



# COMMUNITY REDEVELOPMENT AGENCY

Annual Report for Fiscal Year 2007-2008

Fiscal Year 2007-2008 and Current CRA Board

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# TABLE OF CONTENTS

	<u>Page</u>
<u>PURPOSE</u>	<u>1</u>
<u>BACKGROUND</u>	<u>2</u>
THE CITY	2
THE CRA	2
THE AGENCY	3
THE PLAN	3
THE FUND	11
TAX INCREMENT REVENUE CALCULATION	12
<u>AGENCY ACTIVITIES IN FISCAL YEAR 2007-2008</u>	<u>14</u>
<u>AGENCY FINANCIAL PROFILE</u>	<u>32</u>
<u>CLOSING STATEMENT</u>	<u>37</u>
<u>EXHIBITS</u>	
“A” EAST LAKE VILLAGE MASTER PLAN	
“B” CURRENT CITY CENTER CONCEPTUAL MASTER PLAN	
“C” FY 07-08 BUDGET	
“D” EXCERPTS OF THE CITY OF PORT ST. LUCIE COMPREHENSIVE ANNUAL FINANCIAL REPORT (THE “CAFR”) FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008	
“E” AGENCY ASSETS REPORT	
“F” AGENCY LIABILITIES REPAYMENT SCHEDULE	

## PURPOSE

Pursuant to Section 163.356(3)(C) of Florida Statutes, the City of Port St. Lucie Community Redevelopment Agency (the “Agency”) is required to:

...file with the governing body, on or before March 31 of each year, a report of its activities for the preceding fiscal year, which report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such fiscal year. At the time of the filing the report, the agency shall publish in a newspaper of general circulation in the community a notice to the effect that such report has been filed with the municipality and that the report is available for inspection during business hours in the office of the clerk of the city and in the office of the agency.

The purpose of this Annual Report is to satisfy the requirements of Section 163.356(3)(C) and to provide the public with useful information concerning the Community Redevelopment Area and Agency.

## **1.0 BACKGROUND**

### **1.1 The City of Port St. Lucie**

Incorporated in 1961, the City of Port St. Lucie, Florida (the “City”) is a predominantly residential community located in southeast Florida between West Palm Beach and Orlando, as illustrated in Figure 1. The City experienced rapid growth from 2001 to 2007 and was named the fastest growing city in the United States in 2005 by the United States Census Bureau. The City is the largest municipality within St. Lucie County.

The City, as illustrated on a county scale in Figure 2, is approximately 114 square miles in area and has a population of over 150,000 residents. Population projections indicate that the population could surpass 200,000 within the next decade and that the ultimate population of the City may exceed 400,000. Several factors fuel the City’s growth, including access to the Florida Turnpike (the “Turnpike”) and Interstate 95 (“I-95”), the availability of vacant land, the near “build-out” conditions of South Florida, natural attractions such as the Atlantic Coast Beaches, Indian River and St. Lucie River and the quality of the City’s public services.

### **1.2 The Community Redevelopment Area**

When the City was designed and incorporated by its original developer as a bedroom and retirement community, little consideration was given to the land uses needed to serve a city of this size. As a result, there is no central core or traditional downtown and many residents work, shop and find entertainment outside of the City. This increases traffic, negatively impacts the City’s tax base, hinders the City’s ability to meet the service demands generated by growth, impedes the City’s ability to efficiently utilize its resources and detracts from the quality of life.

Although the City has made great strides in diversifying land uses over the years to address some of these issues and newer planned communities have ameliorated conditions in the western part of the City, the problems in the eastern portion of the City have been too pervasive, and it was decided that a comprehensive redevelopment effort was needed to achieve sufficient and long-lasting results.

Pursuant to Part III, Chapter 163, Florida Statutes, in January of 2001, the City conducted a study of the socioeconomic and development conditions in its US 1 corridor. This study, known as a “Finding of Necessity”, revealed conditions that are detrimental and impair sound growth management and constitute social and economic liability. Consequently, the City designated the study area as a Community Redevelopment Area (the “CRA”), created the City of Port St. Lucie Community Redevelopment Agency (the “Agency”) and established the Redevelopment Trust Fund (the “Fund”) in order to undertake community redevelopment activities pursuant to an adopted Community Redevelopment Plan (the “Plan”).

The City’s original CRA is approximately 1,700 acres or 2.7 square miles. As illustrated in Figure 3, the original CRA boundary includes the City’s US 1 corridor from just north of Village Green Drive, south to the St. Lucie/Martin County line. Lennard Road forms most of the eastern boundary, and the western boundary is predominantly the rear property line of those properties fronting US 1 (Federal Highway). Since the CRA’s creation in 2001, two

additional areas have been formally designated as part of the CRA, Lentz Grove (now known as “East Lake Village”) in 2003 and the Port St. Lucie Boulevard/Riverwalk District (the “CRA Expansion Area”) in 2006. The CRA Expansion Area is illustrated in Figure 4, and the current CRA in its entirety is illustrated in Figure 5.

### 1.3 The Agency

Soon after the creation of the CRA, the Mayor and City Council of the City (the “City Council”) designated themselves as the Agency Board creating a five person board in charge of carrying out redevelopment activities pursuant to Florida Statutes, the Agency’s adopted by-laws and local controls. In the effectuation of redevelopment activities in the State of Florida, perhaps no local controls are more important than the Plan.

It is important to highlight the following notes regarding the Agency:

- The Agency is classified by the State of Florida as a dependent special district. One of the primary reasons it is dependent upon the City, as opposed to independent, is that the City Council has the ability to appoint the Board members of the Agency and to abolish the Agency.
- The Mayor & City Council appointed themselves as the Agency Board. As a result, the Board is the City Council sitting in another capacity.
- The Agency staff consists of an Executive Director, who is the City Manager serving in another capacity, and a Director who reports to the City Manager.
- As a result of the above, there is extensive overlapping between the Agency and City.

### 1.4 The Plan

#### 1.4.1 The “Original”

Adopted by the City Council on June 11, 2001, the Plan, also known as the “CRA Master Plan”, was the culmination of an extensive community-driven planning process which included design charrettes and workshops. Based on hundreds of hours of input from citizens, business owners, property owners, elected officials, city staff, professional consultants and other community stakeholders, the CRA Master Plan serves to set forth the vision, goals, objectives, policies and critical projects of the CRA. As voiced by the community throughout the creation of the CRA Master Plan, the CRA will be:

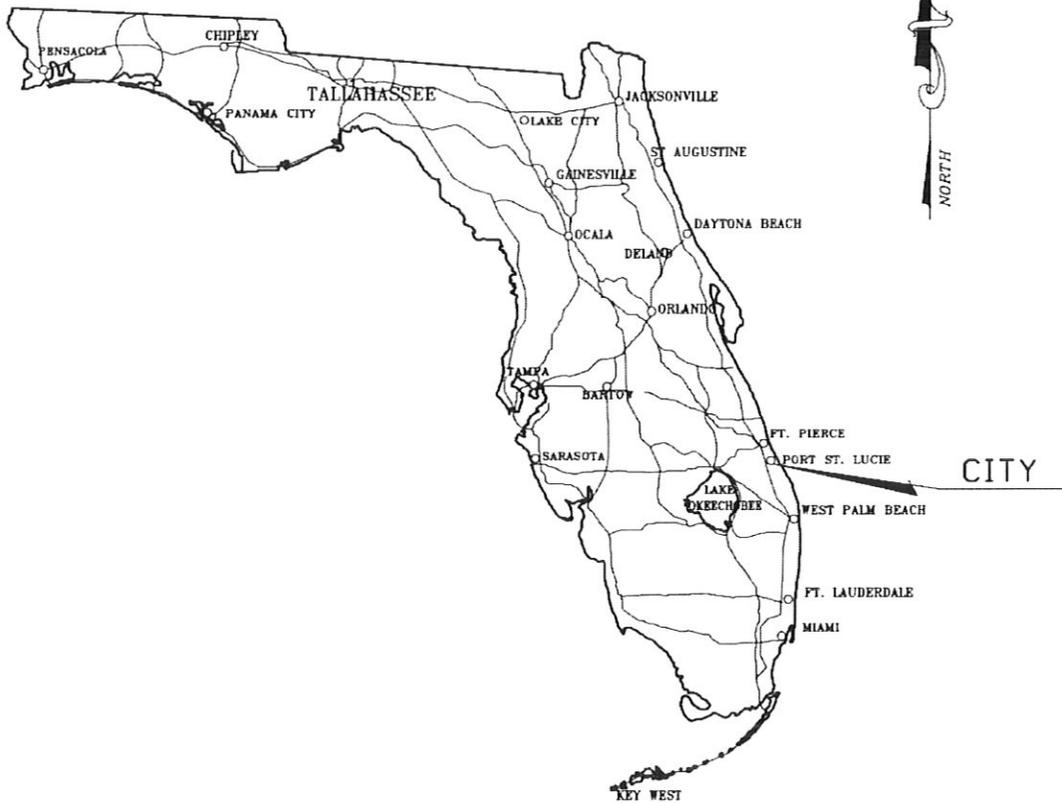
...a central gathering place that creates an identity for the city as well as provides entertainment and economic opportunities. The area will include a variety of development districts and connective open space to better serve Port St. Lucie’s current and future population.

Adoption of the CRA Master Plan signaled the beginning of a comprehensive long-term approach to redevelopment which will span the next twenty to thirty year period. The CRA Master Plan provides a flexible framework to guide the Agency in its redevelopment efforts; and it addresses near-term and long-term development scenarios and options, identifying realistic projects for implementation which are based on the opportunities, needs, and fiscal resources of the community. The CRA Master Plan strives to: account for the needs of citizens and business interests, enhance the community, encourage smart growth and acknowledge the existing economic conditions of the region. Like the City’s Comprehensive (Master) Plan, the CRA Master Plan is a

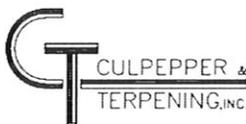
“living” document which must be evaluated and amended from time to time in order to accurately reflect changing conditions and community objectives.

As demonstrated in Figure 6, the CRA Master Plan calls for the development of a town center at US 1 and Walton Road (City Center) and for a variety of mixed-use, commercial, office, residential and recreational districts.

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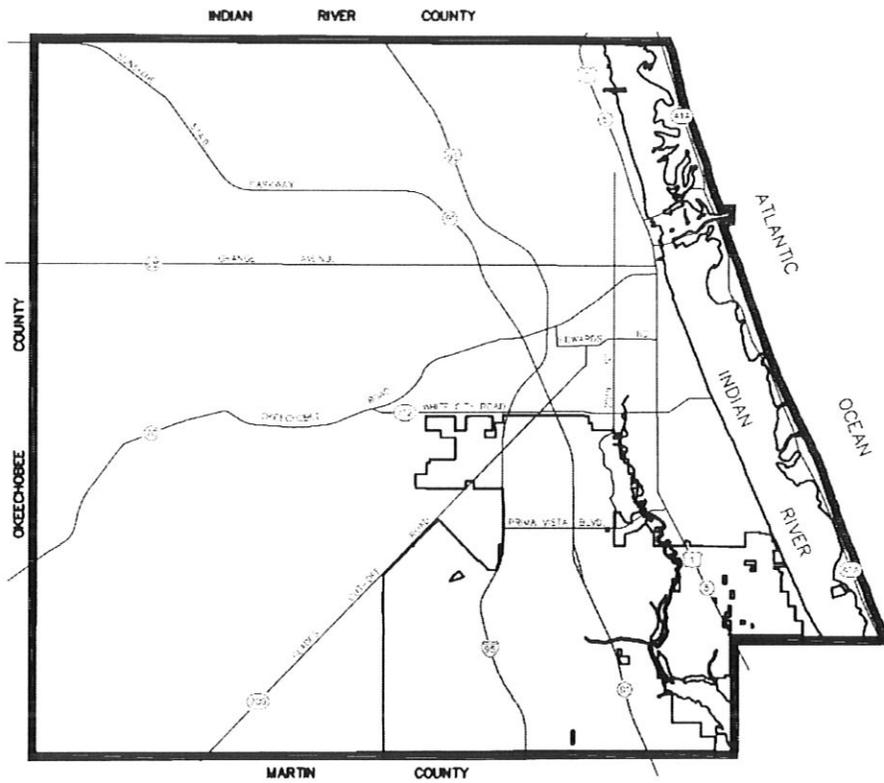


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CONSULTING ENGINEERS  
&  
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CITY OF PORT ST LUCIE  
GENERAL LOCATION  
FIGURE 1



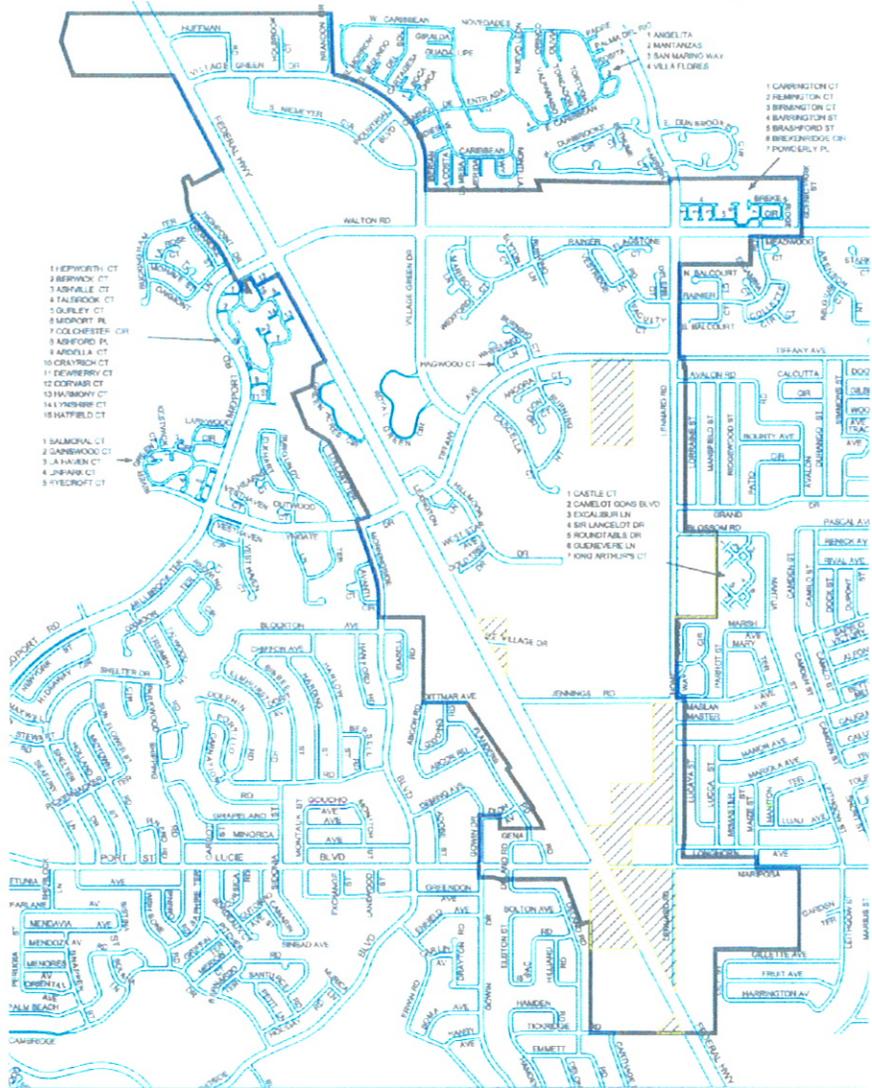
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-  CITY OF PORT ST LUCIE
-  ST LUCIE COUNTY

LOCATION MAP  
FIGURE 2



CITY OF PORT ST. LUCIE COMMUNITY REDEVELOPMENT AREA  
 UNINCORPORATED ST. LUCIE COUNTY

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**CRA BOUNDARY MAP**  
**FIGURE 3**

04-154 Feasibility Report.dwg

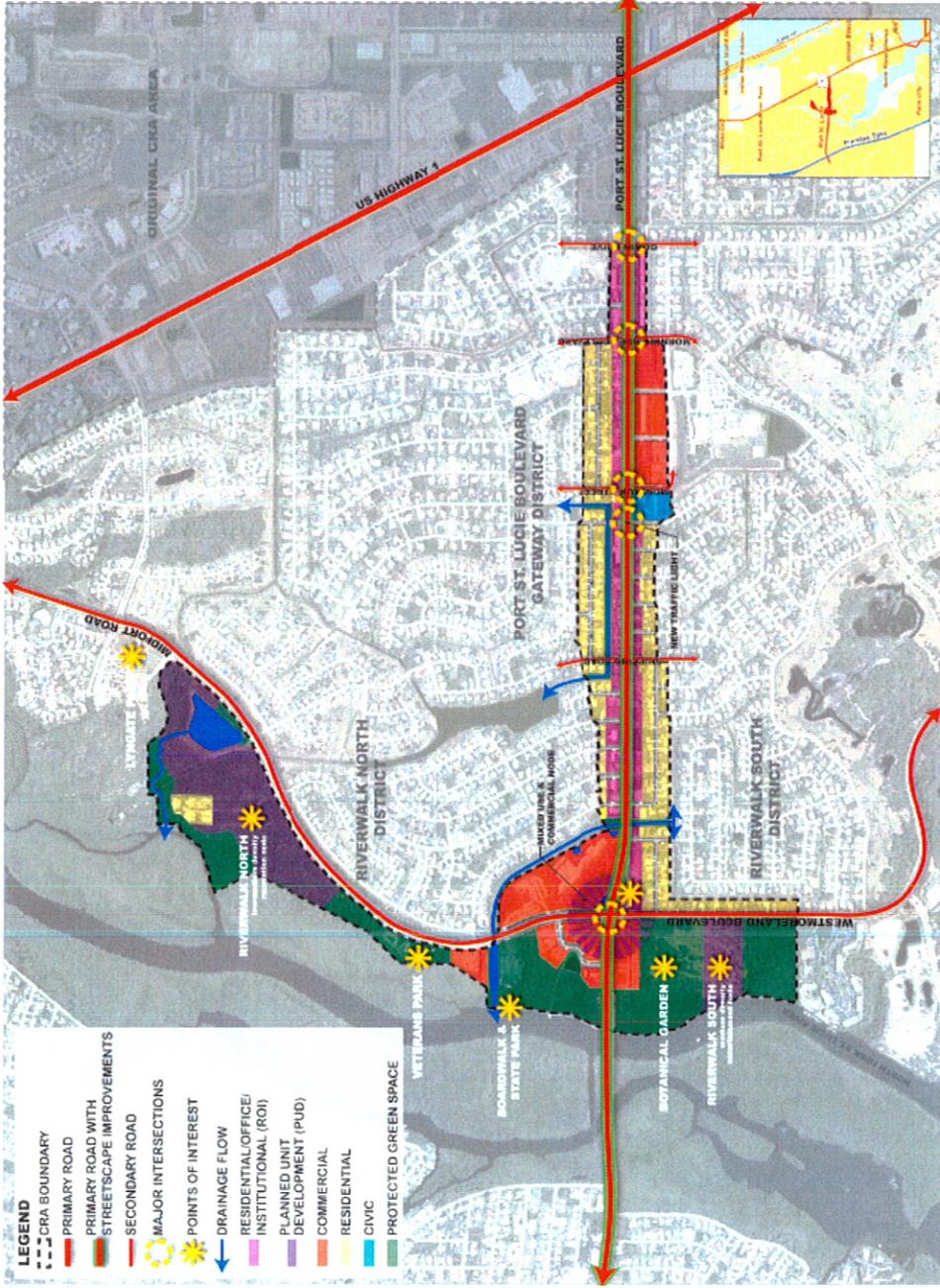


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**Port St. Lucie**  
 CRA Expansion  
 Master Plan

