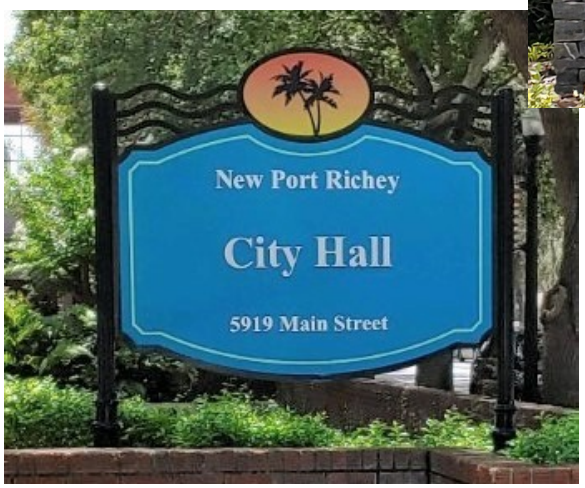
City of New Port Richey

Comprehensive Annual Financial Report









Fiscal Year End

September 30, 2020

City of New Port Richey, Florida

Council-Manager Form of Government

Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2020

City Council

Robert Marlowe, Mayor

Jeff Starkey, Deputy Mayor
Chopper Davis
Peter Altman
Matt Murphy

City Manager

Debbie L. Manns

Prepared By:

Finance Department

Crystal S. Feast, Finance Director

City of New Port Richey, Florida

Listing of City Officials

As of September 30, 2020

Elected Officials

Mayor-Council Member	Robert Marlowe
Deputy Mayor-Council Member	Jeff Starkey
Council Member	Chopper Davis
Council Member	Peter Altman
Council Member	Matt Murphy

Appointed Officials

City Manager	Debbie L. Manns
City Attorney	Timothy Driscoll
Finance Director	Crystal S. Feast
Public Works Director	Robert Rivera
Police Chief	Kim Bogart
Fire Chief	Christopher Fitch
Development Director	Vacant
Economic Director	Charles Rudd
City Clerk	Judy Meyers
Parks & Recreation Director	Elaine Smith
Library Director	Andrea Figart

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June 30, 2021

To the Honorable Mayor, Members of the City Council, City Manager and Citizens of the City of New Port Richey, Florida:

INTRODUCTION

The Finance Department is pleased to submit the Comprehensive Annual Financial Report of the City of New Port Richey, Florida, for the fiscal year ending September 30, 2020. This report is presented in conformity with generally accepted accounting principles (GAAP) and was audited by an independent firm of certified public accountants, CliftonLarsonAllen LLP, as mandated by both local ordinances and State Statute. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presented data, including all disclosures, rests with management of the City. We believe the data presented is accurate in all material respects and is reported in a manner designed to fairly set forth the financial position and results of operations of the City of New Port Richey as measured by the financial activity of its various funds.

Management of the City is responsible for establishing and maintaining a system of internal controls designed to ensure the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

CITY OF NEW PORT RICHEY PROFILE

The City of New Port Richey, incorporated in 1924, is located in Pasco County on Florida's central Gulf Coast, approximately thirty miles northwest of Tampa. The Gulf of Mexico coastline borders the west side and the Pithlachascotee River runs through the City. The City has a total area of 4.6 square miles and approximately 17,000 residents, which makes the City of New Port Richey the second largest city in Pasco County. The City is empowered to levy a property tax on real property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City operates under the Council-Manager form of government. The City Council is comprised of the Mayor and four City Council Members and is responsible for enacting ordinances, resolutions, and regulations governing the City, as well as appointing members to various statutory and advisory boards. As chief administrative officer, the City Manager is responsible for implementing the City's policies and manages daily operations through an executive management staff.

The City provides a full range of municipal services, including police and fire protection, potable water, wastewater collection and treatment, reclaimed water, community planning, street repair and maintenance, stormwater repair and maintenance, recreation, parks, arts and library services.

LOCAL ECONOMY

The City of New Port Richey is the second largest city in Pasco County, but is considered a small city by population standards. It is both a beautiful waterfront community with access to the Gulf of Mexico with an unmatched system of parks and recreation facilities and a City with an aging housing stock and challenges with employment opportunities for its residents.

The local economy has traditionally been centered on the medical community, hospitality and service industries. Historically a retirement community, the City's economy is in a transitional stage. The nursing homes, winter residences and empty nest retirees are still prominent, but many of the associated medical, legal, real estate, and other elder service providers have followed the eastward movement to areas with new housing. The City was fortunate to be chosen by Pasco County as the location for several development projects during FY 2016 and was identified by those experts as a prime location for a younger demographic. National demographic predictors have identified that Baby Boomers are integrating with emerging Millennials exceptionally well and at a rapid pace, which may bode well for the City.

There are many areas in the City that will qualify for Community Development Block Funds and other incentives and Pasco County has targeted the Commercial Highway Corridor of US Highway 19 for economic investment.

LONG-TERM FINANCIAL PLANNING

The City Council is required to adopt an operating budget for the fiscal year. The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests to the City Manager. The City Manager uses these requests as the starting point for developing the proposed budget. The City Manager, with the assistance of the Finance Director, then presents the proposed budget to the City Council for review during several budget work sessions throughout the summer months. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30th, the close of the City's fiscal year. The appropriated budget is prepared by fund and department. The City Manager may transfer resources within a department as needed. Transfers between departments, however, need special approval from the governing council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

By charter, the City prepares a maintains a five-year Capital Improvement Program (CIP), which serves as its planning document to ensure that its facilities, equipment, and infrastructure are well maintained and operating in peak condition. This process gives the City the ability to plan for its capital needs and allocate short- and long-term resources appropriately. As part of this process, the City identifies and quantifies the operational costs associated with its capital projects and budgets resources accordingly.

The fiscal year 2019-2020 Capital Improvement Program includes approximately $18 million in capital projects, which included approximately $680,000 for stormwater utility projects, $5.7 million in water & sewer improvement projects, $3.2 million in street improvement projects, $4.5 million in public safety and public facility projects, $620,000 in recreational and environmental projects, $1.2 million for transportation projects, and $2.1 million for various economic development and community redevelopment projects.

The City Council must adopt a Capital Improvement Program in accordance with requirements of the City Charter and the State of Florida. The CIP is an integral component of the City's financial management system, but does not appropriate funds. Projections are updated and the first year's projects are incorporated into the adopted operating budget.

The City of New Port Richey is projected to remain in relatively stable but fair financial condition over the next several years. The City's responsible fiscal policies have placed the City in a better financial condition than it was in several years ago.

Ending fund balances are deemed adequate, with the exception of the Community Redevelopment Fund. Overall, Governmental fund balances have inched up slightly in the past five years, primarily due to conservative spending by city management and the City Council.

RELEVANT FINANCIAL POLICIES

The City Council has adopted sound accounting policies to guide the City's financial activities. Policy descriptions are included in the Financial Statements section of the Comprehensive Annual Financial Report. Policies cover the following areas:

- Operating Budget
- Purchasing
- Revenues
- Reserves
- Debt
- Investment Management
- Accounting, Auditing & Financial Reporting
- Long-term Financial Planning
- Capital Improvements

Additional financial management policies are included in the Adopted Budget document each year.

INDEPENDENT AUDIT

The City Charter requires an annual audit of the City's financial statements by independent accountants, selected by the City Council. This requirement has been complied with and the independent auditors' report is included in the financial section of this report.

