

# COMMUNITY REDEVELOPMENT AGENCY

## Annual Report for Fiscal Year 2009-2010

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### Fiscal Year 2009-2010 Staff

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# TABLE OF CONTENTS

	<u>Page</u>
<u>PURPOSE</u>	1
<u>BACKGROUND</u>	2
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 2009-2010</u>	14
<u>AGENCY FINANCIAL PROFILE</u>	21
<u>CLOSING STATEMENT</u>	26
<u>EXHIBITS</u>	
“A” DESCRIPTION OF FY 09-10 BUDGET	
“B” EXCERPTS OF THE CITY OF PORT ST. LUCIE COMPREHENSIVE ANNUAL FINANCIAL REPORT (THE “CAFR”) FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010	
“C” AGENCY ASSETS REPORT	
“D” AGENCY DEBT SERVICE SCHEDULES	

## 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 Great Recession and associated real estate bust that followed the boom have presented the City with many challenges.

The City, as illustrated on a county scale in Figure 2, is approximately 115.25 square miles in area and has a population of 164,603 residents according to the 2010 US Census. It is the largest municipality within St. Lucie County in both geographic area and population. 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, the climate 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 (Federal Highway) 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. 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. It should be noted that Lentz Grove was a part of the City's original CRA study area; however, it could not be formally included as part of the original CRA because it was an unincorporated St. Lucie County enclave at that time and, therefore, outside of the City's jurisdiction. 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", 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:

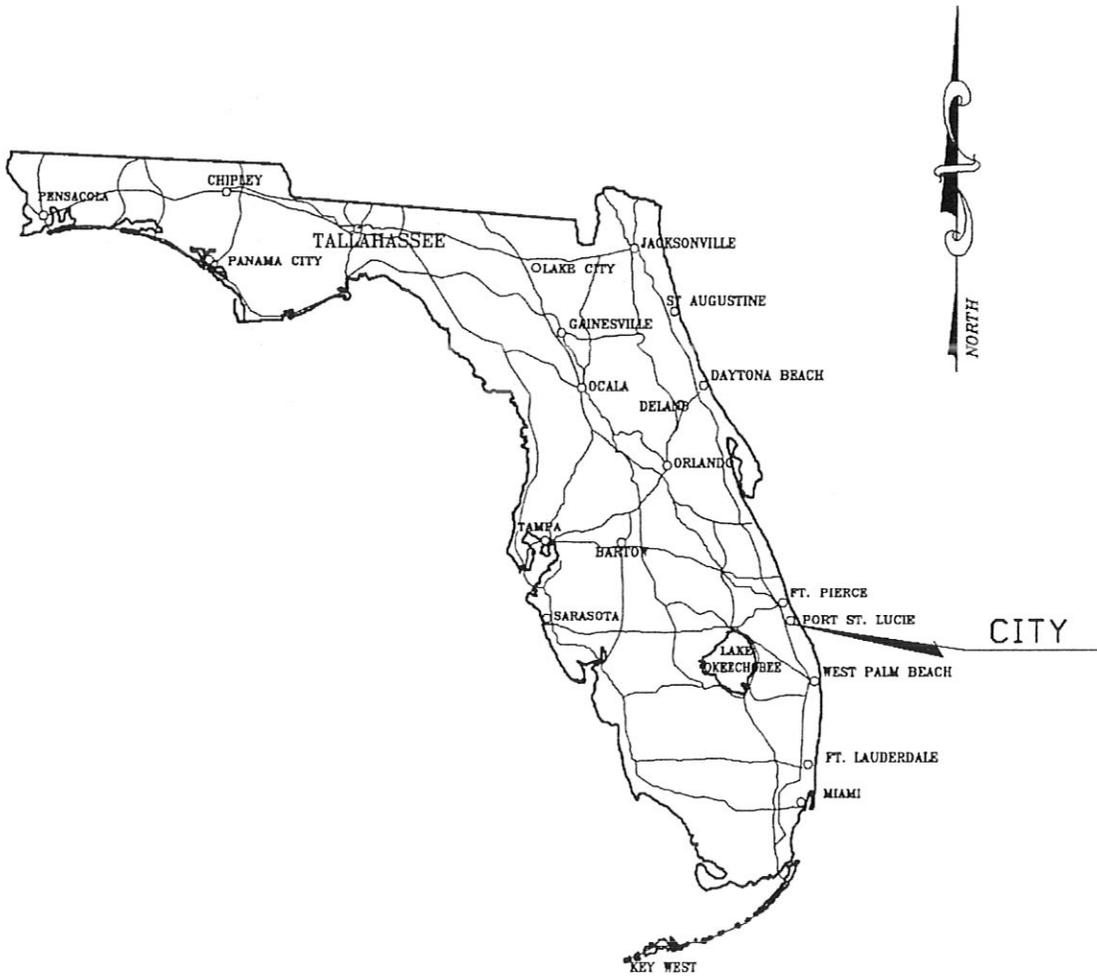
...a central gathering place that creates an identity for the city as well as provides entertainment and economic opportunities. The area will include a variety of development districts and connective open space to better serve Port St. Lucie's current and future population.

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

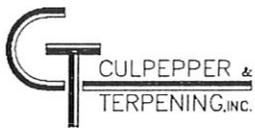
redevelopment efforts; and it addresses near-term and long-term development scenarios and options, identifying realistic projects for implementation which are based on the opportunities, needs, and fiscal resources of the community. The CRA Master Plan strives to: account for the needs of citizens and 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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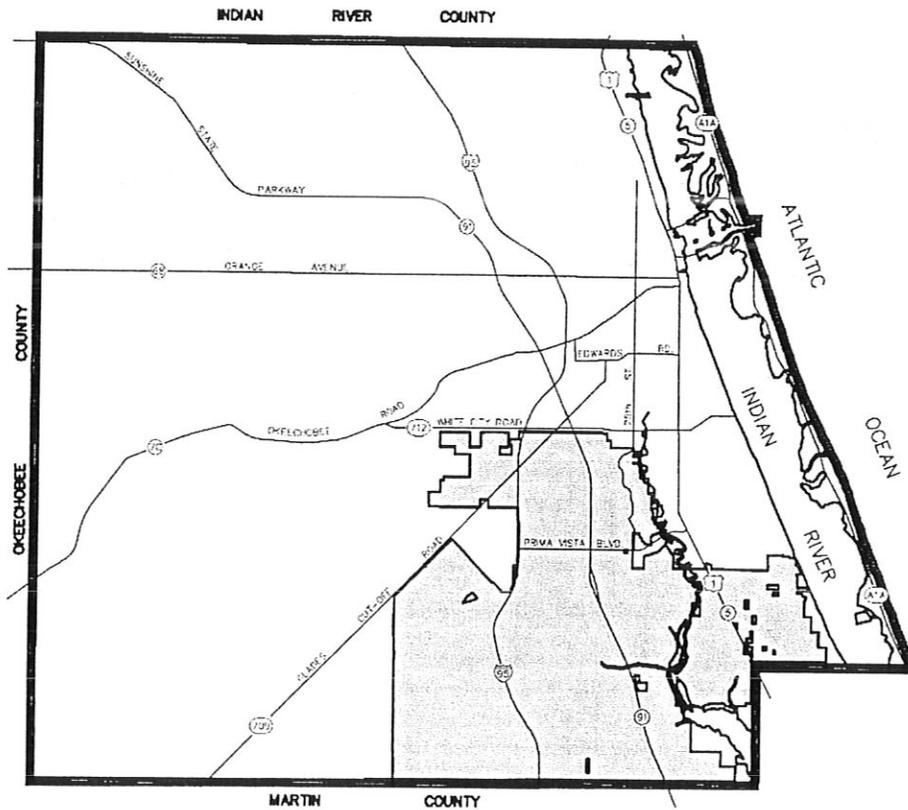
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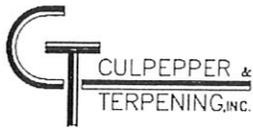
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CITY OF PORT ST LUCIE  
GENERAL LOCATION  
FIGURE 1

104-154 Feasibility Report City



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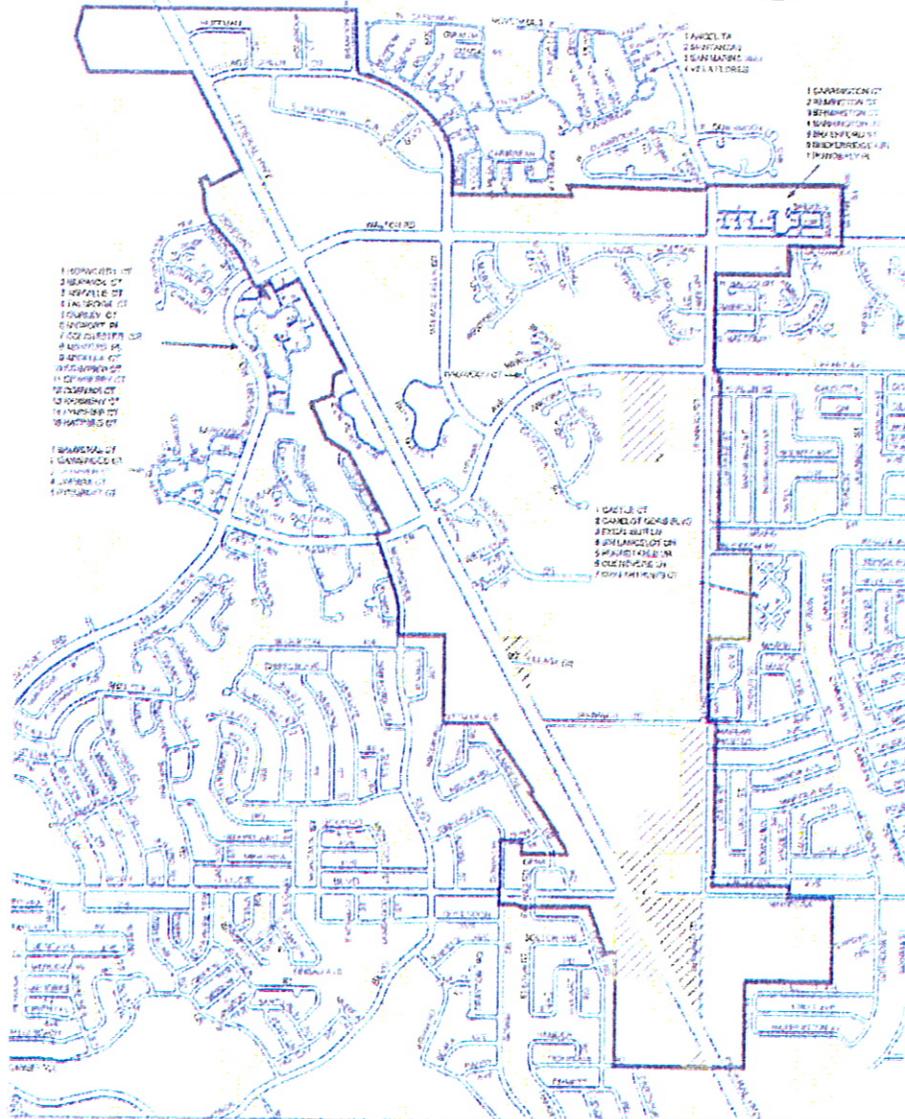
CITY OF PORT ST LUCIE



ST LUCIE COUNTY

LOCATION MAP  
FIGURE 2

04-194 Feasibility Report.dwg



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

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

04-194 feasibility Report.dwg

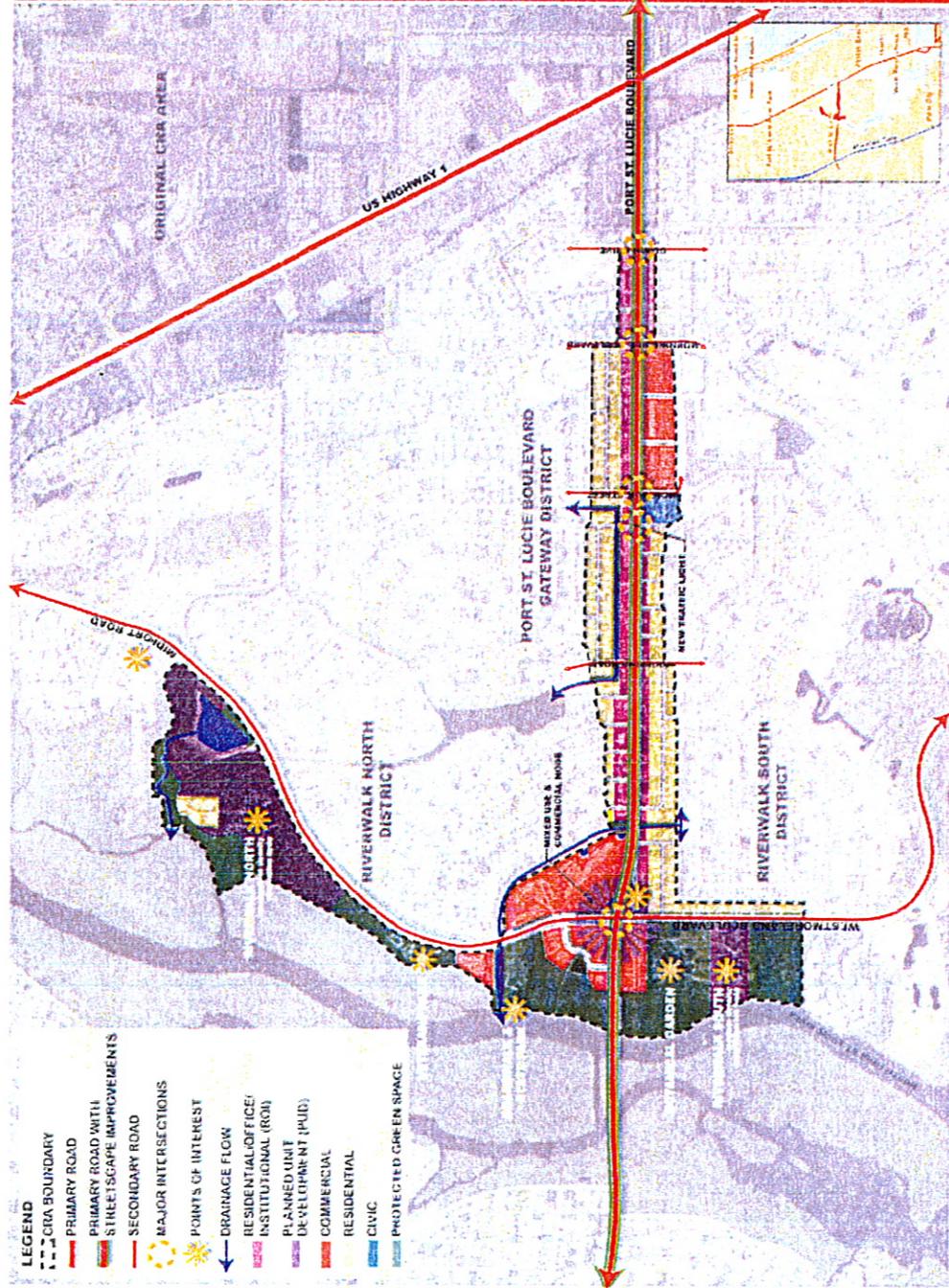


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Figure 4-1

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

**Master Plan**



**CRA EXPANSION  
 MASTER PLAN  
 FIGURE 4**

\*Graphic for this figure abstracted from LEAS.

Source: EDAW, Inc.



# CRA MASTER PLAN

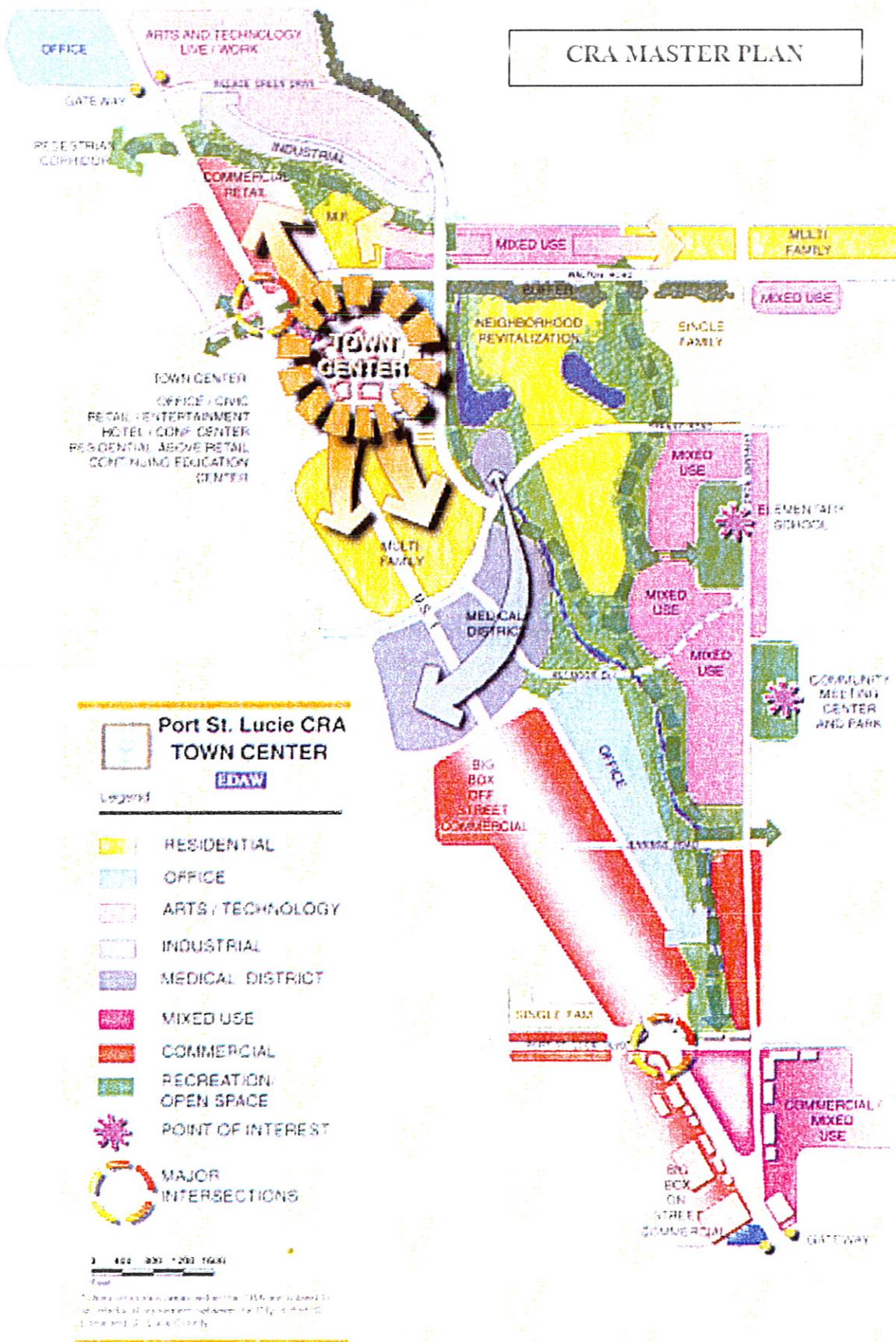


FIGURE 6

#### 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 sets forth a unique vision and separate 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; and
- 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) 2009-2010, 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, the St. Lucie County Fire District stopped participating in FY 2007-2008.

