



COMMUNITY REDEVELOPMENT AGENCY

Annual Report for Fiscal Year 2006-2007

Fiscal Year 2006-2007 and Current CRA Board

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TABLE OF CONTENTS

	<u>Page</u>
<u>PURPOSE</u>	<u>1</u>
<u>BACKGROUND</u>	<u>2</u>
THE CITY	2
THE CRA	2
THE AGENCY	3
THE PLAN	3
THE FUND	11
TAX INCREMENT REVENUE CALCULATION	12
<u>AGENCY ACTIVITIES IN FISCAL YEAR 2006-2007</u>	<u>14</u>
EAST LAKE VILLAGE	14
WOOD STORK TRAIL	18
CITY CENTER	19
CRA EXPANSION AREA	23
DEVELOPMENT SERVICES	23
SPECIAL EVENTS	23
<u>AGENCY FINANCIAL PROFILE</u>	<u>24</u>
TAX INCREMENT REVENUE ANALYSIS	24
FISCAL YEAR 2006-2007 BUDGET	27
AGENCY FINANCIAL STATEMENT	27
<u>CLOSING STATEMENT</u>	<u>28</u>
<u>EXHIBITS</u>	
“A” EAST LAKE VILLAGE MASTER PLAN	
“B” CURRENT CITY CENTER CONCEPTUAL MASTER PLAN	
“C” FY 06-07 BUDGET	
“D” EXCERPTS OF THE CITY OF PORT ST. LUCIE COMPREHENSIVE ANNUAL FINANCIAL REPORT (THE “CAFR”) FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2007	
“E” AGENCY ASSETS REPORT	
“F” AGENCY LIABILITIES REPAYMENT SCHEDULE	

PURPOSE

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

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

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

1.0 BACKGROUND

1.1 The City of Port St. Lucie

Incorporated in 1961, the City of Port St. Lucie, Florida (the “City”) is a predominantly residential community located in southeast Florida between West Palm Beach and Orlando, as illustrated in Figure 1. It was the fastest growing City in the United States in 2005, as recognized by the United States Census Bureau, and is the largest city in St. Lucie County.

The City, as illustrated on a county scale in Figure 2, is approximately 114 square miles in area and has a population of approximately 157,000 residents. Population projections indicate that the population could surpass 200,000 within the next 7 years and that the ultimate population of the City will be approximately 400,000. Several factors are fueling the City’s growth, including access to the Florida Turnpike (the “Turnpike”) and Interstate 95 (“I-95”), the availability of vacant land, the near “build-out” conditions of South Florida, natural attractions such as the Atlantic Coast Beaches, Indian River and St. Lucie River and the quality of the City’s public services.

1.2 The Community Redevelopment Area

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

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

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

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

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

1.3 The Agency

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

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

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

1.4 The Plan

1.4.1 The “Original”

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

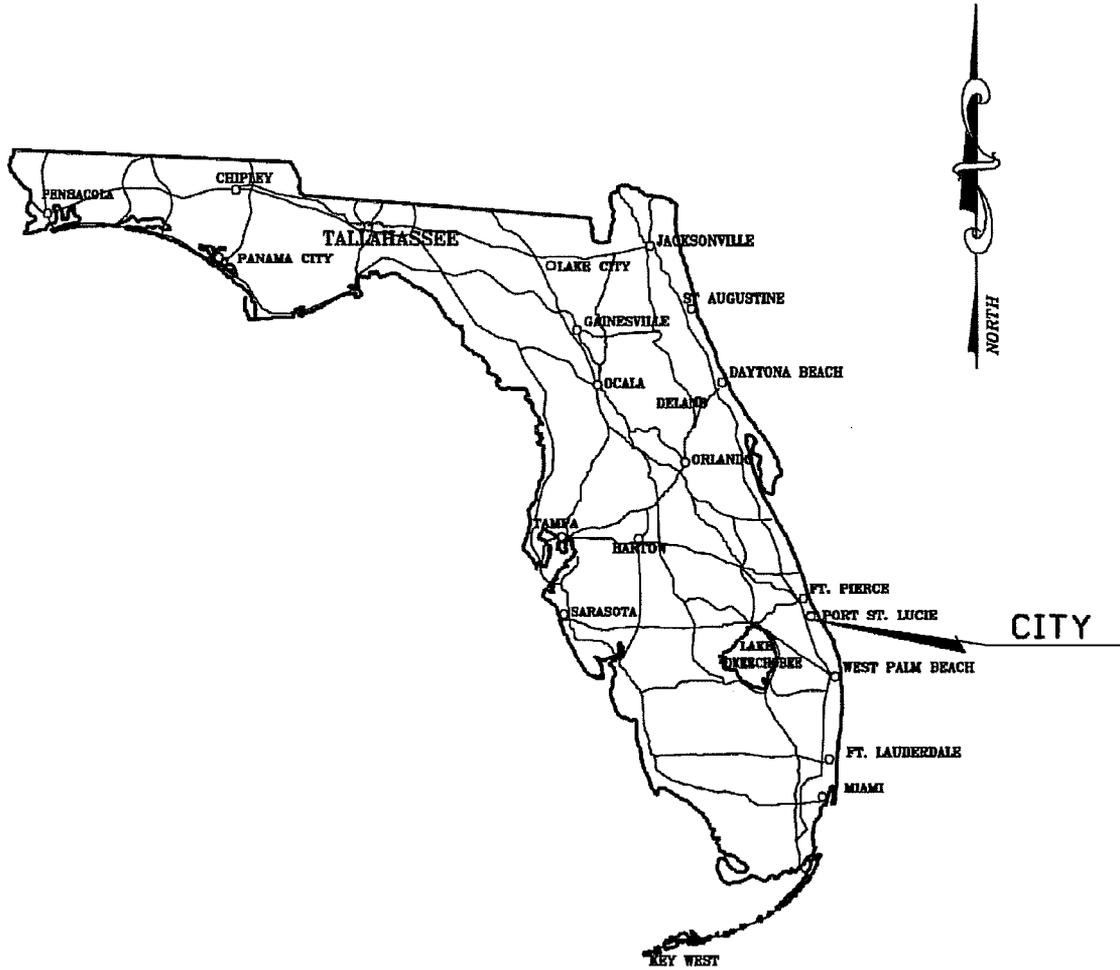
...a central gathering place that creates an identity for the city as well as provides entertainment and economic opportunities. The area will include a variety of development districts and connective open space to better serve Port St. Lucie’s current and future population.

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

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

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

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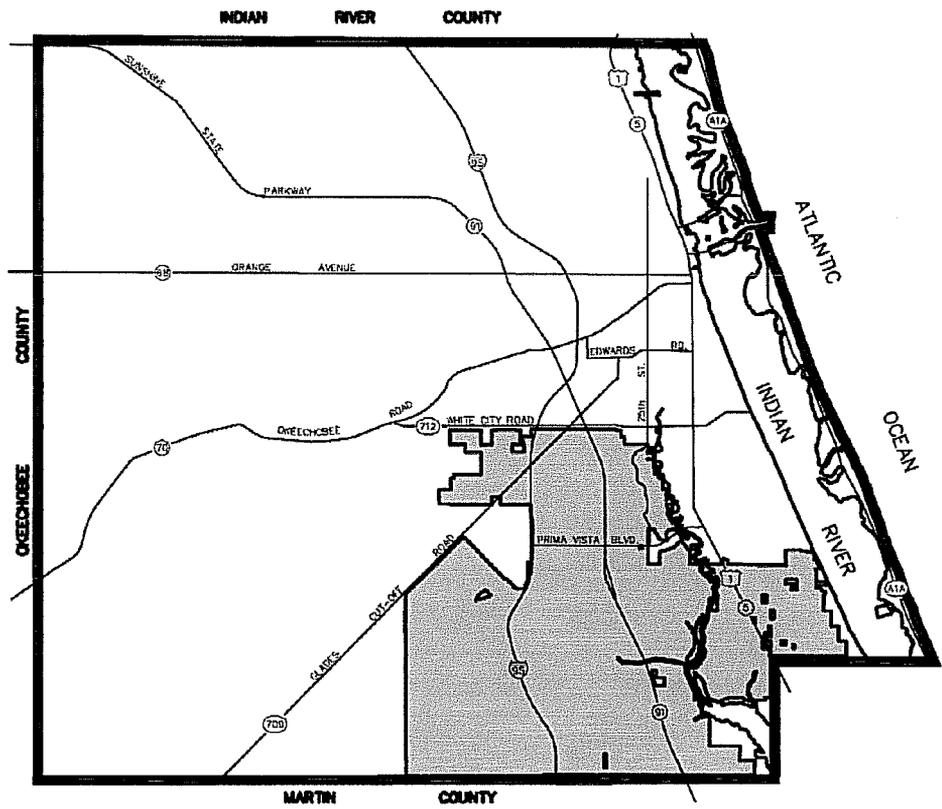
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CONSULTING ENGINEERS
&
LAND SURVEYORS
2980 SOUTH 25th STREET
FORT PIERCE, FLORIDA 34982
(772) 464-3537

CITY OF PORT ST LUCIE
GENERAL LOCATION
FIGURE 1

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prepared by

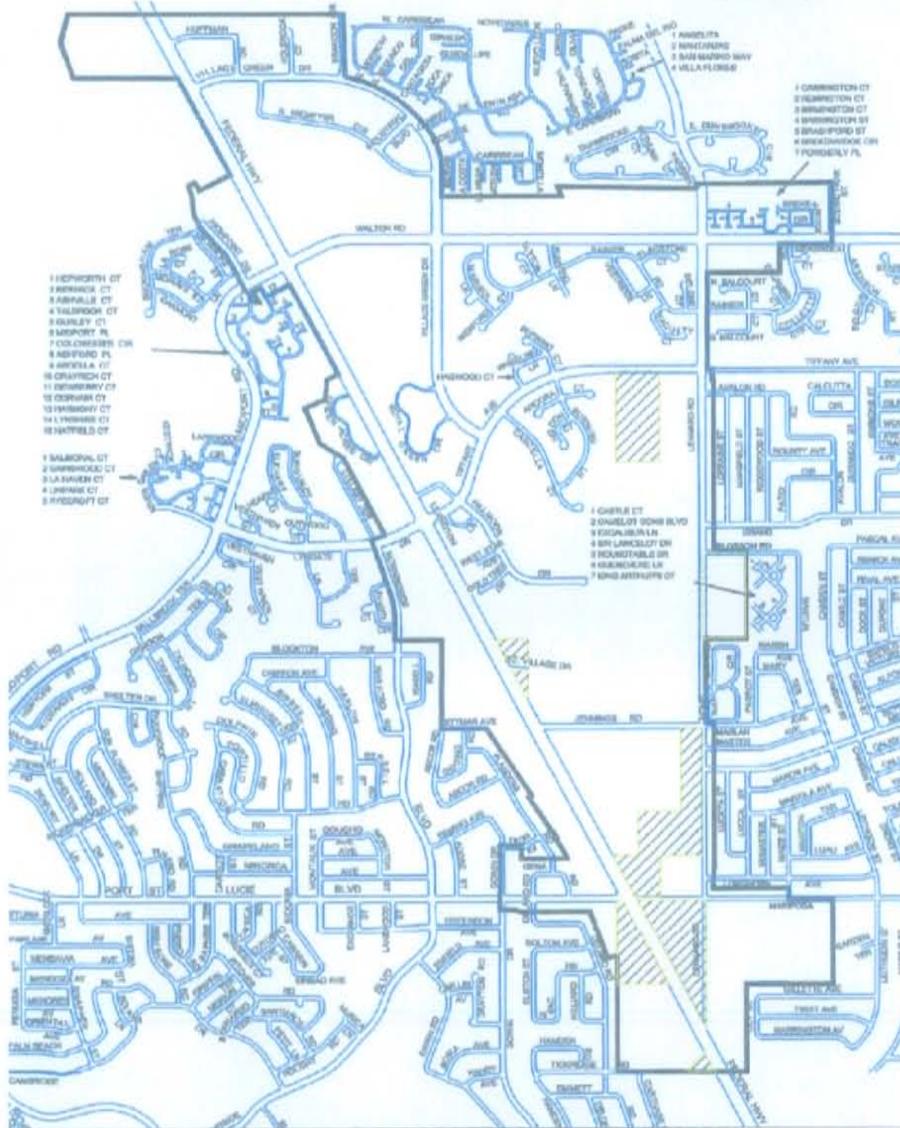


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-  CITY OF PORT ST LUCIE
-  ST LUCIE COUNTY

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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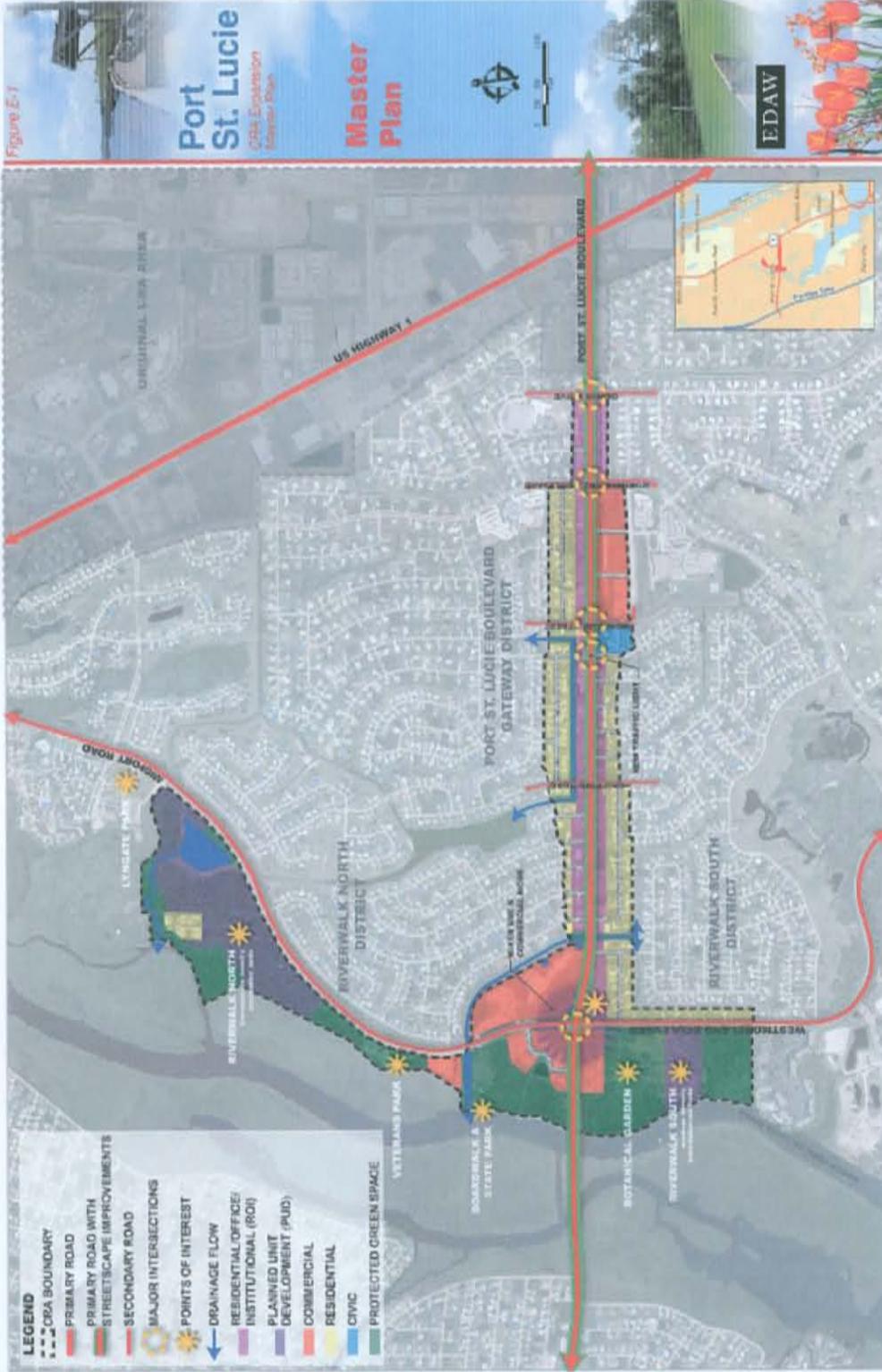
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 &
 LAND SURVEYORS
 2980 SOUTH 25TH STREET
 FORT PIERCE, FLORIDA 34982
 (772) 464-3537

CRA BOUNDARY MAP
FIGURE 3

04-194 Feasibility Report.dwg



prepared by
CF
 CONSULTING ENGINEERS
 AND ARCHITECTS
 2700 S.W. 27th Street
 Fort Lauderdale, FL 33304
 (954) 571-2000



**CRA EXPANSION
 MASTER PLAN
 FIGURE 4**

*Graphic for this figure obtained from EDAW.

