenues increased by $2,040,370 (28.4 percent) because the City received an Energy Efficiency & Conservation Block Grant to install solar panels on the City Civic Center. Charges for services decreased by $318,441 (13.1 percent) due to a decrease in zoning fees. Fines and forfeitures decreased by $309,063 (32.3 percent) primarily as a result of fewer collections of court fines and local ordinance violations. The continuing decline in interest rates resulted in a $150,946 (52.7 percent) decrease in investment earnings. The remaining revenues were generally unchanged from the prior year.

- General Fund expenditures decreased by $4,221,820 (6.9 percent) from the prior year in all divisions in the general fund. Public Safety, the largest division, had the largest reduction. The factors that lead to this decrease was reduction in City staffing and an increase in employee health insurance contribution combined with lower health insurance claims.

- The increase of the General Fund's balance was primarily due to the change in the Electric Utility Tax rate from 5 percent to 10 percent and a concerted effort by all General Fund departments to reduce expenditures.

- The Debt Service Fund increased by $2,403,877 in order to establish a reserve for future debt service payments.

- The Community Redevelopment Fund's (CRA) balance increased by $5,794,689 since the Community Redevelopment Capital Fund was closed and its fund balance was transferred to the CRA Operating Fund to pay future debt service requirement.

- Capital Fund decreased its fund balance by $27,273,988 since the previous year's bond proceeds were expended for the capital project. The project will be completed in FY 2012.

The Non-Major governmental funds decreased their fund balance by $18,458,740 (22.1 percent) from the 2010 fiscal year. Major factors contributing to this decrease are as follows:

- The Becker Road Capital Improvement Fund decreased fund balance by $6.5 million as designated funds for this project are spent on infrastructure improvement.

- Other capital projects that reduced fund balance as bond proceeds were spent were Crosstown Parkway $2.7 million, Road and Bridge Improvement $1.4 million and South West Annexation Special Assessment district $1.6 million.

- The Neighborhood Stabilization Grant Fund's expenditures on the foreclosed homes in Port Saint Lucie decreased fund balance by $1.5 million.

- The Combined Special Assessment District for Peacock & Lowry decreased the fund balance by $1.2 million by calling bonds early with excess construction funds.

  The Building Department had a fund balance that is 1.04 percent of their total expenditures for the fiscal year. Expenditures exceeded Revenue by $532,922 reducing fund balances.

The City has three proprietary funds; the Utility System Fund, the Stormwater Utility Fund and the Golf Course Fund.

- The Utility System Fund had a net operating loss of $3,913,126 and a decrease in net assets of $12,562,235. Depreciation expense of $30,743,587 was the main factor contributing to the net operating loss as the remaining operating expenses decreased $2.4 million and revenue increased by $3.6 million. Interest expense on outstanding debt remains high at $22.4 million. However, the City's bond coverage rates are 1.22 and 2.14 which exceeded the maximum required bond coverage rates of 1.00 and 1.10 respectively.

- The Stormwater Utility Fund had operating income of $2,891,480 and an increase in net assets of $2,558,676. The increase in net assets results in a change of beginning net assets from a negative balance of $2,178,207 to an ending net asset positive balance of $380,499.

- The Golf Course Fund had a net operating loss of $378,543 and a decrease in net assets of $75,513. An increase in the number of rounds played contributed to increased revenues of 7 percent resulting in a reduction of the net operating loss compared to the previous fiscal year net operating loss of $431,711. The goal of the golf course is to break even on the cash basis without a subsidy from the general fund.

General Fund Budgetary Highlights

The increase in the final revenue budget over the original budget was nominal, with a total increase, excluding unassigned fund balance, of 3.6 percent or $2,145,397. Major increases in the revenue budget were as follows:

- $1,331,651 grant from the Department of Energy for a solar lighting project at the Port St. Lucie Civic Center.
- $460,365 from FEMA for reimbursement of costs related to the close-out of Hurricane Wilma.

The increase in the final expenditure budget over the original budget was modest, with a 6.1 percent or $3,507,311 increase. The major budgetary adjustments resulting in this increase were:

- $1,499,772 interfund transfer to the Southwest Annexation Special Assessment District for the payment of special assessments on City owned property.
- $1,348,951 appropriation for a grant funded solar lighting project at the Port St. Lucie Civic Center.
- $137,100 payout of compensated absences for former Parks Department employees.
- $122,103 for overtime in the Police Department.
- $86,500 for equipment and software upgrades in the MIS Department.

The revenue variance from the final budget to actual revenues for the General Fund, excluding unassigned fund balance, was $591,709 over budget or 1.6 percent. Major variances from budget to actual were as follows:

- Miscellaneous Revenues $809,687 over budget, a 39.2 percent variance, primarily due to an unanticipated insurance payment for hurricane expenditures incurred in previous years and recycling material sales much higher than previous fiscal years.
- Intergovernmental Revenue $942,670 over budget, an 11.4 percent variance, as a result of higher than anticipated state shared revenues and a negotiated payment from St. Lucie County to offset solid waste disposal tipping fees paid by the City to the County.
- Taxes ($509,279) under budget, a (1.3) percent variance.
- Licenses and Permits ($460,177) under budget, a (5.0) percent variance.
- Fines & Forfeitures ($460,177) under budget, a (18.6) percent variance.
- Charges for Services ($70,151) under budget, a (18.6) percent variance.

Expenditures for all divisions within the General Fund were equal to or less than their final appropriated budget except for the following:

- School Crossing Guards $9,356 over budget, a 2.0 percent variance.
- Village Square Garage $6,204 over budget, an 8.6 percent variance.
- Domestic Violence Grant $463 over budget and .8 percent variance.

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2011 amounted to $1,469,070,199 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, infrastructure, machinery and equipment, plant, water and sewer system and construction in progress. Projects for major governmental capital assets during the current year that increased the city's investment in capital assets include the following:

- Village Parkway Phase II $40,014,293.
- Community Boulevard $5,129,980.
- Discovery Way (E/W No. 1 Roadway) $2,086,154.
- Becker Road Widening (Segment 2) $6,698,208.
- Becker Road Widening (Segment 4) $3,985,512.

Construction work in progress for major governmental capital assets during the current year includes the following:

- Crosstown Parkway Infrastructure (Segment 1) $4,680,785.
- Becker Road Widening (Segment 3) $5,197,838.
- Ravenswood Facility $1,447,371.
- Digital Domain Media Facility $23,036,538.

Developers contributed infrastructure to the utility system totaling $2,131,473. The major project in the business-type activities is the Westport Wastewater Treatment Plant expansion from 4.0 to 6.0 million gallons daily $2,198,787.

Construction work in progress for major business-type capital assets during the current year includes the following:

- Prineville Expansion Phase I Admin. II $2,604,866.
- Westport Wastewater Treatment Expansion from 6.0 to 12.0 million gallons daily $22,833,740.
- Glades Wastewater Treatment Plant Deep Injection well $5,642,416.
- River Park Water Mains $2,130,359.
- Prineville Deep Well Injection $4,905,799.
- Rangeline Extension (Martin Correctional Institute) $2,578,386.
- Eastern Watershed Improvement project $19,203,063.

City of Port St Lucie
Capital Assets (net of depreciation)
(In Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Land	$ 114,916	$ 113,691	$ 20,920	$ 20,928	$ 135,836	$ 134,619
Buildings	98,192	101,489	3,303	3,413	101,495	104,902
Improvements other than buildings	22,322	21,429	1,348	1,348	23,670	22,777
Machinery and equipment	12,418	9,830	4,349	5,449	16,767	15,279
Infrastructure	485,957	451,868	1,492	1,538	487,449	453,406
Plant	-	-	229,407	234,482	229,407	234,482
Water and sewer system	-	-	378,789	387,983	378,789	387,983
Construction in progress	35,080	61,421	60,577	48,814	95,657	110,235
Total capital assets	$ 768,885	$ 759,728	$ 700,185	$ 703,955	$ 1,469,070	$ 1,463,683

Additional information on the City's capital assets can be found in note III-D on pages 35-36 of this report.

Bonded Debt. At the end of the current fiscal year, the City had total bonds and certificates outstanding of $1,015,055,506. Of this amount, $236,480,000 is special assessment debt for which the City is liable in the event of default by the property owners subject to the assessment. The remainder of the City debt represents bonds and certificates secured solely by specified revenue sources.

City of Port St Lucie
Outstanding Debt - General Obligation, Special Assessment and Revenue Bonds
(In Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds	$ 87,075	$ 88,025	$ -	$ -	$ 87,075	$ 88,025
Special Assessment Bonds	236,480	283,400	-	-	236,480	283,400
Revenue Bonds	202,255	178,145	489,246	492,746	691,501	670,891
Total	$525,810	$549,570	$489,246	$492,746	$1,015,056	$1,042,316

During the current fiscal year, the City's bonds and certificates of participation outstanding decreased by $ 27,260,689. The primary reason for this decrease is the early calls of special assessment bonds.

Three bond issues were refunded during the fiscal year. The $65,455,000 Special Assessment Bonds, Series 1998A (Utilities Service Area 3 & 4) were refunded by the proceeds of the $10,910,000 Water and Sewer Special Assessment Refunding Bonds, Series 2011A (Utilities Service Area 3 & 4). The $54,390,000 Special Assessment Bonds, Series 2001D (Utilities Service Area 5, 6 & 7A) were refunded by the proceeds of the $20,665,000 Water and Sewer Special Assessment Refunding Bonds, Series 2011B (Utilities Service Area 5, 6 & 7A). The $14,000,000 Stormwater Utility Revenue and

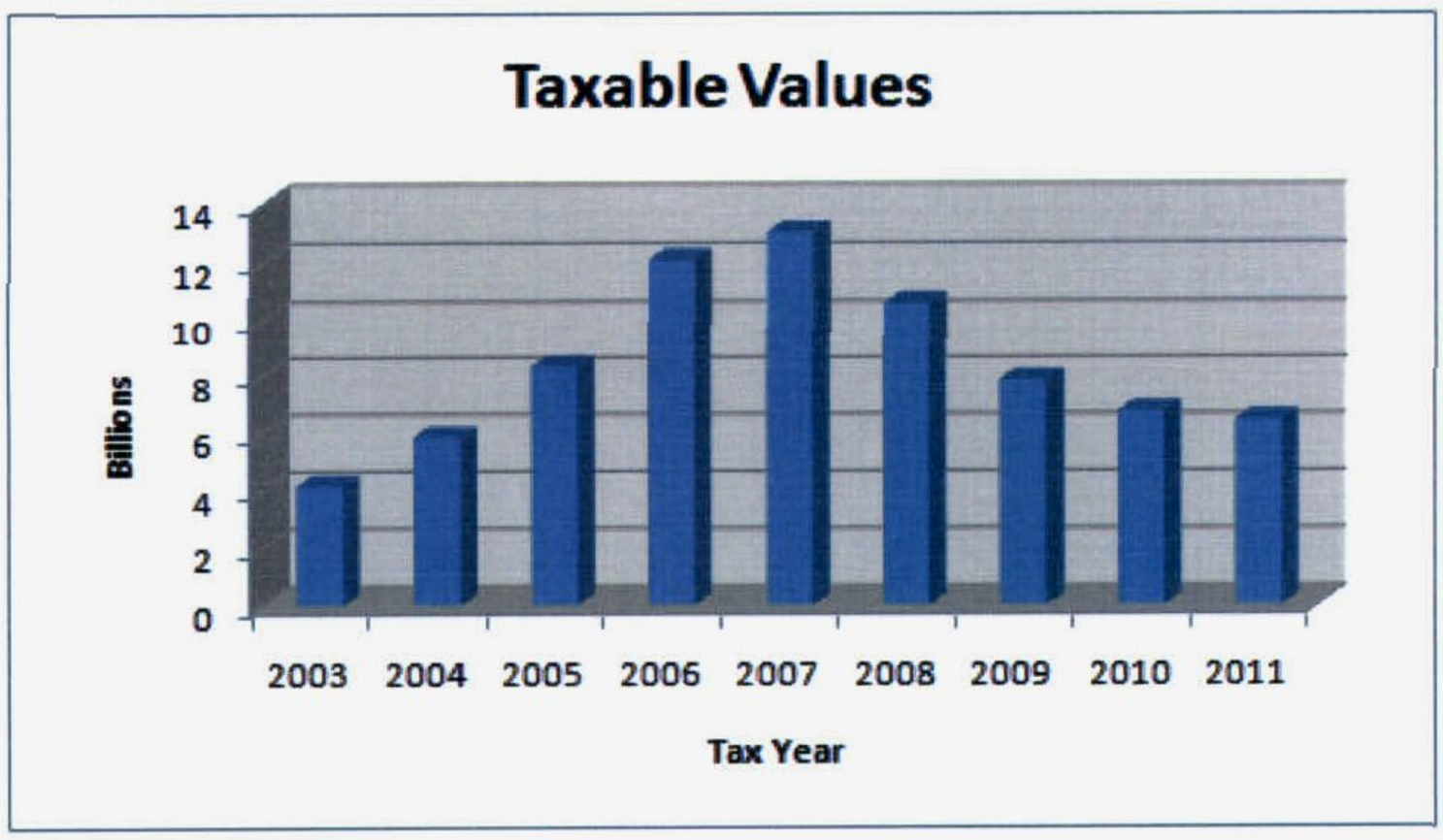
Refunding Bonds, Series 2002 were refunded by the proceeds of the $11,325,000 Stormwater Utility Refunding Revenue Bonds, series 2011. Refunding the $65,455,000 Special Assessment Bonds, Series 1998A (Utilities Service Area 3 & 4) resulted in a net present value savings of $1,586,523 (15.3 percent). Refunding the $54,390,000 Special Assessment Bonds, Series 2001D (Utilities Service Area 5, 6 & 7A) resulted in a net present value savings of $1,911,622 (9.2 percent). Refunding the $14,000,000 stormwater Revenue and Refunding bonds, series 2002 resulted in a net present value savings of $554,287 (4.9 percent).

The City partially redeemed with early calls on the following special assessment bonds: Utility Service Area 3 & 4 for $3,900,000, Utility Service Area 5, 6 & 7A for $2,250,000, USA 9 for $240,000, South Lennard Road for $150,000, River Point for $540,000, Tesoro for $1,500,000, Glassman for $570,000, East Lake Village for $635,000, St. Lucie Land Holdings for $950,000, the combined Peacock and Lowry for $1,445,000 and South West Annexation District 1 for $2,550,000. The total partial calls and redemption for the special assessment districts for the current fiscal year were $14,730,000.

Additional information on the City's long-term debt can be found in Note III-G on pages 39-54 of this report.

Economic Factors and Next Year's Budget and Rates

Taxable Value – The total Taxable Value for all properties in the City of Port St. Lucie fell by 4.43 percent to $6,458,614,299 for the 2011 tax roll. This was the fourth year in a row that taxable values have fallen and are now just under half of the record peak value posted in 2007. While this has caused serious budgeting concerns, as the City had added facilities and staffing during the years of rapid taxable value increases, the City has countered that issue by adjusting the millage rate and other major revenues (Communications Service Tax and Electric Utility Tax) while reducing staffing levels and freezing wages.



Although any drop in taxable value has a negative impact on the City's Budget, this most recent drop is a relatively small decrease and gives the City hope that the real estate market has bottomed out. This

would stabilize the taxable value of the City. With this in mind, long range planning models are using a flat trend for the taxable value and the corresponding revenue.

Millage Tax Rate – With the drop in Taxable Value of nearly four and one-half percent, the City Council voted to increase the Millage Rate by 0.2566 to a new total of 5.7289, the Rolled Back Rate. This had the impact of generating the same amount of property tax revenue as received in the previous fiscal year and saved the City from experiencing a $1.5 million drop in property tax revenue.

Economic Revenues – With the downturn of the general economy, several major revenues declined in recent years in addition to Property Taxes. Sales Taxes, Communications Service Taxes, Impact Fees, Electric Franchise Fees and Utility Taxes all dropped in the past years. However, in the final months of FY 2010-11, many of these revenues turned for the better and are showing a slight increase for FY 2011-12 as was budgeted. It appears there is indication of a recovering economy. The one exception is Building Permits for residential homes which are still at a very low minimum level.

Financial Contingencies – The City Council has elected to maintain its Budgetary Policy of holding a minimum of 4 percent contingency. This was factored into all operating funds when the FY 2011-12 budget was built. Management has worked hard to create a budgeted contingency larger than that minimum level and reserve it for future years to help offset projected future deficits. In many funds, this was accomplished for FY 2011-12.

Staffing Levels and Costs – With the downturn in available revenues and staffing costs being over 80 percent of some of the City's operating fund budgets, Management has had to reduce staffing in the past years to balance the Budget. In the past three years, 273 full-time equivalent employees were cut which represents 22 percent of the staffing for the City. This had a dramatic impact on the operating budgets. In the General Fund, Personal Services is down $5.8 million from FY 2009-10. Additionally, wages were frozen beginning in FY 2010-11 plus the employee health insurance contribution was increased starting late in that fiscal year which helped generate additional savings. These items were negotiated conditions for the various union contracts. The reduction of sworn officers in the Police Department left it well below the adopted budgetary policy staffing level. The Council took action to suspend this policy until better economic conditions return.

Rates and Fees – The adopted budget for FY 2011-12 calls for all other fees and rates to remain unchanged with the exception of the fees charged by the Parks and Recreation Department that will be adjusted by the CPI factor. Also, the Water and Sewer Utility rates will be increased by 3 to 3.5 percent over the next few years to enable the Utility to keep pace with inflation and fund the future debt service levels. These rates are indicated in the bond covenants.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 121 S.W. Port St. Lucie Boulevard, Port St. Lucie, Florida, 34984-5099.

Basic Financial Statements

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Net Assets
September 30, 2011

	Governmental Activities	Business Type Activities	Total Primary Government
Assets			
Equity in Pooled Cash and Investments	$ 38,731,563	$ 28,336,437	$ 67,068,000
Investments	11,345,686	30,541,939	41,887,625
Receivables	330,798,748	18,216,824	349,015,572
Internal Balances	(3,164,515)	3,164,515	-
Prepaids and Other Assets	8,356,456	2,000,349	10,356,805
Negative net pension obligations	1,307,574	-	1,307,574
Deferred Charges	17,651,627	13,468,772	31,120,399
Restricted Assets:			
Equity in Pooled Cash and Investments	37,379,585	39,342,607	76,722,192
Investments	16,223,181	33,295,600	49,518,781
Deposits	-	764,389	764,389
Intangible Assets, Net of Amortization	977,575	24,296	1,001,871
Capital Assets, Net of Depreciation	618,889,030	618,687,745	1,237,576,775
Capital Assets, Not Depreciated	149,996,071	81,497,353	231,493,424
Total assets	1,228,492,581	869,340,826	2,097,833,407
Liabilities			
Accounts Payable	4,762,819	7,962,096	12,724,915
Unearned Revenue	324,106,233	1,479,688	325,585,921
Payables from Restricted Assets	5,859,604	4,109,069	9,968,673
Long-Term Debt Due within one year	16,355,608	5,734,103	22,089,711
Long-Term Debt Due in more than one year	517,199,805	493,257,005	1,010,456,810
Other Post Employment Benefits	920,652	531,915	1,452,567
Total liabilities	869,204,721	513,073,876	1,382,278,597
Net assets			
Invested in Capital Assets, net of related debt	304,237,769	271,708,907	575,946,676
Restricted for:			
Debt Service	33,228,306	30,780,127	64,008,433
Capital Projects	15,944,067	42,265,855	58,209,922
Claims	-	92,105	92,105
Net assets - Unrestricted	5,877,718	11,419,956	17,297,674
Total net assets	$ 359,287,860	$ 356,266,950	$ 715,554,810

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

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Activities
Year Ended September 30, 2011

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets — Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total
Primary government:							
Governmental activities:							
General Government	$ 13,219,799	$ 3,283,174	$ 216,276	$ -	$ (9,720,349)	$ -	$ (9,720,349)
Public Safety	37,291,748	777,330	2,949,449	84,653	(33,480,316)	-	(33,480,316)
Physical Environment	2,219,525	16,391,563	-	-	14,172,038	-	14,172,038
Transportation	37,504,058	1,831,410	286,750	46,880	(35,339,018)	-	(35,339,018)
Economic Environment	9,607,066	5,344	2,433,512	-	(7,168,210)	-	(7,168,210)
Human Services	1,380,647	99,098	-	-	(1,281,549)	-	(1,281,549)
Culture and Recreation	10,305,797	1,748,878	86,289	-	(8,470,630)	-	(8,470,630)
Debt service - Interest	27,331,315	-	-	-	(27,331,315)	-	(27,331,315)
Total governmental activities	138,859,955	24,136,797	5,972,276	131,533	(108,619,349)	-	(108,619,349)
Business-type activities:							
Utility System	83,213,376	56,115,457	-	12,713,849	-	(14,384,070)	(14,384,070)
Stormwater Utility	19,788,150	19,223,254	819,547	566,222	-	820,873	820,873
Golf Course	1,914,059	1,564,828	-	-	-	(349,231)	(349,231)
Total business-type activities	104,915,585	76,903,539	819,547	13,280,071	-	(13,912,428)	(13,912,428)
Total primary government	$ 243,775,540	$ 101,040,336	$ 6,791,823	$ 13,411,604	(108,619,349)	(13,912,428)	(122,531,777)
General revenues:							
Property Taxes					37,123,864	-	37,123,864
Franchise & Utility Taxes					17,252,881	163,729	17,416,610
Communications Service Tax					5,997,244	-	5,997,244
Local Business Tax					1,560,385	-	1,560,385
Half Cent Sales Tax					4,928,954	-	4,928,954
State Revenue Sharing-Unrestricted					2,485,700	-	2,485,700
Local Option Gas Tax					7,614,567	-	7,614,567
Insurance Premium Tax					826,267	-	826,267
Interest					20,967,984	2,518,139	23,486,123
Gain on Sale of Capital Assets					374,823	63,211	438,034
Miscellaneous					1,683,820	1,119,857	2,803,677
Transfers					(235,878)	235,878	-
Total general revenues and transfers					100,580,611	4,100,814	104,681,425
Change in net assets					(8,038,738)	(9,811,614)	(17,850,352)
Net assets - beginning					367,326,598	366,078,564	733,405,162
Net assets - ending					$ 359,287,860	$ 356,266,950	$ 715,554,810

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

CITY OF PORT ST. LUCIE, FLORIDA

Balance Sheet
Governmental Funds
September 30, 2011

	General	Debt Service Fund	Community Redevelopment Fund	Community Redevelopment Capital Fund
Assets				
Cash and Cash Equivalents	$ 23,760	$ -	$ -	$ -
Equity in Pooled Cash	11,417,140	-	630,774	-
Investments	2,799,560	-	114,856	-
Receivables	1,770,757	-	530,125	-
Assessments Receivable	-	-	-	-
Due From Other Funds	92,874	-	-	-
Due From Other Governmental Units	1,112,740	8,631	-	-
Prepaid Items	701,240	-	96	-
Deposits	69,328	-	-	-
Inventories	55,846	-	-	-
Restricted Assets:				
Equity in Pooled Cash	72,353	2,695,657	1,274,930	-
Investments	-	13,249	3,757,100	-
Total assets	$ 18,115,598	$ 2,717,537	$ 6,307,881	$ -
Liabilities and fund balances				
Liabilities:				
Accounts Payable and Accrued Liabilities	$ 636,771	$ -	$ 457	$ -
Accrued Salaries and Wages	657,664	-	-	-
Due To Other Funds	18,544	-	-	-
Due To Other Governments	424,563	-	-	-
Deposits	77,903	-	-	-
Deferred Revenue	1,239,696	-	500,000	-
Payables from Restricted Assets	-	-	-	-
Retainage Payable from Restricted Assets	-	-	-	-
Total liabilities	3,055,141	-	500,457	-
Fund balance:				
Non-spendable	826,414	-	96	-
Restricted	-	2,717,537	-	-
Committed	29,307	-	-	-
Assigned	11,120,370	-	5,807,328	-
Unassigned	3,084,366	-	-	-
Total fund balances	15,060,457	2,717,537	5,807,424	-
Total liabilities and fund balances	$ 18,115,598	$ 2,717,537	$ 6,307,881	$ -

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

USA 5-6-7A Water & Sewer Assessment Fund	Wyndcrest DDMG Capital Fund	SW Annexation District 1 Collection Fund	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ -	$ 1,025	$ 24,785
-	-	-	22,251,253	34,299,167
-	-	-	8,409,286	11,323,702
-	-	63,697	1,637,612	4,002,191
22,949,992	-	161,813,914	139,059,780	323,823,686
-	-	-	3,743	96,617
49,939	-	117,936	1,646,303	2,935,549
-	-	-	162,052	863,388
-	-	-	13,271	82,599
-	-	-	7,353,790	7,409,636
136,465	2,574,191	3,225,813	27,400,176	37,379,585
2,533	-	10,463,735	1,986,564	16,223,181
$ 23,138,929	$ 2,574,191	$ 175,685,095	$ 209,924,855	$ 438,464,086
$ -	$ -	$ -	$ 1,434,670	$ 2,071,898
-	-	-	108,229	765,893
-	-	-	3,482,656	3,501,200
-	-	-	-	424,563
-	-	-	105,104	183,007
22,949,992	-	161,813,914	139,232,911	325,736,513
76,214	-	-	366,791	443,005
-	1,706,094	-	235,415	1,941,509
23,026,206	1,706,094	161,813,914	144,965,776	335,067,588
-	-	-	175,323	1,001,833
-	-	-	9,840,879	12,558,416
-	1,694,213	-	4,476,967	6,200,487
112,723	-	13,871,181	50,692,577	81,604,179
-	(826,116)	-	(226,667)	2,031,583
112,723	868,097	13,871,181	64,959,079	103,396,498
$ 23,138,929	$ 2,574,191	$ 175,685,095	$ 209,924,855	$ 438,464,086

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

"A City for All Ages"

CITY OF PORT ST. LUCIE, FLORIDA

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
September 30, 2011

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

Total fund balances: governmental funds balance sheet		$ 103,396,498
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is $1,017,198,365 and the accumulated depreciation is $248,313,264		768,885,101
Intangible assets used in governmental activities are not financial resources and therefore not reported in the funds. The cost of the assets is $1,033,730 and the amortization is $56,155.		977,575
The negative net pension obligation reported in the Municipal Police Retirement fund is required to be reported in the Statement of Net Assets		1,307,574
Long-term liabilities, including bonds payable, compensated absences, other post employment benefits and Swaps are not due and payable and are not reported in the funds. Long-term liabilities at year end consist of:		(534,904,076)
Bonds Payable	525,810,000	
Compensated Absences	8,173,424	
Other Post Employment Benefits	920,652	
Governmental funds record debt issuance costs as expenditures when these costs are first incurred. Unamortized debt issuance costs must be included as a deferred charge in the government-wide financial statements.		17,651,627
Governmental funds do not report a liability for accrued interest until it is due and payable. Accrued interest must be reported as a liability in the government-wide financial statements.		(3,475,090)
In fund financial statements, governmental fund types recognize discounts and premiums during the current period as other financing uses. In the government-wide statements, discounts and premiums are applied against bonds payable.		428,011
Liabilities for earned but unavailable revenues are not reported in the funds, but are reported in the statement of net assets.		1,656,713
The internal service fund is used by management to charge the cost of employee health insurance. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.		3,363,927
Net assets of governmental activities		$ 359,287,860

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

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2011

	General	Debt Service Fund	Community Redevelopment Fund	Community Redevelopment Capital Fund
Revenues				
Taxes	$ 39,215,831	$ 7,519,098	$ -	$ -
Licenses and Permits	8,685,031	-	-	-
Intergovernmental	9,236,119	-	979,574	-
Charges for Services	2,119,415	-	-	-
Human Services	99,098	-	-	-
Fines and Forfeitures	646,554	-	-	-
Interest on Investments	135,472	11,714	6,537	159,538
Interest on Special Assessments	-	-	-	-
Impact Fees	52,410	-	-	-
Developers Contributions	38,895	-	-	-
Other	1,927,928	-	2,221	-
Total revenues	62,156,753	7,530,812	988,332	159,538
Expenditures				
Current:				
General Government	8,623,542	-	-	-
Public Safety	34,716,182	-	-	-
Physical Environment	859,073	-	-	-
Transportation	12,562	3,427	-	-
Economic Environment	68,297	-	290,190	-
Human Services	1,297,163	-	-	-
Culture and Recreation	9,189,545	-	-	-
Capital Outlay	1,795,500	-	-	3,321
Intangibles	-	-	-	-
Debt Service:				
Principal	30,000	950,000	1,320,000	-
Interest	184,213	4,173,508	2,505,719	-
Total expenditures	56,776,077	5,126,935	4,115,909	3,321
Excess (deficiency) of revenues over (under) expenditures	5,380,676	2,403,877	(3,127,577)	156,217
Other financing sources (uses)				
Transfers In	31,715	-	8,922,266	-
Transfers Out	(2,925,776)	-	-	(8,298,307)
Refunding Bond Proceeds	-	-	-	-
Discount on Issuance of Debt	-	-	-	-
Refunded Bond Escrow	-	-	-	-
Total other financing sources (uses)	(2,894,061)	-	8,922,266	(8,298,307)
Net change in fund balances	2,486,615	2,403,877	5,794,689	(8,142,090)
Fund balance - beginning	12,573,842	313,660	12,735	8,142,090
Fund balance - ending	$ 15,060,457	$ 2,717,537	$ 5,807,424	$ -

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

USA 5-6-7A Water& Sewer Assessment Fund	Wyndcrest DDMG Capital Fund	SW Annexation District 1 Collection Fund	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ -	$ 5,781,993	$ 52,516,922
-	-	-	2,337,531	11,022,562
-	-	-	16,393,089	26,608,782
1,791,216	-	3,715,856	8,290,968	15,917,455
-	-	-	-	99,098
-	-	-	110,129	756,683
2,925	9,598	186,291	1,875,608	2,387,683
1,375,840		9,476,830	7,404,719	18,257,389
-	-	-	2,501,086	2,553,496
-	-	-	159,335	198,230
31,862	-	117,912	891,910	2,971,833
3,201,843	9,598	13,496,889	45,746,368	133,290,133
-	-	-	3,550,330	12,173,872
-	-	-	27,223	34,743,405
837,937	-	237,588	647,638	2,582,236
350	-	-	12,757,687	12,774,026
-	4,000	-	8,626,514	8,989,001
-	-	-	-	1,297,163
-	-	-	38,722	9,228,267
-	26,556,093	-	13,580,181	41,935,095
-	723,493	-	-	723,493
2,250,000	-	5,000,000	15,830,000	25,380,000
1,127,413	-	7,594,425	11,746,037	27,331,315
4,215,700	27,283,586	12,832,013	66,804,332	177,157,873
(1,013,857)	(27,273,988)	664,876	(21,057,964)	(43,867,740)
-	-	-	18,451,323	27,405,304
-	-	-	(16,417,099)	(27,641,182)
20,665,000	-	-	10,910,000	31,575,000
(176,857)	-	-	-	(176,857)
(19,610,000)	-	-	(10,345,000)	(29,955,000)
878,143	-	-	2,599,224	1,207,265
(135,714)	(27,273,988)	664,876	(18,458,740)	(42,660,475)
248,437	28,142,085	13,206,305	83,417,819	146,056,973
$ 112,723	$ 868,097	$ 13,871,181	$ 64,959,079	$ 103,396,498

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

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CITY of PORT ST. LUCIE
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CITY OF PORT ST. LUCIE, FLORIDA

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2011

Amounts reported for governmental activities in the statement of activities are different because:	
Net changes in fund balances - total governmental funds	$ (42,660,475)
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 of capital outlay recorded as expenditures in the current period.	33,805,849
The amount of the depreciation expense associated with capital outlays is recorded as expenditures in the current period.	(24,648,041)
Governmental funds report intangible assets as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as amortization expense. This is the amount of intangible assets recorded as expenditures less the amortization expense in the current period.	667,338
In the governmental funds, revenues cannot be recognized until they are available to liquidate liabilities of the current period. In the statement of activities, revenue is recognized as soon as it is earned regardless of its availability.	(588,412)
The issuance of long-term debt provides current financial resources to governmental funds. These transactions, however have no effect on net assets. This is the amount of long-term debt issued in the current period.	(31,398,143)
The negative pension obligtion reported in the Municipal Police Retirement Fund is required to be reported In the statement of activities.	1,307,574
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. These transactions, however, have no effect on net assets. This is the amount of repayment of principal of long-term debt recorded in the current period	55,511,857
Governmental funds report the effect of issuance of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the amount of the difference in treatment of unamortized bond premiums and discounts.	171,400
Governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the amount of the effect of the difference in treatment of unamortized debt issuance costs.	(631,318)
Governmental funds do not recognize expenditures for the long-term accrued liability associated with compensated absences and post-employment benefits. This is the amount of compensated absences and OPEB recorded in the current period.	(2,156,887)
Governmental funds do not recognize expenditures for the liability associated with accrued interest payable on long-term debt. This is the amount of accrued interest payable recorded in the current period.	574,385
The internal service fund is used by management to charge the costs of health insurance. The net revenue of certain activities of the internal service fund is reported with governmental activities.	2,006,135
Change in net assets of governmental activities	$ (8,038,738)

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

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Net Assets
Proprietary Funds
September 30, 2011

	Enterprise Funds				Governmental Activities
	UTILITY SYSTEM FUND	STORMWATER UTILITY FUND	GOLF COURSE FUND	Total	Internal Service Fund
Assets					
Current assets					
Cash and Cash Equivalents	$ 5,550	$ 1,000	$ 500	$ 7,050	$ -
Equity in Pooled Cash and Investments	19,293,007	8,500,229	536,151	28,329,387	4,407,611
Investments	30,480,603	61,149	187	30,541,939	21,984
Receivables	9,530,915	68,480	-	9,599,395	37,322
Due From Other Funds	3,386,039	-	-	3,386,039	18,544
Due From Other Governmental Units	-	1,330,390	-	1,330,390	-
Prepaid Items	415,941	168,646	11,205	595,792	833
Deposits	29,305	31,561	128	60,994	-
Inventories	1,189,500	127,373	26,690	1,343,563	-
Restricted Assets:					
Equity in Pooled Cash and Investments	28,840,424	10,502,183	-	39,342,607	-
Investments	28,295,600	5,000,000	-	33,295,600	-
Deposits	764,389	-	-	764,389	-
Total current assets	122,231,273	25,791,011	574,861	148,597,145	4,486,294
Noncurrent assets					
Receivables	7,287,039	-	-	7,287,039	-
Intangible Assets (net of amortization)	24,296	-	-	24,296	-
Unamortized Bond Expense	11,799,432	1,669,340	-	13,468,772	-
Capital Assets (net of depreciation)	610,513,446	3,991,697	4,182,602	618,687,745	-
Capital Assets (not depreciated)	57,110,873	21,599,538	2,786,942	81,497,353	-
Total noncurrent assets	686,735,086	27,260,575	6,969,544	720,965,205	-
Total assets	808,966,359	53,051,586	7,544,405	869,562,350	4,486,294
Liabilities					
Current liabilities					
Accounts Payable and Accrued Liabilities	1,131,532	2,152,439	61,764	3,345,735	1,317,458
Accrued Salaries and Wages	257,746	77,941	10,984	346,671	-
Deposits	4,226,878	42,812	-	4,269,690	-
Deferred Revenue	1,446,335	-	33,353	1,479,688	26,433
Accrued Vacation and Medical Leave Benefits	207,633	76,855	6,157	290,645	-
Current Portion Long-Term Obligations	5,063,458	380,000	-	5,443,458	-
Restricted Liabilities:					
Payables from Restricted Assets	2,755,761	-	-	2,755,761	-
Retainage Payable from Restricted Assets	-	150,448	-	150,448	-
Total current liabilities	15,089,343	2,880,495	112,258	18,082,096	1,343,891
Noncurrent liabilities					
Payables from Restricted Assets	-	1,202,860	-	1,202,860	-
Long-Term Obligations	444,800,765	48,393,985	62,255	493,257,005	-
Other Post Employment Benefits	330,966	193,747	7,202	531,915	-
Total noncurrent liabilities	445,131,731	49,790,592	69,457	494,991,780	-
Total liabilities	460,221,074	52,671,087	181,715	513,073,876	1,343,891
Net assets					
Investment in Capital Assets, Net of Related Debt	259,438,980	5,300,383	6,969,544	271,708,907	-
Restricted for Debt Service	30,099,339	680,788	-	30,780,127	-
Restricted for Capital Projects	27,755,965	14,509,890	-	42,265,855	-
Restricted for Claims	-	92,105	-	92,105	-
Unrestricted	31,451,001	(20,202,667)	393,146	11,641,480	3,142,403
Total net assets	$ 348,745,285	$ 380,499	$ 7,362,690	$ 356,488,474	$ 3,142,403

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

CITY OF PORT ST. LUCIE, FLORIDA

Reconciliation of the Statement of Net Assets of Proprietary Funds
To the Statement of Net Assets
September 30, 2011