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, 2009, 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, 2009, 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, 2009, 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 2009-2010

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. Since then, the Agency has implemented a number of successful large-scale redevelopment initiatives, including but not limited to: the demolition of the Village Green Shopping Center; completion of the City Center and East Lake Village Special Assessment Districts; construction of the Civic Center, Village Square and City Center Parking Garage; and development of large portions of the Wood Stork Trail. Information regarding these and other important projects can be found in past annual reports. Unfortunately, the Agency has not been able to take on additional large scale projects due to the economic difficulties stemming from the Great Recession and associated real estate bust, which began impacting the CRA and Agency in earnest in FY 2008-2009 and worsened in FY 2009-2010. As a result, FY 09-10 was a year for the Agency to complete tasks that had been started previously and to explore strategies to overcome the many financial challenges facing the CRA, Agency and greater Treasure Coast region. Noteworthy FY 2009-2010 Agency activities include:

### 2.1 Cane Slough Swap

For several years, Cane Slough, LLC, had been working to develop the 5-acre parcel located at the northwest corner of Lennard Road and Cane Slough Road/Mariposa Avenue as “Lennard Square”, a development featuring two 6-story hotels and a 4-story office building. While Lennard Square would positively impact the CRA’s tax base and the building designs were of quality, several questions had been raised in the site plan review process, including:

- Is there adequate traffic access and capacity off of Cane Slough Road?
- Does the proposed development provide enough stormwater treatment and storage?
- Given the flooding associated with Howard’s Creek, will access to the site be impaired during significant rain events?
- How will the very intense development of this large undeveloped parcel impact the stormwater drainage system in this area of the City?
- Will the intensity of the proposed development negatively impact the residential neighborhood to the east of Lennard Road?

In addition to these questions, CRA staff had also wondered why the developer elected to pursue the construction of three multi-story buildings at a site, which overlooks a trailer park and a heavy equipment rental facility; and more recently, after the City’s experience with Tropical Storm Fay, staff lamented the loss of this undeveloped pervious space in this area of the City, especially given its location adjacent to Howard’s Creek. The site seemed to be an excellent location to construct additional stormwater storage capacity.

In response to these factors staff contemplated a scenario in which the Agency traded an appropriate parcel at City Center with Cane Slough, LLC, for the Lennard Square Property. The proposed development program could be relocated to City Center, where the aforementioned site plan questions disappear, the hotel rooms would be in walking distance of the Civic Center, multi-story development is required, and the Agency is awaiting private

development. Additionally, the Agency could keep the 5-acre parcel at Cane Slough Road pervious, and make it available to the City for stormwater storage and treatment.

This scenario was ultimately approved by the CRA Board and property owners and formalized in a series of agreements, which provided for the following actions:

- The Agency acquires Lots 26 and 27 of City Center, which correspond to City Center Master Plan parcels I and O, from PSL City Center, LLC, utilizing left over proceeds from its Series 2006 Redevelopment Trust Fund Revenue Bonds.
- The Agency exchanges Lots 26 and 27 of City Center with Cane Slough, LLC, for the 5-acre Lennard Square Property.
- Cane Slough, LLC, pursues the construction of its development program at City Center.

The Agency was able to complete the acquisition of Lots 26 and 27 in FY 08-09; and, the exchange with Cane Slough, LLC, was completed in FY 09-10. Additionally, the Agency later completed a reimbursement transaction with the City, assigning the expenses of the swap to the City's stormwater fund. As part of EWIP, the City will develop the Lennard Square Property into a stormwater retention pond in Fiscal Year 2010-2011. Unfortunately, due to the lack of demand for new commercial space, including hotel rooms, Cane Slough, LLC, has not succeeded in developing Lots 26 and 27 to date.

## 2.2 Wood Stork Trail

Since its inception, the Agency has worked to realize the Plan's vision for "connective open spaces to better serve Port St. Lucie's current and future population" by transforming the drainage swales, ditches and ponds of the CRA into a better functioning stormwater drainage system and a linear park. To this end, in FY 2004-2005, the CRA undertook an extensive community-driven public planning process to create a master plan for this initiative; and, 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.

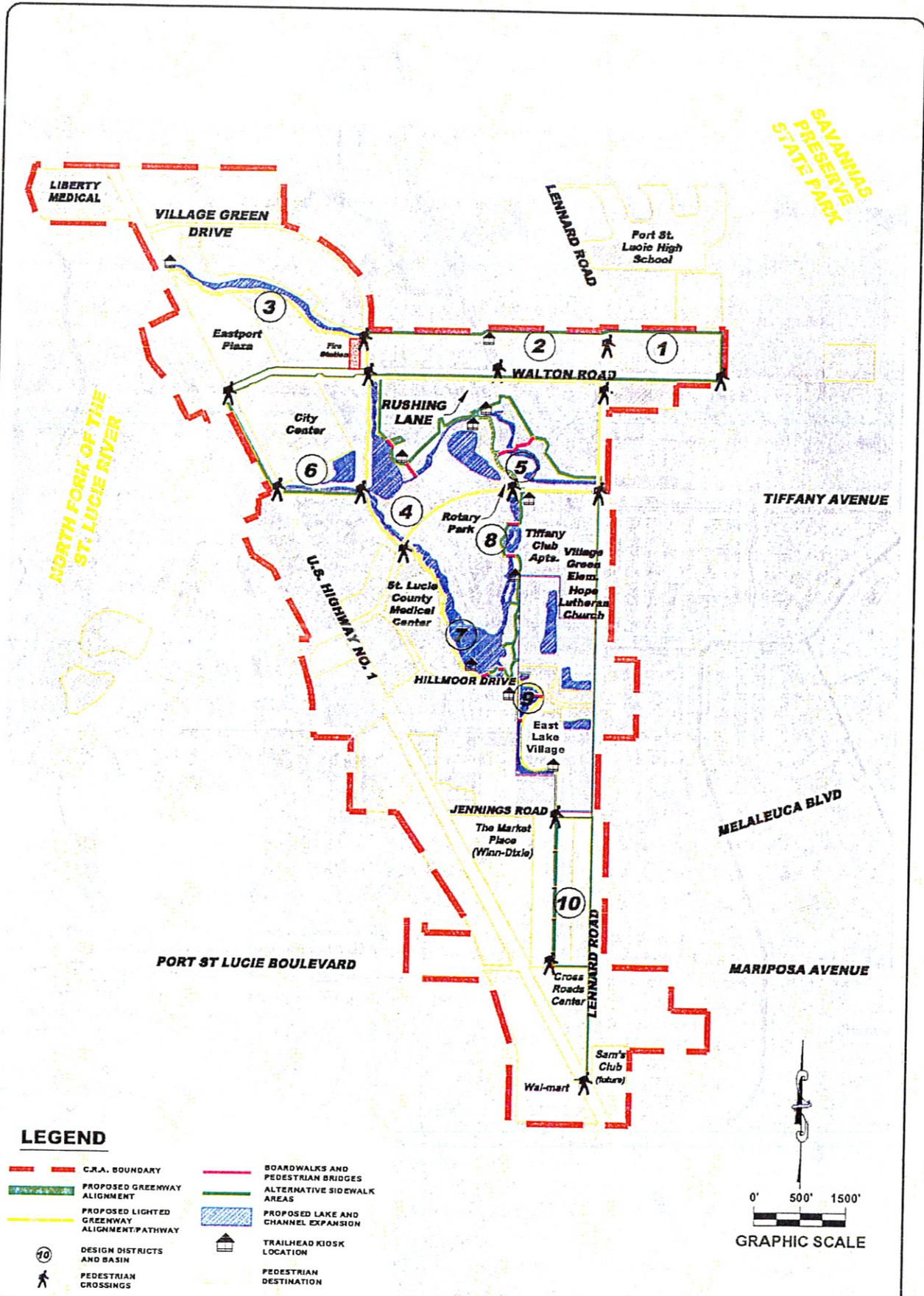
While the Agency did not have any direct funding in FY 09-10 with which to construct additional Design Districts of the WSTMP, it did find a creative way to contribute to a future segment of the Wood Stork Trail via the Cane Slough Swap. Additionally, the Agency

worked very closely with the City on a major City initiative that will significantly contribute to the WSTMP's implementation. This initiative, known as the Eastern Watershed Improvement Project (EWIP) is a flood control project initiated in response to the devastating flooding experienced in the eastern City as a result of Tropical Storm Fay. While it is a critical flood control project, EWIP is also a water quality, wetlands restoration and recreation project in which the City will be creating more than 40 acres of additional stormwater retention areas and wetlands. These areas will include trails and sidewalks and be designed very similarly to the constructed portions of the WSTMP. EWIP will largely complete Design District 10 of the WSTMP.

In addition to coordinating with the City on EWIP, the Agency also carried out important ongoing monitoring and maintenance activities which are required by several of the grant funding agreements applicable to the WSTMP. The Agency completed the water quality monitoring required by the Florida Department of Environmental Protection (DEP) grant associated with the construction of Design Districts 7 and 8 and hired Captec Engineering, Inc., to carry out the water quality monitoring required by the DEP grant associated with the construction of Design District 6.

It is always good to mention that the Agency has been very fortunate to have a number of key partners contributing to the implementation of the WSTMP, including the City, Kodak Company Greenway Awards Program, the Conservation Fund, the Florida Department of Environmental Protection, the St. Lucie River Issues Team and St. Lucie County.

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

**FIGURE 7**

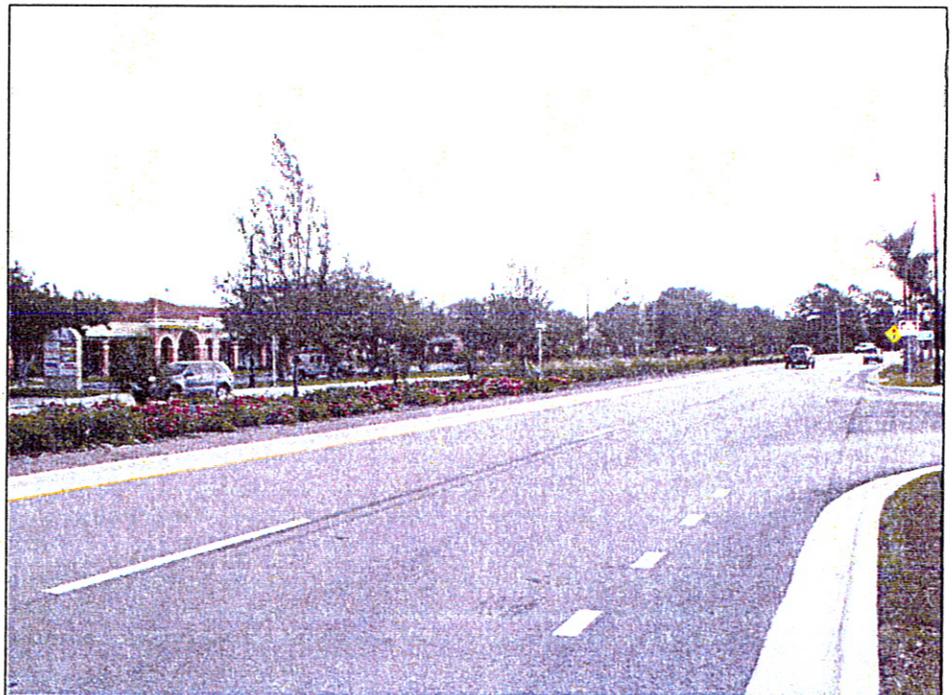
### 2.3 City Center

The state of the economy and real estate market dismissed any real prospects of vertical development at City Center in Fiscal Year 2009-2010. In fact, in FY 09-10, PNC, the lender on the privately owned portion of City Center, foreclosed upon the owner, PSL City Center, LLC. However, PNC did not actually take possession of the property electing to give the owner time to negotiate a short-sale. To date, the owner has not found a willing buyer, and this has left the property in limbo and has hamstrung the Agency's efforts to effect development at City Center. However, throughout the year, the Agency did work with the owner, developer and lender on offering packages and to meet with prospective buyers, including a Chinese investment group who formally met with the City Council on June 21, 2010.

### 2.4 Walton Road Improvements

Walton Road is an important County Road that links US 1 to Indian River Drive, providing a hurricane evacuation route and a major connection for Hutchinson Island residents traveling to US 1. It is also a road which is very important to the internal circulation of the CRA and City Center. In fact, it is a critical marketing corridor to City Center, second only to US 1. For years, St. Lucie County has planned the widening of Walton Road from Village Green Drive to Lennard Road; however, in FY 08-09, the County not only commenced the design and construction process for this much anticipated improvement project, it also designed and commenced construction on the segment adjacent to City Center (US 1 to Village Green Drive). This segment was subject to flooding and was characterized by a suburban swale drainage system, not the urban curb, gutter and landscaping system utilized on the City's major roadways and City Center. In many ways, this segment was a liability to the marketing of City Center. Therefore, the Agency greeted the County's offer of meeting the Agency's design standards and cooperation with great enthusiasm. Over the course of FY 08-09, Agency and City officials collaborated with St. Lucie County officials to successfully draft and approve Interlocal Agreements which specifically set forth mutual responsibilities and obligations relating to the construction of the respective segments.

Construction began in August of 2009 and was completed in Fiscal Year 2009-2010 with a ribbon cutting ceremony on June 18, 2010.

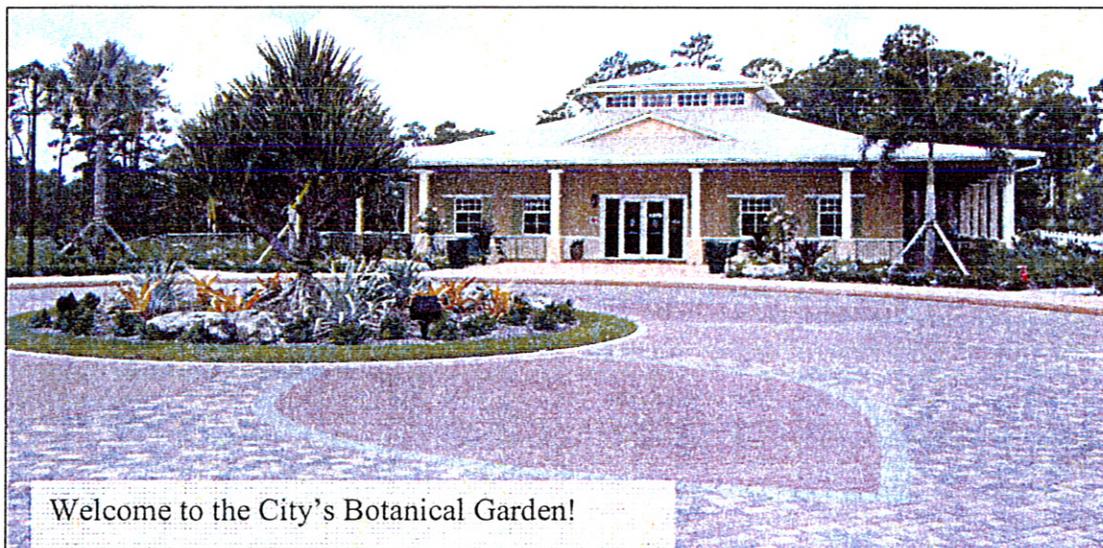


## 2.5 Administration

Much of the Agency's work in FY 09-10 was administrative in nature and centered around crunching the numbers associated with falling property values and tax increment revenue and contingency planning. These numbers are discussed in detail in Section 3.0.

## 2.6 Development Services

The Agency fields numerous customer inquiries on an annual basis, many of which are development-related. Additionally, the Agency reviews a number of development applications and works with property owners and their agents to facilitate the development of their projects. FY 09-10 projects included the construction of Morningside Animal Hospital and the City's Botanical Gardens; and the redevelopment of Rivergate Plaza.





The Agency activities reported above represent the major thrust of the Agency's efforts in FY 09-10.

## 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 relative to the base year (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.