02-16 Health Services



City of Port St. Lucie CRA

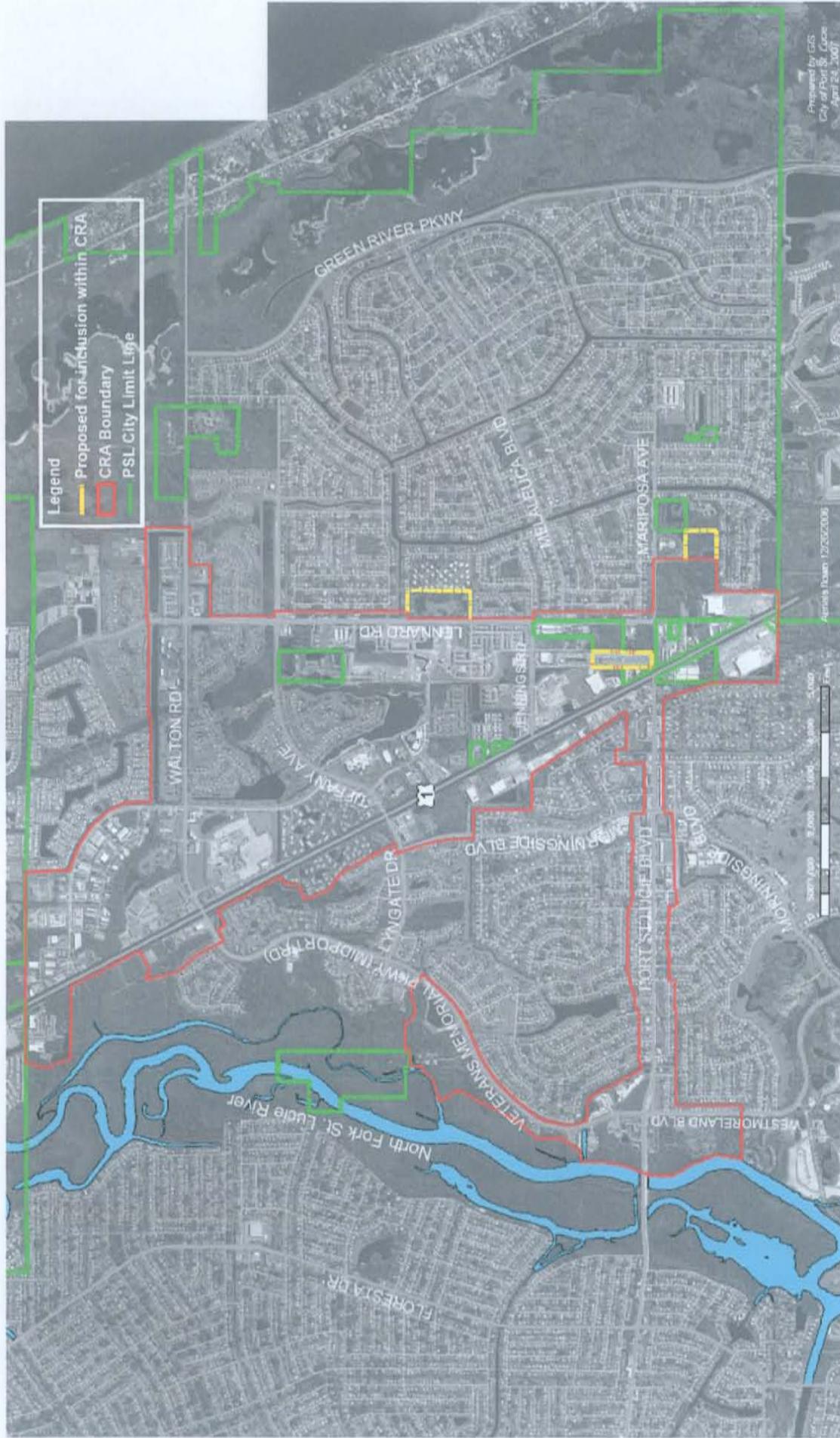


FIGURE 5

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 and provides the redevelopment plan for the CRA Expansion Area. Written by the same consultant who authored the Plan, the CRA Expansion Master Plan very much mirrors the Plan, providing similar analyses and formatting. The important differences between the CRA Expansion Master Plan and the Plan are the vision, goals and objectives. The CRA Expansion Master Plan has a unique vision, goals and objectives for the Expansion Area. As excerpted from the CRA Expansion Master Plan:

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

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

The CRA Expansion Master Plan is illustrated in Figure 4.

1.5 The Fund

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

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

1.6 Tax Increment Revenue Calculation

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

In both the Original CRA and East Lake Village, "participating" taxing authorities levying property taxes within the Original CRA and East Lake Village are required to annually deposit an amount equal to 95% of the incremental property tax revenues they receive from properties within those corresponding areas. In Fiscal Year (FY) 2006-2007, 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, St. Lucie County Fine and Forfeiture Fund (a discrete millage levied by St. Lucie County), and the St. Lucie County Fire District. Please note that pursuant to an Interlocal Agreement between the City and St. Lucie County Fire District, FY 2006-2007 was the last year in which the St. Lucie County Fire District will be a participating taxing authority.

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

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

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

It is important to note that FY 2006-2007 was the base year for the CRA Expansion Area. Consequently, no tax increment revenue was generated from the CRA Expansion Area in FY 2006-2007.

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, 2006, 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, 2006, 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, 2006, 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

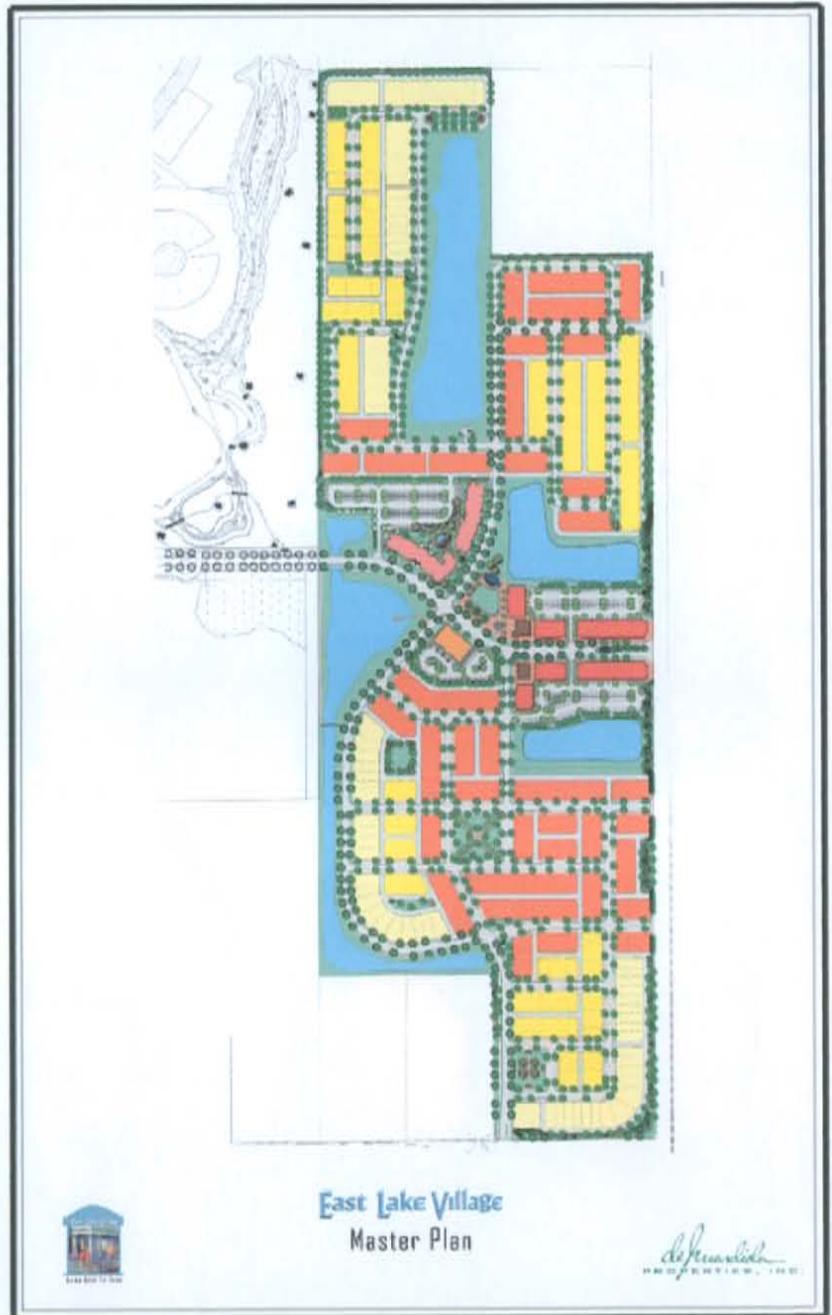
Due to FY 06-07 being the base year, there was no increment in FY 06-07.

2.0 AGENCY ACTIVITIES IN FY 2006-2007

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. Just six years into its existence, the Agency has already implemented a number of successful large-scale redevelopment initiatives. FY 2006-2007 was another incredibly active and exciting year in which the Agency worked to complete on-going projects and initiate new ones. A report of major Agency activities in FY 2006-2007 is found below.

2.1 East Lake Village

East Lake Village is a traditional neighborhood development project consisting of approximately 200 multifamily units, 230 town home units, 220 semi-detached town home units, 240 single family units, 52,665 square feet of commercial/retail space, a greenway (linear park) and a family park which is currently under development on the 97.98 acres formerly known as “Lentz Grove”. The project is being developed pursuant to a public-private partnership agreement (the “East Lake Village Redevelopment Agreement”) between the Agency, City and St. Lucie East Development Company, LLC. The Agency’s obligations under the Redevelopment Agreement include the management and/or funding of the following improvements:



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

- East Lake Village SAD Improvements Project.

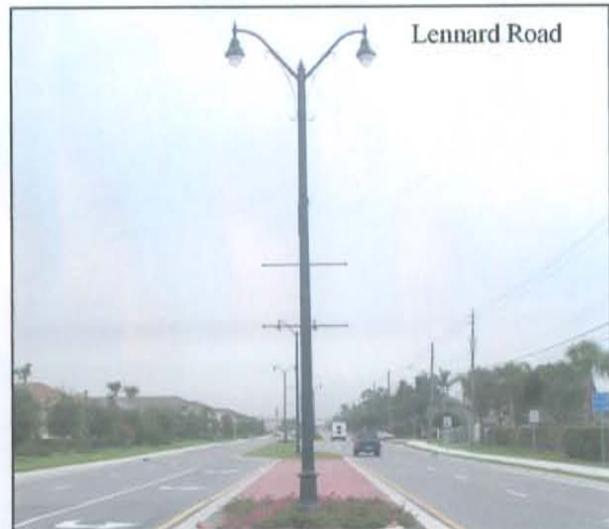
The construction of the road network and public facilities, such as water, wastewater and stormwater, necessary to serve the project was funded by the \$10.35 million Series 2003D East Lake Village Special Assessment District (SAD) Bonds and is referred to as the SAD Improvements Project. More specifically, the SAD Improvements Project includes:

- Roadway Improvements – Internal roadway improvements consist of the continued construction of approximately 14,100 linear feet of local curb and gutter roadway with integral stormwater drainage, approximately 15,180 linear feet of residential alleys with integral stormwater drainage, approximately 2 acres of mixed-use parking areas with integral stormwater drainage, including landscaping and irrigation of residential roadways.
- Stormwater Collection Facilities – The integral stormwater drainage and collection improvements consist of the continued construction of drainage pipes, gutters and drains within the roadways and parking areas.
- Water Transmission Facilities – The potable water transmission and distribution improvements consist of the continued construction of approximately 14,470 linear feet of 8 inch water main pipes, approximately 530 linear feet of 10 inch water main pipes, together with connection pipes to property lines, and fire hydrants.
- Wastewater Facilities – The wastewater transmission improvements consist of the continued construction of two master lift stations, a 6 inch force main line for connection to the transmission facilities at Lennard Road, approximately 9,610 linear feet of 8 inch gravity sewer pipes and approximately 2,560 linear feet of 10 inch gravity sewer pipes, together with connecting pipes to the property lines.

The East Lake Village SAD Improvements Project is funded by the property owners of the special assessment district, not the Agency. However, the Project is managed by the Agency and is expected to be closed out in FY 2007-2008.

- Lennard Road Widening Project (Mariposa Avenue to Walton Road).

The widening of a 10,150 linear foot section of Lennard Road from a 2-lane rural road to a 4-lane divided road which includes sidewalks, lighting, landscape and irrigation.



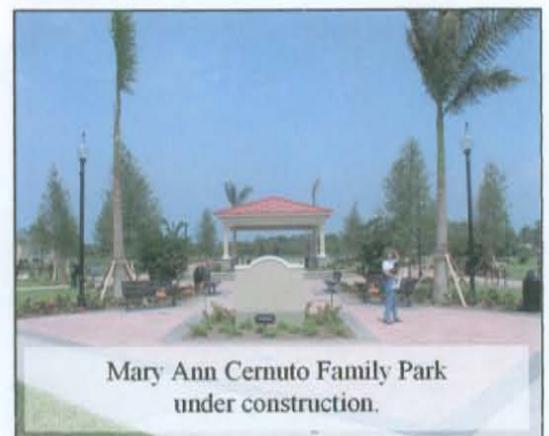
This project was in St. Lucie County's capital improvements program, but at a much later date than needed by East Lake Village and the City. As a result, the City successfully petitioned the County for ownership of the roadway and carried out the \$12 million project. The CRA contributed \$3.5 million to the project and provided project management. The project was substantially complete in FY 2005-2006 and was closed out in May 2007.

- Hillmoor Drive Extension. Completed in FY 05-06.
- Jennings Road Widening Project. Completed in FY 05-06.



- Grand Drive Extension. Completed in FY 05-06.
- Mary Ann Cernuto Family Park.

Located at the northeast corner of Grand and Hillmoor Drives, the Mary Ann Cernuto Family Park is envisioned as a "village square" to the East Lake Village Center and features a performance pavilion, gardens and public art. In FY 2005-2006, the Agency worked with its consultant to prepare the construction plans for the park. Construction began in December of 2006, and the park was opened to the public on August 24, 2007.



- East Lake Village portion of the Wood Stork Trail

Running through the project, the East Lake Village master surface water management (stormwater) system was designed to be more than a stormwater collection and conveyance system, it was designed to be a recreational and environmental amenity and has become an integral element of the CRA's greenway system (A/K/A the "Wood Stork Trail"). In FY 05-06, most of the excavation and embankment activities were completed. As a result, in FY 06-07, the Agency's activities on this project centered around the completion of the structures and the installation of landscaping. For additional information regarding the Wood Stork Trail, please see page 18.



Conceptualized in 2002, contractualized in 2003, East Lake Village was the Agency's first big project. In FY 2006-2007, the vision of a TND (Traditional Neighborhood Development) featuring a mix of residential housing types within a neighborhood setting of pedestrian friendly streets, public open spaces, neighborhood squares and a greenway trail system linking its residents to the rest of the CRA was more than 75% complete. Moreover, the CRA Improvements funded by the Series 2004 Bonds were substantially complete.



East Lake Village, taking shape at the beginning of FY 06-07

2.2 Wood Stork Trail

The Plan envisions that the CRA will include “connective open spaces to better serve Port St. Lucie’s current and future population”; and, to effectuate this vision, the Plan contemplates transforming the drainage swales, ditches and ponds of the CRA into a better functioning stormwater drainage system and a linear park connecting the entire district. To this end, in FY 2004-2005, the CRA undertook an extensive community-driven public planning process to create a master plan for this project; and, at the beginning of FY 2005-2006, on October 17, 2005, after a number of public workshops, the Agency adopted the “Wood Stork Trail” Master Plan. As set forth in the Wood Stork Trail Master Plan, the 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; and 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.

Soon after the approval of the Wood Stork Trail Master Plan (the “WSTMP”), the Agency commenced construction of WSTMP design districts and basins 7, 8 and 9, which include more than 5 acres of littoral plantings, approximately 1.5 acres of upland plantings, approximately 6,500 linear feet of trails, wooden boardwalks and wooden outlooks. The construction effort is still on-going.

The Agency is very grateful to have a number of key partners contributing to the implementation of the WSTMP, including the Kodak Company Greenway Awards Program, the Conservation Fund, the Florida Department of Environmental Protection and the St. Lucie River Issues Team. Please note that St. Lucie County became a project partner in FY 08-09.