**Master Plan**

EDAW



CRA EXPANSION  
 MASTER PLAN  
 FIGURE 4

\*Graphic for this figure  
 obtained from EDAA

DATE: 10/15/2010



# City of Port St. Lucie CRA

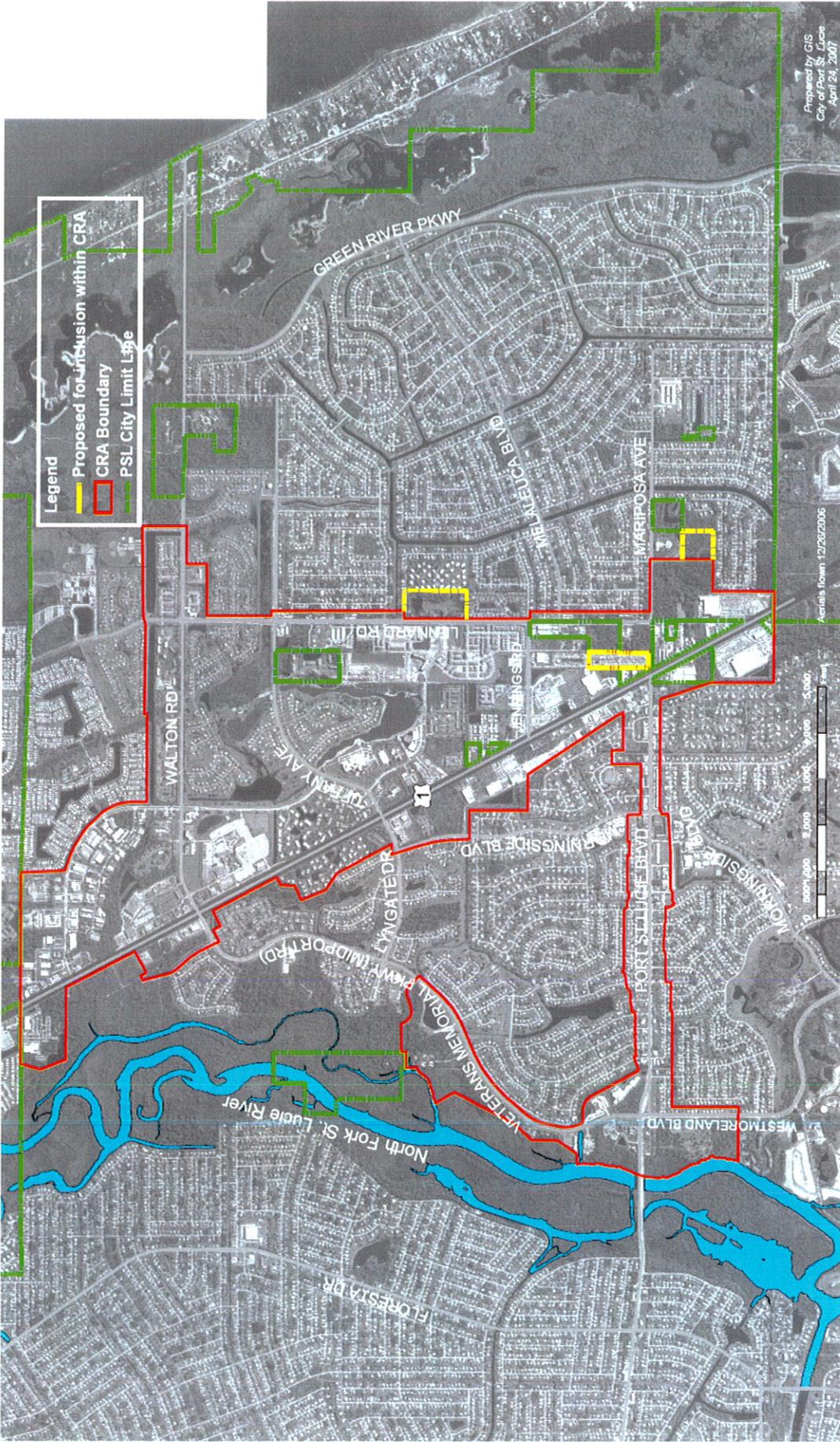


FIGURE 5

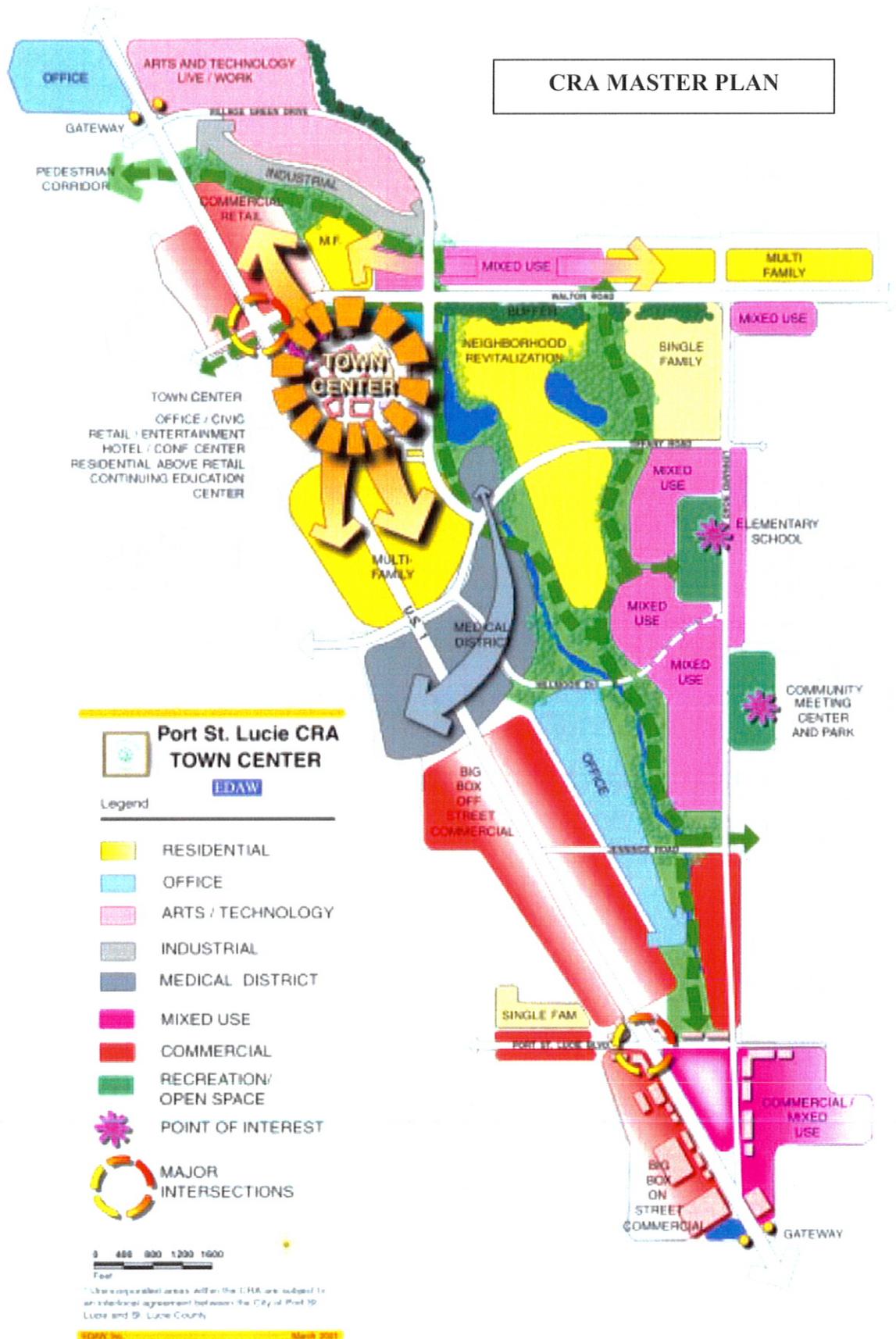


FIGURE 6

#### 1.4.2 The CRA Expansion Master Plan

While it references the “original” CRA and the Plan, the CRA Expansion Master Plan is a stand alone document that provides the redevelopment plan for the CRA Expansion Area. Written by the same consultant who authored the Plan, the CRA Expansion Master Plan very much mirrors the Plan, providing similar analyses and formatting. The important differences between the CRA Expansion Master Plan and the Plan are the vision, goals and objectives. The CRA Expansion Master Plan has a unique vision, goals and objectives for the Expansion Area. As excerpted from the CRA Expansion Master Plan:

Extending its reach across Port St. Lucie Boulevard to the North Fork of the St. Lucie River, this expansion addresses the City’s aspirations of developing an economically viable riverfront area to complement a downtown or central business district...An important attribute of the redevelopment expansion plan is its mixed-use approach to future development and redevelopment within the CRA, especially the creation of a Riverwalk and associated development on the St. Lucie River...Three character districts make up the CRA Expansion Area: the Port St. Lucie Boulevard Gateway District, the Riverwalk South District, and the Riverwalk North District...The major themes of the CRA Expansion Master Plan...include:

- Protect residential neighborhoods
- Improve aesthetics of Port St. Lucie Boulevard
- Increase pedestrian and bicyclist safety
- Create additional recreation and open space
- Increase residential options and affordability.

The CRA Expansion Master Plan is illustrated in Figure 4.

#### 1.5 The Fund

As set forth by Section 163.387 of Florida Statutes, after approval of the Plan, the City created the Fund for the Agency and “funds allocated to and deposited into this Fund shall be used by the Agency to finance or refinance any community redevelopment it undertakes pursuant to the approved Plan”. The Fund is primarily funded through the collection of tax increment revenue. Tax increment revenue is derived from the incremental increase in property tax revenues of a corresponding community redevelopment area, which accrue after inception of the community redevelopment area, agency and trust fund (the “base year”). The calculation of tax increment revenue is more particularly explained under Section 1.6 of this Report. Through this funding source, community redevelopment agencies can repave or reroute streets; construct other public improvements such as parks; provide development incentives; acquire property for redevelopment; or undertake other redevelopment activities authorized by an adopted community redevelopment plan. Since the tax increment is used to “finance” and/or “fund” redevelopment, the term “tax increment” is commonly referred to as “tax increment financing”, “tax increment funding” or “TIF”.

With the addition of East Lake Village and the CRA Expansion Area, the funding of the Fund was amended to include the tax increment revenue from these areas.

## 1.6 Tax Increment Revenue Calculation

The Agency's total tax increment revenue is equal to the sum of the tax increment revenue generated in the Original CRA, East Lake Village and the CRA Expansion Area. The regulations pertaining to the calculation of tax increment revenue within any community redevelopment area, including the Original CRA, East Lake Village and the CRA Expansion Area are set forth by Section 163.387 of Florida Statutes and further defined by local implementing ordinance. It is important to recognize that the state regulations have changed over time, and, as a result, the regulations for calculating tax increment revenue for the CRA Expansion Area are different than those of the Original CRA and East Lake Village, as noted below.

In both the Original CRA and East Lake Village, "participating" taxing authorities levying property taxes within the Original CRA and East Lake Village are required to annually deposit an amount equal to 95% of the incremental property tax revenues they receive from properties within those corresponding areas. In Fiscal Year (FY) 2007-2008, the "participating" taxing authorities contributing to the Redevelopment Trust Fund for the Original CRA and East Lake Village were: the City of Port St. Lucie, St. Lucie County and St. Lucie County Fine and Forfeiture Fund (a discrete millage levied by St. Lucie County). Please note that pursuant to an Interlocal Agreement between the City and St. Lucie County Fire District, effective FY 2007-2008, the St. Lucie County Fire District is no longer a participating taxing authority.

In the CRA Expansion Area, the participating taxing authorities are the City, St. Lucie County and the St. Lucie County Fine & Forfeiture Fund. As with the Original CRA and East Lake Village, the participating taxing authorities are required to annually deposit an amount equal to 95% of the incremental property tax revenues they receive from properties within the CRA Expansion Area; however, for the CRA Expansion Area, this requirement is subject to the following major exception set forth by Section 163.387(1)(b)(1)(a) of Florida Statutes:

If a taxing authority imposes a millage rate that exceeds the millage rate imposed by the governing body that created the trust fund, the amount of tax increment to be contributed by the taxing authority imposing the higher millage rate shall be calculated using the millage rate imposed by the governing body that created the trust fund.

Based upon this exception, if the County's millage rate is higher than the City's, which it has been historically, the County shall calculate its tax increment payment for the CRA Expansion Area only by using the City's millage rate instead of its own higher rate.

The equations utilized to calculate Agency tax increment revenue are as follows:

Total Annual Tax Increment Revenue = Original CRA Annual Tax Increment Revenue + East Lake Village Annual Tax Increment Revenue + CRA Expansion Area Annual Tax Increment Revenue

Original CRA Annual Tax Increment Revenue = 95% X Incremental Property Taxes collected within the Original CRA by each Participating Taxing Authority

Incremental Property Taxes = Increment X millage of Participating Taxing Authority

Increment = Total Taxable Value of the Original CRA as of January 1, 2007, as determined by the St. Lucie County Property Appraiser - Total Taxable Value in the base year of 2000

Millage of Participating Taxing Authority = The millage (tax rate) adopted by the governing body of the Participating Taxing Authority

East Lake Village Annual Tax Increment Revenue = 95% X Incremental Property Taxes collected within East Lake Village by each Participating Taxing Authority

Incremental Property Taxes = Increment X millage of Participating Taxing Authority

Increment = Total Taxable Value of East Lake Village as of January 1, 2007, as determined by the St. Lucie County Property Appraiser - Total Taxable Value in the base year of 2002

Millage of Participating Taxing Authority = The millage (tax rate) adopted by the governing body of the Participating Taxing Authority

CRA Expansion Area Annual Tax Increment Revenue = 95% X Incremental Property Taxes collected within the CRA Expansion Area by the City + a contribution from the County in an amount equal to the City (due to the exception set forth by Florida Statutes).

Incremental Property Taxes = Increment X millage of Participating Taxing Authority

Increment = Total Taxable Value of the CRA Expansion Area as of January 1, 2007, as determined by the St. Lucie County Property Appraiser - Total Taxable Value in the base year of 2006

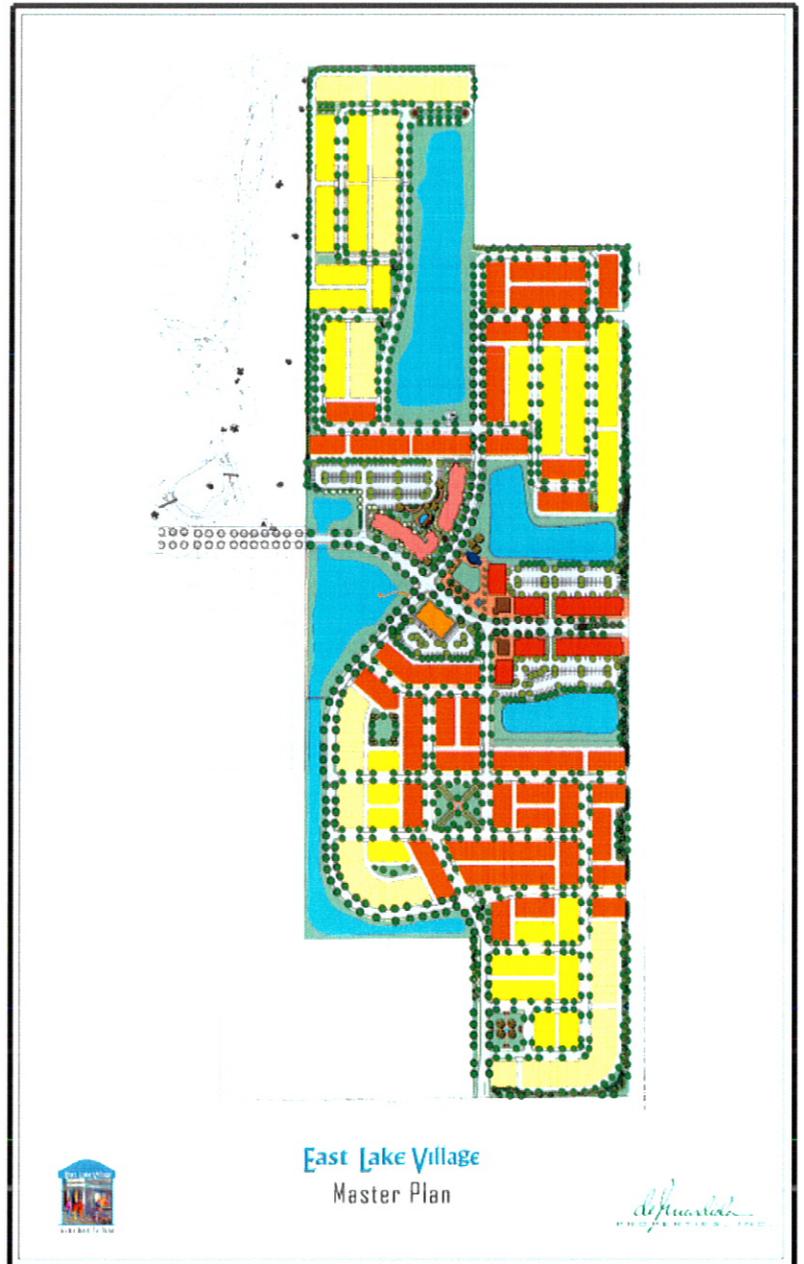
Millage of Participating Taxing Authority = The millage (tax rate) adopted by the governing body of the Participating Taxing Authority

## 2.0 AGENCY ACTIVITIES IN FY 2007-2008

In FY 2000-2001, the City began a multi-decade commitment to fundamentally improve and revitalize its US 1 corridor by designating the CRA, appointing the Agency, creating the Fund and adopting the Plan. To date, the Agency has implemented a number of successful large-scale redevelopment initiatives. FY 2007-2008 was another incredibly active and exciting year in which the Agency worked to complete on-going projects and initiate new ones. A report of major Agency activities in FY 2007-2008 is found below.

### 2.1 East Lake Village

East Lake Village is a traditional neighborhood development (TND) approved for approximately 200 multifamily units, 230 town home units, 220 semi-detached town home units, 240 single family units, 52,665 square feet of commercial/retail space, a greenway (linear park) and an urban park on the 97.98 acres formerly known as “Lentz Grove”. East Lake Village is being developed pursuant to a public-private partnership agreement, approved in 2003, between the Agency, City and St. Lucie East Development Company, LLC, which requires the Agency to manage and/or fund a number of significant capital improvement projects, including: the East Lake Village Special Assessment District (SAD) Improvements Project; the Lennard Road Widening Project; the Hillmoor Drive Extension Project; the Jennings Road Widening Project; the Grand Drive Extension Project; the Mary Ann Cernuto Family Park; and the East Lake Village Segment of the Wood Stork Trail. By FY 07-08, the Agency had successfully



For a larger East Lake Village Master Plan, please see Exhibit “A”.

completed all of these projects. Additional information concerning these projects can be found in past Annual Reports or attained from the Agency. Though these major capital projects were complete, there were a number of follow up issues to address in FY 07-08, including landscaping, maintenance of the improvements, ongoing environmental reporting, the construction of entry signs and resident concerns.

The vision for a TND featuring a mix of residential housing types within a neighborhood setting of pedestrian friendly streets, public open spaces, neighborhood squares and a greenway trail system linking its residents to the rest of the CRA has largely been realized. However, due to the downturn in the real estate market, approximately 60 single family home sites, 20 townhouse sites and 2 mixed use parcels have been left vacant and awaiting development. Additionally, many units within East Lake Village seem to have been bought as speculative investments, and, therefore, now sit vacant. As a result, it will likely take several years for the remaining lots to be developed and occupancy of existing units to stabilize.



*deGuardia*  
PROPERTIES, INC.



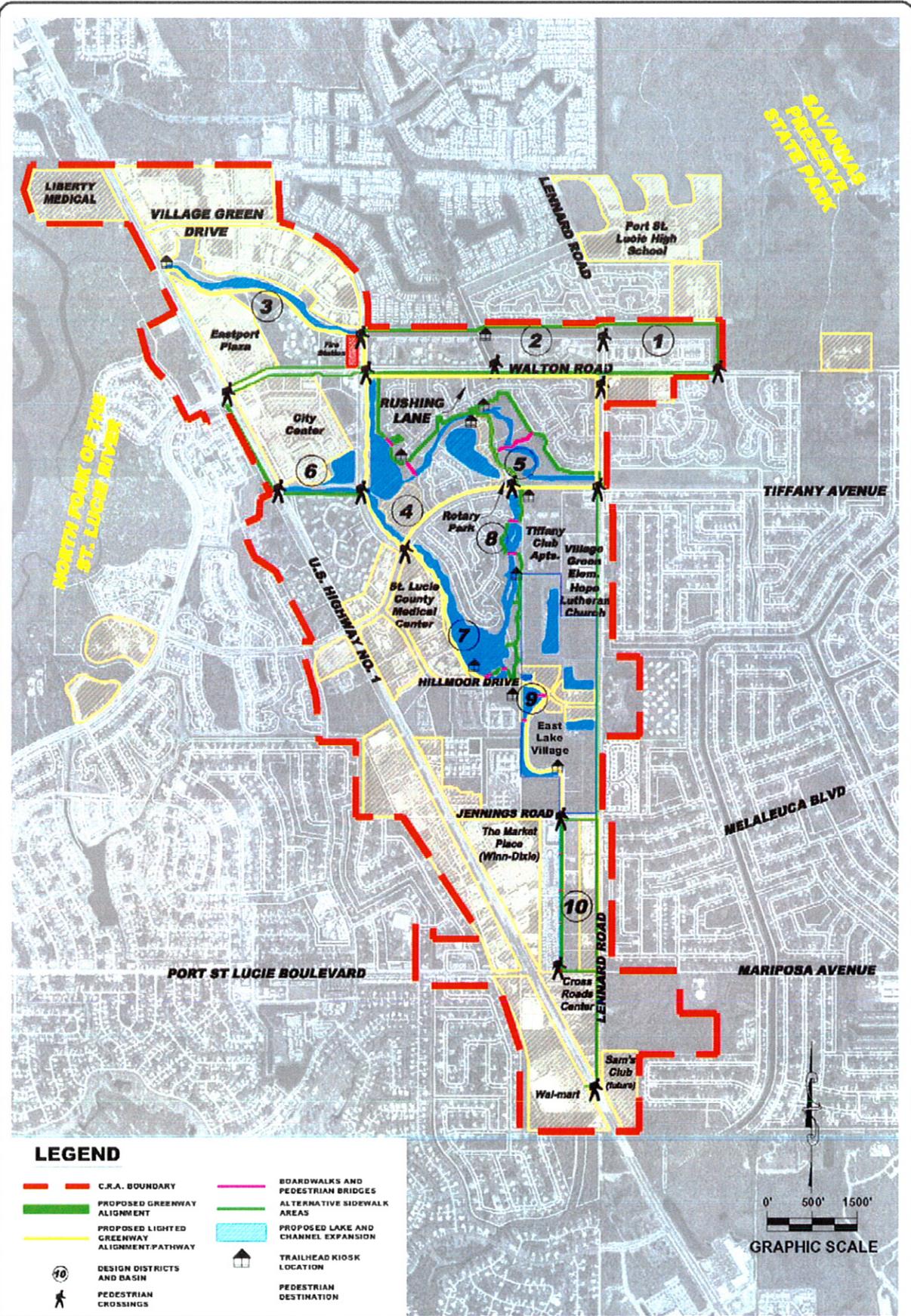
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Aerial Photography, Inc. 954-568-0484

## 2.2 Wood Stork Trail

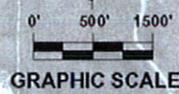
The Plan envisions that the CRA will include “connective open spaces to better serve Port St. Lucie’s current and future population”; and, to effectuate this vision, the Plan contemplates transforming the drainage swales, ditches and ponds of the CRA into a better functioning stormwater drainage system and a linear park, which interconnect the entire district. To this end, in FY 2004-2005, the CRA undertook an extensive community-driven public planning process to create a master plan for this project; and, at the beginning of FY 2005-2006, on October 17, 2005, after a number of public workshops, the Agency adopted the “Wood Stork Trail” Master Plan. As set forth in the Wood Stork Trail Master Plan (the “WSTMP”), the Agency proposes to transform the CRA’s patchwork of open spaces into a vibrant greenway and blueway system of more than 3 linear miles. When fully developed, the “Wood Stork Trail”, will have: 1) created a dedicated trail and waterway to connect the entire CRA and encourage pedestrian and bicycle travel; 2) provided a linear park and many recreational opportunities; 3) enhanced stormwater drainage storage and conveyance capacity; 4) improved water quality; 5) restored native vegetation and habitat; 6) provided an opportunity for environmental education; 7) promoted an urban form of development by providing a unified common open space instead of requiring each developable parcel to provide a small fractured set aside on each individual parcel; and 8) through the aforementioned, positively impact the quality of life of the residents and visitors of the City. The WSTMP Graphic is illustrated in Figure 7.





**LEGEND**

- C.R.A. BOUNDARY
- PROPOSED GREENWAY ALIGNMENT
- PROPOSED LIGHTED GREENWAY ALIGNMENT/PATHWAY
- 10 DESIGN DISTRICTS AND BASIN
- PEDESTRIAN CROSSINGS
- BOARDWALKS AND PEDESTRIAN BRIDGES
- ALTERNATIVE SIDEWALK AREAS
- PROPOSED LAKE AND CHANNEL EXPANSION
- TRAILHEAD KIOSK LOCATION
- PEDESTRIAN DESTINATION



**CITY OF PORT ST. LUCIE C.R.A.  
WOOD STORK TRAIL SYSTEM  
MASTER PLAN - PROPOSED IMPROVEMENTS**

FIGURE 7

Soon after the approval of the Wood Stork Trail Master Plan, the Agency commenced construction of WSTMP Design Districts 7, 8 and 9, which include more than 5 acres of littoral plantings, approximately 1.5 acres of upland plantings, approximately 6,500 linear feet of trails, wooden boardwalks and wooden outlooks. Though the construction of Design Districts 7, 8 and 9 was substantially complete in FY 06-07, a significant enhancement project was undertaken in FY 07-08 to meet unexpected challenges.