When considering taxable value, tax increment revenue and the Agency's budget, it is important to remember that the St. Lucie County Property Appraiser sets the taxable value of all properties, including those which comprise the CRA, as of January 1 each year and that this taxable value is the basis of calculating tax increment revenue for the following fiscal year of the Agency, which runs from October 1 to September 30. For example, the taxable value established as of January 1, 2009, is what helps to determine tax increment revenue for the Agency's FY 09-10, even though January 1, 2009, is actually in FY 08-09. Therefore, when staff discusses tax increment revenue for FY 09-10, remember that there is an inherent lag and it is based upon the total taxable value as of January 1, 2009. As an additional example, FY 10-11 revenue will be based off of the total taxable value of the CRA as of January 1, 2010.

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 the previous years and marked the beginning of a major paradigm shift.

At first glimpse, the total taxable value of the CRA as of January 1, 2007, appeared as though it 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 original CRA. Looking at the CRA's total taxable value without including the CRA Expansion Area, it was revealed 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 \$3,026,519. 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. The aggregate millage rate of the participating taxing authorities dropped from 12.5473 in FY 06-07 to 9.3823 in FY 07-08, which is a 25.2% reduction. As staff began planning for FY 08-09, it expected the aggregate millage rate of the participating

taxing authorities to remain relatively stable moving forward, but it still forecasted future declines to tax increment revenue for the next several years due to another reason—declining property values.

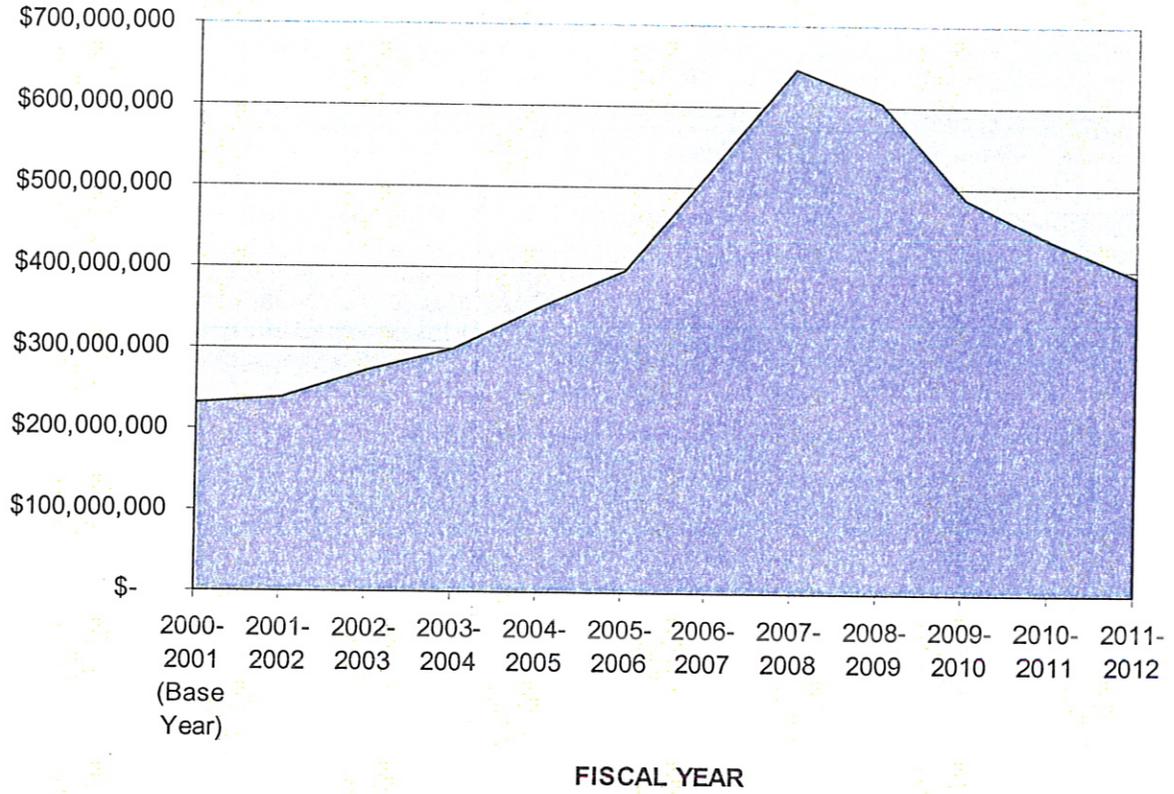
In FY 08-09, for the first time in the Agency's history, the Agency had to contend with declining property values. As of January 1, 2008, total taxable value was \$604.4 million, dropping from \$647.5 million as of January 1, 2007. This 6.7% decrease in total taxable value lowered tax increment revenue to \$2,655,307, a 12.3% decrease. Therefore, in just two years, the Agency's tax increment revenue fell by more than 22.2% from its peak. Unfortunately, the FY 08-09 drop in property values was tame in comparison to FY 09-10. As of January 1, 2009, total taxable value had fallen to under \$488 million, a decline of 19.3% from 2008, which caused a corresponding \$847,692 drop in tax increment revenue.

As has been well chronicled, the nation still faces a number of economic challenges; Florida is at the epicenter of a collapse in the real estate market; and unemployment remains high. These circumstances are continuing to put significant downward pressure on property values, and double digit declines in the total taxable value of the CRA are possible over the next several years.

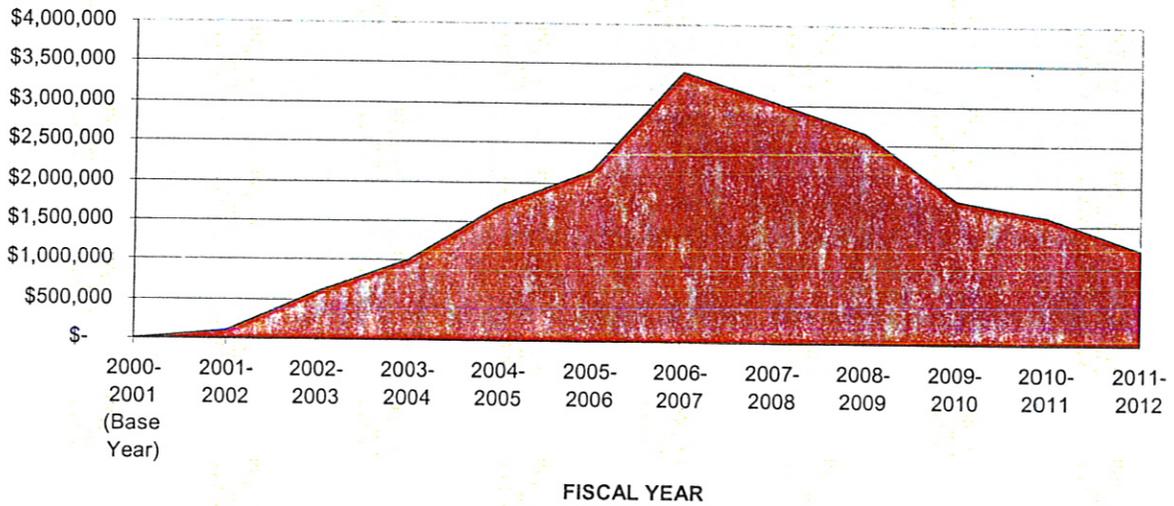
TABLE 1: AGENCY TAXABLE VALUE AND TAX INCREMENT REVENUE,  
REALIZED AND PROJECTED

Fiscal Year	Taxable Value!	% Change in TV	Aggregate Millage	Tax Increment Revenue	% Change 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	\$ 604,383,398	-6.7%	9.3823	\$ 2,655,307	-12.3%
2009-2010	\$ 487,757,526	-19.3%	9.8517	\$ 1,807,615	-31.9%
2010-2011*	\$ 436,198,788	-10.6%	11.1504	\$ 1,603,533	-11.3%
2011-2012*	\$ 392,578,909	-10.0%	11.1504	\$ 1,197,313	-25.3%
*	Values for future years are projections.				
!	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 8: AGENCY TAXABLE VALUE, REALIZED AND PROJECTED**



**FIGURE 9: AGENCY TAX INCREMENT REVENUE, REALIZED AND PROJECTED**



### 3.2 FY 2009-2010 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. The budget is also a dynamic document that changes over the course of the year in response to changes in the economic and political environments. As a result, the budget is amended from time to time over the course of the fiscal year. A budget is prepared for each of the Agency's funds, including operating and capital. The Agency's adopted FY 09-10 Budget and its amendments are provided as Exhibit "A".

As already noted, tax increment revenue is the Agency's most significant revenue source, and the Agency's only other revenue sources consist of interest earnings, grants, which may post to various capital funds, and cash carryforward (or fund balance). It is important to note that the Agency does not have the ability to change the millage rate in order to collect more or less revenue.

As further set forth in Exhibit "A", the expenditures of the Agency can be classified as debt service, administrative charges, personal services and operating expenses. At 87.6% of expenditures, the Agency's debt service payments are overwhelmingly its largest expense. The Agency's debt service payments serve to repay the \$11.87 million Series 2004 Bonds utilized to carry out the Agency's responsibilities under the East Lake Village Redevelopment Agreement and the \$46.45 million Series 2006 Bonds utilized to carry out the Agency's responsibilities under the City Center Redevelopment Agreement. The next highest expenditure is "administrative charges", which are charges incurred for the use of City services and personnel. For example, the City Attorney's Office provides an attorney to the Agency, the Finance Department provides all routine accounting and payroll services, etc. The remaining expenditures are for the Agency's personnel and operating expenses. Of the operating expenses category, approximately \$84,600 is expended on the maintenance of the Wood Stork Trail.

The continuing challenge faced by the Agency in the FY 09-10 Budget was that revenue was insufficient to cover debt service. Although the Agency has set aside approximately \$10 million from the proceeds of the Series 2006 Bonds to deal with any shortfalls, current estimates indicate that the set aside will be exhausted in FY 12-13. 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. Balancing the budget will be the Agency's major focus over the next couple of years.

### 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 "B". 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, 2009", including the Community Redevelopment Fund and the Community Redevelopment CIP Fund.
3. Page 17 identifies the Agency as a blended component unit of the City.
4. Pages 20-21 describe major Governmental Funds of the City, including the Redevelopment Trust Fund and the Agency CIP Fund.
5. Pages 28-33 provide notes regarding "Cash and Investment" for several City funds, including the Community Redevelopment Trust Fund and the CIP Fund.
6. Page 34 describes the receivables for the City's individual major funds and nonmajor and fiduciary funds in the aggregate, including allowances for collectible accounts.
7. Page 39 lists "Interfund Receivables, Payables and Transfers", which includes the Community Redevelopment Trust Fund and the CIP Fund.
8. Pages 40-45 set forth the long-term debt of the City, including instruments of the Agency such as Redevelopment Trust Fund Revenue Bonds, Series 2004 and Redevelopment Trust Fund Revenue Bonds, Series 2006.
9. Page 70 provides the "Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual for the Community Redevelopment Agency Fund".
10. Unnumbered Pages between 73 and 74, 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".
11. Pages 76-81 provide the "Combining Balance Sheet for Nonmajor Special Revenue Funds", including those related to East Lake Village and City Center.

12. Pages 82-85 provide the “Combining Statement of Revenues, Expenditures and Changes in Fund Balances for Nonmajor Special Revenue Funds, including those related to East Lake Village and City Center.
13. Pages 86 and 87 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.
14. Page 103 provides the “Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual” for the East Lake Village Assessment Collection Fund.
15. Page 105 provides the “Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual” for the City Center Assessment Collection Fund.

#### 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 except as specified 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 “C”.
2. Debt Repayment. The CAFR does identify the Agency’s long-term debt. However, Exhibit “D” sets forth more detailed repayment schedules for the bond issues.

#### **4.0 CLOSING STATEMENT**

The Agency continues to make great strides in implementing the Community Redevelopment Plan. Unfortunately, the Agency continues to face 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 will help the CRA fully realize the benefit of a local recovery.

EXHIBIT "A"

RESOLUTION CRA 09--01

A RESOLUTION OF THE CITY OF PORT ST. LUCIE COMMUNITY REDEVELOPMENT AGENCY (THE "AGENCY") RELATING TO THE ANNUAL BUDGET, APPROVING THE ANNUAL BUDGET OF THE AGENCY FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2009 AND ENDING SEPTEMBER 30, 2010; AUTHORIZING THE EXPENDITURE OF FUNDS ESTABLISHED BY THE BUDGET; AND PROVIDING AN EFFECTIVE DATE.

THE CITY OF PORT ST. LUCIE COMMUNITY REDEVELOPMENT AGENCY HEREBY RESOLVES:

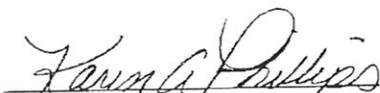
Section 1. The Annual Budget of the Community Redevelopment Agency for the Fiscal Year beginning October 1, 2009 and ending September 30, 2010, attached as Exhibit "1", is hereby approved and adopted.

Section 2. Funds appropriated in the budget may be expended in accordance with the provisions of the budget, the Community Redevelopment Plan and as authorized by law. Expenditures of additional revenues received by the Community Redevelopment Agency during the fiscal year shall be deemed to be appropriated, subject to approval of the Community Redevelopment Agency.

Section 3. This resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED by the City of Port St. Lucie Community Redevelopment Agency this 21<sup>st</sup> day of September, 2009.

ATTEST:

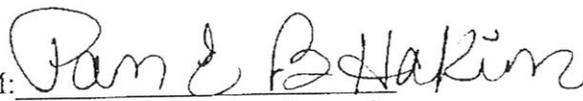
  
Karen A. Phillips, Secretary

CITY OF PORT ST. LUCIE  
COMMUNITY REDEVELOPMENT AGENCY

By:   
Patricia P. Christensen, Chair



APPROVED AS TO FORM:

  
Pam Booker Hakim, Counsel

**CITY OF PORT ST. LUCIE  
PROPOSED BUDGET - CRA FUND #175  
FY 2009-10**

	AUDITED 2007-08	ESTIMATED 2008-09	PROPOSED 2009-10	PROJECTED 2010-11	PROJECTED 2011-12	PROJECTED 2012-13	PROJECTED 2013-14
<b>REVENUES &amp; SOURCES:</b>							
Contribution of Ad Valorem Taxes - County	\$1,347,966	\$1,012,312	\$667,062	\$647,705	\$647,705	\$683,837	\$720,874
Contribution of Ad Valorem Taxes - County Fine & Forf.	616,701	713,009	469,837	456,202	456,202	481,653	507,738
Interfund Transfer from Fund #001	822,859	720,673	544,273	528,660	528,660	557,960	587,992
Interfund Transfer from Fund #104	84,659	74,146	56,257	54,643	54,643	57,671	60,776
Interfund Transfer from Fund #304	154,333	135,168	87,205	84,703	84,703	89,398	94,209
Interfund Transfer from Fund #377	0	591,574	2,328,619	2,621,398	2,009,983	0	0
Bond Proceeds	0	0	0	0	0	0	0
Grant Income	0	0	0	0	0	0	0
Interest Inc. & Other	108,592	34,068	40,000	40,000	40,000	40,000	40,000
Budgeted Cash Carryforward	0	557,645	158,720	(0)	0	0	0
<b>TOTAL</b>	<b>3,135,110</b>	<b>3,838,595</b>	<b>4,351,973</b>	<b>4,433,311</b>	<b>3,821,896</b>	<b>1,910,519</b>	<b>2,011,589</b>
<b>EXPENDITURES:</b>							
Personal Services	158,464	162,000	160,448	160,448	165,261	170,219	175,325
Operating Expenses	648,358	114,973	133,389	137,391	141,512	145,758	150,130
Capital Outlay	877	0	0	0	0	0	0
Capital Outlay - Land Purchase	0	0	0	0	0	0	0
Fund Transfer (contribution) Lenard Road - #304	0	0	0	0	0	0	0
Fund Transfer to CRA CIP Fund - #375	0	0	0	0	0	0	0
Fund Transfer to City Center CIP Fund	0	0	0	0	0	0	0
Fund Transfer to Road & Bridge Fund #304 - Westmoreland	6,170	0	0	0	0	0	0
Fund Transfer to Medical Trust Fund - #605	0	0	0	0	0	0	0
Administrative Charges	0	285,027	246,011	253,391	260,993	268,822	276,887
Debt Service	3,064,969	3,117,875	3,812,126	3,882,082	4,107,963	4,362,788	4,413,388
Contingency for Future Debt Service	0	0	0	0	0	0	0
Contingency	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>3,878,838</b>	<b>3,679,875</b>	<b>4,351,973</b>	<b>4,433,311</b>	<b>4,675,729</b>	<b>4,947,587</b>	<b>5,015,731</b>

SURPLUS <DEFICIT> (\$743,728) \$158,720 (\$0) (\$0) (\$853,833) (\$3,037,068) (\$3,004,142)

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

**FY 2009-10**

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
<b>REVENUES:</b>					
Budgeted Cash Carryforward	\$ 6,900,000	\$ 4,601,381	\$ 1,999,983	\$ -	\$ -
Interest Income	30,000	20,000	10,000	-	-
Totals	\$ 6,930,000	\$ 4,621,381	\$ 2,009,983	\$ -	\$ -
<b>EXPENDITURES:</b>					
Interfund Transfer					
Fund Transfer to the CRA Operating Fund #175	\$ 2,328,619	\$ 2,621,398	\$ 2,009,983	\$ -	\$ -
Totals	\$ 2,328,619	\$ 2,621,398	\$ 2,009,983	\$ -	\$ -
<b>CITY CENTER TIF CIP FUND TOTALS</b>	\$ 2,328,619	\$ 2,621,398	\$ 2,009,983	\$ -	\$ -
Contingency for Future Years	4,601,381	1,999,983	-	-	-
<b>SURPLUS/&lt;DEFICIT&gt;</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF PORT ST. LUCIE**  
**FY 2009-10**  
**DEPARTMENTAL BUDGET REQUESTS**