Total net assets of Enterprise Funds on the statement of net assets of proprietary funds	$ 356,488,474
The internal service fund is used by management to charge the costs of employee health insurance. The net revenue of certain activities of the internal service fund is reported with governmental activities.	(221,524)
Net Assets in business-type activities	$ 356,266,950

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year Ended September 30, 2011

	Enterprise Funds				Governmental Activities
	UTILITY SYSTEM FUND	STORMWATER UTILITY FUND	GOLF COURSE FUND	Total	Internal Service Fund
Operating revenues					
Charges for Services	$ 56,168,504	$ 19,219,609	$ 1,564,828	$ 76,952,941	$ -
Employer Contributions to Health Insurance	-	-	-	-	12,649,199
Employee Contributions to Health Insurance	-	-	-	-	738,809
Other Contributions	-	-	-	-	605,872
Total operating revenues	56,168,504	19,219,609	1,564,828	76,952,941	13,993,880
Operating expenses					
Personal Services	17,214,905	6,062,686	876,183	24,153,774	-
Contractual Services	707,196	7,072,829	117,514	7,897,539	830,372
Depreciation Expense	30,743,587	441,994	266,119	31,451,700	-
Operating Supplies and Expense	11,415,942	2,750,620	683,555	14,850,117	187,007
Administrative Expenses	-	-	-	-	898,502
Insurance Premiums	-	-	-	-	1,051,177
Benefits Paid	-	-	-	-	10,333,901
Total operating expenses	60,081,630	16,328,129	1,943,371	78,353,130	13,300,959
Operating income (loss)	(3,913,126)	2,891,480	(378,543)	(1,400,189)	692,921
Nonoperating revenue (expense)					
Interest Income	1,385,204	1,132,309	626	2,518,139	13,708
Grants	-	1,388,664	-	1,388,664	-
Interest Expense	(22,372,053)	(3,118,602)	-	(25,490,655)	-
Gain (Loss) on Disposition of Equipment	(477,231)	(131,899)	23,898	(585,232)	-
Amortization	(460,638)	(71,203)	-	(531,841)	-
Miscellaneous	316,104	629,222	68,506	1,013,832	-
Guaranteed Revenue	264,225	-	-	264,225	-
Other Grant Expense	-	(187,173)	-	(187,173)	-
Total nonoperating revenue (expense)	(21,344,389)	(358,682)	93,030	(21,610,041)	13,708
Income (loss) before transfers, contributions special items, and extraordinary items	(25,257,515)	2,532,798	(285,513)	(23,010,230)	706,629
Capital Contributions	8,520,269	-	-	8,520,269	-
System Development Fees	886,712	-	-	886,712	-
Connection Fees	3,288,299	-	-	3,288,299	-
Transfers in	-	26,199	210,000	236,199	-
Transfers out	-	(321)	-	(321)	-
Change in net assets	(12,562,235)	2,558,676	(75,513)	(10,079,072)	706,629
Total net assets - beginning	361,307,520	(2,178,177)	7,438,203	366,567,546	2,435,774
Total net assets - ending	$ 348,745,285	$ 380,499	$ 7,362,690	$ 356,488,474	$ 3,142,403

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

CITY OF PORT ST. LUCIE, FLORIDA

Reconciliation of the Statement of Revenues, Expenses, and Changes in Fund Net Assets of Proprietary Funds To the Statement of Activities Year Ended September 30, 2011

Changes in net Assets - Enterprise Funds	$ (10,079,072)
The internal service fund is used by management to charge the costs of employee health insurance. The net revenue of certain activities of the internal service fund is reported with governmental activities.	267,458
Change in net assets of business-type activities	$ (9,811,614)

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

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2011

	Enterprise Funds				
	UTILITY SYSTEM FUND	STORMWATER UTILITY FUND	GOLF COURSE FUND	Total	Internal Service Funds
Cash Flows from Operating Activities					
Cash Received from Customers	$ 56,231,072	$ 18,498,363	$ 1,562,731	$ 76,292,166	$ 13,975,050
Cash Payments to Suppliers for Goods and Services	(15,351,992)	(8,268,402)	(790,517)	(24,410,911)	(12,830,278)
Cash Payments to Employees for Services	(17,157,000)	(6,055,485)	(886,791)	(24,099,276)	-
Net Cash Provided by (used in) Operating Activities	23,722,080	4,174,476	(114,577)	27,781,979	1,144,772
Cash Flows from Noncapital Financing Activities					
Transfers	-	25,878	210,000	235,878	-
Guaranteed Revenues	119,691	558,019	68,506	746,216	-
Proceeds from Interfund Borrowings	3,218,377	3,319	-	3,221,696	-
Net Cash Provided (used) by Noncapital Financing Activities	3,338,068	587,216	278,506	4,203,790	-
Cash Flows From Capital and Related Financing Activities					
System Development Fees	886,712	-	-	886,712	-
Connection Fees	3,288,299	-	-	3,288,299	-
Proceeds (payment) Hurricane/Grant Related	-	1,201,491	-	1,201,491	-
Acquisition and Construction of Capital Assets	(13,229,893)	(6,570,061)	(92,638)	(19,892,592)	-
Principal paid on Capital Debt	(2,673,490)	(11,375,073)	(35,974)	(14,084,537)	-
Interest Paid on Capital Debt	(22,183,702)	(3,251,137)	-	(25,434,839)	-
Proceeds from Sale of Assets	4,956	103,003	7,750	115,709	-
Proceeds from Borrowings	-	11,325,000	-	11,325,000	-
Net Cash Provided (used) by Capital and Related Financing Activities	(33,907,118)	(8,566,777)	(120,862)	(42,594,757)	-
Cash Flows From Investing Activities					
Proceeds from Sales and Maturities of Investments	71,440,238	10,773	42	71,451,053	-
Purchase of Investment Securities	(82,102,603)	(2,000,000)	-	(84,102,603)	
Interest and Dividends on Investments	1,385,204	1,132,309	626	2,518,139	13,708
Net Cash Provided (used) in Investing Activities	(9,277,161)	(856,918)	668	(10,133,411)	13,708
Net Increase (Decrease) in Cash and Cash Equivalents/Investments	(16,124,131)	(4,662,003)	43,735	(20,742,399)	1,158,480
Cash and Cash Equivalents/Investments Beginning of Year	64,263,112	23,665,415	492,916	88,421,443	3,271,115
End of Year	$ 48,138,981	$ 19,003,412	$ 536,651	$ 67,679,044	$ 4,429,595

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

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2011

	Enterprise Funds				
	UTILITY SYSTEM FUND	STORMWATER UTILITY FUND	GOLF COURSE FUND	Total	Internal Service Funds
Reconciliation of Operating Income (Loss) to net Cash Provided by (used in) Operating Activities					
Operating income (loss)	$ (3,913,126)	$ 2,891,480	$ (378,543)	$ (1,400,189)	$ 692,921
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation /Amortization	30,743,587	441,994	266,119	31,451,700	-
Loss On Sale	477,231	131,899	-	609,130	-
Changes in Assets and Liabilities:					
(Increase) decrease in Accounts Receivable	5,022	(712,069)	-	(707,047)	5,686
(Increase) decrease in Other Assets	(283,813)	(152,008)	(5,715)	(441,536)	-
(Increase) decrease in Deferred Revenue	-	-	-	-	(5,972)
(Increase) decrease in Prepaid Expense	-	-	-	-	4,140
(Increase) decrease in Due From Otrher Funds	-	-	-	-	(18,544)
Increase (decrease) in Accounts Payable	(3,422,272)	1,575,156	16,267	(1,830,849)	242,773
Increase (decrease) in Other Liabilities	57,546	(9,177)	(2,097)	46,272	223,768
Increase (decrease) in Other Accrued liability	57,905	7,201	(10,608)	54,498	-
Total adjustments	27,635,206	1,282,996	263,966	29,182,168	451,851
Net Cash Provided by (used in) Operating Activities	$ 23,722,080	$ 4,174,476	$ (114,577)	$ 27,781,979	$ 1,144,772
Reconciliation of Cash to Statement of Net Assets					
Cash and Cash Equivalents	$ 5,550	$ 1,000	$ 500	$ 7,050	$ -
Equity in Pooled Cash and Investments	19,293,007	8,500,229	536,151	28,329,387	4,407,611
Restricted Equity in Pooled Cash and Investments	28,840,424	10,502,183	-	39,342,607	21,984
	$ 48,138,981	$ 19,003,412	$ 536,651	$ 67,679,044	$ 4,429,595

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

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Fiduciary Net Assets
Fiduciary Funds
September 30, 2011

	Pension Trust Funds	Agency Trust Fund
Assets		
Cash and Equivalents	$ -	$ 880,557
Investments:		
Corporate Stocks	17,640,908	-
Corporate Bonds	8,374,423	-
US Government Obligations	1,019,478	-
Federal Agencies	2,161,585	-
Municipal Obligations	592,313	-
Mutual Funds	50,858,944	-
Money Market Funds	4,131,923	-
Cash Surrender Value of Life Insurance	209,039	-
Accrued Investment Income	161,453	-
Accounts Receivable	139,756	169,698
Prepaid Expenses	4,315	-
Total Assets	85,294,137	1,050,255
Liabilities and Net Assets		
Liabilities		
Accounts Payable	40,968	170
Deposits	3,758	-
Due to Broker	128,378	-
Due to Contractor	-	1,050,085
Total Liabilities	173,104	1,050,255
Net Assets		
Held in Trust for:		
Reserved for Employees' Retirement	85,121,033	-
Total Net Assets	85,121,033	-
Total Liabilities and Net Assets	$ 85,294,137	$ 1,050,255

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

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended September 30, 2011

	Pension Trust Funds
Additions	
City	$ 7,365,216
State (via General Fund)	826,267
Employee	1,641,379
Net (Depreciation) in Fair Value of Investments	(2,769,466)
Interest and Dividends	744,040
Miscellaneous Income	4,112
Investment Expense	(188,931)
Total Additions (reductions)	7,622,617
Deductions	
Benefit Payments	4,611,051
Administrative Costs and Charges	128,823
Refunds	682,107
Total Deductions	5,421,981
Change in Net Assets	2,200,636
Total Net Assets - beginning	82,920,397
Total Net Assets - ending	$ 85,121,033

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

"A City for All Ages"

Notes to the Financial Statements

CITY OF PORT ST. LUCIE, FLORIDA
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September 30, 2011

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NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Port St. Lucie, Florida (the City) was incorporated in 1961 and covers an area of approximately 114 square miles. The City derives authority from Article VIII, Section 2 of the Constitution of the State of Florida, under Chapter 166, Florida Statutes; the Municipal Home Rule Powers Act. The specific organizational governing authority of the City of Port St. Lucie is the City of Port St. Lucie City Charter as adopted in 1976 and as from time to time subsequently amended. The City operates under an elected City Council (5 members) and provides services to its more than 166,041 residents in many areas in the form of law enforcement, community enrichment and development, street maintenance, culture and recreation, planning and zoning, human services and general administrative services.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The following is summary of the more significant policies:

A. SCOPE OF REPORTING ENTITY

The accompanying financial statements present the City's primary government and component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). The following component units are included in the City's financial statements:

Blended Component Units:
Port St. Lucie Governmental Finance Corporation - The corporation is a not-for-profit corporation incorporated in 1990 for the sole purpose of assisting the City in acquiring and constructing various governmental projects consisting of real and/or personal property. The directors of the corporation are the Mayor and members of the City Council of the City.

The Community Redevelopment Agency was organized to develop areas within the City for commercial purposes. Property taxes collected within this area are remitted by the various taxing entities back to the Community Redevelopment Agency for enhancement within those boundaries. The directors of the Community Redevelopment Agency are the Mayor and members of the City Council. The component units are blended because they provide services entirely to the City. Although legally separate, the CRA is blended as a governmental fund component unit into the primary government because the structure of the CRA meets the GASB Statement 14, as amended by GASB Statement 39, criteria for blending.

The activities of the units are included in the combined financial statements within Special Revenue Funds as being an integral part of the City. Separate financial statements of these component units are not prepared. The Port St. Lucie Municipal Police Officers' Retirement Trust Fund is included in these financial statements as a pension trust fund. The plan issues a stand-alone financial statement.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide Financial Statements

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the City as a whole excluding fiduciary activities such as employee pension plans. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to their program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

An administrative service fee was charged by the General Fund to the other operating funds to cover the cost of General Fund services provided, such as finance, personnel, purchasing, legal, information technology, and certain management functions. The administrative service fee reduces the functional expense of the particular department at the fund-level statements.

The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Fund and Fiduciary Fund financial statements. The government-wide statement of net assets reports all assets and liabilities of the City, including long-term assets and long-term liabilities and other obligations. For the most part, the effect of interfund activity has been removed from these statements. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred. The City's fiduciary funds are presented in the fund financial statements by type (pensions, OPEB and agency). Since by definition these assets are being held for the benefit of a third party (plan participants and third party) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (continued)

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column of the government-wide presentation. Totals on the business-type activity fund statements should directly reconcile to the business-type activity column presented in the government-wide statements.

The focus of the government-wide financial statements is on the City as a whole. The focus of the Fund Financial Statements is on the major funds of the governmental and business-type activities. Each presentation provides valuable information that can be analyzed to enhance the usefulness of the information.

Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund that include charges for services and user fees. Non-operating revenues are not related to the operations of the proprietary fund and include interest earnings and intergovernmental revenue. Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses are not related to operations such as interest expense.

The enterprise funds follow private-sector standards issued prior to December 1, 1989, to the extent those standards do not conflict with Governmental Accounting Standards Board statements. However, pursuant to Governmental Accounting Standards Board Statement No.20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Funds Accounting, the City has elected not to apply Financial Accounting Standards Board Statements and interpretations issued after November 30, 1989 by the Financial Accounting Standards Board.

Modified Accrual:

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after year-end. Primary revenue sources that have been treated as susceptible to accrual include, where material, intergovernmental revenue, franchise taxes, communication taxes and charges for services. Grant revenue is considered earned and is accrued when all eligibility requirements are met.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (continued)

Modified Accrual (continued):

Property taxes are accounted for when measurable and available. No accruals for the property tax levy becoming due in November 2011 are included in the accompanying financial statements since such taxes are levied for the subsequent fiscal year and are not considered available at September 30, 2011.

In applying the "susceptible to accrual" concept to intergovernmental revenues (the City may act as either provider or recipient), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met; should, under most circumstances, be reported as advances by the provider and deferred revenue by recipient.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, as under accrual accounting. Exceptions to this general rule include principal and interest on general obligation long-term debt, as well as expenditures related to compensated absences and claims and judgments which are recognized when due.

C. BASIS OF PRESENTATION

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

Governmental Funds

The focus of Governmental Fund measurement (in the Fund Financial Statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The following is a description of the major Governmental Funds of the City:

General Fund - The General Fund is the general operating fund of the City. All general tax revenue and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the general fund.

C. BASIS OF PRESENTATION (CONTINUED)

Governmental Funds (continued)

General Obligation Debt Service Fund - to account for the revenues derived from the voter-approved ad valorem tax levy for the acquisition, improvement and expansion of the third east-west transportation corridor through the City.

Port St. Lucie Community Redevelopment Agency Fund - to account for revenues and expenditures of the Community Redevelopment Agency established for the purpose of improving the economic and social conditions within a specific boundary. The fund receives the tax-increment revenues from the City and County for the various redevelopment districts.

Community Redevelopment Agency Capital Improvement Fund - to account for the financial resources and expenditures for the construction of infrastructure, water, sewer and recreational improvements within the community redevelopment area, which are financed by tax-increment financing bonds.

Water & Sewer Assessment Collection Fund – USA 5-6-7A - to account for the revenues and expenditures associated with the City's program of assessing benefiting properties for the cost of financing water and sewer extensions and improvements in Special Assessment District 5-6-7A.

Wyndcrest (WDDF) Capital Improvement Fund - to account for the financial resources and expenditures associated with the construction and equipping of a building to be used in the operation of a digital production studio.

SW Annexation Special Assessment District 1 Fund - to account for the revenues and expenditures associated with the City's program of assessing benefiting properties for the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the Southwest Annexation special assessment district.

Proprietary Funds

The focus of Proprietary Fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows, which is similar to businesses. The City electively chose to record all enterprise funds as major. The following is a description of the major Proprietary Funds of the City:

Utility System Fund - to account for the operations of a water and wastewater system.

Stormwater Utility Fund - to account for the operations of a program designed to maintain, replace and improve the City's stormwater-related infrastructure.

Golf Course Fund - to account for the operation of the Saints at Port St. Lucie Golf Course.

C. BASIS OF PRESENTATION (CONTINUED)

Other Fund Types

Additionally, the City reports the following Fund types:

Internal Service Fund – to account for the medical insurance provided to City employees and administered by the City.

Pension Trust/Employee Benefit Funds - to account for one defined benefit plan, three defined contribution plans, and other post employment benefits plan (OPEB) which accumulate resources for pension benefit payments to its employees/retirees.

Agency Funds - to account for the fund that holds monies in an agency capacity for other funds or entities. The City acts as a conduit for the collection of waste-hauling fees collected by the county tax collector which are remitted to the City who then passes these collections on to the service contract provider.

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY, REVENUES, AND EXPENDITURES/ EXPENSES

1. Pooled Cash and Investments - The City's cash and cash equivalents are considered to be cash on hand and demand deposits. The City has established an investment policy in accordance with Section 218.415, State Statutes that allows the City to invest in relatively low risk securities, such as the Florida Local Government Surplus Fund and U. S. Government Securities and Agencies. Investments are stated at fair value. Resources of all funds, with the exception of the pension funds, have been combined into investment pools for the purpose of maximizing investment yields. Investment revenue is comprised of interest and dividends and realized and unrealized gains and losses on investments. Investment revenue on pooled investments is allocated monthly based upon equity balances of the respective funds. Accrued interest on pooled investments is grouped with investments on the balance sheet at year-end.

2. Accounts Receivable - All accounts receivable is shown net of an allowance for uncollectibles. Unbilled service revenues of the utility system are accrued at the end of the year by prorating actual subsequent billings.

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

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY, REVENUES, AND EXPENDITURES/ EXPENSES (CONTINUED)

4. Inventories - Inventories are composed of expendable supplies held for consumption, and are stated at cost using the first-in, first-out method. The governmental fund type inventories are recorded using the consumption method.

   The Neighborhood Stabilization Program Fund has acquired various distressed improved properties with funding from the federal government grant programs. The City renovates these properties or, in some cases, demolishes the structure, and sells the property to qualified individuals in the City. These properties are accounted for within the fund as an item of inventory based on the acquisition price plus applicable carrying costs.

5. Restricted Assets - Certain revenue bond proceeds of the various funds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

6. Capital Assets and Depreciation - The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The City maintains infrastructure asset records consistent with all other capital assets. Proprietary and component unit capital assets are also reported in their respective fund financial statements. Donated assets are stated at fair value on the date donated. The City generally capitalizes assets with cost of $750 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of assets constructed net of any interest income earned. Due to favorable interest rates, no interest was capitalized in the current year.

   Estimated useful lives, in years, for depreciable assets are as follows:

Assets	Years
Buildings	5 - 50
Improvements, other than buildings	2 - 50
Infrastructure	20 - 50
Mobile equipment	3 - 30
Furniture, machinery, and equipment	3 - 30

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY, REVENUES, AND EXPENDITURES/ EXPENSES (CONTINUED)

7. Compensated Absences - It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from City service if they meet certain criteria. These benefits plus their related taxes are classified as compensated absences. The accumulated compensated absences are accrued when incurred in the government-wide financial statements and proprietary funds for both the current and long-term portions. The General Fund, Road and Bridge Fund, and Building Department Fund, typically are the governmental-type funds that liquidate the compensated absences liability.

   Compensated absences are reported in the governmental funds only if they have matured and are due and payable as of September 30, 2011.

8. Long-Term Debt, Deferred Debt Expense, and Bond Discounts/Premiums - In the government-wide financial statements and the proprietary fund types in the fund financial statements, outstanding debt is reported as liabilities. Bond issuance costs, bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using the effective interest method.

   The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources and discounts as other financing uses of the current period. Issuance costs are reported as expenditures.

9. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from management's estimates.

10. Property Taxes - The City's property tax is levied annually on October 1 on the real and personal property located in the City on January 1 (the lien date) of the fiscal year. The assessed value on which the 2010 levy was based was approximately $6.54 billion. The assessed values are established by the St. Lucie County Property Appraiser. Tax collections by the St. Lucie County Tax Collector begin normally in November of each year with a due date of March 31 of the following year. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January, and 1% in February. Unpaid property taxes become delinquent as of April 1. Current tax collections for the year ended September 30, 2011 were approximately 95.79% of the total tax levied. The City is permitted by state law to levy taxes up to 10 mills of assessed valuation. The tax rate for the year ended September 30, 2011 was 4.5096 mills for general operating purposes plus a 1.2193 mill levy in a voter-approved referendum to apply for debt service on general-obligation bonds to finance transportation roadway expansion and improvements.

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY, REVENUES, AND EXPENDITURES/ EXPENSES (CONTINUED)

11. Subsequent Events - Management has performed an analysis of the activities and transactions subsequent to September 30, 2011, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended September 30, 2011. Management has performed their analysis through March 16, 2012.

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGET AND BUDGETARY ACCOUNTING

The City's Office of Management and Budget prepare an annual operating budget for the General, Debt Service Special Revenue, and Enterprise Funds. Major capital facilities and improvements, which are accounted for within the Capital Projects Funds are subject to budgetary control on a project basis whereas other capital outlay accounted for within these funds are subjected to the standard budgetary control.

The City includes anticipated cash carryforwards from the prior year as budgeted revenues in the formal budget. These amounts, however, are excluded from budgeted revenues in the accompanying financial statements in accordance with generally accepted accounting principles. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

a. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and means of financing them.

b. Public hearings are conducted to obtain taxpayer comments.

c. The budget is legally enacted through the passage of an ordinance by City Council on or before the fifteenth day of September of the fiscal year currently ending.

d. The level of budgetary control is the department. The City Manager is authorized to transfer budgeted amounts within departments of any fund. Revisions that alter the budgeted totals of any department require approval of the City Council. Unencumbered appropriations lapse at year-end.

e. Budgets for general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles, except encumbrances are presented as expenditures.

f. Formal budget integration is not employed for proprietary, capital project or trust funds because effective budgetary control is achieved by alternate measures.

A. BUDGET AND BUDGETARY ACCOUNTING (CONTINUED)

g. Encumbrances - Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation in the governmental funds. Encumbrances outstanding at year-end are reported as committed fund balance for construction and long-term contracts and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

B. FUND BALANCE DISCLOSURE

Fund balance classifications under GASB 54, reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City classifies governmental fund balances as follows:

Nonspendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. This would include inventories, deposits, and prepaid items.

Spendable Fund Balance

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that can be used only for the specific purposes that are internally imposed by a formal action of the government's highest level of decision making authority. Commitments may be charged by the government taking the same action that imposed the constraint initially. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. This indicates that resources in these funds are, at a minimum, intended to be used for the purposes of that fund. Fund balance may be assigned by the City Council or the finance director, as authorized by the Council.

B. FUND BALANCE DISCLOSURE (CONTINUED)

Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal requirements that prohibit this, such as grant agreements requiring local spending match. Also the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. Under normal circumstances, the City would first use its operating reserve, which is the unassigned fund balance in the General Fund, before using its emergency reserve. Although the City does not have a formal minimum fund balance policy, it did establish an emergency reserve policy previously which is based on annual budget and annual expenditures, as a guideline.

The fund balance classification at September 30, 2011 is as follows:

FUND BALANCES	General Fund	Debt Service Fund	Community Redevelopment Fund	USA 5-6-7A Water & Sewer Assessment Fund	Wyndcrest Capital Fund	SW Annexation District 1 Collection Fund	Other Governmental Funds	Total
Nonspendable:								
Inventories	$ 55,846	$ -	$ -	$ -	$ -	$ -	$ -	$ 55,846
Prepaid Items	701,240	-	96	-	-	-	162,052	863,388
Deposits	69,328	-	-	-	-	-	13,271	82,599
Restricted for:								
Debt Service	-	2,717,537	-	-	-	-	-	2,717,537
Federal Grant - Property	-	-	-	-	-	-	9,840,879	9,840,879
Committed to:								
Budget Appropriations	29,307	-	-	-	1,694,213	-	4,476,967	6,200,487
Assigned to:								
State Housing Initiatives	-	-	-	-	-	-	402,116	402,116
Park Improvements	-	-	-	-	-	-	9,048,409	9,048,409
Transportation	-	-	-	-	-	-	11,923,180	11,923,180
Law Enforcement	-	-	-	-	-	-	124,955	124,955
Street Lighting	-	-	-	-	-	-	24,103	24,103
Building Services	-	-	-	-	-	-	3,033,569	3,033,569
Impact Fees-Capital Improv.	-	-	-	-	-	-	5,040	5,040
Special Assessments - Debt	-	-	-	112,723	-	13,871,181	10,717,363	24,701,267
Special Projects	-	-	-	-	-	-	7,681,551	7,681,551
Economic Development	-	-	-	-	-	-	7,438,476	7,438,476
Debt service - other	-	-	-	-	-	-	48,786	48,786
Conservation Projects	-	-	-	-	-	-	245,029	245,029
Budget Carryforward	11,120,370	-	5,807,328	-	-	-	-	16,927,698
Unassigned:	3,084,366	-	-	-	(826,116)	-	(226,667)	2,031,583
	$15,060,457	$2,717,537	$ 5,807,424	$ 112,723	$ 868,097	$13,871,181	$ 64,959,079	$103,396,498

C. COMPLIANCE AND ACCOUNTABILITY

The following funds had expenditures in excess of appropriations at September 30, 2011:

Fund Name	Budget	Actual	Variance
Major Funds:			
Water and Sewer Collection - USA 5-6-7A	3,385,400	4,215,700	830,300
Non-major Funds:			
Water and Sewer Collection - USA 3 & 4	4,504,548	4,929,402	424,854
Government Finance Fund	4,302,735	4,395,687	92,952

The cause for the Water and Sewer Collection USA 3 & 4 and USA 5-6-7A variances were due to unanticipated early repayment of long-term debt obligations. The cause for the Government Finance Fund variance was because SWAP based interest increased during the year causing interest expense to be in excess of budget.

NOTE III – DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available. Earnings are allocated monthly to each fund based on average daily balances of cash and investments. At fiscal year end, the carrying amount of the City's cash was $27,960,054 including petty cash of $31,985 (the bank balance was $30,576,324). Of the bank balance, $250,000 on interest bearing accounts and $17,584,205 on non non-interest bearing accounts was insured by federal depository insurance and $12,992,119 was collateralized by the Florida Public Deposit Security Trust Fund.

Florida Statutes require state and local governmental units to deposit monies with a financial institution classified as a "Qualified Public Depository," which is a state insurance pool for banks and other financial institutions. The pool requires each bank to render as collateral a percentage of all state and local monies on deposit. Upon default of a particular financial institution within the pool, the pooled collateral is used to reinstate the state and local government deposits. This pool is additional insurance above the federal depository insurance. The City has cash deposits only with qualifying institutions as of September 30, 2011. Cash and investments held separately or where contractual arrangements or bond covenants require otherwise, are classified as "restricted assets". When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. For purposes of the Statement of Cash Flows, cash equivalents are defined as all liquid investments with an original maturity of three months or less.

A. CASH AND INVESTMENTS (CONTINUED)

Investment Risks

Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of fixed income securities. Effective duration, a commonly used measure of interest rate risk, incorporates a security's yield, coupon, final maturity, call features and other imbedded options into one number expressed in years that indicates how price-sensitive a security or portfolio of securities is to changes in interest rates. The effective duration of a security or portfolio indicates the approximate percentage change in fair value expected for a one percent change in interest rates. The longer the duration, the more sensitive the security or portfolio is to changes in interest rates. The city's investment policies do not provide specific restrictions as to the maturity period of various investments. The maturity periods are usually spread based on anticipated need for financial resources while balancing the rate of return with those needs.

Fixed income securities have inherent financial risks, including credit risk and interest rate risk. Credit risk for fixed income securities is the risk that the issuer will not fulfill its obligations. Nationally recognized statistical rating organizations ("NSROs"), such as Moody's and Standard and Poor's, assign credit ratings to security issuers and issues that indicate a measure of potential credit risk to investors. Fixed income securities considered investment grade are those rated at least Baa by Moody's and BBB by Standard and Poor's. The credit risk of the City is governed by the investment policies described above. The City guidelines also reference diversification within those investments that limit the maximum percentages that particular types of investments cannot exceed ranging from 35% (Certificates of Deposit and Money Market accounts) to 75% (Local Government surplus funds trust fund).

Investments are stated at fair value. Short-term investments are stated at cost, which approximates fair value. Investments with the Local Government Surplus Funds Trust Fund investment pool, sponsored by Florida's State Board of Administration, a 2a-7 like pool, as defined by GASB Statement 31, are valued at amortized cost which approximates market. The fair value of the position in the investment pool A is the same value of the pool shares. On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in the Pool due to an unprecedented amount of withdrawals from the Fund coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed reports that the Pool held asset-backed commercial paper that was subject to sub prime mortgage risk. On December 4, 2007, based on recommendations from an outside financial advisor, the State Board of Administration restructured the Pool into two separate pools. Pool A consisted of all money market appropriate assets, which was approximately $12 billion or 86% of Pool assets. Pool B consisted of assets that either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk, which was approximately $2 billion or 14% of Pool assets. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Pool A and Pool B. The fair value for securities traded on a national exchange are valued at the last reported sales price. Gains and losses on investments are calculated under the specific identification method.

A. CASH AND INVESTMENTS (CONTINUED)

Investment Risks (continued)

Pool A has been re-designed with the descriptive title of Florida PRIME and is considered a SEC 2a7-like fund. Currently, PRIME Fund is 100% liquid and available for withdrawals without restrictions or redemptive fees. Standard and Poor's Rating Services has assigned its "AAAm" principal stability fund rating to the PRIME Fund. The weighted average maturity on Florida PRIME was 38 days at September 30, 2011.

Currently, Fund B participants are prohibited from withdrawing any amount from Fund B. As amounts become available in Fund B through maturities and settlements, they are transferred to the PRIME and become available to participants in the same manner as the other LGIP balances. It is important to note that due to the lack of an actively traded market for the securities in Fund B, their "market value" is an estimate of current liquidation value that has been determined through a collaborative process among various pricing experts and sources in the marketplace. Fund B is accounted for as a fluctuating NAV Pool. The Fair Value factor for September 30, 2011 as .75684 and has been applied to the account balance to arrive at an amount for financial statement reporting purposes. Fund B is unrated. Fund B weighted average life is estimated at 4.82 years. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the weighted average life.

As of March 16, 2012, the City has $-0- and $8,977,545 invested in PRIME and Fund B, respectively. Additional information, including the annual financial statement, regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

The City's investment policy applies to all investment activity and shall include all available funds in excess of amounts needed to meet short-term expenses, but shall not apply to pension funds, trust funds, or funds related to the issuance of debt where there are other exiting policies or indentures in effect. The policy objective is to invest funds in a manner with highest priority on preservation of principal and safety of liquidity with optimization of investment returns being secondary consideration. Treasury securities are the benchmark used for riskless investment transactions with a minimum standard for rate of return.

The investment guidelines allow the following investments:

- Negotiable obligations (direct of unconditionally guaranteed by) the United States Government and its agencies
- Fully collateralized United States Agency obligations which carry an implied guarantee and the implied full faith and credit or the United States Government
- Interest-bearing savings accounts, money market accounts, certificates of deposit, or time deposits constituting direct obligations of any bank or savings and loan association certified as a Qualified Public Depository by the State of Florida
- Repurchase agreements collateralized by securities otherwise authorized in above categories

A. CASH AND INVESTMENTS (CONTINUED)

Investment Risks (continued)

- State of Florida Local Government Surplus funds Trust Fund (F.S. Chapter 218)
- Local government investment pool shares organized under F.S. Chapter 163
- Money market mutual fund shares under fund registered as an investment company under the federal "Investment Company Act of 1940"
- County or municipal bonds rated the equivalent of A/A2 or better

The policy also establishes guidelines for diversification by the above classification varying from a maximum of 30% to 60% in each category and to maintain no more than 20% of available resources in any on financial institution.

The defined contribution pension trust funds' investments are maintained by an independent third party investment management firm that is permitted by the City to invest those monies in their managed mutual funds.

The Municipal Police Officers' Retirement Trust Fund is authorized to invest in:

- U.S. Government obligations and U.S. agencies
- High quality bonds on notes and fixed income securities
- General market common stocks and equity securities, preferred stocks and pooled equity funds (maximum investment of 70% of total assets and no one stock or equity-related security would exceed 5% of the total portfolio on the cost basis)

Except for the investments held in mutual funds, the City's investments are uninsured and unregistered and are held in the custodian's or the Bank's accounts in the City's name as described above.

The City carried no investments that individually represented 5% or more of the City's net assets available for benefits as of September 30, 2011.

The composition of fixed income securities at September 30, 2011, along with credit quality and effective duration measures, is summarized as follows:

Proprietary Funds

(Utility Sytem Fund)

	Fair Value		
	Maturity		S & P
	1-2 years	2-5 years	Rating
U.S. Government Agencies	$ 9,994,900	$ 47,102,180	AA

A. CASH AND INVESTMENTS (CONTINUED)

Pension Funds

(Municipal Police Officers' Retirement Trust)

	Fair Value	Rating S & P	Duration (in years)
U.S. Government Obligations	$ 1,019,478	AA	4.7
U.S. Government Agencies	2,161,585	AA	6.7
Municipal Obligations	592,313	A-AA	3.1
Corporate Obligations	9,374,423	A-AA	5.3
Temporary Investment Funds	4,131,923	AAA	Daily
	$ 17,279,722		

* Investment grade is a S & P rating of AAA and/or a Moody's rating of Aaa.

The following schedule reconciles the deposit and investment information above to the City's financial statements:

FUND TYPE	Cash and Cash Equivalents	Equity in Pooled Cash and Investments	Investments	Restricted Investments	Restricted Equity in Pooled Cash and Investments	Total Cash and Investments
Governmental Activities						
General	$ 23,760	$ 11,417,140	$ 2,799,560	$ -	$ 72,353	$ 14,312,813
GO Bond Debt Service	-	-	-	13,249	2,695,657	2,708,906
Community Redevelopment	-	630,774	114,856	3,757,100	1,274,930	5,777,660
Capital SW Annexation *District 1*	-	-	-	10,463,735	3,225,813	13,689,548
USA 5-6-7A Water & Sewer Assessment	-	-	-	2,533	136,465	138,998
Wyndcrest Capital Fund	-	-	-	-	2,574,191	2,574,191
Nonmajor Govermental Funds	1,025	22,251,253	8,409,286	1,986,564	27,400,176	60,048,304
Total Governmental	24,785	34,299,167	11,323,702	16,223,181	37,379,585	99,250,420
Business Type Activities						
Utility System Fund	5,550	19,293,007	30,480,603	28,295,600	28,840,424	106,915,184
Stormwater Utility Fund	1,000	8,500,229	61,149	5,000,000	10,502,183	24,064,561
Golf Course Fund	500	536,151	187	-	-	536,838
Total Business-Type	7,050	28,329,387	30,541,939	33,295,600	39,342,607	131,516,583
Internal Service Fund						
Medical Trust Fund	-	4,407,611	21,984	-	-	4,429,595
Total Fiduciary Fund	-	4,407,611	21,984	-	-	4,429,595
TOTAL	$ 31,835	$ 67,036,165	$ 41,887,625	$ 49,518,781	$ 76,722,192	$ 235,196,598

B. RECEIVABLES

At September 30, 2011, receivables for the City's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for collectible accounts are as follows:

	General	Community Redevelopment TIF CIP Fund	SW Annexation District I Collection Fund	Other Governmental	Total Governmental Activities
Governmental Activities:					
Accounts Receivable	$ 1,763,829	$ 500,000	$ -	$ -	$ 2,263,829
Other Receivable	-	-	-	1,635,283	1,635,283
Accrued Interest	6,928	30,125	63,697	2,329	103,079
Total Governmental Funds	$ 1,770,757	$ 530,125	$ 63,697	$ 1,637,612	4,002,191
Due From Other Governments					2,935,549
Assessments Receivable					323,823,686
Total Governmental Activities					$ 330,761,426

Accounts receivable for enterprise funds are net of allowance for uncollectible accounts of $1,256,959 of which $1,104,195 relates to the Utility System and $152,764 relates to the Stormwater Utility System. In addition, the enterprise funds have long term accounts receivable for 10 year, non-interest bearing water and sewer connection fees loans. The following schedule summarizes the receivable balances in the following fund types at September 30, 2011:

	Utility System	Stormwater Utility	Total Business-Type Activities
Business-Type Activities:			
Accounts Receivable	$ 5,383,824	$ 56,605	$ 5,440,429
Unbilled Revenues	3,912,882	-	3,912,882
Accrued Interest	234,209	11,875	246,084
	9,530,915	68,480	9,599,395
Accounts Receivable - (Long Term)	7,287,039	-	7,287,039
	$ 16,817,954	$ 68,480	$ 16,886,434

C. ASSESSMENTS RECEIVABLE

The City is currently expanding the Utility System (Water and Sewer). This expansion is to occur in multiple phases and projects at various times in the City. The levy's have occurred in prior years and the current year and are reflected as special revenue funds. The City is assessing property owners for the expansion of the water and sewer system. Property owners were given the option of prepaying the full assessment amount or financing the amount over 20 years. The City issued special assessment debt to fund the construction for property owners who elected not to prepay. When financed, the payment is included in with the property-owners annual real property tax bill and includes interest and an amount to cover the additional costs of financing. Property owners may pay off their assessment at any time plus accrued interest.