One of the largest challenges was that the construction of Design Districts 7, 8 and 9 coincided with one of the worst droughts in local history; and, since the landscaping plan featured entirely native materials, which were meant to be low maintenance natural areas, no irrigation had been installed. As a result, a significant amount of the landscaping material perished. Furthermore, when it did rain, the lack of uniform ground cover created severe erosion along the banks of Lake Hillmoor. Additionally, the lack of uniform ground cover also resulted in weeds infiltrating the planting areas. Lastly, due to budget constraints and the large area of the project, most of the trees were relatively small sized, 3 to 7 gallon. The combination of these factors left the Agency with a project which did not fully achieve the vision for the Wood Stork Trail. Consequently, in FY 07-08, the Agency reconvened the project team, designed a revised landscape plan and hired City contractor, Nature's Keeper, to carry out the following work:

- Install irrigation in all planting areas.
- Install additional plant materials, including 18-foot Live Oaks and 14-foot Bald Cypress.
  - The following additional plants were installed in Design Districts 7 and 8: 17 Royal Poinciana, 117 Live Oak, 27 Gumbo Limbo, 140 Sabal Palm, 200, Bald Cypress, 24 Sweet Bay Magnolia, 6 Laurel Oak, 554 Firebush, 842 Faxahatchee Grass, 470 Dune Sunflower, 466 Wax Myrtle, 80 Beauty Berry, 140 Sunshine Mimosa, 370 Pink Muhly Grass, 1,561 Swamp Lily, 610 Golden Canna and 160 Blue Flag Iris.
  - The following additional plants were installed in Design District 9: 3 Gumbo Limbo, 66 Live Oak, 210 Bald Cypress, 10,450 Swamp Lilly, and 18,425 units of Sand Cord Grass.
- “Mulch” all planting areas with pine straw.

The additional work carried out by Nature's Keeper was at a cost of \$227,259 in Design District 9 and a total of \$293,959 in Design Districts 7 and 8. This work was carried out at the end of FY 07-08 and into FY 08-09.

In addition to Nature's Keeper's work, the Agency also implemented another improvement in FY 07-08 thanks to a little luck. As part of an FDOT turnpike project, 16 large Live Oak trees (greater than 20 feet in height) were scheduled to be destroyed to make room for billboards! Fortunately, the City's Parks and Recreation Department became aware of this and worked with FDOT to secure the right to relocate the trees. The Agency hired Tree World at a cost of \$9,600 to relocate the trees



to the Wood Stork Trail. To date, every tree has survived the transplant and is prospering.

The additional work and investment along with specialized monthly maintenance service for the aquatics and upland plantings has addressed all of the issues associated with the construction of the stormwater improvements and installation of the plant materials. The irrigation has allowed all of the new plants to become established, limiting plant mortality. The addition of pine straw and the establishment of an understory through the various grasses and bushes, along with the maintenance service, have addressed the weed infiltration and erosion. The addition of larger trees, including the turnpike oaks, has provided instant critical mass. The additional work and investment, which augmented the original effort, have created a spectacular greenway/blueway in Design Districts 7, 8 and 9.

In FY 07-08, the Agency intended to commence the construction of Design Districts 4, 5 and 6 with the assistance of a Section 319 Nonpoint Source Management Implementation grant from the US Environmental Protection Agency awarded through the Florida Department of Environmental Protection. Unfortunately, due to budget constraints resulting from tax reform and declining residential property valuation, it became apparent that such a large scale project was no longer feasible. Consequently, the Agency sought, and thanks to the cooperation and collaboration of DEP, received approval of a modification of the grant to allow the Agency to construct Design District 6.

Work on Design District 6 commenced in FY 07-08 as part of the City Center SAD Improvements Project (For additional information about the City Center Project, please refer to page 20.) and continued into FY 08-09. The Design District 6 improvements include:

- 42,000 cubic yards of excavation to expand the existing wet detention area at a lump sum cost of \$260,000.
- Installation of 3 baffle boxes and 24 linear feet of reinforced concrete pipe (to connect the baffle boxes to the water bodies) at a cost of \$227,199.75.
- 250 square yards of grading of the retention area and littoral shelves at a cost of \$27,000.
- Installation of 16 Sabal Palm trees, 9,640 Smooth Cordgrass, 1,453 Soft Rush, 627 Duck Potato, 6,821 Yellow Canna., 847 Pickerel Weed, 252 Bald Cypress, 36 Live Oak and approximately 15,000 square yards of sod and ground cover at a cost of \$141,762.09.
- Installation of irrigation to serve all upland plantings at a cost of \$15,716.64.

The Agency has been very fortunate to have a number of key partners contributing to the implementation of the WSTMP, including the Kodak Company Greenway Awards Program, the Conservation Fund, the Florida Department of Environmental Protection and the St. Lucie River Issues Team. Additionally, it appears as though St. Lucie County will become a project partner in FY 08-09.



1 of 3 baffle boxes being delivered on site.

### 2.3 City Center

While the Plan sets forth many important projects and initiatives intended to realize the community's vision for the CRA, there can be no denying that the primary project is the creation of a "new old downtown" at the Village Green Shopping Center. Identified as the "Town Center" in the Plan and since named "City Center", the Plan states that City Center will be:

...a more traditional downtown with a mix of uses. This proposed reworking of the former shopping center will create for Port St. Lucie a central gathering place for the City, a place to shop and dine as well as work and live, all at a scale reminiscent of traditional Florida small towns. (p. 46 of the Plan)

In the Spring of 2005, de Guardiola Properties, Inc., and PSL City Center, LLC, approached the City and Agency with a proposal to comprehensively redevelop and revitalize the Village Green Shopping Center in accordance with the Plan; and, by the end of FY 2004-2005, de Guardiola Properties, Inc. (the "Developer"), PSL City Center, LLC (the "Owner"), City and Agency (the "Parties") had forged a public-private partnership contractually obligated, as embodied in the adopted Redevelopment Agreement (the "Redevelopment Agreement"), to develop a mixed-use project of 208,500 square feet of retail space, 443,000 square feet of office space, 1,082 residential dwelling units which includes a civic center, police station, governmental services building and civic plaza with interactive play fountain and band shell (the "City Center Redevelopment Project"). The current Conceptual Master Plan is attached as Exhibit "B".

As with the East Lake Village Redevelopment Project, the success of the City Center Redevelopment Project relies upon each Party's ability to successfully carry out its mutual obligations under the Redevelopment Agreement. These obligations are summarized as follows: the City is a steward providing for the timely review of the many necessary entitlement applications and a direct investor in the civic center and police station; the Developer is responsible for financing the bulk of the horizontal improvements via a special assessment district (SAD) and constructing the majority of the vertical improvements (downtown buildings); and the Agency funds half the cost of the civic center and invests in the off-site infrastructure improvements, land assemblage, parking garages and recreational amenities necessary to serve the City Center Redevelopment Project.

In FY 06-07, the Parties made great progress in initiating the City Center Redevelopment Project by demolishing the old Village Green Shopping Center; replatting the property; floating the City Center Special Assessment Bonds; and commencing the construction process for the City Center SAD Improvements, Civic Center, Civic Center Warehouse, Village Square and H1 Parking Garage. In FY 07-08, the Agency had moved beyond "process" into full blown construction with the City Center SAD Improvements, Civic Center, Civic Center Warehouse, Village Square and H1 Parking Garage all underway simultaneously. A description of each of these projects is provided as follows:

- The City Center SAD Improvements. The SAD Improvements provide the public infrastructure necessary to support the proposed redevelopment and include the following components:



#### Roadway

The roadway improvements of the SAD Project consist of the construction of an urban street grid system within the project. This system includes the construction of two roadway typologies: streets and alleys. The proposed street grid is illustrated in the City Center Master Plan.

Both roadway typologies provide access to the benefited parcels and include curb, gutter and integrated stormwater structures. Additionally, the street typology provides on street parking, streetscape, lighting and irrigation. Approximately 9,400 linear feet of streets and 1,270 linear feet of alleys are to be constructed.

The roadway improvements of the SAD Project include the cost of constructing roadway connections between the street grid and US Highway 1, approximately 300 linear feet of which are outside of the SAD.

#### Stormwater Facilities

The stormwater improvements of the SAD Project consist of the modification of the existing drainage collection, conveyance and outfall system which was approved for the Village Green Shopping Center by the South Florida Water Management District pursuant to Permit Number 56-00274-S. The stormwater improvements of the SAD Project provide stormwater service up to the property line of each of the benefited parcels within the SAD. The stormwater lines will be sized to handle the discharge

from each benefited parcel as they connect. Additionally, the stormwater improvements include the clearing and grading of the benefited properties in order to ensure that the stormwater system functions properly. Lastly, it is important to note that the stormwater improvements also include enhancements to Design District 6 of the WSTMP, which include littoral shelves, landscaping and pathways.

#### Potable Water Facilities

The potable water transmission improvements of the SAD Project include a pro-rata contribution to the City's capital improvement program for the cost of required offsite facilities upgrades in accordance with the City's latest Utilities Service Model. Examples of such offsite facilities upgrades include supply and treatment capacity upgrades, upsizing of transmission lines and expansion of pumping stations.

The potable water distribution improvements of the SAD Project consist of the construction of an approximately 7,480 linear foot potable water distribution system within the district which will provide water service up to the property line of each of the benefited parcels within the SAD.

#### Wastewater Facilities

The wastewater collection improvements of the SAD Project include a pro-rata contribution to the City's capital improvement program for the cost of required offsite facilities upgrades in accordance with the City's latest Utilities Service Model. Examples of such offsite facilities upgrades include upsizing of transmission lines, upgrading of pump stations and expansion of plant capacity.

The wastewater conveyance improvements of the SAD Project consist of the construction of approximately 5,030 linear feet of wastewater conveyance pipelines, a lift station and a force main tie-in to the City's Wastewater System, which will provide wastewater service up to the property line of each of the benefited parcels within the SAD.

- The Civic Center. Given that the Plan envisions civic and cultural uses within the City Center, including a cultural arts facility, conference center and other governmental uses, in 2004, the City and Agency began contemplating the possibility of partnering to construct a multipurpose recreational/cultural/meeting facility to respond to the demand for recreational and cultural services and spur the redevelopment of City Center. Support for this facility quickly galvanized, and it was dubbed the "Civic Center" by City and Agency officials.

The Civic Center is a central element to City Center and is specifically included within the Redevelopment Agreement and City Center Master Plan. The Civic Center is noted as Building "K" in the City Center Conceptual Master Plan.

The Civic Center will be a multipurpose facility of 100,000 square feet capable of withstanding a Category 5 hurricane, which:

- houses excellent recreational, cultural and meeting facilities;
- anchors the main street of, and provides a draw for, City Center;
- provides a “WOW” factor and is compatible with Florida Vernacular or Mediterranean Architecture;
- is architecturally significant; and
- helps to make City Center the City’s central gathering place as envisioned by the Plan.

A rendering of the Civic Center and its floor plan can be found illustrated in Figures 8-11.

- Civic Center Warehouse. To serve the events and programming of the Civic Center and Village Square, it became clear that there was a need for more storage space than could be accommodated by the 100,000 square foot Civic Center. As a result, a stand alone warehouse of approximately 8,000 square feet is being constructed adjacent to the Civic Center. The design team worked to ensure that the building would contribute to City Center’s streetscape, which was a challenge given the use of the building.

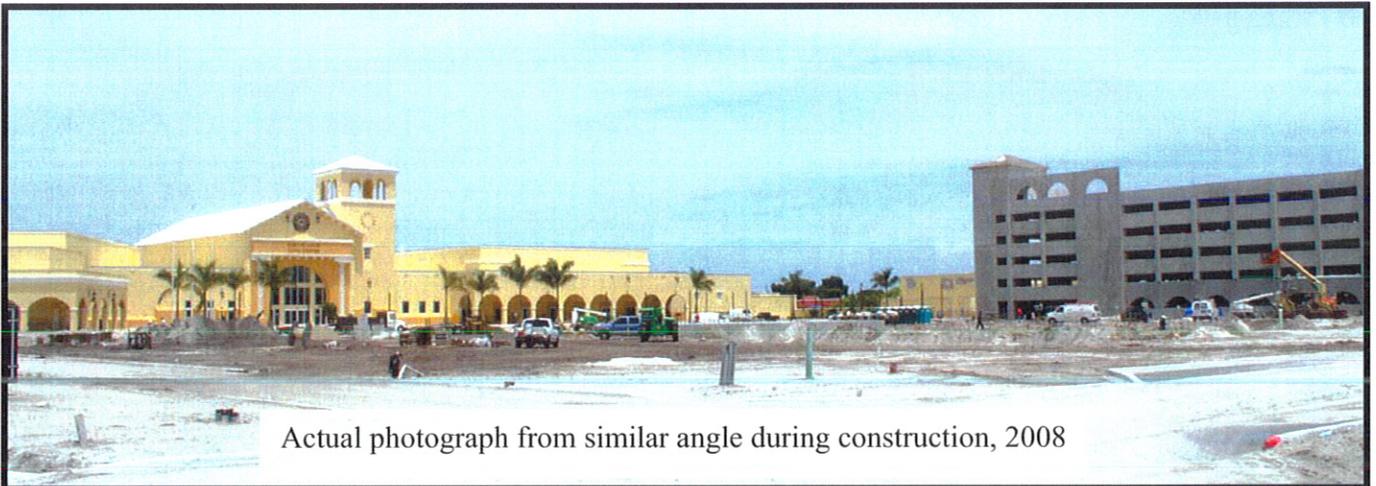


- Village Square. The Village Square is a 1.2 acre urban plaza which features a covered stage for outdoor performances and an interactive play fountain. The Village Square is a community gathering spot that will host a green market and a number of outdoor special events, such as the Festival of Lights and Art & All that Jazz.
- H1 Parking Garage. The H1 Parking Garage is the first of four planned parking garages intended to provide the required parking for all of City Center’s development. The vision for the Parking Garage was to deliver as many parking spots as inexpensively as possible while maintaining a commitment to quality architecture. This vision was a delicate balancing act given the nature of a parking garage, the limited funding available for construction and the cost of construction during the development boom.



Rendering of Village Square, Parking Garage and Civic Center

SUFFOLK King & Associates, Inc.



Actual photograph from similar angle during construction, 2008

The construction of the City Center Redevelopment Project, a large-scale, complex, dynamic project, will not be accomplished overnight. In fact, the Agreement calls for it to be constructed in four main phases (Phase IA, Phase IB, Phase II and Phase III) over the next nine years in accordance with the “Development Timeline” exhibit of the Agreement. Depending upon market conditions and the other circumstances which can impact a project of this magnitude, the City Center Redevelopment Project could easily take a decade to fully buildout. Given its size, complexity and importance to the community, City Center will likely remain the focus of the Agency for years to come.