AWARDS AND ACKNOWLEDGMENTS

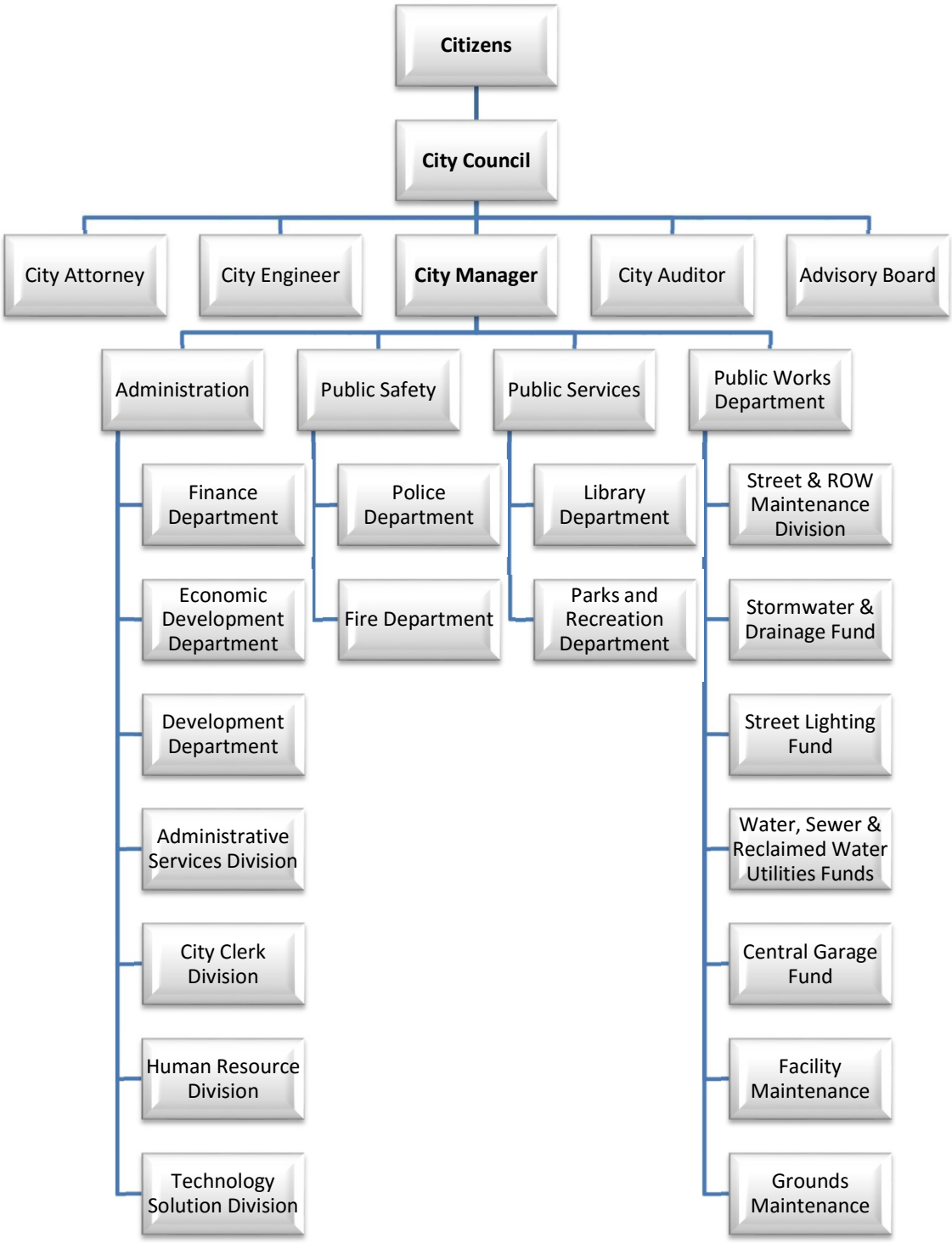
The City received the GFOA's Distinguished Budget Presentation Award for its FY 2020 annual budget. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications medium.

This report represents countless hours of preparation and could not have been accomplished without the dedicated efforts of the employees in the Finance Department. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Crystal S. Feast
Finance Director


Citizens
City Council
City Attorney
City Engineer
City Manager
City Auditor
Advisory Board
Administration
Public Safety
Public Services
Public Works Department
Finance Department
Economic Development Department
Development Department
Administrative Services Division
City Clerk Division
Human Resource Division
Technology Solution Division
Police Department
Fire Department
Library Department
Parks and Recreation Department
Street & ROW Maintenance Division
Stormwater & Drainage Fund
Street Lighting Fund
Water, Sewer & Reclaimed Water Utilities Funds
Central Garage Fund
Facility Maintenance
Grounds Maintenance

Financial Section

This section contains the following subsections:

Report of Independent Certified Public Accountants

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Combining Financial Statements

Other Supplementary Schedules

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, Members of the City Council,
and City Manager
City of New Port Richey, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of New Port Richey, Florida (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Officers' Retirement System and the Firefighters' Pension Plan, which represent 100% of the total assets, total revenues, and total net position of these pension trust funds and represent 95% of the total assets, 61% of the total revenues, and 95% of the total net position of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it related to the amounts included for those components, is based solely on the reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The Police Officers' Retirement System and Firefighters' Pension Plan audits were not performed in accordance with Government Auditing Standards.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2020, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis (MD&A), budgetary comparison schedules for the general fund and community redevelopment agency fund, and pension and other postemployment benefit schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and budget and actual schedules and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Honorable Mayor, Members of the City Council,
and City Manager
City of New Port Richey, Florida

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
June 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The City of New Port Richey's (the City's) Comprehensive Annual Financial Report was prepared in accordance with generally accepted accounting principles (GAAP) applicable to government entities. This Management's Discussion and Analysis report (MD&A) is required supplementary information (RSI), which must be presented to remain in compliance with GAAP. Additional RSI is also included throughout the Comprehensive Annual Financial Report. The Comprehensive Annual Financial Report and MD&A are published and hereby distributed to inform all interested parties of the activities undertaken and the financial resources committed over the fiscal year which began on October 1, 2019 and ended on September 30, 2020. While some interested parties may require more details of the City's operations, this MD&A has been prepared to provide most readers with enough analysis to inform them of the City's general financial condition at the conclusion of the stated fiscal year.

The MD&A presents an overview of financial information included in the Comprehensive Annual Financial Report. Readers are encouraged to consider MD&A information in conjunction with information provided in the basic financial statements, the Letter of Transmittal, and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The City's total assets and deferred outflows of resources ($142.8 million) exceeded total liabilities and deferred inflows of resources ($42.2 million) by $100.6 million at year-end (net position). Of this amount, $17.2 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased over prior period by $1.1 million or 1.1%.

- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $12,106,181, an increase of $578,723 in comparison to prior year's fund balance.

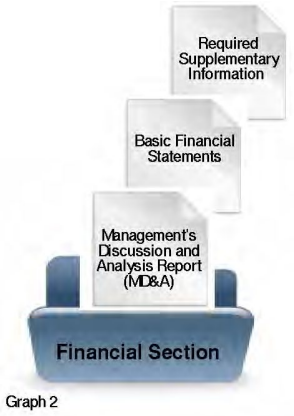
- The City's total debt for revenue bonds and notes decreased by $1,330,367 or 5.6% during the fiscal year. This decrease is related to the repayment of principal.

COMPREHENSIVE ANNUAL FINANCIAL REPORT OVERVIEW

As shown in Graph 1, the Comprehensive Annual Financial Report is organized into four main sections. The Financial Section is the Comprehensive Annual Financial Report's main section and is organized into three subsections, as shown in Graph 2.



Graph 1



Graph 2

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

The *statement of net position* presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements include not only the City itself, but also a legally separate community redevelopment agency for which the City is financially accountable. Financial information for this component unit is blended into the financial statements of the primary government as a special revenue fund.

The government-wide financial statements can be found on pages 27-30 of this report.

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

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

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

The City maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the community redevelopment fund, debt service fund, and capital projects fund, which are considered to be major funds. Data from the other two governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The basic governmental fund financial statements can be found on pages 31-34 of this report.

Proprietary Funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprises funds to account for its water & sewer utility operations and stormwater utility operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the repair and maintenance of its vehicle fleet. Because this service predominantly benefits governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water & sewer operations and the stormwater operations, both of which are considered to be major funds of the City. The internal service fund is also presented separately in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 35-38 of this report.

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

The fiduciary fund financial statements can be found on pages 39-40 of this report.

Notes to Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 42-88 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City's progress in funding its obligation to provide pension and OPEB benefits to its employees and budgetary comparison schedules for the major governmental funds. Required supplementary information can be found on pages 91-102 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 105-114 of this report.

GOVERNMENT WIDE-FINANCIAL ANALYSIS

Summary Statement of Net Position. Net position over time may serve as a useful indicator of a government's financial position. For the current year, the City's assets and deferred outflows exceeded liabilities and deferred inflows by $100.6 million. The following table reflects the condensed Statement of Net Position compared to the prior year. Throughout this report, increases and decreases are reflected based on current year impacts.