Fund: 001  
 Department: CRA  
 Division: 175-5210  
 Page:   1   of   

Detail Schedule of Budget Items -- Current Level

Object Code (1)	Account Title Items & Explanation (2)	Requested by Department (3)	Add or Deduct (4)	Final Approved (5)
512000	<u>OVERTIME</u>	\$ -		
		\$ -	0	-
531000	<u>PROFESSIONAL SERVICES</u>			
	RL Weigt ACOE-required monitoring ELV	12,000		
	RL Weigt SFWMD-required monitoring ELV	5,000		
		17,000	0	17,000
534000	<u>CONTRACTUAL SERVICES</u>			
	Aquatic Vegetation Control Wood Stork Trail	33,600		
	Aquatic Vegetation Control Civic Center	4,000		
	Nature's Keeper Maintenance of City Center	47,000		
		84,600	0	84,600
540401	<u>TRAVEL - CAR ALLOWANCE</u>			
	Director	4,800		
	Total Travel-Car Allowan	4,800	0	4,800
540400	<u>TRAVEL EXPENSE</u>			
	CRA Conferences			
	Total Travel	0	0	-
541000	<u>COMMUNICATIONS</u>			
	telephone costs	500		
	Total Communications	500	0	500
541001	<u>COMMUNICATIONS - CELL PHONE</u>			
	Cell Phone	600		
	Total Cell Phone	600	0	600
542000	<u>TRANSPORTATION - Postage</u>			
	Total Transportation	2,000	0	2,000
543100	<u>ELECTRICITY</u>			
	Total Electricity	0		-
543200	<u>WATER</u>			
	Total Water	0		-
543300	<u>SEWER</u>			
	Total Sewer	0		-
545000	<u>INSURANCE</u>			
	Allocation of City Premium - TRICO	2,048		

CITY OF PORT ST. LUCIE  
 FY 2009-10  
 DEPARTMENTAL BUDGET REQUESTS

Fund: 001  
 Department: CRA  
 Division: 175-5210  
 Page: 1 of    

Detail Schedule of Budget Items -- Current Level

Object Code (1)	Account Title Items & Explanation (2)	Requested by Department (3)	Add or Deduct (4)	Final Approved (5)
	Total Insurance	2,048	0	2,048
546100	<u>REPAIR AND MAINTENANCE</u> Allocation of City Premium - TRICO	500		
	Total Repair & Maint.	500	0	500
546200	<u>REPAIR &amp; MAINTENANCE - Office Equip.</u> Computers/Printers	100		
	Total Repair & Maint.	100	0	100
547000	<u>PRINTING &amp; BINDING</u> Total Printing/Binding	2,500		2,500
549000	<u>OTHER CURRENT CHARGES</u> Stormwater Payment to City DCA Special District Fee	5,456 175		
	Total Other Current Charge	5,631	0	5,631
549401	<u>Art and All That Jazz</u> Total Art & All That Jazz	0		-
549402	<u>Oktoberfest</u> Total Oktoberfest	0		-
549404	<u>St. Patrick's Day</u> Total St. Patrick's Day	0		-
549255	<u>City Center Stormwater Billing</u>	7,710		7,710
549260	<u>City Center SAD Payment</u>	-		-
551000	<u>OFFICE SUPPLIES</u> Misc. Office Supplies	4,400		
	Total Office Supplies	4,400	0	4,400
552000	<u>OPERATING SUPPLIES</u> Toner	1,000		
	Total Operating	1,000	0	1,000
553001	<u>HOLIDAY DISPLAY</u>	0		-
554000	<u>BOOKS, PUBLICATIONS, SUBSCRIPTIONS</u>	0		-

CITY OF PORT ST. LUCIE  
 FY 2009-10  
 DEPARTMENTAL BUDGET REQUESTS

Fund: 001  
 Department: CRA  
 Division: 175-5210  
 Page: 1 of    

Detail Schedule of Budget Items -- Current Level

Object Code (1)	Account Title Items & Explanation (2)	Requested by Department (3)	Add or Deduct (4)	Final Approved (5)
	Total Books, Publications & Sub.	0	0	-
554100	<u>TRAINING &amp; EDUCATION</u>	-		
	Total Training & Education	0	0	-
	<u>TOTAL OPERATING</u>	133,389		133,389
564200	<u>OFFICE FURNITURE &amp; EQUIP.</u> Replacement Computer Fax Machine (1/2 Cost w/ CM's Office) HP ScanJet 7650 TOTAL CAPITAL OUTLAY	0		-

CITY OF PORT ST. LUCIE  
 CALCULATION OF ADMINISTRATIVE OVERHEAD CHARGES FOR CRA  
 FY 2009-2010

General Fund Depts.	*Current Projected Budget	%	CRA \$'s
City Manager	\$666,776	10%	\$66,678
Finance	1,539,473	3.5%	\$53,882
Garage	101,440	-	
Human Resources	908,537		
Risk Management	281,269		
Bldg. Maintenance	871,419		
Community Svcs	161,932	5%	\$8,097
Communications	703,388	5%	\$35,169
Info. Services	2,053,143		
A/C Maintenance	313,201		
OMB	1,003,771		
Planning Department	887,543	0%	0
Legal	1,214,424	5%	60,721
City Clerk	715,472	3%	\$21,464
Gen. Govt.	0		
		Totals	\$246,011

### CRA DEBT SERVICE

Fiscal Year	Debt Service Series 2004	Debt Service Series 2006	Total Annual Debt Service
2000/01	NA	NA	\$ -
2001/02	NA	NA	\$ -
2002/03	NA	NA	\$ -
2003/04	NA	NA	\$ -
2004/05	\$ 533,719	\$ -	\$ 533,719
2005/06	\$ 745,500	\$ -	\$ 745,500
2006/07	\$ 840,150	\$ -	\$ 840,150
2007/08	\$ 890,657	\$ 1,087,156	\$ 1,977,813
2008/09	\$ 943,563	\$ 2,174,313	\$ 3,117,876
2009/10	\$ 951,813	\$ 2,860,313	\$ 3,812,125
2010/11	\$ 944,182	\$ 2,937,900	\$ 3,882,082
2011/12	\$ 944,863	\$ 3,163,100	\$ 4,107,963
2012/13	\$ 939,688	\$ 3,423,100	\$ 4,362,788
2013/14	\$ 942,288	\$ 3,471,100	\$ 4,413,388
2014/15	\$ 937,475	\$ 3,475,100	\$ 4,412,575
2015/16	\$ 937,475	\$ 3,586,700	\$ 4,524,175
2016/17	\$ 932,725	\$ 3,701,500	\$ 4,634,225
2017/18	\$ 937,075	\$ 4,101,000	\$ 5,038,075
2018/19	\$ 934,675	\$ 4,186,000	\$ 5,120,675
2019/20	\$ 937,975	\$ 4,461,000	\$ 5,398,975
2020/21	\$ 933,925	\$ 4,616,000	\$ 5,549,925
2021/22	\$ 932,482	\$ 4,756,000	\$ 5,688,482
2022/23	\$ 934,444	\$ 5,081,000	\$ 6,015,444
2023/24	\$ -	\$ 6,471,000	\$ 6,471,000
2024/25	\$ -	\$ 6,471,500	\$ 6,471,500
2025/26	\$ -	\$ 6,468,000	\$ 6,468,000
2026/27	\$ -	\$ -	\$ -
2027/28	\$ -	\$ -	\$ -



CRA Board Item 7  
Date: 9/21/09

## City of Port St. Lucie

### Memorandum

TO: CRA BOARD  
FROM: GREGORY J. ORAVEC, ASSISTANT CITY MANAGER/CRA DIRECTOR *gjo*  
DATE: SEPTEMBER 15, 2009  
SUBJECT: PROPOSED FY 09-10 BUDGET/RESOLUTION CRA 09-01

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As you are aware, 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 accounted for as funds of the City, and these funds are budgeted as part of the City's Annual Budget. Thus, the Agency's FY 09-10 Budget is included within the City's FY 09-10 Budget and will be approved by the City Council via ordinance. However, in response to guidance provided by the Florida Auditor General and to ensure compliance with Florida law concerning special districts, it is also advisable that the Agency approve its FY 09-10 Budget by separate resolution. Therefore, please find the attached Resolution CRA 09-01 and the Agency's Proposed FY 09-10 Budget for your review and approval.

The Agency's Proposed FY 09-10 Budget consists of the budgets for Funds #175 and #377. The attached budget documents for #175 and #377 are exactly the same as, and excerpted from, the City's Proposed FY 09-10 Budget. In addition to the budgets for #175 and #377, I have attached worksheets which provide more detailed information regarding the following line items within the #175 budget: Operating Expenses, Administrative Charges and Debt Service.

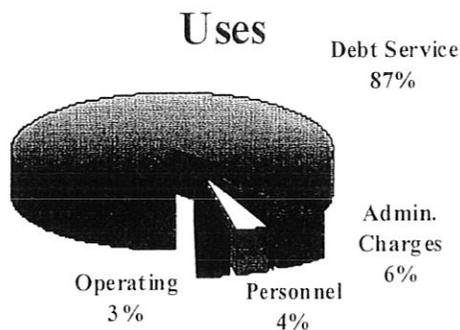
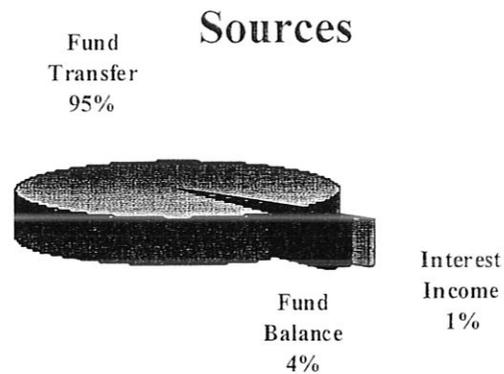
If you have any questions or I can be of assistance, please do not hesitate to contact me.

Staff recommends approval of the proposed budget.

Thank you.

# CITY OF PORT ST. LUCIE CRA FUND ANNUAL BUDGET 2009-10

Revenue Source	Amount
Fund Transfer	\$4,153,253
Interest Income	40,000
Fund Balance	158,720
<b>Total</b>	<b>\$4,351,973</b>



Expenditure by Function	Amount
Personal Services	\$160,448
Operating Expenses	133,389
Capital Outlay	0
Debt Service	3,812,125
Administrative Charges	246,011
<b>Total</b>	<b>\$4,351,973</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. Due to falling property tax value and the associated revenue, this fund will be in a

deficit financial position by FY 2010-11. The debt service will be greater than the annual revenue and any available fund balance will be used to balance the FY 2009-10 budget as proposed. Changes have been made to minimize the operating costs for the CRA. This proposed budget is built with the assumption of flat revenue into the future. The final certified values and revenues are not yet available and these figures are subject to change.

**CITY OF PORT ST. LUCIE**  
**APPROVED BUDGET - CRA FUND #175**  
**FY 2009-10**

	AUDITED 2006-07 *****	AUDITED 2007-08 *****	ESTIMATED 2008-09 *****	APPROVED 2009-10 *****
<b>REVENUES &amp; SOURCES:</b>				
Contribution of Ad Valorem Taxes - County	\$1,158,925	\$1,347,966	\$1,012,312	\$667,062
Contribution of Ad Valorem Taxes - Fine & Fo	644,848	616,701	713,009	469,837
Contribution of Ad Valorem Taxes - Fire Boar	671,445	exempt	exempt	exempt
Transfer of Ad Valorem Property Tax - PSL	937,711	822,859	720,673	544,273
Interfund Transfer from #104	0	84,659	74,146	56,257
Interfund Transfer from #304	0	154,333	135,168	87,205
Interfund Transfer from #377	2,224,379	0	591,574	2,328,619
Bond Proceeds	0	0	0	0
Grant Income	0	0	0	0
Interest Inc. & Other	177,261	108,592	34,068	40,000
Budgeted Cash Carryforward	0	0	557,645	158,720
Totals	<u>\$5,814,570</u>	<u>\$3,135,110</u>	<u>\$3,838,595</u>	<u>\$4,351,973</u>
<b>EXPENDITURES:</b>				
Personal Services	\$139,297	\$158,464	\$162,000	\$160,448
Operating Expense	172,405	648,358	114,973	133,389
Capital Outlay	912,763	877	0	0
Interfund Transfer	0	0	0	0
Fund Transfer to CRA CIP Fund	0	0	0	0
Fund Transfer to 304 - Westmoreland	580,000	6,170	0	0
Fund Transfer to 377	800,000	0	0	0
Administrative Charges	199,632	0	285,027	246,011
Debt Service	2,029,982	3,064,969	3,117,875	3,812,126
Budgeted Contingency	0	0	0	0
Totals	<u>\$4,834,079</u>	<u>\$3,878,838</u>	<u>\$3,679,875</u>	<u>\$4,351,973</u>
<b>Total Expenditures</b>	<u>\$4,834,079</u>	<u>\$3,878,838</u>	<u>\$3,679,875</u>	<u>\$4,351,973</u>
Contingency - Future Years	\$0	\$0	\$0	\$0
<b>SURPLUS &lt;DEFICIT&gt;</b>	<u>\$980,491</u>	<u>(\$743,728)</u>	<u>\$158,720</u>	<u>(\$0)</u>

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

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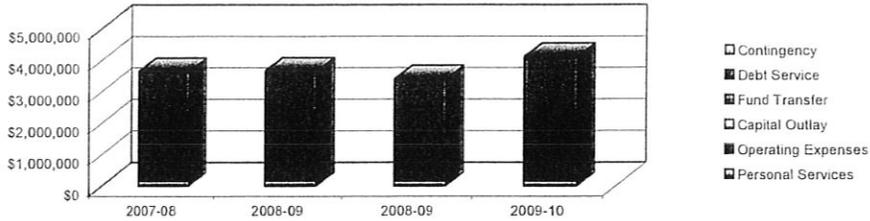
***PERFORMANCE OBJECTIVES***

- Complete Annual Report.
- Complete Budget.
- Update TIF Projections.
- Close out East Lake Village SAD
- Close out City Center SAD
- Complete Cane Slough Land Swap if possible
- Attempt to bring business and private investments to City Center.

**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:**

	2007-08 AUDITED *****	2008-09 BUDGET *****	2008-09 ESTIMATED *****	2009-10 BUDGET *****
Personal Services	\$158,464	\$164,441	\$162,000	\$160,448
Operating Expenses	403,879	306,744	114,973	133,389
Capital Outlay	877	0	0	0
Fund Transfer	6,170	0	0	0
Administrative Charges	244,479	285,027	285,027	246,011
Debt Service	3,064,969	3,117,875	3,117,875	3,812,126
Land Purchase	0	0	0	0
Contingency	0	55,242	0	0
<b>Total</b>	<b>\$3,878,838</b>	<b>\$3,929,329</b>	<b>\$3,679,875</b>	<b>\$4,351,973</b>

**STAFFING SUMMARY:**

(Full Time Equivalent)	FY 2007-08 *****	FY 2008-09 *****	FY 2009-10 *****
CRA Director	0.80	0.80	0.80
Admin. Secretary	0.50	0.50	0.50
<b>Total</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>

**CAPITAL OUTLAY:**

None

**CITY OF PORT ST. LUCIE**  
**COMMUNITY REDEVELOPMENT AGENCY - #175**  
**FY 2009-10**

OBJ CODE	ACCOUNT DESCRIPTION	2006-07 AUDITED	2007-08 AUDITED	2008-09 ESTIMATED	2009-10 BUDGET
12-0	Salaries & Wages	\$105,501	\$117,159	\$119,920	\$121,317
14-0	Overtime	397	0	29	0
21-1	F.I.C.A.	7,512	7,066	6,203	7,396
21-2	Medicare	1,757	1,883	1,800	1,730
22-0	Retirement Contributions	11,613	12,299	12,035	12,525
23-0	Life & Health Ins.	9,675	17,989	21,544	16,581
24-0	Worker's Compensation	2,841	2,067	470	302
25-0	Unemployment Compensation	0	0	0	597
	<b>TOTAL PERSONAL SERVICES</b>	<b>\$139,297</b>	<b>\$158,464</b>	<b>\$162,000</b>	<b>\$160,448</b>
31-0	Professional Services	\$42,829	\$15,760	\$14,295	\$17,000
32-0	Accounting & Audit	0	0	0	0
34-0	Other Contractual Svcs.	9,307	86,807	63,460	84,600
40-4	Travel Expense	2,190	14	0	0
40-401	Travel - Car Allowance	5,000	4,800	4,800	4,800
41-0	Communications Service	87	100	64	500
41-001	Cell Phone Allowance	300	600	600	600
42-0	Transportation	1,081	365	388	2,000
43-1	Electricity	0	0	0	0
43-2	Water	0	0	0	0
43-3	Sewer	0	0	0	0
45-0	Insurance	2,730	3,875	2,049	2,048
46-1	Repairs/Maint.-Buildings	106	0	0	500
46-2	Repairs/Maint.-Office Equip.	39	52	56	100
47-0	Printing & Binding	3,493	548	1,255	2,500
49-0	Other Current Charges & Oblig.	71,462	287,987	23,093	13,340
49-3	Administrative Charge	219,823	244,479	285,027	246,011
51-0	Office Supplies	2,768	1,315	2,599	4,400
52-0	Operating Supplies	964	637	2,274	1,000
53-0	Holiday Display	6,975	0	0	0
54-0	Books, Public., Memberships	1,839	1,020	0	0
54-1	Training-Education	1,045	0	40	0
	<b>TOTAL OPERATING EXPENSE</b>	<b>\$372,037</b>	<b>\$648,358</b>	<b>\$400,000</b>	<b>\$379,399</b>
61-0	Land	\$911,387	\$0	\$0	\$0
62-0	Buildings	0	0	0	0
64-2	Office Furniture	1,376	877	0	0
	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$912,763</b>	<b>\$877</b>	<b>\$0</b>	<b>\$0</b>
71-0	Principal	\$415,000	\$475,000	\$497,875	\$550,000
72-0	Interest	\$1,614,982	\$2,589,969	\$2,620,000	\$3,262,126
	<b>TOTAL DEBT SERVICE</b>	<b>\$2,029,982</b>	<b>\$3,064,969</b>	<b>\$3,117,875</b>	<b>\$3,812,126</b>
01-0	Contingency	\$0	\$0	\$0	\$0
81-0	Fund Transfer	\$1,380,000	\$6,170	\$0	\$0
	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$1,380,000</b>	<b>\$6,170</b>	<b>\$0</b>	<b>\$0</b>
	<b>*TOTAL CRA *</b>	<b>\$4,834,079</b>	<b>\$3,878,838</b>	<b>\$3,679,875</b>	<b>\$4,351,973</b>