Figure 8: Rendering of Civic Center

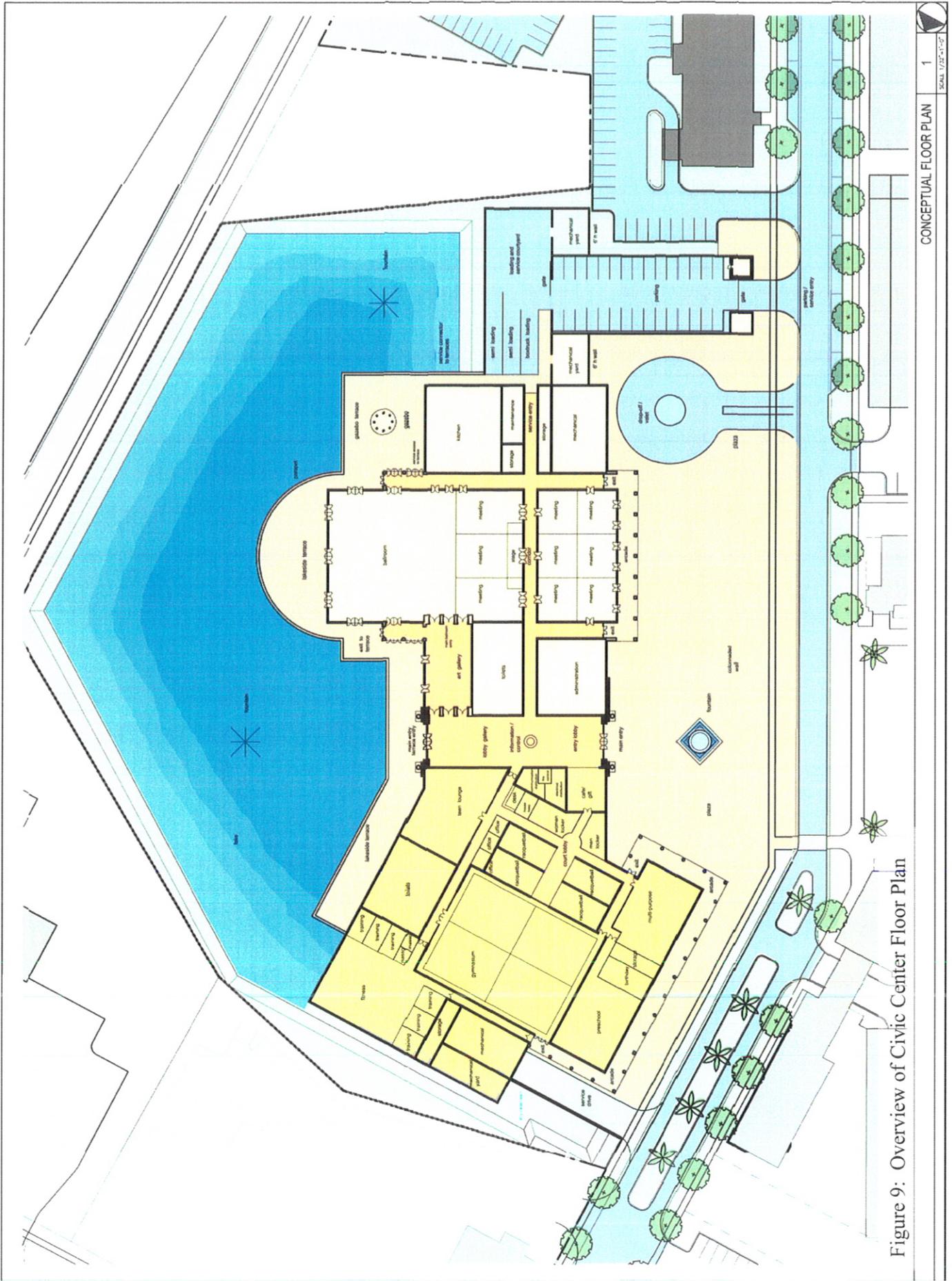


Figure 9: Overview of Civic Center Floor Plan

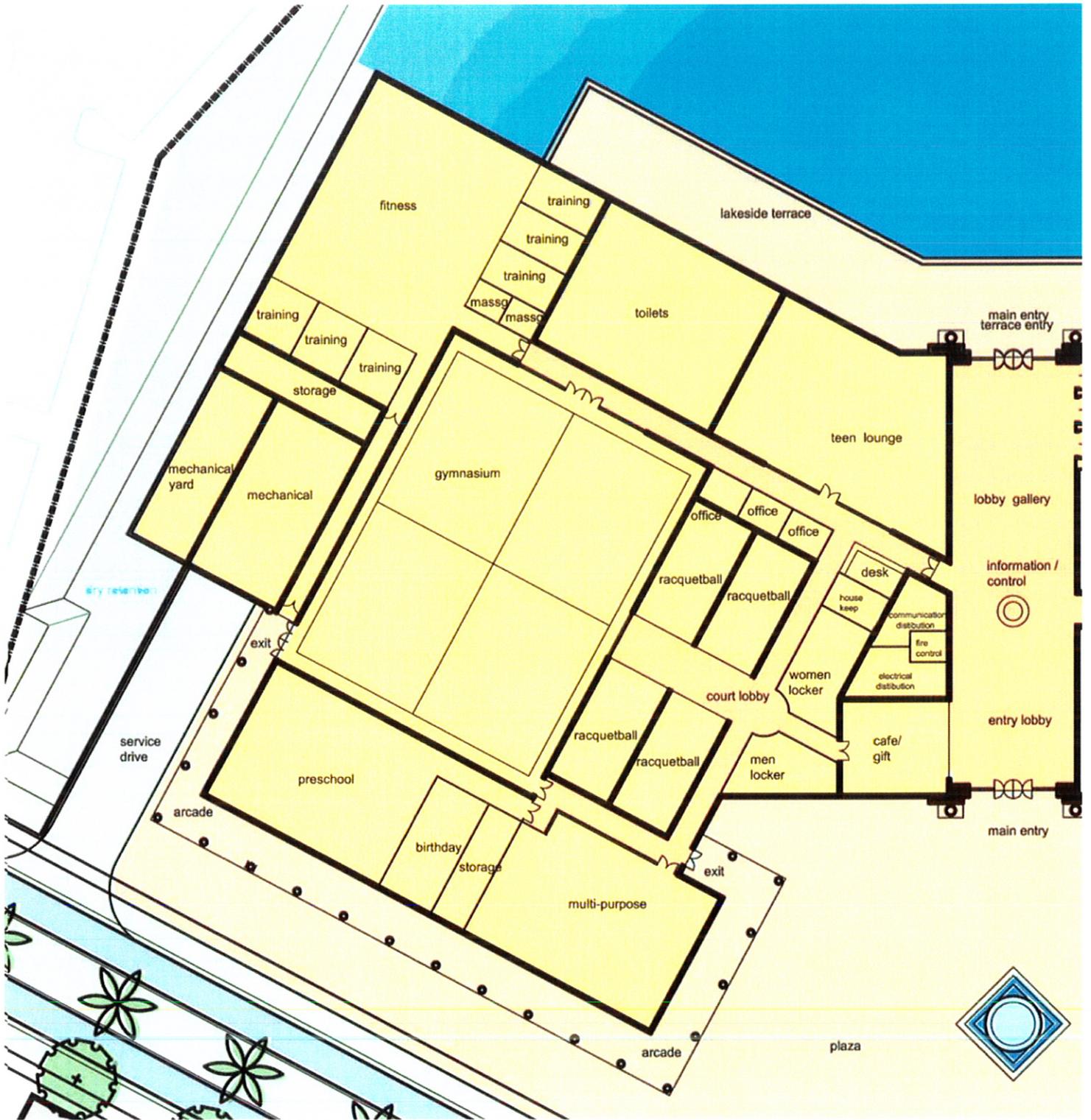


Figure 10: Northern half of Civic Center Floor Plan

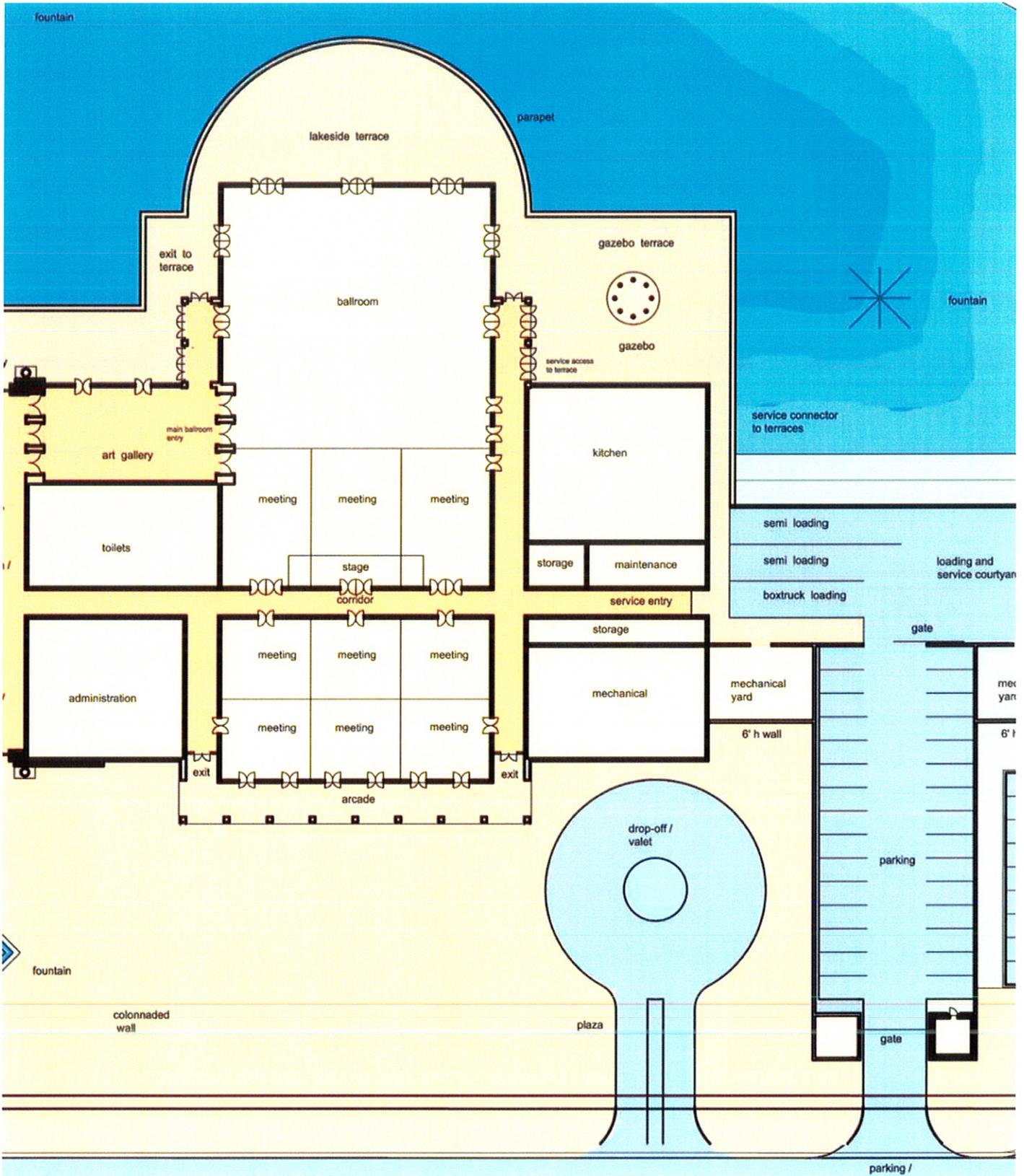


Figure 11: Southern half of Civic Center Floor Plan

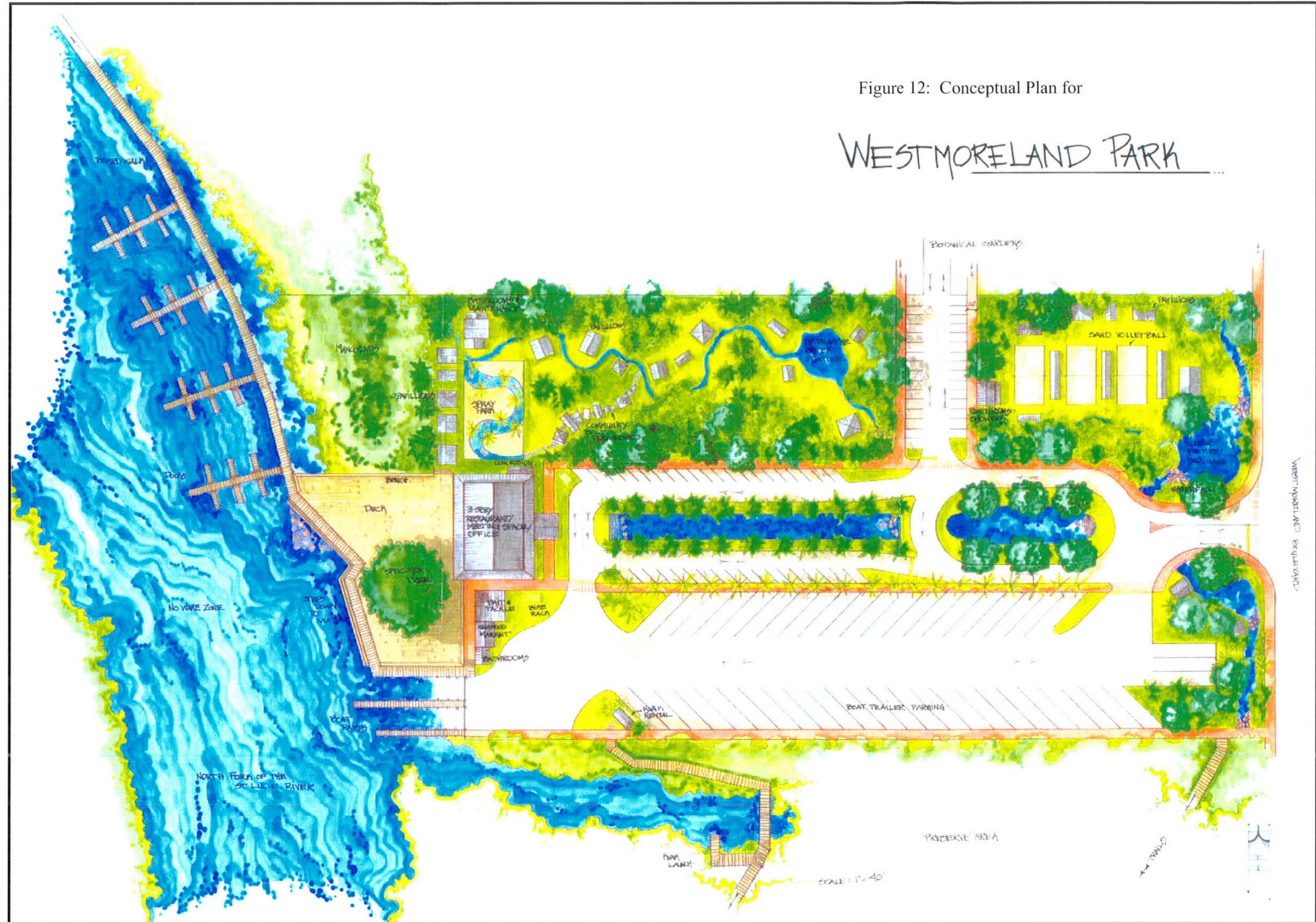
## 2.4 Westmoreland Boulevard Widening Project

The Agency collaborated with the City to widen Westmoreland Boulevard from 2 to 4 lanes, from Cambridge Boulevard to Port St. Lucie Boulevard, including landscaping, sidewalks, street lighting and stormwater facilities. Though this project was to be funded by the City and the developer of the “Westmoreland Property”, the Agency provided senior management of the project and contributed \$350,000 to acquire additional right-of-way to improve the signalized intersection at the Westmoreland Property.



## 2.5 Westmoreland River Park

In 2006, the City entered into a purchase and sale agreement with Innkeepers USA for the "Moonraker Parcel," A/K/A Riverwalk South, A/K/A the Westmoreland Property, a 9.75 acre parcel located on the east bank of the St. Lucie River and Westmoreland Boulevard, just south of Port St. Lucie Boulevard. Innkeepers proposed to develop the site into a waterfront mixed use development consisting of a hotel, retail, restaurant and residential. However, Innkeepers did not close on the property by the required closing date, and the property has remained in City ownership. As part of the process to determine the City's vision for the property, CRA staff worked with City staff to propose that this unique property remain under public ownership for the benefit of all citizens and be developed as Westmoreland River Park, a City park featuring a boat ramp, boardwalk, riverfront restaurant and recreational amenities. The plan was well received by the City Council. Unfortunately, there is currently no funding available to pursue this project. Staff hopes that the proposal will be revisited in the future.



## 2.6 Tiffany Avenue Sidewalks

Working with the City, the Agency was able to utilize CDBG funds to initiate the construction of approximately 2,300 linear feet of eight-foot sidewalk along the south side of the Tiffany Avenue right-of-way. The project will be completed in FY 08-09 and provide for the interconnection of Lennard Road, Tiffany Avenue, Hillmoor Drive, Rotary Park, the PAL Building, the Wood Stork Trail, St. Lucie Medical Center, the City's medical office district and several residential neighborhoods.

## 2.7 Development Services

The Agency fields numerous customer inquiries on an annual basis, many of which are development-related. In FY 07-08, the Agency reviewed a number of development applications and worked with property owners and their agents to facilitate the development of several projects in addition to those previously discussed.

## 2.7 Special Events

As previously noted, the Plan envisions the CRA as a "central gathering place". As part of its strategy to realize this vision, the Agency has been committed to supporting cultural and special events within the CRA. In FY 07-08, the Agency continued its collaboration with volunteers, not-for-profit organizations and the City to produce *Oktoberfest*, a celebration of German culture; *Art & All That Jazz*, a celebration of art and jazz music; and the *St. Patrick's Day Festival*, a celebration of Irish culture.



The Agency activities reported above represent the major thrust of the Agency's efforts in FY 07-08.

## 3.0 AGENCY FINANCIAL PROFILE

### 3.1 Tax Increment Revenue Analysis

The Agency's most important revenue source is tax increment revenue. As more particularly discussed in Section 1, state law and the local implementing ordinance(s) set forth the regulations governing the calculation of tax increment revenue. As shown in Section 1.6, tax increment revenue is a function of the change in taxable value (the increment) and the

millage rate. An increase in taxable value produces an increase in tax increment revenue. An increase in the millage rate produces an increase in tax increment revenue. Decreases to either of these factors produce a decrease in tax increment revenue.

From its inception through FY 07-08, the Agency enjoyed dramatic increases in the CRA's total taxable value, which resulted in significant increases in tax increment revenue. Tax increment revenue climbed from \$103,551 in FY 01-02 to \$3,412,929 in FY 06-07 even while the aggregate millage rate of the participating taxing authorities declined from 14.5253 in FY 01-02 to 12.5473 in FY 06-07. However, FY 07-08 was different than years past and likely marked the beginning of a major paradigm shift.

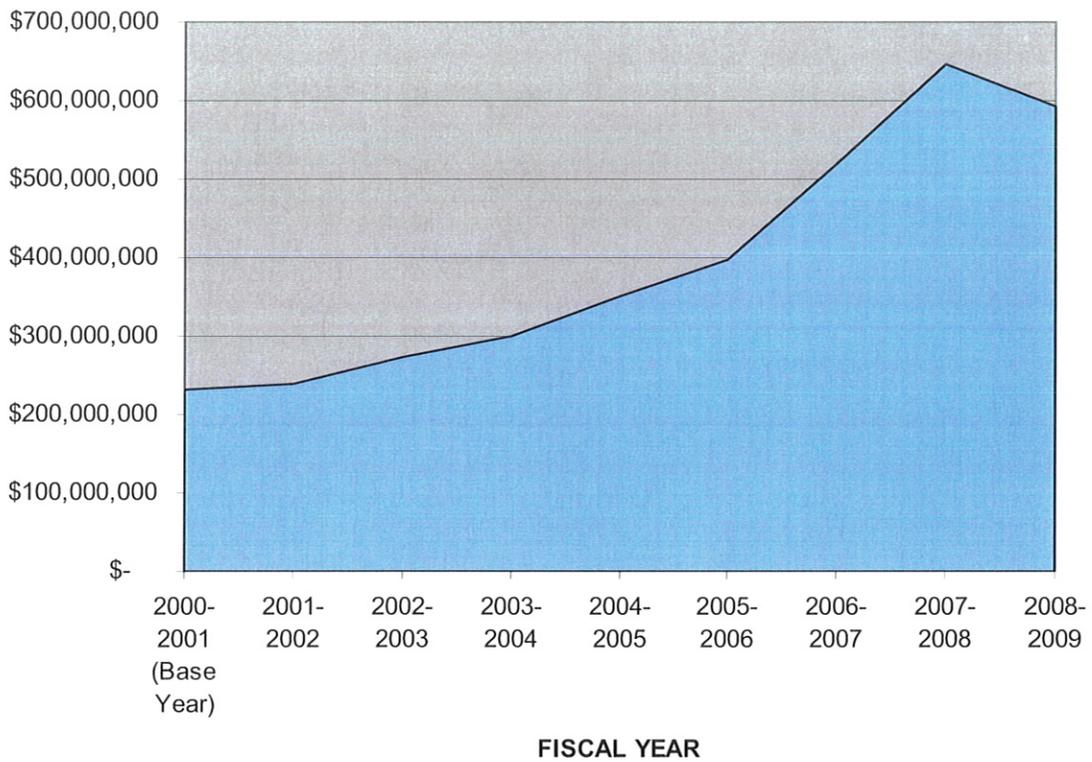
At first glimpse, it would appear that the total taxable value of the CRA in FY 07-08 was still skyrocketing, moving from \$519,051,144 to \$647,528,138; however, much of this increase was attributable to the addition of the CRA Expansion Area's total taxable value, not the incremental increase in the taxable value of the existing CRA. Looking at the CRA's total taxable value without including the CRA Expansion Area, we find that total taxable value was \$568,972,563 or 9.6% higher than the previous year, the smallest increase since the Agency's first year. More significantly, even though total taxable value increased, tax increment revenue declined for the first time in the Agency's history, moving from a high of \$3,412,929 to \$2,655,307. This decrease of more than 11% was the result of two factors: 1) the loss of the St. Lucie County Fire District as a participating taxing authority; and 2) the decreases to City and St. Lucie County millage rates as a result of the tax reform imposed by the Florida Legislature. These factors caused the aggregate millage rate of the participating taxing authorities to drop from 12.5473 in FY 06-07 to 9.3823 in FY 07-08. Though we expect the aggregate millage rate of the participating taxing authorities to remain relatively stable from this point forward, we are forecasting continuing declines to tax increment revenue for the next several years due to another reason—declining property values.

As has been well chronicled, the nation is in the midst of a recession of historical significance; Florida is at the epicenter of a collapse in the real estate market; and unemployment is soaring. These circumstances are putting significant downward pressure on property values, and double digit declines in the total taxable value of the CRA are likely in the coming years. This economic forecast places the Agency in a precarious position, as revenue is expected to be insufficient to cover debt service beginning in FY 08-09. Although the Agency has set aside approximately \$10 million to deal with any shortfalls, current estimates indicate that the set aside will be exhausted by FY 11-12. As a result, the Agency will have to find a way to increase revenue, decrease expenses or a combination thereof, by then. Unfortunately, the Agency's ability to increase revenue is limited by law and the current economic conditions, and its ability to cut expenses is limited because it has very few discretionary expenses.

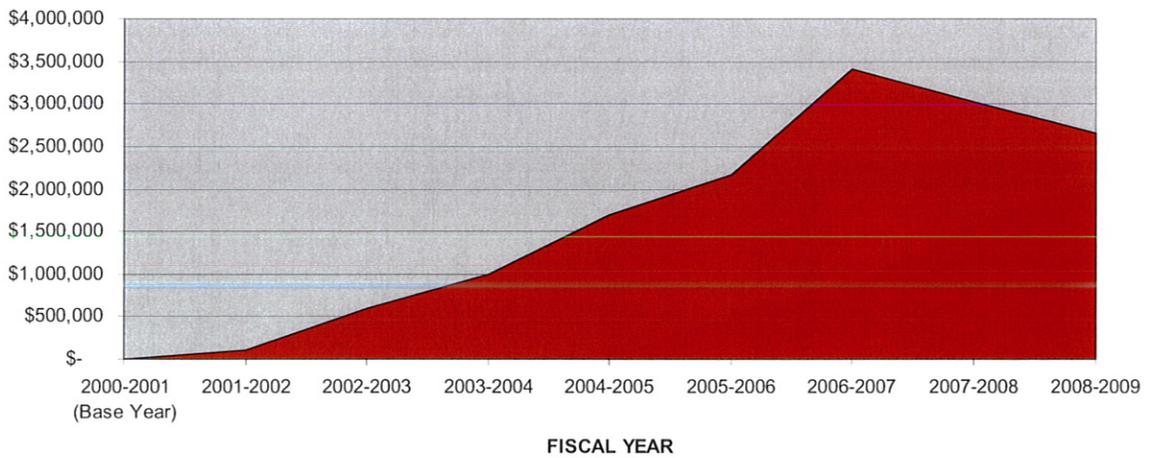
TABLE 2: AGENCY TAXABLE VALUE AND TAX INCREMENT REVENUE  
2000-2007

Fiscal Year	Taxable Value!	% Increase in TV	Aggregate Millage	Tax Increment Revenue	% Increase in TIR
2000-2001 (Base Year)	\$231,826,024	NA	NA	\$ -	NA
2001-2002	\$239,330,269	3.2%	14.5253	\$ 103,551	NA
2002-2003	\$273,616,075	14.3%	14.8586	\$ 585,950	465.9%
2003-2004	\$300,627,948	9.9%	15.2993	\$ 1,002,937	71.2%
2004-2005	\$351,793,831	17.0%	14.9125	\$ 1,702,755	69.8%
2005-2006	\$398,043,581	13.1%	13.6887	\$ 2,163,366	27.1%
2006-2007	\$519,051,144	30.4%	13.6887	\$ 3,412,929	57.8%
2007-2008	\$647,528,138	24.8%	9.3823	\$ 3,026,519	-11.3%
2008-2009	\$593,664,991	-8.3%	9.3823	\$ 2,655,307	-12.3%
2009-2010	\$490,238,676	-17.4%	9.8517	\$ 1,824,634	-31.3%
2010-2011	\$482,403,320	-1.6%	9.8517	\$ 1,771,914	-2.9%
!	Taxable Value is the sum of Taxable Value of the CRA, the Taxable Value of East Lake Village and the Taxable Value of the Expansion Area. Each Taxing Authority may have a different Taxable Value for a redevelopment area due to differences in the exemptions (i.e. Seniors Exemption, Economic Development, etc.) granted. The City's Taxable Value of the CRA is utilized in this table.				

**FIGURE 13: AGENCY TAXABLE VALUE, 2000-2009**



**FIGURE 14: AGENCY TAX INCREMENT REVENUE, 2000-2009**



### 3.2 FY 2007-2008 Budget

Prior to the beginning of every fiscal year, the Agency prepares a budget which outlines its expected revenues, expenditures and priorities for the upcoming fiscal year. The budget is a strategic document which is intended to systematically plan the expenditure of the Agency's available income in an effort to efficiently realize its goals and objectives, as set forth by the Plan, in accordance with applicable law. A budget is prepared for each of the Agency's funds, including operating and capital. The Agency's Budget is provided as Exhibit "C".

### 3.3 Agency Financial Statement

Section 163.356(3)(C) of Florida Statutes requires the Annual Report to include a complete financial statement setting forth the Agency's assets, liabilities, income and operating expenses. Pursuant to generally accepted accounting principles applicable to governmental units, the Agency is considered a blended component unit of the City. As a blended component unit, the Agency's operating fund and capital improvements funds are actually accounted for as major governmental funds of the City, and the Agency's financial statement is included as part of the City's financial statements.

The City annually analyzes its combined financial statements and reports the findings of an independent audit of those financial statements via the Comprehensive Annual Financial Report (the "CAFR"). Since the Agency's financial statement is part of the CAFR and the CAFR includes an audit, the Agency has typically awaited the adoption of the CAFR prior to issuing the Annual Report so that it could provide the applicable excerpts of the CAFR as its "complete financial statement" as required by Section 163.356 of Florida Statutes.

Sections of the CAFR relevant to the Agency are identified and discussed below. Additionally, the referenced pages of the CAFR are attached to the Annual Report as Exhibit "D". The CAFR, in its entirety, is available for inspection in the Office of the City Clerk and in the Office of the Executive Director of the Agency.

#### Sections of the CAFR Relevant to the Agency

1. Pages 3-4 depict the balance sheet for the City's Governmental Funds, which include the Community Redevelopment Trust Fund (referred to as "Community Redevelopment Fund" on page 3) and the Community Redevelopment TIF CIP Fund. Please be aware that the auditor may reference these funds with slightly different titles throughout the CAFR.
2. Pages 6-7 depict the "Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds for the Year Ended September 30, 2008", including the Community Redevelopment Fund and the Community Redevelopment CIP Fund.
3. Page 18 identifies the Agency as a blended component unit of the City.
4. Pages 21-22 describe major Governmental Funds of the City, including the Redevelopment Trust Fund and the Agency CIP Fund.

5. Pages 28-31 provide notes regarding “Cash and Investment” for several City funds, including the Community Redevelopment Trust Fund and the CIP Fund.
6. Page 36 provides notes concerning “Construction Commitments” for several City Funds, including the Community Redevelopment Trust Fund and the CIP Fund.
7. Page 37 lists “Interfund Receivables, Payables and Transfers”, which includes the Community Redevelopment Trust Fund and the CIP Fund.
8. Page 38 summarizes long-term debt of the City, including instruments of the Agency.
9. Pages 39-43 list the long-term debt of the City, including the following instruments which are debts of the Agency: Redevelopment Trust Fund Revenue Bonds, Series 2004 and Redevelopment Trust Fund Revenue Bonds, Series 2006.
10. Page 63 provides the “Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual for the Community Redevelopment Agency Fund”.
11. Unnumbered Pages between 65 and 66, entitled “Nonmajor Government Funds”, describes special revenue funds and capital improvement funds of the City, including those capital funds utilized and/or managed by the Agency, such as the “East Lake Village Capital Improvement Fund” and the “City Center Capital Improvement Fund”.
12. Pages 66-74 provide the “Combining Balance Sheet for Nonmajor Special Revenue Funds”, including those related to East Lake Village and City Center.
13. Pages 75-81 provide the “Combining Statement of Revenues, Expenditures and Changes in Fund Balances for Nonmajor Capital Project Funds, including those related to East Lake Village and City Center.