	2020	2019	2018	2020	2019	2018	2020	2019	2018
Current assets	$ 15,499,910	$ 15,239,387	$ 14,740,132	$ 20,918,962	$ 20,920,691	$ 11,051,887	$ 36,418,872	$ 36,160,078	$ 25,792,019
Capital assets	44,869,693	42,661,524	39,672,828	50,299,600	49,892,559	49,226,114	95,169,293	92,554,083	88,898,942
Other noncurrent assets	2,309,785	4,356,286	18,650	4,899,080	5,471,445	6,016,399	7,208,865	9,827,731	6,035,049
Total assets	62,679,388	62,257,197	54,431,610	76,117,642	76,284,695	66,294,400	138,797,030	138,541,892	120,726,010
Deferred Outflows	3,365,919	3,593,879	4,042,464	617,493	560,748	731,346	3,983,412	4,154,627	4,773,810
Current liabilities	3,601,141	3,808,079	2,928,056	3,857,195	3,797,612	2,305,202	7,458,336	7,605,691	5,233,258
Noncurrent liabilities	18,976,448	16,836,454	18,485,590	14,303,326	15,258,448	8,470,999	33,279,774	32,094,902	26,956,589
Total liabilities	22,577,589	20,644,533	21,413,646	18,160,521	19,056,060	10,776,201	40,738,110	39,700,593	32,189,847
Deferred Inflows	1,332,039	3,344,482	2,393,269	120,779	200,068	258,165	1,452,818	3,544,550	2,651,434
Net position:									
Net investment in capital assets	35,271,230	32,085,630	28,997,102	36,871,188	34,752,277	42,368,692	72,142,418	66,837,907	71,365,794
Restricted	7,457,752	4,405,687	4,734,833	3,782,578	3,633,277	3,429,235	11,240,330	8,038,964	8,164,068
Unrestricted	(593,303)	5,370,744	935,224	17,800,069	19,203,761	10,193,453	17,206,766	24,574,505	11,128,677
Total net position	$ 42,135,679	$ 41,862,061	$ 34,667,159	$ 58,453,835	$ 57,589,315	$ 55,991,380	$ 100,589,514	$ 99,451,376	$ 90,658,539

By far, the largest portion of the City's net position, $72,142,418 (71.7%), reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, $11,240,330 (11.2%), represents resources that are subject to external restrictions on how they may be used (e.g. for debt and capital improvements). Restricted net position increased by $891,581 during the year, mainly due to completion of street improvement projects.

The remaining balance represents the City's unrestricted net position. As of September 30, 2020, the City's unrestricted net position was $17,206,766, a decrease of $7,367,739 from the previous fiscal year-end. This portion of net position may be used to meet the City's ongoing obligations to its citizens and creditors.

Summary Statement of Activities. The manner in which the City's net position changed during the most recent fiscal year is reflected in the statement of activities, a summary of which is shown in the table below. This schedule compares the revenues, expenses and other sources/uses of funds for the current and previous fiscal year and divides the activities between governmental activities and business-type activities.

	Governmental Activities			Business Type Activities			Primary Government Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Revenues:									
Program Revenues:									
Charges for services	$ 3,289,428	$ 3,965,096	$ 3,956,099	$ 15,522,597	$ 15,249,322	$ 14,494,331	$ 18,812,025	$ 19,214,418	$ 18,450,430
Operating grants and contributions	565,917	721,346	1,015,975	-	-	-	565,917	721,346	1,015,975
Capital grants and contributions	12,189	393,313	189,541	-	30,000	-	12,189	423,313	189,541
General Revenues:									
Taxes	15,177,094	13,986,772	13,013,856	-	-	-	15,177,094	13,986,772	13,013,856
State revenue sharing	1,896,345	1,908,488	1,850,325	-	-	-	1,896,345	1,908,488	1,850,325
Investment income	135,869	14,577	(339,826)	489,088	488,250	421,809	624,957	502,827	81,983
Miscellaneous	1,113,457	822,001	736,011	179	19,734	17,357	1,113,636	841,735	753,368
Total revenues	22,190,299	21,811,593	20,421,981	16,011,864	15,787,306	14,933,497	38,202,163	37,598,899	35,355,478
Expenses:									
General government	6,758,673	5,451,679	5,122,749	-	-	-	6,758,673	5,451,679	5,122,749
Public safety	12,124,276	6,542,323	10,713,611	-	-	-	12,124,276	6,542,323	10,713,611
Public works	3,431,918	3,021,911	3,004,870	-	-	-	3,431,918	3,021,911	3,004,870
Culture and recreation	3,683,758	3,603,000	3,524,029	-	-	-	3,683,758	3,603,000	3,524,029
Interest on long-term debt	231,636	244,708	260,118	-	-	-	231,636	244,708	260,118
Water, reclaimed water, and sewer	-	-	-	10,108,675	9,422,740	8,336,216	10,108,675	9,422,740	8,336,216
Stormwater utility	-	-	-	725,089	519,701	838,209	725,089	519,701	838,209
Total expenses	26,230,261	18,863,621	22,625,377	10,833,764	9,942,441	9,174,425	37,064,025	28,806,062	31,799,802
Insurance proceeds	-	-	43,826	-	-	-	-	-	43,826
Transfers	4,313,580	4,246,930	4,697,700	(4,313,580)	(4,246,930)	(4,697,700)	-	-	-
NET INCREASE(DECREASE) IN NET POSITION	273,618	7,194,902	2,538,130	864,520	1,597,935	1,061,372	1,138,138	8,792,837	3,599,502
Net position - beginning of year	41,862,061	34,667,159	32,129,029	57,589,315	55,991,380	54,930,008	99,451,376	90,658,539	87,059,037
Net position - end of year	$ 42,135,679	$ 41,862,061	$ 34,667,159	$ 58,453,835	$ 57,589,315	$ 55,991,380	$ 100,589,514	$ 99,451,376	$ 90,658,539

The City's overall net position Increased by $1,138,138 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities. During the current fiscal year, net position for governmental activities increased $273,618 from the prior fiscal year for an ending balance of $42,135,679.

Total revenues for the City's governmental activities increased by $378,706 over prior year. Key elements are as follows:

- *Program Revenues* decreased by $1,212,221 or 23.9%.
  - Charges for Services decreased by $675,668, which is a direct reflection of the negative impacts of the COVID-19 pandemic.
  - Operating and capital grants and contributions decreased by $536,553, mainly due to expiration of grants received from Florida Department of Transportation.

- *General Revenues* increased by $1,590,927 or 9.5%.
  - Taxes increased by $1,190,322, as a result of increased property values and better economic conditions.
  - Investment Income increased by $121,292 due to increase in market value.

Expenditures for the City's governmental activities increased by $7,366,640 or 39.1%. One of the key elements of this net increase is related to an incline of Public Safety expenditures, which increased by $5,581,658. This increase can be attributed to pension assets recorded for the Police and Firefighter Retirement Funds and an increase in payroll costs. Another key element of this net increase is related to an incline in General Government expenditures, which increased by $1,306,994.

Business-Type Activities. Business-type activities resulted in an increase in the City's net position by $864,520.

Revenues for the City's business-type activities increased by $224,558. The key elements are as follows:

- *Program Revenues* increased by $243,275 or 1.6%.
  - Charges for services increased by $273,275. This is a result of an annual 4% increase of water and sewer rates charged to customers.
  - Capital grants and contributions decreased by $30,000, due to the receipt of grants from the Southwest Florida Water Management District for the reimbursement of stormwater related costs in the prior year.

Expenses for the City's business-type activates increased by $891,323, or 9.0%. The key element of this net change is related to an increase in the cost to provide water and sewer management services.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

Governmental Funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

At September 30, 2020, the City's governmental funds reported combined fund balances of $12,106,118, an increase of $578,723 in comparison to prior year's fund balance. This balance represents *nonspendable, restricted, committed, assigned,* or *unassigned,* which indicate that the funds are 1) not in spendable form, 2) restricted for particular purposes, 3) committed for particular purposes, 4) assigned for particular purposes, or 5) available for spending at the City's discretion.

The City is reporting four major governmental funds: General, Redevelopment, Debt Service and Capital Projects, which comprise the majority of the City's governmental activities. To be classified as a major fund, a fund must report at least 10% of the City's total governmental funds' assets plus deferred outflows, liabilities plus deferred inflows, revenues or expenses, and must report at least 5% of the City's total governmental funds' plus enterprise funds' total assets plus deferred outflows, liabilities plus deferred inflows, revenues or expenses. The 10% and 5% tests must be passed for the same element (e.g., for assets) and the tests need only be passed for one of the four elements.

General Fund. The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unrestricted fund balance of the general fund was $2,228,134, inclusive of committed fund balance for emergency reserve and assigned fund balance for future expenditures. As a measure of the general fund's liquidity, it may be useful to compare both non-spendable and restricted fund balance as well as unrestricted fund balance to total general fund expenditures. Fund balance that is either non-spendable (advances, inventories, and prepaids) or restricted for a specific purpose is 46.0% of total general fund expenditures, while unrestricted fund balance is 11.3% of total general fund expenditures.

General Fund balance decreased by $347,968 during the current year. Key elements of the decrease are as follows:

- Revenues of $15,608,581 decreased by $182,898, or 1.2% compared to the prior year.
  - Charges for Services decreased by $442,695 compared to the prior year. This can be attributed to the temporary closing of the City's recreation and aquatics center and library as a result of the COVID-19 pandemic.

The following table presents the General Fund's largest revenues components for the past five years, excluding transfers and extraordinary revenues. These revenues comprise 80% - 100% of General Fund revenues, which means any changes can significantly impact the General Fund.

As indicated in the table below, most major sources of funds increased, representing some economic growth in the City.