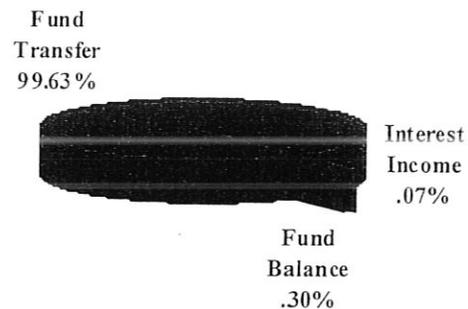
**CITY OF PORT ST. LUCIE  
CITY CENTER CIP FUND #377  
FIVE YEAR PROJECTIONS  
FY 2009-10**

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
<b>REVENUES:</b>					
Budgeted Cash Carryforward	\$6,900,000	\$4,601,381	\$1,999,983	\$0	\$0
Fund Transfer from CRA #175 Fund	0	0	0	0	0
Interest Income	30,000	20,000	10,000	0	0
Totals	\$6,930,000	\$4,621,381	\$2,009,983	\$0	\$0
<b>EXPENDITURES:</b>					
<u>DOWNTOWN DEVELOPMENT</u>					
Personnel Services	\$0	\$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 CRA Operating Fund #175	2,328,619	2,621,398	2,009,983	0	0
Totals	\$2,328,619	\$2,621,398	\$2,009,983	\$0	\$0
<b>CRA FUND TOTALS</b>	<b>\$2,328,619</b>	<b>\$2,621,398</b>	<b>\$2,009,983</b>	<b>\$0</b>	<b>\$0</b>
Contingency for Future Years	\$4,601,381	\$1,999,983	\$0	\$0	\$0
<b>SURPLUS/&lt;DEFICIT&gt;</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

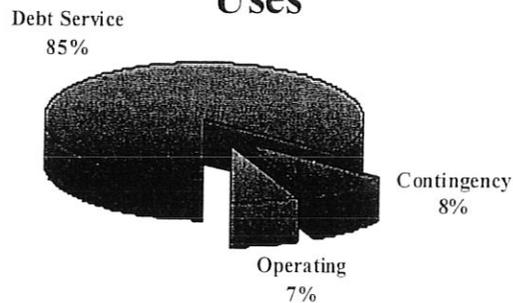
# CITY OF PORT ST. LUCIE CRA FUND ANNUAL BUDGET 2010-11

Revenue Source	Amount
Fund Transfer	\$4,573,289
Interest Income	1,500
Fund Balance	13,790
<b>Total</b>	<b>\$4,588,579</b>

## Sources



## Uses



Expenditure by Function	Amount
Operating Expenses	317,980
Debt Service	3,882,082
Contingency	388,517
<b>Total</b>	<b>\$4,588,579</b>

## **Community Redevelopment District Fund**

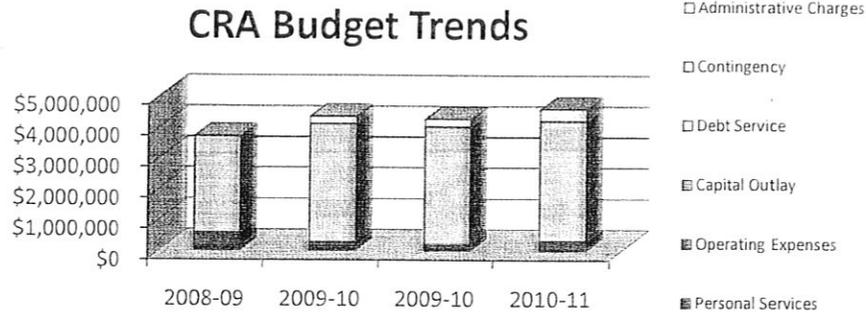
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The financial activity of the Community Redevelopment District (CRA) is tracked in this special revenue fund. The budget schedule for this fund is presented in a format to show the projected growth in revenue into the future. The CRA earns revenues 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. Due to falling property tax value and the associated revenue, this fund will be in a deficit financial position by FY 2011-12. The debt service will

then be greater than the annual revenue and any available fund balance. Changes have been made to minimize the operating costs for the CRA including the elimination of any administrative charges from the City. This proposed budget is built with the assumption of flat revenue until FY 2012-13 when it is projected to have an upward trend in value and revenue. The final certified values and revenues are not yet available and these figures are subject to change.

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

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



**EXPENDITURE SUMMARY:**

	2008-09 AUDITED *****	2009-10 BUDGET *****	2009-10 ESTIMATED *****	2010-11 BUDGET *****
Personal Services	\$156,645	\$160,448	\$84,371	\$0
Operating Expenses	429,858	133,389	116,388	317,980
Capital Outlay	0	0	0	0
Administrative Charges	0	246,011	246,011	0
Debt Service	3,117,875	3,812,126	3,812,126	3,882,082
Contingency	0	0	0	388,517
<b>Total</b>	<b>\$3,704,378</b>	<b>\$4,351,973</b>	<b>\$4,258,896</b>	<b>\$4,588,579</b>

**STAFFING SUMMARY:**

(Full Time Equivalent)	FY 2008-09 *****	FY 2009-10 *****	FY 2010-11 *****
CRA Director	0.80	0.80	0.00
Admin. Secretary	0.50	0.00	0.00
<b>Total</b>	<b>1.30</b>	<b>0.80</b>	<b>0.00</b>

**CAPITAL OUTLAY:**

None

**CITY OF PORT ST. LUCIE**  
**COMMUNITY REDEVELOPMENT AGENCY - #175**  
**FY 2010-11**

OBJ CODE	ACCOUNT DESCRIPTION	2007-08 AUDITED	2008-09 AUDITED	2009-10 ESTIMATED	2010-11 BUDGET
12-0	Salaries & Wages	\$117,159	\$114,565	\$49,142	\$0
14-0	Overtime	0	29	0	0
21-1	F.I.C.A.	7,066	6,203	2,491	0
21-2	Medicare	1,883	1,800	911	0
22-0	Retirement Contributions	12,299	12,035	5,626	0
23-0	Life & Health Ins.	17,989	21,544	21,722	0
23-2	OPEB	0	0	4,178	0
24-0	Worker's Compensation	2,067	470	301	0
25-0	Unemployment Compensation	0	0	0	0
	<b>TOTAL PERSONAL SERVICES</b>	<b>\$158,464</b>	<b>\$156,645</b>	<b>\$84,371</b>	<b>\$0</b>
31-0	Professional Services	\$15,760	\$14,295	\$10,165	\$0
34-0	Other Contractual Svcs.	86,807	63,460	81,311	47,000
40-4	Travel Expense	14	0	0	0
40-401	Travel - Car Allowance	4,800	4,800	4,800	0
41-0	Communications Service	100	64	35	0
41-001	Cell Phone Allowance	600	600	400	0
42-0	Transportation	365	388	97	0
45-0	Insurance	3,875	2,049	1,499	1,189
46-1	Repairs/Maint.-Buildings	0	0	39	500
46-2	Repairs/Maint.-Office Equip.	52	56	45	0
47-0	Printing & Binding	548	1,255	0	1,000
49-0	Other Current Charges & Oblig.	287,987	52,951	11,499	5,631
49-255	Stormwater Payment	0	0	5,678	5,678
49-260	Stormwater Payment	0	0	0	256,982
49-3	Administrative Charge	244,479	285,027	246,011	0
51-0	Office Supplies	1,315	2,599	561	0
52-0	Operating Supplies	637	2,274	260	0
54-0	Books, Public., Memberships	1,020	0	0	0
54-1	Training-Education	0	40	0	0
	<b>TOTAL OPERATING EXPENSE</b>	<b>\$648,358</b>	<b>\$429,858</b>	<b>\$362,399</b>	<b>\$317,980</b>
61-0	Land	\$0	\$0	\$0	\$0
64-2	Office Furniture	877	0	0	0
	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$877</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
71-0	Principal	\$475,000	\$540,000	\$550,000	\$1,255,000
72-0	Interest	\$2,589,969	\$2,577,875	\$3,262,126	\$2,627,082
	<b>TOTAL DEBT SERVICE</b>	<b>\$3,064,969</b>	<b>\$3,117,875</b>	<b>\$3,812,126</b>	<b>\$3,882,082</b>
01-0	Contingency	\$0	\$0	\$0	\$388,517
81-0	Fund Transfer	\$6,170	\$0	\$0	\$0
	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$6,170</b>	<b>\$0</b>	<b>\$0</b>	<b>\$388,517</b>
	<b>*TOTAL CRA *</b>	<b>\$3,878,838</b>	<b>\$3,704,379</b>	<b>\$4,258,896</b>	<b>\$4,588,579</b>

**CITY OF PORT ST. LUCIE  
CITY CENTER CIP FUND #377  
FIVE YEAR PROJECTIONS  
FY 2010-11**

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
<b>REVENUES:</b>					
Budgeted Cash Carryforward	\$8,550,748	\$5,612,848	\$2,449,748	\$0	\$0
Interest Income	0	0	0	0	0
<b>Totals</b>	<b>\$8,550,748</b>	<b>\$5,612,848</b>	<b>\$2,449,748</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>					
<u>DOWNTOWN DEVELOPMENT</u>					
Interfund Transfer CRA Operating Fund #175	2,937,900	3,163,100	2,449,748	0	0
<b>Totals</b>	<b>\$2,937,900</b>	<b>\$3,163,100</b>	<b>\$2,449,748</b>	<b>\$0</b>	<b>\$0</b>
<b>CRA FUND TOTALS</b>	<b>\$2,937,900</b>	<b>\$3,163,100</b>	<b>\$2,449,748</b>	<b>\$0</b>	<b>\$0</b>
Contingency for Future Years	\$5,612,848	\$2,449,748	\$0	\$0	\$0
<b>SURPLUS/&lt;DEFICIT&gt;</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

EXHIBIT "B"

EXHIBIT "B"

# Comprehensive Annual Financial Report

Year Ended September 30, 2010

City of Port St. Lucie, Florida



APR 01 2011



"A City for All Ages"

Prepared by:  
The Finance Department

CITY OF PORT ST. LUCIE, FLORIDA

Balance Sheet  
Governmental Funds  
September 30, 2010

	General	Debt Service Fund	Community Redevelopment Fund	Community Redevelopment Capital Fund
<b>Assets</b>				
Cash and Cash Equivalents	\$ 23,910	\$ -	\$ -	\$ -
Equity in Pooled Cash	11,853,410	-	245	-
Investments	286,366	-	19,101	-
Receivables	1,336,076	-	-	507,775
Assessments Receivable	-	-	-	-
Due From Other Funds	232,192	-	-	-
Due From Other Governmental Units	1,196,101	5,270	-	-
Prepaid Items	18,645	-	-	-
Deposits	67,948	-	-	-
Inventories	40,864	-	-	-
Restricted Assets:				
Equity in Pooled Cash	18,401	292,804	-	3,577,545
Investments	-	15,586	-	4,556,899
Receivables	-	-	-	-
Total assets	<u>\$ 15,073,913</u>	<u>\$ 313,660</u>	<u>\$ 19,346</u>	<u>\$ 8,642,219</u>
<b>Liabilities and fund balances</b>				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 721,489	\$ -	\$ 6,611	\$ -
Accrued Salaries and Wages	595,807	-	-	-
Due To Other Funds	6	-	-	-
Deposits	58,796	-	-	-
Deferred Revenue	1,123,973	-	-	500,000
Payables from Restricted Assets	-	-	-	129
Retainage Payable from Restricted Assets	-	-	-	-
Total liabilities	<u>2,500,071</u>	<u>-</u>	<u>6,611</u>	<u>500,129</u>
Fund balance:				
Non-spendable	127,457	-	-	-
Spendable				
Restricted	-	313,660	-	-
Committed	12,707	-	-	3,025
Assigned	9,641,078	-	12,735	8,139,065
Unassigned	2,792,600	-	-	-
Total fund balances	<u>12,573,842</u>	<u>313,660</u>	<u>12,735</u>	<u>8,142,090</u>
Total liabilities and fund balances	<u>\$ 15,073,913</u>	<u>\$ 313,660</u>	<u>\$ 19,346</u>	<u>\$ 8,642,219</u>

SW Annexation District 1 Capital Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 925	\$ 24,835
-	22,231,140	34,084,795
-	7,076,597	7,382,064
-	287,862	2,131,713
-	137,249,795	137,249,795
-	-	232,192
-	1,882,827	3,084,198
-	14,345	32,990
-	13,439	81,387
-	11,401,573	11,442,437
10,670,333	74,773,716	89,332,799
3,324,696	7,327,737	15,224,918
-	27,271	27,271
<u>\$ 13,995,029</u>	<u>\$ 262,287,227</u>	<u>\$ 300,331,394</u>
\$ -	\$ 1,615,491	\$ 2,343,591
-	85,241	681,048
6,604,416	235,505	6,839,927
-	51,315	110,111
-	137,456,697	139,080,670
3,775,268	1,114,534	4,889,931
-	329,143	329,143
<u>10,379,684</u>	<u>140,887,926</u>	<u>154,274,421</u>
-	23,129	150,586
-	11,245,870	11,559,530
4,505,296	4,649,426	9,170,454
-	105,536,525	123,329,403
(889,951)	(55,649)	1,847,000
<u>3,615,345</u>	<u>121,399,301</u>	<u>146,056,973</u>
<u>\$ 13,995,029</u>	<u>\$ 262,287,227</u>	<u>\$ 300,331,394</u>

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

CITY OF PORT ST. LUCIE, FLORIDA

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended September 30, 2010

	General	Debt Service Fund	Community Redevelopment Fund	Community Redevelopment Capital Fund
<b>Revenues</b>				
Taxes	\$ 35,147,658	\$ 7,574,553	\$ -	\$ -
Licenses and Permits	9,000,645	-	-	-
Intergovernmental	7,195,749	-	1,126,621	-
Charges for Services	2,437,856	-	-	-
Human Services	115,435	-	-	-
Fines and Forfeitures	955,617	-	-	-
Interest on Investments	286,418	11,603	12,463	379,656
Interest on Special Assessments	-	-	-	-
Impact Fees	72,752	-	-	-
Developers Contributions	34,520	-	-	-
Other	1,410,810	-	60	-
Total revenues	56,657,460	7,586,156	1,139,144	379,656
<b>Expenditures</b>				
Current:				
General Government	8,100,400	-	-	-
Public Safety	39,347,340	-	-	-
Physical Environment	952,978	-	-	-
Transportation	296	2,856	-	-
Economic Environment	89,728	-	444,678	-
Human Services	1,610,095	-	-	-
Culture and Recreation	9,571,821	-	-	-
Capital Outlay	1,029,759	-	-	17,601
Intangibles	-	-	-	-
Debt Service:				
Principal	101,303	700,000	1,255,000	-
Interest	194,177	4,199,708	2,549,494	-
Total expenditures	60,997,897	4,902,564	4,249,172	17,601
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(4,340,437)	2,683,592	(3,110,028)	362,055
<b>Other financing sources (uses)</b>				
Transfers In	2,125,000	-	3,009,614	3,351,696
Transfers Out	(5,878,720)	(2,500,000)	-	(2,450,226)
Issuance of Debt	-	-	-	-
Discount on Issuance of Debt	-	-	-	-
Credit Enhancement Fee	5,000,000	-	-	-
Total other financing sources (uses)	1,246,280	(2,500,000)	3,009,614	901,470
<b>Net change in fund balances</b>	(3,094,157)	183,592	(100,414)	1,263,525
<b>Fund balance - beginning</b>	15,667,990 <sup>s</sup>	130,068	113,149	6,878,565
<b>Fund balance - ending</b>	\$ 12,573,842	\$ 313,660	\$ 12,735	\$ 8,142,090

SW Annexation District 1 Capital Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 5,759,591	\$ 48,481,802
-	2,451,379	11,452,024
-	24,102,039	32,424,409
-	10,844,777	13,282,633
-	-	115,435
-	165,553	1,121,170
1,449,297	1,745,342	3,884,779
-	8,462,472	8,462,472
-	3,098,234	3,170,986
155,892	325,005	515,417
134,150	1,234,940	2,779,960
<u>1,739,339</u>	<u>58,189,332</u>	<u>125,691,087</u>
-	4,100,941	12,201,341
-	32,680	39,380,020
-	456,377	1,409,355
-	11,896,172	11,899,324
-	16,595,453	17,129,859
-	-	1,610,095
-	91,053	9,662,874
20,351,890	22,584,212	43,983,462
-	14,850	14,850
-	21,607,910	23,664,213
237,016	19,687,024	26,867,419
<u>20,588,906</u>	<u>97,066,672</u>	<u>187,822,812</u>
<u>(18,849,567)</u>	<u>(38,877,340)</u>	<u>(62,131,725)</u>
3,409,450	51,648,384	63,544,144
-	(44,382,910)	(55,211,856)
-	39,900,000	39,900,000
-	(678,589)	(678,589)
-	-	5,000,000
<u>3,409,450</u>	<u>46,486,885</u>	<u>52,553,699</u>
(15,440,117)	7,609,545	(9,578,026)
19,055,462	13,789,756	155,634,999
<u>\$ 3,615,345</u>	<u>\$ 121,399,301</u>	<u>\$ 146,056,973</u>

**CITY OF PORT ST. LUCIE, FLORIDA**  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2010

**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 156,392 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, 2010

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, 2010.