#### Discussion of the Relevant Sections of the CAFR and the Agency’s Financial Statement

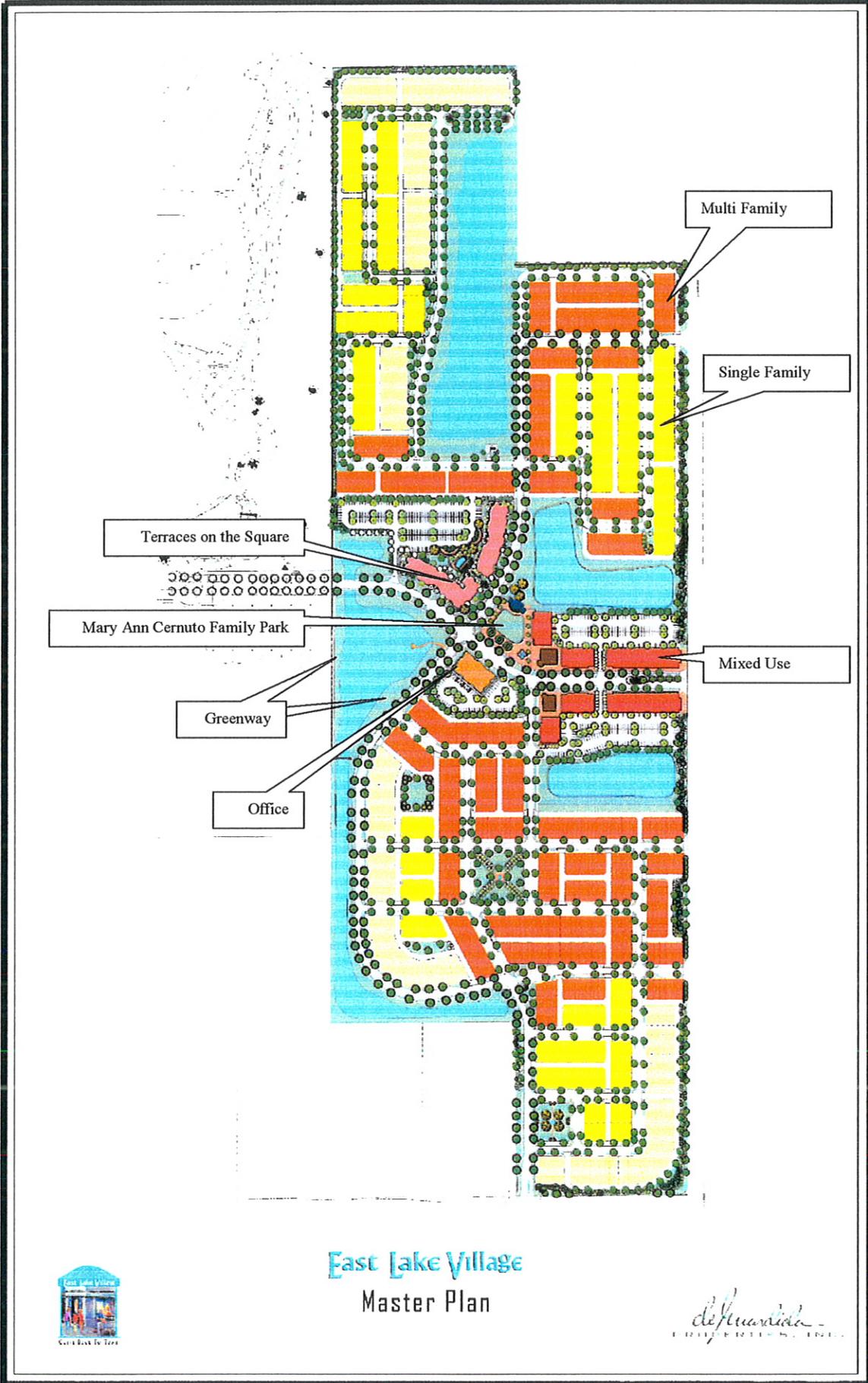
As previously referenced, Section 163.356(3)(C) of Florida Statutes requires the Annual Report to set forth the Agency’s assets, liabilities, income and operating expenses. The CAFR directly or indirectly addresses each of these reporting requirements with the exception of assets, as noted below.

1. Assets. The CAFR does not provide an itemized list of Agency assets. However, the City’s Finance Department has provided a report of the Agency’s capital assets as found in Exhibit “E”.

## **4.0 CLOSING STATEMENT**

The Agency continues to make great strides in implementing the Community Redevelopment Plan. Unfortunately, for the first time in its history, the Agency is faced with the downward swing of the development cycle. The Agency must persevere and be sure to complete the important projects that it has already begun, as it awaits the better days to come. The successful completion of these projects, such as the City Center SAD Improvements, will facilitate, and help the CRA fully realize the benefit of, a local recovery.

EXHIBIT "A"  
EAST LAKE VILLAGE MASTER PLAN



East Lake Village  
Master Plan



EXHIBIT "B"  
CURRENT CITY CENTER CONCEPTUAL MASTER PLAN

# CITY CENTER

PORT ST. LUCIE, FL

**LEGEND:**

- A. Mixed-Use**
  - A1. Ground Floor Retail: 7,330sf; Residential Above: 36 units
  - A2. Ground Floor Retail: 22,000sf; Residential Above: 60 units
  - A3. Ground Floor Retail: 7,330sf; Residential Above: 27 units
  - A4. Ground Floor Retail: 7,330sf; Residential Above: 27 units
  - A5. Ground Floor Retail: 7,330sf; Residential Above: 36 units
  - A6. Ground Floor Retail: 4,000sf; Residential Above: 18 units
- B. Office**
  - B1. Office: 100,000sf
- C. Residential / Limited Mixed-Use**
  - C1. Ground Floor Office: 8,000sf; Residential Above: 127 units
  - C2. Ground Floor Office: 9,000sf; Residential Above: 136 units
  - C3. Ground Floor Office: 9,000sf; Residential Above: 136 units
  - C4. Ground Floor Office: 8,000sf; Residential Above: 127 units
- D. Limited Mixed-Use**
  - D1. Ground Floor Retail: 6,000sf; Residential Above: 22 units
  - D2. Ground Floor Retail: 7,000sf; Residential Above: 48 units
  - D3. Ground Floor Retail: 6,000sf; Residential Above: 22 units
  - D5. Ground Floor Retail: 5,500sf; Residential Above: 22 units
- E. Residential / Limited Mixed Use:**
  - E1. Ground Floor Office: 5,000sf; Residential Above: 36 units
  - E2. Ground Floor Office: 5,000sf; Residential Above: 36 units
  - E3. Ground Floor Office: 3,000sf; Residential Above: 29 units
- F. Commercial: 40,000sf**
- G. Parking Garage: 620 spaces**
- H. Parking Garages**
  - H1. Parking Garage: 750 spaces
  - H2. Parking Garage: 620 spaces
  - H3. Parking Garage: 620 spaces
- I. Hotel**
  - 150 Rooms; Ground Floor Retail: 20,000sf
- J. Police Station**
- K. Civic Center**
  - Civic Center Square
- L. Civic Center Warehouse**
- M. Main Plaza, Interactive Fountain, Stage**
- N3. Office/Retail: 30,000sf**
- N4. Office: 25,000sf**
- N5. Retail**
  - Ball's: 40,000sf
- N6. Mixed Use**
  - Ground Floor Retail: 10,000sf; Residential Above: 30 units
- O. Office: 45,000sf**
- P1-P4. Restaurant: 5,000sf each**
- Q. Movie Theater**
  - 14-Screens

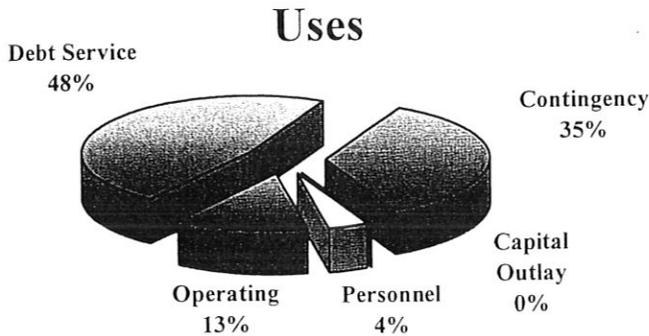
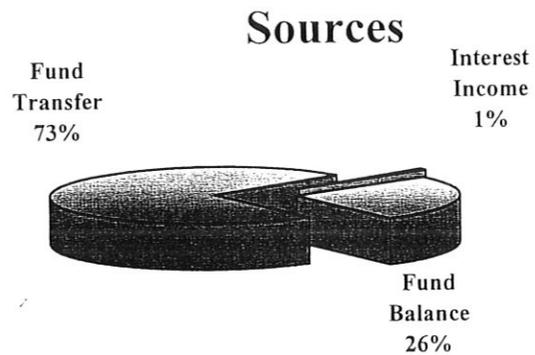


## BUILD-OUT MASTER PLAN

EXHIBIT "C"  
FY 2007-2008 BUDGET

# CITY OF PORT ST. LUCIE CRA FUND ANNUAL BUDGET 2007-08

Revenue Source	Amount
Fund Transfer	\$3,040,489
Interest Income	40,000
Fund Balance	1,087,156
<b>Total</b>	<b>\$4,167,645</b>



Expenditure by Function	Amount
Personal Services	\$156,677
Operating Expenses	551,670
Capital Outlay	2,424
Debt Service	1,977,813
Contingency	1,479,061
<b>Total</b>	<b>\$4,167,645</b>

## Community Redevelopment District Fund

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The financial activity of the Community Redevelopment District (CRA) is tracked in this special revenue fund. The budget schedule for this fund is presented in a format to show the projected growth in revenue into the future. The CRA will earn revenues based on the increase in taxable values within the established district. The tax year 2000 will serve as the base year to calculate the growth in tax value. Future expenditures cover staff cost as well as consultant costs and the annual debt payments for the bond issue. The revenues of this fund have climbed sharply in the past,

but with the combination of the real estate downturn and Tax Reform, future revenues will not climb as sharply in future years. This is causing the CRA to review it's plans for the City Center project and possibly scale back on the scope of the project. Annual revenues are expected to be nearly \$3 million. The annual debt payment is \$2 million and operating costs are set at ±\$450 thousand plus an administrative charge from the City. It should be noted that at this time, future years are projecting a deficit due to the downturn in projected TIF revenues and the debt service on the large City Center project.

**CITY OF PORT ST. LUCIE**  
**APPROVED BUDGET - CRA FUND #175**  
**FY 2007-08**

	AUDITED 2004-05 *****	AUDITED 2005-06 *****	ESTIMATED 2006-07 *****	APPROVED 2007-08 *****
<b>REVENUES &amp; SOURCES:</b>				
Contribution of Ad Valorem Taxes - County	\$1,169,495	\$668,018	\$1,158,925	\$1,371,431
Contribution of Ad Valorem Taxes - Fine & Fo	533,260	467,200	644,848	612,449
Contribution of Ad Valorem Taxes - Fire Boarc	0	446,468	671,445	0
Transfer of Ad Valorem Property Tax - PSL	0	581,680	937,711	1,056,609
Interfund Transfer from #377	0	0	2,224,379	0
Bond Proceeds	0	0	0	0
Grant Income	0	0	0	0
Interest Inc. & Other	63,658	47,390	125,000	40,000
Budgeted Cash Carryforward	0	0	288,468	1,087,156
Totals	<u>\$1,766,412</u>	<u>\$2,210,756</u>	<u>\$6,050,776</u>	<u>\$4,167,645</u>
<b>EXPENDITURES:</b>				
Personal Services	\$112,463	\$116,415	\$149,470	\$156,677
Operating Expense	151,167	161,758	161,594	303,114
Capital Outlay	704,752	0	1,842,943	2,424
Interfund Transfer	157,893	0	0	0
Fund Transfer to CRA CIP Fund	0	1,050,000	0	0
Fund Transfer to 304 - Westmoreland	0	0	580,000	0
Administrative Charges	0	88,885	199,630	248,557
Debt Service	617,300	742,400	2,029,982	1,977,813
Budgeted Contingency	0	0	1,087,156	1,479,061
Totals	<u>\$1,743,575</u>	<u>\$2,159,458</u>	<u>\$6,050,776</u>	<u>\$4,167,645</u>
<b>Total Expenditures</b>	<u>\$1,743,575</u>	<u>\$2,159,458</u>	<u>\$6,050,776</u>	<u>\$4,167,645</u>
Contingency - Future Years	\$0	\$0	\$0	\$0
<b>SURPLUS &lt;DEFICIT&gt;</b>	<u>\$22,837</u>	<u>\$51,298</u>	<u>\$0</u>	<u>(\$0)</u>

**CITY OF PORT ST. LUCIE**  
**CRA DEPARTMENT - #5210000**

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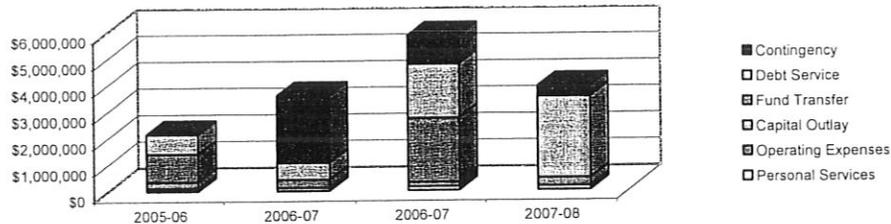
**PERFORMANCE OBJECTIVES**

- Manage, facilitate and coordinate the terms and conditions of the City Center Redevelopment Agreement between the CRA, the City of Port St. Lucie and de Guardiola Properties, Inc.
  - Completion of the Lennard Road Widening & Improvements Project.
  - Complete development of the Wood Stork Trail Project, Sections I and II Greenway Planting & Amenity Improvements.
  - Update the CRA portion of the City's website.
  - Continuation and completion of the East Lake Village development Phases I and II & Grand/Hilmoor Drive/MSWMP Project.
- Development and completion of the Mary Ann Cernuto Family Park.
  - Complete expansion of the CRA boundary to the designated PSL Boulevard Area.
  - Facilitate the start and continuation of the private sector Downtown Development improvements in East Lake Village.
  - Continuation of the CRA Special Events with the Department of Parks and Recreation: Oktoberfest, Art & All That Jazz, St. Patrick's Day Festivities.

**CITY OF PORT ST. LUCIE**  
**CRA FUND**  
**DEPARTMENTAL BUDGET SUMMARY**

**DEPARTMENT** Community Redevelopment Agency -- #175-5210  
 Greg Oravec, Community Redevelopment Director, Asst. City Manager

**CRA Budget Trends**



**EXPENDITURE SUMMARY:**

	2005-06 AUDITED *****	2006-07 BUDGET *****	2006-07 ESTIMATED *****	2007-08 BUDGET *****
Personal Services	\$116,415	\$123,470	\$149,470	\$156,677
Operating Expenses	250,643	311,594	161,594	303,114
Capital Outlay	0	3,300	3,300	2,424
Fund Transfer	1,050,000	0	2,419,643	0
Administrative Charges	0	199,630	199,630	248,557
Debt Service	742,400	629,650	2,029,982	3,064,969
Land Purchase	0	0	0	0
Contingency	0	2,538,832	1,087,156	391,904
<b>Total</b>	<b>\$2,159,458</b>	<b>\$3,806,476</b>	<b>\$6,050,776</b>	<b>\$4,167,645</b>

**STAFFING SUMMARY:**

(Full Time Equivalent)	FY 2005-06 *****	FY 2006-07 *****	FY 2007-08 *****
CRA Director	1.00	1.00	0.80
Admin. Secretary	0.50	0.50	0.50
<b>Total</b>	<b>1.50</b>	<b>1.50</b>	<b>1.30</b>

**CAPITAL OUTLAY:**

Replacement Computer	\$1,125
Fax Machine (1/2 cost w/City Mgr)	800
HP ScanJet 7650	499
	<b>\$2,424</b>

**CITY OF PORT ST. LUCIE**  
**COMMUNITY REDEVELOPMENT AGENCY - #175**  
**FY 2007-08**

OBJ CODE	ACCOUNT DESCRIPTION	2004-05 AUDITED	2005-06 AUDITED	2006-07 ESTIMATED	2007-08 BUDGET
12-0	Salaries & Wages	\$76,028	\$79,969	\$115,674	\$112,674
14-0	Overtime	6,388	732	397	2,500
21-1	F.I.C.A.	5,378	5,564	7,512	7,141
21-2	Medicare	1,339	1,301	1,757	1,636
22-0	Retirement Contributions	6,864	8,345	11,613	12,093
23-0	Life & Health Ins.	15,188	18,064	9,675	17,989
24-0	Worker's Compensation	1,277	2,439	2,841	2,068
25-0	Unemployment Compensation	0	0	0	576
	<b>TOTAL PERSONAL SERVICES</b>	<b>\$112,463</b>	<b>\$116,415</b>	<b>\$149,470</b>	<b>\$156,677</b>
31-0	Professional Services	\$50,250	\$88,679	\$37,226	\$50,000
32-0	Accounting & Audit	0	312	0	0
34-0	Other Contractual Svcs.	645	2,420	9,306	9,500
40-4	Travel Expense	1,324	1,034	2,190	200
40-401	Travel - Car Allowance	3,300	5,400	5,000	4,800
41-0	Communications Service	552	1,237	87	500
41-001	Cell Phone Allowance	0	0	300	600
42-0	Transportation	3,519	639	1,081	2,000
43-1	Electricity	9,410	7,989	0	0
43-2	Water	3,510	60	0	0
43-3	Sewer	6,428	78	0	0
45-0	Insurance	890	1,345	2,730	3,874
46-1	Repairs/Maint.-Buildings	0	0	106	500
46-2	Repairs/Maint.-Office Equip.	1,621	51	39	100
47-0	Printing & Binding	2,650	1,306	3,493	2,500
49-0	Other Current Charges & Oblig.	55,978	127,084	66,251	221,640
49-3	Administrative Charge	0	0	219,825	248,557
51-0	Office Supplies	3,200	3,307	2,768	4,400
52-0	Operating Supplies	6,473	937	964	1,000
53-0	Holiday Display	0	6,500	6,975	0
54-0	Books, Public., Memberships	1,392	1,826	1,839	1,500
54-1	Training-Education	25	440	1,045	0
	<b>TOTAL OPERATING EXPENSE</b>	<b>\$151,167</b>	<b>\$250,643</b>	<b>\$361,226</b>	<b>\$551,671</b>
61-0	Land	\$0	\$0	\$1,839,642	\$0
62-0	Buildings	704,752	0	0	0
64-2	Office Furniture	0	0	3,300	2,424
	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$704,752</b>	<b>\$0</b>	<b>\$1,842,942</b>	<b>\$2,424</b>
71-0	Principal	\$180,000	\$310,000	\$415,000	\$415,000
72-0	Interest	\$437,300	\$432,400	\$1,614,982	\$2,649,969
	<b>TOTAL DEBT SERVICE</b>	<b>\$617,300</b>	<b>\$742,400</b>	<b>\$2,029,982</b>	<b>\$3,064,969</b>
01-0	Contingency	\$0	\$0	\$1,087,156	\$391,904
81-0	Fund Transfer	\$157,893	\$1,050,000	\$580,000	\$0
	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$157,893</b>	<b>\$1,050,000</b>	<b>\$1,667,156</b>	<b>\$391,904</b>
	<b>*TOTAL CRA *</b>	<b>\$1,743,575</b>	<b>\$2,159,458</b>	<b>\$6,050,776</b>	<b>\$4,167,645</b>

**CITY OF PORT ST. LUCIE**  
**CITY CENTER CIP FUND #377**  
**FIVE YEAR PROJECTIONS**  
**FY 2007-08**

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
<b>REVENUES:</b>					
Budgeted Cash Carryforward - Bond Proceeds	\$0	\$0	\$0	\$0	\$0
Budgeted Cash Carryforward	0	0	0	0	0
Fund Transfer from CRA #175 Fund	0	0	0	0	0
Interest Income	131,778	0	0	0	0
Totals	\$131,778	\$0	\$0	\$0	\$0
<b>EXPENDITURES:</b>					
<u>DOWNTOWN DEVELOPMENT</u>					
Personnel Services	\$131,778	\$0	\$0	\$0	\$0
Buildings - City Center	0	0	0	0	0
Capital Projects	0	0	0	0	0
Land Purchase	0	0	0	0	0
Interfund Transfer CITY Center Debt Service Fund #177	0	0	0	0	0
Totals	\$131,778	\$0	\$0	\$0	\$0
CRA FUND TOTALS	\$131,778	\$0	\$0	\$0	\$0
Contingency for Future Years	\$0	\$0	\$0	\$0	\$0
<b>SURPLUS/&lt;DEFICIT&gt;</b>	\$0	\$0	\$0	\$0	\$0

EXHIBIT "D"  
EXCERPTS OF THE CITY OF PORT ST. LUCIE COMPREHENSIVE ANNUAL FINANCIAL  
REPORT (THE "CAFR") FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008

CITY OF PORT ST. LUCIE, FLORIDA

Balance Sheet  
Governmental Funds  
September 30, 2008

	General	Debt Service Fund	Community Redevelopment Fund	Community Redevelopment TIF CIP Fund
<b>Assets</b>				
Cash and Cash Equivalents	\$ 23,305	\$ -	\$ -	\$ -
Equity in Pooled Cash	14,665,305	-	569,001	362,221
Investments	7,770,035	-	-	-
Receivables	1,289,600	-	-	500,000
Assessments Receivable	-	-	-	-
Due From Other Funds	176,639	-	-	-
Due From Other Governmental Units	1,259,437	11,340	-	-
Prepaid Items	24,217	-	-	-
Deposits	60,997	-	-	-
Inventories	44,311	-	-	-
Restricted Assets:				
Equity in Pooled Cash	17,969	482,188	323	6,938,840
Investments	-	-	-	10,411,306
Receivables	-	-	-	-
Total assets	<u>\$ 25,331,815</u>	<u>\$ 493,528</u>	<u>\$ 569,324</u>	<u>\$ 18,212,367</u>
<b>Liabilities and fund balances</b>				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 980,866	\$ -	\$ 4,245	\$ -
Accrued Salaries and Wages	1,826,951	-	6,232	-
Due To Other Funds	5,793	-	-	-
Deposits	54,905	-	-	-
Arbitrage Rebate Payable	-	-	-	282,976
Deferred Revenue	1,190,194	-	1,203	500,000
Payables from Restricted Assets	-	-	-	1,346,340
Retainage Payable from Restricted Assets	-	-	-	2,163,158
Total liabilities	<u>4,058,709</u>	<u>-</u>	<u>11,680</u>	<u>4,292,474</u>
Fund balances:				
Reserved for:				
Encumbrances	136,632	-	-	4,261,959
Inventories	44,311	-	-	-
Prepays	85,214	-	-	-
Unreserved, designated for, reported in:				
Special Revenue Funds	-	-	557,644	-
Capital Project Funds	-	-	-	9,657,934
Debt Service Fund	-	493,528	-	-
Unreserved, undesignated, reported in:				
General Fund	21,006,949	-	-	-
Special Revenue Funds	-	-	-	-
Capital Project Funds	-	-	-	-
Total fund balances	<u>21,273,106</u>	<u>493,528</u>	<u>557,644</u>	<u>13,919,893</u>
Total liabilities and fund balances	<u>\$ 25,331,815</u>	<u>\$ 493,528</u>	<u>\$ 569,324</u>	<u>\$ 18,212,367</u>

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

Capital Improvement Road & Bridge Fund	Crosstown Parkway Fund	Capital SW Annexation District 1 Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 1,025	\$ 24,330
20,864,998	-	-	14,580,064	51,041,589
1,849,918	-	-	6,568,671	16,188,624
135,021	1,100,000	-	5,953	3,030,574
-	-	-	184,263,338	184,263,338
-	-	-	-	176,639
247,685	637,259	-	1,655,235	3,810,956
-	1,800	-	13,596	39,613
-	-	-	10,895	71,892
-	-	-	-	44,311
503,273	10,622,462	46,788,087	44,562,014	109,915,156
735	33,557,452	9,389,491	56,229,329	109,588,313
-	54,922	-	34,227	89,149
<u>\$ 23,601,630</u>	<u>\$ 45,973,895</u>	<u>\$ 56,177,578</u>	<u>\$ 307,924,347</u>	<u>\$ 478,284,484</u>
\$ 2	\$ -	\$ -	\$ 1,280,391	\$ 2,265,504
-	-	-	333,860	2,167,043
-	-	-	176,639	182,432
-	-	-	80,838	135,743
-	-	-	143,827	426,803
175,397	1,100,000	-	185,187,215	188,154,009
878,266	6,430,786	5,692,838	3,275,209	17,623,439
307,641	234,076	-	1,149,261	3,854,136
<u>1,361,306</u>	<u>7,764,862</u>	<u>5,692,838</u>	<u>191,627,240</u>	<u>214,809,109</u>
3,760,548	32,486,712	58,142,148	8,486,659	107,274,658
-	-	-	-	44,311
-	1,800	-	24,491	111,505
-	-	-	47,938,182	48,495,826
18,479,776	5,720,521	-	60,035,839	93,894,070
-	-	-	-	493,528
-	-	-	-	21,006,949
-	-	-	(48,981)	(48,981)
-	-	(7,657,408)	(139,083)	(7,796,491)
<u>22,240,324</u>	<u>38,209,033</u>	<u>50,484,740</u>	<u>116,297,107</u>	<u>263,475,375</u>
<u>\$ 23,601,630</u>	<u>\$ 45,973,895</u>	<u>\$ 56,177,578</u>	<u>\$ 307,924,347</u>	<u>\$ 478,284,484</u>