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Property taxes	$ 4,476,414	$ 4,561,087	$ 4,693,290	$ 4,975,974	$ 5,308,673
Utility taxes/franchise fees	1,174,076	1,279,322	2,756,644	2,983,567	3,119,842
Communications taxes	651,949	655,342	674,449	647,355	716,503
State shared revenue	2,060,565	2,137,479	2,202,397	2,237,609	2,240,945
Grants and contributions	583,788	459,397	390,304	821,346	565,917
Other revenues	3,987,227	3,435,186	4,030,132	4,125,628	3,656,701
Total	$ 12,934,019	$ 12,527,813	$ 14,747,216	$ 15,791,479	$ 15,608,581

Of the sources presented in the graph, only property taxes and charges for services can be increased by the City. All other revenues presented are uncontrollable by the City, because: rates are set at the maximum amount allowed by law; the tax base cannot be expanded by the City; revenue is based on a predetermined fixed formula; or, revenue is determined by contract.

Capital Improvement Fund. The One-Cent *Penny for Pasco* local discretionary infrastructure surtax was originally approved for a 10-year period beginning in January 2005 and ending December 31, 2014. A voter referendum in November, 2012 approved a second ten-year term for this surtax which will be effective until December 31, 2024.

The "Penny for Pasco" revenue may be expended to: finance, plan and construct infrastructure; acquire land; and purchase public safety vehicles and equipment with a life expectancy of at least five years. Revenue cannot be used for operating costs, such as salaries, utilities, or repairs, including the operating costs related to the projects constructed or purchased with P4P revenue.

The following table presents *Penny for Pasco* revenue for the past five years.

Penny for Pasco	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues	$ 2,186,944	$ 2,262,697	$ 2,409,524	$ 2,632,026	$ 2,722,954

Projections from Pasco County indicate that the City's share of *Penny for Pasco* will continue to grow in 2020 and beyond.

The Capital Improvement Program (CIP) Fund's total fund balance decreased by $264,715 in comparison to prior year's fund balance. Fund balance in the CIP Fund can vary widely, due to the variability of capital projects between years. Any increase in available fund balance increases the City's flexibility to consider future major capital projects.

CAPITAL ASSETS, INFRASTRUCTURE, AND DEBT

Capital assets. The City's investment in capital assets is summarized below for the past three fiscal years, including additions and deletions during the year. Additional information on all capital assets can be found in Note F of the Comprehensive Annual Financial Report. No major changes in capital assets are reported from the prior year.

	Governmental Activities			Business Type Activities			Primary Government		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Land, land rights, and improvements	$ 5,540,752	$ 5,540,752	$ 3,822,002	$ 1,220,787	$ 1,220,787	$ 1,220,787	$ 6,761,539	$ 6,761,539	$ 5,042,789
Building and improvements	28,285,754	27,954,422	27,541,630	36,358,240	36,324,433	35,093,677	64,643,994	64,278,855	62,635,307
Improvements other than buildings	11,103,665	11,023,798	10,959,336	-	-	-	11,103,665	11,023,798	10,959,336
Machinery and equipment	13,698,638	12,477,922	11,838,648	7,859,629	7,127,237	5,716,734	21,558,267	19,605,159	17,555,382
Infrastructure	29,837,377	25,418,883	22,242,546	46,581,808	45,631,130	44,432,572	76,419,185	71,050,013	66,675,118
Less: Accumulated depreciation	(45,979,791)	(43,145,066)	(40,779,036)	(44,014,299)	(41,620,418)	(39,415,870)	(89,994,090)	(84,765,484)	(80,194,906)
Sub-total	42,486,395	39,270,711	35,625,126	48,006,165	48,683,169	47,047,900	90,492,560	87,953,880	82,673,026
Construction in progress	2,383,298	3,390,813	4,047,702	2,293,435	1,209,390	2,178,214	4,676,733	4,600,203	6,225,916
Total	$ 44,869,693	$ 42,661,524	$ 39,672,828	$ 50,299,600	$ 49,892,559	$ 49,226,114	$ 95,169,293	$ 92,554,083	$ 88,898,942

Long-term liabilities. The cornerstone of a city's good financial condition is a conservative debt policy. At year-end, the City reported total loans outstanding of approximately $22.3 million compared to $23.6 million at the end of the prior year. The City also has other long-term liabilities such as Compensated Absences payable (unused vacation leave), Other Postemployment Benefits payable (implicit "subsidized" retiree healthcare premiums), and other items as listed in Note I in the Comprehensive Annual Financial Report.

The following table presents the City's loans outstanding for Governmental Activities and Business-type Activities (Water-Sewer Fund). Total loans outstanding decreased approximately $1.3 million. Details on all long-term loans are included in Note G in the Comprehensive Annual Financial Report.

	Totals		
	2020	**2019**	**2018**
Governmental:			
Redevelopment note, Series 2016	$ 8,423,000	$ 9,080,000	$ 9,720,000
Notes payable - Fire Truck	890,000	-	-
Sub-total	9,313,000	9,080,000	9,720,000
Business Type:			
W&S Revenue bond, Series 2012	4,630,128	5,226,248	5,807,261
W&S Revenue bond, Series 2017A	617,000	665,000	712,000
W&S Revenue bond, Series 2019	7,540,000	8,378,000	-
Capital lease, Equipment	170,453	251,700	330,404
Sub-total	12,957,581	14,520,948	6,849,665
Total	$ 22,270,581	$ 23,600,948	$ 16,569,665

The City now maintains a "pay-as-you-go" policy for most capital purchases. Borrowing is only used for large, infrequent capital projects after considering many factors, including the City's ability to repay the debt, prioritization of needs versus wants and the related asset's useful life. A measure of a City's debt levels is the amount of debt outstanding compared to the cost of the City's capital assets.

ECONOMIC CONDITIONS, NEXT YEAR'S BUDGET, AND NEXT YEAR'S RATES

Economic Conditions. The City is cautiously optimistic about future conditions. In FY 2020, the City implemented a series of mitigating efforts to minimize the temporary revenue shortfalls related to facility closures and to ensure financial stability. The management team reviewed the City's estimates and implemented strategies to navigate the financial uncertainty of the COVID-19 pandemic, ensuring the City's financial health was maintained.

The City's capital assets are in good condition and replacement provisions have been made in the City's long-term financial plan. The housing market is gradually growing stronger and unemployment is at an historical low.

As a mature city, New Port Richey has a well-established base of quality services. The City's future challenge will be to maintain its service quality with continued declining revenues.

Next Year's Budget and Rates. The 2021 property tax rate remained at 8.7500 mills, same as in the previous year.

Most major revenues are projected to exhibit low or no growth, while many costs are projected to continue to increase, including fuel, health insurance, and pension expenses. However, pension expenses are heavily dependent on investment returns, which can be volatile.

The FY 2021 budget includes cost of living raises for non-represented employees and as allowable for firefighters and police officers for the first time in five years.

Fund balance is projected to remain steady in the General Fund and in most government funds. The Redevelopment Fund will see declines due to the levels of assigned debt. The utility funds will continue to see increase in net position.

The City is faced with balancing growth in some revenue categories against others that can be highly volatile with significant fluctuations through economic cycles. As such, a thoughtful and disciplined approach to budgeting and spending is necessary.

Long-Term Projections. Most of the City's major tax rates are set at the maximum amounts allowed by law; therefore, growth is dependent on the growth in the tax base, which is projected to be negligible for most revenues. Competitive pressures have limited growth in the communications services tax base.

The most critical element on the horizon is the City's commitment to exploring all viable alternatives to enhance the commercial infrastructure within the city limits, to encourage future economic growth and future economic opportunities.

Economic Condition Summary. The City of New Port Richey has addressed the continuation of the prolonged period of economic weakness with numerous budget reductions and currently remains in a strong financial condition and maintains adequate fund balances. The City has also maintained city facilities and infrastructure and the City's workforce is highly trained and productive.

The City maintains a diversified revenue base, which helps mitigate revenue reductions in a single source and has significant operating flexibility to reduce most costs, because most general government costs are variable. However, additional cost reductions cannot be made as easily as over the past few years, due to several years of budget reductions.

REQUESTS FOR INFORMATION

This Comprehensive Annual Financial Report provides an overview of the City of New Port Richey's financial position, financial condition, and results of operations as of and for the year ended September 30, 2020. More financial information, including a copy of the City's Annual Operating Budget and the City's Long-term Financial Plan and Capital Improvements Program can be obtained from the City's website, at: www.citynpr.org. Telephone inquiries may be directed to the Finance Director at (727) 853-1053. Written questions requests for information may be addressed to the Finance Director, 5919 Main Street, New Port Richey, FL 34652 or may be emailed to the Finance Director at: nprfinance@cityofnewportrichey.org.

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BASIC FINANCIAL STATEMENTS

The basic financial statements include the government-wide financial statements, fund financial statements, and notes to the financial statements. The government-wide financial statements present financial information about the reporting government as a whole, except for its fiduciary activities. The fund financial statements present financial information about major funds individually and nonmajor funds in the aggregate for the governmental and enterprise funds and the fiduciary funds in the aggregate. The notes to the financial statements present information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements.