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, 2010

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.

SW Annexation District 1 Capital 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.

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

Other Fund Types

Additionally, the City reports the following Fund types:

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

Pension Trust Funds - to account for one defined benefit plan and three defined contribution plans, which accumulate resources for pension benefit payments to its employees/retirees.

C. BASIS OF PRESENTATION (CONTINUED)

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2010

C. COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The Stormwater Utility deficit was created in a previous fiscal year by a significant monetary judgment against the City. In prior years, three hurricanes have damaged the City's stormwater infrastructure. One of the City's major stormwater drainage canals was extensively damaged by the most recent storm. These storms have necessitated higher rework and maintenance expenses to the system, thus slowing the recovery of profitability to the fund. Increased user fees have generated a profit in the current year and continue toward reducing the accumulated deficit. In the current year, as part of this system rework and rehabilitation, the City issued additional long term debt to finance acquisition, expansion and improvements to the system within the Eastern Watershed Improvement Project area.

The following funds had expenditures in excess of appropriations at September 30, 2010:

Fund Name	Budget	Actual	Variance
Non-major Funds:			
Lighting District Fund	203,500	216,005	12,505
Water and Sewer Collection - South Leonard Road	1,067,844	1,086,286	18,442
Water and Sewer Collection - Riverpoint	830,996	838,711	7,715
Economic Development Fund	13,682,553	13,682,723	170
Conservation Trust Fund	2,308,778	2,308,814	36

The cause for the Non-major Fund variances was due to more expenses incurred than budgeted. Advance payments on various debt issues were disbursed during the course of the year.

**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 \$49,245,512 including petty cash of \$31,985 (the bank balance was \$48,873,251). Of the bank balance, \$250,000 was insured by federal depository insurance and \$48,623,251 was collateralized by the Florida Public Deposit Security Trust Fund.

**CITY OF PORT ST. LUCIE, FLORIDA**  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2010

A. CASH AND INVESTMENTS (CONTINUED)

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, 2010. Cash and investments held separately or where contractual arrangements or bond covenants require otherwise, are classified as "restricted assets". When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. For purposes of the Statement of Cash Flows, cash equivalents are defined as all liquid investments with an original maturity of three months or less.

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 provide for a maximum term of five years 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 30% (Certificates of Deposit and Money Market accounts) to 60% (Local Government surplus funds trust fund).

CITY OF PORT ST. LUCIE, FLORIDA  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2010

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.

Pool A has been re-designed with the descriptive title of Florida PRIME and is considered a SEC 2a7-like fund. Currently, PRIME Fund is 100% liquid and available for withdrawals without restrictions or redemptive fees. Standard and Poor's Rating Services has assigned its "AAAm" principal stability fund rating to the PRIME Fund. The weighted average maturity on Florida PRIME was 52 days at September 30, 2010.

Currently, Fund B participants are prohibited from withdrawing any amount from Fund B. As amounts become available in Fund B through maturities and settlements, they are transferred to the PRIME and become available to participants in the same manner as the other LGIP balances. It is important to note that due to the lack of an actively traded market for the securities in Fund B, their "market value" is an estimate of current liquidation value that has been determined through a collaborative process among various pricing experts and sources in the marketplace. Fund B is accounted for as a fluctuating NAV Pool. The Fair Value factor for September 30, 2010 as .70706 and has been applied to the account balance to arrive at an amount for financial statement reporting purposes. Fund B is unrated. Fund B weighted average maturity life is estimated at 7.49 years. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the weighted average life.

As of March 1, 2011, the City has \$-0- and \$10,764,049 invested in PRIME and Fund B, respectively. Additional information, including the annual financial statement, regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

CITY OF PORT ST. LUCIE, FLORIDA  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2010

A. CASH AND INVESTMENTS (CONTINUED)

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

The investment guidelines allow the following investments:

- Negotiable obligations (direct or unconditionally guaranteed by) the United States Government and its agencies
- Fully collateralized United States Agency obligations which carry an implied guarantee and the implied full faith and credit of the United States Government
- Interest-bearing savings accounts, money market accounts, certificates of deposit, or time deposits constituting direct obligations of any bank or savings and loan association certified as a Qualified Public Depository by the State of Florida
- Repurchase agreements collateralized by securities otherwise authorized in above categories
- State of Florida Local Government Surplus funds Trust Fund (F.S. Chapter 218)
- Local government investment pool shares organized under F.S. Chapter 163
- Money market mutual fund shares under fund registered as an investment company under the federal "Investment Company Act of 1940"
- County or municipal bonds rated the equivalent of A/A2 or better

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

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

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

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

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2010

A. CASH AND INVESTMENTS (CONTINUED)

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, 2010.

The composition of fixed income securities at September 30, 2010, along with credit quality and effective duration measures, is summarized as follows:

**Pension Funds**

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

	Fair Value	Rating S & P	Duration (in years)
U.S. Government Obligations	\$ 1,536,415	AAA	4.7
U.S. Government Agencies	3,074,336	AAA	6.7
Municipal Obligations	775,417	A-AA	3.1
Corporate Obligations	6,692,324	A-AA	5.3
Temporary Investment Funds	1,820,907	AAA	Daily
	<u>\$ 13,899,399</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, 2010

**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	\$ 23,910	\$ 11,853,410	\$ 286,366	\$ -	\$ 18,401	\$ 12,182,087
GO Bond Debt Service	-	-	-	15,586	292,804	308,390
Community Redevelopment	-	245	19,101	-	-	19,346
Community Redevelopment TIF CIP	-	-	-	4,556,899	3,577,545	8,134,444
Capital SW Annexation District 1	-	-	-	3,324,696	10,670,333	13,995,029
Nonmajor Governmental Fund:	925	22,231,140	7,076,597	7,327,737	74,773,716	111,410,115
Total Governmental	<u>24,835</u>	<u>34,084,795</u>	<u>7,382,064</u>	<u>15,224,918</u>	<u>89,332,799</u>	<u>146,049,411</u>
<b><u>Business Type Activities</u></b>						
Utility System Fund	5,550	24,442,651	18,473,270	29,640,568	39,814,911	112,376,950
Stormwater Utility Fund	1,200	6,366,940	71,922	3,000,000	17,297,275	26,737,337
Golf Course Fund	500	492,416	229	-	-	493,145
Total Business-Type	<u>7,250</u>	<u>31,302,007</u>	<u>18,545,421</u>	<u>32,640,568</u>	<u>57,112,186</u>	<u>139,607,432</u>
<b><u>Internal Service Fund</u></b>						
Medical Trust Fund	-	3,245,246	25,869	-	-	3,271,115
Total Fiduciary Fund	<u>-</u>	<u>3,245,246</u>	<u>25,869</u>	<u>-</u>	<u>-</u>	<u>3,271,115</u>
<b>TOTAL</b>	<u>\$ 32,085</u>	<u>\$ 68,632,048</u>	<u>\$ 25,953,354</u>	<u>\$ 47,865,486</u>	<u>\$ 146,444,985</u>	<u>\$ 288,927,958</u>

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2010

**B. RECEIVABLES**

At September 30, 2010, receivables for the City's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for collectible accounts are as follows:

	General	Community Redevelopment TIF CIP Fund	Other Governmental	Total Governmental Activities
<b>Governmental Activities:</b>				
Accounts Receivable	\$ 1,324,292	\$ 500,000	\$ 67,540	\$ 1,891,832
Other Receivable	-	-	102,152	102,152
Accrued Interest	11,784	7,775	145,441	165,000
<b>Total Governmental Funds</b>	<u>\$ 1,336,076</u>	<u>\$ 507,775</u>	<u>\$ 315,133</u>	2,158,984
Due From				
Other Governments				3,084,198
Assessments Receivable				<u>137,249,795</u>
<b>Total Governmental Activities</b>				<u>\$ 142,492,977</u>

Accounts receivable for enterprise funds are net of allowance for uncollectible accounts of \$1,049,023 of which \$834,220 relates to the Utility System and \$214,803 relates to the Stormwater Utility System. In addition, the enterprise funds have long term accounts receivable for 10 year, non-interest bearing water and sewer connection fees loans. The following schedule summarizes the receivable balances in the following fund types at September 30, 2010:

	Utility System	Stormwater Utility	Total Business-Type Activities
<b>Business-Type Activities:</b>			
Accounts Receivable	\$ 5,904,005	\$ 108,580	\$ 6,012,585
Unbilled Revenues	2,882,989	-	2,882,989
Accrued Interest	157,143	11,767	168,910
	<u>8,944,137</u>	<u>120,347</u>	<u>9,064,484</u>
Accounts Receivable - (Long Term)	7,878,839	-	7,878,839
	<u>\$ 16,822,976</u>	<u>\$ 120,347</u>	<u>\$ 16,943,323</u>

**CITY OF PORT ST. LUCIE, FLORIDA**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
September 30, 2010

**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>
Community Redevelopment Fund	General Fund	\$ 538,667
General Fund	Stormwater Utility Fund	2,125,000
Community Redevelopment Fund	Community Redevelopment TIF CIP Fund	2,328,619
Nonmajor Governmental Funds	General Fund	5,134,413
Nonmajor Governmental Funds	Nonmajor Governmental Funds	40,831,132
Community Redevelopment Fund	Nonmajor Governmental Funds	142,328
Nonmajor Governmental Funds	Debt Service Fund	2,500,000
Nonmajor Governmental Funds	Stormwater Utility Fund	180,000
Capital SW Annexation District 1 Fund	Nonmajor Governmental Funds	3,409,450
Nonmajor Governmental Funds	Utility System Fund	3,002,839
Community Redevelopment TIF CIP Fund	Stormwater Utility Fund	3,351,696
Stormwater Utility Fund	Community Redevelopment TIF CIP Fund	121,607
Utility System Fund	General Fund	4,990
Golf Course Fund	General Fund	200,650
		<u>\$ 63,871,391</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. 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, 2010

**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, 2010:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Local Option Gas Tax Bonds,					
Series 2000	\$ 2,970,000	\$ -	\$ 1,450,000	\$ 1,520,000	\$ 1,520,000
Series 2004	15,225,000	-	1,375,000	13,850,000	1,445,000
Sales Tax Improvement Revenue Bonds,					
Series 2003	16,260,000	-	625,000	15,635,000	620,000
Loan Payable	76,303	-	76,303	-	-
Revenue Anticipation Note 2003	1,657,911	-	1,657,911	-	-
Certificates of Participation, Series 2004	3,465,000	-	-	3,465,000	-
Certificates of Participation, Series 2008	44,575,000	-	860,000	43,715,000	1,705,000
CRA Tax Increment Bonds, Series 2004	9,950,000	-	555,000	9,395,000	570,000
CRA Tax Increment Bonds, Series 2006	46,450,000	-	700,000	45,750,000	750,000
General Obligation Bonds, Series 2005	44,480,000	-	355,000	44,125,000	480,000
General Obligation Bonds, Series 2006	44,245,000	-	345,000	43,900,000	470,000
Improvement Revenue Note, Series 2006,	2,400,000	-	2,400,000	-	-
Sales Tax Refunding Bonds, Series 2008	4,940,000	-	25,000	4,915,000	30,000
Lease Revenue Bonds, Series 2010 A & F	-	39,900,000	-	39,900,000	-
Special Assessment District Bonds:					
Series 1997A	1,105,000	-	1,105,000	-	-
Series 1998A	18,145,000	-	3,900,000	14,245,000	-
Series 2001A, South Lennard Road	2,080,000	-	920,000	1,160,000	-
Series 2001D	24,160,000	-	2,300,000	21,860,000	-
Series 2002 A & B, River Point	4,830,000	-	605,000	4,225,000	-
Series 2003 A & B, Tesoro	20,545,000	-	1,930,000	18,615,000	-
Series 2003 C, Glassman	6,520,000	-	600,000	5,920,000	-
Series 2003 D, East Lake Village	7,970,000	-	380,000	7,590,000	235,000
Series 2005 A	16,825,000	-	920,000	15,905,000	-
Series 2005 B	2,890,000	-	280,000	2,610,000	-
Series 2007A	4,370,000	-	300,000	4,070,000	-
Series 2007B	155,840,000	-	-	155,840,000	2,450,000
Series 2008A	31,360,000	-	-	31,360,000	610,000
	533,334,214	39,900,000	23,664,214	549,570,000	10,885,000
Compensated Absences	8,483,673	3,613,999	5,160,482	6,937,190	624,347
Unamortized Bond (Premium)/Discount & Loss on Defeasance	799,244	(474,606)	404,392	(79,754)	-
Swap Derivatives	-	5,510,592	-	5,510,592	-
Due Within One Year	(10,017,745)	-	-	(11,509,347)	-
	532,599,386	48,549,985	29,229,088	550,428,681	11,509,347
Other Post Employment Benefits	1,854,340	1,232,709	1,854,340	1,232,709	-
	<u>\$ 534,453,726</u>	<u>\$ 49,782,694</u>	<u>\$ 31,083,428</u>	<u>\$ 551,661,390</u>	<u>\$ 11,509,347</u>

**G. LONG-TERM DEBT (CONTINUED)**

Governmental Activities Debt (continued):

**CITY OF PORT ST. LUCIE, FLORIDA**  
 NOTES TO COMBINED FINANCIAL STATEMENTS  
 September 30, 2010

<b>Compensated Absences:</b>	<u>10/1/2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>9/30/2010</u>	<u>Current Portion</u>
General	\$7,128,903	\$3,028,008	\$4,302,625	\$ 5,854,286	\$ 526,886
Road & Bridge	630,400	297,095	405,511	521,984	46,979
Building	663,294	215,373	391,953	486,714	43,804
NSP	18,592	44,883	22,217	41,258	3,713
CDBG	31,521	8,544	19,778	20,287	1,826
Housing	6,906	9,792	11,077	5,621	506
CRA	4,057	-	4,057	-	-
Crosstown	-	5,151	1,632	3,519	317
Beck Road	-	5,151	1,632	3,519	317
	<u>\$8,483,673</u>	<u>\$3,613,997</u>	<u>\$5,160,482</u>	<u>\$ 6,937,188</u>	<u>\$ 624,347</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 currently outstanding of \$1,520,000 plus interest semiannually of 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 \$1,445,000 to \$3,430,000 plus interest semiannually at a rate of 5.0% through March 2015. Proceeds for the construction of a six-lane highway and bridge overpass plus refund outstanding bonds.

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

41

CITY OF PORT ST. LUCIE, FLORIDA  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2010

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 \$135,000 to \$395,000 plus interest semiannually at a rate ranging from 3.375% to 4.25% through September 2023. Due to the early call of certain bonds, no principal payment is due until September 2013. Proceeds used to finance the construction of a police building, animal shelter, and administration complex.

\$45,600,000 Refunding Certificates of Participation, Series 2008 – payable from the limited and special obligation of the City to make rent payments on the multiple public buildings subject to annual appropriation, due in annual principal installments ranging from \$1,705,000 to \$3,865,000 plus interest semiannually at a rate ranging from 4.0% to 6.25% through September 2027. Proceeds were used to refund the \$44,560,000 Certificates of Participation, Series 2007, which had been issued for 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 \$570,000 to \$915,000 plus interest semiannually at a rate ranging from 3.0% 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 \$750,000 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 \$480,000 to \$3,140,000 plus interest ranging from 3.4% 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 \$470,000 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, 2010

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 \$30,000 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:

\$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 \$190,000 to \$4,915,000 plus at a rate of 5.0% through October, 2018. Due to the early call of certain bonds, no principal payments are due until October 2015. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming payment.

\$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 \$35,000 to \$310,000 plus interest at a rate of 7.125% through September 2021. Due to the early call of certain bonds, no principal payments are due until September, 2017. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming payment.

\$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 \$815,000 to \$3,945,000 plus interest ranging from 4.5% to 5.0% through September 2021. Due to the early call of certain bonds, no principal payments are due until September, 2015. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming payment.

CITY OF PORT ST. LUCIE, FLORIDA  
NOTES TO COMBINED FINANCIAL STATEMENTS  
September 30, 2010

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 \$125,000 to \$595,000 plus interest ranging from 4.90% to 4.75% through January 2023. Due to the early call of certain bonds, no principal payments are due until January, 2015. The Series A – Tax Exempt and Taxable bonds carry a “due-on-sale” clause requiring the applicable amount of principal outstanding be paid when various encumbered properties are sold by the developer. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming debt service payment. Proceeds are for infrastructure improvements.

\$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 \$690,000 to \$2,380,000 plus interest ranging from 4.50% to 4.75% through January 2023. Due to the early call of certain bonds, no principal payments are due until January, 2014. The Series A – Tax Exempt and Taxable bonds carry a “due-on-sale” clause requiring the applicable amount of principal outstanding be paid when various encumbered properties are sold by the developer. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming debt service payment. Proceeds are for infrastructure improvements in the SAD.

\$9,500,000 Special Assessment Bonds, Series 2003C (Glassman Special Assessment District) – payable from assessments levied on subject properties within the assessment area, due in annual principal installments ranging from \$425,000 to \$835,000 plus interest at a rate of 6.75% through July 2023. Due to the early call of certain bonds, no principal payments are due until July, 2013. 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 \$465,000 to \$775,000 plus interest ranging from 3.375% 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, 2010

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 \$705,000 to \$1,365,000 plus interest ranging from 3.25% 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 \$240,000 to \$345,000 plus interest ranging from 4.125% to 4.5% through July 2025. Due to the early call of certain bonds, no principal payments are due until July, 2015. Proceeds used for water and wastewater system expansion within the SAD.