2.3 City Center

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

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

In the Spring of 2005, de Guardiola Properties, Inc., and PSL City Center, LLC, approached the City and Agency with a proposal to comprehensively redevelop and revitalize the Village

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

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

In FY 2006-2007, the Parties made great progress in carrying out these obligations, as highlighted below:

- The demolition of the old Village Green Shopping Center commenced on November 9, 2006.
- The underlying property was re-platted.
- The \$25.185 million City Center Special Assessment Bond Issue, which provided the funding for the SAD Improvements, was closed on November 14, 2006.
- The construction of the SAD Improvements commenced. The SAD Improvements consist of:

Roadway

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

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

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

Stormwater Facilities

The stormwater improvements of the SAD Project consist of the modification of the existing drainage collection, conveyance and outfall system which was approved for the Village Green Shopping Center by the South Florida Water Management District pursuant to Permit Number 56-00274-S. The stormwater improvements of the SAD Project will provide stormwater service up to the property line of each of the benefited parcels within the SAD. The stormwater lines will be sized to handle the discharge from each benefited parcel as they connect. Additionally, the stormwater improvements include the clearing and grading of the benefited properties in order to ensure that stormwater system functions properly. Lastly, it is important to note that the stormwater improvements also include enhancements to the Southern Greenway, which may include but not be limited to littoral shelves, landscaping, lighting and pathways. Environmental site assessments have been provided by the owners and there are no noteworthy environmental issues presented by the site.

Potable Water Facilities

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

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

Wastewater Facilities

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

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

- The \$46.45 million City Center Project Redevelopment Trust Fund Revenue Bond Issue, which provided the funding for the Agency to carry out many of its responsibilities under the Redevelopment Agreement, was closed on December 14, 2006.
- The City and Agency’s contractor, Suffolk Construction began construction of the Civic Center.

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

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

The Civic Center is envisioned as a multipurpose facility of a minimum of 100,000 square feet capable of withstanding a Category 5 hurricane, which:

- houses excellent recreational, cultural and meeting facilities;
 - anchors the main street of, and provides the draw for, City Center;
 - provides a “WOW” factor and is compatible with Florida Vernacular or Mediterranean Architecture;
 - is architecturally significant; and
 - helps to make City Center the City’s central gathering place as envisioned by the Plan.
- Amended Suffolk’s contract to design/build a Civic Center warehouse; the Village Square, an urban recreational plaza featuring an interactive play fountain and covered stage; and the 803-space H1 Parking Garage.
 - The Agency assembled an additional three parcels of land at City Center from third parties.

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



July 27, 2007. Village Green Shopping Center demolished...Infrastructure for City Center under construction.

2.4 CRA Expansion Area

At the onset of FY 2005-2006, the Agency was actively engaged in evaluating the feasibility and appropriateness of expanding the CRA to include Port St. Lucie Boulevard and Becker Road. Throughout FY 2005-2006, the Agency and City carried out a community-driven planning and public hearing process, receiving valuable input from local citizens. In early FY 2006-2007, the City Council formally expanded the CRA to include Port St. Lucie Boulevard to the North Fork of the St. Lucie River and the Riverwalk District by adopting Resolution 06-R102. In August of 2007, the City Council amended the Redevelopment Trust Fund to provide for its additional funding through the CRA Expansion Area by adopting Ordinance NO. 07-114. Please see Section 1.0 for additional information regarding the CRA Expansion Area.

2.5 Development Services

The Agency fields thousands of customer inquiries on an annual basis, many of which are development-related. In FY 2006-2007, the Agency reviewed a number of development applications and worked with property owners and their agents to facilitate the development of several projects in addition to those previously discussed.

2.6 Special Events

As previously noted, the Plan envisions the CRA as a “central gathering place”. As part of its strategy to realize this vision, the Agency has been committed to supporting cultural and special events within the CRA. In FY 2006-2007, the Agency continued its collaboration



with volunteers, not-for-profit organizations and the City to produce *Oktoberfest*, a celebration of German culture; *Art & All That Jazz*, a celebration of art and jazz music; and the *St. Patrick's Day Festival*, a celebration of Irish culture.

The Agency activities reported above represent the major thrust of the Agency's efforts in FY 2006-2007; however, it should be noted that the Annual Report does not include every activity of the Agency, such as responding to thousands of customer inquiries, attending hundreds of coordination meetings and public workshops, reviewing tens of development applications or even the processing of amendments to the City Center Redevelopment Agreement.

3.0 AGENCY FINANCIAL PROFILE

3.1 Tax Increment Revenue Analysis

The Agency's most important revenue source is tax increment revenue. As discussed in Section 1, state law and the local implementing ordinance(s) set forth the regulations governing the calculation of tax increment revenue.

Since the inception of the Agency, the Total Taxable Value of the CRA has risen dramatically. As illustrated in Table 2 and Figure 7, Total Taxable Value grew by nearly \$8 million in the Agency's first year and has since grown at an average rate of nearly 15%. This robust growth in Taxable Value has resulted in a spectacular increase in the Agency's tax increment revenue. In fact, due to the manner in which tax increment revenue is calculated and that tax increment revenue started at close to zero, its rate of growth far exceeds the rate of growth of the Total Taxable Value. As shown in Table 2 and Figure 8, tax increment revenue in FY 2001-02 was \$103,000, \$585,000 in FY 02-03, more than \$1 million in FY 2003-04, nearly doubled to \$1.7 million in FY 04-05, broke the \$2 million mark in FY 05-06 and jumped an amazing 57.8% in FY 06-07 to \$3,412,929. Calculated as a percentage, the lowest increase in annual revenue has been 27%.

As a result of the significant appreciation in real estate values and the success of East Lake Village and other projects within the CRA, the Agency's revenue, from inception to FY 06-07, has significantly outpaced the original projections for the Agency outlined in the Plan as illustrated in Figure 9. This fact is even more impressive when considering that the actual aggregate millage rate is nearly 12% lower than the millage rate projected by the Plan, 14.192 mills originally projected versus FY 06-07's actual rate of 12.5473 mills.

It is hoped that the Agency's financial success can be sustained over the long term. However, tax reform and the devaluation of the real estate market have the potential to significantly alter taxable value, millages and, therefore, tax increment revenue. As a result, it is not possible to create reliable projections for future revenue at this time.

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

2000-2001 (Base Year)	\$ 231,826,024	NA	\$ -	NA
2001-2002	\$ 239,330,269	3.2%	\$ 103,551	NA
2002-2003	\$ 273,616,075	14.3%	\$ 585,950	465.9%
2003-2004	\$ 300,627,948	9.9%	\$ 1,002,937	71.2%
2004-2005	\$ 351,793,831	17.0%	\$ 1,702,755	69.8%
2005-2006	\$ 398,043,581	13.1%	\$ 2,163,366	27.1%
2006-2007	\$ 519,051,144	30.4%	\$ 3,412,929	57.8%

! Taxable Value is the sum of Taxable Value of the CRA and the Taxable Value of East Lake Village. 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..

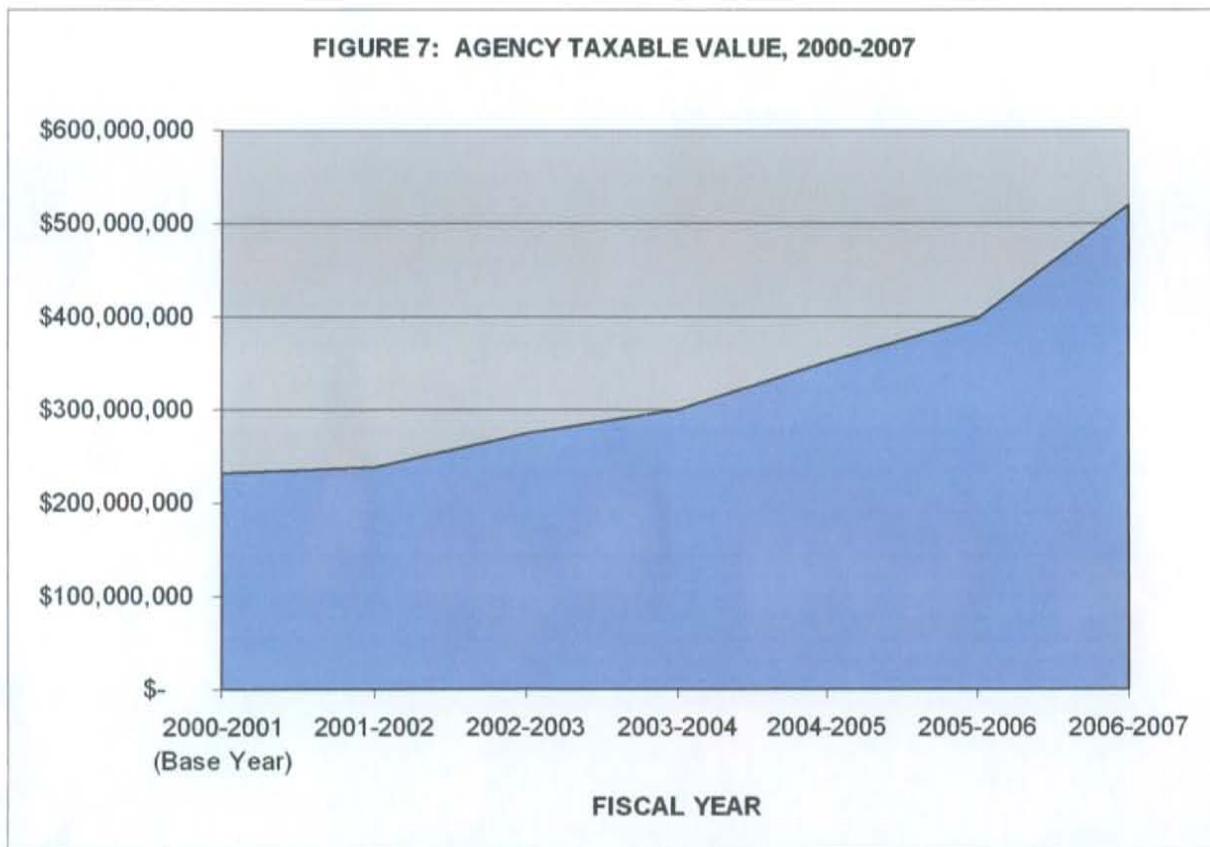


FIGURE 8: AGENCY TAX INCREMENT REVENUE, 2000-2007

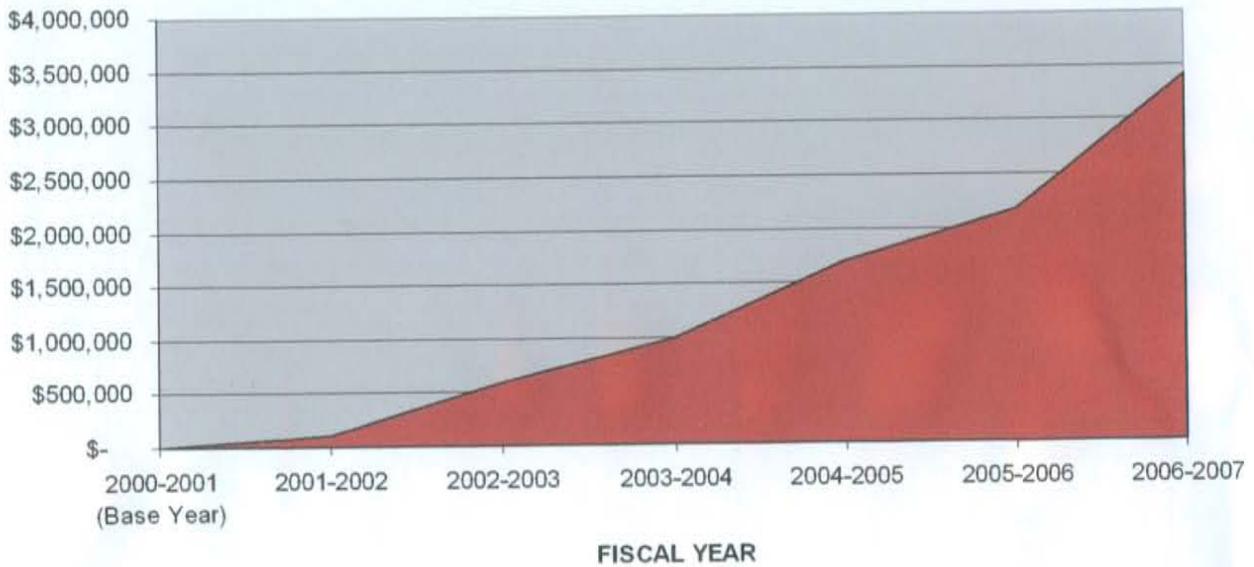
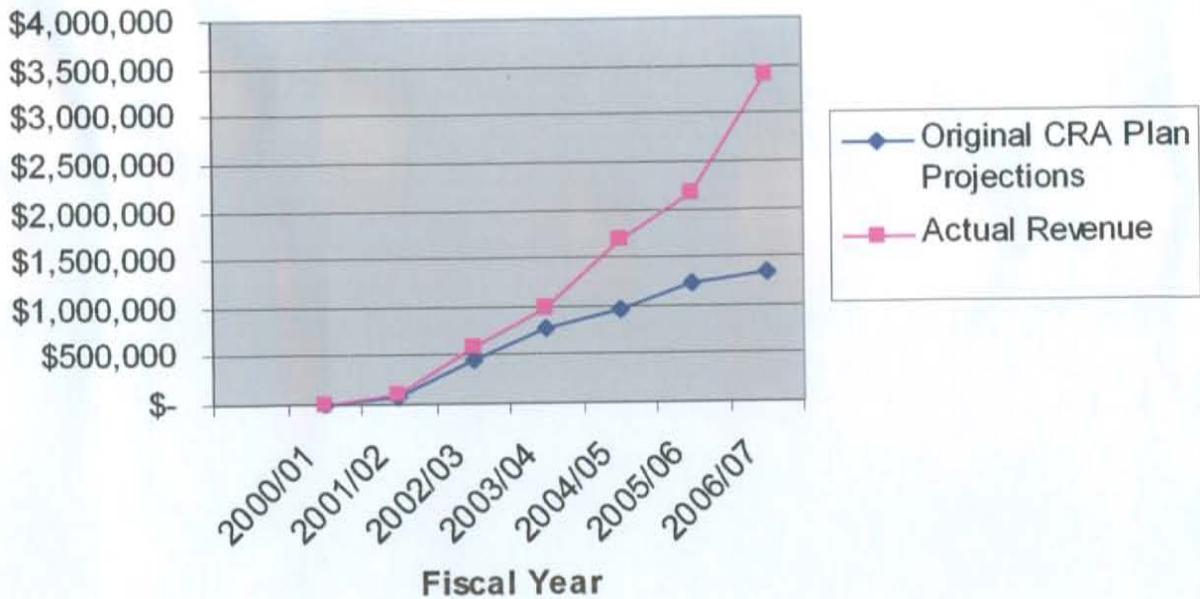


Figure 9: Tax Increment Revenue Actual vs. Original Projections



3.2 FY 2006-2007 Budget

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

3.3 Agency Financial Statement

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

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

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

Sections of the CAFR Relevant to the Agency

1. Pages 3-4 depict the balance sheet for the City's Governmental Funds, which include the Community Redevelopment Trust Fund (referred to as "Community Redevelopment Fund" on page 3) and the Community Redevelopment TIF CIP Fund. Please be aware that the auditor referenced these funds with slightly different names 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, 2007", 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. Page 30 provides notes regarding "Cash and Investment" for several City funds, including the Community Redevelopment Trust Fund and the CIP Fund.
6. Page 35 provides notes concerning "Construction Commitments" for several City Funds, including the Community Redevelopment Trust Fund and the CIP Fund.
7. Page 36 lists "Interfund Receivables, Payables and Transfers", which includes the Community Redevelopment Trust Fund and the CIP Fund.
8. Page 37 summarizes long-term debt of the City, including instruments of the Agency.
9. Pages 39-40 list the long-term debt of the City, including the following instruments which are debts of the Agency: Redevelopment Trust Fund Revenue Bonds, Series 2004 and Redevelopment Trust Fund Revenue Bonds, Series 2006.
10. Page 64 provides the "Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual for the Community Redevelopment Agency Fund".
11. Page 67 provides the balance sheet for the Community Redevelopment Agency Fund.
12. Unnumbered Pages between 66 and 67, 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".
13. Pages 69-75 provide the "Combining Balance Sheet for Nonmajor Special Revenue Funds", including those related to East Lake Village and City Center.
14. Pages 76-82 provide the "Combining Statement of Revenues, Expenditures and Changes in Fund Balances for Nonmajor Capital Project Funds, including those related to East Lake Village and City Center.