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended September 30, 2008

	General	Debt Service Fund	Community Redevelopment Fund	Community Redevelopment CIP Fund
<b>Revenues</b>				
Taxes	\$ 39,390,986	\$ 12,587,376	\$ -	\$ -
Licenses and Permits	9,392,281	-	-	-
Intergovernmental	10,828,916	-	1,964,667	150,000
Charges for Services	2,050,521	-	18,942	-
Human Services	108,017	-	-	-
Fines and Forfeitures	834,145	-	-	-
Interest on Investments	693,290	161,412	31,602	532,722
Interest on Special Assessments	-	-	-	-
Impact Fees	312,823	-	-	-
Developers Contributions	76,320	-	-	250,000
Other	2,255,298	-	58,049	-
Total revenues	<u>65,942,597</u>	<u>12,748,788</u>	<u>2,073,260</u>	<u>932,722</u>
<b>Expenditures</b>				
Current:				
General Government	7,046,982	-	-	-
Public Safety	36,669,787	-	-	-
Physical Environment	925,276	-	-	-
Transportation	33,594	5,555	-	-
Economic Environment	109,830	-	806,824	-
Human Services	1,585,256	-	-	-
Culture and Recreation	7,503,173	-	-	-
Capital Outlay	1,722,925	-	877	31,392,569
Debt Service:				
Principal	4,955,072	200,000	475,000	-
Interest	265,371	4,213,833	2,589,969	-
Total expenditures	<u>60,817,266</u>	<u>4,419,388</u>	<u>3,872,670</u>	<u>31,392,569</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>5,125,331</u>	<u>8,329,400</u>	<u>(1,799,410)</u>	<u>(30,459,847)</u>
<b>Other financing sources (uses)</b>				
Transfers In	2,608,706	-	1,061,851	2,220,000
Transfers Out	(7,331,013)	(8,561,783)	(6,170)	-
Issuance of Debt	5,015,000	-	-	-
Premium on Issuance of Debt	60,999	-	-	-
Discount on Issuance of Debt	-	-	-	-
Total other financing sources (uses)	<u>353,692</u>	<u>(8,561,783)</u>	<u>1,055,681</u>	<u>2,220,000</u>
<b>Net change in fund balances</b>	<u>5,479,023</u>	<u>(232,383)</u>	<u>(743,729)</u>	<u>(28,239,847)</u>
<b>Fund balance - beginning</b>	<u>15,794,083</u>	<u>725,911</u>	<u>1,301,373</u>	<u>42,159,740</u>
<b>Fund balance - ending</b>	<u>\$ 21,273,106</u>	<u>\$ 493,528</u>	<u>\$ 557,644</u>	<u>\$ 13,919,893</u>

Capital Improvement Road & Bridge Fund	Crosstown Parkway Fund	Capital SW Annexation District 1 Fund	Other Governmental Funds	Total Governmental Funds
\$ 5,881,787	\$ -	\$ -	\$ 3,226,429	\$ 61,086,578
-	-	-	3,785,679	13,177,960
3,115,908	3,236,950	-	15,168,280	34,464,721
-	-	-	10,431,738	12,501,201
-	-	-	-	108,017
-	-	-	135,952	970,097
806,310	1,722,415	995,443	2,749,964	7,693,158
-	-	-	10,988,686	10,988,686
3,268,600	-	-	1,734,765	5,316,188
257,902	1,100,000	86,815	90,321	1,861,358
43,684	2,082	-	778,316	3,137,429
<u>13,374,191</u>	<u>6,061,447</u>	<u>1,082,258</u>	<u>49,090,130</u>	<u>151,305,393</u>
-	-	-	5,025,193	12,072,175
-	-	-	501,766	37,171,553
-	-	-	269,900	1,195,176
4,162,828	-	8,738,862	8,224,607	21,165,446
-	-	-	7,118,073	8,034,727
-	-	-	-	1,585,256
-	-	-	67,126	7,570,299
8,620,542	48,701,481	67,465,327	43,904,214	201,807,935
-	-	10,000,000	18,924,485	34,554,557
-	-	207,156	17,509,371	24,785,700
<u>12,783,370</u>	<u>48,701,481</u>	<u>86,411,345</u>	<u>101,544,735</u>	<u>349,942,824</u>
590,821	(42,640,034)	(85,329,087)	(52,454,605)	(198,637,431)
1,001,680	8,561,783	2,268,878	101,096,405	118,819,303
(8,145,594)	(1,429,863)	(86,861,061)	(9,249,137)	(121,584,621)
2,300,000	-	155,840,000	-	163,155,000
-	-	-	-	60,999
-	-	(3,141,774)	-	(3,141,774)
<u>(4,843,914)</u>	<u>7,131,920</u>	<u>68,106,043</u>	<u>91,847,268</u>	<u>157,308,907</u>
(4,253,093)	(35,508,114)	(17,223,044)	39,392,663	(41,328,524)
26,493,417	73,717,147	67,707,784	76,904,444	304,803,899
<u>\$ 22,240,324</u>	<u>\$ 38,209,033</u>	<u>\$ 50,484,740</u>	<u>\$ 116,297,107</u>	<u>\$ 263,475,375</u>

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2008

**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 157,896 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 an area 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.

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.

**CITY OF PORT ST. LUCIE, FLORIDA**  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2008

**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 2007 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, 2008.

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.

**CITY OF PORT ST. LUCIE, FLORIDA**  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2008

C. BASIS OF PRESENTATION (CONTINUED)

Governmental Funds (continued)

General Obligation Debt Service Fund - to account for the revenues derived from the voter-approved 1 mill debt service 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.

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.

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

Crosstown Parkway Capital Improvement Fund - to account for the financial resources and expenditures for design, acquisition and construction of the third major east-west transportation corridor across the City. The funding resources include interest income, ad-valorem tax revenues, and bond proceeds.

Capital SW Annexation District 1 Fund - to account for the financial resources and expenditures for design and construction of the recently annexed area in the southwest section of the City. The funding resources include proceeds of the current year bond issue.

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.

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2008

**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 \$83,711,215 including petty cash of \$31,180 (the bank balance was \$86,538,300). Of the bank balance, \$100,000 was insured by federal depository insurance and \$86,438,300 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, 2008. 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.

**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).

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2008

A. CASH AND INVESTMENTS (CONTINUED)

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. The City is authorized to invest in the local government surplus funds trust fund, obligations of the U.S. government or agencies thereof, banking institutions within the state and other such institutions within the guidelines of the state statutes. Allowed investments also include interest-bearing savings accounts, money market accounts, certificates of deposit, or time deposits constituting direct obligations of any bank certified as a Qualified Public Depository. These limitations do not apply to funds related to the issuance of debt where there are other existing policies or indentures in effect. Repurchase agreements collateralized by the above noted securities constitute an allowed investment.

Pool A has been re-designed with the descriptive title of LGIP (Local Government Investment Pool) and is considered a SEC 2a7-like fund. Currently, the LGIP 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 LGIP.

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 LGIP and become available to participants in the same manner as the other LGIP balances. Fund B is accounted for as a fluctuating NAV Pool. The Fair Value factor for September 30, 2008 as .798385 and has been applied to the account balance to arrive at an amount for financial statement reporting purposes.

As of March 13, 2009, the City has \$150,000 and \$17,287,379 invested in LGIP and Fund B, respectively. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2008

**A. CASH AND INVESTMENTS (CONTINUED)**

The City has entered into guaranteed investment contracts for the investment of certain construction funds. At year-end, there was a balance of \$57,532,276 in the contracts. Government Securities are maintained in a custody account in the name of the City and the investment banker with an independent third-party custodian equal to or greater than the construction fund account balances.

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 (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, 2008.

The composition of fixed income securities at September 30, 2008, along with credit quality and effective duration measures, is summarized as follows:

**Pension Funds**

**(Municipal Police Officers' Retirement Trust)**

	<u>Fair Value</u>	<u>Rating S &amp; P</u>	<u>Duration (in years)</u>
U.S. Government Obligations	\$ 283,894	AAA	4.7
U.S. Government Agencies	4,653,173	AAA	4.8
Corporate Obligations	4,386,861	D-AA	3.2
Temporary Investment Funds	<u>3,005,196</u>	AAA	Daily
	<u>\$ 12,329,124</u>		

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

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2008

**A. CASH AND INVESTMENTS (CONTINUED)**

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

<u>FUND TYPE</u>	<u>Cash and Cash Equivalents</u>	<u>Equity in Pooled Cash and Investments</u>	<u>Investments</u>	<u>Restricted Investments</u>	<u>Restricted Equity in Pooled Cash and Investments</u>	<u>Total Cash and Investments</u>
<b><u>Governmental Activities</u></b>						
General	\$ 23,305	\$ 14,665,305	\$ 7,770,035	\$ -	\$ 17,969	\$ 22,476,614
GO Bond Debt Service	-	-	-	-	482,188	482,188
Community Redevelopment	-	569,001	-	-	323	569,324
Community Redevelopment TIF CIP	-	362,221	-	10,411,306	6,938,840	17,712,367
Capital Improvement Road & Bridge	-	20,864,998	1,849,918	735	503,273	23,218,924
Crosstown Parkway	-	-	-	33,557,452	10,622,462	44,179,914
Capital SW Annexation District 1	-	-	-	9,389,491	46,788,087	56,177,578
Nonmajor Governmental Funds	1,025	14,580,064	6,568,671	56,229,329	44,562,014	121,941,103
Total Governmental	<u>24,330</u>	<u>51,041,589</u>	<u>16,188,624</u>	<u>109,588,313</u>	<u>109,915,156</u>	<u>286,758,012</u>
<b><u>Business Type Activities</u></b>						
Utility System Fund	5,150	40,516,164	27,432,270	61,215,256	21,011,203	150,180,043
Stormwater Utility Fund	1,200	2,850,557	-	-	455,730	3,307,487
Golf Course Fund	500	110,928	152,009	-	-	263,437
Total Business-Type	<u>6,850</u>	<u>43,477,649</u>	<u>27,584,279</u>	<u>61,215,256</u>	<u>21,466,933</u>	<u>153,750,967</u>
	31,180	94,519,238	43,772,903	170,803,569	131,382,089	440,508,979
<b><u>Internal Service Fund</u></b>						
Medical Trust Fund	-	1,976,147	394,218	-	-	2,370,365
Total Fiduciary Fund	<u>-</u>	<u>1,976,147</u>	<u>394,218</u>	<u>-</u>	<u>-</u>	<u>2,370,365</u>
<b>TOTAL</b>	<u>\$ 31,180</u>	<u>\$ 96,495,385</u>	<u>\$ 44,167,121</u>	<u>\$170,803,569</u>	<u>\$131,382,089</u>	<u>\$ 442,879,344</u>

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2008

**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, 2008:

General Fund	\$ 128,267
Community Redevelopment Fund TIF CIP Fund	4,261,959
Capital Improvement Road & Bridge Fund	3,760,548
Crosstown Parkway Fund	32,486,712
Capital SW Annexation District 1 Fund	58,142,148
Nonmajor Governmental Funds	8,486,659
Stormwater Utility	695,066
Utility System	14,718,611
	\$ 122,679,970

**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	\$ 176,639
Internal Service Fund	General Fund	5,793
		\$ 182,432

All remaining balances 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.

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2008

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

The following is a summary of interfund transfers:

<u>Transfers In Fund</u>	<u>Transfers Out Fund</u>	<u>Amount</u>
General Fund	Capital SW Annexation District 1	\$ 2,608,706
Nonmajor Governmental Funds	Capital Improvement Road & Bridge Fund	7,989,581
Nonmajor Governmental Funds	Crosstown Parkway Fund	1,429,863
Nonmajor Governmental Funds	Capital SW Annexation District 1	259,661
Nonmajor Governmental Funds	Nonmajor Governmental Funds	9,693,484
Nonmajor Governmental Funds	Capital SW Annexation District 1	81,723,816
Community Redevelopment Fund	General Fund	822,859
Community Redevelopment Fund	Capital Improvement Road & Bridge Fund	154,333
Capital Improvement Road & Bridge Fund	General Fund	1,000,000
Capital Improvement Road & Bridge Fund	Stormwater Utility Fund	1,680
Crosstown Parkway Fund	Go Bond Debt Service Fund	8,561,783
Capital SW Annexation District 1 Fund	Utility System Fund	2,268,878
Community Redevelopment TIF CIP Fund	General Fund	2,220,000
Stormwater Utility Fund	Capital Improvement Road & Bridge Fund	1,680
Golf Course Fund	General Fund	230,455
Internal Service Fund	General Fund	2,053,401
Internal Service Fund	Nonmajor Governmental Funds	475,292
Internal Service Fund	Community Redevelopment Fund	6,170
Internal Service Fund	Stormwater Utility Fund	295,903
Internal Service Fund	Golf Course Fund	58,661
Internal Service Fund	Utility System Fund	1,066,600
Utility System Fund	Capital SW Annexation District 1	2,268,878
Community Redevelopment Fund	Nonmajor Governmental Funds	84,659
		<u>\$ 125,276,343</u>

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. Additional transfers were made related to a portion of bond proceeds which were used to advance refund a portion of outstanding bond obligations in another fund. Additionally, several funds transferred to the Road & Bridge Fund their allocable share of construction project expenditures.

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2008

**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, 2008:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Sales Tax Refunding and Improvement Revenue Bonds, Series 1998	\$ 4,830,000	\$ -	\$ 4,830,000	\$ -	\$ -
Local Option Gas Tax Bonds, Series 2000	5,680,000	-	1,325,000	4,355,000	1,385,000
Series 2004	16,670,000	-	640,000	16,030,000	805,000
Sales Tax Improvement Revenue Bonds, Series 2003	17,525,000	-	635,000	16,890,000	630,000
Loan Payable	230,127	-	75,072	155,055	78,752
Revenue Anticipation Note 2003	4,885,832	-	1,599,485	3,286,347	1,628,436
Certificates of Participation, Series 2004	4,850,000	-	240,000	4,610,000	245,000
Certificates of Participation, Series 2007	44,560,000	-	-	44,560,000	1,025,000
CRA Tax Increment Bonds, Series 2004	10,965,000	-	475,000	10,490,000	540,000
CRA Tax Increment Bonds, Series 2006	46,450,000	-	-	46,450,000	-
General Obligation Bonds, Series 2005	44,680,000	-	100,000	44,580,000	100,000
General Obligation Bonds, Series 2006	44,445,000	-	100,000	44,345,000	100,000
Improvement Revenue Note, Series 2006A	1,100,000	2,300,000	-	3,400,000	2,000,000
Bond Anticipation Note, Series 2007	10,000,000	-	10,000,000	-	-
Sales Tax Refunding Bonds, Series 2008	-	5,015,000	50,000	4,965,000	25,000
Special Assessment District Bonds:					
Series 1997A	3,805,000	-	1,300,000	2,505,000	-
Series 1998A	25,470,000	-	3,525,000	21,945,000	-
Series 2001A, South Lennard Road	2,460,000	-	160,000	2,300,000	-
Series 2001D	28,460,000	-	2,000,000	26,460,000	-
Series 2002 A & B, River Point	6,105,000	-	430,000	5,675,000	-
Series 2003 A & B, Tesoro	24,540,000	-	2,095,000	22,445,000	-
Series 2003 C, Glassman	7,480,000	-	490,000	6,990,000	-
Series 2003 D, East Lake Village	8,705,000	-	510,000	8,195,000	-
Series 2005 A	18,625,000	-	1,040,000	17,585,000	160,000
Series 2005 B	3,400,000	-	240,000	3,160,000	-
Series 2006A	25,185,000	-	855,000	24,330,000	-
Series 2007A	6,290,000	-	1,840,000	4,450,000	-
Series 2007B	-	155,840,000	-	155,840,000	-
	417,395,959	163,155,000	34,554,557	545,996,402	8,722,188
Compensated Absences	7,296,018	5,334,812	3,968,539	8,662,291	866,229
Unamortized Bond (Premium)/Discount & Loss on Defeasance Due Within One Year	4,732,053 (17,639,159)	(2,978,658)	368,151	1,385,244 (9,588,417)	-
	<u>\$ 411,784,871</u>	<u>\$ 165,511,154</u>	<u>\$ 38,891,247</u>	<u>\$ 546,455,520</u>	<u>\$ 9,588,417</u>

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2008

G. LONG-TERM DEBT (CONTINUED)

Governmental Activities Debt (continued):

<b>Compensated Absences:</b>	<u>10/1/2007</u>	<u>Increase</u>	<u>Decrease</u>	<u>9/30/2008</u>	<u>Current Portion</u>
General	\$5,979,867	\$4,527,041	\$3,341,909	\$7,164,999	\$716,500
Road & Bridge	547,022	283,444	174,210	656,256	65,626
Building Department	723,917	394,022	301,441	816,498	81,650
HH Recovery	20,756	44,770	49,401	16,125	1,613
CDBG	12,714	54,058	62,566	4,206	421
Housing	6,360	31,315	33,469	4,206	421
CRA	5,381	162	5,543	-	-
	<u>\$7,296,017</u>	<u>\$5,334,812</u>	<u>\$3,968,539</u>	<u>\$8,662,290</u>	<u>\$866,229</u>

\$24,020,000 Local Option Gas Tax Improvement Revenue Bonds, Series 2000 – payable from and collateralized by a lien upon and pledge of the Local Option Gas Tax Revenues, due in annual principal installments ranging from \$1,385,000 to \$1,520,000 plus interest semiannually at a rate of 4.80% to 4.90% through September 2011. Proceeds used for roadway widening, drainage improvements and street signals for various City streets.

\$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, on a parity with the Series 1996 bonds and the Series 2000 bonds, due in annual principal installments ranging from \$805,000 to \$3,430,000 plus interest semiannually at a rate of 3.0% to 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 \$630,000 to 2,115,000 plus interest ranging from 3.0% to 5.0% through September 2023. Proceeds used for roadway improvements.

Loan Payable - collateralized by radio equipment, payable in annual principal installments of \$78,752 to \$76,303 plus interest paid semi-annually ranging from 4.2% to 5.5% through 2010.

\$8,000,000 Improvement Revenue Notes, Series 2003 – 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 semiannual principal installments of \$1,687,919 plus interest semiannually at a rate of 3.62% through November 2009. Proceeds used to finance the construction of roadway widening and drainage improvements.

**CITY OF PORT ST. LUCIE, FLORIDA**  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2008

G. LONG-TERM DEBT (CONTINUED)

Governmental Activities Debt (continued):

\$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 \$245,000 to \$395,000 plus interest semiannually at a rate ranging from 2.40% to 4.25% through September 2023. Proceeds used to finance the construction of a police building, animal shelter, and administration complex.

\$44,560,000 Certificate of Participation, Florida Master Lease Project, Series 2007 (Municipal Complex 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 \$1,620,000 to \$3,250,000 plus interest semiannually at a rate of 3.678% through September 2027. Proceeds to finance construction and improvements related to the medical research facility area of the City.

\$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 \$540,000 to \$915,000 plus interest semiannually at a rate ranging from 2.5% 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 \$700,000 to \$6,285,000 plus interest semiannually at a rate ranging from 3.625% 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 \$100,000 to \$3,140,000 plus interest ranging from 3.125% 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 \$100,000 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.

CITY OF PORT ST. LUCIE, FLORIDA  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2008

G. LONG-TERM DEBT (CONTINUED)

Governmental Activities Debt (continued):

\$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 \$50,000 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.

Special Assessment Debt with Government Commitment:

\$17,955,000 Special Assessment Bonds, Series 1997A (Water and Sewer Assessment District #1, Phase II) - payable from assessments levied on subject properties within the service area, due in annual principal installments ranging from \$130,000 to \$1,220,000 plus interest at a rate of 2.7% through October, 2014. Due to the early call of certain bonds, no principal payments are due until October, 2012. 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.

\$65,455,000 Special Assessment Bonds, Series 1998A (Utilities Service Area 3 & 4) - payable from assessments levied on subject properties within the service area, due in annual principal installments ranging from \$3,645,000 to \$4,915,000 plus interest ranging from 4.5% to 5.0% through October, 2018. Due to the early call of certain bonds, no principal payments are due until October 2014. 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.

\$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, 2012. 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.

\$54,390,000 Special Assessment Bonds, Series 2001D (Utilities Service Area 5, 6 & 7A) – payable from assessments levied on subject properties within the service area, due in annual principal installments ranging from \$2,440,000 to \$3,945,000 plus interest ranging from 4.25% to 5.0% through September 2021. Due to the early call of certain bonds, no principal payments are due until September, 2014. 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.

**CITY OF PORT ST. LUCIE, FLORIDA**  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2008

G. LONG-TERM DEBT (CONTINUED)

Special Assessment Debt with Government Commitment (continued):

\$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 \$360,000 to \$595,000 plus interest ranging from 3.966% to 4.75% through January 2023. 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 \$1,430,000 to \$2,380,000 plus interest ranging from 3.656% to 4.75% through January 2023. 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 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 \$270,000 to \$835,000 plus interest at a rate of 6.75% 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.

\$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 \$375,000 to \$775,000 plus interest ranging from 3.1% 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.

**CITY OF PORT ST. LUCIE, FLORIDA**  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2008

G. LONG-TERM DEBT (CONTINUED)

Special Assessment Debt with Government Commitment (continued):

\$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 \$160,000 to \$1,365,000 plus interest ranging from 3.10% 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 \$90,000 to \$345,000 plus interest ranging from 3.75% to 4.5% through July 2025. Proceeds used for water and wastewater system expansion within the SAD.

\$25,185,000 Special Assessment District Bonds, Series 2006A – (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 2009, ranging from \$885,000 to \$1,805,000 plus interest semiannually ranging from 3.6% to 4.25% through July 2027. 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 City Center SAD.

\$6,635,000 Combined Special Assessment District Bonds, Series 2007A – (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 2008, ranging from \$80,000 to \$525,000 plus interest semiannually at a rate of 5.35% through July 2027. 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 \$2,450,000 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.