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CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash, Cash Equivalents, and Investments	$ 11,153,067	$ 12,610,524	$ 23,763,591
Restricted Assets:			
Cash, Cash Equivalents, and Investments			
Impact Fees	-	3,782,578	3,782,578
Customer Deposits	-	1,252,978	1,252,978
Receivables (Net of Allowance):			
Accounts, Billed	742,870	1,834,711	2,577,581
Taxes	285,398	-	285,398
Special Assessments	36,750	1,443	38,193
Note Receivable - Current Portion	-	572,365	572,365
Due from Other Governments	1,339,052	507,593	1,846,645
Redevelopment Properties Held for Resale	1,825,000	-	1,825,000
Inventories - at Cost	103,976	352,770	456,746
Prepaid Items	13,797	4,000	17,797
Total Current Assets	15,499,910	20,918,962	36,418,872
NONCURRENT ASSETS			
Capital Assets:			
Nondepreciable	7,924,050	3,514,222	11,438,272
Depreciable, Net of Accumulated Depreciation	36,945,643	46,785,378	83,731,021
Note Receivable - Long-Term Portion	-	4,899,080	4,899,080
Net Pension Asset	2,309,785	-	2,309,785
Total Noncurrent Assets	47,179,478	55,198,680	102,378,158
Total Assets	62,679,388	76,117,642	138,797,030
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	3,297,185	604,060	3,901,245
OPEB Related Amounts	68,734	13,433	82,167
Total Deferred Outflows of Resources	3,365,919	617,493	3,983,412

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2020

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	$ 1,838,983	$ 727,982	$ 2,566,965
Accrued Liabilities	773,435	163,244	936,679
Due to Other Governments	31,299	-	31,299
Customer Deposits	-	1,252,978	1,252,978
Unearned Revenue	122,737	79,039	201,776
Current Portion of:			
Revenue Bonds Payable	-	1,520,619	1,520,619
Capital Lease Payable - Current Portion	-	83,872	83,872
Notes Payable	722,942	-	722,942
Net Pension Liability	19,030	5,709	24,739
Net OPEB Obligation - Current Portion	68,329	13,840	82,169
Compensated Absences	24,386	9,912	34,298
Total Current Liabilities	3,601,141	3,857,195	7,458,336
NONCURRENT LIABILITIES			
Revenue Bonds Payable	-	11,266,509	11,266,509
Capital Lease Payable	-	86,582	86,582
Notes Payable	8,590,058	-	8,590,058
Net Pension Liability	6,225,979	2,151,823	8,377,802
Net OPEB Obligation	3,617,650	732,759	4,350,409
Compensated Absences	542,761	65,653	608,414
Total Noncurrent Liabilities	18,976,448	14,303,326	33,279,774
Total Liabilities	22,577,589	18,160,521	40,738,110
DEFERRED INFLOWS OF RESOURCES			
Pension Related Amounts	1,302,309	114,758	1,417,067
OPEB Related Amounts	29,730	6,021	35,751
Total Deferred Inflows of Resources	1,332,039	120,779	1,452,818
NET POSITION			
Net Investment in Capital Assets	35,271,230	36,871,188	72,142,418
Restricted:			
Law Enforcement Programs	150,606	-	150,606
Net Pension Asset	2,309,785	-	2,309,785
Debt Service	1,593,334	-	1,593,334
Impact Fees	-	3,782,578	3,782,578
Infrastructure	1,800,583	-	1,800,583
Transportation	1,603,444	-	1,603,444
Unrestricted	(593,303)	17,800,069	17,206,766
Total Net Position	$ 42,135,679	$ 58,453,835	$ 100,589,514
TOTAL LIABILITIES AND NET POSITION	$ 66,045,307	$ 76,735,135	$ 142,780,442

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General Government	$ 6,758,673	$ 2,736,427	$ 165,307	$ -
Public Safety	12,124,276	196,488	175,160	-
Public Works	3,431,918	37,351	52,710	-
Culture and Recreation	3,683,758	319,162	172,740	12,189
Interest and Fiscal Charges on Long-Term Debt	231,636	-	-	-
Total Governmental Activities	26,230,261	3,289,428	565,917	12,189
BUSINESS-TYPE ACTIVITIES				
Water and Sewer	10,108,675	14,478,666	-	-
Stormwater Utility	725,089	1,043,931	-	-
Total Business-Type Activities	10,833,764	15,522,597	-	-
Total	$ 37,064,025	$ 18,812,025	$ 565,917	$ 12,189
General Revenues:				
Taxes:				
Ad Valorem				
Franchise Taxes				
Utility Taxes				
Communication Services Tax				
Infrastructure Tax				
Local Option Gas Tax				
Insurance Premium Taxes				
State Revenue Sharing				
Investment Income (Loss)				
Miscellaneous				
Total General Revenues				
Transfers				
Total General Revenue and Transfers				
Change in Net Position				
Net Position - Beginning of Year				
Net Position - End of Year				

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (3,856,939)	$ -	$ (3,856,939)
(11,752,628)	-	(11,752,628)
(3,341,857)	-	(3,341,857)
(3,179,667)	-	(3,179,667)
(231,636)	-	(231,636)
(22,362,727)	-	(22,362,727)
-	4,369,991	4,369,991
-	318,842	318,842
-	4,688,833	4,688,833
(22,362,727)	4,688,833	(17,673,894)
6,769,853	-	6,769,853
1,481,158	-	1,481,158
1,638,684	-	1,638,684
716,503	-	716,503
3,181,780	-	3,181,780
1,044,516	-	1,044,516
344,600	-	344,600
1,896,345	-	1,896,345
135,869	489,088	624,957
1,113,457	179	1,113,636
18,322,765	489,267	18,812,032
4,313,580	(4,313,580)	-
22,636,345	(3,824,313)	18,812,032
273,618	864,520	1,138,138
41,862,061	57,589,315	99,451,376
$ 42,135,679	$ 58,453,835	$ 100,589,514

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2020

	General	Redevelopment	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash, Cash Equivalents, and Investments	$ 2,292,583	$ 3,155,738	$ 1,632,551	$ 2,002,450	$ 1,444,995	$ 10,528,317
Receivables (Net of Allowance):						
Accounts, Billed	720,139	22,731	-	-	-	742,870
Taxes	285,398	-	-	-	-	285,398
Special Assessments	-	-	-	-	36,750	36,750
Advances to Other Funds	8,885,703	-	-	-	-	8,885,703
Due from Other Governments	644,490	-	-	498,357	196,205	1,339,052
Redevelopment Properties Held for Resale	-	1,825,000	-	-	-	1,825,000
Inventories - at Cost	36,730	-	-	-	-	36,730
Prepaid Items	6,232	7,565	-	-	-	13,797
Total Assets	$ 12,871,275	$ 5,011,034	$ 1,632,551	$ 2,500,807	$ 1,677,950	$ 23,693,617
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	$ 734,662	$ 359,090	$ -	$ 700,224	$ 29,490	$ 1,823,466
Accrued Liabilities	720,188	4,106	-	-	-	724,294
Advances from Other Funds	-	8,885,703	-	-	-	8,885,703
Due to Other Governments	31,299	-	-	-	-	31,299
Unearned Revenues	77,721	-	-	-	45,016	122,737
Total Liabilities	1,563,870	9,248,899	-	700,224	74,506	11,587,499
Fund Balances:						
Nonspendable:						
Advances from Oher Funds	8,885,703	-	-	-	-	8,885,703
Inventories	36,730	-	-	-	-	36,730
Prepaid Items	6,232	7,565	-	-	-	13,797
Assets Held for Resale	-	1,825,000	-	-	-	1,825,000
Restricted for:						
Law Enforcement Programs	150,606	-	-	-	-	150,606
Debt Service	-	-	1,632,551	-	-	1,632,551
Infrastructure	-	-	-	1,800,583	-	1,800,583
Transportation	-	-	-	-	1,603,444	1,603,444
Committed to:						
Emergency Reserve	1,938,881	-	-	-	-	1,938,881
Public Art Fund	30,000	-	-	-	-	30,000
Assigned to:						
Tree Removal	68,218	-	-	-	-	68,218
Senior Programming (Library)	1,400	-	-	-	-	1,400
Youth Education	2,450	-	-	-	-	2,450
Unassigned:						
General Fund	187,185	-	-	-	-	187,185
Redevelopment Fund	-	(6,070,430)	-	-	-	(6,070,430)
Total Fund Balances	11,307,405	(4,237,865)	1,632,551	1,800,583	1,603,444	12,106,118
Total Liabilities and Fund Balances	$ 12,871,275	$ 5,011,034	$ 1,632,551	$ 2,500,807	$ 1,677,950	$ 23,693,617