Discussion of the Relevant Sections of the CAFR and the Agency's Financial Statement

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

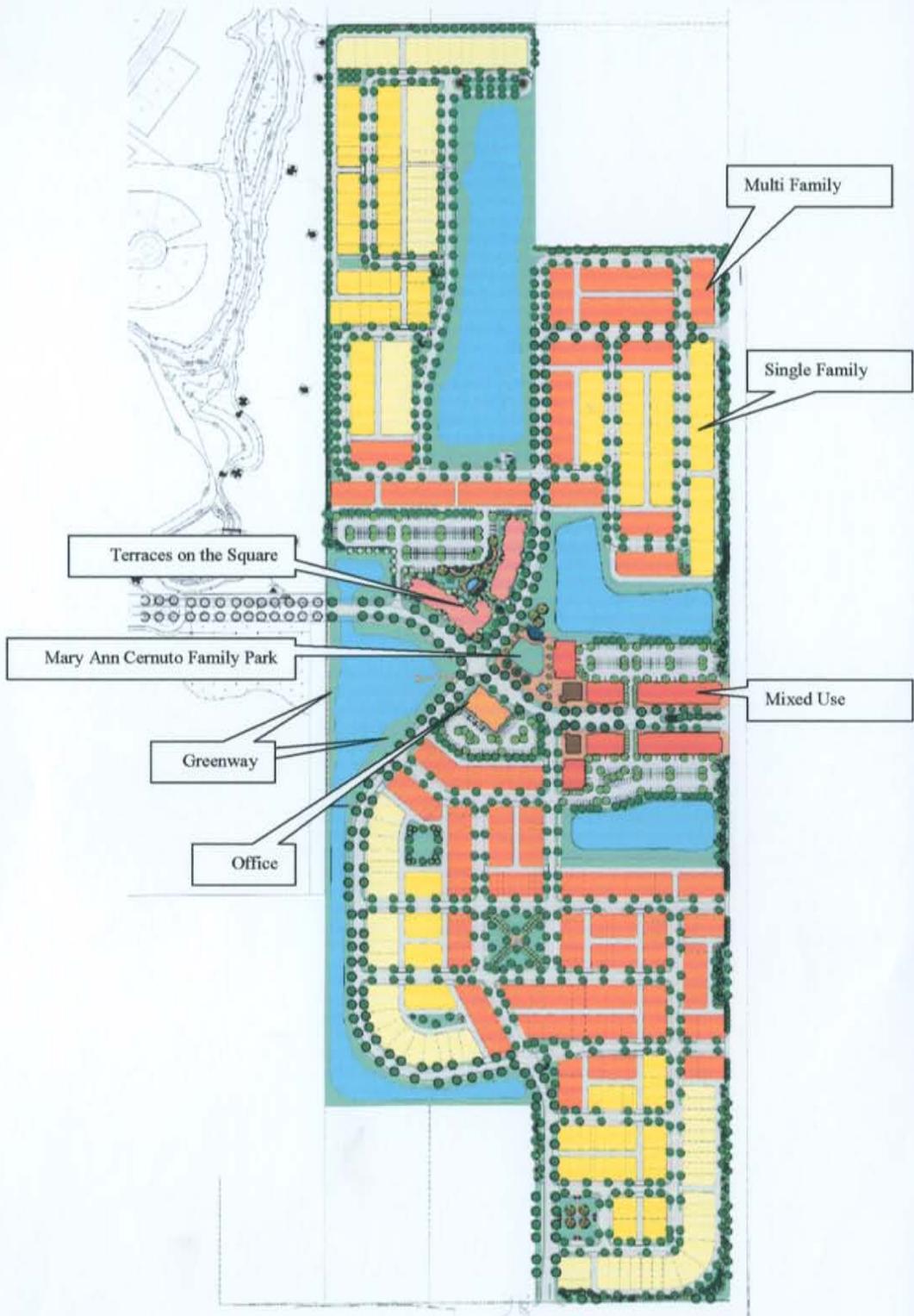
1. Assets. The CAFR does not provide an itemized list of Agency assets. However, the City's Finance Department has provided a report of the Agency's capital assets as found in Exhibit "E". As noted in Exhibit "E", the Agency's net assets increased dramatically in FY 2006-2007. This increase is attributable to the Agency's land purchases at City Center and its many construction projects.

4.0 CLOSING STATEMENT

Market dynamics and the actions of the Board, community, and staff have put the Agency in a very strong financial and strategic position. If the Special Assessment Districts are included, the Agency had approximately \$70 million in capital projects under way in FY 2006-2007. These projects will profoundly change the Community Redevelopment Area as it exists today and will help to generate the tax increment revenues which will fund the Agency projects of tomorrow. In fact, the evidence of this is already apparent. The tax increment generated by East Lake Village and other CRA improvements, even prior to their final completion, has enabled the Agency to commence the development of the long-awaited City Center in earnest. The Agency is truly on the

verge of something special, and the best is yet to come. However, the Agency must be prepared for many challenges, especially those resulting from the actions of the State Legislature (tax reform, changes to the Community Redevelopment Act, spending caps and unfunded mandates), devaluation and slowing or declining economic growth.

EXHIBIT "A"
EAST LAKE VILLAGE MASTER PLAN



Multi Family

Single Family

Terraces on the Square

Mary Ann Cernuto Family Park

Greenway

Office

Mixed Use

East Lake Village
Master Plan



deFurcata
PROPERTIES, INC.

EXHIBIT "B"
CURRENT CITY CENTER CONCEPTUAL MASTER PLAN

CITY CENTER

PORT ST. LUCIE, FL

LEGEND:

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

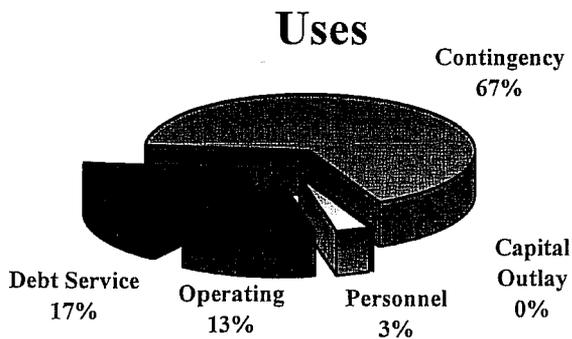
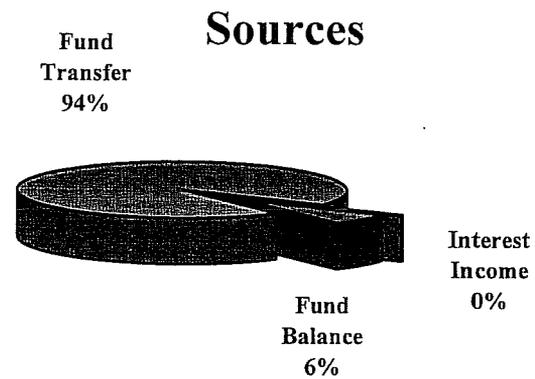


BUILD-OUT MASTER PLAN

EXHIBIT "C"
FY 2006-2007 BUDGET

CITY OF PORT ST. LUCIE CRA FUND ANNUAL BUDGET 2006-07

Revenue Source	Amount
Fund Transfer	\$3,549,828
Interest Income	15,000
Fund Balance	241,648
Total	\$3,806,476



Expenditure by Function	Amount
Personal Services	\$123,470
Operating Expenses	511,224
Capital Outlay	3,300
Debt Service	629,650
Contingency	2,538,832
Total	\$3,806,476

Community Redevelopment District Fund

The financial activity of the Community Redevelopment District (CRA) is tracked in this special revenue fund. The budget schedule for this fund is presented in a format to show the projected growth in revenue into the future. The CRA will earn revenues based on the increase in taxable values within the established district. The tax year 2000 will serve as the base year to calculate the growth in tax value. Future expenditures cover staff cost as well as consultant costs and the annual debt payments for the bond issue. Annual revenues are expected to be nearly \$23.7 million plus a projected fund balance to be

carried forward of \$241,648. The annual debt payment is \$629,650 and operating costs are set at ±\$300 thousand. This will allow for a contingency of \$2.6 million. The taxable values of the CRA are growing rapidly and will take a jump in future years when the value for the proposed City Center redevelopment occurs. There will also be strong increases in the annual debt service, as the CRA will be financing its portion of the infrastructure in the City Center project. The proposed bond series is being set up to delay the financial impact by capitalizing the interest for two years.

CITY OF PORT ST. LUCIE
APPROVED BUDGET - CRA FUND #175
FY 2006-07

	AUDITED 2003-04 *****	AUDITED 2004-05 *****	ESTIMATED 2005-06 *****	APPROVED 2006-07 *****
REVENUES & SOURCES:				
Transfer of Ad Valorem Taxes - Other Gov	\$681,184	\$1,169,495	\$1,581,686	\$2,570,022
Transfer of funds from PSL General Fund	316,301	533,260	581,680	979,806
Bond Proceeds	0	0	0	0
Interest Inc. & Other	27,436	63,658	40,000	15,000
Grant Income	0	0	0	0
Budgeted Cash Carryforward	0	0	217,995	241,648
Totals	<u>\$1,024,921</u>	<u>\$1,766,412</u>	<u>\$2,421,361</u>	<u>\$3,806,476</u>
EXPENDITURES:				
Personal Services	\$111,030	\$112,463	\$125,428	\$123,470
Operating Expense	47,955	151,167	173,000	311,594
Capital Outlay	2,905	704,752	0	3,300
Interfund Transfer	825,392	157,893	0	0
Fund Transfer to CRA CIP Fund	102,000	0	1,050,000	0
Administrative Charges	0	0	88,885	199,630
Debt Service	134,170	617,300	742,400	629,650
Budgeted Contingency	0	0	0	2,538,832
Totals	<u>\$1,223,452</u>	<u>\$1,743,575</u>	<u>\$2,179,713</u>	<u>\$3,806,476</u>
Total Expenditures	<u>\$1,223,452</u>	<u>\$1,743,575</u>	<u>\$2,179,713</u>	<u>\$3,806,476</u>
Contingency - Future Years	\$0	\$0	\$0	\$0
SURPLUS <DEFICIT>	<u>(\$198,531)</u>	<u>\$22,837</u>	<u>\$241,648</u>	<u>\$0</u>

CITY OF PORT ST. LUCIE
CRA DEPARTMENT - #5210000

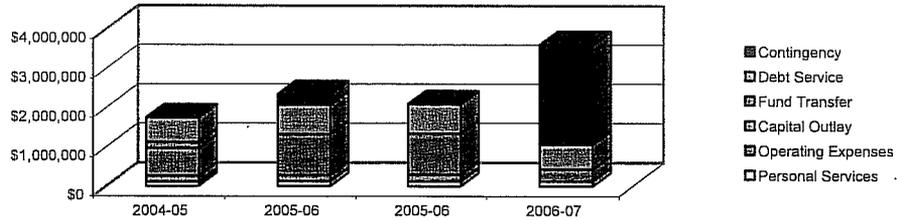
PERFORMANCE OBJECTIVES

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

CITY OF PORT ST. LUCIE
CRA FUND
DEPARTMENTAL BUDGET SUMMARY

DEPARTMENT: Community Redevelopment Agency -- #175-5210
 Glenn Vann, Community Redevelopment Director

CRA Budget Trends



EXPENDITURE SUMMARY:

	2004-05 AUDITED *****	2005-06 BUDGET *****	2005-06 ESTIMATED *****	2006-07 BUDGET *****
Personal Services	\$112,463	\$125,428	\$125,428	\$123,470
Operating Expenses	151,167	153,010	173,000	311,594
Capital Outlay	704,752	0	0	3,300
Fund Transfer	157,893	1,050,000	1,050,000	0
Administrative Charges	0	88,885	88,885	199,630
Debt Service	617,300	742,400	742,400	629,650
Land Purchase	0	0	0	0
Contingency	0	271,746	0	2,538,832
Total	\$1,743,575	\$2,431,469	\$2,179,713	\$3,806,476

STAFFING SUMMARY:

(Full Time Equivalent)	FY 2004-05 *****	FY 2005-06 *****	FY 2006-07 *****
CRA Director	1.00	1.00	1.00
Admin. Secretary	0.50	0.50	0.50
Total	1.50	1.50	1.50

CAPITAL OUTLAY:

Office Furniture	\$ 3,300
Total	\$ 3,300

CITY OF PORT ST. LUCIE
COMMUNITY REDEVELOPMENT AGENCY - #175
FY 2006-07

OBJ CODE	ACCOUNT DESCRIPTION	2003-04 AUDITED	2004-05 AUDITED	2005-06 ESTIMATED	2006-07 BUDGET
12-0	Salaries & Wages	\$83,446	\$76,028	\$89,082	\$86,797
14-0	Overtime	1,312	6,388	648	7,000
21-1	F.I.C.A.	5,796	5,378	5,559	5,736
21-2	Medicare	1,356	1,339	1,300	1,246
22-0	Retirement Contributions	8,498	6,864	8,336	9,714
23-0	Life & Health Ins.	10,041	15,188	18,064	9,675
24-0	Worker's Compensation	581	1,277	2,439	2,839
25-0	Unemployment Compensation	0	0	0	463
	TOTAL PERSONAL SERVICES	\$111,030	\$112,463	\$125,428	\$123,470
31-0	Professional Services	\$9,794	\$50,250	\$88,679	\$97,000
32-0	Accounting & Audit	0	0	312	0
34-0	Other Contractual Svcs.	30	645	2,420	2,500
40-4	Travel Expense	3,428	1,324	1,034	2,000
40-401	Travel - Car Allowance	3,600	3,300	5,400	5,400
41-0	Communications Service	752	552	1,237	1,400
42-0	Transportation	872	3,519	639	2,000
43-1	Electricity	0	9,410	7,989	0
43-2	Water	0	3,510	60	0
43-3	Sewer	0	6,428	78	0
45-0	Insurance	624	890	1,345	2,732
46-2	Repairs/Maint.-Office Equip.	20	1,621	51	600
47-0	Printing & Binding	719	2,650	1,306	2,500
49-0	Other Current Charges & Oblig.	17,036	55,978	138,326	377,992
51-0	Office Supplies	2,555	3,200	3,307	4,400
52-0	Operating Supplies	4,147	6,473	937	1,000
53-0	Holiday Display	0	0	6,500	7,000
54-0	Books, Public., Memberships	2,300	1,392	1,826	1,700
54-1	Training-Education	2,079	25	440	3,000
	TOTAL OPERATING EXPENSE	\$47,955	\$151,167	\$261,885	\$511,224
62-0	Buildings	\$0	\$704,752	\$0	\$0
64-2	Office Furniture	2,905	0	0	3,300
	TOTAL CAPITAL OUTLAY	\$2,905	\$704,752	\$0	\$3,300
71-0	Principal	\$0	\$180,000	\$200,000	\$300,000
72-0	Interest	\$134,170	\$437,300	\$542,400	\$329,650
	TOTAL DEBT SERVICE	\$134,170	\$617,300	\$742,400	\$629,650
01-0	Contingency	\$0	\$0	\$0	\$2,538,832
81-0	Fund Transfer	\$927,392	\$157,893	\$1,050,000	\$0
	TOTAL CAPITAL OUTLAY	\$927,392	\$157,893	\$1,050,000	\$2,538,832
	*TOTAL CRA *	\$1,223,452	\$1,743,575	\$2,179,713	\$3,806,476

**City Center SAD CIP Fund #356
-Project Detail Summary-**

***CRA/Downtown Development**

Description	Fiscal Year 2006-2007	Fiscal Year 2007-2008	Fiscal Year 2008-2009	Fiscal Year 2009-2010	Fiscal Year 2010-2011
Funding Source: Bond Proceeds					
Project:					
Construction Costs	\$ 22,436,984	\$ -	\$ -	\$ -	\$ -
Total	\$ 22,436,984	\$ -	\$ -	\$ -	\$ -

Project Completion Date: September 2008

Downtown - Construction Costs **FY 2006-07** **\$ 22,436,984**

Funding Source: Cash Carryforward/transfer **Annual Debt Service:** N/A **Annual Operating:** \$50,000
(staff costs/managing)

Project Description:
Construction of roads, utilities and improvements to Downtown area.

***CRA/Downtown Development**

Description	Fiscal Year 2006-2007	Fiscal Year 2007-2008	Fiscal Year 2008-2009	Fiscal Year 2009-2010	Fiscal Year 2010-2011
Funding Source: Bond Proceeds					
Project:					
Other related costs	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Total	\$ 20,000	\$ -	\$ -	\$ -	\$ -

Project Completion Date: September 2007

Other related costs **FY 2006-07** **\$ 20,000,000**

Funding Source: Bond Proceeds **Annual Debt Service:** N/A **Annual Operating:** N/A

Project Description:
Misc. costs related to improvements.