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, 2008

	Original Budget	Final Budget	Actual	Encumbrances		Actual on Budgetary Basis	Variance With Final Positive (Negative)
				2007	2008		
<b>Revenues:</b>							
Intergovernmental	\$ 1,983,880	\$ 1,983,880	\$ 1,964,667	\$ -	\$ -	\$ 1,964,667	\$ (19,213)
Charges for Services	-	-	18,942	-	-	18,942	18,942
Interest Income	40,000	40,000	31,602	-	-	31,602	(8,398)
Other	-	-	58,049	-	-	58,049	58,049
<b>Total Revenue</b>	<b>2,023,880</b>	<b>2,023,880</b>	<b>2,073,260</b>	<b>-</b>	<b>-</b>	<b>2,073,260</b>	<b>49,380</b>
<b>Expenditures:</b>							
Downtown Development							
Personal Services	156,677	157,100	158,464	-	-	158,464	(1,364)
Operating Expenses	551,671	670,168	648,360	11,670	-	648,360	21,808
Capital Outlay	2,424	1,001	877	-	-	877	124
<b>Total Downtown Development</b>	<b>710,772</b>	<b>828,269</b>	<b>807,701</b>	<b>11,670</b>	<b>-</b>	<b>807,701</b>	<b>20,568</b>
Debt Service:							
Principal	415,000	415,000	475,000	-	-	475,000	(60,000)
Interest	2,649,969	2,649,969	2,589,969	-	-	2,589,969	60,000
<b>Total Debt Service</b>	<b>3,064,969</b>	<b>3,064,969</b>	<b>3,064,969</b>	<b>-</b>	<b>-</b>	<b>3,064,969</b>	<b>-</b>
<b>Total Expenditures</b>	<b>3,775,741</b>	<b>3,893,238</b>	<b>3,872,670</b>	<b>11,670</b>	<b>-</b>	<b>3,872,670</b>	<b>20,568</b>
<b>Excess of Revenues over (under) expenditures</b>	<b>(1,751,861)</b>	<b>(1,869,358)</b>	<b>(1,799,410)</b>	<b>(11,670)</b>	<b>-</b>	<b>(1,799,410)</b>	<b>69,948</b>
<b>Other Financing Sources (Uses)</b>							
Transfers In	2,143,765	2,190,792	1,061,851	-	-	1,061,851	1,128,941
Transfers Out	-	(6,170)	(6,170)	-	-	(6,170)	-
<b>Total Other Financing Sources (Uses)</b>	<b>2,143,765</b>	<b>2,184,622</b>	<b>1,055,681</b>	<b>-</b>	<b>-</b>	<b>1,055,681</b>	<b>1,128,941</b>
<b>Net Change in Fund Balance</b>	<b>\$ 391,904</b>	<b>\$ 315,264</b>	<b>(743,729)</b>	<b>\$(11,670)</b>	<b>\$ -</b>	<b>\$ (743,729)</b>	<b>\$ 1,198,889</b>
<b>Fund Balance - beginning</b>			1,301,373				
<b>Fund Balance - ending</b>			<b>\$ 557,644</b>				

# 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 such as gasoline tax and state-shared revenues and expenditures associated with the maintenance and repair of the City's roads and bridges.

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

**Law Enforcement Impact Fund** - to account for the 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 established 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 benefiting properties for the cost of financing water and sewer extensions and improvements in Special Assessment District 3-4.

**Water & Sewer Assessment Collection Fund - USA 5-6-7A** - 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 5-6-7A.

**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 benefiting properties 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 benefiting properties 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 water and sewer extensions and improvements within the special assessment district.

**Southwest Annexation Special Assessment District No. 1** - to account for 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.

**Hurricane Housing Recovery Fund** - to account for the proceeds and expenditures of a one-time funding Grant provided by the State of Florida from documentary stamp taxes. The program was created for the purpose of providing funds to assist those areas of the state with the greatest housing damage from the hurricanes of 2004. Program funding may include grants and loans for homeownership, including down payment and/or rehabilitation/repair assistance and rental activities.

**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.

**National Pollution NPDES Fund** - to account for the revenues 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 and expenditures 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 general 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 revenues and expenditures associated with the acquisition of property and the construction of the roadway.

**Glassman Capital Improvement Fund** - to account for the financial resources and expenditures associated with the construction of the infrastructure, water and sewer expansion of the Glassman project.

**Tesoro Capital Improvement Fund** - to account for the financial resources and expenditures associated with the construction of the infrastructure, water and sewer expansion of the Tesoro project.

**East Lake Village Capital Improvement Fund** - to account for the financial resources and expenditures associated with the construction of the infrastructure, 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.

**Certificate of Participation (COP) Municipal Complex Fund** - to account for the financial resources and expenditures associated with the construction of Torrey Pines Institute building project.

**St. Lucie Land Holding Capital Improvement Fund** - to account for the financial resources and expenditures associated with the construction of the infrastructure, water and sewer expansion of the St. Lucie Land Holding project.

**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 the City Center project.

**Peacock and Lowry Combined Capital Improvement Fund** - to account for the financial resources and expenditures associated with the construction of the infrastructure, water and sewer expansion of the Peacock and Lowry project.

**Water and Sewer Assessment Capital Improvement Fund USA 5, 6 & 7A** - to account for the financial resources and expenditures for the design, acquisition and construction of water and sewer lines throughout the community.

**Water and Sewer Assessment Capital Improvement Fund USA-9** - to account for the financial resources and expenditures for the design, acquisition and construction of water and sewer lines throughout the community.

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 September 30, 2008

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash and Cash Equivalents	\$ 1,025	\$ -	\$ 1,025
Equity in Pooled Cash	6,884,622	7,695,442	14,580,064
Investments	2,292,112	4,276,559	6,568,671
Receivables	5,953	-	5,953
Assessments Receivable	184,263,338	-	184,263,338
Due From Other Governmental Units	1,340,165	315,070	1,655,235
Prepaid Items	13,596	-	13,596
Deposits	10,895	-	10,895
Restricted Assets:			
Equity in Pooled Cash	41,288,380	3,273,634	44,562,014
Investments	80,549	56,148,780	56,229,329
Receivables	-	34,227	34,227
Total assets	<u>\$ 236,180,635</u>	<u>\$ 71,743,712</u>	<u>\$ 307,924,347</u>
<b>Liabilities and fund balances</b>			
Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 954,923	\$ 325,468	\$ 1,280,391
Accrued Salaries and Wages	331,001	2,859	333,860
Due To Other Funds	176,639	-	176,639
Deposits	80,838	-	80,838
Arbitrage Rebate Payable	-	143,827	143,827
Deferred Revenue	185,187,215	-	185,187,215
Payables from Restricted Assets	828,165	2,447,044	3,275,209
Retainage Payable from Restricted Assets	-	1,149,261	1,149,261
Total liabilities	<u>187,558,781</u>	<u>4,068,459</u>	<u>191,627,240</u>
Fund balances:			
Reserved for:			
Encumbrances	708,162	7,778,497	8,486,659
Prepays	24,491	-	24,491
Unreserved, designated for, reported in:			
Special Revenue Funds	47,938,182	-	47,938,182
Capital Project Funds	-	60,035,839	60,035,839
Unreserved, undesignated, reported in:			
Special Revenue Funds	(48,981)	-	(48,981)
Capital Project Funds	-	(139,083)	(139,083)
Total fund balances	<u>48,621,854</u>	<u>67,675,253</u>	<u>116,297,107</u>
Total liabilities and fund balances	<u>\$ 236,180,635</u>	<u>\$ 71,743,712</u>	<u>\$ 307,924,347</u>

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

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended September 30, 2008**

	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Revenues</b>			
Taxes	\$ 3,226,429	\$ -	\$ 3,226,429
Licenses and Permits	3,785,679	-	3,785,679
Intergovernmental	12,376,983	2,791,297	15,168,280
Charges for Services	10,431,738	-	10,431,738
Fines and Forfeitures	135,952	-	135,952
Interest on Investments	1,090,654	1,659,310	2,749,964
Interest on Special Assessments	10,988,686	-	10,988,686
Impact Fees	1,469,294	265,471	1,734,765
Developers Contributions	57,917	32,404	90,321
Other	775,622	2,694	778,316
Total revenues	<u>44,338,954</u>	<u>4,751,176</u>	<u>49,090,130</u>
<b>Expenditures</b>			
Current:			
General Government	5,025,042	151	5,025,193
Public Safety	501,766	-	501,766
Physical Environment	296,360	(26,460)	269,900
Transportation	8,224,604	3	8,224,607
Economic Environment	6,620,901	497,172	7,118,073
Culture and Recreation	15,412	51,714	67,126
Capital Outlay	176,329	43,727,885	43,904,214
Debt Service:			
Principal	18,924,485	-	18,924,485
Interest	17,509,371	-	17,509,371
Total expenditures	<u>57,294,270</u>	<u>44,250,465</u>	<u>101,544,735</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(12,955,316)</u>	<u>(39,499,289)</u>	<u>(52,454,605)</u>
<b>Other financing sources (uses)</b>			
Transfers In	43,276,954	57,819,451	101,096,405
Transfers Out	(3,859,951)	(5,389,186)	(9,249,137)
Total other financing sources (uses)	<u>39,417,003</u>	<u>52,430,265</u>	<u>91,847,268</u>
<b>Net change in fund balances</b>	26,461,687	12,930,976	39,392,663
<b>Fund balance - beginning</b>	<u>22,160,167</u>	<u>54,744,277</u>	<u>76,904,444</u>
<b>Fund balance - ending</b>	<u>\$ 48,621,854</u>	<u>\$ 67,675,253</u>	<u>\$ 116,297,107</u>

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 September 30, 2008

	Road and Bridge Fund	Lighting District Fund	Law Enforcement Impact Fund	Governmental Finance Fund	Building Department Fund	Phase I
<b>Assets</b>						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,025	\$ -
Equity in Pooled Cash	1,101,106	68,906	19,406	30,183	2,330,222	-
Investments	-	-	-	-	-	-
Receivables	-	-	-	5,953	-	-
Assessments Receivable	-	-	-	-	-	2,193,611
Due From Other Governmental Units	665,766	1,397	-	-	2,235	6,552
Prepaid Items	9,846	-	-	-	3,625	-
Deposits	5,908	-	-	-	4,850	-
Equity in Pooled Cash Investments	2,071,627	-	-	3,250,645	-	1,177,748
	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 3,854,253</b>	<b>\$ 70,303</b>	<b>\$ 19,406</b>	<b>\$ 3,286,781</b>	<b>\$ 2,341,957</b>	<b>\$ 3,377,911</b>
<b>Liabilities and fund balances</b>						
<b>Liabilities:</b>						
Accounts Payable and Accrued Liabilities	\$ 414,146	\$ 12,123	\$ 130	\$ -	\$ 173,741	\$ -
Accrued Salaries and Wages	166,390	-	-	-	144,631	-
Due To Other Funds	-	-	-	-	-	-
Deposits	4,287	-	-	-	-	-
Deferred Revenue	-	-	-	-	92,690	2,193,611
Payables from Restricted Assets	-	-	-	827,364	-	-
<b>Total liabilities</b>	<b>584,823</b>	<b>12,123</b>	<b>130</b>	<b>827,364</b>	<b>411,062</b>	<b>2,193,611</b>
<b>Fund balances:</b>						
<b>Reserved for:</b>						
Encumbrances	213,618	-	-	-	-	-
Prepays	15,754	-	-	-	8,475	-
<b>Unreserved, designated for, reported in:</b>						
Special Revenue Funds	3,040,058	58,180	19,276	2,459,417	1,922,420	1,184,300
<b>Unreserved, undesignated, reported in:</b>						
Special Revenue Fund	-	-	-	-	-	-
<b>Total fund balances</b>	<b>3,269,430</b>	<b>58,180</b>	<b>19,276</b>	<b>2,459,417</b>	<b>1,930,895</b>	<b>1,184,300</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,854,253</b>	<b>\$ 70,303</b>	<b>\$ 19,406</b>	<b>\$ 3,286,781</b>	<b>\$ 2,341,957</b>	<b>\$ 3,377,911</b>

Water & Sewer Assessment Collection Funds				Other Assessment Collection Funds				Page Total
Phase II	USA 3 & 4	USA 5- 6- 7A	USA 9	S. Lennard Rd.	Riverpoint	Tesoro	Glassman	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,025
-	-	-	-	-	-	-	-	3,549,823
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	5,953
8,412,567	33,733,950	28,848,968	3,636,517	2,885,758	7,264,579	27,353,662	8,956,547	123,286,159
31,635	88,406	75,183	4,498	3,037	23,431	37,428	15,735	955,303
-	-	-	-	-	-	-	-	13,471
-	-	-	-	-	-	-	-	10,758
72,195	180,608	299,121	56,060	452,722	1,880,778	593,873	1,280,715	11,316,092
-	-	-	80,549	-	-	-	-	80,549
<u>\$ 8,516,397</u>	<u>\$ 34,002,964</u>	<u>\$ 29,223,272</u>	<u>\$ 3,777,624</u>	<u>\$ 3,341,517</u>	<u>\$ 9,168,788</u>	<u>\$ 27,984,963</u>	<u>\$ 10,252,997</u>	<u>\$ 139,219,133</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,140
-	-	-	-	-	-	-	-	311,021
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	76,551	80,838
8,412,567	33,733,950	28,848,968	3,636,517	2,889,936	7,264,579	27,353,662	8,956,547	123,383,027
-	-	-	-	-	628	173	-	828,165
<u>8,412,567</u>	<u>33,733,950</u>	<u>28,848,968</u>	<u>3,636,517</u>	<u>2,889,936</u>	<u>7,265,207</u>	<u>27,353,835</u>	<u>9,033,098</u>	<u>125,203,191</u>

-	-	-	-	-	-	-	-	213,618
-	-	-	-	-	-	-	-	24,229
103,830	269,014	374,304	141,107	451,581	1,903,581	631,128	1,219,899	13,778,095
-	-	-	-	-	-	-	-	-
<u>103,830</u>	<u>269,014</u>	<u>374,304</u>	<u>141,107</u>	<u>451,581</u>	<u>1,903,581</u>	<u>631,128</u>	<u>1,219,899</u>	<u>14,015,942</u>
<u>\$ 8,516,397</u>	<u>\$ 34,002,964</u>	<u>\$ 29,223,272</u>	<u>\$ 3,777,624</u>	<u>\$ 3,341,517</u>	<u>\$ 9,168,788</u>	<u>\$ 27,984,963</u>	<u>\$ 10,252,997</u>	<u>\$ 139,219,133</u>

(continued)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 September 30, 2008

	Eastlake Village	St. Lucie Land Holdings	City Center Fund	Combined SAD Fund	SW Annexation Fund	Hurricane Housing Recovery Fund
<b>Assets</b>						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash	-	-	-	-	-	986,574
Investments	-	-	-	-	-	-
Receivables	-	-	-	-	-	-
Assessments Receivable	9,933,187	19,863,681	26,390,317	4,789,994	-	-
Due From Other Governmental Units	16,392	18,736	26,078	9,235	-	-
Prepaid Items	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Equity in Pooled Cash	10,932	219,341	890,634	740,749	27,777,078	333,554
Investments	-	-	-	-	-	-
Total assets	<u>\$ 9,960,511</u>	<u>\$ 20,101,758</u>	<u>\$ 27,307,029</u>	<u>\$ 5,539,978</u>	<u>\$ 27,777,078</u>	<u>\$ 1,320,128</u>
<b>Liabilities and fund balances</b>						
<b>Liabilities:</b>						
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,262
Accrued Salaries and Wages	-	-	-	-	-	11,170
Due To Other Funds	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Deferred Revenue	9,933,187	19,863,681	26,390,317	4,789,995	-	827,008
Payables from Restricted Assets	-	-	-	-	-	-
Total liabilities	<u>9,933,187</u>	<u>19,863,681</u>	<u>26,390,317</u>	<u>4,789,995</u>	<u>-</u>	<u>927,440</u>
<b>Fund balances:</b>						
<b>Reserved for:</b>						
Encumbrances	-	-	-	-	-	291,992
Prepays	-	-	-	-	-	-
<b>Unreserved, designated for, reported in:</b>						
Special Revenue Funds	27,324	238,077	916,712	749,983	27,777,078	100,696
<b>Unreserved, undesignated, reported in:</b>						
Special Revenue Funds	-	-	-	-	-	-
Total fund balances	<u>27,324</u>	<u>238,077</u>	<u>916,712</u>	<u>749,983</u>	<u>27,777,078</u>	<u>392,688</u>
Total liabilities and fund balances	<u>\$ 9,960,511</u>	<u>\$ 20,101,758</u>	<u>\$ 27,307,029</u>	<u>\$ 5,539,978</u>	<u>\$ 27,777,078</u>	<u>\$ 1,320,128</u>

CDBG Entitlement Fund	Local Housing Assistance Trust Fund	National Pollution NPDES Fund	Law Enforcement Forfeiture Trust Fund	Conservation Trust Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,025
-	1,472,461	180,522	75,161	620,081	6,884,622
-	-	-	-	2,292,112	2,292,112
-	-	-	-	-	5,953
-	-	-	-	-	184,263,338
314,421	-	-	-	-	1,340,165
-	-	125	-	-	13,596
-	-	137	-	-	10,895
-	-	-	-	-	41,288,380
-	-	-	-	-	80,549
<u>\$ 314,421</u>	<u>\$ 1,472,461</u>	<u>\$ 180,784</u>	<u>\$ 75,161</u>	<u>\$ 2,912,193</u>	<u>\$ 236,180,635</u>

\$ 158,494	\$ 85,040	\$ 170	\$ 21,817	\$ -	\$ 954,923
2,524	1,980	4,306	-	-	331,001
176,639	-	-	-	-	176,639
-	-	-	-	-	80,838
-	-	-	-	-	185,187,215
-	-	-	-	-	828,165
<u>337,657</u>	<u>87,020</u>	<u>4,476</u>	<u>21,817</u>	<u>-</u>	<u>187,558,781</u>

25,745	176,807	-	-	-	708,162
-	-	262	-	-	24,491
-	1,208,634	176,046	53,344	2,912,193	47,938,182
-	-	-	-	-	-
(48,981)	-	-	-	-	(48,981)
<u>(23,236)</u>	<u>1,385,441</u>	<u>176,308</u>	<u>53,344</u>	<u>2,912,193</u>	<u>48,621,854</u>
<u>\$ 314,421</u>	<u>\$ 1,472,461</u>	<u>\$ 180,784</u>	<u>\$ 75,161</u>	<u>\$ 2,912,193</u>	<u>\$ 236,180,635</u>

(concluded)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet  
 Nonmajor Capital Project Funds  
 September 30, 2008

	Parks Capital Improvement Fund	Capital Improvement Fund	Becker Road Improvement Fund	Glassman Fund
<b>Assets</b>				
Equity in Pooled Cash	\$ 47,961	\$ 5,174,529	\$ -	\$ -
Investments	-	-	-	-
Due From Other Governmental Units	-	-	-	-
Restricted Assets:				
Equity in Pooled Cash	-	-	1,264,640	-
Investments	-	-	45,144,656	-
Receivables	-	-	34,227	-
Total assets	<u>\$ 47,961</u>	<u>\$ 5,174,529</u>	<u>\$ 46,443,523</u>	<u>\$ -</u>
<b>Liabilities and fund balances</b>				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 444	\$ 302,421	\$ 21,826	\$ -
Accrued Salaries and Wages	-	2,859	-	-
Arbitrage Rebate Payable	-	-	-	-
Payables from Restricted Assets	-	-	-	-
Retainage Payable from Restricted Assets	-	-	-	-
Total liabilities	<u>444</u>	<u>305,280</u>	<u>21,826</u>	<u>-</u>
Fund balances:				
Reserved for:				
Encumbrances	99,873	695,977	552,622	-
Unreserved, designated for, reported in:				
Capital Project Funds	-	4,173,272	45,869,075	-
Unreserved, undesignated, reported in:				
Capital Project Funds	(52,356)	-	-	-
Total fund balances	<u>47,517</u>	<u>4,869,249</u>	<u>46,421,697</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 47,961</u>	<u>\$ 5,174,529</u>	<u>\$ 46,443,523</u>	<u>\$ -</u>

Tesoro Fund	East Lake Village Fund	Parks MSTU Fund	COP Municipal Complex Fund	St. Lucie Land Holdings Fund	Page Total
\$ -	\$ -	\$ 2,472,952	\$ -	\$ -	\$ 7,695,442
-	-	4,276,559	-	-	4,276,559
-	-	315,070	-	-	315,070
710,683	1,040,499	-	236,698	18,322	3,270,842
-	-	-	3,532,470	159,104	48,836,230
-	-	-	-	-	34,227
<u>\$ 710,683</u>	<u>\$ 1,040,499</u>	<u>\$ 7,064,581</u>	<u>\$ 3,769,168</u>	<u>\$ 177,426</u>	<u>\$ 64,428,370</u>

\$ -	\$ -	\$ 777	\$ -	\$ -	\$ 325,468
-	-	-	-	-	2,859
-	-	-	-	143,827	143,827
205,073	141	2,944	408,207	-	616,365
-	-	-	-	-	-
<u>205,073</u>	<u>141</u>	<u>3,721</u>	<u>408,207</u>	<u>143,827</u>	<u>1,088,519</u>

323,413	336,916	11,748	3,119,422	120,326	5,260,297
182,197	703,442	7,049,112	241,539	-	58,218,637
-	-	-	-	(86,727)	(139,083)
505,610	1,040,358	7,060,860	3,360,961	33,599	63,339,851
<u>\$ 710,683</u>	<u>\$ 1,040,499</u>	<u>\$ 7,064,581</u>	<u>\$ 3,769,168</u>	<u>\$ 177,426</u>	<u>\$ 64,428,370</u>

(continued)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet  
 Nonmajor Capital Project Funds  
 September 30, 2007

	City Center SAD Fund	Combined SAD Fund	Water & Sewer Assessment CIP Funds		Total Nonmajor Capital Project Funds
			USA 5, 6, 7A	USA 9	
<b>Assets</b>					
Equity in Pooled Cash	\$ -	\$ -	\$ -	\$ -	\$ 7,695,442
Investments	-	-	-	-	4,276,559
Due From Other Governmental Units	-	-	-	-	315,070
Restricted Assets:					
Equity in Pooled Cash	2,792	-	-	-	3,273,634
Investments	5,356,165	1,956,385	-	-	56,148,780
Receivables	-	-	-	-	34,227
<b>Total assets</b>	<b>\$ 5,358,957</b>	<b>\$ 1,956,385</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 71,743,712</b>
<b>Liabilities and fund balances</b>					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ 325,468
Accrued Salaries and Wages	-	-	-	-	2,859
Arbitrage Rebate Payable	-	-	-	-	143,827
Payables from Restricted Assets	1,454,243	376,436	-	-	2,447,044
Retainage Payable from Restricted Assets	1,149,261	-	-	-	1,149,261
<b>Total liabilities</b>	<b>2,603,504</b>	<b>376,436</b>	<b>-</b>	<b>-</b>	<b>4,068,459</b>
Fund balances:					
Reserved for:					
Encumbrances	2,373,860	144,340	-	-	7,778,497
Unreserved, designated for, reported in:					
Capital Project Funds	381,593	1,435,609	-	-	60,035,839
Unreserved, undesignated, reported in:					
Capital Project Funds	-	-	-	-	(139,083)
<b>Total fund balances</b>	<b>2,755,453</b>	<b>1,579,949</b>	<b>-</b>	<b>-</b>	<b>67,675,253</b>
<b>Total liabilities and fund balances</b>	<b>\$ 5,358,957</b>	<b>\$ 1,956,385</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 71,743,712</b>