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

Fund Balances - Total Governmental Funds		$ 12,106,118
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		
Governmental Capital Assets	$ 90,289,373	
Less: Accumulated Depreciation	(45,636,977)	44,652,396
Deferred outflows of resources relating to net pension liabilities and OPEB do not have a current financial resources focus, and therefore are not recognized in the governmental fund financial statements		5,638,519
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:		
Redevelopment Revenue Notes Payable	(9,313,000)	
Compensated Absences	(560,152)	
Net Pension Liability	(6,107,515)	
Net OPEB Obligation	(3,621,615)	(19,602,282)
Certain liabilities which do not require current financial resources are reported on the statement of net position		
Accrued Interest on Long-Term Liabilities		(39,217)
Deferred inflows of resources relating to net pension and OPEB liabilities do not have a current financial resources focus, and therefore are not recognized in the governmental fund financial statements		(1,322,826)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets, deferred outflows, of resources, liabilities, and deferred inflows of resources of internal service funds are reported with governmental activities		702,971
Net Position of Governmental Activities		$ 42,135,679

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2020

	General	Redevelopment	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 9,145,018	$ 1,477,319	$ -	$ 2,722,954	$ 1,495,644	$ 14,840,935
Licenses and Permits	554,555	-	-	-	-	554,555
Intergovernmental Revenue	2,806,862	-	-	-	-	2,806,862
Charges for Services	637,659	-	-	-	-	637,659
Fines and Forfeitures	2,097,214	-	-	-	-	2,097,214
Investment Income (Loss)	25,713	(1,387)	13	72,560	51,334	148,233
Miscellaneous Revenues	341,560	34,805	-	-	728,476	1,104,841
Total Revenues	15,608,581	1,510,737	13	2,795,514	2,275,454	22,190,299
EXPENDITURES						
Current:						
General Government	4,132,260	1,395,848	-	-	384,772	5,912,880
Public Safety	10,362,701	-	-	-	-	10,362,701
Public Works	2,361,150	-	-	-	14,054	2,375,204
Culture and Recreation	2,099,660	-	-	-	-	2,099,660
Capital Outlay	775,888	294,220	-	2,171,389	1,935,356	5,176,853
Debt Service						
Principal Retirement	-	-	657,000	-	-	657,000
Interest and Fiscal Charges	-	-	230,858	-	-	230,858
Total Expenditures	19,731,659	1,690,068	887,858	2,171,389	2,334,182	26,815,156
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,123,078)	(179,331)	(887,845)	624,125	(58,728)	(4,624,857)
OTHER FINANCING SOURCES (USES)						
Issuance of Debt	-	-	890,000	-	-	890,000
Transfers In	5,810,180	3,460,070	887,640	-	525,000	10,682,890
Transfers Out	(2,035,070)	(3,013,260)	-	(888,840)	(432,140)	(6,369,310)
Total Other Financing Sources (Uses)	3,775,110	446,810	1,777,640	(888,840)	92,860	5,203,580
NET CHANGE IN FUND BALANCES	(347,968)	267,479	889,795	(264,715)	34,132	578,723
Fund Balances - Beginning of Year	11,655,373	(4,505,344)	742,756	2,065,298	1,569,312	11,527,395
FUND BALANCES - END OF YEAR	$ 11,307,405	$ (4,237,865)	$ 1,632,551	$ 1,800,583	$ 1,603,444	$ 12,106,118

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2020

Net Change in Fund Balances - Total Governmental Funds		$ 578,723
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.		
Expenditures for Capital Assets	$ 5,274,073	
Loss on Disposal of Capital Assets	(111,877)	
Less: Current Year Depreciation	(2,948,436)	2,213,760
Note proceeds are reported as financing sources in governmental funds and contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-tern liabilities and does not affect the statement of activities.		
Issuance of Debt		(890,000)
Repayment of principal on long-term debt is reported as an expenditure in governmental funds, but a reduction of long-term liabilities in the statement of net position.		
Principal Payments - Refunding Notes		657,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Change in Pension Related Amounts	(1,277,279)	
Change in Accrued Interest Payable	(778)	
Change in Net OPEB Obligation	(911,259)	
Change in Compensated Absences	(88,934)	(2,278,250)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds are reported with governmental activities.		(7,615)
Change in Net Position of Governmental Activities		$ 273,618

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF NET POSITION –
PROPRIETARY FUNDS
SEPTEMBER 30, 2020

	Business-Type Activities Enterprise Funds			Governmental Activity	
	Water and Sewer	Stormwater Utility	Total	Internal Service	Total
ASSETS					
CURRENT ASSETS					
Cash, Cash Equivalents, and Investments	$ 11,561,111	$ 1,049,413	$ 12,610,524	$ 624,750	$ 13,235,274
Restricted:					
Cash, Cash Equivalents, and Investments					
Impact Fees	3,782,578	-	3,782,578	-	3,782,578
Customer Deposits	1,252,978	-	1,252,978	-	1,252,978
Receivables (Net of Allowance):					
Accounts, Billed	1,834,711	-	1,834,711	-	1,834,711
Special Assessments	1,443	-	1,443	-	1,443
Note Receivable - Current Portion	572,365	-	572,365	-	572,365
Due from Other Governments	504,280	3,313	507,593	-	507,593
Inventories - at Cost	352,770	-	352,770	67,246	420,016
Prepaid Items	4,000	-	4,000	-	4,000
Total Current Assets	19,866,236	1,052,726	20,918,962	691,996	21,610,958
NONCURRENT ASSETS					
Capital Assets:					
Nondepreciable:					
Land, Land Rights, and Improvements	1,016,036	204,751	1,220,787	-	1,220,787
Construction in Progress	1,977,279	316,156	2,293,435	-	2,293,435
Depreciable:					
Buildings and Improvements	36,018,912	339,328	36,358,240	17,927	36,376,167
Machinery and Equipment	6,971,681	887,948	7,859,629	219,789	8,079,418
Infrastructure and Other Improvements	37,608,139	8,973,669	46,581,808	322,395	46,904,203
Accumulated Depreciation	(39,724,543)	(4,289,756)	(44,014,299)	(342,814)	(44,357,113)
Note Receivable - Long-Term Portion	4,899,080	-	4,899,080	-	4,899,080
Total Noncurrent Assets	48,766,584	6,432,096	55,198,680	217,297	55,415,977
Total Assets	68,632,820	7,484,822	76,117,642	909,293	77,026,935
DEFERRED OUTFLOWS OF RESOURCES					
Pension Related Amounts	561,727	42,333	604,060	36,071	640,131
OPEB Related Amounts	12,482	951	13,433	1,114	14,547
Total Deferred Outflows	574,209	43,284	617,493	37,185	654,678
LIABILITIES					
CURRENT LIABILITIES					
Accounts Payable	545,501	182,481	727,982	15,517	743,499
Accrued Liabilities	154,155	9,089	163,244	9,924	173,168
Customer Deposits	1,252,978	-	1,252,978	-	1,252,978
Unearned Revenue	79,039	-	79,039	-	79,039
Revenue Bonds Payable - Current Portion	1,520,619	-	1,520,619	-	1,520,619
Capital Lease Payable - Current Portion	83,872	-	83,872	-	83,872
Net Pension Liability - Current Portion	5,392	317	5,709	634	6,343
Net OPEB Obligation - Current Portion	12,453	1,387	13,840	1,193	15,033
Compensated Absences - Current Portion	9,071	841	9,912	-	9,912
Total Current Liabilities	3,663,080	194,115	3,857,195	27,268	3,884,463
NONCURRENT LIABILITIES					
Revenue Bonds Payable	11,266,509	-	11,266,509	-	11,266,509
Capital Lease Payable	86,582	-	86,582	-	86,582
Net OPEB Obligation	659,336	73,423	732,759	63,171	795,930
Net Pension Liability	2,003,383	148,440	2,151,823	136,860	2,288,683
Compensated Absences	58,480	7,173	65,653	6,995	72,648
Total Noncurrent Liabilities	14,074,290	229,036	14,303,326	207,026	14,510,352
Total Liabilities	17,737,370	423,151	18,160,521	234,294	18,394,815
DEFERRED INFLOWS OF RESOURCES					
Pension Related Amounts	107,236	7,522	114,758	8,694	123,452
OPEB Related Amounts	5,418	603	6,021	519	6,540
Total Deferred Inflows	112,654	8,125	120,779	9,213	129,992
NET POSITION					
Net Investment in Capital Assets	30,598,375	6,272,813	36,871,188	217,297	37,088,485
Restricted:					
Water and Sewer Impact Fees	3,782,578	-	3,782,578	-	3,782,578
Unrestricted	16,976,052	824,017	17,800,069	485,674	18,285,743
Total Net Position	$ 51,357,005	$ 7,096,830	$ 58,453,835	$ 702,971	$ 59,156,806