*** Division or Cost Center Project Assigned**

Note: Project Detail Summary does not include projects starting in fiscal years 2007-08 and beyond.

**CITY OF PORT ST. LUCIE
CITY CENTER SAD CIP FUND #356
FIVE YEAR PROJECTIONS
FY 2006-07**

	Budgeted 2006-2007	Projected 2007-2008	Projected 2008-2009	Projected 2009-2010	Projected 2010-2011
REVENUES:					
Budgeted Cash Carryforward (Bond Proceeds)	\$ 22,436,984	\$ -	\$ -	\$ -	\$ -
Interest Income	20,000	-	-	-	-
Totals	\$ 22,456,984	\$ -	\$ -	\$ -	\$ -
EXPENDITURES:					
<u>DOWNTOWN DEVELOPMENT</u>					
Other Contractual Services - Construction Costs	\$ 22,436,984	\$ -	\$ -	\$ -	\$ -
Other Fees	20,000	-	-	-	-
Totals	\$ 22,456,984	\$ -	\$ -	\$ -	\$ -
CRA FUND TOTALS	\$ 22,456,984	\$ -	\$ -	\$ -	\$ -
Contingency for Future Years	\$ -	\$ -	\$ -	\$ -	\$ -
SURPLUS/<DEFICIT>	\$ -	\$ -	\$ -	\$ -	\$ -

Community Redevelopment Agency Capital Improvement Fund #375

-Project Detail Summary-

***Community Redevelopment**

Description	Fiscal Year 2006-2007	Fiscal Year 2007-2008	Fiscal Year 2008-2009	Fiscal Year 2009-2010	Fiscal Year 2010-2011
Funding Source: Cash Carryforward					
Project:					
Maryann Cernuto Park	\$ 1,110,000	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,110,000	\$ -	\$ -	\$ -	\$ -

Project Completion Date: September 2007

CRA Development **FY 2006-07** **\$ 1,110,000**

Funding Source: Cash Carryforward **Annual Debt Service: N/A** **Annual Operating: \$5,000**
(staff costs, managing project)

Project Description:
Construction and Design of Maryann Cernuto Park

*** Division or Cost Center Project Assigned**

Note: Project Detail Summary does not include projects starting in fiscal years 2007-08 and beyond.

**CITY OF PORT ST. LUCIE
COMMUNITY REDEVELOPMENT AGENCY CAPITAL IMPROVEMENT BUDGET - #375
FIVE YEAR PROJECTIONS**

FY 2006-07

	Budgeted 2006-2007	Projected 2007-2008	Projected 2008-2009	Projected 2009-2010	Projected 2010-2011
REVENUES:					
Budgeted Cash Carryforward (Bond Proceeds)	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -
319 Grant	-	-	-	-	-
Fund Transfer from CRA #175 Fund	-	-	-	-	-
Interest Income	10,000	-	-	-	-
Totals	\$ 1,110,000	\$ -	\$ -	\$ -	\$ -
EXPENDITURES:					
<u>CRA IMPROVEMENTS</u>					
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual Services - Maryann Cermulo Park	1,110,000	-	-	-	-
Contractual Services - Wood Stock Trail	-	-	-	-	-
Operating Supplies	-	-	-	-	-
Land Purchase	-	-	-	-	-
Other Fees	-	-	-	-	-
Totals	\$ 1,110,000	\$ -	\$ -	\$ -	\$ -
CRA FUND TOTALS	\$ 1,110,000	\$ -	\$ -	\$ -	\$ -
Contingency for Future Years	\$ -	\$ -	\$ -	\$ -	\$ -
SURPLUS/<DEFICIT>	\$ -	\$ -	\$ -	\$ -	\$ -

**City Center CIP Fund #377
-Project Detail Summary-**

***CRA/Downtown Development**

Description	Fiscal Year 2006-2007	Fiscal Year 2007-2008	Fiscal Year 2008-2009	Fiscal Year 2009-2010	Fiscal Year 2010-2011
-------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Funding Source: Cash Carryforward (bond proceeds)/Cash Carryforward

Project:					
City Center Building	\$ 25,000,000	\$ -	\$ -	\$ -	\$ -
Total	\$ 25,000,000	\$ -	\$ -	\$ -	\$ -

Project Completion Date: September 2008

Construction of Civic Center FY 2006-07 \$ 25,000,000

Funding Source: Cash Carryforward/ Annual Debt Service: N/A Annual Operating: \$25,000 (staff costs)

Project Description:
Engineering and construction costs of Civic Center.

***CRA/Downtown Development**

Description	Fiscal Year 2006-2007	Fiscal Year 2007-2008	Fiscal Year 2008-2009	Fiscal Year 2009-2010	Fiscal Year 2010-2011
-------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Funding Source: Cash Carryforward

Project:					
Capital Projects	\$ 29,473,113	\$ -	\$ -	\$ -	\$ -
Total	\$ 29,473,113	\$ -	\$ -	\$ -	\$ -

Project Completion Date: August 2008

Misc. Capital Projects FY 2006-07 \$ 29,473,113

Funding Source: Cash Carryforward Annual Debt Service: N/A Annual Operating: \$25,000 (staff costs)

Project Description:
Engineering and construction costs for misc. capital projects in City Center area.

***CRA/Downtown Development**

Description	Fiscal Year 2006-2007	Fiscal Year 2007-2008	Fiscal Year 2008-2009	Fiscal Year 2009-2010	Fiscal Year 2010-2011
-------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Funding Source: Cash Carryforward

Project:					
Land Purchase	\$ 3,280,000	\$ -	\$ -	\$ -	\$ -
Total	\$ 3,280,000	\$ -	\$ -	\$ -	\$ -

Project Completion Date: August 2008

Land Purchase FY 2006-07 \$ 3,280,000

Funding Source: Cash Carryforward Annual Debt Service: N/A Annual Operating: \$5,000

Project Description:
Land Purchases in the City Center area for Parking Garage, etc.

* Division or Cost Center Project Assigned.

Note: Project Detail Summary does not include projects starting in fiscal years 2007-08 and beyond.

**CITY OF PORT ST. LUCIE
CITY CENTER CIP FUND #377
FIVE YEAR PROJECTIONS
FY 2006-07**

	Budgeted 2006-2007	Projected 2007-2008	Projected 2008-2009	Projected 2009-2010	Projected 2010-2011
REVENUES:					
Budgeted Cash Carryforward (Bond Proceeds)	\$ 54,466,700	\$ -	\$ -	\$ -	\$ -
Budgeted Cash Carryforward	13,653,113	4,555,583	1,822,233		
Fund Transfer from CRA #175 Fund	-	-	-	-	-
Interest Income	200,000	-	-	-	-
Totals	\$ 68,319,813	\$ 4,555,583	\$ 1,822,233	\$ -	\$ -
EXPENDITURES:					
<u>DOWNTOWN DEVELOPMENT</u>					
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings - City Center	25,000,000	-	-	-	-
Capital Projects @ City Center	29,473,113				
Land Purchase	3,280,000	-	-	-	-
Interfund Transfer City Center Debt Service Fund #177 (repay BAN)	5,100,000	-	-	-	-
Interfund Transfer to CRA CIP Fund #377 (pay capitalized interest)	911,117	2,733,350	1,822,233	-	-
Other Fees	-	-	-	-	-
Totals	\$ 63,764,230	\$ 2,733,350	\$ 1,822,233	\$ -	\$ -
CRA FUND TOTALS	\$ 63,764,230	\$ 2,733,350	\$ 1,822,233	\$ -	\$ -
Contingency for Future Years	\$ 4,555,583	\$ 1,822,233	\$ (0)	\$ -	\$ -
SURPLUS/<DEFICIT>	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT "D"
EXCERPTS OF THE CITY OF PORT ST. LUCIE COMPREHENSIVE ANNUAL FINANCIAL
REPORT (THE "CAFR") FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2007

CITY OF PORT ST. LUCIE, FLORIDA

Balance Sheet
Governmental Funds
September 30, 2007

	General	Debt Service Fund	Water & Sewer Collection Fund USA 3 & 4	Community Redevelopment Fund
Assets				
Cash and Cash Equivalents	\$ 23,005	\$ -	\$ -	\$ -
Equity in Pooled Cash	15,042,588	-	-	208,192
Investments	-	-	-	-
Receivables	1,344,469	-	-	-
Assessments Receivable	-	-	36,524,643	-
Due From Other Funds	192,226	-	-	-
Due From Other Governmental Units	1,483,133	1,421	18,740	-
Prepaid Items	926,843	-	-	1,915
Deposits	50,106	-	-	-
Inventories	40,346	-	-	-
Restricted Assets:				
Equity in Pooled Cash	75,498	724,490	143,752	1,109,891
Investments	-	-	-	-
Receivables	-	-	-	-
Total assets	\$ 19,178,214	\$ 725,911	\$ 36,687,135	\$ 1,319,998
Liabilities and fund balances				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 682,861	\$ -	\$ -	\$ 8,395
Accrued Salaries and Wages	1,480,371	-	-	5,050
Due To Other Funds	40,921	-	-	-
Deposits	46,888	-	-	-
Arbitrage Rebate Payable	-	-	-	-
Deferred Revenue	1,133,090	-	36,524,643	5,180
Payables from Restricted Assets	-	-	-	-
Retainage Payable from Restricted Assets	-	-	-	-
Total liabilities	3,384,131	-	36,524,643	18,625
Fund balances:				
Reserved for:				
Encumbrances	73,230	-	-	11,670
Inventories	40,346	-	-	-
Prepays	976,949	-	-	1,915
Unreserved, designated for, reported in:				
Special Revenue Funds	-	-	162,492	1,287,788
Capital Project Funds	-	-	-	-
Debt Service Fund	-	725,911	-	-
Unreserved, undesignated, reported in:				
General Fund	14,703,558	-	-	-
Special Revenue Funds	-	-	-	-
Capital Project Funds	-	-	-	-
Total fund balances	15,794,083	725,911	162,492	1,301,373
Total liabilities and fund balances	\$ 19,178,214	\$ 725,911	\$ 36,687,135	\$ 1,319,998

Community Redevelopment TIF CIP Fund	Capital Improvement Road & Bridge Fund	Crosstown Parkway Fund	Capital SW Annexation District 1 Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 1,125	\$ 24,130
462,558	12,638,158	10,803,780	50,735,344	22,961,836	112,852,456
-	15,070,301	-	10,312,899	-	25,383,200
-	90,452	2,200,000	15,011,144	591	18,646,656
-	-	-	-	104,882,278	141,406,921
-	-	-	-	41,456	233,682
-	271,765	73,992	-	585,553	2,434,604
-	-	-	-	236,970	1,165,728
-	-	-	-	8,342	58,448
-	-	-	-	-	40,346
43,926,188	-	30,779,539	9,808,496	66,091,156	152,659,010
-	-	33,931,187	-	-	33,931,187
-	-	452,124	-	-	452,124
<u>\$ 44,388,746</u>	<u>\$ 28,070,676</u>	<u>\$ 78,240,622</u>	<u>\$ 85,867,883</u>	<u>\$ 194,809,307</u>	<u>\$ 489,288,492</u>

\$ -	\$ 409,483	\$ -	\$ -	\$ 818,964	\$ 1,919,703
-	-	-	-	271,187	1,756,608
-	3,994	-	419	82,986	128,320
-	-	-	-	44,247	91,135
-	-	-	-	174,253	174,253
-	40,000	2,200,000	15,000,000	108,433,062	163,335,975
2,229,006	892,827	2,268,150	3,159,680	7,952,124	16,501,787
-	230,955	55,325	-	290,532	576,812
<u>2,229,006</u>	<u>1,577,259</u>	<u>4,523,475</u>	<u>18,160,099</u>	<u>118,067,355</u>	<u>184,484,593</u>

17,699,299	9,019,321	24,850,767	42,331,561	47,258,966	141,244,814
-	-	-	-	-	40,346
-	-	-	-	245,312	1,224,176
-	-	-	-	21,602,015	23,052,295
24,460,441	17,474,096	48,866,380	25,376,223	7,989,302	124,166,442
-	-	-	-	-	725,911
-	-	-	-	-	14,703,558
-	-	-	-	(390,326)	(390,326)
-	-	-	-	36,683	36,683
<u>42,159,740</u>	<u>26,493,417</u>	<u>73,717,147</u>	<u>67,707,784</u>	<u>76,741,952</u>	<u>304,803,899</u>
<u>\$ 44,388,746</u>	<u>\$ 28,070,676</u>	<u>\$ 78,240,622</u>	<u>\$ 85,867,883</u>	<u>\$ 194,809,307</u>	<u>\$ 489,288,492</u>

CITY OF PORT ST. LUCIE, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2007

	General	Debt Service Fund	Water & Sewer Collection Fund USA 3 & 4	Community Redevelopment Fund
Revenues				
Taxes	\$ 46,514,282	\$ 11,714,827	\$ -	\$ -
Licenses and Permits	1,388,296	-	-	-
Intergovernmental	9,015,820	-	-	2,475,218
Charges for Services	1,761,826	-	2,438,047	16,214
Human Services	116,300	-	-	-
Fines and Forfeitures	846,003	-	-	-
Interest on Investments	1,109,586	367,193	97,050	148,931
Interest on Special Assessments	-	-	2,342,953	-
Impact Fees	665,444	-	-	-
Developers Contributions	123,558	-	-	-
Other	1,401,623	-	47,381	12,117
Total revenues	62,942,738	12,082,020	4,925,431	2,652,480
Expenditures				
Current:				
General Government	6,165,268	-	-	-
Public Safety	34,011,157	-	-	-
Physical Environment	773,356	-	96,970	-
Transportation	17,599	3,389	386	-
Economic Environment	177,248	-	-	499,660
Human Services	1,546,693	-	-	-
Culture and Recreation	7,366,624	-	-	-
Capital Outlay	3,052,270	-	-	912,763
Debt Service:				
Principal	2,680,110	200,000	3,500,000	415,000
Interest	385,016	3,917,904	1,377,667	1,614,982
Total expenditures	56,175,341	4,121,293	4,975,023	3,442,405
Excess (deficiency) of revenues over (under) expenditures	6,767,397	7,960,727	(49,592)	(789,925)
Other financing sources (uses)				
Transfers In	1,431,563	-	-	3,162,089
Transfers Out	(5,428,075)	(7,288,925)	-	(1,380,000)
Issuance of Debt	-	-	-	-
Premium on Issuance of Debt	-	-	-	-
Discount on Issuance of Debt	-	-	-	-
Total other financing sources (uses)	(3,996,512)	(7,288,925)	-	1,782,089
Net change in fund balances	2,770,885	671,802	(49,592)	992,164
Fund balance - beginning	13,023,198	54,109	212,084	309,209
Fund balance - ending	\$ 15,794,083	\$ 725,911	\$ 162,492	\$ 1,301,373

Community Redevelopment CIP Fund	Capital Improvement Road & Bridge Fund	Crosstown Parkway Fund	Capital SW Annexation District 1 Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 5,836,705	\$ -	\$ -	\$ 3,202,016	\$ 67,267,830
-	-	-	-	4,358,998	5,747,294
-	5,042,453	(178,357)	-	12,213,973	28,569,107
-	-	-	-	9,193,401	13,409,488
-	-	-	-	-	116,300
-	-	-	-	304,628	1,150,631
1,959,230	3,601,827	3,721,721	975,031	5,228,255	17,208,824
-	-	-	-	6,543,956	8,886,909
-	6,629,132	256,334	-	3,169,097	10,720,007
250,000	318,053	1,100,000	10,379,489	82,143	12,253,243
898	1,056,235	373,298	-	577,348	3,468,900
<u>2,210,128</u>	<u>22,484,405</u>	<u>5,272,996</u>	<u>11,354,520</u>	<u>44,873,815</u>	<u>168,798,533</u>
-	-	-	-	6,697,111	12,862,379
-	-	-	-	148,986	34,160,143
-	-	-	-	407,135	1,277,461
-	5,372,303	102,184	162,812	8,321,306	13,979,979
-	-	-	-	5,795,198	6,472,106
-	-	-	-	-	1,546,693
-	-	-	-	17,764	7,384,388
13,445,684	10,182,730	24,029,214	8,581,095	44,660,366	104,864,122
5,000,000	-	-	-	19,341,049	31,136,159
131,496	-	-	-	9,387,478	16,814,543
<u>18,577,180</u>	<u>15,555,033</u>	<u>24,131,398</u>	<u>8,743,907</u>	<u>94,776,393</u>	<u>230,497,973</u>
<u>(16,367,052)</u>	<u>6,929,372</u>	<u>(18,858,402)</u>	<u>2,610,613</u>	<u>(49,902,578)</u>	<u>(61,699,440)</u>
6,931,329	3,012,434	8,588,925	55,097,171	15,735,015	93,958,526
(2,724,379)	(60,055,251)	(1,430,363)	-	(19,294,929)	(97,601,922)
46,450,000	1,000,000	-	10,000,000	79,380,000	136,830,000
2,212,530	-	-	-	-	2,212,530
-	-	-	-	(383,971)	(383,971)
<u>52,869,480</u>	<u>(56,042,817)</u>	<u>7,158,562</u>	<u>65,097,171</u>	<u>75,436,115</u>	<u>135,015,163</u>
36,502,428	(49,113,445)	(11,699,840)	67,707,784	25,533,537	73,315,723
5,657,312	75,606,862	85,416,987	-	51,208,415	231,488,176
<u>\$ 42,159,740</u>	<u>\$ 26,493,417</u>	<u>\$ 73,717,147</u>	<u>\$ 67,707,784</u>	<u>\$ 76,741,952</u>	<u>\$ 304,803,899</u>

CITY OF PORT ST. LUCIE, FLORIDA
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2007

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 155,315 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, 2007

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, 2007.