The City has also issued special assessment debt for funding infrastructure improvements of roads, drainage, and water and sewer within particular benefited areas. These have been implemented at the request of those property-owners. The benefited properties are assessed annually for the necessary amounts to fund the current debt service requirements on the applicable debts.

The following schedule summarizes the current year transactions and balances at September 30, 2011:

	USA 5-6-7A	SW Annexation	Other Governmental	Total Governmental Activities
Assessments Receivable Balance, October 1, 2010	$ 24,826,883	$ -	$ 112,422,912	$ 137,249,795
Additional Assessment	-	164,029,999	33,406,300	197,436,299
Collections and Credits During the Year Ended September 30, 2011	(1,878,465)	(2,216,085)	(8,320,981)	(12,415,531)
Interest on Delinquent Assessments	1,574	-	1,551,549	1,553,123
Assessments Receivable Balance, September 30, 2011	$ 22,949,992	$ 161,813,914	$ 139,059,780	$ 323,823,686

D. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2011 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	$ 113,690,813	$ 1,267,957	$ (42,140)	$ (250)	$ 114,916,380
Construction in Progress	61,421,212	28,016,640	-	(54,358,161)	35,079,691
Total Capital Assets, Not Being Depreciated	175,112,025	29,284,597	(42,140)	(54,358,411)	149,996,071
Capital Assets, Being Depreciated					
Buildings	120,969,805	-	(119,540)	-	120,850,265
Improvements Other Than Buildings	32,304,347	2,020,891	(79,091)	258,840	34,504,987
Machinery and Equipment	29,065,546	6,209,639	(1,580,493)	(3,585)	33,691,107
Infrastructure	625,940,795	4,457,772	-	47,757,370	678,155,937
Total Capital Assets, Being Depreciated	808,280,493	12,688,302	(1,779,124)	48,012,625	867,202,296
Less Accumulated Depreciation For:					
Buildings	19,480,483	3,392,044	(114,322)	-	22,758,205
Improvements Other Than Buildings	10,875,096	1,285,763	(77,340)	-	12,083,519
Machinery and Equipment	23,071,462	4,999,572	(1,448,186)	12,642	26,635,490
Infrastructure	170,238,184	16,599,618	(1,750)	-	186,836,052
Total Accumulated Depreciation	223,665,225	26,276,997 *	(1,641,598)	12,642	248,313,266
Total Capital Assets, Being Depreciated - Net	584,615,268	(13,588,695)	(137,526)	47,999,983	618,889,030
Governmental Activities Capital Assets - Net	$ 759,727,293	$ 15,695,902	$ (179,666)	$ (6,358,428)	$ 768,885,101

* Depreciation expense was charged to functions as follows:

Governmental Activities:	
General Government	$ 695,599
Public Safety	2,163,979
Physical Environment	545,709
Transportation	18,143,260
Economic Environment	3,476,736
Human Services	57,931
Culture & Recreation	1,193,783
Total Governmental Activities Depreciation Expense	$ 26,276,997

D. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the year ended September 30, 2011 was as follows:

	Beginning Balance	Increase	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital Assets, Not Being Depreciated:					
Land	$ 20,928,303	$ -	$ (8,106)	$ -	$ 20,920,197
Construction in Progress	48,813,885	13,668,059	-	(1,904,788)	60,577,156
Total Capital Assets, Not Being Depreciated	69,742,188	13,668,059	(8,106)	(1,904,788)	81,497,353
Capital Assets, Being Depreciated					
Plant	279,217,563	1,013,085	(996)	1,904,787	282,134,439
Water and Sewer System	527,568,826	12,704,261	(547,175)	(10,324)	539,715,588
Machinery and Equipment	22,171,775	873,088	(1,044,175)	14,159	22,014,847
Buildings	4,152,138	-	-	-	4,152,138
Improvements Other Than Buildings	2,404,232	126,500	-	-	2,530,732
Infrastructure	1,548,440	-	-	-	1,548,440
Traffic	43,810	-	-	-	43,810
Total Capital Assets, Being Depreciated	837,106,784	14,716,934	(1,592,346)	1,908,622	852,139,994
Less Accumulated Depreciation For:					
Plant	44,735,124	7,992,905	(900)	-	52,727,129
Water and Sewer System	139,586,410	21,428,517	(87,591)	(1,032)	160,926,304
Machinery and Equipment	16,722,489	1,747,030	(794,560)	(8,512)	17,666,447
Buildings	739,128	110,554	-	-	849,682
Improvements Other Than Buildings	1,056,118	126,329	-	-	1,182,447
Infrastructure	49,494	41,984	-	-	91,478
Traffic	4,381	4,381	-	-	8,762
Total Accumulated Depreciation	202,893,144	31,451,700 *	(883,051)	(9,544)	233,452,249
Total Capital Assets, Being Depreciated - Net	634,213,640	(16,734,766)	(709,295)	1,918,166	618,687,745
Business-Type Activities Capital Assets - Net	$ 703,955,828	$ (3,066,707)	$ (717,401)	$ 13,378	$ 700,185,098

* Depreciation expense was charged to functions as follows:

Business-Type Activities:	
Water and Sewer	$ 30,743,587
Stormwater Utility	441,994
Golf Course	266,119
Total Business-Type Activities Depreciation Expense	$ 31,451,700

E. CONSTRUCTION COMMITMENTS

The City has outstanding commitments for engineering and construction projects in process. Those commitments are approximated for the respective funds at September 30, 2011:

Nonmajor Governmental Funds	$ 4,476,840
General	29,307
Capital Wyndcrest Fund	1,694,213
Stormwater Utility	5,922,660
Utility System	730,820
	$ 12,853,840

F. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a summary of amounts due from and due to other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 92,874
Nonmajor Governmental Funds	Nonmajor Governmental Funds	3,743
Internal Service Fund	General Fund	18,544
Utility System Fund	Nonmajor Governmental Funds	3,386,039
		$ 3,501,200

All remaining balances, except between utility system fund and capital improvements road & bridge, a nonmajor governmental fund, resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made and adjustments recorded subsequent to year end. The balance between utility system fund and capital improvements fund is a loan to repay the utility contingency fund to cover shortfalls.

F. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

The following is a summary of interfund transfers:

Transfers In Fund	Transfers Out Fund	Amount
General Fund	Street Lighting Fund	$ 21,073
General Fund	Stormwater Utility Fund	321
Community Redevelopment Fund	Community Redevelopment TIF CIP Fund	8,298,307
Nonmajor Governmental Funds	General Fund	2,222,000
Nonmajor Governmental Funds	Nonmajor Governmental Funds	16,229,323
Community Redevelopment Fund	Nonmajor Governmental Funds	130,183
Community Redevelopment Fund	General Fund	493,776
General Fund	Law Enforcement Forfeiture Trust Fund	10,000
General Fund	Trust and Agency Fund	321
Stormwater Utility Fund	Nonmajor Governmental Funds	26,199
Golf Course Fund	General Fund	210,000
		$27,641,503

The City's routine transfers include transfers made to move unrestricted revenues or balances that have been collected or accumulated in the General Fund to other funds based on budgetary authorization, and the transfer of revenues from a fund that by statute or budgetary authority must collect them to a fund that by statute or budgetary authority to expend them. Additionally, several funds transferred to the Road & Bridge Fund their allocable share of construction project expenditures.

G. LONG-TERM DEBT

Governmental Activities Debt:

The following is a summary of transactions of notes payable, bonds payable, and certificates of participation for the year ended September 30, 2011:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Local Option Gas Tax Bonds,					
Series 2000	$ 1,520,000	$ -	$ 1,520,000	$ -	$ -
Series 2004	13,850,000	-	1,445,000	12,405,000	3,110,000
Sales Tax Improvement Revenue Bonds,					
Series 2003	15,635,000	-	620,000	15,015,000	625,000
Certificates of Participation, Series 2004	3,465,000	-	-	3,465,000	-
Certificates of Participation, Series 2008	43,715,000	-	1,705,000	42,010,000	1,770,000
CRA Tax Increment Bonds, Series 2004	9,395,000	-	570,000	8,825,000	590,000
CRA Tax Increment Bonds, Series 2006	45,750,000	-	750,000	45,000,000	1,000,000
General Obligation Bonds, Series 2005	44,125,000	-	480,000	43,645,000	670,000
General Obligation Bonds, Series 2006	43,900,000	-	470,000	43,430,000	660,000
Sales Tax Refunding Bonds, Series 2008	4,915,000		30,000	4,885,000	685,000
Lease Revenue Bonds, Series 2010 A & B	39,900,000	-	-	39,900,000	1,500,000
Special Assessment District Bonds:					
Series 1998A	14,245,000	-	14,245,000	-	-
Series 2001A, South Lennard Road	1,160,000	-	150,000	1,010,000	-
Series 2001D	21,860,000	-	21,860,000	-	-
Series 2002 A & B, River Point	4,225,000	-	540,000	3,685,000	-
Series 2003 A & B, Tesoro	18,615,000	-	1,500,000	17,115,000	-
Series 2003 C, Glassman	5,920,000	-	570,000	5,350,000	-
Series 2003 D, East Lake Village	7,590,000	-	635,000	6,955,000	80,000
Series 2005 A	15,905,000	-	950,000	14,955,000	-
Series 2005 B	2,610,000	-	240,000	2,370,000	-
Series 2007A	4,070,000	-	1,445,000	2,625,000	-
Series 2007B	155,840,000	-	5,000,000	150,840,000	-
Series 2008A	31,360,000	-	610,000	30,750,000	635,000
Series 2011A	-	10,910,000	-	10,910,000	2,525,000
Series 2011B	-	20,665,000	-	20,665,000	1,770,000
	549,570,000	31,575,000	55,335,000	525,810,000	15,620,000
Compensated Absences	6,937,190	4,813,040	3,576,805	8,173,425	735,608
Unamortized Bond (Premium)/Discount &					
Loss on Defeasance	(79,754)	22,184	370,442	(428,012)	-
Swap Derivatives	5,510,592	-	5,510,592	-	-
Due Within One Year	(11,509,347)			(16,355,608)	-
	550,428,681	36,410,224	64,792,839	517,199,805	16,355,608
Other Post Employment Benefits	1,232,709	920,652	1,232,709	920,652	-
	$ 551,661,390	$ 37,330,876	$ 66,025,548	$ 518,120,457	$ 16,355,608

G. LONG-TERM DEBT (CONTINUED)

Governmental Activities Debt (continued):

Compensated Absences:	10/1/2010	Increase	Decrease	9/30/2011	Current Portion
General	$5,854,286	$4,041,672	$3,042,032	$ 6,853,926	$ 616,853
Road & Bridge	521,984	404,378	255,300	671,062	60,396
Building	486,714	281,949	210,662	558,001	50,220
NSP	41,258	66,371	42,208	65,421	5,888
CDBG	20,287	9,107	15,037	14,357	1,292
Housing	5,621	2,203	5,753	2,071	186
Crosstown	3,519	3,680	2,906	4,293	386
Beck Road	3,519	3,680	2,906	4,293	386
	$6,937,188	$4,813,040	$3,576,804	$ 8,173,424	$ 735,608

$19,100,000 Local Option Gas Tax Refunding and Improvement Revenue Bonds, Series 2004 – payable from and collateralized by a lien upon and pledge of the Local Option Gas Tax Revenues, due in annual principal installments ranging from $2,600,000 to $3,430,000 plus interest semiannually at a rate of 5.0% through March 2015. Proceeds for the construction of a six-lane highway and bridge overpass plus refund outstanding bonds.

$20,000,000 Sales Tax Improvement Revenue Bonds, Series 2003 – payable from and collateralized by a lien upon and pledge of the state shared Sales Tax Revenues, due in annual principal installments ranging from $620,000 to 2,115,000 plus interest ranging from 3.75% to 5.0% through September 2023. Proceeds used for roadway improvements.

$5,860,000 Certificate of Participation, Florida Master Lease Project, Series 2004 (Public Buildings Project) – payable from the limited and special obligation of the City to make rent payments on the multiple public buildings subject to annual appropriation, due in annual principal installments ranging from $135,000 to $395,000 plus interest semiannually at a rate ranging from 3.375% to 4.25% through September 2023. Due to the early call of certain bonds, no principal payment is due until September 2013. Proceeds used to finance the construction of a police building, animal shelter, and administration complex.

$45,600,000 Refunding Certificates of Participation, Series 2008 – payable from the limited and special obligation of the City to make rent payments on the multiple public buildings subject to annual appropriation, due in annual principal installments ranging from $1,770,000 to $3,865,000 plus interest semiannually at a rate ranging from 4.0% to 6.25% through September 2027. Proceeds were used to refund the $44,560,000 Certificates of Participation, Series 2007, which had be issued for construction and improvements related to the medical research facility area of the City.

G. LONG-TERM DEBT (CONTINUED)

Governmental Activities Debt (continued):

$11,870,000 Redevelopment Trust Fund Revenue Bonds, Series 2004 – payable from and collateralized by a lien upon and pledge of the net tax increment revenues generated in the Community Redevelopment Area, due in annual principal installments ranging from $590,000 to $915,000 plus interest semiannually at a rate ranging from 3.25% to 5.0% through January 2023. Proceeds used to finance infrastructure improvements in the CRA.

$46,450,000 Redevelopment Trust Fund Revenue Bonds, Series 2006 – payable from and collateralized by a lien upon and pledge of the net tax increment revenues generated in the Community Redevelopment Area, due in annual principal installments ranging from $1,000,000 to $6,285,000 plus interest semiannually at a rate ranging from 3.904% to 5.0% through January 2026. To finance property acquisition and construction related to the planned Civic Center to be located within the Community Redevelopment Area.

$49,285,000 General Obligation Bonds, Series 2005 – due in annual principal installments ranging from $670,000 to $3,140,000 plus interest ranging from 3.5% to 5.0% through July 2035. To finance a portion of the construction of the Cross Town Parkway.

$44,545,000 General Obligation Bonds, Series 2006 – due in annual principal installments ranging from $660,000 to $3,155,000 plus interest semiannually at a rate ranging from 4.0% to 5.0% through July 2035. To finance additional phase of Cross Town Parkway.

$5,015,000 Sales Tax Refunding Bonds, Series 2008 – payable from and collateralized by a lien upon and a pledge of the state shared sales tax revenues, due in annual principal installments ranging from $685,000 to $955,000 plus interest ranging from 3.25% to 4.0% through September, 2017. Proceeds were used to refund the balance of the outstanding 1998 Sales Tax Refunding and Improvement Revenue Bonds.

$39,900,000 Lease Revenue Bonds, Series 2010A & 2010B – this issue is comprised of $18,040,000 Series 2010A and $21,860,000 Series 2010B (Recovery Zone Facility Bonds) – payable from and secured by a lien upon and pledge of the Trust Estate which consists of the right, title, and interest of the City to the lease payments under the lease of facilities to Digital Domain Holdings Corporation, due in annual principal installments ranging from $1,500,000 to $2,640,000 plus interest semiannually at rates ranging from 2.0% to 6.19% through September, 2031.

G. LONG-TERM DEBT (CONTINUED)

Special Assessment Debt with Government Commitment:

$3,545,000 Special Assessment Bonds, Series 2001A (South Lennard Road Special Assessment District) - payable from assessments levied on subject properties within the service area, due in annual principal installments ranging from $140,000 to $310,000 plus interest at a rate of 7.125% through September 2021. Due to the early call of certain bonds, no principal payments are due until September, 2017. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming payment.

$15,600,000 Special Assessment District Bonds, Series 2002A – Tax Exempt; Series 2002B – Tax Exempt; Series 2002A – Taxable; Series 2002B – Taxable (River Point Special Assessment District) – payable from assessments levied on subject properties within the assessment area, due in annual principal installments ranging from $25,000 to $595,000 plus interest ranging from 4.2% to 4.75% through January 2023. Due to the early call of certain bonds, no principal payments are due until January, 2016. The Series A – Tax Exempt and Taxable bonds carry a "due-on-sale" clause requiring the applicable amount of principal outstanding be paid when various encumbered properties are sold by the developer. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming debt service payment. Proceeds are for infrastructure improvements.

$49,355,000 Special Assessment Bonds, Series 2003A – Tax Exempt; Series 2003A – Taxable Series; Series 2003B – Tax Exempt (Tesoro Special Assessment District) – payable from assessments levied on subject properties within the assessment area, due in annual principal installments ranging from $840,000 to $2,380,000 plus interest ranging from 4.50% to 4.75% through January 2023. Due to the early call of certain bonds, no principal payments are due until January, 2015. The Series A – Tax Exempt and Taxable bonds carry a "due-on-sale" clause requiring the applicable amount of principal outstanding be paid when various encumbered properties are sold by the developer. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming debt service payment. Proceeds are for infrastructure improvements in the SAD.

$9,500,000 Special Assessment Bonds, Series 2003C (Glassman Special Assessment District) – payable from assessments levied on subject properties within the assessment area, due in annual principal installments ranging from $520,000 to $835,000 plus interest at a rate of 6.75% through July 2023. Due to the early call of certain bonds, no principal payments are due until July, 2016. The bonds carry a "due-on-sale" clause requiring the applicable amount of principal outstanding be paid when various encumbered properties are sold by the developer. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming debt service payment.

G. LONG-TERM DEBT (CONTINUED)

Special Assessment Debt with Government Commitment (continued):

$10,350,000 Special Assessment Bonds, Series 2003D (East Lake Village Special Assessment District) – payable from assessments levied on subject properties within the assessment area, due in annual principal installments ranging from $80,000 to $775,000 plus interest ranging from 3.6% to 4.625% through July 2023. The bonds carry a "due-on-sale" clause requiring the applicable amount of principal outstanding be paid when various encumbered properties are sold by the developer. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming debt service payment.

$18,725,000 Special Assessment District Bonds, Series 2005A – (St. Lucie Land Holdings Special Assessment District) – payable from assessments levied on subject properties within the assessment area, due in annual principal installments ranging from $400,000 to $1,365,000 plus interest ranging from 3.6% to 4.625% through July 2027. Proceeds used to finance a portion of the cost of acquisition and improvements of roadway and drainage system additions, improvements and extensions and the potable water distribution and wastewater collection system within the SAD.

$4,765,000 Special Assessment District Bonds, Series 2005B – (Utility Service Area 9 – Water and Wastewater Expansion Project) – payable from assessments levied on subject properties within the service area, due in annual principal installments beginning in 2014, ranging from $255,000 to $345,000 plus interest ranging from 4.125% to 4.5% through July 2025. Due to the early call of certain bonds, no principal payments are due until July, 2018. Proceeds used for water and wastewater system expansion within the SAD.

$6,635,000 Combined Special Assessment District Bonds, Series 2007A – (Peacock and Lowry Special Assessment District) – payable from and secured by a lien upon and pledge of the City's covenant to budget and appropriate non-ad valorem revenues sufficient to meet current debt service, due in annual principal installments ranging from $90,000 to $525,000 plus interest semiannually at a rate of 5.35% through July 2027. Due to the early call of certain bonds, no principal payments are due until July, 2020. Proceeds used for the construction of roadway and drainage system additions, improvements and extensions and the potable water distribution and wastewater collection system within the SAD.

$155,840,000 Combined Special Assessment District Bonds, Series 2007B – (Southwest Annexation Special Assessment District) – payable from and secured by a lien upon Southwest pledged revenues, due in annual principal installments beginning in 2011, ranging from $2,655,000 to $9,735,000 plus interest semiannually ranging from 4.0% to 5.0% through July 2040. Proceeds used for the construction of roadway and drainage system additions, improvements and extensions and the potable water distribution and wastewater collection system within the SAD.

G. LONG-TERM DEBT (CONTINUED)

Special Assessment Debt with Government Commitment (continued):

$31,360,000 Special Assessment Refunding Bonds, Series 2008A – (City Center Special Assessment District) – payable from and secured by a lien upon and pledge of the City's covenant to budget and appropriate non-ad valorem revenues sufficient to meet current debt service, due in annual principal installments beginning in 2011, ranging from $635,000 to $2,400,000 plus interest semiannually ranging from 4.0% to 6.5% through July 2035. Proceeds used to refund the $25,185,000 Special Assessment District Bonds, Series 2006A, which had been issued for the construction of roadway and drainage system additions, improvements and extensions and the potable water distribution and wastewater collection system within the City Center SAD.

$10,910,000 Water and Sewer Special Assessment Refunding Bonds, Series 2011A (Utilities Service Area 3 & 4) - payable from assessments levied on subject properties within the service area, due in annual principal installments ranging from $2,525,000 to $2,840,000 plus interest ranging from 1.25% to 2.0% through September, 2015. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming payment. Proceeds were used to refund the balance of the outstanding $65,455,000 Special Assessment bonds, Series 1998A (Utilities Service Area 3 & 4).

$20,665,000 Water and Sewer Special Assessment Refunding Bonds, Series 2011B (Utilities Service Area 5, 6 & 7A) – payable from assessments levied on subject properties within the service area, due in annual principal installments ranging from $1,770,000 to $2,330,000 plus interest ranging from 1.25% to 3.25% through September 2021. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming payment. Proceeds were used to refund the balance of the outstanding $54,390,000 Special Assessment Bonds, Series 2001D (Utilities Services Area 5, 6 & 7A).

G. LONG-TERM DEBT (CONTINUED)

Minimum payments of long-term debt service requirements for each of the years subsequent to September 30, 2011 are:

September 30,	Total Principal	Total Interest	Total
2012	$ 15,620,000	$ 24,862,939	$ 40,482,939
2013	20,425,000	24,122,030	44,547,030
2014	21,840,000	23,455,313	45,295,313
2015	22,620,000	22,637,941	45,257,941
2016	19,625,000	21,838,330	41,463,330
2017	21,000,000	21,024,236	42,024,236
2018	22,715,000	20,107,051	42,822,051
2019	24,005,000	19,083,057	43,088,057
2020	25,525,000	17,964,801	43,489,801
2021	27,860,000	16,648,865	44,508,865
2022	25,800,000	15,311,138	41,111,138
2023	27,080,000	14,714,859	41,794,859
2024	22,025,000	12,718,293	34,743,293
2025	23,260,000	11,608,581	34,868,581
2026	24,070,000	10,442,690	34,512,690
2027	18,730,000	9,363,076	28,093,076
2028	13,650,000	8,363,612	22,013,612
2029	14,360,000	7,662,048	22,022,048
2030	15,110,000	6,919,676	22,029,676
2031	15,905,000	6,138,148	22,043,148
2032	13,965,000	5,315,152	19,280,152
2033	14,710,000	4,587,274	19,297,274
2034	15,475,000	3,834,526	19,309,526
2035	16,280,000	3,042,050	19,322,050
2036	7,970,000	2,207,750	10,177,750
2037	8,380,000	1,809,250	10,189,250
2038	8,810,000	1,390,250	10,200,250
2039	9,260,000	949,750	10,209,750
2040	9,735,000	486,750	10,221,750
	$ 525,810,000	$ 338,609,436	$ 864,419,436

G. LONG-TERM DEBT (CONTINUED)

Business-Type Activity Debt:

The following summary reflects the transactions of long-term obligations in the enterprise funds for the year ended September 30, 2011:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Stormwater Utility System Fund					
Revenue Bonds, Series 2002	$ 11,875,000	$ -	$ 11,600,000	$ 275,000	$ 275,000
Revenue Bonds, Series 2010 A & B	36,000,000	-	-	36,000,000	-
Revenue Bonds, Series 2011 A & B	-	11,325,000	-	11,325,000	105,000
Utility System Fund					
Revenue Bonds, Series 2001	6,848,965	-	1,330,690	5,518,275	1,248,458
Revenue Bonds, Series 2003	19,160,000	-	745,000	18,415,000	770,000
Revenue Bonds, Series 2004	27,615,000	-	670,000	26,945,000	690,000
Revenue Bonds, Series 2004A	51,645,000	-	-	51,645,000	-
Revenue Bonds, Series 2006	78,435,000	-	-	78,435,000	1,685,000
Revenue Bonds, Series 2006A	34,967,230	-	-	34,967,230	-
Revenue Bonds, Series 2007	116,000,000	-	480,000	115,520,000	670,000
Revenue Bonds, Series 2009	110,200,000	-	-	110,200,000	-
	492,746,195	11,325,000	14,825,690	489,245,505	5,443,458
Compensated Absences	2,651,488	2,160,200	1,582,304	3,229,384	290,645
Add Accreted Interest on Utility System Fund Revenue Bonds	6,008,714	1,119,304	829,311	6,298,707	-
Less Unamortized Bond Discount/(Premium) & Loss on Defeasance	118,270	383,138	283,690	217,718	-
Current Portion Payable	(3,728,764)			(5,734,103)	-
Total Proprietary Fund Long-Term Obligations	497,795,903	14,987,642	17,520,995	493,257,211	5,734,103
Other Post Employment Benefits	887,898	531,915	887,898	531,915	-
	$ 498,683,801	$ 15,519,557	$ 18,408,893	$ 493,789,126	$ 5,734,103

The Stormwater Utility Revenue Bonds are collateralized by a lien upon and a pledge of the stormwater revenues derived from the operation of the stormwater utility system, the franchise revenues derived from the electric franchise fees collected from Florida Power & Light Company, and income earned on bond related investment accounts.

$14,000,000 Stormwater Utility Revenue Bonds, Series 2002 - due in annual principal and sinking fund installments of $275,000, plus interest of 4.0% through May 1, 2012.

$36,000,000 Stormwater Utility Revenue Bonds, Taxable Series 2010 A & B – comprised of the Taxable Series 2010A (Build America Bonds – Direct Payment) for $26,895,000 and the Taxable Series 2010B (Recovery Zone Economic Development Bonds) – due in annual principal and sinking fund installments of $1,285,000 to $3,630,000, plus interest of 7.376% on Series A subject to a 35% subsidy and 6.516% and 7.176% on Series B subject to a 45% subsidy. Principal payments begin May, 2024.

G. LONG-TERM DEBT (CONTINUED)

Business-Type Activity Debt (continued):

$11,325,000 Stormwater Utility Refunding Revenue Bonds, Series 2011 – due in annual principal installments of $105,000 to $1,325,000, plus interest ranging from 2% - 5% through May, 2023. The proceeds of this issue were used to advance refund $11,610,000 of the outstanding balance of the Series 2002 Stormwater bonds.

The Utility System Revenue Bonds are payable solely from and secured by a lien upon and pledge of the net revenues derived from the operation of the water and sewer system and the Capital Facilities Charges (limited to the debt service component) of the Utility System.

$52,654,418 Utility System Revenue Bonds, Series 2001 - due in annual principal installments of $970,704 to $1,248,458 plus interest semiannually ranging from 4.94% to 5.32% through September 2016; all remaining bonds are of the capital appreciation series.

$61,431,495 Utility System Revenue Bonds, Series 2003 - due in annual principal installments of $770,000 to $3,675,000 plus interest semiannually ranging from 3.5% to 5.0% through September 2031.

$29,165,000 Utility System Revenue Bonds, Series 2004 - due in annual principal installments of $690,000 to $1,890,000 plus interest semiannually ranging from 3.6% to 5.00% through September 2034.

$51,645,000 Utility System Refunding Revenue Bonds, Series 2004A - due in annual principal installments of $495,000 to $12,155,000 plus interest semiannually ranging from 4.375% to 5.00% through September 2031. Principal payments begin September, 2017.

$78,435,000 Utility System Revenue Bonds, Series 2006 – due in annual principal installments of $1,685,000 to $27,385,000 plus interest semiannually of ranging from 4.5% to 5.063% through September 2036. Principal payments begin September, 2012.

$35,197,230 Utility System Refunding Revenue Bonds, Series 2006A – due in annual principal installments of $715,000 to $5,186,344 plus interest semiannually of ranging from 4.0% to 5.0% through September 2033. Principal payments begin September, 2017.

$119,445,000 Utility System Refunding Revenue Bonds, Series 2007 – due in annual principal installments of $670,000 to $10,675,000 plus interest semiannually of ranging from 4.0% to 5.25% through September 2027.

$110,200,000 Utility System Refunding Revenue Bonds, Series 2009 – due in annual principal installments beginning in 2013, ranging from $1,645,000 to $16,570,000 plus interest semiannually of ranging from 4.125% to 5.25% through September 2035.

G. LONG-TERM DEBT(CONTINUED)

The annual requirements to amortize bonded debt and note payable as of September 30, 2011 follows:

September 30,	Total Principal	Total Interest	Total
2012	$ 5,443,458	$ 25,128,735	$ 30,572,193
2013	11,722,102	25,105,990	36,828,092
2014	12,545,671	24,726,560	37,272,231
2015	13,011,340	24,246,614	37,257,954
2016	13,440,703	23,725,148	37,165,851
2017	14,695,000	21,928,944	36,623,944
2018	15,395,000	21,210,957	36,605,957
2019	16,125,000	20,454,656	36,579,656
2020	16,870,000	19,645,796	36,515,796
2021	17,680,000	18,795,912	36,475,912
2022	18,540,000	17,928,033	36,468,033
2023	19,410,000	17,027,861	36,437,861
2024	20,300,000	16,070,403	36,370,403
2025	21,305,000	15,028,302	36,333,302
2026	22,360,000	13,933,980	36,293,980
2027	25,105,000	12,775,161	37,880,161
2028	24,770,000	11,471,532	36,241,532
2029	25,885,000	10,216,440	36,101,440
2030	27,030,000	8,903,970	35,933,970
2031	28,405,000	7,522,163	35,927,163
2032	18,686,344	17,747,366	36,433,710
2033	14,050,887	17,255,352	31,306,239
2034	23,300,000	4,810,234	28,110,234
2035	22,700,000	3,563,371	26,263,371
2036	30,315,000	2,351,504	32,666,504
2037	3,145,000	749,032	3,894,032
2038	3,380,000	517,058	3,897,058
2039	3,630,000	267,748	3,897,748
	$ 489,245,505	$ 403,108,822	$ 892,354,327

G. LONG-TERM DEBT (CONTINUED)

Refunded Debt

Refunding provides for an irrevocable deposit with an escrow agent of sufficient funds to pay principal, interest, and, if applicable, call premiums, when due, on the refunded bonds to the earliest call date. Accordingly, these obligations are no longer considered a liability of the City. The City has the following debt issues which have been refunded.

Issue	Series	Date Refunded	Outstanding as of Refund Date	Outstanding as of 9/30/2011
Stormwater Utility Bonds	1988	10/9/1990	$13,770,000	$2,330,000
Utility System Revenue Bonds	2003	9/29/2004	7,355,000	4,355,000
Utility System Revenue Bonds	2003	12/14/2006	33,191,495	33,191,495
City Center Special Assessment District Bonds	2006A	12/3/2008	24,330,000	21,580,000
Utility System Revenue Bonds	1997A	5/22/2009	4,407,140	2,144,037
Stormwater Utility Bonds	2002	6/7/2011	11,335,000	11,335,000

In June, 2011, the City advance refunded and defeased a portion of the 2002 Stormwater Utility System Revenue Bonds maturing May 1, 2013 through May 1, 2023 amounting to $13,335,000 principal value plus accrued interest. The City deposited net proceeds of $11,888,549 from the Series 2011 Stormwater Utility System Refunding Revenue issue in an irrevocable trust account and invested in U.S. Treasury Securities- State and Local Government Series and cash in sufficient amounts to allow for future payments of principal and interest until the early redemption date of May 1, 2012 at the redemption price of par. The transaction resulted in an accounting loss of $473,920. The difference in cash flows of the old debt service compared to the new issue was a reduction of $594,926. The economic gain (difference between the present value of the net debt service payments of the refunded and refunding debt) was $465,614. The City advance refunded a portion of the issue to reduce its annual debt service requirements.

In September, 2011, the City advance refunded and defeased the outstanding balance of the 2001D Special Assessment Bonds (Utilities Service Area 5, 6 & 7A) maturing September 1, 2016 through September 1, 2021 amounting to $19,610,000. The City deposited net proceeds of $19,960,024 from the Water and Sewer Special Assessment Refunding Bonds, Series 2011B in an irrevocable trust account and invested in U.S. Treasury Securities- State and Local Government Series and cash in sufficient amounts to allow for future payments of principal and interest until the early redemption date of October 28, 2011 at the redemption price of 101%. The transaction resulted in an accounting loss of $277,113. The difference in cash flows of the old debt service compared to the new issue was a reduction of $3,332,158. The economic gain (difference between the present value of the net debt service payments of the refunded and refunding debt) was $1,733,136. The City advance refunded the issue to reduce its interest rates and projected total debt service costs relating to the project.

G. LONG-TERM DEBT (CONTINUED)

Refunded Debt (continued)

In September, 2011, the City advance refunded and defeased the outstanding balance of the 1998A Special Assessment Bonds (Utility Service Area 3 & 4) with remaining principal installments beginning in 2015 and the term bonds maturing September 1, 2018 amounting to $10,345,000. The City deposited net proceeds of $10,642,419 from the Water and Sewer Special Assessment Refunding Bonds, Series 2011A in an irrevocable trust account and invested in U.S. Treasury Securities- State and Local Government Series and cash in sufficient amounts to allow for future payments of principal and interest until the early redemption date of October 28, 2011 at the redemption price of par. The transaction resulted in an accounting loss of $224,508. The difference in cash flows of the old debt service compared to the new issue was a reduction of $2,279,295. The economic gain (difference between the present value of the net debt service payments of the refunded and refunding debt) was $1,104,167. The City advance refunded the issue to reduce its interest rates and projected total debt service costs relating to the project.

Derivative Disclosure – Interest Rate Swap

Concurrently with the March 2007 issuance of Certificates of Participation ("COP"), the City entered into a Swap Agreement with Royal Bank of Canada ("Counterparty"). The notional amount of the 2007 COP Swap Agreement with the Counterparty originally was $44,560,000. Commencing on May 2, 2007, and monthly thereafter, the City pays a fixed rate of 3.678% and the Counterparty pays the USD-SIFMA Municipal Swap Index (formerly the USD-BMA Municipal Swap Index). The termination date is September 1, 2017, unless terminated earlier as provided in the Swap Agreement.

In fiscal year 2009, the City entered into another Swap Agreement with Royal Bank of Canada concurrently with the 2008 Refunding issue of the 2007 COP with a notional amount of $45,600,000. The 2007 Swap remained in effect, but its notional amount was changed to match the 2008 Refunding Swap. In the prior fiscal year, the notional amount for both the 2007 and 2008 Refunding Swaps was $43,715,000. For the 2008 Refunding Swap, the City pays 80% LIBOR rate and the Counterparty pays a fixed rate of 3.527%. The termination date was September 1, 2027, unless terminated earlier as provided in the Swap Agreement. As of September 30, 2010, the fair value of the 2008 Refunding Swap Agreement was $4,847,619 in favor of the City and the fair value of the 2007 Swap was $5,510,593 in favor of the counterparty. This swap is classified as an investment derivative. The fair value was determined using a valuation model by an independent investment firm and used the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps. In September, 2011, the City elected to terminate the Swap Agreements and delivered a payment of $50,000 in consideration thereof.

G. LONG-TERM DEBT (CONTINUED)

Utility System Fund

A summary of significant bond ordinance terms and covenants for the Utility System Revenue Bonds are as follows:

1. Principal and interest are payable from and secured by a pledge of the net revenues from the operation of the system. Pledged revenues may include ad valorem taxes, special assessments, capital facilities charges, and certain investment earnings thereon, or any combination thereof. Currently, ad valorem taxes and special assessments are not pledged as a Pledged Revenue for the bonds. The bonds do not constitute a lien on the system.

2. Depository funds will be established for the deposit of various revenues. These funds will include:

   - Revenue Fund - For deposit of the gross revenue derived from the operation of the Utility System. Monies in the trust fund are used to make deposits to the sinking fund and to pay the current operating expenses.

   - Sinking Fund - For deposit of amounts sufficient to pay the debt service requirement during the current bond year.

   - Reserve Account - For deposit of amounts equal to the reserve account requirement, which is an amount equal to the maximum annual debt service requirement. The City may substitute a reserve account credit facility for the requirements of the reserve account or a portion thereof.