\$6,635,000 Combined Special Assessment District Bonds, Series 2007A – (Peacock and Lowry Special Assessment District) – payable from and secured by a lien upon and pledge of the City's covenant to budget and appropriate non-ad valorem revenues sufficient to meet current debt service, due in annual principal installments ranging from \$100,000 to \$525,000 plus interest semiannually at a rate of 5.35% through July 2027. Due to the early call of certain bonds, no principal payments are due until July, 2014. 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.

\$31,360,000 Special Assessment Refunding Bonds, Series 2008A – (City Center Special Assessment District) – payable from and secured by a lien upon and pledge of the City's covenant to budget and appropriate non-ad valorem revenues sufficient to meet current debt service, due in annual principal installments beginning in 2011, ranging from \$610,000 to \$2,400,000 plus interest semiannually ranging from 3.5% to 6.5% through July 2035. Proceeds used to refund the \$25,185,000 Special Assessment District Bonds, Series 2006A, which had been issued for the construction of roadway and drainage system additions, improvements and extensions and the potable water distribution and wastewater collection system within the City Center SAD.

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, 2010

	Original Budget	Final Budget	Actual	2009		Actual on Budgetary Basis	Variance With Final Positive (Negative)
				2009	2010		
<b>Revenues:</b>							
Intergovernmental	\$ 1,136,899	\$ 1,126,621	\$ 1,126,621	\$ -	\$ -	\$ 1,126,621	\$ -
Charges for Services	21,800	21,800	-	-	-	-	(21,800)
Interest Income	18,100	18,100	12,463	-	-	12,463	(5,637)
Other	100	100	60	-	-	60	(40)
<b>Total Revenue</b>	<b>1,176,899</b>	<b>1,166,621</b>	<b>1,139,144</b>	<b>-</b>	<b>-</b>	<b>1,139,144</b>	<b>(27,477)</b>
<b>Expenditures:</b>							
Personal Services	160,448	97,190	88,808	-	-	88,808	8,382
Operating Expenses	379,399	379,399	355,870	-	-	355,870	23,529
Total Downtown Development	539,847	476,589	444,678	-	-	444,678	31,911
<b>Debt Service:</b>							
Principal	550,000	1,251,813	1,255,000	-	-	1,255,000	(3,187)
Interest	3,262,126	2,560,313	2,549,494	-	-	2,549,494	10,819
Total Debt Service	3,812,126	3,812,126	3,804,494	-	-	3,804,494	7,632
<b>Total Expenditures</b>	<b>4,351,973</b>	<b>4,288,715</b>	<b>4,249,172</b>	<b>-</b>	<b>-</b>	<b>4,249,172</b>	<b>39,543</b>
<b>Excess of Revenues over (under) expenditures</b>	<b>(3,175,074)</b>	<b>(3,122,094)</b>	<b>(3,110,028)</b>	<b>-</b>	<b>-</b>	<b>(3,110,028)</b>	<b>12,066</b>
<b>Other Financing Sources (Uses)</b>							
Transfers In	3,016,354	3,009,615	3,009,614	-	-	3,009,614	1
<b>Total Other Financing Sources (Uses)</b>	<b>3,016,354</b>	<b>3,009,615</b>	<b>3,009,614</b>	<b>-</b>	<b>-</b>	<b>3,009,614</b>	<b>1</b>
<b>Net Change in Fund Balance</b>	<b>\$ (158,720)</b>	<b>\$ (112,479)</b>	<b>(100,414)</b>	<b>\$-</b>	<b>\$-</b>	<b>\$ (100,414)</b>	<b>\$ 12,067</b>
Fund Balance - beginning			113,149				
Fund Balance - ending			<u>\$ 12,735</u>				

# 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.

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

**Law Enforcement Impact Fee 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.

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

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

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

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

**National Pollution NPDES Fund** - to account for the 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.

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

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

**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.

**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.

**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.

**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.

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 September 30, 2010

	Road and Bridge Fund	Street Lighting Fund	Law Enforcement Impact Fund	Governmental Finance Fund	Building Department Fund	Phase I
<b>Assets</b>						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 925	\$ -
Equity in Pooled Cash	1,889,181	25,940	11,828	-	3,734,953	-
Investments	159,174	1,799	2,253	-	48,074	-
Receivables	29	-	-	-	-	-
Assessments Receivable	-	-	-	-	-	1,527,410
Due From Other Governmental Units	518,865	1,883	-	-	-	6,091
Prepaid Items	6,690	-	-	-	2,625	-
Deposits	10,153	-	-	-	3,116	-
Inventories	-	-	-	-	-	-
Restricted Assets:						
Equity in Pooled Cash	436,629	-	-	124,928	-	2,100,651
Investments	-	-	-	44,863	-	14,081
<b>Total assets</b>	<b>\$ 3,020,721</b>	<b>\$ 29,622</b>	<b>\$ 14,081</b>	<b>\$ 169,791</b>	<b>\$ 3,789,693</b>	<b>\$ 3,648,233</b>
<b>Liabilities and fund balances</b>						
Liabilities:						
Accounts Payable and Accrued Liabilities	\$ 346,054	\$ 16,254	\$ -	\$ -	\$ 47,676	\$ -
Accrued Salaries and Wages	42,294	-	-	-	33,855	-
Due To Other Funds	3,313	-	-	-	-	-
Deposits	51,315	-	-	-	-	-
Deferred Revenue	-	-	-	-	99,015	1,527,410
Payables from Restricted Assets	-	-	-	-	-	-
<b>Total liabilities</b>	<b>442,976</b>	<b>16,254</b>	<b>-</b>	<b>-</b>	<b>180,546</b>	<b>1,527,410</b>
Fund balances:						
Non-spendable	16,843	-	-	-	5,741	-
Spendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	2,560,902	13,368	14,081	169,791	3,603,406	2,120,823
Unassigned	-	-	-	-	-	-
<b>Total fund balances</b>	<b>2,577,745</b>	<b>13,368</b>	<b>14,081</b>	<b>169,791</b>	<b>3,609,147</b>	<b>2,120,823</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,020,721</b>	<b>\$ 29,622</b>	<b>\$ 14,081</b>	<b>\$ 169,791</b>	<b>\$ 3,789,693</b>	<b>\$ 3,648,233</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	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 925
-	-	-	-	-	-	-	-	5,661,902
-	-	-	-	-	-	-	-	211,300
-	-	-	-	-	-	-	-	29
6,487,812	27,498,527	24,826,883	3,293,229	1,787,952	6,569,075	24,704,237	8,204,937	104,900,062
15,805	67,825	53,578	8,591	9,759	9,067	16,055	27,857	735,376
-	-	-	-	-	-	-	-	9,315
-	-	-	-	-	-	-	-	13,269
-	-	-	-	-	-	-	-	-
430,451	219,112	191,868	33,147	400,872	1,406,596	439,867	1,255,301	7,039,422
556	3,436	2,991	2,378	13,167	40,269	49,077	25,234	196,052
<u>\$ 6,934,624</u>	<u>\$ 27,788,900</u>	<u>\$ 25,075,320</u>	<u>\$ 3,337,345</u>	<u>\$ 2,211,750</u>	<u>\$ 8,025,007</u>	<u>\$ 25,209,236</u>	<u>\$ 9,513,329</u>	<u>\$ 118,767,652</u>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 409,984
-	-	-	-	-	-	-	-	76,149
-	-	-	-	-	-	-	-	3,313
-	-	-	-	-	-	-	-	51,315
6,487,812	27,498,527	24,826,883	3,293,229	1,787,952	6,569,075	24,704,237	8,204,937	104,999,077
-	-	-	-	-	628	173	-	801
<u>6,487,812</u>	<u>27,498,527</u>	<u>24,826,883</u>	<u>3,293,229</u>	<u>1,787,952</u>	<u>6,569,703</u>	<u>24,704,410</u>	<u>8,204,937</u>	<u>105,540,639</u>
-	-	-	-	-	-	-	-	22,584
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
446,812	290,373	248,437	44,116	423,798	1,455,304	504,826	1,308,392	13,204,429
-	-	-	-	-	-	-	-	-
<u>446,812</u>	<u>290,373</u>	<u>248,437</u>	<u>44,116</u>	<u>423,798</u>	<u>1,455,304</u>	<u>504,826</u>	<u>1,308,392</u>	<u>13,227,013</u>
<u>\$ 6,934,624</u>	<u>\$ 27,788,900</u>	<u>\$ 25,075,320</u>	<u>\$ 3,337,345</u>	<u>\$ 2,211,750</u>	<u>\$ 8,025,007</u>	<u>\$ 25,209,236</u>	<u>\$ 9,513,329</u>	<u>\$ 118,767,652</u>

(continued)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 September 30, 2010

	Eastlake Village	St. Lucie Land Holdings	City Center Fund	Combined SAD Fund	SW Annexation Fund	Economic Development Fund
<b>Assets</b>						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash	-	-	-	-	-	3,470,769
Investments	-	-	-	-	-	6,389,417
Receivables	-	-	-	-	49,497	31,978
Assessments Receivable	9,262,895	18,581,183	-	4,505,655	-	-
Due From Other Governmental Units	858	14,905	-	4,000	-	-
Prepaid Items	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Restricted Assets:						
Equity in Pooled Cash	253,152	335,218	830,233	1,802,839	12,464,804	6,870,952
Investments	3,516	12,021	11,289	100,101	692,004	-
Total assets	<u>\$ 9,520,421</u>	<u>\$ 18,943,327</u>	<u>\$ 841,522</u>	<u>\$ 6,412,595</u>	<u>\$ 13,206,305</u>	<u>\$ 16,763,116</u>
<b>Liabilities and fund balances</b>						
Liabilities:						
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ 487	\$ -	\$ -
Accrued Salaries and Wages	-	-	-	-	-	-
Due To Other Funds	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Deferred Revenue	9,262,895	18,581,183	-	4,505,655	-	-
Payables from Restricted Assets	-	-	-	-	-	-
Total liabilities	<u>9,262,895</u>	<u>18,581,183</u>	<u>-</u>	<u>4,506,142</u>	<u>-</u>	<u>-</u>
Fund balances:						
Non-spendable	-	-	-	-	-	-
Spendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	257,526	362,144	841,522	1,906,453	13,206,305	16,763,116
Unassigned	-	-	-	-	-	-
Total fund balances	<u>257,526</u>	<u>362,144</u>	<u>841,522</u>	<u>1,906,453</u>	<u>13,206,305</u>	<u>16,763,116</u>
Total liabilities and fund balances	<u>\$ 9,520,421</u>	<u>\$ 18,943,327</u>	<u>\$ 841,522</u>	<u>\$ 6,412,595</u>	<u>\$ 13,206,305</u>	<u>\$ 16,763,116</u>

CDBG Entitlement Fund	Local Housing Assistance Trust Fund	Neighborhood Stabilization Fund	National Pollution NPDES Fund	Law Enforcement Forfeiture Trust Fund	Conservation Trust Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 925
-	722,961	-	84,818	139,398	128,327	10,208,175
-	30,512	-	2,391	4,795	119,228	6,757,643
-	-	102,152	-	-	-	183,656
-	-	-	-	-	-	137,249,795
-	-	-	-	-	-	1,298,576
273,843	-	269,594	-	-	-	14,095
-	-	-	125	4,655	-	13,439
-	-	-	170	-	-	11,401,573
-	-	11,401,573	-	-	-	-
-	-	-	-	-	-	29,596,620
-	-	-	-	-	-	1,014,983
-	-	-	-	-	-	197,739,480
<u>\$ 273,843</u>	<u>\$ 753,473</u>	<u>\$ 11,773,319</u>	<u>\$ 87,504</u>	<u>\$ 148,848</u>	<u>\$ 247,555</u>	<u>\$ 197,739,480</u>

\$ 52,108	\$ 48,251	\$ 232,289	\$ 25	\$ 21,180	\$ -	\$ 764,324
2,123	572	5,642	755	-	-	85,241
207,688	-	24,504	-	-	-	235,505
-	-	-	-	-	-	51,315
-	-	-	-	-	-	137,348,810
-	-	-	-	-	-	801
-	-	-	-	-	-	138,485,996
<u>261,919</u>	<u>48,823</u>	<u>262,435</u>	<u>780</u>	<u>21,180</u>	<u>-</u>	<u>-</u>
-	-	-	295	-	-	22,879
-	-	-	-	-	-	-
-	-	11,245,870	-	-	-	11,245,870
67,573	128,326	265,014	-	-	-	460,913
-	576,324	-	86,429	127,668	247,555	47,579,471
(55,649)	-	-	-	-	-	(55,649)
<u>11,924</u>	<u>704,650</u>	<u>11,510,884</u>	<u>86,724</u>	<u>127,668</u>	<u>247,555</u>	<u>59,253,484</u>
<u>\$ 273,843</u>	<u>\$ 753,473</u>	<u>\$ 11,773,319</u>	<u>\$ 87,504</u>	<u>\$ 148,848</u>	<u>\$ 247,555</u>	<u>\$ 197,739,480</u>

(concluded)

CITY OF PORT ST. LUCIE, FLORIDA  
 Combining Balance Sheet  
 Nonmajor Capital Project Funds  
 September 30, 2010

	Parks Capital Improvement Fund	Capital Improvement Fund	Becker Road Improvement Fund	Crosstown Parkway Fund	Wyndcrest Development Fund	Road & Bridge Capital Improvement Fund
<b>Assets</b>						
Equity in Pooled Cash	\$ 98,356	\$ 618,228	\$ -	\$ -	\$ -	\$ 3,807,501
Investments	49,424	52,948	-	-	-	151,389
Receivables	-	-	-	36,695	-	67,511
Due From Other Governmental Units	-	-	-	-	-	403,321
Prepaid Items	-	-	-	-	-	-
<b>Restricted Assets</b>						
Equity in Pooled Cash	-	-	5,430,647	9,144,705	28,961,570	508,378
Investments	-	-	5,242,832	761,187	-	-
Receivables	-	-	27,271	-	-	-
<b>Total assets</b>	<b>\$ 147,780</b>	<b>\$ 671,176</b>	<b>\$ 10,700,750</b>	<b>\$ 9,942,587</b>	<b>\$ 28,961,570</b>	<b>\$ 4,938,100</b>
<b>Liabilities and fund balances</b>						
<b>Liabilities:</b>						
Accounts Payable and Accrued Liabilities	\$ 323	\$ 11,025	\$ 838,183	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-	-	-	107,887
Payables from Restricted Assets	-	-	-	98,864	819,485	187,520
Retainage Payable from Restricted Assets	-	-	329,143	-	-	-
<b>Total liabilities</b>	<b>323</b>	<b>11,025</b>	<b>1,167,326</b>	<b>98,864</b>	<b>819,485</b>	<b>295,407</b>
<b>Fund balances:</b>						
Non-spendable	-	-	-	-	-	-
Spendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	86,493	-	1,351,052	1,366,270	1,273,300	30,326
Assigned	58,964	660,151	8,182,372	8,477,453	26,868,785	4,612,367
Unassigned	-	-	-	-	-	-
<b>Total fund balances</b>	<b>147,457</b>	<b>660,151</b>	<b>9,533,424</b>	<b>9,843,723</b>	<b>28,142,085</b>	<b>4,642,693</b>
<b>Total liabilities and fund balances</b>	<b>\$ 147,780</b>	<b>\$ 671,176</b>	<b>\$ 10,700,750</b>	<b>\$ 9,942,587</b>	<b>\$ 28,961,570</b>	<b>\$ 4,938,100</b>

City Center Capital Fund	East Lake Village Fund	Parks MSTU Fund	COP Municipal Complex Fund	St. Lucie Land Holdings Fund	Combined SAD Fund	Total Nonmajor Capital Project Funds
\$ -	\$ -	\$ 7,498,880	\$ -	\$ -	\$ -	\$ 12,022,966
-	-	65,193	-	-	-	318,954
-	-	-	-	-	-	104,206
-	-	180,930	-	-	-	584,251
-	-	250	-	-	-	250
461,347	670,449	-	-	-	-	45,177,096
281,743	26,992	-	-	-	-	6,312,754
-	-	-	-	-	-	27,271
<u>\$ 743,090</u>	<u>\$ 697,441</u>	<u>\$ 7,745,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,547,747</u>
\$ -	\$ -	\$ 1,636	\$ -	\$ -	\$ -	\$ 851,167
-	-	-	-	-	-	107,887
4,894	-	2,970	-	-	-	1,113,733
-	-	-	-	-	-	329,143
<u>4,894</u>	<u>-</u>	<u>4,606</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,401,930</u>
-	-	250	-	-	-	250
-	-	-	-	-	-	-
-	-	-	-	-	-	-
44,630	-	34,442	-	-	-	4,186,513
693,566	697,441	7,705,955	-	-	-	57,957,054
-	-	-	-	-	-	-
<u>738,196</u>	<u>697,441</u>	<u>7,740,647</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,145,817</u>
<u>\$ 743,090</u>	<u>\$ 697,441</u>	<u>\$ 7,745,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,547,747</u>