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, 2007

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.

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

Port St. Lucie Community Redevelopment Agency Fund - to account for revenues and expenditures of the Community Redevelopment Agency established for the purpose of improving the economic and social conditions within a specific boundary.

Community Redevelopment Agency Capital Improvement Fund - to account for the financial resources and expenditures for the construction of infrastructure, water, sewer and recreational improvements within the community redevelopment area.

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

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

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

Proprietary Funds

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

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

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

CITY OF PORT ST. LUCIE, FLORIDA
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2007

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>
<u>Governmental Activities</u>						
General	\$ 23,005	\$ 15,042,588	\$ -	\$ -	\$ 75,498	\$ 15,141,091
GO Bond Debt Service	-	-	-	-	724,490	724,490
Water and Sewer Assessment Collection Fund USA 3 & 4	-	-	-	-	143,752	143,752
Community Redevelopment	-	208,192	-	-	1,109,891	1,318,083
Community Redevelopment TIF CIP	-	462,558	-	-	43,926,188	44,388,746
Capital Improvement Road & Bridge	-	12,638,158	15,070,301	-	-	27,708,459
Crosstown Parkway	-	10,803,780	-	33,931,187	30,779,539	75,514,506
Capital SW Annexation District 1	-	50,735,344	10,312,899	-	9,808,496	70,856,739
Nonmajor Governmental Funds	1,125	22,961,836	-	-	66,091,156	89,054,117
Total Governmental	<u>24,130</u>	<u>112,852,456</u>	<u>25,383,200</u>	<u>33,931,187</u>	<u>152,659,010</u>	<u>324,849,983</u>
<u>Business Type Activities</u>						
Utility System Fund	4,750	31,817,995	41,417,403	122,493,111	12,107,689	207,840,948
Stormwater Utility Fund	1,200	4,484,912	-	-	310,102	4,796,214
Golf Course Fund	500	10,919	-	-	-	11,419
Total Business-Type	<u>6,450</u>	<u>36,313,826</u>	<u>41,417,403</u>	<u>122,493,111</u>	<u>12,417,791</u>	<u>212,648,581</u>
	30,580	149,166,282	66,800,603	156,424,298	165,076,801	537,498,564
<u>Internal Service Fund</u>						
Medical Trust Fund	-	30,511	-	-	-	30,511
Total Fiduciary Fund	<u>-</u>	<u>30,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,511</u>
TOTAL	<u>\$ 30,580</u>	<u>\$ 149,196,793</u>	<u>\$ 66,800,603</u>	<u>\$ 156,424,298</u>	<u>\$ 165,076,801</u>	<u>\$ 537,529,075</u>

CITY OF PORT ST. LUCIE, FLORIDA
 NOTES TO COMBINED FINANCIAL STATEMENTS
 September 30, 2007

E. CONSTRUCTION COMMITMENTS

The City has outstanding commitments for engineering and construction projects in process. Those commitments are approximated for the respective funds at September 30, 2007:

General Fund	\$	49,595
Community Redevelopment Fund		11,670
Capital Improvement Road & Bridge Fund		9,004,899
Crosstown Parkway Fund		24,850,766
Capital SW Annexation District 1 Fund		42,331,561
Community Redevelopment Fund TIF CIP Fund		17,420,849
Nonmajor Governmental Funds		47,232,814
Stormwater Utility		512,936
Utility System		37,187,258
		\$ 178,602,348

F. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Receivable Fund	Payable Fund	Amount
Nonmajor Governmental Funds	General Fund	\$ 4,172
General Fund	Nonmajor Governmental Funds	40,851
Nonmajor Governmental Funds	Nonmajor Governmental Funds	36,446
General Fund	Capital SW Annexation District 1 Fund	419
General Fund	Golf Course Fund	49,508
General Fund	Utility System Fund	101,448
Nonmajor Governmental Funds	Capital Improvement Road & Bridge Fund	329
Nonmajor Governmental Funds	Utility System Fund	509
Stormwater Utility Fund	Nonmajor Governmental Funds	5,689
Stormwater Utility Fund	Capital Improvement Road & Bridge Fund	3,665
Internal Service Fund	General Fund	36,749
		\$ 279,785

All remaining balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

CITY OF PORT ST. LUCIE, FLORIDA
 NOTES TO COMBINED FINANCIAL STATEMENTS
 September 30, 2007

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

The following is a summary of interfund transfers:

<u>Transfers In Fund</u>	<u>Transfers Out Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 931,563
General Fund	Community Redevelopment CIP	500,000
Nonmajor Governmental Funds	Capital Improvement R & B	4,821,781
Nonmajor Governmental Funds	Crosstown Parkway	1,430,363
Nonmajor Governmental Funds	General Fund	287,108
Nonmajor Governmental Funds	Nonmajor Governmental Funds	9,195,763
Community Redevelopment Fund	General Fund	726,638
Community Redevelopment Fund	Nonmajor Governmental Funds	74,773
Community Redevelopment Fund	Capital Improvement Road & Bridge Fund	136,299
Community Redevelopment Fund	Community Redevelopment TIF CIP Fund	2,224,379
Capital Improvement Road & Bridge Fund	Community Redevelopment Fund	580,000
Capital Improvement Road & Bridge Fund	Nonmajor Governmental Funds	1,105,387
Capital Improvement Road & Bridge Fund	Utility System Fund	1,327,047
Crosstown Parkway Fund	Go Bond Debt Service Fund	7,288,925
Crosstown Parkway Fund	Utility System Fund	1,300,000
Community Redevelopment TIF CIP Fund	General Fund	4,414,329
Community Redevelopment TIF CIP Fund	Community Redevelopment Fund	800,000
Community Redevelopment TIF CIP Fund	Nonmajor Governmental Funds	1,717,000
Golf Course Fund	Nonmajor Governmental Funds	1,952,523
Utility System Fund	Nonmajor Governmental Funds	4,317,920
Capital SW Annexation District 1 Fund	Capital Improvement Road & Bridge Fund	55,097,171
		<u>\$ 100,228,969</u>

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

CITY OF PORT ST. LUCIE, FLORIDA
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2007

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, 2007:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Local Option Gas Tax Bonds, Series 1996	\$ 1,750,000	\$ -	\$ 1,750,000	\$ -	\$ -
Certificates of Participation, Series 1997	2,440,000	-	2,440,000	-	-
Sales Tax Refunding and Improvement Revenue Bonds, Series 1998	7,395,000	-	2,565,000	4,830,000	-
Local Option Gas Tax Bonds, Series 2000	6,945,000	-	1,265,000	5,680,000	1,325,000
Series 2004	17,295,000	-	625,000	16,670,000	640,000
Sales Tax Improvement Revenue Bonds, Series 2003	18,145,000	-	620,000	17,525,000	635,000
Loan Payable	301,519	-	71,392	230,127	75,072
Lease Payable	43,718	-	43,718	-	-
Revenue Anticipation Note 2003	6,456,881	-	1,571,049	4,885,832	1,599,485
Certificates of Participation, Series 2004	5,085,000	-	235,000	4,850,000	240,000
Certificates of Participation, Series 2007	-	44,560,000	-	44,560,000	-
CRA Tax Increment Bonds, Series 2004	11,380,000	-	415,000	10,965,000	475,000
CRA Tax Increment Bonds, Series 2006	-	46,450,000	-	46,450,000	-
General Obligation Bonds, Series 2005	44,780,000	-	100,000	44,680,000	100,000
General Obligation Bonds, Series 2006	44,545,000	-	100,000	44,445,000	100,000
Improvement Revenue Note, Series 2006A	100,000	1,000,000	-	1,100,000	1,100,000
Improvement Revenue Note, Series 2006B	100,000	-	100,000	-	-
CRA Bond Anticipation Note	5,000,000	-	5,000,000	-	-
Improvement Revenue Note, Series 2007	-	3,000,000	3,000,000	-	-
Bond Anticipation Note, Series 2007	-	10,000,000	-	10,000,000	10,000,000
Special Assessment District Bonds:					
Series 1997A	5,155,000	-	1,350,000	3,805,000	-
Series 1998A	28,970,000	-	3,500,000	25,470,000	-
Series 2001A, South Lennard Road	2,630,000	-	170,000	2,460,000	-
Series 2001D	30,465,000	-	2,005,000	28,460,000	-
Series 2002 A & B, River Point	6,805,000	-	700,000	6,105,000	-
Series 2003 A & B, Tesoro	26,090,000	-	1,550,000	24,540,000	-
Series 2003 C, Glassman	8,220,000	-	740,000	7,480,000	-
Series 2003 D, East Lake Village	9,285,000	-	580,000	8,705,000	-
Series 2005 A	18,675,000	-	50,000	18,625,000	540,000
Series 2005 B	3,645,000	-	245,000	3,400,000	-
Series 2006A	-	25,185,000	-	25,185,000	-
Series 2007A	-	6,635,000	345,000	6,290,000	80,000
	311,702,118	136,830,000	31,136,159	417,395,959	16,909,557
Compensated Absences	6,817,741	3,750,046	3,271,769	7,296,018	729,602
Unamortized Bond Premium/Discount & Loss on Defeasance	3,214,110	1,932,990	415,047	4,732,053	-
Due Within One Year	(7,072,933)			(17,639,159)	-
	<u>\$ 314,661,036</u>	<u>\$ 142,513,036</u>	<u>\$ 34,822,975</u>	<u>\$ 411,784,871</u>	<u>\$ 17,639,159</u>

CITY OF PORT ST. LUCIE, FLORIDA
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2007

G. LONG-TERM DEBT (CONTINUED)

Governmental Activities Debt (continued):

\$8,000,000 Improvement Revenue Notes, Series 2003 – payable from and secured by a lien upon and pledge of the City's covenant to budget and appropriate non-ad valorem revenues sufficient to meet current debt service, due in semiannual principal installments of \$1,687,919 plus interest semiannually at a rate of 3.62% through November 2009. Proceeds to finance construction of roadway widening and drainage improvements.

\$5,860,000 Certificate of Participation, Florida Master Lease Project, Series 2004 (Public Buildings Project) – payable from the limited and special obligation of the City to make rent payments on the multiple public buildings subject to annual appropriation, due in annual principal installments ranging from \$240,000 to \$395,000 plus interest semiannually at a rate ranging from 2.00% to 4.25% through September 2023. Proceeds to finance construction of a police building, animal shelter, and administration complex.

\$44,560,000 Certificate of Participation, Florida Master Lease Project, Series 2007 (Municipal Complex Project) – payable from the limited and special obligation of the City to make rent payments on the multiple public buildings subject to annual appropriation, due in annual principal installments ranging from \$1,620,000 to \$3,250,000 plus interest semiannually at a rate of 3.678% through September 2027. Proceeds to finance construction and improvements related to the medical research facility area of the City.

\$11,870,000 Redevelopment Trust Fund Revenue Bonds, Series 2004 – payable from and collateralized by a lien upon and pledge of the net tax increment revenues generated in the Community Redevelopment Area, due in annual principal installments ranging from \$475,000 to \$915,000 plus interest semiannually at a rate ranging from 2.25% to 5.0% through January 2023. Proceeds to finance infrastructure improvements in the CRA.

\$46,450,000 Redevelopment Trust Fund Revenue Bonds, Series 2006 – payable from and collateralized by a lien upon and pledge of the net tax increment revenues generated in the Community Redevelopment Area, due in annual principal installments ranging from \$700,000 to \$6,285,000 plus interest semiannually at a rate ranging from 3.625% to 5.0% through January 2026. To finance property acquisition and construction related to the planned Civic Center to be located within the Community Redevelopment Area.

\$49,285,000 General Obligation Bonds, Series 2005 – due in annual principal installments ranging from \$100,000 to \$3,140,000 plus interest ranging from 3.0% to 5.0% through July 2035. To finance a portion of the construction of the Cross Town Parkway.

\$44,545,000 General Obligation Bonds, Series 2006 – due in annual principal installments ranging from \$100,000 to \$3,155,000 plus interest semiannually at a rate ranging from 4.0% to 5.0% through July 2035. To finance additional phase of Cross Town Parkway.

CITY OF PORT ST. LUCIE, FLORIDA
NOTES TO COMBINED FINANCIAL STATEMENTS
September 30, 2007

G. LONG-TERM DEBT (CONTINUED)

Governmental Activities Debt (continued):

\$10,000,000 Improvement Revenue Note, Series 2006A (Road Improvement Project) – payable from and secured by a covenant to budget and appropriate from non-ad valorem revenue amounts necessary to pay the annual debt service. Proceeds were used for construction of roadway improvements and an interstate highway interchange.

\$10,000,000 Bond Anticipation Note, Series 2007 (Southwest Annexation Special Assessment District) – payable from and collateralized by a lien upon and pledge of the special assessments generated in the southwest district phase 1. The Note is due on June 1, 2012 and bears interest at the rate of 4.72%. Subsequent to year end, the note was paid from partial proceeds of the Special Assessment Bonds, Series 2007B (Southwest Annexation Special District No. 1). Proceeds for infrastructure improvements in the SAD.

Special Assessment Debt with Government Commitment:

\$17,955,000 Special Assessment Bonds, Series 1997A (Water and Sewer Assessment District #1, Phase II) - payable from assessments levied on subject properties within the service area, due in annual principal installments ranging from \$335,000 to \$1,220,000 plus interest ranging from 2.6% to 2.7% through October, 2014. Due to the early call of certain bonds, no principal payments are due until October, 2011. The City has a secondary obligation to budget sufficient revenues to cover the annual debt service requirements if the amounts within the fund are not available to meet the coming payment.