   - Capital Facilities Charges Fund - for deposit of amounts collected for connection

   - Fees for new connections to the System which may be used only to pay the cost of Expansion Facilities or debt service on Bonds for which Capital Facilities Charges have been pledged.

   - Renewal and Replacement Fund - For deposit of an amount equal to 5% of the gross revenues collected during the preceding fiscal year, with a maximum of $1,000,000 on deposit in this fund. Monies in the renewal and replacement fund may be used only for the purpose of paying the cost of emergency repairs, extensions, enlargements or additions to, or the replacement of capital assets of the Utility System.

G. LONG-TERM DEBT (CONTINUED)

Utility System Fund (continued)

3. The City has covenanted to establish and maintain rates at a level sufficient to provide net revenues equal to 100% of the current debt service requirement plus the required deposits into the Reserve account and the Renewal and Replacement Fund, and equal to 110% of the current debt service requirement and the required deposits, when including the investment income from the Project Fund, a calculated percentage of the capital facilities charges, and any transfers from the Rate Stabilization fund.

4. The City will not issue additional debt on the system without meeting certain parity requirements for debt coverage.

5. The 2007 bonds are not subject to redemption prior to maturity. Redemption provisions allow for the Series 2009 bonds maturing in 2019 to be redeemed after September 1, 2018 as a whole or in part at any time thereafter without premium. The bonds maturing in 2025 and 2029 are subject to mandatory redemption prior to maturity at a redemption price equal to the unpaid principal portion outstanding plus accrued interest through amortization installments.

6. In September 2000, the City entered into a Debt Service Forward Delivery Agreement with Chase Manhattan Bank regarding the debt service payments on the Series 1997A Bonds. Under that agreement the City will transfer the required monthly debt service accruals to the custodian bank rather than semi-annual payments. In consideration thereof, the City received $2.4 million, which is being amortized over the remaining amortization period of the issue. Subsequent to that agreement, and at various times, the City defeased and/or early-called various portions of the 1997A issue on which the payments were based. By mutual agreement, the underlying debt service obligations were replaced even though the monthly payments to the debt service account maintenance by the custodian, Chase Manhattan Bank, remained the same.

Stormwater Utility Fund

A summary of significant bond ordinance terms and covenants for the Stormwater Utility Revenue Bonds, Series 2002, 2010 and 2011 is as follows:

1. Depository Funds - The bond ordinance establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of these funds, including their purpose, in order of priority of revenue transfers, are as follows:

    - Stormwater Utility Revenue Bonds Sinking Fund - For deposit of amounts sufficient to pay the debt service requirement during the current bond year.

G. LONG-TERM DEBT (CONTINUED)

Stormwater Utility Fund (continued)

- Stormwater Utility Trust Fund - For deposit of the gross revenue derived from the operation of the Stormwater Utility. Monies in the trust fund are used to make deposits to the sinking fund and to pay the current operating expenses.

- Reserve Account - For deposit of amounts equal to the reserve account requirement which is an amount equal to the lesser of a) the maximum debt service requirement, or b) the maximum amount which is permitted as a reasonably required reserve under the provisions of the Internal Revenue Code. The City may substitute a reserve account credit facility for the requirements of the reserve account, which it has opted to do so.

- Stormwater Utility Revenue Bonds Renewal and Replacement Fund - For deposit of an amount equal to 10% of the stormwater revenues collected during the preceding fiscal year, with a maximum of $500,000 on deposit in this fund. Monies in the renewal and replacement fund may be used only for the purpose of paying the cost of emergency repairs, extensions, enlargements or additions to, or the replacement of capital assets of the stormwater utility system.

- Electric Franchise Fee Fund - For deposit of the franchise revenues. Monies in the franchise fee fund are first used for deposit into the sinking fund of amounts necessary to ensure that there will be on deposit sufficient amounts to pay the debt service requirement or to make payments to the provider of the reserve account credit facility.

- Project Fund - For deposit of all remaining bond proceeds after payment of all costs and expenses in connection with the preparation, issuance and sale of the bonds for payment of expenses in connection with the utility projects.

2. Stormwater Utility Rates - The City must enact utility rates adequate to provide total pledged revenues net of operating expenses, to meet the bond reserve requirements, plus 120% of debt service requirements in each bond year.

3. Sale or Disposal - Provisions are made for the sale, mortgage, lease or disposal of the system only as a whole or substantially as a whole and only if net proceeds realized from such disposal are sufficient to retire all bond obligations in accordance with provisions of the ordinance.

G. LONG-TERM DEBT (CONTINUED)

Stormwater Utility Fund (continued)

4. Optional Redemption - The Series 2002 bonds maturing on or prior to May 1, 2012 are not subject to optional redemption. The bonds maturing on May 1, 2013 and thereafter may be redeemed prior to their stated dates of maturing on May 1, 2012 or any date thereafter. The Series 2010 A & B bonds may be redeemed prior to their stated maturities on May 1, 2020 or any date thereafter at par plus any accrued interest. The Series 2011 bonds maturing after May 1, 2021 may be redeemed prior to their stated dates of maturity, at the option of the City, in whole or in part, on May 1, 2021 or any date thereafter at par plus accrued interest to date.

5. Mandatory Redemption - The 2002 bonds maturing on May 1, 2015 are subject to mandatory redemption prior to maturity beginning on May 1, 2014 through May 1, 2017.

   The 2010A bonds are subject to mandatory redemption prior to maturity on May 1, 2039 from amortization installments which are due beginning May 1, 2030 through May 1, 2039. The 2010B bonds maturing on May 1, 2026 are subject to mandatory redemption prior to their maturity by annual amortization installments which are due from May 1, 2024 through May 1, 2026. The 2010B bonds maturing on May 1, 2029 are subject to mandatory redemption prior to their maturity by annual amortization installments which are due beginning on May 1, 2027 through May 1, 2029.

6. Extraordinary Option Redemption – The Series 2010 bonds are subject to redemption on any date prior to maturity at the option of the City upon the occurrence of an extraordinary event which is when a material adverse change has occurred to the applicable Section of the Internal Revenue Code pertaining to the "Build America Bonds" and the "Recovery Zone Economic Development Bonds".

H. CRA TRUST FUND

The Community Redevelopment Agency has responsibility for the tax increment districts. Pursuant to Section 163.387, Florida Statutes, A Redevelopment Trust Fund serves to process the transactions relating to the tax increment district. The following schedule shows the amount and source of deposits into, and the amount and purpose of withdrawals from, the trust fund during the fiscal year ended September 30, 2011, as well as principal and interest paid during the year on the debt which is pledged with tax increment revenues. The balance of the debt remaining is shown in the subsequent schedule.

H. CRA TRUST FUND (CONTINUED)

Source of Deposits	Date	Amount
City of Port St. Lucie	11/15/2010	$ 623,959
St. Lucie County	12/30/2010	979,574
City of Port St. Lucie Utility Department	Monthly	2,221
CRA Capital Projects Fund	9/30/2011	3,022,309
Interest Earnings	Monthly	2,789
Total Deposits		$ 4,630,852

Purpose of Withdrawals	Date	Amount
Debt Service Principal - Series 2004 Bonds	12/31/2010	$ 570,000
Interest - Series 2004 Bonds	12/31/2010	190,775
Interest - Series 2004 Bonds	6/30/2011	182,225
Debt Service Principal - Series 2006 Bonds	12/31/2010	750,000
Interest - Series 2006 Bonds	12/31/2010	1,073,156
Interest - Series 2006 Bonds	6/30/2011	1,059,563
Special Assessment District Payment	11/23/2010	278,293
Stormwater Utility Payment	6/9/2011	5,678
CRA Operating Expenses	Various	10,574
Total Withdrawals		$ 4,120,264

Principal and Interest on Indebtedness	Principal	Interest	Total
Series 2004 Bonds	$ 8,825,000	$ 2,418,089	$ 11,243,089
Series 2006 Bonds	45,000,000	20,603,025	65,603,025
Totals	$ 53,825,000	$ 23,021,114	$ 76,846,114

NOTE IV – OTHER INFORMATION

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City is a member of the Treasure Coast Risk Management Program (a cooperative of local governments created under Florida Statute 163). As a participant in the risk pool, the City may be assessed for any deficits of the pool, which would be required to be funded. Presently, an actuarially projected amount is being assessed to the members of the pool on an annual basis.

The City has commercial property, automobile physical damage liability, and flood coverage through the Treasure Coast Risk Management Program (TRICO) which also carries various reinsurance policies through different carriers. There is a $100,000 deductible per occurrence except wind, flood and earthquake. The City's self insurance program for general liability and auto coverage is limited to $100,000 / $200,000. An excess general and automobile liability policy is in force which is subject to $1,000,000 self-insured retention and is limited to $100,000 per claim and $200,000 per occurrence to track Florida Statute 768.28, "Statute of Sovereign Immunity." The Workers Compensation liability policy is statutory per Florida State Statute 440, including employer's liability of $1,000,000 each accident or occurrence, and $2,000,000 policy aggregate and is subject to a self-insured retention of $1,000,000. The limits for Public Officials and Employment Practices Liability are $1,000,000 per claim, per member, subject to a TRICO pool aggregate of $4,000,000, with a $225,000 self-insured retention.

The City is self-insured for health benefits provided to employees. The various departments fund the Medical Insurance Fund (Internal Service Fund) based on the experience rate of the prior year on a per employee basis for total claims and expenses paid. The City has contracted with Blue Cross/Blue Shield Health Systems of Florida to provide administration services for the plan. Administrative fees are based upon a flat rate per employee per month and are paid out of this fund. The City purchased stop-loss insurance from Symetra Life Insurance Company. The individual stop-loss limit is $225,000 with an additional aggregate deductible of $168,000 and a maximum stop loss limit of $17,049,688 in paid claims. Stop-loss payments for the past year were $0.

Changes in claims liability for the past two years are as follows:

Balance at September 30, 2009	$ 408,522
Current Year Claims	12,840,742
Current Year Payments	(13,086,151)
Balance at September 30, 2010	163,113
Current Year Claims	10,303,809
Current Year Payments	(10,080,041)
Balance at September 30, 2011	$ 386,881
(Due within the coming year)	

B. EMPLOYEE RETIREMENT SYSTEMS

The City has three defined contribution pension plans and one defined-benefit pension plan:

- General Employees Retirement Plan
- Police Officers Retirement 401A Plan
- Employees Retirement 401A Plan
- Municipal Police Officers' Retirement Trust Fund

The City accounts for all four plans as pension trust funds; therefore, they are accounted for in substantially the same manner as proprietary funds with economic resources measurement focus and the accrual basis of accounting. Plan member contributions, employer contributions, and contributions from other entities, including rollover by participants from other plans, are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due in accordance with terms of the plans. Plan assets are valued at fair value for financial statement purposes, as reported by the custodial agents.

The defined contribution plans do not issue stand-alone financial reports and are not included in any other retirement system's financial report. Financial statements for the individual pension plans are presented below since separate financial reports have not been issued for the separate defined contribution plans.

Combining Statement of Fiduciary Net Assets
Pension Trust Funds
September 30, 2011

	General Employees'	Police Officers' Retirement 401 A	Employees' Retirement 401 A	Total
Assets				
Investments:				
Corporate Stocks	$ 121,368	$ -	$ -	$ 121,368
Mutual Funds	2,045,572	6,210,624	34,197,345	42,453,541
Cash Surrender Value of Life Insurance	209,039	-	-	209,039
Accounts Receivable	1,816	4,562	55,829	62,207
Total assets	2,377,795	6,215,186	34,253,174	42,846,155
Liabilities and Fund Balances				
Liabilities				
Deposits	-	-	3,758	3,758
Total liabilities	-	-	3,758	3,758
Net Assets				
Held in Trust for:				
Pension Benefits	2,377,795	6,215,186	32,249,416	40,842,397
Total Net Assets	2,377,795	6,215,186	32,249,416	40,842,397
Total Liabilities and Net Assets	$ 2,377,795	$ 6,215,186	$ 32,253,174	$ 40,846,155

B. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended September 30, 2011

	General Employees'	Retirement 401 A	Employees' Retirement 401 A	Total
Additions				
Contributions:				
City	$ 105,815	$ 274,255	$ 3,275,082	$ 3,655,152
Employee	-	198,203	284,573	482,776
Total Contributions	105,815	472,458	3,559,655	4,137,928
Investment Income:				
Net Appreciation in Fair Value of Investments	6,567	(68,999)	(245,441)	(307,873)
Interest and Dividends	2,412	-	-	2,412
	8,979	(68,999)	(245,441)	(305,461)
Total Additions	114,794	403,459	3,314,214	3,832,467
Deductions				
Benefit Payments	589,322	209,973	2,364,917	3,164,212
Administrative Costs and Charges	-	525	5,233	5,758
Refunds	-	-	48,669	48,669
Total Deductions	589,322	210,498	2,418,819	3,218,639
Change in Net Assets	(474,528)	192,961	895,395	613,828
Total Net Assets - beginning	2,852,323	6,022,225	33,354,021	42,228,569
Total Net Assets - ending	$ 2,377,795	$ 6,215,186	$ 34,249,416	$ 42,842,397

General Employees' Retirement System

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amounts of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investments of those contributions.

The General Employees' Retirement System, sponsored and administered by the City, is a defined contribution plan available to all employees of the City prior to October 1, 1991. Presently, there are 15 active participants in the plan. The City is the sole contributor to the General Employees' Retirement System.

The plan requires City contributions of 10.5% of employee compensation. The funds are invested in life insurance, annuity contracts and a variable rate investment plan. The City pays the plan administrative fee; however, the contract maintenance fee is deducted from the individual contracts where applicable.

B. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

General Employees' Retirement System (continued)

Total pension contributions for the year ended September 30, 2011 were approximately $105,568 on covered payroll of $1,012,915. The City's total payroll was $52,060,923.

No pension provision changes occurred during the year that affected the City's required contribution. The vesting schedule allows 100% vesting after five years within the plan. At September 30, 2011 there were 19 employees vested in the plan with vested benefits of approximately $2,375,979.

The plan held no securities of the City or other related parties as of and for the year ended September 30, 2011.

Police Officers' Retirement Plan 401A

The plan is sponsored and administered by the City as a defined contribution plan available to the eligible employees after three months of service. Presently, there are 144 active participants in the plan. At September 30, 2011 there were 144 employees vested in the plan with vested benefits of approximately $6,210,625.

Contributions to the plan are at the rate of 10.5% for those members who are not directing the City contribution to the Municipal Police Officers' Retirement Trust Fund (MPORT).

Pension contributions for the year were $274,255 on a covered payroll of $2,497,379. The plan held no securities of the City or other related parties as of and for the year ended September 30, 2011.

Employees' Retirement Plan 401A

The Employees' Retirement Plan 401A is sponsored and administered by the City as a defined contribution plan available to all employees after three months of service. Presently, there are 748 active participants in the plan.

The plan allows City contributions of 10.5% of employee compensation. The participant has a choice of multiple investment options within the fund with each account bearing the cost of the annual maintenance charge, if applicable.

Pension contributions for the year ended September 30, 2011 were approximately $3,275,082 on covered payroll of $28,504,001 for those employees directing their pension contribution to the fund. At September 30, 2011 there were 653 employees vested in the plan with vested benefits of approximately $33,022,706.

There were no pension provision changes to this plan during the year that affected the required contribution. The vesting schedule on this plan allows 100% vesting after five years service with the City.

B. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Employees' Retirement Plan 401A (continued)

The plan held no securities of the City or other related parties as of and for the year ended September 30, 2011.

The three defined contribution pension plans do not issue a stand-alone financial statement.

Municipal Police Officers' Retirement Trust Fund

Plan Description and Contributions

The Municipal Police Officers' Retirement Trust Fund (plan), which is a single-employer defined benefit public employees retirement system (PERS), was established under the provisions of Chapter 185 of the Statutes of the State of Florida, and is accounted for in the Municipal Police Officers' Retirement Trust Fund. The plan is managed and administered by the five-member Retirement Board, which includes two Council appointees, two members of the department elected by the membership, and a fifth member elected by the other four and appointed by the Council. There are presently 177 active participants in the plan of which 127 are vested for normal retirement.

The total payroll of the police department is $18,808,575 with a covered payroll of $12,877,115. Covered payroll refers to all compensation paid by the City to active employees covered by the plan on which contributions are based. Total contributions to the plan for the year amounted to $4,188,301, of which $1,158,603 were employee contributions, $2,203,431 were City contributions, and $826,267 were state contributions. The state contributions are recorded as revenue and personnel fringe benefit expenditures in the City's general fund before being recorded as a contribution in this plan. Employee contributions averaged 9% of covered payroll. The City contributes at the rate of 10.5% of compensation to the plan plus any remaining balance of required annual contribution at year end. The funding policy for the plan is actuarially determined in that an annual actuarial valuation is performed each year to determine the required contribution to the Plan. The contribution requirements to cover normal cost, as of September 30, 2009 actuarial report, for the Plan's year ending September 30, 2011 were total contributions of $5,078,455 (31.68% of anticipated covered payroll) of which $1,442,743 estimated member contributions, $717,100 were the State contributions, and the balance of $2,918,612 in employer contributions.

B. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Municipal Police Officers' Retirement Trust Fund (continued)

Plan Description and Contributions (continued)

The plan provides for normal retirement at age 55 with 10 years of service or age 52 with 25 years of service. Normal retirement benefits are calculated at 3.09% per service year based on the participant's compensation of the highest 5 years during the past 10 years of employment. In the current valuation, the assumed mortality rates were changed to the RP2000 Combined Healthy Mortality Table. Previously, the entry age actuarial cost method was used to determine all benefits under the 1983 Group Annuity Mortality Table with the level percentage of payroll method (closed) used for amortizing unfunded actuarial liability. Under the provisions of the plan, pension benefits vest fully after 5 years of full-time employment as a sworn police officer; however, if an employee terminates with the City, funds must remain in the plan until normal retirement age to realize that vesting. The actuarial assumptions include an inflation rate of 3.0%, an investment rate of return of 8.5%, and projected salary increases of 3.5% with no postretirement benefit increases. The plan liabilities are systematically funded as a level percentage of anticipated payroll over the average future working lifetime of the plan participants and a remaining amortization period of 24 years. The plan is funded by employee contributions of 9% of salary, employer contributions of 10.5% of salary, and the proceeds of the .85% tax on casualty insurance premiums on property within the municipal limits of the City. Currently, all new sworn officers are required to participate in the plan upon gaining employment by the City. The plan has no allowances for postemployment benefit increases subsequent to retirement date calculations. The plan issues a stand-alone financial report.

That report may be obtained by contacting the Plan Administrator, Ms. Sandra Steele at the Port St. Lucie Police Department, 121 S.W. Port St. Lucie Blvd, Port St. Lucie, Florida.

Plan Membership

At September 30, 2011, membership of the plan consisted of the following:

	Number of Participants
Retirees and Beneficiaries Currently Receiving Benefits	30
DROP Retirees	9
Terminated Employees not yet Receiving Benefits	17
Total	56
Current Employees:	
Employer-Financed Vested	145
Employer-Financed Nonvested	29
Total	174

B. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Funding Status and Progress

The development of the Net Pension Obligation to date is as follows:

	2009	2010	2011
Actuarially Determined Contribution (A)	$ 2,188,712	$ 2,598,540	$ 2,927,316
Interest on NPO	(91,264)	(114,025)	(112,938)
Adjustment to (A)	104,238	131,136	134,050
Annual Pension Costs	2,201,686	2,615,651	2,948,428
Contributions Made	2,469,462	2,602,863	2,927,316
Increase in NPO	(267,776)	12,788	21,112
NPO Beginning of Year	(1,073,698)	(1,341,474)	(1,328,686)
NPO End of Year	$ (1,341,474)	$ (1,328,686)	$ (1,307,574)
% of APC Contributed	119.0%	100.0%	100.0%

The funded status of the plan is as follows:

SCHEDULE OF FUNDING PROGRESS

ACTUARIAL VALUATION DATE	(1) ACTUARIAL VALUE OF ASSETS	(2) ACTUARIAL ACCRUED LIABILITY (AAL) Entry Age	(3) FUNDED RATIO (%) (1)/(2)	(4) UNFUNDED AAL (UAAL) (2)-(1)	(5) COVERED PAYROLL	(6) UAAL AS A PERCENTAGE OF COVERED PAYROLL (%) (4)/(5)
2011	39,521,170	62,430,871	63.30	22,909,701	13,446,552	170.38

The total contributions for the plan for the past three years was in excess of the annual pension cost. The current years actuarial analysis reflected actual contributions exceeding the required contributions for the year ended September 30, 2011. Detailed information regarding the funding of the plan is contained in the Supplementary Information accompanying the financial statements. The General Fund carries the funding responsibility for the plan and has made the contributions in the past to liquidate the net pension obligation.

Currently an annual actuarial evaluation is performed for and funded by the Plan. The most recent actuarial valuation was performed for the year ended September 30, 2011. Other information regarding contributions and funding progress is included as supplementary information to this report. The method used in determining valuation of assets is based on a four year moving weighted average of the ratio of market value to cost value. This technique has the effect of smoothing short-term market fluctuations. The amortization method used in the calculations is based on a level payment of payroll-closed, with a recovery amortization period of 24 years.

B. EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Deferred Compensation Plan

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

The assets in the plan are maintained by an independent trustee. The assets are protected by the trust agreement from any claims on the employer and from any use by the employer other than paying benefits to employees and their beneficiaries in accordance with the plan. In accordance with GASB Statement No. 32, the plan's assets and related liability were removed from the City balance sheets as of September 30, 1997.

C. POST-EMPLOYMENT HEALTH CARE BENEFITS

In addition to providing pension benefits, the City provides certain health care and life insurance benefits for retired employees. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. The primary government recognizes the costs associated with providing these benefits as claims are paid. The actuarial valuation performed as of October 1, 2010 for the year ended September 30, 2011, the date of the most recent actuarial valuation available, those costs totaled approximately $1,553,360.

Premiums paid by retirees for the year total approximately $427,006.

Section 112.0801, Florida Statutes, as amended by Sections 1 and 2 of Chapter 87-373, Laws of Florida, requires all public employers to allow their retirees to participate in the same health group plan or self-insurance plan offered to their active employees. There are currently 99 City retirees, spouses and other dependents participating in the health insurance plan. There are a total of 866 active participants in the plan of which 496 are not yet eligible to receive benefits.

The Other Post Employment Benefit plan is a single-employer benefit plan administered by the City. Retiree's are charged the same rate by the insurance company as active employees. Premiums charged by the insurance company are a blended rate based on the experience of younger active employees and older retired employees. Since retirees actually have higher costs yet pay the same rate as younger active employees, the city actually subsidizes the cost of the retirees' health insurance coverage. The funding of the plan is from the various funds in the City that incur payroll-related expenses such as the General Fund, Road & Bridge Fund, and Utility System Fund as being the primary obligors. These funds have expended money in the past to liquidate the OPEB net benefit obligation.

C. POST-EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

	2009	2010	2011
Normal Cost(service cost for one year)	$ 2,163,522	$ 664,133	$ 657,887
Amortization of Unfunded Actuarial	1,804,923	889,395	803,463
Interest to the end of the year	108,176	49,810	109,602
Annual Required Contribution	4,076,621	1,603,338	1,570,952
Interest on prior year Net OPEB	-	205,668	136,426
Adjustment to ARC	-	(232,189)	(154,018)
Contributions and accrued contributions	(1,334,382)	(2,500,048)	(2,016,819)
Increase (Decrease) in Net OPEB Obligation	2,742,239	(923,231)	(463,459)
Net OPEB Obligation-beginning of year	-	2,742,239	1,819,008
Net OPEB Obligation-end of year	$ 2,742,239	$ 1,819,008	$ 1,355,549

The City's annual OPEB cost, employer contributions toward that cost, percentage of OPEB cost contributed, and the net OPEB obligation for 2011 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions Toward OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/2011	1,553,360	2,016,819	129.84%	1,355,549
9/30/2010	1,567,817	2,500,048	159.46%	1,819,008
9/30/2009	4,076,621	1,334,382	32.73%	2,742,239

The funded status of the plan is as follows:

SCHEDULE OF FUNDING PROGRESS

	(1)	(2)	(3)	(4)	(5)	(6)
ACTUARIAL VALUATION DATE	ACTUARIAL VALUE OF ASSETS	ACTUARIAL ACCRUED LIABILITY (AAL)	% FUNDED RATIO (1)/(2)	UNFUNDED AAL (UAAL) (2)-(1)	COVERED PAYROLL	% UAAL AS A PERCENTAGE OF COVERED PAYROLL (4)/(5)
October 1, 2010	$ 2,805,355	$ 12,294,558	22.8	$ 9,489,203	N/A	N/A

The amortization of the Actuarial Liability was calculated using the level dollar of projected payroll method on the maximum closed period of 30 years. The actuarial calculations were based on the Projected Unit Credit Actuarial Cost Method.

C. POST-EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Other information regarding funding progress is included as supplementary information to this report.

The schedule of funding progress included as supplementary information following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over the course of time. The OPEB plan does not issue a separate, stand-alone audited financial statement.

Funding Policy

The City instituted a cost sharing agreement with retired employees for individual coverage only. The contribution requirements of plan members and the City are established and may be amended by the City Council. These contributions are neither mandated nor guaranteed. The City has retained the right to unilaterally modify its payment for retiree health care benefits. Administrative costs are financed through investment earnings. As of September 30, 2011, the most recent actuarial valuation date, the plan was funded by the City in addition to the implicit contribution subsidy. Retiree members contribute approximately $642 per month for individual coverage. Spousal, family and additional rates are also part of the plan which are also based on rates charged of employees. The plan pays up to 80% of the individual premium for each insured according to the age/service formula factor of the retiree. Spouses and other dependents are eligible for coverage, but the retiree is responsible for the entire cost, there is no direct plan subsidy. The unfunded actuarial accrued liability was $12,294,558.

Actuarial Methods and Assumption

In any long-term actuarial valuation, certain demographics, economic and behavioral assumptions must be made concerning the population, investment discount rates, and the benefits provided. These actuarial assumptions form the basis for the actuarial model which is used to project the future population, benefits to be provided, and contributions to be collected. The investment return rate assumption is used to discount the future benefits to a present value on the valuation date. While assumptions such as future rates of retirement and mortality are similar for both OPEB and pension plans, there are some additional assumptions. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the October 1, 2010 actuarial valuation, the Projected Unit Credit Actuarial Cost Method was used. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The unit credit method then provides a systematic funding for the anticipated payments. The yearly Annual Required Contribution (ARC) is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability. The initial unfunded actuarial accrued liability is being amortized as a level dollar amount over an open period of 30 years and changes in the UAAL are

amortized over the remaining portion of the 30 year period.

C. POST-EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

The demographic assumptions are based on assumptions used in the Florida Retirement System and adopted by the Florida Retirement System Board except for Police Officers which are consistent with those used by the City of Port St. Lucie Municipal Police Officers' Retirement Trust Fund. The actuarial assumptions have been adjusted to reflect a 7.5% discount rate, compounded annually, net of investment expenses. In the most recent actuarial valuation, the annual healthcare cost trend rate has been set at 7.1%, reduced in multi-year increments to an ultimate rate of 4.2%.

D. CONTINGENCIES

The City is a defendant in various lawsuits arising in the normal course of business, including claims for property damages, personal injuries, and personnel practices. In the opinion of management, the ultimate outcome of these lawsuits, some of which are covered by insurance, will not have a material adverse effect on the City's financial position.

E. CONDUIT DEBT

The City issued conduit debt of $64,035,000 during the prior year to provide financial assistance in the form of a loan to a non-profit private sector entity for the acquisition and construction of land, building, furniture and equipment for biomedical research, development, training and educational facilities located within the City. Bond proceeds were also used to fund capitalized interest until November, 2012, the Debt Service Reserve Fund, and pay costs of issuance. Although conduit debt bears the name of the City as issuer, it is collateralized by the resources provided by the loan with the third party on whose behalf they are issued. The City acts solely as a conduit issuer with respect to the debt. The City's only obligation is a covenant to budget and appropriate when and, if necessary, amounts needed to replenish the Debt Service Reserve Fund, if that fund is ever accessed under terms of the indenture for debt service requirements. Neither the City nor the State, or any political subdivision thereof, are obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as a liability in the accompanying financial statement. At September 30, 2011, the Industrial Revenue bonds outstanding principal balance was $64,035,000.

F. SUBSEQUENT EVENTS

Subsequent to year-end the City issued the 2011 Sales Tax Refunding Bond to advance refund the outstanding balance of the 2003 Sales Tax Bonds of $15,015,000.

Required Supplemental Information

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended September 30, 2011

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ENCUMBRANCES 2010	ENCUMBRANCES 2011	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL POSITIVE (NEGATIVE)
REVENUES							
Taxes	$ 39,725,110	$ 39,725,110	$ 39,215,831	$ -	$ -	$ 39,215,831	$ (509,279)
Licenses & Permits	9,145,208	9,145,208	8,685,031	-	-	8,685,031	(460,177)
Intergovernmental	6,243,354	8,293,449	9,236,119	-	-	9,236,119	942,670
Charges for Services	2,165,343	2,189,566	2,119,415	-	-	2,119,415	(70,151)
Human Services	88,000	88,000	99,098	-	-	99,098	11,098
Fines and Forfeitures	793,873	793,873	646,554	-	-	646,554	(147,319)
Contributions	30,000	30,000	38,895	-	-	38,895	8,895
Impact Fees	46,125	46,125	52,410	-	-	52,410	6,285
Insurance Reimbursement	40,000	72,640	540,244	-	-	540,244	467,604
Surplus Sale	22,000	22,000	66,468	-	-	66,468	44,468
Interest	165,000	165,000	135,472	-	-	135,472	(29,528)
Rents	193,024	193,024	263,042	-	-	263,042	70,018
Other	762,610	801,049	1,058,174	-	-	1,058,174	257,125
Total Revenues	59,419,647	61,565,044	62,156,753	-	-	62,156,753	591,709
EXPENDITURES							
General Government							
Legislative	458,596	459,606	403,515	-	-	403,515	56,091
Executive - City Manager	267,607	267,607	244,367	-	-	244,367	23,240
Executive - City Clerk	521,717	521,717	499,382	-	-	499,382	22,335
Financial and Administrative	757,148	757,148	694,766	-	-	694,766	62,382
Human Resources	463,602	463,602	397,316	-	-	397,316	66,287
Communications	349,360	349,360	285,664	-	-	285,664	63,696
Community Services	120,223	122,152	106,318	-	-	106,318	15,834
Risk Management	126,957	126,957	116,401	-	-	116,401	10,556
Information Services	1,439,087	1,535,094	1,075,463	-	-	1,075,463	459,631
Office of Management and Budget	684,770	684,770	626,593	-	-	626,593	58,177
Legal Counsel	579,091	579,091	477,555	-	-	477,555	101,536
Comprehensive Planning	937,551	938,193	837,373	-	29,307	866,680	71,513
Other General Government	1,479,710	3,086,976	2,992,368	-	-	2,992,368	94,608
Total General Government	8,185,419	9,892,273	8,757,081	-	29,307	8,786,388	1,105,886
Public Safety:							
Community Services	4,972,159	5,181,829	5,059,621	-	-	5,059,621	122,208
Law Enforcement - Administrative	2,942,035	2,786,085	2,761,790	-	-	2,761,790	24,295
Special Investigations	1,274,200	1,371,596	1,351,434	-	-	1,351,434	20,162
Criminal Investigations	3,605,630	3,532,271	3,147,586	-	-	3,147,586	384,685
Drug Abuse Resistance Education	-	23,528	16,795	-	-	16,795	6,733
Voca/Domestic Violence Grant	3,741	57,995	58,458	-	-	58,458	(463)
Neighborhood Policing	20,028,337	20,129,358	19,218,506	-	-	19,218,506	910,852
Occupational Licenses	476,013	476,013	456,051	-	-	456,051	19,962
Code Compliance	1,725,211	1,734,736	1,475,549	9,507	-	1,466,042	268,694
Police Services	794,511	808,911	801,607	-	-	801,607	7,304
Emergency and Disaster Relief	54,102	54,102	45,077	-	-	45,077	9,025
School Crossing Guards	472,576	472,576	481,932	-	-	481,932	(9,356)
Nuisance Abatement Program	61,400	61,400	52,003	-	-	52,003	9,397
Other Public Safety	39,500	39,500	17,469	-	-	17,469	22,031
Total Public Safety	36,449,415	36,729,900	34,943,878	9,507	-	34,934,371	1,795,529

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended September 30, 2011

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ENCUMBRANCES 2010	ENCUMBRANCES 2011	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL POSITIVE (NEGATIVE)
Physical Environment:							
Building Maintenance	824,432	824,432	743,223	-	-	743,223	81,209
Air Conditioning Maintenance	124,769	124,769	115,850	-	-	115,850	8,919
Energy Conservation Grant	-	1,349,722	1,349,722	-	-	1,349,722	-
Total Physical Environment	949,201	2,298,923	2,208,795	-	-	2,208,795	90,128
Transportation:							
Municipal Garage	53,764	53,764	15,650	-	-	15,650	38,114
Economic Environment:							
Employment Opportunity and Development	27,796	27,796	18,297	-	-	18,297	9,499
Industry Development	50,000	50,000	50,000	-	-	50,000	-
Total Economic Environment	77,796	77,796	68,297	-	-	68,297	9,499
Human Services:							
Animal Control	1,536,748	1,536,730	1,316,077	-	-	1,316,077	220,653
Culture and Recreation:							
Recreation	803,741	805,217	668,490	-	-	668,490	136,727
Administration	945,885	1,042,985	1,017,232	-	-	1,017,232	25,753
Parks	3,589,738	3,592,938	3,233,269	3,200	-	3,230,069	362,869
Airoso Community Center	640,684	640,684	611,158	-	-	611,158	29,526
Ravenswood Recreation Center	49,854	49,854	5,007	-	-	5,007	44,847
Gymnasium	376,750	376,750	345,698	-	-	345,698	31,052
Turf Maintenance Division	669,494	669,494	635,678	-	-	635,678	33,816
Civic Center	2,187,041	2,240,529	2,174,513	-	-	2,174,513	66,016
Fitness Center	329,485	381,895	373,741	-	-	373,741	8,154
Botanical Gardens	166,973	166,973	94,184	-	-	94,184	72,789
Village Square Garage	109,350	71,944	78,148	-	-	78,148	(6,204)
Special Events	33,600	33,600	14,968	-	-	14,968	18,632
Total Culture and Recreation	9,902,595	10,072,863	9,252,086	3,200	-	9,248,886	823,977
Debt Service:							
Principal	28,213	30,000	30,000	-	-	30,000	-
Interest	186,000	184,213	184,213	-	-	184,213	-
Total Debt Service	214,213	214,213	214,213	-	-	214,213	-
Total Expenditures and Encumbrances	57,369,151	60,876,462	56,776,077	12,707	29,307	56,792,677	4,083,786
Excess Revenues over (under) expenditures	2,050,496	688,582	5,380,676	(12,707)	(29,307)	5,364,076	4,675,495
OTHER FINANCING SOURCES (USES							
Transfers In	10,000	31,715	31,715	-	-	31,715	-
Transfers Out	(3,684,558)	(2,925,776)	(2,925,776)	-	-	(2,925,776)	-
Total Other Financing sources (uses)	(3,674,558)	(2,894,061)	(2,894,061)	-	-	(2,894,061)	-
Net change in fund balances	$ (1,624,062)	$ (2,205,479)	2,486,615	$ (12,707)	$ (29,307)	$ 2,470,015	$ 4,675,495
Fund Balance - beginning			12,573,842				
Fund Balance - ending			$ 15,060,457				

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Community Redevelopment Agency Fund
Year Ended September 30, 20111

	Original Budget	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:							
Intergovernmental	$ 999,240	$ 979,574	$ 979,574	$ -	$ -	$ 979,574	$ -
Interest Income	1,500	1,500	6,537	-	-	6,537	5,037
Other	-	-	2,221	-	-	2,221	2,221
Total Revenue	1,000,740	981,074	988,332	-	-	988,332	7,258
Expenditures:							
Downtown Development							
Operating Expenses	317,980	340,179	290,190	-	-	290,190	49,989
Total Downtown Development	317,980	340,179	290,190	-	-	290,190	49,989
Debt Service:							
Principal	1,255,000	1,320,000	1,320,000	-	-	1,320,000	-
Interest	2,627,082	2,562,082	2,505,719	-	-	2,505,719	56,363
Total Debt Service	3,882,082	3,882,082	3,825,719	-	-	3,825,719	56,363
Total Expenditures	4,200,062	4,222,261	4,115,909	-	-	4,115,909	106,352
Excess of Revenues over (under) expenditures	(3,199,322)	(3,241,187)	(3,127,577)	-	-	(3,127,577)	113,610
Other Financing Sources (Uses)							
Transfers In	3,574,049	3,561,859	8,922,266	-	-	8,922,266	5,360,407
Total Other Financing Sources (Uses)	3,574,049	3,561,859	8,922,266	-	-	8,922,266	5,360,407
Net Change in Fund Balance	$ 374,727	$ 320,672	5,794,689	$ -	$ -	$ 5,794,689	$ 5,474,017
Fund Balance - beginning			12,735				
			-				
Fund Balance - ending			$ 5,807,424				

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Water & Sewer Collection Fund USA 5-6-7A
Year Ended September 30, 2011

	Original Budget	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:							
Charges for Services	$ 2,800,710	$ 3,126,964	$ 1,791,216	$ -	$ -	$ 1,791,216	$ (1,335,748)
Interest Income	10,000	10,000	1,378,765	-	-	1,378,765	1,368,765
Other	-	-	31,862	-	-	31,862	31,862
Total Revenue	2,810,710	3,136,964	3,201,843	-	-	3,201,843	64,879
Expenditures:							
Operating Expenses	89,000	89,000	838,287	-	-	838,287	(749,287)
Total Expenditures	89,000	89,000	838,287	-	-	838,287	(749,287)
Debt Service:							
Principal	2,300,000	2,250,000	2,250,000	-	-	2,250,000	-
Interest	500,710	1,046,400	1,127,413	-	-	1,127,413	(81,013)
Total Debt Service	2,800,710	3,296,400	3,377,413	-	-	3,377,413	(81,013)
Total Expenditures	2,889,710	3,385,400	4,215,700	-	-	4,215,700	(830,300)
Excess of Revenues over (under) expenditures	(79,000)	(248,436)	(1,013,857)	-	-	(1,013,857)	(765,421)
Other Financing Sources (Uses)							
Refunded Bond Proceeds	-	-	20,665,000	-	-	20,665,000	20,665,000
Discount on Issuance of Bonds	-	-	(176,856)	-	-	(176,856)	(176,856)
Refunded Bond Escrow	-	-	(19,610,000)	-	-	(19,610,000)	(19,610,000)
Total Other Financing Sources (Uses)	-	-	878,144	-	-	878,144	878,144
Net Change in Fund Balance	$ (79,000)	$ (248,436)	(135,713)	$ -	$ -	$ (135,713)	$ 112,723
Fund Balance - beginning			248,437				
			-				
Fund Balance - ending			$ 112,724				

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - South West Annexation Collection Fund
Year Ended September 30, 2011

	Original Budget	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:							
Charges for Services	$ -	$ 13,191,969	$ 3,715,856	$ -	$ -	$ 3,715,856	$ (9,476,113)
Interest Income	500,000	500,000	9,663,121	-	-	9,663,121	9,163,121
Other	-	-	117,912	-	-	117,912	117,912
Total Revenue	500,000	13,691,969	13,496,889	-	-	13,496,889	(195,080)
Expenditures:							
Operating Expenses	5,000	238,844	237,588	-	-	237,588	1,256
Total Expenditures	5,000	238,844	237,588	-	-	237,588	1,256
Debt Service:							
Principal	5,000,000	5,000,000	5,000,000	-	-	5,000,000	-
Interest	5,027,425	10,898,997	7,594,425	-	-	7,594,425	3,304,572
Total Debt Service	10,027,425	15,898,997	12,594,425	-	-	12,594,425	3,304,572
Total Expenditures	10,032,425	16,137,841	12,832,013	-	-	12,832,013	3,305,828
Excess of Revenues over (under) expenditures	(9,532,425)	(2,445,872)	664,876	-	-	664,876	3,110,748
Other Financing Sources (Uses)							
Transfers In	500,000	-	-	-	-	-	-
Transfers Out	(500,000)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-
Net Change in Fund Balance	$ (9,532,425)	$ (2,445,872)	664,876	$ -	$ -	$ 664,876	$ 3,110,748
Fund Balance - beginning			13,206,305				
			-				
Fund Balance - ending			$ 13,871,181				

CITY OF PORT ST. LUCIE, FLORIDA
NOTES TO SCHEDULES OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
September 30, 2011

The City's Office of Management and Budget prepares an annual operating budget for all governmental funds except Capital Project Funds those are subject to budgetary control on a project basis. The level of budgetary control is the department. The City Manager is authorized to transfer budgeted amounts within departments of any fund. Revisions that alter the budgeted totals of any department require approval of the City Council. Unencumbered appropriations lapse at year-end.