(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, 2010

	Road and Bridge Fund	Street Lighting Fund	Law Enforcement Impact Fund	Governmental Finance Fund	Building Department Fund	Phase I
<b>Revenues</b>						
Taxes	\$ 2,258,311	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	2,451,379	-
Intergovernmental	5,350,574	-	-	-	-	-
Charges for Services	133,499	203,323	-	-	1,676	331,298
Fines and Forfeitures	-	-	-	-	83,615	-
Impact Fees	-	-	44,408	2,147,504	-	-
Interest Income:						
Interest on Investments	80,546	746	904	36,629	32,089	11,921
Interest on Special Assessments	-	21	-	-	-	129,988
Developers Contributions	-	-	-	-	25,005	-
Other	68,347	1,857	-	5,625	363,010	4,213
<b>Total revenues</b>	<u>7,891,277</u>	<u>205,947</u>	<u>45,312</u>	<u>2,189,758</u>	<u>2,956,774</u>	<u>477,420</u>
<b>Expenditures</b>						
Current:						
General Government	-	-	-	3,069	4,011,087	-
Public Safety	-	-	2,422	-	-	-
Physical Environment	-	-	-	24,256	-	11,706
Transportation	7,886,728	216,005	-	-	-	53
Economic Environment	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	145,276	-	-	-	325	-
Debt Service:						
Principal	7,507,910	-	-	860,000	-	-
Interest	1,712,670	-	-	2,644,527	-	-
<b>Total expenditures</b>	<u>17,252,584</u>	<u>216,005</u>	<u>2,422</u>	<u>3,531,852</u>	<u>4,011,412</u>	<u>11,759</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(9,361,307)</u>	<u>(10,058)</u>	<u>42,890</u>	<u>(1,342,094)</u>	<u>(1,054,638)</u>	<u>465,661</u>
<b>Other financing sources (uses)</b>						
Transfers In	8,034,802	21,073	-	125,000	1,328,976	-
Transfers Out	(55,841)	-	(36,000)	-	-	-
<b>Total other financing sources (uses)</b>	<u>7,978,961</u>	<u>21,073</u>	<u>(36,000)</u>	<u>125,000</u>	<u>1,328,976</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(1,382,346)</u>	<u>11,015</u>	<u>6,890</u>	<u>(1,217,094)</u>	<u>274,338</u>	<u>465,661</u>
<b>Fund balance - beginning</b>	<u>3,960,091</u>	<u>2,353</u>	<u>7,191</u>	<u>1,386,885</u>	<u>3,334,809</u>	<u>1,655,162</u>
<b>Fund balance - ending</b>	<u>\$ 2,577,745</u>	<u>\$ 13,368</u>	<u>\$ 14,081</u>	<u>\$ 169,791</u>	<u>\$ 3,609,147</u>	<u>\$ 2,120,823</u>

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	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,258,311
-	-	-	-	-	-	-	-	2,451,379
-	-	-	-	-	-	-	-	5,350,574
944,183	2,989,486	1,952,876	161,938	890,751	322,432	1,333,109	423,089	9,687,660
-	-	-	-	-	-	-	-	83,615
-	-	-	-	-	-	-	-	2,191,912
1,523	5,553	3,892	1,083	7,314	22,091	22,378	15,559	242,228
551,124	1,783,635	1,492,494	196,911	177,599	392,865	1,357,348	648,740	6,730,725
-	-	-	-	-	-	-	-	25,005
13,803	43,806	31,655	3,289	9,757	6,508	190,055	9,707	751,632
1,510,633	4,822,480	3,480,917	363,221	1,085,421	743,896	2,902,890	1,097,095	29,773,041
-	-	-	-	-	-	-	-	4,014,156
-	-	-	-	-	-	-	-	2,422
31,320	98,707	71,363	7,955	24,101	17,633	67,273	27,248	381,562
158	501	351	1,250	41	82	325	-	8,105,494
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	145,601
-	-	-	-	-	-	-	-	-
1,105,000	3,900,000	2,300,000	280,000	920,000	605,000	1,930,000	600,000	20,007,910
29,835	837,250	1,145,225	124,940	142,144	215,996	972,900	441,225	8,266,712
1,166,313	4,836,458	3,516,939	414,145	1,086,286	838,711	2,970,498	1,068,473	40,923,857
344,320	(13,978)	(36,022)	(50,924)	(865)	(94,815)	(67,608)	28,622	(11,150,816)
-	-	-	-	-	-	-	-	9,509,851
-	-	-	-	-	-	-	-	(91,841)
-	-	-	-	-	-	-	-	9,418,010
344,320	(13,978)	(36,022)	(50,924)	(865)	(94,815)	(67,608)	28,622	(1,732,806)
102,492	304,351	284,459	95,040	424,663	1,550,119	572,434	1,279,770	14,959,819
\$ 446,812	\$ 290,373	\$ 248,437	\$ 44,116	\$ 423,798	\$ 1,455,304	\$ 504,826	\$ 1,308,392	\$ 13,227,013

(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, 2010

	Eastlake Village	St Lucie Land Holdings	City Center Fund	Combined SAD Fund	SW Annexation Fund	Economic Development Fund
<b>Revenues</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	407,224	590,179	-	137,418	-	-
Fines and Forfeitures	-	-	-	-	-	-
Impact Fees	-	-	-	-	-	-
Interest Income:						
Interest on Investments	1,885	5,631	17,697	10,764	417,344	80,298
Interest on Special Assessments	390,471	1,041,015	-	300,261	-	-
Developers Contributions	-	-	-	-	-	-
Other	7,345	14,896	-	3,997	-	-
<b>Total revenues</b>	<b>806,925</b>	<b>1,651,721</b>	<b>17,697</b>	<b>452,440</b>	<b>417,344</b>	<b>80,298</b>
<b>Expenditures</b>						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Physical Environment	17,037	38,904	1,939	12,179	4,756	-
Transportation	104	-	-	-	-	-
Economic Environment	-	-	-	-	-	13,000,936
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal	380,000	920,000	-	300,000	-	-
Interest	341,236	705,399	1,879,288	235,177	7,577,425	681,787
<b>Total expenditures</b>	<b>738,377</b>	<b>1,664,303</b>	<b>1,881,227</b>	<b>547,356</b>	<b>7,582,181</b>	<b>13,682,723</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>68,548</b>	<b>(12,582)</b>	<b>(1,863,530)</b>	<b>(94,916)</b>	<b>(7,164,837)</b>	<b>(13,602,425)</b>
<b>Other financing sources (uses)</b>						
Transfers In	-	17,361	-	1,136,752	-	30,365,541
Transfers Out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>17,361</b>	<b>-</b>	<b>1,136,752</b>	<b>-</b>	<b>30,365,541</b>
<b>Net change in fund balances</b>	<b>68,548</b>	<b>4,779</b>	<b>(1,863,530)</b>	<b>1,041,836</b>	<b>(7,164,837)</b>	<b>16,763,116</b>
<b>Fund balance - beginning</b>	<b>188,978</b>	<b>357,365</b>	<b>2,705,052</b>	<b>864,617</b>	<b>20,371,142</b>	<b>-</b>
<b>Fund balance - ending</b>	<b>\$ 257,526</b>	<b>\$ 362,144</b>	<b>\$ 841,522</b>	<b>\$ 1,906,453</b>	<b>\$ 13,206,305</b>	<b>\$ 16,763,116</b>

CDBG Entitlement Fund	Local Housing Assistance Trust Fund	Neighborhood Stabilization Fund	National Pollution NPDES Fund	Law Enforcement Forfeiture Trust Fund	Conservation Trust Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,258,311
-	-	-	-	-	-	2,451,379
1,146,658	91,155	10,374,236	-	-	-	16,962,623
-	-	-	22,296	-	-	10,844,777
-	-	-	-	81,938	-	165,553
-	-	-	-	-	-	2,191,912
-	14,760	-	1,103	1,904	49,711	843,325
-	-	-	-	-	-	8,462,472
-	-	-	-	-	-	25,005
2	41,533	280,578	15	4,730	-	1,104,728
<u>1,146,660</u>	<u>147,448</u>	<u>10,654,814</u>	<u>23,414</u>	<u>88,572</u>	<u>49,711</u>	<u>45,310,085</u>
-	-	-	-	-	-	4,014,156
-	-	-	-	30,258	-	32,680
-	-	-	-	-	-	456,377
-	-	-	39,668	-	-	8,145,266
622,749	1,230,986	832,490	-	-	-	15,687,161
-	-	-	-	-	55,100	55,100
523,908	-	371	-	1,194	2,253,714	2,924,788
-	-	-	-	-	-	21,607,910
-	-	-	-	-	-	19,687,024
<u>1,146,657</u>	<u>1,230,986</u>	<u>832,861</u>	<u>39,668</u>	<u>31,452</u>	<u>2,308,814</u>	<u>72,610,462</u>
<u>3</u>	<u>(1,083,538)</u>	<u>9,821,953</u>	<u>(16,254)</u>	<u>57,120</u>	<u>(2,259,103)</u>	<u>(27,300,377)</u>
-	-	-	-	-	-	41,029,505
-	-	-	-	-	(16,040)	(107,881)
-	-	-	-	-	(16,040)	40,921,624
<u>3</u>	<u>(1,083,538)</u>	<u>9,821,953</u>	<u>(16,254)</u>	<u>57,120</u>	<u>(2,275,143)</u>	<u>13,621,247</u>
<u>11,921</u>	<u>1,788,188</u>	<u>1,688,931</u>	<u>102,978</u>	<u>70,548</u>	<u>2,522,698</u>	<u>45,632,237</u>
<u>\$ 11,924</u>	<u>\$ 704,650</u>	<u>\$ 11,510,884</u>	<u>\$ 86,724</u>	<u>\$ 127,668</u>	<u>\$ 247,555</u>	<u>\$ 59,253,484</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, 2010

	Parks Capital Improvement Fund	Capital Improvement Fund	Becker Road Improvement Fund	Crosstown Parkway Fund	Wyndcrest Development Fund	Road & Bridge Capital Improvement Fund
<b>Revenues</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,501,280
Intergovernmental	-	-	-	-	-	5,330,641
Interest on Investments	20,072	23,476	92,005	352,238	7,144	82,466
Impact Fees	58,216	-	-	-	-	848,106
Developers Contributions	-	-	-	-	-	300,000
Other	-	-	130,212	-	-	-
Total revenues	<u>78,288</u>	<u>23,476</u>	<u>222,217</u>	<u>352,238</u>	<u>7,144</u>	<u>10,062,493</u>
<b>Expenditures</b>						
Current						
General Government	-	86,785	-	-	-	-
Transportation	-	-	-	-	-	3,750,906
Economic Environment	-	-	-	-	908,292	-
Culture and Recreation	116	-	-	-	-	-
Capital Outlay	27,061	1,676,087	9,787,660	3,642,064	2,612,213	829,011
Intangibles	-	-	707	-	14,143	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	<u>27,177</u>	<u>1,762,872</u>	<u>9,788,367</u>	<u>3,642,064</u>	<u>3,534,648</u>	<u>4,579,917</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>51,111</u>	<u>(1,739,396)</u>	<u>(9,566,150)</u>	<u>(3,289,826)</u>	<u>(3,527,504)</u>	<u>5,482,576</u>
<b>Other financing sources (uses)</b>						
Transfers In	-	16,040	6,184,201	4,304,533	-	114,105
Transfers Out	-	-	(22,813,719)	(1,381,913)	(7,551,822)	(10,041,304)
Issuance of Debt	-	-	-	-	39,900,000	-
Discount on Issuance of Debt	-	-	-	-	(678,589)	-
Total other financing sources (uses)	<u>-</u>	<u>16,040</u>	<u>(16,629,518)</u>	<u>2,922,620</u>	<u>31,669,589</u>	<u>(9,927,199)</u>
<b>Net change in fund balances</b>	<u>51,111</u>	<u>(1,723,356)</u>	<u>(26,195,668)</u>	<u>(367,206)</u>	<u>28,142,085</u>	<u>(4,444,623)</u>
<b>Fund balance - beginning</b>	<u>96,346</u>	<u>2,383,507</u>	<u>35,729,092</u>	<u>10,210,929</u>	<u>-</u>	<u>9,087,316</u>
<b>Fund balance - ending</b>	<u>\$ 147,457</u>	<u>\$ 660,151</u>	<u>\$ 9,533,424</u>	<u>\$ 9,843,723</u>	<u>\$ 28,142,085</u>	<u>\$ 4,642,693</u>

City Center Capital Fund	East Lake Village Fund	Parks MSTU Fund	COP Municipal Complex Fund	St. Lucie Land Holdings Fund	Combined SAD Fund	Total Nonmajor Capital Project Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,501,280
-	-	1,808,775	-	-	-	7,139,416
114,077	11,931	84,274	74,298	1,487	38,549	902,017
-	-	-	-	-	-	906,322
-	-	-	-	-	-	300,000
-	-	-	-	-	-	130,212
114,077	11,931	1,893,049	74,298	1,487	38,549	12,879,247
-	-	-	-	-	-	86,785
-	-	-	-	-	-	3,750,906
-	-	-	-	-	-	908,292
-	-	35,837	-	-	-	35,953
100,414	22,418	476,801	483,809	1,781	105	19,659,424
-	-	-	-	-	-	14,850
-	-	-	-	-	-	-
-	-	-	-	-	-	-
100,414	22,418	512,638	483,809	1,781	105	24,456,210
13,663	(10,487)	1,380,411	(409,511)	(294)	38,444	(11,576,963)
-	-	-	-	-	-	10,618,879
-	-	(1,304,976)	-	(17,361)	(1,163,934)	(44,275,029)
-	-	-	-	-	-	39,900,000
-	-	-	-	-	-	(678,589)
-	-	(1,304,976)	-	(17,361)	(1,163,934)	5,565,261
13,663	(10,487)	75,435	(409,511)	(17,655)	(1,125,490)	(6,011,702)
724,533	707,928	7,665,212	409,511	17,655	1,125,490	68,157,519
\$ 738,196	\$ 697,441	\$ 7,740,647	\$ -	\$ -	\$ -	\$ 62,145,817

(concluded)

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - East Lake Village Assessment Collection Fund  
 Year Ended September 30, 2010

	Final Budget	Actual	Encumbrances		Actual on Budgetary Basis	Variance With Final Positive (Negative)
			2009	2010		
<b>Revenues:</b>						
Charges for Services	\$ 980,000	\$ 407,224	\$ -	\$ -	\$ 407,224	\$ (572,776)
Interest Income	300	392,356	-	-	392,356	392,056
Other		7,345	-	-	7,345	7,345
<b>Total Revenue</b>	<u>980,300</u>	<u>806,925</u>	<u>-</u>	<u>-</u>	<u>806,925</u>	<u>(173,375)</u>
<b>Expenditures:</b>						
Operating Expenses	20,000	17,141	-	-	17,141	2,859
Debt Service:						
Principal	637,747	380,000	-	-	380,000	257,747
Interest	350,000	341,236	-	-	341,236	8,764
<b>Total Expenditures</b>	<u>1,007,747</u>	<u>738,377</u>	<u>-</u>	<u>-</u>	<u>738,377</u>	<u>269,370</u>
<b>Excess of Revenues over (under) expenditures</b>	<u>(27,447)</u>	<u>68,548</u>	<u>-</u>	<u>-</u>	<u>68,548</u>	<u>95,995</u>
<b>Net Change in Fund Balance</b>	<u>\$ (27,447)</u>	<u>\$ 68,548</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,548</u>	<u>\$ 95,995</u>

CITY OF PORT ST. LUCIE, FLORIDA

Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - City Center Assessment Collection Fund  
 Year Ended September 30, 2010

	Final Budget	Actual	2009	2010	Actual on Budgetary Basis	Variance With Final Positive (Negative)
<b>Revenues:</b>						
Interest Income	\$ 18,000	\$ 17,697	\$ -	\$ -	\$ 17,697	\$ (303)
<b>Total Revenue</b>	<u>18,000</u>	<u>17,697</u>	<u>-</u>	<u>-</u>	<u>17,697</u>	<u>(303)</u>
<b>Expenditures:</b>						
Operating Expenses	1,940	1,939	-	-	1,939	1
Debt Service:						
Interest	2,198,750	1,879,288	-	-	1,879,288	319,462
<b>Total Expenditures</b>	<u>2,200,690</u>	<u>1,881,227</u>	<u>-</u>	<u>-</u>	<u>1,881,227</u>	<u>319,463</u>
<b>Excess of Revenues over (under) expenditures</b>	<u>(2,182,690)</u>	<u>(1,863,530)</u>	<u>-</u>	<u>-</u>	<u>(1,863,530)</u>	<u>319,160</u>
<b>Net Change in Fund Balance</b>	<u>\$ (2,182,690)</u>	<u>\$ (1,863,530)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,863,530)</u>	<u>\$ 319,160</u>

EXHIBIT "C"

**CITY OF PORT ST. LUCIE, FLORIDA**  
 Comparative Capital Assets  
 Community Redevelopment Agency  
 September 30, 2010 and 2009

	2010	2009
<b>CRA CAPITAL ASSETS:</b>		
Land	\$ 6,604,781	\$ 9,834,870
Buildings	43,784,997	43,784,997
Improvements	2,786,983	2,769,382
Machinery and Equipment	865,214	862,519
Infrastructure	8,374,572	8,374,572
Construction In Progress	-	-
	62,416,547	65,626,340
Accumulated Depreciation	(2,314,841)	(750,528)
	<b>\$ 60,101,706</b>	<b>\$ 64,875,812</b>
<b>CRA CAPITAL ASSETS, NET</b>		
<b>CRA INVESTMENT IN CAPITAL ASSETS:</b>		
CRA	62,416,547	65,626,340
CRA - Construction In Progress	-	-
	62,416,547	65,626,340
Accumulated Depreciation	(2,314,841)	(750,528)
	<b>\$ 60,101,706</b>	<b>\$ 64,875,812</b>
<b>CRA INVESTMENT IN CAPITAL ASSETS, NET</b>		

EXHIBIT "D"

***\$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**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Total P+I</u>	<u>CIF</u>	Series 2004 <u>Existing D/S</u>	Series 2006 <u>Net New D/S</u>
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>