\$65,455,000 Special Assessment Bonds, Series 1998A (Utilities Service Area 3 & 4) - payable from assessments levied on subject properties within the service area, due in annual principal installments ranging from \$3,125,000 to \$4,915,000 plus interest ranging from 4.5% to 5.0% through October, 2018. Due to the early call of certain bonds, no principal payments are due until October 2013. 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 \$130,000 to \$310,000 plus interest of 6.375% and 7.125% through September 2021. Due to the early call of certain bonds, no principal payments are due until September, 2011. 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

Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual - Community Redevelopment Agency Fund
 Year Ended September 30, 2007

	Original Budget	Final Budget	Actual	Encumbrances		Actual on Budgetary Basis	Variance With Final Positive (Negative)
				2006	2007		
Revenues:							
Intergovernmental	\$ 2,570,022	\$ 2,475,218	\$ 2,475,218	\$ -	\$ -	\$ 2,475,218	\$ 0
Charges for Services	-	19,153	16,214	-	-	16,214	(2,940)
Interest Income	15,000	140,000	148,931	-	-	148,931	8,931
Other	-	-	12,117	-	-	12,117	12,117
Total Revenue	2,585,022	2,634,371	2,652,480	-	-	2,652,480	18,109
Expenditures:							
Downtown Development							
Personal Services	123,470	149,714	139,297	-	-	139,297	10,417
Operating Expenses	511,224	538,943	360,363	20,039	11,670	372,033	166,910
Capital Outlay	3,300	912,765	912,763	-	-	912,763	2
Total Downtown Development	637,994	1,601,422	1,412,423	20,039	11,670	1,424,093	177,329
Debt Service:							
Principal	300,000	300,000	415,000	-	-	415,000	(115,000)
Interest	329,650	2,764,529	1,614,982	-	-	1,614,982	1,149,547
Total Debt Service	629,650	3,064,529	2,029,982	-	-	2,029,982	1,034,547
Total Expenditures	1,267,644	4,665,951	3,442,405	20,039	11,670	3,454,075	1,211,876
Excess of Revenues over (under) expenditures	1,317,378	(2,031,580)	(789,925)	(20,039)	(11,670)	(801,595)	1,229,985
Other Financing Sources (Uses)							
Transfers In	1,221,454	3,435,738	3,162,089	-	-	3,162,089	273,649
Transfers Out	-	(1,380,000)	(1,380,000)	-	-	(1,380,000)	-
Total Other Financing Sources (Uses)	1,221,454	2,055,738	1,782,089	-	-	1,782,089	273,649
Net Change in Fund Balance	\$ 2,538,832	\$ 24,158	992,164	\$ (20,039)	\$ (11,670)	\$ 980,494	\$ 1,503,634
Fund Balance - beginning			309,209				
Fund Balance - ending			\$ 1,301,373				

CITY OF PORT ST. LUCIE, FLORIDA

**Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2007**

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets			
Cash and Cash Equivalents	\$ 1,125	\$ -	\$ 1,125
Equity in Pooled Cash	14,957,276	8,004,560	22,961,836
Receivables	93	498	591
Assessments Receivable	104,882,278	-	104,882,278
Due From Other Funds	41,456	-	41,456
Due From Other Governmental Units	585,536	17	585,553
Prepaid Items	236,720	250	236,970
Deposits	8,342	-	8,342
Restricted Assets:			
Equity in Pooled Cash	10,873,568	55,217,588	66,091,156
Total assets	<u>\$ 131,586,394</u>	<u>\$ 63,222,913</u>	<u>\$ 194,809,307</u>
Liabilities and fund balances			
Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 746,124	\$ 72,840	\$ 818,964
Accrued Salaries and Wages	271,187	-	271,187
Due To Other Funds	82,736	250	82,986
Deposits	44,247	-	44,247
Arbitrage Rebate Payable	3,958	170,295	174,253
Deferred Revenue	108,433,062	-	108,433,062
Payables from Restricted Assets	7,405	7,944,719	7,952,124
Retainage Payable from Restricted Assets	-	290,532	290,532
Total liabilities	<u>109,588,719</u>	<u>8,478,636</u>	<u>118,067,355</u>
Fund balances:			
Reserved for:			
Encumbrances	540,924	46,718,042	47,258,966
Prepays	245,062	250	245,312
Unreserved, designated for, reported in:			
Special Revenue Funds	21,602,015	-	21,602,015
Capital Project Funds	-	7,989,302	7,989,302
Unreserved, undesignated, reported in:			
Special Revenue Funds	(390,326)	-	(390,326)
Capital Project Funds	-	36,683	36,683
Total fund balances	<u>21,997,675</u>	<u>54,744,277</u>	<u>76,741,952</u>
Total liabilities and fund balances	<u>\$ 131,586,394</u>	<u>\$ 63,222,913</u>	<u>\$ 194,809,307</u>

NONMAJOR GOVERNMENT FUNDS

SPECIAL REVENUE FUNDS

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

The City maintains the following Special Revenue Funds:

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

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

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

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

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

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

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

Water & Sewer Assessment Collection Fund - USA 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.

Real Estate Revolving Fund - to account for revenues and expenditures associated with the purchase and resale of surplus land for the City's immediate and future needs.

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

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

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

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

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

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

CAPITAL PROJECTS FUNDS

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

The City maintains the following Capital Projects Funds:

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

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

Certificate of Participation (COP) Capital Improvement Fund - to account for the financial resources and expenditures associated with the construction of buildings for use by the City's police department, by the building department, by the City Clerk for record storage, by the City as an animal shelter and the acquisition of land for parking facilities for City Hall.

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

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

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

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

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

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

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

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

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

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

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

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 September 30, 2007

	Road and Bridge Fund	Lighting District Fund	Law Enforcement Impact Fund	Governmental Finance Fund	Building Department Fund
Assets					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,125
Equity in Pooled Cash	149,417	98,811	134,131	88,628	2,700,829
Receivables	-	-	-	-	-
Assessments Receivable	-	-	-	-	-
Due From Other Funds	5,010	-	-	-	250
Due From Other Governmental Units	518,866	36	-	-	2,457
Prepaid Items	87,170	-	-	-	144,314
Deposits	5,285	-	-	-	3,019
Restricted Assets:					
Equity in Pooled Cash	10,438	-	-	4,650,963	-
Total assets	\$ 776,186	\$ 98,847	\$ 134,131	\$ 4,739,591	\$ 2,851,994
Liabilities and fund balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ 135,839	\$ 11,550	\$ 389	\$ -	\$ 414,556
Accrued Salaries and Wages	121,989	-	-	-	132,136
Due To Other Funds	5,689	-	-	-	-
Deposits	44,247	-	-	-	-
Arbitrage Rebate Payable	-	-	-	3,958	-
Deferred Revenue	-	-	-	-	97,960
Payables from Restricted Assets	-	-	-	104	-
Total liabilities	307,764	11,550	389	4,062	644,652
Fund balances:					
Reserved for:					
Encumbrances	45,227	-	-	-	-
Prepays	92,455	-	-	-	147,333
Unreserved, designated for, reported in:					
Special Revenue Funds	330,740	87,297	133,742	4,735,529	2,060,009
Unreserved, undesignated, reported in:					
Special Revenue Fund	-	-	-	-	-
Total fund balances	468,422	87,297	133,742	4,735,529	2,207,342
Total liabilities and fund balances	\$ 776,186	\$ 98,847	\$ 134,131	\$ 4,739,591	\$ 2,851,994

Water & Sewer Assessment Collection Funds				Other Assessment Collection Funds				Page Total
Phase I	Phase II	USA 5- 6- 7A	USA 9	S. Lennard Rd.	Riverpoint	Tesoro	Glassman	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,125
-	-	-	-	-	924,235	-	-	4,096,051
2,510,182	9,274,701	30,636,199	3,822,740	2,973,969	7,577,986	28,612,481	9,205,835	94,614,093
-	-	-	-	-	-	-	-	5,260
55	8,507	8,882	40	32	83	2,450	121	541,529
-	-	-	-	-	-	-	-	231,484
-	-	-	-	-	-	-	-	8,304
679,284	47,336	92,403	36,448	513,115	932,128	987,053	1,102,158	9,051,326
<u>\$ 3,189,521</u>	<u>\$ 9,330,544</u>	<u>\$ 30,737,484</u>	<u>\$ 3,859,228</u>	<u>\$ 3,487,116</u>	<u>\$ 9,434,432</u>	<u>\$ 29,601,984</u>	<u>\$ 10,308,114</u>	<u>108,549,172</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 562,334
-	-	-	-	-	-	-	-	254,125
-	-	-	-	-	-	-	-	5,689
-	-	-	-	-	-	-	-	44,247
-	-	-	-	-	-	-	-	3,958
2,510,183	9,274,701	30,636,199	3,822,740	3,067,055	7,577,986	28,612,481	9,205,835	94,805,140
-	-	-	-	-	628	6,673	-	7,405
<u>2,510,183</u>	<u>9,274,701</u>	<u>30,636,199</u>	<u>3,822,740</u>	<u>3,067,055</u>	<u>7,578,614</u>	<u>28,619,154</u>	<u>9,205,835</u>	<u>95,682,898</u>
-	-	-	-	-	-	-	-	45,227
-	-	-	-	-	-	-	-	239,788
679,338	55,843	101,285	36,488	420,061	1,855,818	982,830	1,102,279	12,581,259
-	-	-	-	-	-	-	-	-
<u>679,338</u>	<u>55,843</u>	<u>101,285</u>	<u>36,488</u>	<u>420,061</u>	<u>1,855,818</u>	<u>982,830</u>	<u>1,102,279</u>	<u>12,866,274</u>
<u>\$ 3,189,521</u>	<u>\$ 9,330,544</u>	<u>\$ 30,737,484</u>	<u>\$ 3,859,228</u>	<u>\$ 3,487,116</u>	<u>\$ 9,434,432</u>	<u>\$ 29,601,984</u>	<u>\$ 10,308,114</u>	<u>\$ 108,549,172</u>

(continued)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 September 30, 2007

	Eastlake Village	St. Lucie Land Holdings	City Center Collection Fund	Combined SAD Fund	Real Estate Revolving Fund	Hurricane Housing Recovery Fund
Assets						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash	-	-	-	-	-	3,888,589
Receivables	-	-	-	-	-	47
Assessments Receivable	10,194,185	-	-	74,000	-	-
Due From Other Funds	-	-	-	-	-	729
Due From Other Governmental Units	108	-	-	-	-	-
Prepaid Items	-	-	-	-	-	1,021
Deposits	-	-	-	-	-	-
Restricted Assets:						
Equity in Pooled Cash	163,252	394,636	517,271	747,083	-	-
Total assets	\$ 10,357,545	\$ 394,636	\$ 517,271	\$ 821,083	\$ -	\$ 3,890,386
Liabilities and fund balances						
Liabilities:						
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,990
Accrued Salaries and Wages	-	-	-	-	-	8,055
Due To Other Funds	-	-	-	-	-	35,467
Deposits	-	-	-	-	-	-
Arbitrage Rebate Payable	-	-	-	-	-	-
Deferred Revenue	10,194,185	-	-	-	-	3,433,737
Payables from Restricted Assets	-	-	-	-	-	-
Total liabilities	10,194,185	-	-	-	-	3,570,249
Fund balances:						
Reserved for:						
Encumbrances	-	-	-	-	-	306,098
Prepays	-	-	-	-	-	1,021
Unreserved, designated for, reported in: Special Revenue Funds	163,360	394,636	517,271	821,083	-	320,137
Unreserved, undesignated, reported in: Special Revenue Funds	-	-	-	-	-	(307,119)
Total fund balances	163,360	394,636	517,271	821,083	-	320,137
Total liabilities and fund balances	\$ 10,357,545	\$ 394,636	\$ 517,271	\$ 821,083	\$ -	\$ 3,890,386

CDBG Entitlement Fund	Local Housing Assistance Trust Fund	National Pollution NPDES Fund	Law Enforcement Forfeiture Trust Fund	Conservation Trust Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,125
23	1,205,038	176,930	237,872	5,352,796	14,957,276
-	23	-	-	-	93
-	35,467	-	-	-	104,882,278
43,899	-	-	-	-	41,456
1,204	1,602	1,409	-	-	585,536
-	-	38	-	-	236,720
-	-	-	-	-	8,342
-	-	-	-	-	10,873,568
\$ 45,126	\$ 1,242,130	\$ 178,377	\$ 237,872	\$ 5,352,796	\$ 131,586,394

\$ 3,194	\$ 60,677	\$ 144	\$ 26,785	\$ -	\$ 746,124
3,247	2,273	3,487	-	-	271,187
40,520	1,060	-	-	-	82,736
-	-	-	-	-	44,247
-	-	-	-	-	3,958
-	-	-	-	-	108,433,062
-	-	-	-	-	7,405
46,961	64,010	3,631	26,785	-	109,588,719

80,168	109,431	-	-	-	540,924
1,204	1,602	1,447	-	-	245,062
-	1,067,087	173,299	211,087	5,352,796	21,602,015
(83,207)	-	-	-	-	(390,326)
(1,835)	1,178,120	174,746	211,087	5,352,796	21,997,675
\$ 45,126	\$ 1,242,130	\$ 178,377	\$ 237,872	\$ 5,352,796	\$ 131,586,394

(concluded)

CITY OF PORT ST. LUCIE, FLORIDA
 Combining Balance Sheet
 Nonmajor Capital Project Funds
 September 30, 2007

	Parks Capital Improvement Fund	Capital Improvement Fund	COP Building Project Fund	River Point Fund	Glassman Fund
Assets					
Equity in Pooled Cash					
Receivables	\$ 2,279,723	\$ 2,453,399	\$ -	\$ -	\$ -
Due From Other Governmental Units	498	-	-	-	-
Prepaid Items	-	17	-	-	-
Restricted Assets:					
Equity in Pooled Cash	-	92	-	-	-
Total assets	<u>\$ 2,280,221</u>	<u>\$ 2,453,508</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 206,643</u>
Liabilities and fund balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ 9,102	\$ -	\$ -	\$ -	\$ -
Due To Other Funds	-	-	-	-	-
Arbitrage Rebate Payable	-	-	-	-	-
Payables from Restricted Assets	-	-	-	-	-
Retainage Payable from Restricted Assets	-	-	-	-	76,551
Total liabilities	<u>9,102</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,551</u>
Fund balances:					
Reserved for:					
Encumbrances	99,873	-	-	-	-
Prepays	-	-	-	-	-
Unreserved, designated for, reported in:					
Capital Project Funds	2,171,246	2,453,508	-	-	-
Unreserved, undesignated, reported in:					
Capital Project Funds	-	-	-	-	130,092
Total fund balances	<u>2,271,119</u>	<u>2,453,508</u>	<u>-</u>	<u>-</u>	<u>130,092</u>
Total liabilities and fund balances	<u>\$ 2,280,221</u>	<u>\$ 2,453,508</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 206,643</u>

Tesoro Fund	East Lake Village Fund	Parks MSTU Fund	COP Municipal Complex Fund	St. Lucie Land Holdings Fund	Page Total
\$ -	\$ -	\$ 3,271,438	\$ -	\$ -	\$ 8,004,560
-	-	-	-	-	498
-	-	-	-	-	17
-	-	250	-	-	250
<u>2,842,512</u>	<u>1,523,240</u>	<u>-</u>	<u>28,551,020</u>	<u>2,975,206</u>	<u>36,098,713</u>
<u>\$ 2,842,512</u>	<u>\$ 1,523,240</u>	<u>\$ 3,271,688</u>	<u>\$ 28,551,020</u>	<u>\$ 2,975,206</u>	<u>\$ 44,104,038</u>
\$ -	\$ -	\$ 63,738	\$ -	\$ -	\$ 72,840
-	-	250	-	-	250
-	-	-	-	170,295	170,295
1,403,266	287,861	5,735	1,774,318	2,805,946	6,353,677
290,177	-	-	-	-	290,177
<u>1,693,443</u>	<u>287,861</u>	<u>69,723</u>	<u>1,774,318</u>	<u>2,976,241</u>	<u>6,887,239</u>
801,594	1,261,994	444,697	32,828,409	120,326	35,556,893
-	-	250	-	-	250
347,475	(26,615)	2,757,018	(6,051,707)	(121,361)	1,659,656
-	-	-	-	-	-
<u>1,149,069</u>	<u>1,235,379</u>	<u>3,201,965</u>	<u>26,776,702</u>	<u>(1,035)</u>	<u>37,216,799</u>
<u>\$ 2,842,512</u>	<u>\$ 1,523,240</u>	<u>\$ 3,271,688</u>	<u>\$ 28,551,020</u>	<u>\$ 2,975,206</u>	<u>\$ 44,104,038</u>

(continued)

CITY OF PORT ST. LUCIE, FLORIDA

Combining Balance Sheet
 Nonmajor Capital Project Funds
 September 30, 2007

	City Center SAD Fund	Combined SAD Fund	Water & Sewer Assessment CIP Funds		Total Nonmajor Capital Project Funds
			USA 5, 6, 7A	USA 9	
Assets					
Equity in Pooled Cash	\$ -	\$ -	\$ -	\$ -	\$ 8,004,560
Receivables	-	-	-	-	498
Due From Other Governmental Units	-	-	-	-	17
Prepaid Items	-	-	-	-	250
Restricted Assets:					
Equity in Pooled Cash	13,720,371	4,613,880	39,882	744,742	55,217,588
Total assets	<u>\$ 13,720,371</u>	<u>\$ 4,613,880</u>	<u>\$ 39,882</u>	<u>\$ 744,742</u>	<u>\$ 63,222,913</u>
Liabilities and fund balances					
Liabilities:					
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ 72,840
Due To Other Funds	-	-	-	-	250
Arbitrage Rebate Payable	-	-	-	-	170,295
Payables from Restricted Assets	666,408	268,208	-	656,426	7,944,719
Retainage Payable from Restricted Assets	-	-	-	355	290,532
Total liabilities	<u>666,408</u>	<u>268,208</u>	<u>-</u>	<u>656,781</u>	<u>8,478,636</u>
Fund balances:					
Reserved for:					
Encumbrances	9,843,217	1,226,772	91,160	-	46,718,042
Prepays	-	-	-	-	250
Unreserved, designated for, reported in:					
Capital Project Funds	3,210,746	3,118,900	-	-	7,989,302
Unreserved, undesignated, reported in:					
Capital Project Funds	-	-	(51,278)	87,961	36,683
Total fund balances	<u>13,053,963</u>	<u>4,345,672</u>	<u>39,882</u>	<u>87,961</u>	<u>54,744,277</u>
Total liabilities and fund balances	<u>\$ 13,720,371</u>	<u>\$ 4,613,880</u>	<u>\$ 39,882</u>	<u>\$ 744,742</u>	<u>\$ 63,222,913</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, 2007