Budget for general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles, except encumbrances are presented as expenditures.

Encumbrances – under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation in the governmental funds. Encumbrances outstanding at year-end are reported as a reserve of fund balance - committed and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year when the corresponding expenditure will be recorded as paid.

CITY OF PORT ST. LUCIE, FLORIDA
MUNICIPAL POLICE OFFICERS' RETIREMENT TRUST FUND
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS AND SCHEDULE OF FUNDING PROGRESS
September 30, 2011

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER AND OTHER CONTRIBUTING ENTITIES

FISCAL YEAR	EMPLOYER CONTRIBUTIONS	STATE CONTRIBUTIONS	TOTAL	ANNUAL REQUIRED CONTRIBUTION	% FUNDED
2009	1,695,798	851,595	2,547,393	2,188,712	116
2010	1,885,763	885,563	2,771,326	2,598,540	107
2011	2,210,216	826,267	3,036,483	2,927,316	104

SCHEDULE OF FUNDING PROGRESS

ACTUARIAL VALUATION DATE	(1) ACTUARIAL VALUE OF ASSETS	(2) ACTUARIAL ACCRUED LIABILITY (AAL) Entry Age	(3) % FUNDED RATIO (1)/(2)	(4) UNFUNDED AAL (UAAL) (2)-(1)	(5) COVERED PAYROLL	(6) % UAAL AS A PERCENTAGE OF COVERED PAYROLL (4)/(5)
2009	35,133,666	55,528,698	63.3	20,395,032	16,671,493	122.33
2010	38,327,724	56,606,470	67.71	18,278,746	12,633,362	144.69
2011	39,521,170	62,430,871	63.30	22,909,701	13,446,552	170.38

Source: City of Port St. Lucie Police Officers' Retirement Trust Fund Actuarial Valuation as of 10/1/11.

CITY OF PORT ST. LUCIE, FLORIDA
OTHER POST EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTAL INFORMATION
September 30, 2011

SCHEDULE OF FUNDING PROGRESS

	(1)	(2)	(3)	(4)
ACTUARIAL VALUATION DATE	ACTUARIAL VALUE OF ASSETS	ACTUARIAL ACCRUED LIABILITY (AAL)	% FUNDED RATIO (1)/(2)	UNFUNDED AAL (UAAL) (2)-(1)
October 1, 2008	-	27,746,091	0.0	27,746,091
October 1, 2009	720,000	11,224,091	6.4	10,504,091
October 1, 2010	2,805,355	12,294,558	22.8	9,489,203

Source: Actuarial Valuation of Postretirement Benefits under GASB 45 for City of Port St. Lucie, Florida

"A City for All Ages"

Combining Statements and Schedules

- NonMajor Government Funds

NONMAJOR GOVERNMENT FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are restricted to expenditures for specific purposes.

The City maintains the following Special Revenue Funds:

Road and Bridge Fund - to account for specific revenues su ch as gasoline tax and state-shared revenues and expenditures associated with the maintenance and repair of the City's roads and bridges.

Street Lighting Fund - to account for the revenues and expenditures of residential street lighting districts.

Law Enforcement Impact Fee Fund - to account forthe proceeds and expenditures associated with law enforcement impact fees charged against new construction and used to fund the equipment and capital needs of new police officers required as a result of community growth.

Governmental Finance Corporation Fund - to account for specific revenues and expenditures associated with the not-for-profit corporation est ablished to assist the City in acquiring and constructing various governmental projects consisting of real and/or personal property.

Building Department Fund - to account for the revenues and expenditures associated with the protective inspections provided by the building department.

Water & Sewer Assessment Collection Fund - SAD I, Phase I - to account for revenues and expenditures associated with City 's program of assessing benefiting properties for the cost of financing water and sewer extensions and improvements in Special Assessment District I, Phase I.

Water & Sewer Assessment Collection Fund - SAD I, Phase II - to account for revenues and expenditures associated with City 's program of assessing benefiting properties for the cost of financing water and sewer extensions and improvements in Special Assessment District I, Phase II.

Water & Sewer Assessment Collection Fund - USA 3-4 - to account for revenues and expenditures associated with City's program of assessing benefitingproperties for the cost of financing water and sewer extensions and improvements in Special Assessment District 3-4.

Water & Sewer Assessment Collection Fund – USA 9 - to account for revenues and expenditures associated with City's program of assessing benefiting properties for the cost of financing sewer extensions and improvements in Special Assessment District USA 9.

South Lennard Road Special Assessment District Collection Fund - to account for revenues and expenditures associated with City 's program of assessing benefiting properties for the cost of financing roadway, drainage facilities and water and sewer extensions and improvements within the South Lennard Road project.

River Point Special Assessment District Collection Fund - to account for revenues and expenditures associated with City 's program of assessing benefiting properties for the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the River Point Special Assessment District project.

Tesoro Special Assessment District Collection Fund - to account for revenues and expenditures associated with City's program of assessing benefitingproperties for the cost of financing roadways, drainage facilities, communications, public safety, re-use irrigation and water and sewer extensions and improvements within the Tesoro Special Assessment District project.

Glassman Special Assessment District Collection Fund - to account for revenues and expenditures associated with City's program of assessing benefitingproperties for the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the Glassman Special Assessment District project.

East Lake Village Special Assessment District Collection Fund - to account for revenues and expenditures associated with City 's program of assessing benefiting properties for the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the East Lake Village Special Assessment District project.

St. Lucie Land Holding Special Assessment District Collection Fund - to account for revenues and expenditures associated with City's program of assessing benefiting properties for the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the St. Lucie Land Holding Special Assessment District project.

City Center Special Assessment District Collection Fund - to account for revenues and expenditures associated with City 's program of assessing benefiting properties for the cost of financing roadways, drainage facilities and water and sewer extensions and improvements within the City Center Special Assessment District.

Peacock and Lowry Combined Special Assessment District Collect Fund - to account for revenues and expenditures associated with the City's program of assessing benefiting properties for the cost of roadways, drainage facilities and waterand sewer extensions and improvements within the special assessment district.

Economic Development Fund - to account for revenues and Expenditures associated with development that stimulates the economy.

Wyndcrest DDMG Fund - to account for the revenues and e xpenditures associated with a lease agreement for a 150,000 square foot building used for operating a digital production studio.

Community Development Block Grant (CDBG) Entitlement Fund - to account for the revenues and expenditures of the Federal Community Development Block Grant Funds which are used for the purpose of financing services and improvements beneficial to the moderate-to-low income earners of the community.

Local Housing Assistance Trust Fund - to account for the proceeds and expenditures of funds provided by the State of Florida under the State Housing Initiatives Partnership (SHIP) program The source of these funds is from the documentary stamp tax and is used to provide financing for affordable housing to individuals in certain income ranges to assist in making repairs to their homes or in purchasing a new or existing home.

Neighborhood Stabilization Program NSP I and NSP III Grant Funds - to account for revenues and expenditures provided by the Federal Grant program which are used to acquire, rehabilitate, demolish and redevelop foreclosed and abandoned residential properties in order to help stabilize neighborhoods.

National Pollution NPDES Fund - to account for the revenus and expenditures to comply with the state and federal regulation placed upon the City by EPA with the clean water act.

Law Enforcement Trust Fund - to account for revenues and expenditures from confiscated and abandoned property, which are used for the support of special crime fighting activities.

Conservation Trust Fund - to account for revenues andexpenditures from developers and interest income for conservation issues of the City.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

The City maintains the following Capital Projects Funds:

Parks Capital Improvement Fund - to account for specific revenues and expenditures associated with the acquisition of parks and construction of major capital parks improvements.

Capital Improvement Fund - to account for the revenues and expenditures associated with gene major capital improvements and acquisitions. The funding resources include general tax revenue, interest income, bond proceeds, and transfers from other funds.

Becker Road Capital Improvement Fund - to account for the revenus and expenditures associated with the acquisition of property and the construction of the roadway.

Crosstown Parkway Improvement Fund - to account for the revenues and expenditures associated with the acquisition land and construction of the bridge over the St Lucie River.

Road and Bridge Capital Improvement Fund - to account for revenues and expenditures associated with m ajor road and culvert im provements, including the annual street resurfacing program. The funding resources include general tax revenues, interest income, bond proceeds and transfers from other funds.

City Center Capital Improvement Fund - to account for the financial resources and expenditures associated with the construction of the infrastructure, water and sewer expansion of theCity Center Project.

East Lake Village Capital Improvement Fund - to account for the financial resources and expenditures associated with the construction of theinfrastructure, water and sewer expansion of the East Lake Village project.

Parks MSTU Capital Improvement Fund - to account for specific ad-valorem revenue and expenditures associated with the Parks and Recreation improvement projects.

Southwest Annexation Special Assessment District No.1 Fund- to account for revenues and expenditures associated with infrastructure in this area.

"A City for All Ages"

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2011

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets			
Cash and Cash Equivalents	$ 1,025	$ -	$ 1,025
Equity in Pooled Cash	9,496,208	12,755,045	22,251,253
Investments	5,311,770	3,097,516	8,409,286
Receivables	1,637,612	-	1,637,612
Assessments Receivable	139,059,780	-	139,059,780
Due From Other Funds	3,743	-	3,743
Due From Other Governmental Units	793,853	852,450	1,646,303
Prepaid Items	153,735	8,317	162,052
Deposits	13,271	-	13,271
Inventories	7,353,790	-	7,353,790
Restricted Assets:			
Equity in Pooled Cash	14,916,913	12,483,263	27,400,176
Investments	1,099,951	886,613	1,986,564
Total assets	$ 179,841,651	$ 30,083,204	$ 209,924,855
Liabilities and fund balances			
Liabilities:			
Accounts Payable and Accrued Liabilities	$ 742,674	$ 691,996	$ 1,434,670
Accrued Salaries and Wages	107,325	904	108,229
Due To Other Funds	96,617	3,386,039	3,482,656
Deposits	105,104	-	105,104
Deferred Revenue	139,158,780	74,131	139,232,911
Payables from Restricted Assets	45,407	321,384	366,791
Retainage Payable from Restricted Assets	-	235,415	235,415
Total liabilities	140,255,907	4,709,869	144,965,776
Fund balances:			
Non-spendable	167,006	8,317	175,323
Restricted	9,840,879	-	9,840,879
Committed	178,152	4,298,815	4,476,967
Assigned	29,409,096	21,283,481	50,692,577
Unassigned	(9,389)	(217,278)	(226,667)
Total fund balances	39,585,744	25,373,335	64,959,079
Total liabilities and fund balances	$ 179,841,651	$ 30,083,204	$ 209,924,855

CITY OF PORT ST. LUCIE, FLORIDA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended September 30, 2011

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes	$ 2,267,272	$ 3,514,721	$ 5,781,993
Licenses and Permits	2,337,531	-	2,337,531
Intergovernmental	9,648,566	6,744,523	16,393,089
Charges for Services	8,290,968	-	8,290,968
Fines and Forfeitures	110,129	-	110,129
Interest on Investments	201,979	1,673,629	1,875,608
Interest on Special Assessments	7,404,719	-	7,404,719
Impact Fees	2,057,329	443,757	2,501,086
Developers Contributions	112,455	46,880	159,335
Other	741,026	150,884	891,910
Total revenues	33,171,974	12,574,394	45,746,368
Expenditures			
Current:			
General Government	3,473,518	76,812	3,550,330
Public Safety	27,223	-	27,223
Physical Environment	647,638	-	647,638
Transportation	8,052,877	4,704,810	12,757,687
Economic Environment	8,626,514	-	8,626,514
Culture and Recreation	19,118	19,604	38,722
Capital Outlay	204,255	13,375,926	13,580,181
Debt Service:			
Principal	15,830,000	-	15,830,000
Interest	11,471,018	275,019	11,746,037
Total expenditures	48,352,161	18,452,171	66,804,332
Excess (deficiency) of revenues over (under) expenditures	(15,180,187)	(5,877,777)	(21,057,964)
Other financing sources (uses)			
Transfers In	18,410,796	40,527	18,451,323
Transfers Out	(10,008,607)	(6,408,492)	(16,417,099)
Refunding Bond Proceeds	10,910,000	-	10,910,000
Refunded Bond Escrow	(10,345,000)	-	(10,345,000)
Total other financing sources (uses)	8,967,189	(6,367,965)	2,599,224
Net change in fund balances	(6,212,998)	(12,245,742)	(18,458,740)
Fund balance - beginning	45,798,742	37,619,077	83,417,819
Fund balance - ending	$ 39,585,744	$ 25,373,335	$ 64,959,079

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2011

	Road and Bridge Fund	Street Lighting Fund	Law Enforcement Impact Fund	Governmental Finance Fund	Building Department Fund	Phase I
Assets						
Cash and Cash Equivalents	$ -	$ -	$ -	$ -	$ 1,025	$ -
Equity in Pooled Cash	1,792,611	40,263	3,125	-	3,191,911	-
Investments	135,307	1,524	1,915	-	40,868	-
Receivables	-	-	-	-	-	-
Assessments Receivable	-	-	-	-	-	1,127,323
Due From Other Funds	-	-	-	-	-	-
Due From Other Governmental Units	490,445	2,711	-	-	-	6,354
Prepaid Items	102,453	-	-	-	40,147	-
Deposits	10,547	-	-	-	2,509	-
Inventories	-	-	-	-	-	-
Restricted Assets:						
Equity in Pooled Cash	422,289	-	-	10,648	-	2,606,951
Investments	-	-	-	38,138	-	11,983
Total assets	$ 2,953,652	$ 44,498	$ 5,040	$ 48,786	$ 3,276,460	$ 3,752,611
Liabilities and fund balances						
Liabilities:						
Accounts Payable and Accrued Liabilities	$ 364,464	$ 20,395	$ -	$ -	$ 58,247	$ -
Accrued Salaries and Wages	49,480	-	-	-	42,988	-
Due To Other Funds	-	-	-	-	-	-
Deposits	34,287	-	-	-	-	-
Deferred Revenue	-	-	-	-	99,000	1,127,323
Payables from Restricted Assets	-	-	-	-	-	-
Total liabilities	448,231	20,395	-	-	200,235	1,127,323
Fund balances:						
Non-spendable	113,000	-	-	-	42,656	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	2,392,421	24,103	5,040	48,786	3,033,569	2,625,288
Unassigned	-	-	-	-	-	-
Total fund balances	2,505,421	24,103	5,040	48,786	3,076,225	2,625,288
Total liabilities and fund balances	$ 2,953,652	$ 44,498	$ 5,040	$ 48,786	$ 3,276,460	$ 3,752,611

Water & Sewer Assessment Collection Funds			Other Assessment Collection Funds				
Phase II	USA 3 & 4	USA 9	S. Lennard Rd.	Riverpoint	Tesoro	Glassman	Page Total
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,025
-	-	-	-	-	-	-	5,027,910
-	-	-	-	-	-	-	179,614
-	-	-	-	-	-	-	-
5,542,260	24,517,116	3,142,185	1,683,209	6,180,634	23,471,309	7,837,447	73,501,483
-	-	-	-	-	-	-	-
19,016	58,383	3,361	2,484	7,738	25,655	19,810	635,957
-	-	-	-	-	-	-	142,600
-	-	-	-	-	-	-	13,056
-	-	-	-	-	-	-	-
1,797,731	416,344	10,770	428,370	1,435,670	620,736	507,496	8,257,005
481	2,914	2,010	11,194	34,231	41,712	826,422	969,085
$ 7,359,488	$ 24,994,757	$ 3,158,326	$ 2,125,257	$ 7,658,273	$ 24,159,412	$ 9,191,175	$ 88,727,735
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 443,106
-	-	-	-	-	-	-	92,468
-	-	-	-	-	-	-	-
-	-	-	-	-	-	70,817	105,104
5,542,260	24,517,116	3,142,185	1,683,209	6,180,634	23,471,309	7,837,447	73,600,483
-	44,606	-	-	629	172	-	45,407
5,542,260	24,561,722	3,142,185	1,683,209	6,181,263	23,471,481	7,908,264	74,286,568
-	-	-	-	-	-	-	155,656
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,817,228	433,035	16,141	442,048	1,477,010	687,931	1,282,911	14,285,511
-	-	-	-	-	-	-	-
1,817,228	433,035	16,141	442,048	1,477,010	687,931	1,282,911	14,441,167
$ 7,359,488	$ 24,994,757	$ 3,158,326	$ 2,125,257	$ 7,658,273	$ 24,159,412	$ 9,191,175	$ 88,727,735

(continued)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2011

	Eastlake Village	St. Lucie Land Holdings	City Center Fund	Combined SAD Fund	Economic Development Fund	Wyndcrest DDMG Fund
Assets						
Cash and Cash Equivalents	$ -	$ -	$ -	$ -	$ -	$ -
Equity in Pooled Cash	-	-	-	-	2,437,397	39
Investments	-	-	-	-	4,998,750	-
Receivables	-	-	-	-	2,329	-
Assessments Receivable	8,910,880	17,887,440	34,402,136	4,357,841	-	-
Due From Other Funds	-	-	-	-	-	-
Due From Other Governmental Units	7,504	16,452	11,167	4,372	-	-
Prepaid Items	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Restricted Assets:						
Equity in Pooled Cash	681,641	338,215	131,669	615,847	-	4,892,536
Investments	25,940	10,211	9,604	85,111	-	-
Total assets	$ 9,625,965	$ 18,252,318	$ 34,554,576	$ 5,063,171	$ 7,438,476	$ 4,892,575
Liabilities and fund balances						
Liabilities:						
Accounts Payable and Accrued Liabilities	$ -	$ -	$ -	$ 1,962	$ -	$ -
Accrued Salaries and Wages	-	-	-	-	-	-
Due To Other Funds	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Deferred Revenue	8,910,880	17,887,440	34,402,136	4,357,841	-	-
Payables from Restricted Assets	-	-	-	-	-	-
Total liabilities	8,910,880	17,887,440	34,402,136	4,359,803	-	-
Fund balances:						
Non-spendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	715,085	364,878	152,440	703,368	7,438,476	4,892,575
Unassigned	-	-	-	-	-	-
Total fund balances	715,085	364,878	152,440	703,368	7,438,476	4,892,575
Total liabilities and fund balances	$ 9,625,965	$ 18,252,318	$ 34,554,576	$ 5,063,171	$ 7,438,476	$ 4,892,575

CDBG Entitlement Fund	Local Housing Assistance Trust Fund	Neighborhood Stabilization Funds	National Pollution NPDES Fund	Law Enforcement Forfeiture Trust Fund	Conservation Trust Fund	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ 1,025
-	449,185	1,211,617	82,639	143,746	143,675	9,496,208
-	25,944	-	2,024	4,084	101,354	5,311,770
-	-	1,635,283	-	-	-	1,637,612
-	-	-	-	-	-	139,059,780
-	-	3,743	-	-	-	3,743
63,150	1,800	53,451	-	-	-	793,853
509	200	9,161	885	380	-	153,735
-	-	-	215	-	-	13,271
-	-	7,353,790	-	-	-	7,353,790
-	-	-	-	-	-	14,916,913
-	-	-	-	-	-	1,099,951
$ 63,659	$ 477,129	$ 10,267,045	$ 85,763	$ 148,210	$ 245,029	$ 179,841,651
$ 8,176	$ 29,286	$ 237,269	$ -	$ 22,875	$ -	$ 742,674
1,647	554	12,656	-	-	-	107,325
41,916	3,743	50,958	-	-	-	96,617
-	-	-	-	-	-	105,104
-	-	-	-	-	-	139,158,780
-	-	-	-	-	-	45,407
51,739	33,583	300,883	-	22,875	-	140,255,907
509	200	9,161	1,100	380	-	167,006
-	-	9,840,879	-	-	-	9,840,879
20,800	41,230	116,122	-	-	-	178,152
-	402,116	-	84,663	124,955	245,029	29,409,096
(9,389)	-	-	-	-	-	(9,389)
11,920	443,546	9,966,162	85,763	125,335	245,029	39,585,744
$ 63,659	$ 477,129	$ 10,267,045	$ 85,763	$ 148,210	$ 245,029	$ 179,841,651

(concluded)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet
Nonmajor Capital Project Funds
September 30, 2011

	Parks Capital Improvement Fund	Capital Improvement Fund	Becker Road Improvement Fund	Crosstown Parkway Fund	Road & Bridge Capital Improvement Fund
Assets					
Equity in Pooled Cash	$ 177,714	$ 478,371	$ -	$ -	$ 3,333,842
Investments	42,007	45,017	-	-	2,955,079
Due From Other Governmental Units	-	-	-	59,772	676,826
Prepaid Items	-	-	-	-	-
Restricted Assets:					
Equity in Pooled Cash	-	-	3,932,367	6,544,780	-
Investments	-	-	-	647,087	-
Total assets	$ 219,721	$ 523,388	$ 3,932,367	$ 7,251,639	$ 6,965,747
Liabilities and fund balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	$ -	$ 13,028	$ 678,506	$ -	$ -
Accrued Salaries and Wages	-	-	904	-	-
Due To Other Funds	-	-	-	-	3,386,039
Deferred Revenue	-	-	-	-	74,131
Payables from Restricted Assets	-	-	-	93,307	212,460
Retainage Payable from Restricted Assets	-	-	203,555	-	31,860
Total liabilities	-	13,028	882,965	93,307	3,704,490
Fund balances:					
Non-spendable	-	-	-	-	-
Committed	45,596	-	3,266,680	591,173	297,657
Assigned	174,125	510,360	-	6,567,159	2,963,600
Unassigned	-	-	(217,278)	-	-
Total fund balances	219,721	510,360	3,049,402	7,158,332	3,261,257
Total liabilities and fund balances	$ 219,721	$ 523,388	$ 3,932,367	$ 7,251,639	$ 6,965,747

City Center Capital Fund	East Lake Village Fund	Parks MSTU Fund	SW Annexation District 1 Capital Fund	Total Nonmajor Capital Project Funds
$ -	$ -	$ 8,765,118	$ -	$ 12,755,045
-	-	55,413	-	3,097,516
-	-	115,852	-	852,450
-	-	8,184	133	8,317
3,147	-	-	2,002,969	12,483,263
239,526	-	-	-	886,613
$ 242,673	$ -	$ 8,944,567	$ 2,003,102	$ 30,083,204
$ -	$ -	$ 462	$ -	$ 691,996
-	-	-	-	904
-	-	-	-	3,386,039
-	-	-	-	74,131
10,255	-	5,347	15	321,384
-	-	-	-	235,415
10,255	-	5,809	15	4,709,869
-	-	8,184	133	8,317
-	-	56,290	41,419	4,298,815
232,418	-	8,874,284	1,961,535	21,283,481
-	-	-	-	(217,278)
232,418	-	8,938,758	2,003,087	25,373,335
$ 242,673	$ -	$ 8,944,567	$ 2,003,102	$ 30,083,204

(concluded)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended September 30, 2011

	Road and Bridge Fund	Street Lighting Fund	Law Enforcement Impact Fund	Governmental Finance Fund	Building Department Fund	Phase I
Revenues						
Taxes	$ 2,267,272	$ -	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-	2,337,531	-
Intergovernmental	5,357,125	-	-	-	-	-
Charges for Services	91,133	266,079	-	-	1,130	376,122
Fines and Forfeitures	-	-	-	-	88,375	-
Impact Fees	-	-	27,077	2,030,252	-	-
Interest Income:						
Interest on Investments	33,940	263	318	6,805	15,072	8,357
Interest on Special Assessments	-	17	-	-	-	125,597
Developers Contributions	-	-	-	-	112,455	-
Other	104,670	2,683	-	5,625	366,457	5,065
Total revenues	7,854,140	269,042	27,395	2,042,682	2,921,020	515,141
Expenditures						
Current:						
General Government	-	-	-	3,125	3,470,393	-
Public Safety	-	-	2,436	-	-	-
Physical Environment	-	-	-	30,616	-	10,623
Transportation	7,754,580	237,234	-	-	-	53
Economic Environment	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	120,836	-	-	-	7,549	-
Debt Service:						
Principal	3,585,000	-	-	1,705,000	-	-
Interest	1,502,018	-	-	2,656,946	-	-
Total expenditures	12,962,434	237,234	2,436	4,395,687	3,477,942	10,676
Excess (deficiency) of revenues over (under) expenditures	(5,108,294)	31,808	24,959	(2,353,005)	(556,922)	504,465
Other financing sources (uses)						
Transfers In	5,087,018	-	-	2,232,000	24,000	-
Transfers Out	(51,048)	(21,073)	(34,000)	-	-	-
Refunding Bond Proceeds	-	-	-	-	-	-
Refunded Bond Escrow	-	-	-	-	-	-
Total other financing sources (uses)	5,035,970	(21,073)	(34,000)	2,232,000	24,000	-
Net change in fund balances	(72,324)	10,735	(9,041)	(121,005)	(532,922)	504,465
Fund balance - beginning	2,577,745	13,368	14,081	169,791	3,609,147	2,120,823
Fund balance - ending	$ 2,505,421	$ 24,103	$ 5,040	$ 48,786	$ 3,076,225	$ 2,625,288

Water & Sewer Assessment Collection Funds			Other Assessments Collection Funds				
Phase II	USA 3 & 4	USA 9	S. Lennard Rd.	Riverpoint	Tesoro	Glassman	Page Total
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,267,272
-	-	-	-	-	-	-	2,337,531
-	-	-	-	-	-	-	5,357,125
903,702	2,849,166	140,134	94,812	405,039	1,282,423	432,621	6,842,361
-	-	-	-	-	-	-	88,375
-	-	-	-	-	-	-	2,057,329
3,379	4,172	383	3,370	8,895	9,149	10,461	104,564
478,714	1,608,789	187,696	151,479	348,018	1,270,140	501,575	4,672,025
-	-	-	-	-	-	-	112,455
13,908	44,937	3,360	2,484	7,619	25,649	10,291	592,748
1,399,703	4,507,064	331,573	252,145	769,571	2,587,361	954,948	24,431,785
-	-	-	-	-	-	-	3,473,518
-	-	-	-	-	-	-	2,436
29,130	384,984	7,329	6,560	18,186	52,378	21,291	561,097
157	501	750	29	83	328	-	7,993,715
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	128,385
							-
-	3,900,000	240,000	150,000	540,000	1,500,000	570,000	12,190,000
-	643,917	111,469	77,306	189,596	851,550	389,138	6,421,940
29,287	4,929,402	359,548	233,895	747,865	2,404,256	980,429	30,771,091
1,370,416	(422,338)	(27,975)	18,250	21,706	183,105	(25,481)	(6,339,306)
-	-	-	-	-	-	-	7,343,018
-	-	-	-	-	-	-	(106,121)
-	10,910,000	-	-	-	-	-	10,910,000
-	(10,345,000)	-	-	-	-	-	(10,345,000)
-	565,000	-	-	-	-	-	7,801,897
1,370,416	142,662	(27,975)	18,250	21,706	183,105	(25,481)	1,462,591
446,812	290,373	44,116	423,798	1,455,304	504,826	1,308,392	12,978,576
$ 1,817,228	$ 433,035	$ 16,141	$ 442,048	$ 1,477,010	$ 687,931	$ 1,282,911	$ 14,441,167

(continued)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended September 30, 2011

	Eastlake Village	St Lucie Land Holdings	City Center Fund	Combined SAD Fund	Economic Development Fund	Wyndcrest DDMG Fund
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	412,711	625,784	207,685	144,723	-	-
Fines and Forfeitures	-	-	-	-	-	-
Impact Fees	-	-	-	-	-	-
Interest Income:						
Interest on Investments	799	2,897	3,873	18,209	47,275	1,004
Interest on Special Assessments	337,830	1,005,348	1,100,825	288,691	-	-
Developers Contributions	-	-	-	-	-	-
Other	7,502	16,448	11,161	4,371	-	-
Total revenues	758,842	1,650,477	1,323,544	455,994	47,275	1,004
Expenditures						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Physical Environment	16,345	33,783	24,074	12,339	-	-
Transportation	105	-	-	-	-	-
Economic Environment	-	-	-	-	2,500,964	-
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal	635,000	950,000	610,000	1,445,000	-	-
Interest	324,710	663,960	1,879,288	201,740	-	1,979,380
Total expenditures	976,160	1,647,743	2,513,362	1,659,079	2,500,964	1,979,380
Excess (deficiency) of revenues over (under) expenditures	(217,318)	2,734	(1,189,818)	(1,203,085)	(2,453,689)	(1,978,376)
Other financing sources (uses)						
Transfers In	674,877	-	500,736	-	9,892,165	-
Transfers Out	-	-	-	-	-	(9,892,165)
Refunding Bond Proceeds	-	-	-	-	-	-
Refunded Bond Escrow	-	-	-	-	-	-
Total other financing sources (uses)	674,877	-	500,736	-	9,892,165	(9,892,165)
Net change in fund balances	457,559	2,734	(689,082)	(1,203,085)	7,438,476	(11,870,541)
Fund balance - beginning	257,526	362,144	841,522	1,906,453	-	16,763,116
Fund balance - ending	$ 715,085	$ 364,878	$ 152,440	$ 703,368	$ 7,438,476	$ 4,892,575

CDBG Entitlement Fund	Local Housing Assistance Trust Fund	Neighborhood *Stabilization* Funds	National Pollution NPDES Fund	Law Enforcement Forfeiture Trust Fund	Conservation Trust Fund	Total Nonmajor Special Revenue *Funds*
$ -	$ -	$ -	$ -	$ -	$ -	$ 2,267,272
-	-	-	-	-	-	2,337,531
805,773	235,258	3,250,410	-	-	-	9,648,566
-	-	-	57,704	-	-	8,290,968
-	-	-	-	21,754	-	110,129
-	-	-	-	-	-	2,057,329
-	5,040	293	392	676	16,957	201,979
-	-	-	-	-	-	7,404,719
-	-	-	-	-	-	112,455
1	24,323	28,718	-	55,745	9	741,026
805,774	264,621	3,279,421	58,096	78,175	16,966	33,171,974
-	-	-	-	-	-	3,473,518
-	-	-	-	24,787	-	27,223
-	-	-	-	-	-	647,638
-	-	-	59,057	-	-	8,052,877
775,821	525,725	4,824,004	-	-	-	8,626,514
-	-	-	-	-	19,118	19,118
29,957	-	139	-	45,721	53	204,255
-	-	-	-	-	-	15,830,000
-	-	-	-	-	-	11,471,018
805,778	525,725	4,824,143	59,057	70,508	19,171	48,352,161
(4)	(261,104)	(1,544,722)	(961)	7,667	(2,205)	(15,180,187)
-	-	-	-	-	-	18,410,796
-	-	-	-	(10,000)	(321)	(10,008,607)
-	-	-	-	-	-	10,910,000
-	-	-	-	-	-	(10,345,000)
-	-	-	-	(10,000)	(321)	8,967,189
(4)	(261,104)	(1,544,722)	(961)	(2,333)	(2,526)	(6,212,998)
11,924	704,650	11,510,884	86,724	127,668	247,555	45,798,742
$ 11,920	$ 443,546	$ 9,966,162	$ 85,763	$ 125,335	$ 245,029	$ 39,585,744

(concluded)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
Year Ended September 30, 2011

	Parks Capital Improvement Fund	Capital Improvement Fund	Becker Road Improvement Fund	Crosstown Parkway Fund	Road & Bridge Capital Improvement Fund
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ 3,514,721
Intergovernmental	146,000	-	-	864,924	4,108,602
Interest on Investments	7,007	8,430	40,915	130,931	13,447
Impact Fees	49,893	-	-	-	393,864
Developers Contributions	-	-	-	-	46,880
Other	80	-	137,804	-	13,000
Total revenues	202,980	8,430	178,719	995,855	8,090,514
Expenditures					
Current:					
General Government	-	76,812	-	-	-
Transportation	-	-	-	-	4,704,810
Culture and Recreation	332	-	-	-	-
Capital Outlay	130,384	81,409	6,662,741	2,326,208	721,610
Debt Service:					
Interest	-	-	-	-	193,888
Total expenditures	130,716	158,221	6,662,741	2,326,208	5,620,308
Excess (deficiency) of revenues over (under) expenditures	72,264	(149,791)	(6,484,022)	(1,330,353)	2,470,206
Other financing sources (uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	(1,355,038)	(3,851,642)
Total other financing sources (uses)	-	-	-	(1,355,038)	(3,851,642)
Net change in fund balances	72,264	(149,791)	(6,484,022)	(2,685,391)	(1,381,436)
Fund balance - beginning	147,457	660,151	9,533,424	9,843,723	4,642,693
Fund balance - ending	$ 219,721	$ 510,360	$ 3,049,402	$ 7,158,332	$ 3,261,257