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2020

	Business-Type Activities Enterprise Funds			Governmental Activity	
	Water and Sewer	Stormwater Utility	Total	Internal Service	Total
OPERATING REVENUE					
Charges for Services	$ 14,136,077	$ 1,043,931	$ 15,180,008	$ 855,899	$ 16,035,907
Impact Fees	342,589	-	342,589	-	342,589
Total Operating Revenue	14,478,666	1,043,931	15,522,597	855,899	16,378,496
OPERATING EXPENSES					
Personnel Services	3,017,604	244,274	3,261,878	197,614	3,459,492
Contractual Services	394,758	49,138	443,896	69,706	513,602
Operating Supplies	648,128	89,800	737,928	570,906	1,308,834
Repairs and Maintenance	232,912	18,328	251,240	3,865	255,105
Utilities	1,172,650	36,067	1,208,717	2,272	1,210,989
Depreciation	2,191,087	263,968	2,455,055	23,358	2,478,413
Subsidy from County	(1,274,203)	-	(1,274,203)	-	(1,274,203)
Other Operating Expenses	3,346,209	23,514	3,369,723	284	3,370,007
Total Operating Expenses	9,729,145	725,089	10,454,234	868,005	11,322,239
OPERATING INCOME (LOSS)	4,749,521	318,842	5,068,363	(12,106)	5,056,257
NONOPERATING REVENUES (EXPENSES)					
Investment Income	459,621	29,467	489,088	2,439	491,527
Miscellaneous Revenues	179	-	179	2,052	2,231
Interest and Fiscal Charges	(379,530)	-	(379,530)	-	(379,530)
Total Net Nonoperating Revenues	80,270	29,467	109,737	4,491	114,228
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	4,829,791	348,309	5,178,100	(7,615)	5,170,485
Transfers in	1,780,900	-	1,780,900	-	1,780,900
Transfers Out	(5,933,580)	(160,900)	(6,094,480)	-	(6,094,480)
Total Transfers	(4,152,680)	(160,900)	(4,313,580)	-	(4,313,580)
CHANGE IN NET POSITION	677,111	187,409	864,520	(7,615)	856,905
Net Position - Beginning of Year	50,679,894	6,909,421	57,589,315	710,586	58,299,901
NET POSITION - END OF YEAR	$ 51,357,005	$ 7,096,830	$ 58,453,835	$ 702,971	$ 59,156,806

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2020

	Business-Type Activities Enterprise Funds			Governmental Activity	
	Water and Sewer	Stormwater Utility	Total	Internal Service	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	$ 14,582,835	$ 1,072,417	$ 15,655,252	$ -	$ 15,655,252
Cash Received from Interfund Services Provided	-	-	-	855,899	855,899
Cash Paid to Suppliers for Goods and Services	(4,714,201)	(53,680)	(4,767,881)	(632,742)	(5,400,623)
Cash Paid to and for the Benefit of Employees	(2,409,094)	(275,482)	(2,684,576)	(233,494)	(2,918,070)
Net Cash Provided (Used) by Operating Activities	7,459,540	743,255	8,202,795	(10,337)	8,192,458
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Cash Transfers from Other Funds	1,780,900	-	1,780,900	-	1,780,900
Cash Transfers to Other Funds	(5,933,580)	(160,900)	(6,094,480)	-	(6,094,480)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Interest and Fiscal Charges Paid on Revenue Bonds and Capital Lease	(379,530)	-	(379,530)	-	(379,530)
Principal Paid on Revenue Bonds, including Current Refinancing, and Capital Lease	(1,563,366)	-	(1,563,366)	-	(1,563,366)
Acquisition and Construction of Capital Assets	(2,523,444)	(338,653)	(2,862,097)	(11,023)	(2,873,120)
Collections on Notes Receivable	544,954	-	544,954	-	544,954
Net Cash Provided by Capital and Related Financing Activities	(3,921,386)	(338,653)	(4,260,039)	(11,023)	(4,271,062)
CASH FLOWS FROM INVESTING ACTIVITIES					
Earnings on Investments	459,621	29,467	489,088	2,439	491,527
Other Revenues	180	-	180	2,052	2,232
Net Cash Provided by Investing Activities	459,801	29,467	489,268	4,491	493,759
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(154,725)	273,169	118,444	(16,869)	101,575
Cash and Cash Equivalents - Beginning of Year	16,751,392	776,244	17,527,636	641,619	18,169,255
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 16,596,667	$ 1,049,413	$ 17,646,080	$ 624,750	$ 18,270,830
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO BALANCE SHEET					
Unrestricted Cash and Pooled Cash, Cash Equivalents, and Investments	$ 11,561,111	$ 1,049,413	$ 12,610,524	$ 624,750	$ 13,235,274
Restricted Cash and Pooled Cash, Cash Equivalents, and Investments:					
Impact Fees	3,782,578	-	3,782,578	-	3,782,578
Customer Deposits	1,252,978	-	1,252,978	-	1,252,978
Total	$ 16,596,667	$ 1,049,413	$ 17,646,080	$ 624,750	$ 18,270,830

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

	Business-Type Activities Enterprise Funds			Governmental Activity	
	Water and Sewer	Stormwater Utility	Total	Internal Service	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ 4,749,521	$ 318,842	$ 5,068,363	$ (12,106)	$ 5,056,257
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	2,191,087	263,968	2,455,055	23,358	2,478,413
Changes in Assets, Liabilities, and Deferred Items:					
(Increase) Decrease in Accounts Receivable	210,980	-	210,980	-	210,980
(Increase) Decrease in Due from Other Governments	(106,811)	28,486	(78,325)	-	(78,325)
(Increase) Decrease in Inventories	18,929	-	18,929	12,496	31,425
(Increase) decrease in prepaid expenses	(4,000)	-	(4,000)	-	(4,000)
Increase (Decrease) in Accounts Payable	(196,320)	163,167	(33,153)	1,795	(31,358)
Increase (Decrease) in Accrued Liabilities	57,065	1,328	58,393	2,289	60,682
Increase (Decrease) in Customer Deposits	46,236	-	46,236	-	46,236
Increase (Decrease) in Due to Other Governments	(53,475)	-	(53,475)	-	(53,475)
Increase (Decrease) in Unearned Revenue	(5,117)	-	(5,117)	-	(5,117)
Increase (Decrease) in Compensated Absences	3,679	3,796	7,475	229	7,704
Increase (Decrease) in Net Pension Liability	506,776	(84,818)	421,958	(75,673)	346,285
(Increase) Decrease In Deferred Outflows - OPEB	2,805	(164)	2,641	(152)	2,489
(Increase) Decrease in Deferred Outflows Relating to Pensions	(82,825)	29,049	(53,776)	30,998	(22,778)
Increase (Decrease) in Deferred Inflows Relating to Pensions	(47,687)	(17,477)	(65,164)	(13,557)	(78,721)
Increase (Decrease) in Net OPEB Obligation	168,697	37,078	205,775	19,986	225,761
Net Cash Provided by Operating Activities	$ 7,459,540	$ 743,255	$ 8,202,795	$ (10,337)	$ 8,192,458

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2020

	Employee Retirement Funds
ASSETS	
Cash	$ 148,923
Investments:	
U.S. Government Obligations	840,203
U.S. Government Agency Obligations	3,986,128
Domestic Corporate Bonds and Stocks	29,523,809
Real Estate Investment Trust	3,640,450
Temporary Investment Funds	985,000
Pooled Equity and Fixed Income Funds	5,976,865
Total Investments	44,952,455
Receivables:	
Accrued Dividends and Interest	54,939
Broker-Dealers	11,851
Intergovernmental	114,779
Total Receivables	181,569
Prepaid Items	201,518
Total Assets	45,484,465
LIABILITIES	
Accounts Payable	281,317
Total Liabilities	281,317
NET POSITION	
Restricted for Pension Benefits	$ 45,203,148

See accompanying Notes to Basic Financial Statements.

CITY OF NEW PORT RICHEY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2020

	Employee Retirement Funds
ADDITIONS	
Contributions:	
Employer	$ 424,341
Employee	270,185
State	344,600
Total Contributions	1,039,126
Investment Earnings:	
Net Increase in Fair Value of Investments	3,407,991
Interest and Dividends	749,163
Other	3,675
Total Investment Earnings	4,160,829
Less Investment Expense	209,092
Net Investment Earnings	3,951,737
Total Additions	4,990,863
DEDUCTIONS	
Benefits	2,669,112
Refunds of Contributions	39,830
Administrative Expense	137,551
Total Deductions	2,846,493
CHANGE IN NET POSITION	2,144,370
Net Position - Beginning of Year	43,058,778
NET POSITION - END OF YEAR	$ 45,203,148

See accompanying Notes to Basic Financial Statements.