	Road and Bridge Fund	Lighting District Fund	Law Enforcement Impact Fund	Governmental Finance Fund	Building Department Fund
Revenues					
Taxes	\$ 2,139,736	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	4,358,998
Intergovernmental	5,365,267	-	-	-	-
Charges for Services	338,112	115,956	-	-	3,066
Fines and Forfeitures	30	-	-	-	42,136
Impact Fees	-	-	387,516	1,951,823	-
Interest Income:					
Interest on Investments	159,323	8,202	33,581	179,693	154,732
Interest on Special Assessments	-	-	-	-	-
Developers Contributions	-	-	-	-	22,986
Other	83,403	1,069	-	-	86,623
Total revenues	8,085,871	125,227	421,097	2,131,516	4,668,541
Expenditures					
Current:					
General Government	-	-	-	8,536	6,688,156
Public Safety	-	-	2,951	-	-
Physical Environment	-	-	-	47	-
Transportation	7,999,294	138,371	-	-	-
Economic Environment	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Capital Outlay	211,403	-	1,161,160	-	-
Debt Service:					
Principal	5,831,049	-	-	2,675,000	-
Interest	2,271,304	-	-	1,106,431	-
Total expenditures	16,313,050	138,371	1,164,111	3,790,014	6,688,156
Excess (deficiency) of revenues over (under) expenditures	(8,227,179)	(13,144)	(743,014)	(1,658,498)	(2,019,615)
Other financing sources (uses)					
Transfers In	6,252,144	-	-	3,658,033	1,840,154
Transfers Out	(49,967)	-	-	-	(1,952,523)
Total other financing sources (uses)	6,202,177	-	-	3,658,033	(112,369)
Net change in fund balances	(2,025,002)	(13,144)	(743,014)	1,999,535	(2,131,984)
Fund balance - beginning	2,493,424	100,441	876,756	2,735,994	4,339,326
Fund balance - ending	\$ 468,422	\$ 87,297	\$ 133,742	\$ 4,735,529	\$ 2,207,342

Water & Sewer Assessment Collection Funds				Other Assessments Collection Funds				Page Total
Phase I	Phase II	USA 5- 6- 7A	USA 9	S. Lennard Rd.	Riverpoint	Tesoro	Glassman	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,139,736
-	-	-	-	-	-	-	-	4,358,998
-	-	-	-	-	-	-	-	5,365,267
280,490	795,533	1,522,939	125,743	70,962	268,767	1,183,012	276,231	4,980,811
-	-	-	-	-	-	-	-	42,166
-	-	-	-	89,700	-	-	-	2,429,039
-	-	-	-	-	-	-	-	-
48,670	30,603	69,735	7,935	35,635	115,903	69,795	81,232	995,039
194,296	747,737	1,780,173	224,991	194,058	433,809	1,710,770	750,504	6,036,338
-	-	-	-	-	-	-	-	22,986
5,019	15,716	35,287	12,119	1,208	6,787	30,008	10,154	287,393
528,475	1,589,589	3,408,134	370,788	391,563	825,266	2,993,585	1,118,121	26,657,773
-	-	-	-	-	-	-	-	6,696,692
-	-	-	-	-	-	-	-	2,951
10,593	31,007	66,328	9,393	7,473	17,560	68,876	23,697	234,974
39	121	266	-	23	59	216	-	8,138,389
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,372,563
-	-	-	-	-	-	-	-	-
-	1,350,000	2,005,000	245,000	170,000	700,000	1,550,000	740,000	15,266,049
-	246,183	1,416,694	150,267	180,831	306,404	1,197,735	542,700	7,418,549
10,632	1,627,311	3,488,288	404,660	358,327	1,024,023	2,816,827	1,306,397	39,130,167
517,843	(37,722)	(80,154)	(33,872)	33,236	(198,757)	176,758	(188,276)	(12,472,394)
-	-	-	-	-	74,330	-	-	11,824,661
(963,500)	-	-	-	-	-	-	-	(2,965,990)
(963,500)	-	-	-	-	74,330	-	-	8,858,671
(445,657)	(37,722)	(80,154)	(33,872)	33,236	(124,427)	176,758	(188,276)	(3,613,723)
1,124,995	93,565	181,439	70,360	386,825	1,980,245	806,072	1,290,555	16,479,997
\$ -679,338	\$ 55,843	\$ 101,285	\$ 36,488	\$ 420,061	\$ 1,855,818	\$ 982,830	\$ 1,102,279	\$ 12,866,274

(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, 2007

	Eastlake Village	St Lucie Land Holdings	City Center Collection Fund	Combined SAD Fund	Real Estate Revolving Fund	Hurricane Housing Recovery Fund
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	3,058,753
Charges for Services	400,534	-	-	416,489	-	-
Fines and Forfeitures	-	-	-	-	-	-
Impact Fees	-	-	-	-	-	-
Interest Income:						
Interest on Investments	19,260	48,000	41,594	34,433	6,555	282,637
Interest on Special Assessments	507,618	-	-	-	-	-
Developers Contributions	-	-	-	-	-	-
Other	8,795	-	-	-	-	37,502
Total revenues	936,207	48,000	41,594	450,922	6,555	3,378,892
Expenditures						
Current:						
General Government	-	-	-	-	10	-
Public Safety	-	-	-	-	-	-
Physical Environment	19,937	2,431	590	3,979	-	-
Transportation	77	-	-	-	-	-
Economic Environment	-	-	-	-	-	3,057,802
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	95,605	953
Debt Service:						
Principal	580,000	50,000	-	345,000	-	-
Interest	374,151	763,059	634,052	139,149	-	-
Total expenditures	974,165	815,490	634,642	488,128	95,615	3,058,755
Excess (deficiency) of revenues over (under) expenditures	(37,958)	(767,490)	(593,048)	(37,206)	(89,060)	320,137
Other financing sources (uses)						
Transfers In	-	-	1,110,319	858,289	-	-
Transfers Out	-	-	-	-	(130,970)	-
Total other financing sources (uses)	-	-	1,110,319	858,289	(130,970)	-
Net change in fund balances	(37,958)	(767,490)	517,271	821,083	(220,030)	320,137
Fund balance - beginning	201,318	1,162,126	-	-	220,030	-
Fund balance - ending	\$ 163,360	\$ 394,636	\$ 517,271	\$ 821,083	\$ -	\$ 320,137

CDBG Entitlement Fund	Local Housing Assistance Trust Fund	National Pollution NPDES Fund	Law Enforcement Forfeiture Trust Fund	Conservation Trust Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,139,736
747,297	296,885	-	-	-	4,358,998
-	-	86,880	-	3,308,687	9,468,202
-	-	-	262,462	-	9,193,401
-	-	-	-	-	304,628
-	85,861	10,438	14,726	231,449	2,429,039
-	-	-	-	-	1,769,992
-	-	-	-	-	6,543,956
-	222,639	16	5,100	-	22,986
747,297	605,385	97,334	282,288	3,540,136	561,445
-	-	-	-	-	6,696,702
-	-	-	145,094	-	148,045
-	-	174,232	-	-	261,911
728,692	2,008,704	-	-	-	8,312,698
-	-	-	-	15,729	5,795,198
958	358	-	90,878	-	15,729
-	-	-	-	-	1,561,315
-	-	-	-	-	16,241,049
729,650	2,009,062	174,232	235,972	15,729	9,328,960
17,647	(1,403,677)	(76,898)	46,316	3,524,407	48,361,607
-	-	-	-	-	13,793,269
-	-	-	-	(1,305,000)	(4,401,960)
-	-	-	-	(1,305,000)	9,391,309
17,647	(1,403,677)	(76,898)	46,316	2,219,407	(2,177,915)
(19,482)	2,581,797	251,644	164,771	3,133,389	24,175,590
\$ (1,835)	\$ 1,178,120	\$ 174,746	\$ 211,087	\$ 5,352,796	\$ 21,997,675

(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, 2007

	Parks Capital Improvement Fund	Capital Improvement Fund	COP Building Project Fund	River Point Fund	Glassman Fund
Revenues					
Taxes	\$ -	\$ 1,062,280	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Interest on Investments	156,029	180,041	10,007	55,988	11,004
Impact Fees	739,213	845	-	-	-
Developers Contributions	-	-	-	-	-
Other	11,419	-	-	-	-
Total revenues	906,661	1,243,166	10,007	55,988	11,004
Expenditures					
Current:					
General Government	-	386	23	-	-
Public Safety	-	941	-	-	-
Physical Environment	-	-	-	-	-
Transportation	8,491	92	-	-	25
Culture and Recreation	342	1,363	-	-	-
Capital Outlay	555,742	151,948	-	1,236,148	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	564,575	154,730	23	1,236,148	25
Excess (deficiency) of revenues over (under) expenditures	342,086	1,088,436	9,984	(1,180,160)	10,979
Other financing sources (uses)					
Transfers In	-	430,387	-	-	-
Transfers Out	(750,000)	(1,847,352)	(206,886)	(74,330)	-
Issuance of Debt	-	-	-	-	-
Discount on Issuance of Debt	-	-	-	-	-
Total other financing sources (uses)	(750,000)	(1,416,965)	(206,886)	(74,330)	-
Net change in fund balances	(407,914)	(328,529)	(196,902)	(1,254,490)	10,979
Fund balance - beginning	2,679,033	2,782,037	196,902	1,254,490	119,113
Fund balance - ending	\$ 2,271,119	\$ 2,453,508	\$ -	\$ -	\$ 130,092

Tesoro Fund	East Lake Village Fund	Parks MSTU Fund	COP Municipal Complex Fund	St. Lucie Land Holdings Fund	Page Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,062,280
318,711	105,940	2,745,771	1,078,109	312,252	2,745,771
-	-	165,221	-	-	2,393,302
-	59,157	-	-	-	740,058
-	-	300	-	-	59,157
318,711	165,097	2,911,292	1,078,109	312,252	11,719
-	-	-	-	-	7,012,287
-	-	-	-	-	409
-	-	-	-	-	941
-	-	-	-	144,869	144,869
-	-	-	-	-	8,608
-	-	330	-	-	2,035
8,887,925	1,003,687	1,162,980	15,279,973	5,507,597	33,786,000
-	-	100,000	3,000,000	-	3,100,000
-	-	1,641	56,877	-	58,518
8,887,925	1,003,687	1,264,951	18,336,850	5,652,466	37,101,380
(8,569,214)	(838,590)	1,646,341	(17,258,741)	(5,340,214)	(30,089,093)
1,511,359	-	-	-	-	1,941,746
-	-	(855,023)	(3,524,557)	(1,511,359)	(8,769,507)
-	-	-	47,560,000	-	47,560,000
-	-	-	-	-	-
1,511,359	-	(855,023)	44,035,443	(1,511,359)	40,732,239
(7,057,855)	(838,590)	791,318	26,776,702	(6,851,573)	11,576,491
8,206,924	2,073,969	2,410,647	-	6,850,538	26,573,653
\$ 1,149,069	\$ 1,235,379	\$ 3,201,965	\$ 26,776,702	\$ (1,035)	\$ 37,216,799

(continued)

CITY OF PORT ST LUCIE, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
Year Ended September 30, 2007

	City Center	Combined	Water & Sewer Assessment		Total Nonmajor Capital Project Funds
	SAD Fund	SAD Fund	CIP Fund		
			USA 5, 6, 7A	USA 9	
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,062,280
Intergovernmental	-	-	-	-	2,745,771
Interest on Investments	829,418	185,333	8,352	41,858	3,458,263
Impact Fees	-	-	-	-	740,058
Developers Contributions	-	-	-	-	59,157
Other	-	4,184	-	-	15,903
Total revenues	829,418	189,517	8,352	41,858	8,081,432
Expenditures					
Current:					
General Government	-	-	-	-	409
Public Safety	-	-	-	-	941
Physical Environment	-	-	-	355	145,224
Transportation	-	-	-	-	8,608
Culture and Recreation	-	-	-	-	2,035
Capital Outlay	7,467,764	1,563,459	17,275	264,553	43,099,051
Debt Service:					
Principal	-	-	-	-	3,100,000
Interest	-	-	-	-	58,518
Total expenditures	7,467,764	1,563,459	17,275	264,908	46,414,786
Excess (deficiency) of revenues over (under) expenditures	(6,638,346)	(1,373,942)	(8,923)	(223,050)	(38,333,354)
Other financing sources (uses)					
Transfers In	-	-	-	-	1,941,746
Transfers Out	(5,108,720)	(1,014,742)	-	-	(14,892,969)
Issuance of Debt	25,185,000	6,635,000	-	-	79,380,000
Discount on Issuance of Debt	(383,971)	-	-	-	(383,971)
Total other financing sources (uses)	19,692,309	5,620,258	-	-	66,044,806
Net change in fund balances	13,053,963	4,246,316	(8,923)	(223,050)	27,711,452
Fund balance - beginning	-	99,356	48,805	311,011	27,032,825
Fund balance - ending	\$ 13,053,963	\$ 4,345,672	\$ 39,882	\$ 87,961	\$ 54,744,277

(concluded)

EXHIBIT "E"
AGENCY ASSETS REPORT

CITY OF PORT ST. LUCIE, FLORIDA
Comparative Capital Assets
Community Redevelopment Agency
September 30, 2007 and 2006

	2007	2006
CRA CAPITAL ASSETS:		
Land	\$ 6,604,781	\$ 4,520,621
Buildings	13,600	-
Improvements	-	-
Machinery and Equipment	4,281	5,286
Infrastructure	-	-
Construction In Progress	21,297,567	9,123,413
	27,920,229	13,649,320
Accumulated Depreciation	(4,884)	(3,013)
	27,915,345	13,646,307
CRA CAPITAL ASSETS, NET	\$ 27,915,345	\$ 13,646,307
CRA INVESTMENT IN CAPITAL ASSETS:		
CRA	6,622,663	4,525,907
CRA - Construction In Progress	21,297,567	9,123,413
	27,920,229	13,649,320
Accumulated Depreciation	(4,884)	(3,013)
	27,915,345	13,646,307
CRA INVESTMENT IN CAPITAL ASSETS, NET	\$ 27,915,345	\$ 13,646,307

CITY OF PORT ST. LUCIE, FLORIDA
 Capital Assets Used in the Operation
 Community Redevelopment Agency
 September 30, 2007

FUNCTION AND ACTIVITY	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVEMENTS OTHER THAN BUILDINGS</u>	<u>MACHINERY AND EQUIPMENT</u>	<u>INFRASTRUCTURE</u>
Economic Environment						
CRA	\$ 6,622,662	\$ 6,604,781	\$ 13,600	\$ -	\$ 4,281	\$ -
CRA - Construction in Progress	<u>21,297,567</u>					
	27,920,229					
Accumulated Depreciation	<u>(4,884)</u>					
CAPITAL ASSETS, NET	<u><u>\$ 27,915,345</u></u>					

CITY OF PORT ST. LUCIE, FLORIDA
Schedule of Changes in Capital Assets
Community Redevelopment Agency
For the Year Ended September 30, 2007

FUNCTION AND ACTIVITY	CAPITAL ASSETS 9/30/2006	ADDITIONS FY 06/07	DISPOSITIONS FY 06/07	TRANSFERS	CAPITAL ASSETS 9/30/2007
Economic Environment					
CRA	4,525,907	2,184,294	-	(87,538)	6,622,663
CRA - Construction in Progress	9,123,413	12,174,153	-	-	21,297,567
	<u>13,649,320</u>	<u>14,358,447</u>	<u>-</u>	<u>(87,538)</u>	<u>27,920,229</u>
Accumulated Depreciation	<u>(3,013)</u>				<u>(4,884)</u>
CAPITAL ASSETS, NET	<u>\$ 13,646,307</u>	<u>\$ 14,358,447</u>	<u>\$ -</u>	<u>\$ (87,538)</u>	<u>\$ 27,915,345</u>

EXHIBIT "F"
AGENCY LIABILITIES REPAYMENT SCHEDULE

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

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

01/01/2017 Optional Redemption Provision @ 100%

12/06/06 Final Pricing Numbers

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Series 2004 Existing D/S	Series 2006 Net New D/S
12/14/2006	-	-	-	-	-	-	-
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
Total	\$46,450,000.00	-	\$30,434,513.37	\$76,884,513.37	(2,276,988.37)	\$15,804,637.50	\$90,412,162.50