City Center Capital Fund	East Lake Village Fund	Parks MSTU Fund	SW Annexation District 1 Capital Fund	Total Nonmajor Capital Project Funds
$ -	$ -	$ -	$ -	$ 3,514,721
-	-	1,624,997	-	6,744,523
40,564	4,763	30,196	1,397,376	1,673,629
-	-	-	-	443,757
-	-	-	-	46,880
-	-	-	-	150,884
40,564	4,763	1,655,193	1,397,376	12,574,394
-	-	-	-	76,812
-	-	-	-	4,704,810
-	-	19,272	-	19,604
45,606	1,128	437,810	2,969,030	13,375,926
-	-	-	81,131	275,019
45,606	1,128	457,082	3,050,161	18,452,171
(5,042)	3,635	1,198,111	(1,652,785)	(5,877,777)
-	-	-	40,527	40,527
(500,736)	(701,076)	-	-	(6,408,492)
(500,736)	(701,076)	-	40,527	(6,367,965)
(505,778)	(697,441)	1,198,111	(1,612,258)	(12,245,742)
738,196	697,441	7,740,647	3,615,345	37,619,077
$ 232,418	$ -	$ 8,938,758	$ 2,003,087	$ 25,373,335

(concluded)

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Obligation Bonds Debt Service Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Ad Valorem Taxes	$ 7,535,651	$ 7,519,098	$ -	$ -	$ 7,519,098	$ (16,553)
Interest Income	4,700	11,714	-	-	11,714	7,014
Total Revenue	7,540,351	7,530,812	-	-	7,530,812	(9,539)
Expenditures:						
Operating Expense	5,000	3,427	-	-	3,427	1,573
Debt Service:						
Principal	950,000	950,000	-	-	950,000	-
Interest	4,173,508	4,173,508	-	-	4,173,508	-
Total Expenditures	5,128,508	5,126,935	-	-	5,126,935	1,573
Excess of Revenues over (under) expenditures	2,411,843	2,403,877	-	-	2,403,877	(7,966)
Net Change in Fund Balance	$ 2,411,843	$ 2,403,877	$ -	$ -	$ 2,403,877	$ 7,966

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Road & Bridge Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Taxes	$ 2,275,552	$ 2,267,272	$ -	$ -	$ 2,267,272	$ (8,280)
Intergovernmental Revenue	5,255,750	5,357,125	-	-	5,357,125	101,375
Charges for Services	64,799	91,133	-	-	91,133	26,334
Interest Income	8,345	33,940	-	-	33,940	25,595
Other	39,692	104,670	-	-	104,670	64,978
Total Revenues	7,644,138	7,854,140	-	-	7,854,140	210,002
Expenditures:						
Engineering Operation	229,160	209,497	-	-	209,497	19,663
Public Works Operations	389,022	372,211	-	-	372,211	16,811
Capital Improvement Projects	615,327	619,684	-	-	619,684	(4,357)
Regulatory	239,678	269,054	-	-	269,054	(29,376)
Traffic Safety	626,254	550,091	-	-	550,091	76,163
Traffic Control and Improvements	2,192,557	1,968,543	-	-	1,968,543	224,014
Streets	976,488	903,649	-	-	903,649	72,839
Greenbelt and Waterway Maintenance	2,690,468	2,565,869	-	-	2,565,869	124,599
Non-departmental	422,338	416,818	-	-	416,818	5,520
Debt Service:						
Principal	3,585,000	3,585,000	-	-	3,585,000	-
Interest	1,502,018	1,502,018	-	-	1,502,018	-
Total Expenditures and Encumbrances	13,468,310	12,962,434	-	-	12,962,434	505,876
Excess of Revenues over (under) expenditures	(5,824,172)	(5,108,294)	-	-	(5,108,294)	715,878
Other Financing Sources (Uses)						
Transfers In	5,087,018	5,087,018	-	-	5,087,018	-
Transfers Out	(51,048)	(51,048)	-	-	(51,048)	-
Total Other Financing Sources (Uses)	5,035,970	5,035,970	-	-	5,035,970	-
Net Change in Fund Balance	$ (788,202)	$ (72,324)	$ -	$ -	$ (72,324)	$ 715,878

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Street Lighting Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Assessments	$ 244,957	$ 266,079	$ -	$ -	$ 266,079	$ 21,122
Interest Income	200	280	-	-	280	80
Other	-	2,683	-	-	2,683	2,683
Total Revenue	245,157	269,042	-	-	269,042	23,885
Expenditures:						
Road and Street Facilities						
Operating Expenses	237,592	237,234	-	-	237,234	358
Total Expenditures	237,592	237,234	-	-	237,234	358
Excess of Revenues over (under) expenditure	7,565	31,808	-	-	31,808	24,243
Other Financing Sources (Uses)						
Transfers Out	(21,073)	(21,073)	-		(21,073)	-
Total Other Financing Sources (Uses)	(21,073)	(21,073)	-		(21,073)	-
Net Change in Fund Balance	$ (13,508)	$ 10,735	$ -	$ -	$ 10,735	$ 24,243

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Law Enforcement Impact Fee Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services:						
Impact Fees	$ 21,516	$ 27,077	$ -	$ -	$ 27,077	$ 5,561
Interest Income	2,000	318	-	-	318	(1,682)
Total Revenues	23,516	27,395	-	-	27,395	3,879
Expenditures:						
Public Safety						
Operating Expenses	3,000	2,436	-	-	2,436	564
Total Expenditures	3,000	2,436	-	-	2,436	564
Excess of Revenues over (under) expenditure	20,516	24,959	-	-	24,959	4,443
Other Financing Sources (Uses)						
Transfers Out	(34,000)	(34,000)	-		(34,000)	-
Total Other Financing Sources (Uses)	(34,000)	(34,000)	-		(34,000)	-
Net Change in Fund Balance	$ (13,484)	$ (9,041)	$ -	$ -	$ (9,041)	$ 4,443

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Government Finance Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Impact Fees	$ 2,208,500	$ 2,030,252	$ -	$ -	$ 2,030,252	$ (178,248)
Interest Income	39,358	6,805	-	-	6,805	(32,553)
Other	-	5,625	-	-	5,625	5,625
Total Revenue	2,247,858	2,042,682	-	-	2,042,682	(205,176)
Expenditures:						
Operating Expenses	13,895	33,741	-	-	33,741	(19,846)
Debt Service:						
Principal	1,704,988	1,705,000	-	-	1,705,000	(12)
Interest	2,583,852	2,656,946	-	-	2,656,946	(73,094)
Total Expenditures	4,302,735	4,395,687	-	-	4,395,687	(92,952)
Excess of Revenues over (under) expenditure	(2,054,877)	(2,353,005)	-	-	(2,353,005)	(298,128)
Other Financing Sources (Uses)						
Transfers In	2,232,000	2,232,000	-	-	2,232,000	-
Total Other Financing Sources (Uses)	2,232,000	2,232,000	-	-	2,232,000	-
Net Change in Fund Balance	$ 177,123	$ (121,005)	$ -	$ -	$ (121,005)	$ (298,128)

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Building Department Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Licenses and Permits	$ 2,605,400	$ 2,337,531	$ -	$ -	$ 2,337,531	$ (267,869)
Charges for Services	830	1,130	-	-	1,130	300
Fines and Forfeitures	51,500	88,375	-	-	88,375	36,875
Developer Contribution	49,880	112,455	-	-	112,455	62,575
Interest Income	8,000	15,072	-	-	15,072	7,072
Other	364,992	366,457	-	-	366,457	1,465
Total Revenue	3,080,602	2,921,020	-	-	2,921,020	(159,582)
Expenditures:						
Administration	595,360	558,982	-	-	558,982	36,378
Licensing	443,487	419,508	-	-	419,508	23,979
Permitting	270,041	231,955	-	-	231,955	38,086
Field Inspections	1,508,214	1,441,996	-	-	1,441,996	66,218
Plan Review	584,195	535,389	-	-	535,389	48,806
Non-Departmental	290,117	290,112	-	-	290,112	5
Total Expenditures	3,691,414	3,477,942	-	-	3,477,942	213,472
Excess of Revenues over (under) expenditures	(610,812)	(556,922)	-	-	(556,922)	53,890
Other Financing Sources (Uses)						
Transfers In	24,000	24,000	-	-	24,000	-
Total Other Financing Sources (Uses)	24,000	24,000	-	-	24,000	-
Net Change in Fund Balance	$ (586,812)	$ (532,922)	$ -	$ -	$ (532,922)	$ 53,890

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Water & Sewer Phase I Assessment Collection Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$ 463,228	$ 376,122	$ -	$ -	$ 376,122	$ (87,106)
Interest Income	17,000	133,954	-	-	133,954	116,954
Other	-	5,065	-	-	5,065	5,065
Total Revenue	480,228	515,141	-	-	515,141	34,913
Expenditures:						
Operating Expenses	12,000	10,676	-	-	10,676	1,324
Total Expenditures	12,000	10,676	-	-	10,676	1,324
Excess of Revenues over (under) expenditure	468,228	504,465	-	-	504,465	36,237
Net Change in Fund Balance	$ 468,228	$ 504,465	$ -	$ -	$ 504,465	$ 36,237

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Water & Sewer Phase II Assessment Collection Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charge for Services	$1,374,417	$ 903,702	$ -	$ -	$ 903,702	$ (470,715)
Interest Income	2,000	482,093	-	-	482,093	480,093
Other	-	13,908	-	-	13,908	13,908
Total Revenue	1,376,417	1,399,703	-	-	1,399,703	23,286
Expenditures:						
Operating Expenses	36,000	29,287	-	-	29,287	6,713
Debt Service:						
Principal	1,343,917	-	-	-	-	1,343,917
Interest	30,000	-	-	-	-	30,000
Total Expenditures	1,409,917	29,287	-	-	29,287	1,380,630
Excess of Revenues over (under) expenditures	(33,500)	1,370,416	-	-	1,370,416	1,403,916
Net Change in Fund Balance	$ (33,500)	$ 1,370,416	$ -	$ -	$ 1,370,416	$ 1,403,916

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Water & Sewer Assessment Collection Fund USA 3 & 4
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charge for Services	$ 4,379,848	$ 2,849,166	$ -	$ -	$ 2,849,166	$ (1,530,682)
Interest Income	7,700	1,612,961	-	-	1,612,961	1,605,261
Other	-	44,937	-	-	44,937	44,937
Total Revenue	4,387,548	4,507,064	-	-	4,507,064	119,516
Expenditures:						
Operating Expenses	120,000	385,485	-	-	385,485	(265,485)
Debt Service:						
Principal	3,900,000	3,900,000	-	-	3,900,000	-
Interest	484,548	643,917	-	-	643,917	(159,369)
Total Expenditures	4,504,548	4,929,402	-	-	4,929,402	(424,854)
Excess of Revenues over (under) expenditures	(117,000)	(422,338)	-	-	(422,338)	(305,338)
Other Financing Sources (Uses)						
Bond refunding	-	10,910,000	-	-	10,910,000	(10,910,000)
Refunded bond escrow	-	(10,345,000)	-	-	(10,345,000)	10,345,000
Total Other Financing Sources (Uses)	-	565,000	-	-	565,000	(565,000)
Net Change in Fund Balance	$ (117,000)	$ 142,662	$ -	$ -	$ 142,662	$ (870,338)

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Water & Sewer Assessment Collection Fund USA 9
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$ 332,242	$ 140,134	$ -	$ -	$ 140,134	$ (192,108)
Interest Income	1,644	188,079	-	-	188,079	186,435
Other		3,360	-		3,360	3,360
Total Revenue	333,886	331,573	-	-	331,573	(2,313)
Expenditures:						
Operating Expenses	8,700	8,079	-	-	8,079	621
Debt Service:						
Principal	263,747	240,000	-	-	240,000	23,747
Interest	111,469	111,469	-	-	111,469	-
Total Expenditures	383,916	359,548	-	-	359,548	24,368
Excess of Revenues over (under) expenditure	(50,030)	(27,975)	-	-	(27,975)	22,055
Net Change in Fund Balance	$ (50,030)	$ (27,975)	$ -	$ -	$ (27,975)	$ 22,055

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - South Lennard Road Assessment Collection Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$ 256,206	$ 94,812	$ -	$ -	$ 94,812	$ (161,394)
Interest Income	12,000	154,849	-	-	154,849	142,849
Other	-	2,484	-	-	2,484	2,484
Total Revenue	268,206	252,145	-	-	252,145	(16,061)
Expenditures:						
Operating Expenses	29,221	6,589	-	-	6,589	22,632
Debt Service:						
Principal	164,930	150,000	-	-	150,000	14,930
Interest	77,307	77,306	-	-	77,306	1
Total Expenditures	271,458	233,895	-	-	233,895	37,563
Excess of Revenues over (under) expenditure	(3,252)	18,250	-	-	18,250	21,502
Net Change in Fund Balance	$ (3,252)	$ 18,250	$ -	$ -	$ 18,250	$ 21,502

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Riverpoint Assessment Collection Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$ 723,875	$ 405,039	$ -	$ -	$ 405,039	$ (318,836)
Interest Income	5,000	356,913	-	-	356,913	351,913
Other	-	7,619	-	-	7,619	7,619
Total Revenue	728,875	769,571	-	-	769,571	40,696
Expenditures:						
Operating Expenses	20,000	18,269	-	-	18,269	1,731
Debt Service:						
Principal	1,123,875	540,000	-	-	540,000	583,875
Interest	423,053	189,596	-	-	189,596	233,457
Total Expenditures	1,566,928	747,865	-	-	747,865	819,063
Excess of Revenues over (under) expenditures	(838,053)	21,706	-	-	21,706	859,759
Net Change in Fund Balance	$ (838,053)	$ 21,706	$ -	$ -	$ 21,706	$ 859,759

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Tesoro Special Assessment Collection Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$ 2,872,985	$ 1,282,423	$ -	$ -	$ 1,282,423	$ (1,590,562)
Interest Income	3,000	1,279,289	-	-	1,279,289	1,276,289
Other	-	25,649	-	-	25,649	25,649
Total Revenue	2,875,985	2,587,361	-	-	2,587,361	(288,624)
Expenditures:						
Operating Expenses	65,000	52,706	-	-	52,706	12,294
Debt Service:						
Principal	1,897,985	1,500,000	-	-	1,500,000	397,985
Interest	975,000	851,550	-	-	851,550	123,450
Total Expenditures	2,937,985	2,404,256	-	-	2,404,256	533,729
Excess of Revenues over (under) expenditures	(62,000)	183,105	-	-	183,105	245,105
Net Change in Fund Balance	$ (62,000)	$ 183,105	$ -	$ -	$ 183,105	$ 245,105

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Glassman Assessment Collection Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$1,001,431	$ 432,621	$ -	$ -	$ 432,621	$ (568,810)
Interest Income	3,200	512,036	-	-	512,036	508,836
Other	-	10,291	-	-	10,291	10,291
Total Revenue	1,004,631	954,948	-	-	954,948	(49,683)
Expenditures:						
Operating Expenses	27,000	21,291	-	-	21,291	5,709
Debt Service:						
Principal	613,081	570,000	-	-	570,000	43,081
Interest	587,007	389,138	-	-	389,138	197,869
Total Expenditures	1,227,088	980,429	-	-	980,429	246,659
Excess of Revenues over (under) expenditures	(222,457)	(25,481)	-	-	(25,481)	196,976
Net Change in Fund Balance	$ (222,457)	$ (25,481)	$ -	$ -	$ (25,481)	$ 196,976

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - East Lake Village Assessment Collection Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$ 919,948	$ 412,711	$ -	$ -	$ 412,711	$ (507,237)
Interest Income	300	338,629	-	-	338,629	338,329
Other		7,502	-	-	7,502	7,502
Total Revenue	920,248	758,842	-	-	758,842	(161,406)
Expenditures:						
Operating Expenses	20,000	16,450	-	-	16,450	3,550
Debt Service:						
Principal	635,000	635,000	-	-	635,000	-
Interest	324,711	324,710	-	-	324,710	1
Total Expenditures	979,711	976,160	-	-	976,160	3,551
Excess of Revenues over (under) expenditures	(59,463)	(217,318)	-	-	(217,318)	(157,855)
Other Financing Sources (Uses)						
Transfers In	-	674,877			674,877	(674,877)
Total Other Financing Sources (Uses)	-	674,877	-		674,877	(674,877)
Net Change in Fund Balance	$ (59,463)	$ 457,559	$ -	$ -	$ 457,559	$ (832,732)

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - St Lucie Land Holding Assessment Collection Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$1,698,985	$ 625,784	$ -	$ -	$ 625,784	$ (1,073,201)
Interest Income	30,000	1,008,245	-	-	1,008,245	978,245
Other	-	16,448	-	-	16,448	16,448
Total Revenue	1,728,985	1,650,477	-	-	1,650,477	(78,508)
Expenditures:						
Operating Expenses	38,087	33,783	-	-	33,783	4,304
Debt Service:						
Principal	1,034,938	950,000	-	-	950,000	84,938
Interest	663,960	663,960	-	-	663,960	-
Total Expenditures	1,736,985	1,647,743	-	-	1,647,743	89,242
Excess of Revenues over (under) expenditures	(8,000)	2,734	-	-	2,734	10,734
Net Change in Fund Balance	$ (8,000)	$ 2,734	$ -	$ -	$ 2,734	$ 10,734

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - City Center Assessment Collection Fund
Year Ended September 30, 2011

	Final Budget	Actual	2010	2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$ 2,651,439	$ 207,685	$ -	$ -	$ 207,685	$ (2,443,754)
Interest Income	18,000	1,104,698	-	-	1,104,698	1,086,698
Other		11,161			11,161	11,161
Total Revenue	2,669,439	1,323,544	-	-	1,323,544	(1,345,895)
Expenditures:						
Operating Expenses	25,500	24,074	-	-	24,074	1,426
Debt Service:						
Principal	1,085,736	610,000	-	-	610,000	475,736
Interest	2,041,439	1,879,288	-	-	1,879,288	162,151
Total Expenditures	3,152,675	2,513,362	-	-	2,513,362	639,313
Excess of Revenues over (under) expenditures	(483,236)	(1,189,818)	-	-	(1,189,818)	(706,582)
Other Financing Sources (Uses)						
Transfers In	500,736	500,736	-	-	500,736	-
Total Other Financing Sources (Uses)	500,736	500,736	-	-	500,736	-
Net Change in Fund Balance	$ 17,500	$ (689,082)	$ -	$ -	$ (689,082)	$ (706,582)

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
***Budget and Actual* - Combined Assesment Collection Fund**
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$ 439,663	$ 144,723	$ -	$ -	$ 144,723	$ (294,940)
Interest Income	25,548	306,900	-	-	306,900	281,352
Other	-	4,371	-	-	4,371	4,371
Total Revenue	465,211	455,994	-	-	455,994	(9,217)
Expenditures:						
Operating Expenses	12,531	12,339	-	-	12,339	192
Debt Service:						
Principal	1,560,603	1,445,000	-	-	1,445,000	115,603
Interest	201,742	201,740	-	-	201,740	2
Total Expenditures	1,774,876	1,659,079	-	-	1,659,079	115,797
Excess of Revenues over (under) expenditures	(1,309,665)	(1,203,085)	-	-	(1,203,085)	106,580
Net Change in Fund Balance	$ (1,309,665)	$ (1,203,085)	$ -	$ -	$ (1,203,085)	$ 106,580

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Economic Development Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Interest Income	$ 50,000	$ 47,275	$ -	$ -	$ 47,275	$ (2,725)
Total Revenue	50,000	47,275	-	-	47,275	(2,725)
Expenditures:						
Operating Expenses	3,000,000	2,500,964	-	-	2,500,964	499,036
Total Expenditures	3,000,000	2,500,964	-	-	2,500,964	499,036
Excess of Revenues over (under) expenditures	(2,950,000)	(2,453,689)	-	-	(2,453,689)	496,311
Other Financing Sources (Uses)						
Transfers In	9,892,166	9,892,165			9,892,165	1
Total Other Financing Sources (Uses)	9,892,166	9,892,165	-	-	9,892,165	1
Net Change in Fund Balance	$6,942,166	$ 7,438,476	$ -	$ -	$ 7,438,476	$ 496,312

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Wyndcrest (DDMG) Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Interest Income	$ 30,000	$ 1,004	$ -	$ -	$ 1,004	$ (28,996)
Total Revenue	30,000	1,004	-	-	1,004	(28,996)
Expenditures:						
Operating Expenses	200	-	-	-	-	200
Debt Service:						
Interest	2,500,696	1,979,380	-	-	1,979,380	521,316
Total Expenditures	2,500,896	1,979,380	-	-	1,979,380	521,516
Excess of Revenues over (under) expenditures	(2,470,896)	(1,978,376)	-	-	(1,978,376)	492,520
Other Financing Sources (Uses)						
Transfers Out	(9,892,166)	(9,892,165)	-	-	(9,892,165)	(1)
Total Other Financing Sources (Uses)	(9,892,166)	(9,892,165)	-	-	(9,892,165)	(1)
Net Change in Fund Balance	$ (12,363,062)	$ (11,870,541)	$ -	$ -	$ (11,870,541)	$ 492,519

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - CDBG Entitlement Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Intergovernmental-Federal	$1,182,729	$ 493,497	$ -	$ -	$ 493,497	$ (689,232)
Disaster Funding Grant	314,546	312,277	-	-	312,277	(2,269)
Total Revenue	1,497,275	805,774	-	-	805,774	(691,501)
Expenditures:						
Economic Environment-Federal:						
Personal Services	210,786	159,096	-	-	159,096	51,690
Operating Expenses	1,008,869	304,446	67,573	20,800	257,673	751,196
Capital Outlay	30,647	29,957	-	-	29,957	690
Total Federal Entitlement	1,250,302	493,499	67,573	20,800	446,726	803,576
Economic Environment-Disaster Grant:						
Operating Expenses	314,546	312,279	-	-	312,279	2,267
Total Disaster Grant	314,546	312,279	-	-	312,279	2,267
Total Expenditures and Encumbrances	1,564,848	805,778	67,573	20,800	759,005	805,843
Excess of Revenues over (under) expenditures	(67,573)	(4)	(67,573)	(20,800)	46,769	114,342
Net Change in Fund Balance	$ (67,573)	$ (4)	$ (67,573)	$ (20,800)	$ 46,769	$ 114,342

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Local Housing Assistance Trust Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Intergovernmental	$ 232,558	$ 235,258	$ -	$ -	$ 235,258	$ 2,700
Interest Income	-	5,040	-	-	5,040	5,040
Other	-	24,323	-	-	24,323	24,323
Total Revenue	232,558	264,621	-	-	264,621	32,063
Expenditures:						
Personal Services	69,427	67,110	-	-	67,110	2,317
Operating Expenses	847,916	458,615	128,326	41,230	371,519	476,397
Total Expenditures and Encumbrances	917,343	525,725	128,326	41,230	438,629	478,714
Excess of Revenues over (under) expenditures	(684,785)	(261,104)	(128,326)	(41,230)	(174,008)	510,777
Net Change in Fund Balance	$ (684,785)	$ (261,104)	$ (128,326)	$ (41,230)	$ (174,008)	$ (510,777)

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Neighborhood Stabilization Funds
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Intergovernmental-Federal NSP	$ 2,474,267	$ 81,275	$ -	$ -	$ 81,275	$ (2,392,992)
Intergovernmental-Federal NSP3	3,515,509	91,632	-	-	91,632	(3,423,877)
Sale of Property	2,798,500	3,077,503	-	-	3,077,503	279,003
Interest Income	-	293				
Other	-	28,718	-	-	28,718	28,718
Total Revenue	8,788,276	3,279,421	-	-	3,279,128	(5,509,148)
Expenditures:						
Ecomomic Environment-Federal NSP:						
Personal Services	506,516	527,887	-	-	527,887	(21,371)
Operating Expenses	5,031,265	4,248,758	265,014	116,122	4,099,866	931,399
Capital Outlay	-	139	-	-	139	(139)
Total Federal Entitlement	5,537,781	4,776,784	265,014	116,122	4,627,892	909,889
Ecomomic Environment-Federal-NSP3:						
Personal Services	58,645	47,356	-	-	47,356	11,289
Operating Expenses	3,456,864	3	-	-	3	3,456,861
Total Federal Entitlement	3,515,509	47,359	-	-	47,359	3,468,150
Total Expenditures and Encumbrances	9,053,290	4,824,143	265,014	116,122	4,675,251	4,378,039
Excess of Revenues over (under) expenditures	(265,014)	(1,544,722)	(265,014)	(116,122)	(1,396,123)	(1,131,109)
Net Change in Fund Balance	$ (265,014)	$ (1,544,722)	$ (265,014)	$ (116,122)	$ (1,396,123)	$ (1,131,109)

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - National Pollution (NPDES) Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Charges for Services	$ 20,000	$ 57,704	$ -	$ -	$ 57,704	$ 37,704
Interest Income	2,100	392	-	-	392	(1,708)
Total Revenue	22,100	58,096	-	-	58,096	35,996
Expenditures:						
Personal Services	51,962	50,926	-	-	50,926	1,036
Operating Expenses	11,390	8,131	-	-	8,131	3,259
Total Expenditures	63,352	59,057	-	-	59,057	4,295
Excess of Revenues over (under) expenditures	(41,252)	(961)	-	-	(961)	40,291
Net Change in Fund Balance	$ (41,252)	$ (961)	$ -	$ -	$ (961)	$ 40,291

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Law Enforcement Forfeiture Trust Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Fines and Forfeitures	$ 12,057	$ 21,754	$ -	$ -	$ 21,754	$ 9,697
Other	7,667	56,421	-	-	56,421	48,754
Total Revenue	19,724	78,175	-	-	78,175	58,451
Expenditures:						
Personal Services	34,580	1,783	-	-	1,783	32,797
Operating Services	43,875	23,004	-	-	23,004	20,871
Capital Outlay	48,921	45,721	-	-	45,721	3,200
Total Expenditures	127,376	70,508	-	-	70,508	56,868
Excess of Revenues over (under) expenditures	(107,652)	7,667	-	-	7,667	115,319
Other Financing Sources (Uses)						
Transfers Out	(10,000)	(10,000)	-	-	-	-
Total Other Financing Sources (Uses)	(10,000)	(10,000)	-		-	-
Net Change in Fund Balance	$ (117,652)	$ (2,333)	$ -	$ -	$ 7,667	$ 115,319

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Conservation Trust Fund
Year Ended September 30, 2011

	Final Budget	Actual	Encumbrances 2010	Encumbrances 2011	Actual on Budgetary Basis	Variance With Final Positive (Negative)
Revenues:						
Interest Income	$ 25,000	$ 16,957	$ -	$ -	$ 16,957	$ (8,043)
Other	-	9	-	-	9	9
Total Revenue	25,000	16,966	-	-	16,966	(8,034)
Expenditures:						
Operating Services	57,200	19,118	-	-	19,118	38,082
Capital Outlay	100	53	-	-	53	47
Total Expenditures	57,300	19,171	-	-	19,171	38,129
Excess of Revenues over (under) expenditures	(32,300)	(2,205)	-	-	(2,205)	30,095
Other Financing Sources (Uses)						
Transfers Out	(321)	(321)	-	-	(321)	-
Total Other Financing Sources (Uses)	(321)	(321)	-		(321)	-
Net Change in Fund Balance	$ (32,621)	$ (2,526)	$ -	$ -	$ (2,526)	$ 30,095

Fiduciary Funds

PENSION AND TRUST FUNDS

Pension Trust Funds are used to account for public employee retirement systems.

The City maintains the following Pension Trust Funds:

General Employees' Pension Fund - to account for the accumulation of resources to be used for pension payments to participants of the City's Employee Pension Plan.

Employees' Retirement Trust Fund - 401 A - to account for the accumulation of resources to provide employees with defined contribution benefits through a plan adopted under the provision of Internal Revenue Code Section 401-A

Municipal Police Officers' Retirement Trust Fund - to account for the accumulation of resources to provide a defined benefit pension plan for City Police Officersestablished under the provisions of Chapter 185 of the Statutes of the State of Florida.

Police Officers' Retirement Trust Fund 401-A – to account for the accumulation of resources to provide sworn police officers with defined contribution benefits through a plan adopted under the provision of Internal Revenue Code Section 401-A.

Other Post Employment Benefits Fund (OPEB) - to account for retirees benefits as mandated by GASB #45.

AGENCY FUNDS

Agency Funds are used to account for assets held by the government in purely custodial capacity.

The City maintains one Agency Fund:

Solid Waste Collection Fund - to account for funds collected by the Tax Collector for solid waste services assessment to be remitted to the waste collection company.

CITY OF PORT ST. LUCIE, FLORIDA

Combining Statement of Fiduciary Net Assets
Pension Trust Funds
September 30, 2011

	Municipal Police Officers'	General Employees'	Police Officers' Retirement 401 A	Employees' Retirement 401 A	Other Post Employment Benefits	Total
Assets						
Corporate Stocks	17,519,540	121,368	-	-	-	17,640,908
Corporate Bonds	8,374,423	-	-	-	-	8,374,423
US Government Obligations	1,019,478	-	-	-	-	1,019,478
Federal Agencies	2,161,585	-	-	-	-	2,161,585
Municipal Obligations	592,313	-	-	-	-	592,313
Mutual Funds	4,305,568	2,045,572	6,210,624	34,197,345	4,099,835	50,858,944
Money Market Funds	4,131,923	-	-	-	-	4,131,923
Cash Surrender Value of Life Insurance	-	209,039	-	-	-	209,039
Accrued Investment Income	161,453	-	-	-	-	161,453
Accounts Receivable	77,549	1,816	4,562	55,829	-	139,756
Prepaid Expenses	4,315	-	-	-	-	4,315
Total assets	38,348,147	2,377,795	6,215,186	34,253,174	4,099,835	85,294,137
Liabilities and Net Assets						
Liabilities						
Accounts Payable	40,968	-	-	-	-	40,968
Deposits	-	-	-	3,758	-	3,758
Due to Broker	128,378	-	-	-	-	128,378
Total liabilities	169,346	-	-	3,758	-	173,104
Net Assets						
Held in Trust for:						
Reserved for Employees' Retirement	38,178,801	2,377,795	6,215,186	34,249,416	4,099,835	85,121,033
Total Net Assets	38,178,801	2,377,795	6,215,186	34,249,416	4,099,835	85,121,033
Total Liabilities and Net Assets	$ 38,348,147	$ 2,377,795	$ 6,215,186	$ 34,253,174	$ 4,099,835	$ 85,294,137

CITY OF PORT ST. LUCIE, FLORIDA

Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended September 30, 2011

	Municipal Police Officers'	General Employees'	Police Officers' Retirement 401 A	Employees' Retirement 401 A	Other Post Employment Benefits	Totals
Additions						
Contributions:						
City	$ 2,203,431	$ 105,815	$ 274,255	$ 3,275,082	$ 1,506,633	$ 7,365,216
State (via General Fund)	826,267	-	-	-	-	826,267
Employee	1,158,603	-	198,203	284,573	-	1,641,379
Miscellaneous Income	4,112	-	-	-	-	4,112
Total Contributions	4,192,413	105,815	472,458	3,559,655	1,506,633	9,836,974
Investment Income:						
Net (Depreciation) in Fair Value of Investments	(2,461,593)	6,567	(68,999)	(245,441)	-	(2,769,466)
Interest and Dividends	944,105	2,412	-	-	(202,477)	744,040
	(1,517,488)	8,979	(68,999)	(245,441)	(202,477)	(2,025,426)
Investment Expense	(188,931)	-	-	-	-	(188,931)
	(1,706,419)	8,979	(68,999)	(245,441)	(202,477)	(2,214,357)
Total Additions	2,485,994	114,794	403,459	3,314,214	1,304,156	7,622,617
Deductions						
Benefit Payments	1,446,839	589,322	209,973	2,364,917	-	4,611,051
Administrative Costs and Charges	112,190	-	525	5,233	10,875	128,823
Refunds	633,438	-	-	48,669	-	682,107
Total Deductions	2,192,467	589,322	210,498	2,418,819	10,875	5,421,981
Change in Net Assets	293,527	(474,528)	192,961	895,395	1,293,281	2,200,636
Total Net Assets - beginning	37,885,274	2,852,323	6,022,225	33,354,021	2,806,554	82,920,397
Total Net Assets - ending	$ 38,178,801	$ 2,377,795	$ 6,215,186	$ 34,249,416	$ 4,099,835	$ 85,121,033

CITY OF PORT ST. LUCIE, FLORIDA
Statement in Changes of Assets and Liabilities
Agency Fund
September 30, 2011

	Beginning Balance	Additions	Deletions	Ending Balance
Assets				
Cash and Investments	$ 701,974	$61,880,894	$ 61,702,311	$ 880,557
Accounts Receivable	149,656	169,698	149,656	169,698
Total Assets	$ 851,630	$62,050,592	$ 61,851,967	$ 1,050,255
Liabilities				
Accounts Payable	$ 45,000	$15,958,279	$ 16,003,109	$ 170
Due to Contractor	806,630	243,455	-	1,050,085
	$ 851,630	$16,201,734	$ 16,003,109	$ 1,050,255

Capital Assets Used in the Operation of Governmental Funds

CITY OF PORT ST. LUCIE, FLORIDA

Comparative Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
September 30, 2011 and 2010

	2011	2010
CAPITAL ASSETS:		
Land	$ 114,916,378	$ 113,690,813
Buildings	120,850,265	120,969,805
Improvements	34,504,989	32,304,347
Machinery and Equipment	33,691,105	29,065,546
Infrastructure	678,155,938	625,940,795
Construction In Progress	35,079,690	61,421,212
	1,017,198,365	983,392,518
Accumulated Depreciation	(248,313,264)	(223,665,225)
CAPITAL ASSETS, NET	$ 768,885,101	$ 759,727,293
INVESTMENT IN CAPITAL ASSETS:		
General Government	$ 22,017,224	$ 22,238,819
Public Safety	32,193,535	32,676,038
Physical Environment	19,871,795	18,350,993
Transportation	752,204,253	688,621,843
Economic Environment	115,118,723	110,920,460
Human Services	1,020,881	1,031,894
Culture and Recreation	36,584,557	34,412,241
Grants	1,808,270	3,127,167
Donations	1,299,437	10,591,851
Construction in Progress	35,079,690	61,421,212
	1,017,198,365	983,392,518
Accumulated Depreciation	(248,313,264)	(223,665,225)
INVESTMENT IN CAPITAL ASSETS, NET	$ 768,885,101	$ 759,727,293

CITY OF PORT ST. LUCIE, FLORIDA

Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
September 30, 2011

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	MACHINERY AND EQUIPMENT	INFRASTRUCTURE
Legislative						
City Council	$ 7,310	$ -	$ -	$ -	$ 7,310	$ -
Executive						
City Manager	353,517	-	332,534	-	20,983	-
City Clerk	406,328	50,212	-	-	356,116	-
Financial & Administrative						
General Administration	38,339,866	11,086,209	8,208,457	3,671,972	1,042,678	14,330,550
Finance	69,771	-	-	-	69,771	-
Personnel	38,251	-	-	-	38,251	-
Information Services	1,715,586	-	17,200	-	1,698,386	-
Purchasing/OMB	26,544	-	-	-	26,544	-
Legal	38,000	-	-	-	38,000	-
Economic Development	115,149,582	6,610,306	88,555,552	3,207,908	6,980,687	9,795,129
Comprehensive Planning						
Planning & Development	51,397	-	-	-	51,397	-
GENERAL GOVERNMENT	156,196,152	17,746,727	97,113,743	6,879,880	10,330,123	24,125,679
Law Enforcement						
Police	25,208,456	167,523	10,220,256	180,513	14,640,164	-
Protective Inspections						
Building & Code Inspections	8,766,342	2,207,917	5,177,021	697,444	683,960	-
PUBLIC SAFETY	33,974,798	2,375,440	15,397,277	877,957	15,324,124	-
Road & Street Facilities						
Engineering	38,875,243	867,299	52,174	3,018,838	1,100,080	33,836,852
Street Maintenance	257,302,110	3,244,025	-	110,522	1,590,753	252,356,810
Other Public Works						
Director	457,097,851	84,480,274	71,525	4,163,630	563,528	367,818,894
Garage	1,165,079	-	876,698	2,693	285,688	-
Building Maintenance	842,451	-	446,446	2,319	393,686	
TRANSPORTATION	755,282,734	88,591,598	1,446,843	7,298,002	3,933,735	654,012,556
Parks & Recreation						
Parks	36,664,991	6,202,613	6,892,402	19,449,150	4,103,123	17,703
CULTURE & RECREATION	36,664,991	6,202,613	6,892,402	19,449,150	4,103,123	17,703
Total General Capital Assets Allocated to Functions	982,118,675	$ 114,916,378	$ 120,850,265	$ 34,504,989	$ 33,691,105	$ 678,155,938
Construction in Progress	35,079,690					
	1,017,198,365					
Accumulated Depreciation	(248,313,264)					
CAPITAL ASSETS, NET	$ 768,885,101					

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Changes in Capital Assets Used in the Operation of Governmental Funds
By Function and Activity
For the Year Ended September 30, 2011

FUNCTION AND ACTIVITY	CAPITAL ASSETS 9/30/2010	ADDITIONS FY 10/11	DISPOSITIONS FY 10/11	TRANSFERS	CAPITAL ASSETS 9/30/2011
GENERAL GOVERNMENT					
Legislative					
City Council	$ 10,285	$ 2,084	$ 1,575	$ (3,484)	$ 7,310
Executive					
City Manager	345,879	694	-	6,944	353,517
City Clerk	393,348	17,790	2,534	(2,276)	406,328
Financial & Administrative					
General Administration	36,998,331	1,352,424	9,505	(1,384)	38,339,866
Finance	70,291	4,760	4,020	(1,260)	69,771
Personnel	44,363	4,998	6,330	(4,780)	38,251
Information Services	1,939,374	98,397	350,270	28,085	1,715,586
Purchasing/OMB	28,888	-	1,196	(1,148)	26,544
Legal	39,293	1,190	2,483	-	38,000
Economic Development	110,970,460	5,565,205	14,869	(1,371,214)	115,149,582
Comprehensive Planning					
Planning & Development	57,597	977	5,986	(1,191)	51,397
PUBLIC SAFETY					
Law Enforcement					
Police	25,695,587	376,984	844,672	(19,443)	25,208,456
Protective Inspections					
Building & Code Inspections	8,795,352	7,549	33,266	(3,293)	8,766,342
TRANSPORTATION					
Road & Street Facilities					
Engineering	38,112,283	765,233	2,273	-	38,875,243
Street Maintenance	257,415,335	2,935	116,160	-	257,302,110
Other Public Works					
Director	403,236,930	5,479,566	56,123	48,437,478	457,097,851
Garage	1,188,670	3,088	41,036	14,357	1,165,079
Building Maintenance	1,039,946	-	197,495	-	842,451
CULTURE & RECREATION					
Parks & Recreation					
Parks	35,589,094	272,385	131,471	934,983	36,664,991
Total General Captial Assets Allocated to Functions	921,971,306	13,956,259	1,821,264	48,012,374	982,118,675
Construction in Progress	61,421,212	-	-	-	35,079,690
	983,392,518	13,956,259	1,821,264	48,012,374	1,017,198,365
Accumulated Depreciation	(223,665,225)				(248,313,264)
CAPITAL ASSETS, NET	$ 759,727,293	$ 13,956,259	$ 1,821,264	$ 48,012,374	$ 768,885,101

Statistical Section

- Financial Trends
- Revenue Capacity
- Debt Capacity
- Demographic and Economic
- Operating Information

STATISTICAL SECTION

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

Contents **Page**

Financial Trends 121

These schedules contain trend information to help the reader understand how the City of Port St. Lucie's financial performance has changed over time.