(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, 2008

	Road and Bridge Fund	Lighting District Fund	Law Enforcement Impact Fund	Governmental Finance Fund	Building Department Fund	Phase I
<b>Revenues</b>						
Taxes	\$ 3,226,429	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	3,785,679	-
Intergovernmental	5,671,323	-	-	-	2,235	-
Charges for Services	289,035	116,361	-	-	3,629	302,196
Fines and Forfeitures	-	-	-	-	60,050	-
Impact Fees	-	-	183,187	1,197,199	-	-
Interest Income:						
Interest on Investments	111,053	2,622	5,200	104,316	38,091	20,114
Interest on Special Assessments	-	-	-	-	-	181,560
Developers Contributions	-	-	-	-	57,917	-
Other	183,739	1,330	-	25,000	182,822	5,527
<b>Total revenues</b>	<b>9,481,579</b>	<b>120,313</b>	<b>188,387</b>	<b>1,326,515</b>	<b>4,130,423</b>	<b>509,397</b>
<b>Expenditures</b>						
Current:						
General Government	-	-	-	3,008	5,022,034	-
Public Safety	244,607	-	2,853	-	19,707	-
Physical Environment	-	-	-	42,294	-	4,395
Transportation	7,960,277	149,430	-	-	-	40
Economic Environment	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	153,128	-	-	-	-	-
Debt Service:						
Principal	4,199,485	-	-	240,000	-	-
Interest	2,061,464	-	-	3,575,123	-	-
<b>Total expenditures</b>	<b>14,618,961</b>	<b>149,430</b>	<b>2,853</b>	<b>3,860,425</b>	<b>5,041,741</b>	<b>4,435</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(5,137,382)</b>	<b>(29,117)</b>	<b>185,534</b>	<b>(2,533,910)</b>	<b>(911,318)</b>	<b>504,962</b>
<b>Other financing sources (uses)</b>						
Transfers In	8,211,305	-	-	257,798	901,523	-
Transfers Out	(272,915)	-	(300,000)	-	(266,652)	-
<b>Total other financing sources (uses)</b>	<b>7,938,390</b>	<b>-</b>	<b>(300,000)</b>	<b>257,798</b>	<b>634,871</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>2,801,008</b>	<b>(29,117)</b>	<b>(114,466)</b>	<b>(2,276,112)</b>	<b>(276,447)</b>	<b>504,962</b>
<b>Fund balance - beginning</b>	<b>468,422</b>	<b>87,297</b>	<b>133,742</b>	<b>4,735,529</b>	<b>2,207,342</b>	<b>679,338</b>
<b>Fund balance - ending</b>	<b>\$ 3,269,430</b>	<b>\$ 58,180</b>	<b>\$ 19,276</b>	<b>\$ 2,459,417</b>	<b>\$ 1,930,895</b>	<b>\$ 1,184,300</b>

Water & Sewer Assessment Collection Funds				Other Assessments Collection Funds				Page Total
Phase II	USA 3 & 4	USA 5- 6- 7A	USA 9	S. Lennard Rd.	Riverpoint	Tesoro	Glassman	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,226,429
-	-	-	-	-	-	-	-	3,785,679
-	-	-	-	-	-	-	-	5,673,558
824,647	2,661,251	1,710,337	175,131	77,196	290,659	1,230,443	288,993	7,969,878
-	-	-	-	-	-	-	-	60,050
-	-	-	-	88,908	-	-	-	1,469,294
13,168	47,607	30,806	3,244	11,028	35,216	28,735	25,621	476,821
682,977	2,114,057	1,694,049	216,743	187,169	430,915	1,621,734	657,820	7,787,024
-	-	-	-	-	-	-	-	57,917
17,119	54,415	38,449	4,482	3,024	8,074	32,594	10,771	567,346
1,537,911	4,877,330	3,473,641	399,600	367,325	764,864	2,913,506	983,205	31,073,996
-	-	-	-	-	-	-	-	5,025,042
-	-	-	-	-	-	-	-	267,167
12,960	44,830	32,688	5,727	4,368	11,909	29,213	9,334	197,718
123	395	274	(355)	24	61	245	-	8,110,514
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	153,128
1,300,000	3,525,000	2,000,000	240,000	160,000	430,000	2,095,000	490,000	14,679,485
176,841	1,200,583	1,328,438	142,448	171,413	275,131	1,140,750	502,313	10,574,504
1,489,924	4,770,808	3,361,400	387,820	335,805	717,101	3,265,208	1,001,647	39,007,558
47,987	106,522	112,241	11,780	31,520	47,763	(351,702)	(18,442)	(7,933,562)
-	-	160,778	92,839	-	-	-	136,062	9,760,305
-	-	-	-	-	-	-	-	(839,567)
-	-	160,778	92,839	-	-	-	136,062	8,920,738
47,987	106,522	273,019	104,619	31,520	47,763	(351,702)	117,620	987,176
55,843	162,492	101,285	36,488	420,061	1,855,818	982,830	1,102,279	13,028,766
\$ 103,830	\$ 269,014	\$ 374,304	\$ 141,107	\$ 451,581	\$ 1,903,581	\$ 631,128	\$ 1,219,899	\$ 14,015,942

(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, 2008

	Eastlake Village	St Lucie Land Holdings	City Center Fund	Combined SAD Fund	SW Annexation Fund	Hurricane Housing Recovery Fund
<b>Revenues</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	2,606,730
Charges for Services	332,113	524,357	767,480	241,149	-	-
Fines and Forfeitures	-	-	-	-	-	-
Impact Fees	-	-	-	-	-	-
Interest Income:						
Interest on Investments	7,697	23,011	10,985	19,526	388,977	38,729
Interest on Special Assessments	392,520	1,106,669	1,503,171	199,302	-	-
Developers Contributions	-	-	-	-	-	-
Other	8,192	18,655	25,970	4,989	-	33,822
<b>Total revenues</b>	<b>740,522</b>	<b>1,672,692</b>	<b>2,307,606</b>	<b>464,966</b>	<b>388,977</b>	<b>2,679,281</b>
<b>Expenditures</b>						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Physical Environment	6,165	34,539	47,620	9,564	754	-
Transportation	79	-	-	-	-	-
Economic Environment	-	-	-	-	-	2,591,657
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal	510,000	1,040,000	855,000	1,840,000	-	-
Interest	360,314	754,712	1,005,545	330,986	4,483,310	-
Total expenditures	<b>876,558</b>	<b>1,829,251</b>	<b>1,908,165</b>	<b>2,180,550</b>	<b>4,484,064</b>	<b>2,591,657</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(136,036)</b>	<b>(156,559)</b>	<b>399,441</b>	<b>(1,715,584)</b>	<b>(4,095,087)</b>	<b>87,624</b>
<b>Other financing sources (uses)</b>						
Transfers In	-	-	-	1,644,484	31,872,165	-
Transfers Out	-	-	-	-	-	(15,073)
Total other financing sources (uses)	-	-	-	<b>1,644,484</b>	<b>31,872,165</b>	<b>(15,073)</b>
<b>Net change in fund balances</b>	<b>(136,036)</b>	<b>(156,559)</b>	<b>399,441</b>	<b>(71,100)</b>	<b>27,777,078</b>	<b>72,551</b>
<b>Fund balance - beginning</b>	<b>163,360</b>	<b>394,636</b>	<b>517,271</b>	<b>821,083</b>	<b>-</b>	<b>320,137</b>
<b>Fund balance - ending</b>	<b>\$ 27,324</b>	<b>\$ 238,077</b>	<b>\$ 916,712</b>	<b>\$ 749,983</b>	<b>\$ 27,777,078</b>	<b>\$ 392,688</b>

CDBG Entitlement Fund	Local Housing Assistance Trust Fund	National Pollution NPDES Fund	Law Enforcement Forfeiture Trust Fund	Conservation Trust Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,226,429
-	-	-	-	-	3,785,679
2,719,693	1,377,002	-	-	-	12,376,983
-	-	113,238	-	483,523	10,431,738
-	-	-	75,902	-	135,952
-	-	-	-	-	1,469,294
-	27,369	3,755	2,498	91,286	1,090,654
-	-	-	-	-	10,988,686
-	-	-	-	-	57,917
-	95,798	-	20,850	-	775,622
<u>2,719,693</u>	<u>1,500,169</u>	<u>116,993</u>	<u>99,250</u>	<u>574,809</u>	<u>44,338,954</u>
-	-	-	-	-	5,025,042
-	-	-	234,599	-	501,766
-	-	-	-	-	296,360
-	-	114,011	-	-	8,224,604
2,738,677	1,290,567	-	-	-	6,620,901
-	-	-	-	15,412	15,412
807	-	-	22,394	-	176,329
-	-	-	-	-	18,924,485
-	-	-	-	-	17,509,371
<u>2,739,484</u>	<u>1,290,567</u>	<u>114,011</u>	<u>256,993</u>	<u>15,412</u>	<u>57,294,270</u>
<u>(19,791)</u>	<u>209,602</u>	<u>2,982</u>	<u>(157,743)</u>	<u>559,397</u>	<u>(12,955,316)</u>
-	-	-	-	-	43,276,954
(1,610)	(2,281)	(1,420)	-	(3,000,000)	(3,859,951)
(1,610)	(2,281)	(1,420)	-	(3,000,000)	39,417,003
(21,401)	207,321	1,562	(157,743)	(2,440,603)	26,461,687
(1,835)	1,178,120	174,746	211,087	5,352,796	22,160,167
<u>\$ (23,236)</u>	<u>\$ 1,385,441</u>	<u>\$ 176,308</u>	<u>\$ 53,344</u>	<u>\$ 2,912,193</u>	<u>\$ 48,621,854</u>

(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, 2008

	Parks Capital Improvement Fund	Capital Improvement Fund	Becker Road Improvement Fund	Glassman Fund
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	35,000	-	-
Interest on Investments	43,315	64,606	965,823	5,973
Impact Fees	265,471	-	-	-
Developers Contributions	-	-	-	-
Other	2,694	-	-	-
<b>Total revenues</b>	<b>311,480</b>	<b>99,606</b>	<b>965,823</b>	<b>5,973</b>
<b>Expenditures</b>				
Current:				
General Government	-	151	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	3
Economic Environment	-	-	-	-
Culture and Recreation	32,832	-	-	-
Capital Outlay	2,250	1,283,714	2,720,292	-
<b>Total expenditures</b>	<b>35,082</b>	<b>1,283,865</b>	<b>2,720,292</b>	<b>3</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>276,398</b>	<b>(1,184,259)</b>	<b>(1,754,469)</b>	<b>5,970</b>
<b>Other financing sources (uses)</b>				
Transfers In	-	3,600,000	48,176,166	-
Transfers Out	(2,500,000)	-	-	(136,062)
<b>Total other financing sources (uses)</b>	<b>(2,500,000)</b>	<b>3,600,000</b>	<b>48,176,166</b>	<b>(136,062)</b>
<b>Net change in fund balances</b>	<b>(2,223,602)</b>	<b>2,415,741</b>	<b>46,421,697</b>	<b>(130,092)</b>
<b>Fund balance - beginning</b>	<b>2,271,119</b>	<b>2,453,508</b>	<b>-</b>	<b>130,092</b>
<b>Fund balance - ending</b>	<b>\$ 47,517</b>	<b>\$ 4,869,249</b>	<b>\$ 46,421,697</b>	<b>\$ -</b>

Tesoro Fund	East Lake Village Fund	Parks MSTU Fund	COP		Page Total
			Municipal Complex Fund	St. Lucie Land Holdings Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	2,756,297	-	-	2,791,297
21,166	19,986	63,373	219,100	8,185	1,411,527
-	-	-	-	-	265,471
-	-	-	-	-	-
-	-	-	-	-	2,694
<u>21,166</u>	<u>19,986</u>	<u>2,819,670</u>	<u>219,100</u>	<u>8,185</u>	<u>4,470,989</u>
-	-	-	-	-	151
-	-	-	-	(26,468)	(26,468)
-	-	-	-	-	3
-	-	-	497,172	-	497,172
-	-	18,882	-	-	51,714
664,625	215,007	586,870	26,563,154	19	32,035,931
<u>664,625</u>	<u>215,007</u>	<u>605,752</u>	<u>27,060,326</u>	<u>(26,449)</u>	<u>32,558,503</u>
(643,459)	(195,021)	2,213,918	(26,841,226)	34,634	(28,087,514)
-	-	2,500,000	3,425,485	-	57,701,651
-	-	(855,023)	-	-	(3,491,085)
-	-	<u>1,644,977</u>	<u>3,425,485</u>	-	<u>54,210,566</u>
(643,459)	(195,021)	3,858,895	(23,415,741)	34,634	(20,490,784)
1,149,069	1,235,379	3,201,965	26,776,702	(1,035)	37,216,799
<u>\$ 505,610</u>	<u>\$ 1,040,358</u>	<u>\$ 7,060,860</u>	<u>\$ 3,360,961</u>	<u>\$ 33,599</u>	<u>\$ 63,339,851</u>

(continued)

CITY OF PORT ST LUCIE, FLORIDA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Capital Project Funds  
 Year Ended September 30, 2007

	City Center SAD Fund	Combined SAD Fund	Water & Sewer Assessment CIP Fund		Total Nonmajor Capital Project Funds
			USA 5, 6, 7A	USA 9	
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	2,791,297
Interest on Investments	182,520	57,281	3,096	4,886	1,659,310
Impact Fees	-	-	-	-	265,471
Developers Contributions	-	32,404	-	-	32,404
Other	-	-	-	-	2,694
Total revenues	<u>182,520</u>	<u>89,685</u>	<u>3,096</u>	<u>4,886</u>	<u>4,751,176</u>
<b>Expenditures</b>					
Current:					
General Government	-	-	-	-	151
Physical Environment	-	-	-	8	(26,460)
Transportation	-	-	-	-	3
Economic Environment	-	-	-	-	497,172
Culture and Recreation	-	-	-	-	51,714
Capital Outlay	10,481,030	1,210,924	-	-	43,727,885
Total expenditures	<u>10,481,030</u>	<u>1,210,924</u>	<u>-</u>	<u>8</u>	<u>44,250,465</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(10,298,510)</u>	<u>(1,121,239)</u>	<u>3,096</u>	<u>4,878</u>	<u>(39,499,289)</u>
<b>Other financing sources (uses)</b>					
Transfers In	-	-	117,800	-	57,819,451
Transfers Out	-	(1,644,484)	(160,778)	(92,839)	(5,389,186)
Total other financing sources (uses)	<u>-</u>	<u>(1,644,484)</u>	<u>(42,978)</u>	<u>(92,839)</u>	<u>52,430,265</u>
<b>Net change in fund balances</b>	<u>(10,298,510)</u>	<u>(2,765,723)</u>	<u>(39,882)</u>	<u>(87,961)</u>	<u>12,930,976</u>
<b>Fund balance - beginning</b>	<u>13,053,963</u>	<u>4,345,672</u>	<u>39,882</u>	<u>87,961</u>	<u>54,744,277</u>
<b>Fund balance - ending</b>	<u>\$ 2,755,453</u>	<u>\$ 1,579,949</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,675,253</u>

(concluded)

EXHIBIT "E"  
AGENCY ASSETS REPORT

**CITY OF PORT ST. LUCIE, FLORIDA**  
 Comparative Capital Assets  
 Community Redevelopment Agency  
 September 30, 2008 and 2007

	2008	2007
<b>CRA CAPITAL ASSETS:</b>		
Land	\$ 6,604,781	\$ 6,604,781
Buildings	62,307	13,600
Improvements	934,451	-
Machinery and Equipment	148,555	4,281
Infrastructure	8,374,572	-
Construction In Progress	42,649,946	21,297,567
	58,774,613	27,920,229
Accumulated Depreciation	(270,998)	(4,884)
	<u>\$ 58,503,615</u>	<u>\$ 27,915,345</u>
<b>CRA CAPITAL ASSETS, NET</b>		
<b>CRA INVESTMENT IN CAPITAL ASSETS:</b>		
CRA	16,124,667	6,622,662
CRA - Construction In Progress	42,649,946	21,297,567
	58,774,613	27,920,229
Accumulated Depreciation	(270,998)	(4,884)
	<u>\$ 58,503,615</u>	<u>\$ 27,915,345</u>
<b>CRA INVESTMENT IN CAPITAL ASSETS, NET</b>		

**CITY OF PORT ST. LUCIE, FLORIDA**  
 Capital Assets Used in the Operation  
 Community Redevelopment Agency  
 September 30, 2008

FUNCTION AND ACTIVITY	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVEMENTS OTHER THAN BUILDINGS</u>	<u>MACHINERY AND EQUIPMENT</u>	<u>INFRASTRUCTURE</u>
<b>Economic Environment</b>						
CRA	\$ 16,124,667	\$ 6,604,781	\$ 62,307	\$ 934,451	\$ 148,555	\$ 8,374,572
CRA - Construction in Progress	<u>42,649,946</u>					
	58,774,613					
Accumulated Depreciation	<u>(270,998)</u>					
<b>CAPITAL ASSETS, NET</b>	<u><u>\$ 58,503,615</u></u>					

**CITY OF PORT ST. LUCIE, FLORIDA**  
Schedule of Changes in Capital Assets  
Community Redevelopment Agency  
For the Year Ended September 30, 2008

FUNCTION AND ACTIVITY	CAPITAL ASSETS 9/30/2007	ADDITIONS FY 07/08	DISPOSITIONS FY 07/08	TRANSFERS	CAPITAL ASSETS 9/30/2008
<b>Economic Environment</b>					
CRA	6,622,662	144,274	-	9,357,731	16,124,667
CRA - Construction in Progress	21,297,567	31,248,305	-	(9,895,926)	42,649,946
	<u>27,920,229</u>	<u>31,392,579</u>	-	<u>(538,195)</u>	<u>58,774,613</u>
Accumulated Depreciation	<u>(4,884)</u>				<u>(270,998)</u>
<b>CAPITAL ASSETS, NET</b>	<u>\$ 27,915,345</u>	<u>\$ 31,392,579</u>	<u>\$ -</u>	<u>\$ (538,195)</u>	<u>\$ 58,503,615</u>

EXHIBIT "F"  
AGENCY LIABILITIES REPAYMENT SCHEDULE

**\$46,450,000.00 City of Port St. Lucie Community Redevelopment Agency**

Redevelopment Trust Fund Revenue Bonds, Series 2006 (City Center Project)

01/01/2017 Optional Redemption Provision @ 100%

12/06/06 Final Pricing Numbers

**Net Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	CIF	Series 2004 Existing D/S	Series 2006 Net New D/S
01/01/2007	-	-	-	-	-	629,650.00	629,650.00
07/01/2007	-	-	1,189,832.12	1,189,832.12	(1,189,832.12)	210,500.00	210,500.00
01/01/2008	-	-	1,087,156.25	1,087,156.25	(1,087,156.25)	685,500.00	685,500.00
07/01/2008	-	-	1,087,156.25	1,087,156.25	-	205,156.25	1,292,312.50
01/01/2009	-	-	1,087,156.25	1,087,156.25	-	745,156.25	1,832,312.50
07/01/2009	-	-	1,087,156.25	1,087,156.25	-	198,406.25	1,285,562.50
01/01/2010	700,000.00	4.000%	1,087,156.25	1,787,156.25	-	753,406.25	2,540,562.50
07/01/2010	-	-	1,073,156.25	1,073,156.25	-	190,775.00	1,263,931.25
01/01/2011	750,000.00	3.625%	1,073,156.25	1,823,156.25	-	760,775.00	2,583,931.25
07/01/2011	-	-	1,059,562.50	1,059,562.50	-	182,225.00	1,241,787.50
01/01/2012	1,000,000.00	5.000%	1,059,562.50	2,059,562.50	-	772,225.00	2,831,787.50
07/01/2012	-	-	1,034,562.50	1,034,562.50	-	172,637.50	1,207,200.00
01/01/2013	1,300,000.00	3.904%	1,034,562.50	2,334,562.50	-	777,637.50	3,112,200.00
07/01/2013	-	-	1,009,187.50	1,009,187.50	-	162,050.00	1,171,237.50
01/01/2014	1,400,000.00	5.000%	1,009,187.50	2,409,187.50	-	792,050.00	3,201,237.50
07/01/2014	-	-	974,187.50	974,187.50	-	150,237.50	1,124,425.00
01/01/2015	1,485,000.00	5.000%	974,187.50	2,459,187.50	-	800,237.50	3,259,425.00
07/01/2015	-	-	937,062.50	937,062.50	-	137,237.50	1,074,300.00
01/01/2016	1,660,000.00	5.000%	937,062.50	2,597,062.50	-	817,237.50	3,414,300.00
07/01/2016	-	-	895,562.50	895,562.50	-	120,237.50	1,015,800.00
01/01/2017	1,860,000.00	5.000%	895,562.50	2,755,562.50	-	830,237.50	3,585,800.00
07/01/2017	-	-	849,062.50	849,062.50	-	102,487.50	951,550.00
01/01/2018	2,300,000.00	5.000%	849,062.50	3,149,062.50	-	847,487.50	3,996,550.00
07/01/2018	-	-	791,562.50	791,562.50	-	87,587.50	879,150.00
01/01/2019	2,500,000.00	5.000%	791,562.50	3,291,562.50	-	862,587.50	4,154,150.00
07/01/2019	-	-	729,062.50	729,062.50	-	72,087.50	801,150.00
01/01/2020	2,900,000.00	5.000%	729,062.50	3,629,062.50	-	882,087.50	4,511,150.00
07/01/2020	-	-	656,562.50	656,562.50	-	55,887.50	712,450.00
01/01/2021	3,350,000.00	4.750%	656,562.50	4,006,562.50	-	895,887.50	4,902,450.00
07/01/2021	-	-	577,000.00	577,000.00	-	38,037.50	615,037.50
01/01/2022	3,515,000.00	4.750%	577,000.00	4,092,000.00	-	913,037.50	5,005,037.50
07/01/2022	-	-	493,518.75	493,518.75	-	19,443.75	512,962.50
01/01/2023	3,675,000.00	4.750%	493,518.75	4,168,518.75	-	934,443.75	5,102,962.50
07/01/2023	-	-	406,237.50	406,237.50	-	-	406,237.50
01/01/2024	5,755,000.00	4.500%	406,237.50	6,161,237.50	-	-	6,161,237.50
07/01/2024	-	-	276,750.00	276,750.00	-	-	276,750.00
01/01/2025	6,015,000.00	4.500%	276,750.00	6,291,750.00	-	-	6,291,750.00
07/01/2025	-	-	141,412.50	141,412.50	-	-	141,412.50
01/01/2026	6,285,000.00	4.500%	141,412.50	6,426,412.50	-	-	6,426,412.50
<b>Total</b>	<b>\$46,450,000.00</b>	<b>-</b>	<b>\$30,434,513.37</b>	<b>\$76,884,513.37</b>	<b>(2,276,988.37)</b>	<b>\$15,804,637.50</b>	<b>\$90,412,162.50</b>