Revenue Capacity 127

These schedules contain information to help the reader assess the City of Port St. Lucie's most significant local revenue source, property taxes.

Debt Capacity 132

These schedules present information to help the reader assess the affordability of the City of Port St. Lucie's current levels of outstanding debt and its ability to issue debt in the future.

Demographic and Economic Information 138

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City of Port St. Lucie's financial activities take place.

Operating Information 142

These schedules contain service and infrastructure data to help the reader understand how the information in the City of Port St. Lucie's financial report relates to the services provided and the activities performed.

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

Financial Trends

"A City for All Ages"

CITY OF PORT ST. LUCIE, FLORIDA

Net Assets by Component

Last Nine Fiscal Years

(accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:									
Invested in capital assets, net of related debt	$ 304,237,769	$ 304,349,119	$ 274,326,677	$ 182,323,648	$ 128,428,730	$ 162,179,509	$ 121,599,256	$ 124,925,102	$ 188,867,621
Restricted for:									
Debt service	33,228,306	32,943,811	33,701,454	41,869,409	11,523,253	5,022,931	2,102,036	2,839,881	-
Capital Projects	15,944,067	69,068,167	82,313,027	177,634,060	175,066,944	118,456,889	102,999,808	82,722,486	-
Unrestricted	5,877,718	(39,034,499)	(18,536,063)	(20,289,118)	45,749,167	24,400,427	(22,829,394)	(36,448,704)	(24,141,263)
Total Governmental Activities Net Assets	**359,287,860**	**367,326,598**	**371,805,095**	**381,537,999**	**360,768,094**	**310,059,756**	**203,871,706**	**174,038,765**	**164,726,358**
Business-Type Activities:									
Invested in capital assets, net of related debt	271,708,907	250,895,014	242,948,835	253,466,538	178,231,620	74,773,083	50,546,492	92,183,265	110,984,456
Restricted for:									
Debt service	30,780,127	30,343,954	29,369,142	4,970,848	10,554,030	13,002,625	10,859,562	3,451,606	1,147,587
Capital Projects	42,265,855	59,409,352	56,424,137	78,224,450	124,364,685	181,792,938	154,544,263	79,310,627	-
Claims	92,105	91,989	97,094	96,048	-	-	-	-	-
Unrestricted	11,419,956	25,338,255	58,878,758	55,259,182	65,332,791	65,178,932	75,005,304	45,902,925	37,692,913
Total Business-Type Activities Net Assets	**356,266,950**	**366,078,564**	**387,717,966**	**392,017,066**	**378,483,126**	**334,747,578**	**290,955,621**	**220,848,423**	**149,824,956**
Total Primary Government:									
Invested in capital assets, net of related debt	575,946,676	555,244,133	517,275,512	435,790,186	306,660,350	236,952,592	172,145,748	217,108,367	299,852,077
Restricted for:									
Debt service	64,008,433	63,287,765	63,070,596	46,840,257	22,077,283	18,025,556	12,961,598	6,291,487	1,147,587
Capital Projects	58,209,922	128,477,519	138,737,164	255,858,510	299,431,629	300,249,827	257,544,071	162,033,113	-
Claims	92,105	91,989	97,094	96,048	-	-	-	-	-
Unrestricted	17,297,674	(13,696,244)	40,342,695	34,970,064	111,081,958	89,579,359	52,175,910	9,454,221	13,551,650
Total Primary Government Net Assets	**715,554,810**	**733,405,162**	**759,523,061**	**773,555,065**	**739,251,220**	**644,807,334**	**494,827,327**	**394,887,188**	**314,551,314**

NOTE: The City began to report accrual information when it implemented GASB 34 in fiscal year 2003

CITY OF PORT ST. LUCIE, FLORIDA
Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses									
Governmental Activities:									
General Government	$ 13,219,799	$ 11,206,338	$ 11,992,504	$ 10,854,288	$ 12,676,106	$ 14,518,096	$ 12,637,482	$ 10,893,280	$ 8,796,089
Public Safety	37,291,748	40,257,753	43,401,330	40,580,087	37,547,880	36,916,934	35,914,196	28,815,698	17,082,119
Physical Environment	2,219,525	3,242,320	5,176,460	3,225,934	6,320,507	6,150,229	18,576,131	32,283,435	925,582
Transportation	37,504,058	32,711,192	38,904,334	33,233,136	25,931,572	18,560,311	15,479,487	19,843,926	14,056,618
Economic Environment	9,607,066	20,236,156	5,454,266	9,030,746	5,401,082	3,659,295	1,244,721	616,513	1,508,901
Human Services	1,380,647	1,647,555	1,650,621	1,677,914	1,654,325	1,400,755	1,116,410	859,290	610,573
Culture and Recreation	10,305,797	10,505,959	11,985,206	8,949,054	8,588,477	7,842,973	5,932,484	5,501,970	5,174,768
Debt Service - Interest	27,331,315	26,867,419	25,861,845	24,785,700	16,814,543	12,266,349	10,828,653	12,236,150	7,631,750
Total Governmental Activities	138,859,955	146,674,692	144,426,566	132,336,859	114,934,492	101,314,942	101,729,564	111,050,262	55,786,400
Business-Type Activities:									
Utility System	83,213,376	85,545,020	85,475,608	77,017,150	84,350,513	62,476,904	48,175,382	39,646,199	35,108,395
Stormwater Utility	19,788,150	17,691,171	17,807,203	19,641,308	20,513,660	22,543,488	16,138,384	11,960,126	11,472,714
Golf Course	1,914,059	1,871,671	2,016,046	2,002,696	1,878,537	2,167,967	2,038,491	2,038,513	1,594,227
Total Business-Type Activities	104,915,585	105,107,862	105,298,857	98,661,154	106,742,710	87,188,359	66,352,257	53,644,838	48,175,336
Total Primary Government Expenses	**243,775,540**	**251,782,554**	**249,725,423**	**230,998,013**	**221,677,202**	**188,503,301**	**168,081,821**	**164,695,100**	**103,961,736**
Program Revenues									
Governmental Activities:									
Charges for Services:									
General Government	3,283,174	3,818,952	3,899,070	6,139,417	7,326,470	12,469,580	16,934,085	13,228,710	8,722,437
Public Safety	777,330	1,106,384	1,897,530	1,975,247	2,081,511	2,606,249	2,532,322	2,261,115	1,777,958
Physical Environment	16,391,563	13,230,372	12,313,424	11,378,793	10,147,853	8,910,438	15,348,351	13,195,946	10,579,897
Transportation	1,831,410	1,443,788	1,844,263	7,281,726	8,830,728	16,559,692	11,689,481	9,120,506	6,662,414
Economic Environment	5,344	280,580	19,069	18,942	16,214	14,307	50,892	16,840	12,301
Human Services	99,098	115,435	104,965	108,017	116,300	109,338	97,193	80,770	85,342
Culture and Recreation	1,748,878	1,619,362	1,523,523	1,473,245	1,570,998	4,548,606	3,063,611	2,802,729	2,179,573
Operating Grants and Contributions	5,972,276	17,251,452	10,881,292	12,326,924	11,577,099	15,504,530	20,012,385	22,828,707	8,738,191
Capital Grants and Contributions	131,533	6,966,976	11,823,281	1,519,375	12,922,416	61,638,982	-	-	280,759
Total Governmental Activities	30,240,606	45,833,301	44,306,417	42,221,686	54,589,589	122,361,722	69,728,320	63,535,323	39,038,872
Business-Type Activities:									
Charges for Services:									
Utility System	56,115,457	52,535,104	52,688,326	50,991,171	50,346,537	44,992,671	36,486,829	30,785,007	24,452,303
Stormwater Utility	19,223,254	19,019,552	16,480,343	15,132,862	14,606,760	13,933,709	13,587,223	12,487,786	12,042,509
Golf Course	1,564,828	1,462,364	1,569,018	1,612,831	1,567,303	1,414,370	1,149,602	1,219,691	781,940
Operating Grants and Contributions	819,547	534,784	409,157	1,708,899	4,550,000	2,808,489	4,042,203	266,205	-
Capital Grants and Contributions	13,280,071	12,967,911	18,235,887	29,910,492	53,878,856	45,940,475	67,581,460	74,903,220	34,616,986
Total Business-Type Activities	91,003,157	86,519,715	89,382,731	99,356,255	124,949,456	109,089,714	122,847,317	119,661,909	71,893,738
Total Primary Government Program Revenues	**121,243,763**	**132,353,016**	**133,689,148**	**141,577,941**	**179,539,045**	**231,451,436**	**192,575,637**	**183,197,232**	**110,932,610**

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Net (Expense) Revenue									
Governmental Activities	(108,619,349)	(100,841,391)	(100,120,149)	(90,115,173)	(60,344,903)	21,046,780	(32,001,244)	(47,514,939)	(16,747,528)
Business-type Activities	(13,912,428)	(18,588,147)	(15,916,126)	695,101	18,206,746	21,901,355	56,495,060	66,017,071	23,718,402
Total Primary Government Net (Expense) Revenue	**(122,531,777)**	**(119,429,538)**	**(116,036,275)**	**(89,420,072)**	**(42,138,157)**	**42,948,135**	**24,493,816**	**18,502,132**	**6,970,874**
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Property Taxes	37,123,864	37,220,611	44,888,912	55,770,653	54,690,318	37,885,819	26,557,977	19,972,886	15,195,744
Franchise and Utility Taxes	17,252,881	13,451,549	13,582,701	13,241,608	12,979,422	11,641,662	9,303,467	8,065,253	7,544,562
Communication Services Taxes	5,997,244	6,152,086	3,078,658	1,841,963	1,640,072	1,569,843	1,370,998	1,125,882	1,100,122
Local Business Tax	1,560,385	1,514,507	1,570,426	1,584,424					
Half Cent Sales Tax	4,928,954	4,729,330	4,908,774	5,357,939	5,709,452	5,979,895	5,581,577	4,706,805	4,184,262
State Revenue Sharing	2,485,700	2,296,514	2,273,713	2,640,114	2,841,228	2,896,598	2,739,362	2,157,442	2,071,966
Local Option Gas Tax	7,614,567	7,602,956	7,456,766	7,579,396	7,420,536	7,467,955	6,835,166	5,883,647	5,601,759
Insurance Premium Tax	826,267	885,563	851,595	708,340	703,789	664,464	611,975	526,917	-
Interest	20,967,944	12,689,391	11,380,172	18,982,423	26,467,649	18,623,245	13,537,921	13,221,651	10,168,515
Gain on Sale of Capital Assets	374,823	209,549	218,532	244,487	1,134,962	614,401	102,073	910,100	1,580,587
Miscellaneous	1,683,820	1,278,550	1,244,683	1,743,022	1,109,207	1,029,444	1,747,064	870,083	449,452
Transfers	(235,878)	8,332,288	(1,067,687)	1,190,709	(3,643,396)	(3,232,056)	(6,553,395)	(613,320)	(401,611)
Total Governmental Activities	100,580,571	96,362,894	90,387,245	110,885,078	111,053,239	85,141,270	61,834,185	56,827,346	47,495,358
Business-Type Activities:									
Franchise and Utility Taxes	163,729	-	-	-	-	-	-	-	-
Interest	2,518,139	3,422,215	3,739,124	7,804,382	12,791,943	10,451,211	4,724,930	2,437,425	3,157,712
Swap	-	10,000	5,124,500	2,344,000	4,944,612	5,914,273	1,309,273	763,742	-
Gain on Sale of Capital Assets	63,211	377,592	35,621	16,639	51,204	70,862	58,257	18,262	(62,462)
Miscellaneous	1,119,857	1,471,226	1,650,094	3,864,527	4,097,647	2,222,200	966,283	1,173,647	865,979
Transfers	235,878	(8,332,288)	1,067,687	(1,190,709)	3,643,396	3,232,056	6,553,395	613,320	401,611
Total Business-Type Activities	4,100,814	(3,051,255)	11,617,026	12,838,839	25,528,802	21,890,602	13,612,138	5,006,396	4,362,840
Total Primary Government-Other	**104,681,385**	**93,311,639**	**102,004,271**	**123,723,917**	**136,582,041**	**107,031,872**	**75,446,323**	**61,833,742**	**51,858,198**
Changes in Net Assets									
Governmental Activities	(8,038,778)	(4,478,497)	(9,732,904)	20,769,905	50,708,336	106,188,050	29,832,941	9,312,407	30,747,830
Business-Type Activities	(9,811,614)	(21,639,402)	(4,299,100)	13,533,940	43,735,548	43,791,957	70,107,198	71,023,467	28,081,242
Total Primary Government	**(17,850,392)**	**(26,117,899)**	**(14,032,004)**	**34,303,845**	**94,443,884**	**149,980,007**	**99,940,139**	**80,335,874**	**58,829,072**

NOTE: The City began to report accrual information when it implemented GASB 34 in fiscal year 2003

"A City for All Ages"

CITY OF PORT ST. LUCIE, FLORIDA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Fund:										
Nonspendable	$ 826,414	$ 127,457	$ 133,948	$ 129,525	$ 1,017,295	$ 107,443	$ 117,903	$ 121,349	$ 323,048	$ 64,227
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	29,307	12,707	-	136,632	73,230	95,347	1,096,142	1,885,713	70,270	5,838
Assigned	11,120,370	9,641,078	11,588,706	17,495,124	8,325,498	1,634,652	9,514,289	9,301,376	7,658,114	4,582,215
Unassigned	3,084,366	2,792,600	3,945,345	3,511,825	6,378,060	11,185,756	1,463,846	1,452,032	2,417,390	2,268,712
Total General Fund	**15,060,457**	**12,573,842**	**15,667,999**	**21,273,106**	**15,794,083**	**13,023,198**	**12,192,180**	**12,760,470**	**10,468,822**	**6,920,992**
All Other Governmental Funds:										
Nonspendable	175,419	23,129	1,716,365	26,291	247,227	125,304	234,004	106,729	66,283	8,816
Restricted	12,558,416	11,559,530	130,068	493,528	725,911	54,109	-	-	-	-
Committed	6,171,180	9,157,747	23,272,047	107,138,026	141,171,584	44,835,254	58,087,042	66,176,037	42,463,344	65,100,942
Assigned	70,483,809	113,688,325	117,039,252	142,389,896	147,255,420	174,211,665	106,168,907	63,271,694	70,433,356	31,587,790
Unassigned	(1,052,783)	(945,600)	(2,190,732)	(7,845,472)	(390,326)	(761,354)	-	-	-	-
Total All Other Governmental Funds	**88,336,041**	**133,483,131**	**139,967,000**	**242,202,269**	**289,009,816**	**218,464,978**	**164,489,953**	**129,554,460**	**112,962,983**	**96,697,548**
Total Governmental Funds	**103,396,498**	**146,056,973**	**155,634,999**	**263,475,375**	**304,803,899**	**231,488,176**	**176,682,133**	**142,314,930**	**123,431,805**	**103,618,540**

NOTE: The City revised the fund balance categories when it implemented GASB Statement No. 54 in 2010, and restated all prior years.

CITY OF PORT ST. LUCIE, FLORIDA

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2011	2010	2009	2008
Revenues:				
Taxes	$ 52,516,922	$ 48,481,802	$ 52,136,148	$ 61,086,578
Licenses and Permits	11,022,562	11,452,024	12,427,201	13,177,960
Intergovernmental	26,608,782	32,424,409	28,899,528	34,464,721
Charges for Services	15,917,455	13,282,633	11,985,186	12,501,201
Human Services	99,098	115,435	104,965	108,017
Fines and Forfeitures	756,683	1,121,170	1,009,035	970,097
Interest on Investments	2,387,683	3,884,779	1,937,732	7,693,158
Interest on Special Assessments	18,257,389	8,462,472	9,137,147	10,988,686
Impact Fees	2,553,496	3,170,986	3,051,214	5,316,188
Developers Contributions	198,230	515,417	2,817,079	1,861,358
Other	2,971,833	2,779,960	2,354,435	3,137,429
Total Revenues	**133,290,133**	**125,691,087**	**125,859,670**	**151,305,393**
Expenditures:				
Current:				
General Government	12,173,872	12,201,341	10,859,846	12,072,175
Public Safety	34,743,405	39,380,020	39,746,373	37,171,553
Physical Environment	2,582,236	1,409,355	3,529,369	1,195,176
Transportation	12,774,026	11,899,324	15,103,623	21,165,446
Economic Environment	8,989,001	17,129,859	3,598,068	8,034,727
Human Services	1,297,163	1,610,095	1,529,441	1,585,256
Culture and Recreation	9,228,267	9,662,874	10,591,211	7,570,299
Capital Outlay	41,935,095	43,983,462	106,373,286	201,807,935
Intangibles	723,493	14,850	-	-
Debt Service				
Principal	25,380,000	23,664,213	20,732,188	34,554,557
Interest	27,331,315	26,867,419	25,861,845	24,785,700
Total Expenditures	**177,157,873**	**187,822,812**	**237,925,250**	**349,942,824**
Excess (deficiency) of revenues over (under) expenditures	**(43,867,740)**	**(62,131,725)**	**(112,065,580)**	**(198,637,431)**
Other Financing Sources (Uses) (1)				
Transfers in	27,405,304	63,544,144	37,123,250	118,819,303
Transfers Out	(27,641,182)	(55,211,856)	(38,190,937)	(121,584,621)
Issuance of Debt	31,575,000	39,900,000	76,960,000	163,155,000
Premium on Issuance of Debt	-	-	532,697	60,999
Discount on Issuance of Debt	(176,857)	(678,589)	(859,195)	(3,141,774)
Credit Enhancement Fee	-	5,000,000	-	-
Refunded Bond Escrow	(29,955,000)	-	(71,340,606)	-
Total Other Financing Sources (Uses)	**1,207,265**	**52,553,699**	**4,225,209**	**157,308,907**
Net Change in Fund Balances	**(42,660,475)**	**(9,578,026)**	**(107,840,371)**	**(41,328,524)**
Debt Service as a percentage of non-capital expenditures (2)	36.77	34.30	35.14	37.01

(1) Other Sources and Uses reallocated for 2007

(2) Capitalization reconciliation amount used in ratio starting with GASB 34 in 2003

2007	2006	2005	2004	2003	2002
$ 67,267,830	$ 51,761,788	$ 37,844,417	$ 29,690,938	$ 23,840,428	$ 20,373,898
5,747,294	8,525,628	13,058,345	9,933,478	7,248,541	4,130,984
28,569,107	28,498,714	29,525,221	23,084,389	16,921,573	12,701,199
13,409,488	12,530,657	19,413,929	16,432,840	13,873,945	11,606,644
116,300	109,338	97,193	80,770	85,342	68,779
1,150,631	889,044	849,059	1,062,819	1,002,952	713,347
17,208,824	8,861,164	3,816,186	2,758,107	2,459,682	-
8,886,909	9,459,364	9,704,565	10,476,511	7,217,605	-
10,720,007	20,894,212	14,942,169	11,923,402	8,264,758	-
12,253,243	55,493,467	5,463,283	10,625,000	2,715,000	-
3,468,900	2,717,489	3,331,803	4,885,690	2,999,856	17,527,818
168,798,533	**199,740,865**	**138,046,170**	**120,953,944**	**86,629,682**	**67,122,669**
12,862,379	13,376,409	11,534,911	10,080,721	8,051,082	4,949,609
34,160,143	34,610,167	33,890,702	27,117,155	15,790,890	17,369,860
1,277,461	913,514	988,870	767,560	760,183	1,077,086
13,979,979	11,706,250	8,078,585	6,190,778	7,823,240	14,661,241
6,472,106	3,234,282	981,864	1,257,098	1,505,479	1,974,032
1,546,693	1,309,706	1,060,103	820,008	637,269	1,081,353
7,384,388	6,861,866	5,343,601	4,959,781	4,480,759	4,343,560
104,864,122	86,801,669	66,986,769	72,613,797	61,992,894	19,710,981
-	-	-	-	-	-
31,136,159	21,766,909	31,332,787	21,127,397	27,580,272	32,276,323
16,814,543	12,266,349	10,828,653	12,236,150	7,631,750	8,166,864
230,497,973	**192,847,121**	**171,026,845**	**157,170,445**	**136,253,818**	**105,610,909**
(61,699,440)	**6,893,744**	**(32,980,675)**	**(36,216,501)**	**(49,624,136)**	**(38,488,240)**
93,958,526	16,652,123	33,604,948	37,435,828	11,780,058	35,647,004
(97,601,922)	(19,884,179)	(40,281,097)	(38,299,148)	(12,181,669)	(30,017,596)
136,830,000	49,744,900	72,775,000	64,680,000	69,613,444	68,450,467
2,212,530	1,399,455	1,421,844	1,887,959	-	-
(383,971)	-	(172,818)	(170,013)	-	-
-	-	-	-	-	-
-	-	-	(10,435,000)	-	-
135,015,163	**47,912,299**	**67,347,877**	**55,099,626**	**69,211,833**	**74,079,875**
73,315,723	**54,806,043**	**34,367,202**	**18,883,125**	**19,587,697**	**35,591,635**
35.27	33.66	34.24	26.69	47.42	47.08

Revenue Capacity

CITY OF PORT ST. LUCIE, FLORIDA

Assessed Value of Taxable Property

Last Ten Fiscal Years

Tax Roll Year	Real Property	Personal Property	Centrally Assessed	Combined(1) Exemptions	Assessed Value For Operations	Operating Millage
2002	$ 4,128,072,137	$ 297,754,233	$ 272,017	$ 1,035,091,781	$ 3,391,006,606	4.6066
2003	4,977,036,929	316,487,655	299,944	1,096,240,271	4,197,584,257	4.9399
2004	6,791,568,073	344,247,634	324,003	1,233,949,272	5,902,190,438	4.6899
2005	9,416,966,696	437,940,172	326,912	1,454,998,314	8,400,235,466	3.6899
2006	13,355,784,368	483,044,056	369,665	1,698,952,045	12,140,246,044	3.4399
2007	14,357,933,121	592,885,837	451,868	1,859,917,943	13,091,352,883	3.2172
2008	12,779,489,552	647,192,155	610,423	2,880,690,124	10,546,602,006	3.2172
2009	9,945,285,528	658,937,776	406,311	2,769,978,059	7,834,651,556	3.6866
2010	8,787,692,591	645,199,358	397,988	2,689,788,860	6,743,501,077	4.3098
2011	8,495,592,739	631,827,590	410,912	2,674,949,192	6,452,882,049	4.5096

(1) The Combined Exemptions consists of: a) Renewable Energy Sources, b) Governmental, c) Widows & Widowers, d) Disability, e) Institutional, f) Homestead - regular and additional, g) LOLA, h) Economic Development, and i) Tangible Personal Property Exentions.

SOURCE: St. Lucie County Property Appraiser.

NOTE: Tax Roll Year is January 1 to December 31.
City's Fiscal Year is October 1 to September 30.

CITY OF PORT ST. LUCIE, FLORIDA

PROPERTY TAX RATES

DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

	CITY of PORT ST. LUCIE			ST. LUCIE COUNTY			SCHOOLS			OTHER AGENCIES	
TAX ROLL YEAR	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Capital Improv. Millage	Total Schools Millage	Operating Millage	TOTAL City-Wide Millage
2002	4.6066	0	4.6066	7.8551	0.2917	8.1468	6.5190	2.2900	8.8090	3.8996	25.4620
2003	4.9399	0	4.9399	8.1951	0.1620	8.3571	6.3550	2.2280	8.5830	4.0076	25.8876
2004	4.6899	0	4.6899	8.0583	0.1490	8.2073	6.1310	2.1820	8.3130	4.0076	25.2178
2005	3.6899	1.0000	4.6899	7.8583	0.1370	7.9953	5.9220	2.0000	7.9220	3.9832	24.5904
2006	3.4399	1.0000	4.4399	7.2112	0.0977	7.3089	5.7370	2.0000	7.7370	3.6832	23.1690
2007	3.2172	1.0000	4.2172	6.6833	0.0920	6.7753	5.4900	2.0000	7.4900	3.3368	21.8193
2008	3.2172	1.0000	4.2172	6.6833	0.0613	6.7446	5.9350	1.7500	7.6850	3.3368	21.9836
2009	3.6866	1.0000	4.6866	6.6833	0.0613	6.7446	6.4760	1.5000	7.9760	3.4382	22.8454
2010	4.3098	1.1625	5.4723	7.4024	0.0613	7.4637	6.6770	1.5000	8.1770	3.7221	24.8351
2011	4.5096	1.2193	5.7289	7.4538	0.0154	7.4692	6.3780	1.5000	7.8780	3.7005	24.7766

SOURCE: Typical Tax Bill - St. Lucie County Tax Collector.

NOTES: Rate based on per $1,000 of taxable property value.
Tax Roll Year is January 1 to December 31.
Municipality's Fiscal Year is October 1 to September 30.

CITY of PORT ST. LUCIE, FLORIDA

Principal Property Taxpayers

Current Year and Ten Years Ago

	2011 Tax Roll			2001 Tax Roll		
	Total Assessed Value (1)	Rank	Percentage of Total Taxable Assessed Value	Total Assessed Value (1)	Rank	Percentage of Total Taxable Assessed Value
Florida Power and Light Co	$ 84,712,541	1	1.31	$ 44,805,281	1	1.47
Wal-Mart Stores East LP	75,832,769	2	1.18			
Inland Diversified PSL Landing	43,133,300	3	0.67			
Southern Bell Tel and Tel	40,216,786	4	0.62	33,389,261	2	1.10
HCA	37,318,542	5	0.58	27,401,068	4	0.90
Sandpiper Resort Prop Inc	35,089,535	6	0.54	24,199,428	5	0.79
St Lucie Land Ltd	32,737,800	7	0.51			
Liberty Medical Supply Inc	25,444,085	8	0.39			
Floridian National Golf Club L	19,771,109	9	0.31			
Benderson Development Co Inc	17,499,200	10	0.27			
St. Lucie West Development Corp.				31,505,591	3	1.03
Levitt Homes, Inc				13,789,800	6	0.45
Outdoor Resorts at SLW, Inc.				12,973,700	7	0.43
Regency Centers, Inc				12,365,800	8	0.41
Martin Memorial				11,463,235	9	0.38
LSL Associates LP LTD				10,623,700	10	0.35
Taxable Value of 10 Largest Taxpayers	411,755,667		6.38	222,516,864		7.31
Taxable Value of Other Taxpayers	6,041,126,382		93.62	2,822,429,612		92.69
Taxable Value of All Taxpayers	**6,452,882,049**		**100.00**	**3,044,946,476**		**100.00**

(1) Includes both Real and Personal Property

NOTE: Tax Roll Year is January 1 to December 31.

SOURCES: St. Lucie County Property Appraiser, St. Lucie County Tax Collector and City of Port St. Lucie GIS Department

City of Port St. Lucie, Florida
Special Assessment Districts
Last Ten Fiscal Years

Fiscal Year	Special Assessments Billed	Special Assessments Collected	Delinquent Payments Collected	Prepayments, Partial Payments and Payoffs Collected (1)
2001-02	$ 10,523,110	$ 9,950,052	$ 1,052,162	$ 4,894,554
2002-03	10,437,819	10,137,253	1,040,403	1,472,521
2003-04	15,101,417	14,718,094	127,327	1,707,473
2004-05	15,854,688	15,461,428	93,578	2,557,872
2005-06	16,053,204	15,721,524	9,816	1,831,369
2006-07	15,977,882	15,602,406	54	1,050,935
2007-08	20,209,498	19,545,433	18,480	829,289
2008-09	18,065,227	17,289,511	13,123	1,378,760
2009-10	17,818,605	16,873,137	129,031	1,226,490
2010-11	31,619,450	29,216,274	(23,730)	719,693
Ten Year Totals	**171,660,899**	**164,515,111**	**2,460,243**	**17,668,956**

(1) Prepayments, Partial Payments and Payoffs collected are not included in the "billed" assessments of any year's tax roll billings.

Notes:
Fiscal Year 2001-02 was the first billing year for USA 5+6+7A.
Fiscal Year 2003-04 was the first billing year for the following new assessment districts:
(1) S.Lennard Road, (2) RiverPoint, (3) Tesoro & (4) Glassman.
Fiscal Year 2004-05 was the first billing year for East Lake Village SAD.
Fiscal Year 2005-06 was the first billing year for USA 9 .
Fiscal Year 2007-08 was the first billing year for the following new assessment districts:
(1) St Lucie Land, (2) City Center, (3) Lowry, (4) Peacock.
Fiscal Year 2008-09 City Center Bonds Refunded.
Fiscal Year 2010-11 (2010 Tax Roll) will be the first year of billing on the refunded City Center Bonds.
Fiscal Year 2010-11 negative delinquent collections amount is due to a 2006 tax certificate refunded.

The above data is combined for thirteen (13) existing assessment districts.

Sources: City of Port St. Lucie Finance Department
St. Lucie County Tax Collector

CITY OF PORT ST. LUCIE, FLORIDA

Property Tax Levies and Collections

Last Ten Years

Fiscal Year	Tax Roll Year	Total Tax Levy	Current Tax Collections (1)	Percent of Levy Collected	Delinquent Tax Collections (per Collection Year)	Subsequent Year Collections (per Levy Year)	Total Collections to Date	
							Amount	Percent of Levy (2)
01-02	2001	$ 13,063,245	$ 12,483,847	95.6	$ 154,595	$ 77,379	$ 12,561,226	96.2
02-03	2002	15,620,304	15,002,628	96.0	188,591	83,057	15,085,685	96.6
03-04	2003	20,679,133	19,926,317	96.4	42,870	27,343	19,953,660	96.5
04-05	2004	27,481,070	26,498,822	96.4	37,447	37,039	26,535,861	96.6
05-06	2005	39,291,125	37,845,564	96.3	28,835	65,708	37,911,272	96.5
06-07	2006	53,751,893	51,861,616	96.5	82,931	(27,281)	51,834,335	96.4
07-08	2007	55,001,379	53,076,166	96.5	(61,810)	96,685	53,172,851	96.7
08-09	2008	44,658,353	42,433,724	95.0	190,965	387,207	42,820,931	95.9
09-10	2009	36,841,021	35,107,786	95.3	304,047	216,745	35,107,786	95.3
10-11	2010	37,003,023	35,188,029	95.1	310,838	n/a	35,188,029	95.1

(1) Current Tax Collections presented herein are through the County Tax Collector's Recapitulation date of June 30th.
- Includes Operating and Debt Service starting with the 2005 Tax Roll Year.
-Tax Roll Year is January 1st to December 31st.
-Municipality's Fiscal Year is October 1st to September 30th.

(2) Does not include Delinquent Tax Collections per Collection Year column.

SOURCE: St. Lucie County Tax Collector Records.

CELEBRATE 1961 50 2011 PORT ST. LUCIE

CITY of PORT ST. LUCIE
INCORPORATED 1961
FLORIDA

"A City for All Ages"

Debt Capacity

CITY OF PORT ST. LUCIE

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Year / Population	Governmental Activities: General Obligation Bonds	Revenue Bonds	Certificates of Participation	Special Assessment District	Tax Increment Financing	Business-Type Activities: Stormwater Bonds	Golf Course Bonds	Utility Revenue Bonds	Utility Customers	Utility Debt Only Per Utility Customer	(1) Total Bond Debt Citywide	Total Debt Per Capita	Total Debt Per Personal Income
2002 / 96,430	$ -	$ 35,870,000	$ 2,950,000	$ 127,440,000	$ -	$ 7,440,000	$ 6,385,000	$ 199,676,558	32,269	$ 6,188	$ 379,761,558	$ 3,938	3.59%
2003 / 103,072	-	53,530,000	2,840,000	151,925,000	-	17,870,000	6,385,000	245,248,053	37,716	6,502	477,798,053	4,636	4.30%
2004 / 115,155	-	66,210,000	8,260,000	155,270,000	11,870,000	17,310,000	6,385,000	278,847,162	48,156	5,790	544,152,162	4,725	4.26%
2005 / 129,135	49,285,000	62,170,360	7,905,000	152,160,000	11,690,000	16,730,000	6,120,000	380,902,162	57,841	6,585	686,962,522	5,320	4.95%
2006 / 144,159	89,325,000	57,986,881	7,525,000	139,940,000	16,380,000	16,125,000	-	451,607,162	65,010	6,947	778,889,043	5,403	5.09%
2007 / 155,315	89,125,000	49,590,832	49,410,000	160,525,000	57,415,000	15,495,000	-	455,237,688	67,790	6,715	876,798,520	5,645	5.44%
2008 / 157,896	88,925,000	45,526,346	49,170,000	301,880,000	56,940,000	12,380,000	-	431,987,736	68,906	6,269	986,809,082	6,250	5.95%
2009 / 155,251	88,725,000	41,052,910	48,040,000	296,640,000	56,400,000	12,130,000	-	447,939,040	69,417	6,453	990,926,950	6,383	6.16%
2010 / 156,392	88,025,000	75,820,000	47,180,000	283,400,000	55,145,000	47,875,000	-	444,871,195	69,884	6,366	1,042,316,195	6,665	n/a
2011 / 166,041	87,075,000	72,205,000	45,475,000	267,230,000	53,825,000	47,600,000	-	441,645,505	70,164	6,294	1,015,055,505	6,113	n/a

(1) Bond debt excludes bank loans and anticipation notes.

CITY OF PORT ST. LUCIE

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Year	Population	Assessed Value	General Obligation Bonds Outstanding	G.O. Percentage of Assessed Value	General Obligation Debt per Capita	Total Voter Approved General Obligation Debt	Total General Obligation Debt Issued	Remaining Approved General Obligation Debt
2002	96,430	$ 3,391,006,606	$ -	n/a	$ -	$ -	$ -	$ -
2003	103,072	4,197,584,257	-	n/a	-	-	-	-
2004	115,155	5,902,190,438	-	n/a	-	-	-	-
2005	129,135	8,400,235,466	49,285,000	0.59%	382	165,000,000	49,285,000	115,715,000
2006	144,159	12,140,246,044	89,325,000	0.74%	620	165,000,000	93,830,000	71,170,000
2007	155,315	13,091,352,883	89,125,000	0.68%	574	165,000,000	93,830,000	71,170,000
2008	157,896	10,546,602,006	88,925,000	0.84%	563	165,000,000	93,830,000	71,170,000
2009	155,251	7,834,651,556	88,725,000	1.13%	571	165,000,000	93,830,000	71,170,000
2010	156,392	6,743,501,077	88,025,000	1.31%	563	165,000,000	93,830,000	71,170,000
2011	166,041	6,452,882,049	87,075,000	1.35%	524	165,000,000	93,830,000	71,170,000

CITY OF PORT ST. LUCIE, FLORIDA

Computation of Direct and Overlapping Bonded Debt

General and Limited Obligation Bonds

September 30, 2011

Jurisdiction	Bonded Debt Outstanding	Percent Applicable To City	Dollar Amount Total Applicable To City	Dollar Amount Per Capita Applicable To City (population = 166,041)
ST. LUCIE COUNTY	$ 1,225,000	44.17	$ 541,083	$ 3
ST. LUCIE COUNTY DISTRICT SCHOOL BOARD (A)	-	40.21	-	-
CITY OF PORT ST. LUCIE	87,075,000	100.00	87,075,000	524
TOTAL	88,300,000		87,616,083	527

Note: The above information on Bonded Debt does not include Self Supporting and Non-self Supporting Revenue Bonds, Certificates and Notes.

(A) Exemptions for Economic Development and Additional Homestead are not included.

Sources: St. Lucie County Clerk of Circuit Court
St. Lucie County School Board
St. Lucie County Property Appraiser,
City of Port St. Lucie Finance Department
University of Florida Bureau of Economic and Business Research.

CITY OF PORT ST. LUCIE, FLORIDA

Revenue Bond Coverages

September 30, 2011

Local Option Gas Tax Revenue Bonds, Series 2000
Local Option Gas Tax Refunding and Improvement Revenue Bonds, Series 2004

Fiscal Year Ending	Total Local Option Gas Tax Revenue	Maximum Annual Debt Service Requirement	Debt Service Coverage
2002	$ 4,843,524	$ 3,379,473	1.43
2003	5,601,758	3,378,498	1.66
2004	5,883,647	3,733,465	1.58
2005	6,835,166	3,733,465	1.83
2006	7,467,955	3,733,465	2.00
2007	7,420,536	3,733,465	1.99
2008	7,579,396	3,731,980	2.03
2009	7,456,766	3,731,980	2.00
2010	7,602,956	3,731,980	2.04
2011	7,614,566	3,731,500	2.04

Sales Tax Improvement Revenue Bonds, Series 2003
Sales Tax Refunding Bonds, Series 2008

Fiscal Year Ending	Local Government Half-Cent Sales Tax Revenue	Maximum Annual Debt Service Requirement	Debt Service Coverage
2002	$ 3,559,498	$ 1,010,838	3.52
2003	4,184,262	2,223,750	1.88
2004	4,706,805	2,223,750	2.12
2005	5,581,577	2,223,750	2.51
2006	5,979,895	2,223,750	2.69
2007	5,709,452	2,223,750	2.57
2008	5,357,939	2,223,750	2.41
2009	4,908,774	2,223,750	2.21
2010	4,729,330	2,223,750	2.13
2011	4,928,954	2,223,750	2.22

CITY OF PORT ST. LUCIE, FLORIDA
Revenue Bond Coverage
Stormwater Utility System

	Fiscal Year Ending September 30,									
	2011	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**
Stormwater Revenues:	$ 19,219,609	$ 19,019,552	$ 16,480,343	$ 15,132,862	$ 14,606,760	$ 13,933,709	$ 13,587,223	$ 12,487,786	$ 12,042,509	$ 11,007,629
Interest Income: (1)	78,250	319,034	67,971	342,071	467,275	246,866	235,704	201,562	531,127	262,114
Franchise Revenues:	7,656,194	7,987,044	8,627,252	8,363,948	8,176,844	7,370,278	5,451,820	4,727,297	4,344,380	3,577,351
Total Pledged Revenues:	26,954,053	27,325,630	25,175,566	23,838,881	23,250,879	21,550,853	19,274,747	17,416,645	16,918,016	14,847,094
Less: Operating Expenses: (2)	15,726,612	14,467,667	14,193,932	15,173,434	13,384,262	13,203,540	13,585,080	9,777,377	10,045,549	9,017,549
Total Net Pledged Revenues:	11,227,441	12,857,963	10,981,634	8,665,447	9,866,617	8,347,313	5,689,667	7,639,268	6,872,467	5,829,545
Stormwater Revenues less Operating Expenses: (2)	3,492,997	4,551,885	2,286,411	(40,572)	1,222,498	730,169	2,143	2,710,409	1,996,960	1,990,080
Maximum Annual Debt Service Requirements on Series 2002 and Series 2010 A&B Bonds:	3,988,449	4,046,274	1,436,250	1,436,250	1,436,250	1,436,250	1,436,250	1,436,250	1,436,250	1,436,250
Debt Service Coverage Based on Total Pledged Revenues:	6.76	6.75	17.53	16.60	16.19	15.00	13.42	12.13	11.78	10.34
Debt Service Coverage Based on Total Net Pledged Revenues:	2.81	3.18	7.65	6.03	6.87	5.81	3.96	5.32	4.79	4.06

(1) Build America Bond (BAB) interest reimbursements are not included in Interest Income. As of September 23, 2002, Ordinance 02-108 included investment income on the Stormwater Revenues in the Stormwater Utility Trust Fund as part of the Pledged Revenues.

(2) Excludes depreciation expense and accrued OPEB obligations.

CITY OF PORT ST. LUCIE, FLORIDA
Revenue Bond Coverage
Water and Sewer Utility System Revenue Bonds

	Fiscal Year Ending September, 30									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Operating Revenues										
Charges for Services	$ 56,168,504	$ 52,535,104	$ 52,688,326	$ 50,991,171	$ 50,346,537	$ 44,449,989	$ 36,188,051	$ 30,499,629	$ 24,452,303	$ 22,008,992
Misc. Revenues	2,476,104	2,598,709	508,160	455,370	1,054,405	1,237,803	916,616	653,652	465,294	370,462
Total Operating Revenues	58,644,608	55,133,813	53,196,486	51,446,541	51,400,942	45,687,792	37,104,667	31,153,281	24,917,597	22,379,454
Operating Expenses (1)	29,069,871	31,393,224	30,892,393	29,345,994	27,463,736	22,741,704	17,847,709	13,961,731	13,501,896	11,484,550
Net Operating Revenues	29,574,737	23,740,589	22,304,093	22,100,547	23,937,206	22,946,088	19,256,958	17,191,550	11,415,701	10,894,904
Other Revenues										
Interest Income	1,133,271	1,275,227	6,378,889	3,172,308	4,314,301	3,656,046	4,357,929	2,233,631	2,616,515	3,541,133
Guaranteed Revenues	264,225	504,500	645,888	858,106	1,329,259	1,106,939	765,891	333,097	121,507	43,731
Total Other Revenues	1,397,496	1,779,727	7,024,777	4,030,414	5,643,560	4,762,985	5,123,820	2,566,728	2,738,022	3,584,864
Total Net Revenue Available	30,972,233	25,520,316	29,328,870	26,130,961	29,580,766	27,709,073	24,380,778	19,758,278	14,153,723	14,479,768
Debt Service Coverage										
Net Revenues	30,972,233	25,520,316	29,328,870	26,130,961	29,580,766	27,709,073	24,380,778	19,758,278	14,153,723	14,479,768
Pledged Connection Fees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Current Sub Accounts (2)	23,240,079	23,112,616	23,386,952	22,151,707	22,744,994	17,884,138	12,922,695	10,953,756	8,599,520	7,805,740
Debt Service Requirement	25,307,749	25,129,341	26,232,845	25,288,540	25,638,320	20,807,291	15,873,410	14,066,324	11,434,025	10,480,014
Coverage Test										
Test 1a (3)	1.22	1.02	1.12	1.03	1.15	1.33	1.54	1.40	1.24	1.38
Test 1b (4) (5)	2.14	1.94	2.01	1.91	2.04	2.19	2.35	2.18	1.99	2.13

Note: (1) Excludes Depreciation, Amortization, and accrued OPEB obligations.
(2) 2007 and 2008 revised to reflect a switch to the Capital Facility Charge debt service component.
(3) Per Series 1997A Bond Resolution, Series 2001 Bond Resolution, Series 2003 Bond Resolution, Series 2004 Bond Resolution, and Series 2004A Bond Resolution.
Coverage = Net Revenues/Debt Service. Required coverage is 1.00.
(4) Per Series 1997A Bond Resolution.
Coverage = (Net Revenues + Pledged CFCs)/Debt Service. Required coverage is 1.10.
(5) Per Series 2001 Bond Resolution, Series 2003 Bond Resolution, Series 2004 Bond Resolution, and Series 2004A Bond Resolution.
Coverage = (Net Revenues + Current Sub Accounts)/Debt Service. Required coverage is 1.10.

Demographic and Economic

CITY OF PORT ST. LUCIE, FLORIDA

Population Statistics

Last Ten Years

	City of Port St. Lucie, Florida			County of St. Lucie, Florida			
Year	Population Number	Number Increase (Decrease)	Percent Increase (Decrease)	Population Number	Number Increase (Decrease)	Percent Increase (Decrease)	City Population as a Percent of County
2002	96,430	3,937	4.3	203,360	5,107	2.6	47.4
2003	103,072	6,642	6.9	211,898	8,538	4.2	48.6
2004	115,155	12,083	11.7	226,216	14,318	6.8	50.9
2005	129,135	13,980	12.1	240,039	13,823	6.1	53.8
2006	144,159	15,024	11.6	259,315	19,276	8.0	55.6
2007	155,315	11,156	7.7	271,961	12,646	4.9	57.1
2008	157,896	2,581	1.7	276,428	4,467	1.6	57.1
2009	155,251	(2,645)	(1.7)	272,864	(3,564)	(1.3)	56.9
2010	156,392	1,141	0.7	272,782	(82)	(0.0)	57.3
2011	166,041	9,649	6.2	279,696	6,914	2.5	59.4
							City Growth as a Percent of County Growth
Ten Year Growth	**73,548**	**79.5**		**81,443**	**41.1**		**90.3**

SOURCES: University of Florida Bureau of Economic and Business Research.
Governor's Office of Economic Analysis.
Population data is as of April 1st for each year listed.

CITY OF PORT ST. LUCIE, FLORIDA

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	(1) Personal Income (000's)	(1) Per Capita Income	(2) Public School Enrollment	(1) Unemployment Percentage
2002	$ 10,589,183	$ 31,520	15,781	7.3
2003	11,117,736	32,029	16,995	6.8
2004	12,780,167	35,280	18,253	7.6
2005	13,864,480	36,869	19,989	4.6
2006	15,293,571	39,469	24,232	4.4
2007	16,108,981	40,340	25,530	6.2
2008	16,589,594	40,990	24,176	9.4
2009	16,076,424	39,568	23,968	13.5
2010	n/a	n/a	26,352	14.1
2011	n/a	n/a	25,543	12.7

(1) Prior year revisions included per U.S. Department of Labor.

(2) Starting in 2010, includes Savanna Ridge, Renaissance, and Nau Charter schools. Starting in 2011, includes Palm Point Charter.

NOTE: Public school figures include Port St. Lucie only. All other figures cover the Port St. Lucie Metropolitan Statistical Area (MSA).

SOURCES: St. Lucie County Public School System
U.S. Department of Labor

CITY OF PORT ST. LUCIE, FLORIDA

Principal Employers in St. Lucie County

3rd Quarter 2011 and 1st Quarter 2004

	3rd Quarter 2011			1st Quarter 2004		
	Employees	Rank	Percent of Total Jobs	Employees	Rank	Percent of Total Jobs
St. Lucie School Board	4,946	1	5.33	4,144	1	6.43
Liberty Healthcare Group, Inc.	2,432	2	2.62	1,211	5	1.88
Lawnwood / HCA Medical	2,350	3	2.53	1,106	6	1.72
Wal-Mart Retail and Distribution	1,653	4	1.78	1,749	2	2.71
Publix	1,240	5	1.34	1,214	4	1.88
City of Port St. Lucie	1,105	6	1.19	943	7	1.46
Florida Power & Light	1,038	7	1.12	--	--	--
Indian River State College	1,037	8	1.12	1,538	3	2.39
QVC	826	9	0.89	888	8	1.38
St. Lucie County Commissioners	682	10	0.74	853	10	1.32
Riverside Bank	--	--	--	859	9	1.33
Total Top Ten	17,309		18.67	14,505		22.52
Total Jobs Available	92,727			64,420		

SOURCES: Economic Development Council of St. Lucie County
EMSI (Economic Modeling pecialists, Inc.)
City of Port St. Lucie Payroll Department
St. Lucie County Board of County Commissioners

NOTE: State and Federal employers not ranked.
Information is for St. Lucie County. Specific City only information not available.
Actual number of employees used, not full time equivalents (FTEs).
This information was only available starting in 2004.

CITY OF PORT ST LUCIE, FLORIDA
Construction Values
Last Ten Fiscal Years

	Construction			
	Residential		Commercial	
Year	Number of Units	Value	Number of Units	Value
2002	3,384	$ 333,622,385	296	$ 36,436,896
2003	6,363	635,875,121	269	63,110,832
2004	7,026	789,390,815	168	37,595,308
2005	7,341	1,001,637,632	348	89,036,036
2006	4,183	512,461,746	381	144,886,669
2007	1,289	185,825,190	449	148,693,443
2008	609	74,176,293	407	95,398,929
2009	197	14,978,683	290	61,687,034
2010	198	15,955,030	322	72,674,854
2011	188	20,315,132	245	52,119,534
Increase (decrease) over last year :				
Amount	(10)	4,360,102	(77)	(20,555,320)
Percent	-5.1%	27.3%	-23.9%	-28.3%

Source: City of Port St. Lucie Building Department.
The construction permit data switched from calendar year (January 1 - December 31) to fiscal year (October 1 - September 30) starting with Year 2011 figures.

Operating Information

CITY OF PORT ST. LUCIE, FLORIDA

Employees - Full Time Equivalents by Function / Program

Last Ten Fiscal Years

Budgeted Full Time Equivalent Employees per Fiscal Year

Function / Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government	127.16	144.26	166.61	169.14	196.90	207.95	189.85	169.24	151.61	125.92
Public Safety	308.63	364.55	393.46	398.08	388.08	338.84	293.58	262.33	234.58	209.96
Physical Environment	14.00	16.00	16.00	15.75	12.75	11.75	10.00	9.00	8.00	7.63
Transportation	68.50	80.00	89.00	91.00	96.00	95.00	78.38	67.38	62.38	58.00
Economic Environment	10.02	9.38	8.58	8.58	8.38	8.58	7.68	7.68	5.68	4.68
Human Services	14.00	16.00	18.00	20.00	20.00	19.00	16.00	14.00	10.00	20.00
Culture and Recreation	112.77	138.25	151.59	130.09	98.32	94.71	89.83	84.77	77.89	75.39
Utility Systems	250.00	272.00	305.50	306.31	306.50	292.50	260.00	237.00	206.63	187.00
Stormwater Utility	60.50	66.00	66.00	65.00	67.00	67.00	62.00	61.00	62.00	61.00
Golf Course	17.33	20.33	22.76	22.76	22.13	22.13	21.75	20.75	20.75	20.75
Totals	982.91	1,126.77	1,237.50	1,226.71	1,216.06	1,157.46	1,029.07	933.15	839.52	770.33

SOURCE: Annual Budget

CITY OF PORT ST. LUCIE, FLORIDA

Departmental Operating Indicators

Last Nine Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003
City Council									
Council Meetings	60	60	60	60	60	60	60	42	40
County Boards & Committee Mtgs.	180	180	180	180	180	180	180	108	108
Citizen Mtgs. with Mayor or Council	150	150	150	150	150	150	150	250	125
City Clerk (1)									
Records Requests	1,196	1,309	2,200	2,200	2,200	1,600	1,350	1,300	1,260
Ordinances & Resolutions	193	249	315	315	290	259	261	234	276
Legal Notices Posted	354	328	375	375	575	550	348	370	381
Finance Department (1)									
Accounts Payable Checks	11,774	12,246	13,876	13,876	16,593	18,425	17,788	15,136	14,415
Wire Transfers	586	742	696	696	626	730	710	818	744
Journal Entries	17,000	16,834	18,145	18,145	15,146	17,012	16,925	13,741	13,087
Human Resources									
Employment Applications Processed	2,500	3,000	2,000	6,000	5,500	4,500	6,300	6,070	3,500
Employment Applicants Interviewed	250	500	600	1,000	880	873	878	600	350
Community Services									
Housing Assistance (# of families)	80	34	38	64	78	78	30	122	278
Water/Sewer Assistance (# of families)	20	20	20	20	20	10	26	50	209
Volunteer Hours Provided to Area Social Agencies through S.H.I.P	500	4,000	2,000	3,200	5,000	5,000	3,000	3,000	3,000
Information Systems									
Servers Maintained	45	45	45	52	52	36	39	18	15
Workstations Maintained	870	870	836	1,300	1,222	1,154	1,055	1,000	750
Work Orders Completed	2,500	2,500	2,411	2,500	2,418	2,960	3,388	2,576	2,642
Office of Management & Budget (1)									
Requests for Proposals (2)	117	45	38	38	130	114	72	24	22
Budget Amendments	3	3	2	2	2	3	2	3	3
Contracts Maintained	1,140	1,152	900	900	870	862	511	347	261
Code Enforcement									
Code Cases	8,499	10,182	16,230	12,849	10,692	8,199	6,500	6,300	6,000
Code Board Hearings	213	656	915	1,065	677	778	425	400	350
Animal Control									
Animal Cases	7,528	8,231	7,843	8,093	7,754	7,167	3,275	3,200	3,100
Animal Licenses	10,027	11,996	11,952	11,601	11,704	8,840	4,385	4,350	4,300
Planning Department									
Plans and Petitions Reviewed	91	91	86	226	456	600	555	586	509
Comprehensive Plan Amendments	7	11	11	25	16	50	46	57	27
Occupational Licenses									
Number of Licenses	7,649	9,000	9,300	9,800	9,300	8,500	7,300	6,000	5,700
Special Event Permits	60	70	100	100	34	150	125	100	100

CITY OF PORT ST. LUCIE, FLORIDA

Departmental Operating Indicators

Last Nine Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police Department (1)									
Arrests	2,452	3,134	4,869	4,692	4,692	4,838	3,600	3,545	3,408
Traffic Citations Issued	8,864	31,094	20,054	28,600	28,600	27,231	26,000	23,222	17,474
Calls for Service	154,749	161,779	151,376	160,400	160,400	145,852	80,000	77,167	69,340
Parking Tickets	275	499	1,135	1,900	1,900	1,800	1,100	1,085	1,393
Municipal Garage									
Vehicles / Equipment Maintained	5,490	4,315	5,151	4,273	4,230	5,055	4,300	3,300	3,000
Vehicle Accidents	90	136	152	144	152	160	120	152	95
Parks & Recreation Department									
Parks Maintained	34	34	34	34	32	32	n/a	n/a	n/a
Recreation Programs	702	901	924	901	894	875	813	1,048	998
Acres Maintained	797	797	797	400	309	310	308	261	280
Engineering Department									
Residential Plot Plans Reviewed	371	338	369	949	1,500	3,920	7,623	7,144	5,921
Site Plans Reviewed	132	23	22	120	150	545	497	493	371
Mark & Locates	1,758	2,968	3,757	4,554	5,000	8,814	9,520	9,730	8,160
Public Works									
Drainage Improvements (linear feet)	151,105	126,160	159,300	135,117	150,110	152,510	160,605	n/a	n/a
Drainage Right-of-Way Maint. (miles)	26	27	30	19	20	20	20	n/a	n/a
Street Paving (overlay miles)	18	20	21	29	35	34	35	n/a	n/a
Building Department									
Permits Issued	8,112	14,302	8,241	13,851	21,313	40,545	54,490	28,425	23,210
Plans Reviewed and Approved	7,449	7,150	8,241	13,851	21,313	40,545	9,000	8,000	7,370
Total Dwelling Units	188	255	450	682	1,847	4,700	7,285	4,130	3,790
Utility Department									
Underground Locates	7,176	10,372	11,241	65,000	64,000	60,889	57,343	43,342	25,031
Water Mains Maintained (miles)	1,214	1,204	1,193	1,148	1,125	1,106	1,064	974	871
Sewer Mains Maintained (miles)	1,035	1,023	1,021	1,017	1,000	976	953	844	738
Water Treatment Capacity (mgd)	41.65	41.65	41.65	41.65	25.15	25.15	19.15	18.00	16.85
Sewer Treatment Plant Capacity (mgd)	18.00	16.93	19.07	13.07	13.04	11.07	10.80	6.68	6.29

(1) Some previous 2008 through 2010 values revised.
(2) Formal bid threshhold increased to $25,000 in 2008 and to $35,000 in 2009.

SOURCE:
Annual Budget

NOTE:
Operating indicators recently developed as above.
Additional data will be reported in subsequent years, cumulating in a ten year presentation.

CITY OF PORT ST. LUCIE, FLORIDA

Capital Asset Statistics

Last Nine Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police Department									
Stations	3	3	3	2	2	2	2	1	1
Police / Public Safety Vehicles	293	300	285	305	307	252	247	208	154
Average Total Mileage per Vehicle	68,755	65,452	55,883	49,071	42,044	49,356	56,028	64,344	72,199
Municipal Garage									
Non-Public Safety Vehicles	372	387	409	416	424	412	371	313	306
Average Total Mileage per Vehicle	65,500	60,474	58,736	52,611	47,981	41,866	52,842	59,013	63,993
Parks & Recreation Department									
Parks Maintained	34	34	34	34	32	32	n/a	n/a	n/a
Acres Maintained	797	797	797	400	309	310	308	304	280
Square Feet of Buildings	999,954	999,954	999,954	999,954	494,095	384,725	n/a	n/a	n/a
Engineering									
Traffic Signals	146	146	130	114	100	88	88	88	82
Street Lights	5,185	4,692	4,380	3,331	2,331	2,223	2,148	2,043	1,877
Public Works									
Streets (miles)	887.4	887.4	878.8	876.7	876.0	876.0	854.6	854.6	854.6
Utility Department									
Water Mains (miles)	1,214	1,204	1,193	1,148	1,125	1,106	1,064	974	871
Water Treatment Plants	2	2	2	2	2	2	2	1	1
Water Treatment Capacity (million gallons per day)	41.65	41.65	41.65	41.65	25.15	25.15	25.15	18.00	16.85
Wastewater Mains (miles)	1,035	1,023	1,021	1,017	1,000	976	953	844	738
Wastewater Treatment Plants	2	3	3	3	3	3	3	3	3
Wastewater Treatment Capacity (million gallons per day)	18.00	16.93	19.07	13.07	13.04	11.07	10.80	6.68	6.29
Golf Course									
Municipal Golf Courses	1	1	1	1	1	1	1	1	1

SOURCE: Annual Budget ; Public Works and Finance Departments

NOTE: Capital asset statistics recently developed as above.
Additional data will be reported in subsequent years, cumulating in a ten year presentation.

City of Port St. Lucie, Florida

Utility System Statistics

Ten Largest Accounts FY 10-11

	Customer	Account Type	Water	Sewer	Total	Percentage
1.	Tropicana Products, Inc.	Industrial	$ 674,889	$ -	$ 674,889	1.37
2.	Wynne Building Corp.	Residential	222,812	446,294	669,106	1.36
3.	St. Lucie County School Board	Institutional	187,298	362,245	549,543	1.11
4.	Holiday Village of Sandpiper	Residential	117,701	232,021	349,722	0.71
5.	Brisben Development	Residential	99,148	196,087	295,235	0.60
6.	Allied New Technologies	Industrial	274,355	0	274,355	0.56
7.	Midport Place Condominiums	Residential	87,554	186,355	273,909	0.56
8.	Farash Florida Corporation	Residential	71,349	158,538	229,887	0.47
9.	KMJ Apartments LLC	Residential	74,326	150,653	224,979	0.46
10	Creative Choice Homes	Residential	72,395	140,111	212,506	0.43
	Total of top ten		**1,881,827**	**1,872,304**	**3,754,131**	**7.63**
	Total of others				45,597,483	92.37
	Total of all customers				**49,351,614**	**100.00**

Source - City of Port St. Lucie Utilities for the 12 months period ended September 30, 2011.

Single Audit Section

DMHB DiBARTOLOMEO, McBEE, HARTLEY & BARNES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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 City Council
City of Port St. Lucie, Florida

March 16, 2012

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Port St. Lucie, Florida, as of and for the year ended September 30, 2011, which collectively comprise the City of Port St. Lucie, Florida's basic financial statements and have issued our report thereon dated March 16, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Port St. Lucie, Florida's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Port St. Lucie, Florida's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Port St. Lucie, Florida's internal control over financial reporting.

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 on a timely basis.

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

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Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Port St. Lucie, Florida, in a separate letter dated March 16, 2012.

This report is intended solely for the information and use of management, City Council, others within the entity, and oversight agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

DiBartolomeo McBee Hartley & Barnes
Certified Public Accountants

CITY OF PORT ST. LUCIE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECT
For the year ended September 30, 2011

Description	CFDA/ CSFA Number	Contract Grant Number	Expenditures
FEDERAL PROGRAMS:			
U.S. Department of Housing and Urban Development			
Direct Program:			
Community Development Block Grant			
Entitlement (09/10)	14.218	B-09-MC-12-0038	$ 490,452
Entitlement (10/11)	14.218	B-10-MC-12-0038	3,044
Neighborhood Stabilization Program (NSP-1)	14.218	B-08-MN-12-0025	2,190,697
Neighborhood Stabilization Program (NSP-1) - Program Revenue	14.218	B-08-MN-12-0025	
Neighborhood Stabilization Program (NSP-3)	14.218	B-11-MN-12-0025	91,632
			2,775,825
Passed Through Saint Lucie County:			
Community Development Block Grant			
2005 HC Wilma Disaster Recovery (Supplemental) - West Dunbrooke	14.228	08DB-D3-10-66-01-A05	312,276
U.S. Department of Homeland Security			
Passed Through Florida State Department of Community Affairs:			
Disaster Relief - Hurricane Wilma (DR-1609)	97.036	06--WL-&K-10-66-02-628	552,930
Disaster Relief - Tropical Storm Fay (DR-1785)	97.036	09-FA-B9-10-66-00-609	6,080
			559,010
Passed Through Florida Division of Emergency Management			
Hazard Mitigation Grant Program - North St. Lucie River Drainage Improvements	97.039	DEM #10HM-23-10-66-02-011	15,204
U.S. Department of Justice			
Direct Program via Office of Justice Programs			
Bullet Proof Vest Program	16.607	10053264	3,741
Edward Byrne Memorial Justice Assistance Grant (JAG) - Local Solicitation	16.738	2009-DJ-BX-0950	1,647
Edward Byrne Memorial Justice Assistance Grant (JAG) - Enhancing Law Enforcement Capabilities Project	16.738	2010-DJ-BX-0157	36,860
			38,507
Pass-Through Florida Department of Law Enforcement			
Edward Byrne Memorial Justice Assistance Grant (JAG) - Criminal Justice Information Systems	16.738	2011-JAGC-STLU-B2-109	68,717
Total CFDA 16.738			107,224
Pass-Through Florida Office of the Attorney General			
Victimes of Crime Act (VOCA)	16.575	V10163	52,995
Federal Highway Administration (FHWA)			
Pass-Through Florida Department of Transportation (FDOT)			
ARRA - Port St. Lucie Blvd. Reconstruction LAP	20.205	AQ-211	610,078
US Department of Energy			
Direct Program via Office of Energy Efficiency & Renewalbe Energy ARRA - Energy Efficiency & Conservation Block Grant	81.128	DE-SC0002719	1,334,300
U.S. Department of Agriculture (USDA)			
Direct Program via Natural Resource Conservation Service (NRCS)			
Watershed Protection E-8 Waterway Drainage Improvements	10.923	69-4209-11-1768	384,392
TOTAL FEDERAL FINANCIAL ASSISTANCE			$ 6,155,045

CITY OF PORT ST. LUCIE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECT
For the year ended September 30, 2011

Description	CFDA/ CSFA Number	Contract Grant Number	Expenditures
STATE PROJECTS:			
Florida Housing Finance Corporation:			
Direct Program			
State Housing Initiatives Partnership Program	52.901	n/a	$ 514,753
Department of Community Affairs			
Direct Program			
Disaster Relief - Hurricane Wilma (DR-1609)	97.036	06--WL-&K-10-66-02-628	587
Disaster Relief - Tropical Storm Fay (DR-1785)	97.036	09-FA-B9-10-66-00-609	1,013
			1,600
Department of Environmental Protection			
Passed Through South Florida Water Management District:			
E-8 Waterway Stormwater Quality Retrofit - Phase III	37.039	4600002030	167,073
Howard Creek Stormwater Quality Retrofit	37.039	4600002098	804,342
			971,415
Florida Department of Transportation			
Direct Program			
Joint Participation Aggreement (JPA) - Westmoreland Blvd. Pedestrian Street Lighting	55.029	APX-86	286,750
Traffic Signal Enhancement Joint Participation Agreement (JPA) - Traffic Signal Enhancement	55.023	AP-038	69,122
Transportation Regional Incentive Program (TRIP)	55.026	APG-01	864,924
TOTAL STATE FINANCIAL ASSISTANCE			2,708,564
TOTAL STATE & FEDERAL ASSISTANCE			$ 8,863,609

CITY OF PORT ST. LUCIE, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECT
For the year ended September 30, 2011

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Projects was prepared to summarize the activity of all federal and state awards of the City of Port St. Lucie, Florida for the year ended September 30, 2011. For purposes of this schedule, federal programs and state projects included all grants and contracts entered into directly between the City and agencies and departments of the federal or state government with expenditures during the fiscal year. Federal programs and state projects passed through from other government agencies are also included in the schedule. The schedule also includes reimbursements in the current year for qualifying expenditures which were incurred by the City in prior years' but determined to be qualifying for reimbursement and received in the current year. The schedule is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE B – PROGRAM INCOME

The federal expenditures presented in the Schedule of Expenditures of Federal Awards for the City of Port St. Lucie, Florida include expenditures funded by program income. The following schedule shows total grant-related expenditures and their funding source for HUD grants, as these are the only grants with program income.

Program Title	Federal CFDA Number	Expenditures
Neighborhood Stabilization Program	14.218	
Federal expenditures funded by grant revenues		$ 81,275
Federal expenditures funded by program income		2,140,668
Total reant-related expenditures reported on SEFA		$ 2,221,943

NOTE B – CONTINGENCY

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by a grantor agency as a result of such audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

DMHB DiBARTOLOMEO, McBEE, HARTLEY & BARNES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM, STATE PROJECT, AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND CHAPTER 10.550 RULES OF THE AUDITOR GENERAL

To the City Council
City of Port St. Lucie, Florida

March 16, 2012

Compliance

We have audited City of Port St. Lucie, Florida's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, and the requirements described in the Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on each of City of Port St. Lucie, Florida's major federal programs and state projects for the year ended September 30, 2011. The City of Port St. Lucie, Florida's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state projects is the responsibility of City of Port St. Lucie, Florida's management. Our responsibility is to express an opinion on City of Port St. Lucie, Florida's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations;* and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133, and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about City of Port St. Lucie, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on City of Port St. Lucie, Florida's compliance with those requirements.

In our opinion, City of Port St. Lucie, Florida, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2011. The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with OMB Circular A-133 or Chapter 10.550, Rules of the Auditor General.

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Internal Control Over Compliance

Management of City of Port St. Lucie, Florida, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered City of Port St. Lucie, Florida's internal control over compliance with the requirements that could have a direct and material effect on a major federal program or state project to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Port St. Lucie, Florida's internal control over compliance.

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

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.

This report is intended solely for the information and use of management, City Council, others within the entity, and oversight agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

DiBartolomeo McBee Hartley & Barnes
Certified Public Accountants

City of Port St. Lucie, Florida
Schedule of Findings and Questioned Costs
Federal Programs and State Projects
For the year ended September 30, 2011

I. Summary of Auditor Findings

1. The independent certified public accountant's report expresses an unqualified opinion on the combined financial statements of the City of Port St. Lucie, Florida.
2. No reportable conditions were disclosed during the audit of the financial statements.
3. No instances of non-compliance material to the financial statements were disclosed during the audit.
4. No reportable conditions were disclosed during the audit of the major federal awards programs and state financial assistance projects.
5. The independent certified public accountant's report on compliance for the major federal awards programs and state financial assistance projects expresses an unqualified opinion.
6. There were no audit findings relative to the major federal awards programs and state financial assistance projects.
7. The programs/projects tested as major programs/projects were as follows:

FEDERAL PROGRAMS:	**CFDA#**
U.S. Department of Housing and Urban Development	
Passed Through Saint Lucie County:	
Disaster Recovery Funding - West Dunbrooke	14.228
U.S. Department of Homeland Security	
Passed Through Florida State Department of Community Affairs:	
Disaster Relief - Hurricane Wilma (DR-1609)	97.036
US Department of Energy	
Direct Program via Office of Energy Efficiency & Renewalbe Energy	81.128
ARRA - Energy Efficiency & Conservation Block Grant	

STATE PROJECTS:	**CSFA#**
Florida Housing Finance Corporation:	
Department of Environmental Protection	
Passed Through South Florida Water Management District:	
E-8 Waterway Stormwater Quality Retrofit - Phase III	37.039
Florida Department of Transportation	
Direct Program	
Transportation Regional Incentive Program (TRIP)	55.026

8. The threshold for distinguishing between Type A and Type B programs/projects was $300,000 for major federal programs and for major state projects.

9. The City of Port St. Lucie, Florida was determined to be a low risk auditee for federal program testing pursuant to OMB Circular A-133.

II. Financial Statement Findings

This section identifies the reportable conditions, material weaknesses, and instances of non-compliance related to financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards.*

There were no financial statement findings required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards.*

III. Federal Program Findings and Questioned Costs

None

IV. State Project Findings and Questioned Costs

This section identifies the reportable conditions, material weaknesses, and instances of non-compliance, including question costs, related to the audit of major state projects, as required to be reported by Chapter 10.550, Rules of the Auditor General, State of Florida.

There were no findings related to the audit of major federal programs required to be reported by Chapter 10.550, Rules of the Auditor General, State of Florida.

V. Summary Schedule of Prior Audit Findings

There were no prior year findings.

DMHB DiBARTOLOMEO, McBEE, HARTLEY & BARNES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Management Letter

To the City Council
City of Port St. Lucie, Florida

March 16, 2012

We have audited the financial statements of the City of Port St. Lucie, Florida for the year ended September 30, 2011, and have issued our report thereon dated March 16, 2012.

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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters, Independent Auditor's Report on Compliance with Requirements Applicable to each Major Federal Program and State Project and on Internal Control over Compliance, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 16, 2012, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

- 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. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report except as noted below under the heading Prior Year Findings and Recommendations.

- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the City of Port St. Lucie, Florida, complied with Section 218.415, Florida Statutes.

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- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we offer the following comments:

  In light of an external investigation by another governmental entity which led to the discovery of an impropriety pertaining to the relationship between an employee and a city contractor relative to gifts or gratuities, we suggest the City consider a more active approach to ethics awareness by all employees. This would probably take different forms based on level of management and supervisory capacity and interaction with outside sources.

  Prior to receiving this comment, the City's management/finance working group that meets bi-weekly had started gathering information from other jurisdictions to implement a formal ethics policy. The City Manager is very interested in setting guidelines and developing training for all City employees. This will be accomplished before the end of the current fiscal year.

  Prior Year Finding and Recommendation:

  - The debt service in various funds had expenditures that were in excess of budget. This resulted in unfavorable budget variances.

    We recommend prior to expending these funds the budget be amended to allow for the expenditures to be in compliance with guidelines pertaining to overspending of the budget.

  The City Closed on two (2) refunding issues on September 27, 2011 three days prior to the end of the fiscal year and after the last budget amendment. These refunding were driven by the market conditions and the timing made it impossible to incorporate them into the budget. In a similar situation, the City terminated a swap transaction when the market conditions were favorable to the City on September 7, 2011. The timing did not allow the City to amend the budget for this transaction.

- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any findings.

- Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on the financial statements, considering both quantitative and qualitative factors: (1) violations of

provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) control deficiencies that are not significant deficiencies. In connection with our audit, we did not have any such findings.

- Section 10.554(1)(i)6., 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. Refer to Note I in the notes to the financial statements.

- Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 281.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the City did not meet the conditions described in Section 281.503(1), Florida Statutes.

- Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the City of Port St. Lucie, Florida, for the fiscal year ended September 30, 2010 filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a) Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2011. In connection with our audit, we determined that these two reports were materially in agreement.

- Pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on the representations made by management and the review of financial information provided by same.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management, and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

D. Bartolomes McBee Hartley & Barnes
Certified Public Accountants

CITY COUNCIL
ROBERT E. MINSKY MAYOR
JAMES E. ANDERSON VICE-MAYOR
RONALD E. BOWEN MEMBER
MARY ANN CERNUTO MEMBER
JANE ROWLEY MEMBER
CITY MANAGER
PROJECT MANAGER
GENERAL CONTRACTOR
STRUCTURAL ENGINEER

BLOOD DRIVE
10:00 pm

SHELL
BAZAAR

PORT ST. LUCIE
POLICE
ATHLETIC LEAGUE

ST. LUCIE COUNTY FLORIDA