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NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of New Port Richey, Florida (the City) is a political subdivision of the state of Florida. The City was originally incorporated on October 27, 1924, and officially established on May 15, 1925 by Chapter 10929, Laws of Florida, Acts of 1925 (regular session), an act of the Florida legislature, approved by the Governor and filed with the Secretary of State. This act was amended by Chapter 11647, No. 312, Laws of Florida, extraordinary session, November 1925, and approved by the Governor and filed with the Secretary of State on December 18, 1925. House Bill 1132, enacted by act of legislature, Special Laws of Florida, Acts of 1941, abolished the old municipality and created a new municipality, becoming a law (Chapter 21419) without Governor's approval after its filing with the Secretary of State on May 28, 1941, later being sealed by the Secretary of State on June 14, 1941. Various amendments were made to the charter during the 1950's, 1960's, and 1970's. The City of New Port Richey amended its charter with Ordinance #947-100 on November 2, 1982 and on December 7, 1982; the citizens of the City ratified this charter. More recently, the City amended its charter with Ordinance #1354, adopted on February 7, 1995, and on April 11, 1995, the citizens of the City ratified this charter. The charter, as amended, provides for a Council-Manager form of government. The government of the City is operated by the authority of the powers granted by its charter, as limited by the State Legislature. The City provides a full complement of municipal services, except for certain education, health, and welfare services that are administered by other governmental entities.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental units, in accordance with Governmental Accounting Standards Board (GASB).

1. Defining the Financial Reporting Entity: In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable, and, as such be included in the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City has determined that the Community Redevelopment Agency (CRA) is the only organization that meets these requirements, and therefore, has appropriately blended the component unit in the financial statements as a Special Revenue Fund. Although legally separate, the City Council serves as the CRA Board. The CRA was created pursuant to Chapter 163.356, Florida Statutes, City Ordinance 1202 and City Resolutions 885, 8826, and 897. The CRA was modified and the redevelopment plan revised with the adoption of City Resolution 0105. Separate financial statements are not prepared for the CRA.

The City includes advisory boards and commissions within the City in its financial statements in circumstances where the City selects the governing authority, designates management, has the ability to influence operations, and has accountability for fiscal matters of the advisory boards and commissions.

Jointly Governed Organization - Tampa Bay Water Authority (TBWA): The TBWA was organized in 1998, by an inter-local agreement pursuant to Chapter 98-402 of the Florida Statutes between the counties of Hillsborough, Pasco, and Pinellas and the cities of New Port Richey, St. Petersburg, and Tampa, Florida (the members). The purpose of the TBWA is to develop regional water supplies and to supply water to its members at a wholesale price. The TBWA is the reorganized West Coast Regional Water Supply Authority with a governing board of nine voting members, two from each of the county governments and one from each of the city governments.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Government-Wide and Fund Financial Statements: The basic financial statements are made up of the government-wide financial statements and fund financial statements. Both of these set of financial statements distinguish between the governmental and business-type activities of the City of New Port Richey. These statements consist of a Statement of Net Position and a Statement of Activities. These statements report on the financial condition of the City of New Port Richey, at the reporting entity level. Internal balances represent net amounts due between the governmental and business-type activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Internal service fund activity is reported as a single column in the proprietary fund financial statements. Fiduciary funds are not included in these presentations as their assets due not represent amounts that are available for City of New Port Richey government operations. The Statement of Net Position reports all financial and capital resources of the City's governmental and business-type activities. Net position equals assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources, and is shown in three categories: net investment of capital assets, restricted net position, and unrestricted net position. The Statement of Activities reports results of operations on a functional activity (program) basis and demonstrates to what degree the particular program has been self-supporting.

Direct expenses are those that are specifically associated with a service, program, or department and, thus are clearly identifiable to a particular function. The effect of indirect expense allocations has been eliminated at the government-wide financial statements. Depreciation expense for capital assets that can be specifically identified with a function is recorded as a direct expense of that function. Depreciation expense for capital assets that serve all functions is recorded as a direct expense of the general government function on the government-wide Statement of Activities. All interest on general long-term debt is considered indirect and reported separately in the government-wide Statement of Activities.

Program revenues are reported in the following three categories: charges for services, operating grants and contributions, and capital grants and contributions. Charges for services include revenues arising from charges to customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided. Operating grants and capital grants consist of revenues received from other governments, organizations, or individuals that are specifically attributable to a program and are restricted for either capital or operational use in a particular program.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service fund are charges to customers for services. Operating expenses for the City's enterprise funds and internal service fund include cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The fund financial statements follow the government-wide statements and report more detailed information about operations of major funds on an individual basis and nonmajor funds on an aggregate basis for the governmental and proprietary funds. Following the governmental fund balance sheet and statement of revenues, expenditures and changes in fund balances are reconciliations explaining the differences between governmental fund presentation and the government-wide presentation.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Accounting and Measurement Focus: Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied.

The government-wide financial statements, as well as the fund financial statements for the proprietary funds, are reported using the economic resources measurement focus and the accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis of accounting.

All proprietary funds are maintained on the accrual basis of accounting with revenues being recognized when earned and expenses recognized when incurred. Operating revenues and expenses of the proprietary funds are defined revenues or expenses related to the provision of applicable service. Nonoperating revenues and expenses include items unrelated to the provision of services.

Under the modified accrual basis, revenues are recognized in the accounting period when they become measurable and available. Revenues are generally considered available when they are received in cash (unless legally restricted to some future period) or when earned and expected to be collected soon enough after year-end to pay liabilities of the current period (i.e., within 60 days of the end of the current fiscal period). In addition, grant revenues are considered available if they are expected to be collected within one year of the end of the fiscal period.

Expenditures are recognized at the time the fund liability is incurred, if measurable. Interest and principal payments on general long-term debt and compensated absences are recognized when paid. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

4. Fund Financial Statements: Separate financial statements are provided by governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from government-wide financial statements. An emphasis is on the major funds in either the governmental or business-type categories. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds (by category) are summarized into a single column.

The City reports the following major governmental funds:

General Fund: The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Redevelopment Fund: This fund is used to account for the proceeds of tax incremental funding and the associated costs for redevelopment initiatives. In addition, other development service proceeds (i.e., building permits and zoning fees) are accounted for in this fund along with the associated operating costs of this function.

Debt Service Fund: This fund accounts for the accumulation of resources for and payment of principal, interest, and related costs of the City's general long-term debt.

Capital Projects Fund: This fund accounts for financial resources earmarked or segregated for the acquisition and construction of major capital facilities and other project-oriented activities, except for those financed by and accounted for the Redevelopment Fund or proprietary funds.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City reports the following major enterprise funds:

The Water and Sewer Fund: This fund is used to account for the financing, construction, operation, and maintenance of the water and sewer services of the City from charges made to users of the service.

The Stormwater Utility Fund: This fund is used to account for the financing, construction, operation, and maintenance of the stormwater management system of the City form charges assessed against each developed property.

Additionally, the City reports the following fund types:

Internal Service Fund: This fund accounts for the operations of one department that provides services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The City's central garage provides automotive fleet services to other departments.

Fiduciary Fund Types: Pension trust funds account for the financial operations of the Police Officer and Firefighters' and Employee Retirement funds.

5. **Budgets and Budgetary Accounting:** The City follows these procedures in establishing the budgetary data reflected in the financial statements.

   a. The City Manager submits to the City Council a proposed operating budget for the ensuring fiscal year. It contains proposed expenditures and the means to finance them, including a proposed property tax millage.

   b. Public hearings are conducted by the City Council as required by state and federal law to obtain taxpayer comments on the proposed budget.

   c. The budget and property tax millage is approved by the City Council in September.

   d. Annual budgets are adopted for the following funds: General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, Enterprise Funds, and Internal Service Fund.

   e. The City Council must approve budget amendments that affect revenue accounts or appropriations in more than one department. The City Manager is authorized to transfer any unencumbered appropriation balance or portion thereof between specific classifications of expenditures within a department or office. Expenditures may not exceed legal appropriations at the department level. Appropriations lapse at year-end. All budget amounts presented in the accompanying financial statements and supplemental information have been adjusted for revisions as approved by the City Council during the year.

   f. Formal budgetary integration is employed as a management control device during the year for the Governmental Funds.

   g. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. Assets, Liabilities, Deferred Inflows/Outflows, and Net Position of Fund Balance

Cash, Cash Equivalents, and Investments: The City utilizes a consolidated cash pool to account for cash, cash equivalents, and investments of all City funds other than those that are required by ordinance to be physically segregated. The consolidated cash pool concept allows each participating fund to benefit from the economies of scale and improved yield that are inherent to a larger investment pool. Formal accounting records detail the individual equities of the participating funds.

Investments in U.S. Treasury and government agency securities are recorded at fair value, as determined by the quoted market prices. If quoted market prices are not available, fair values are estimated on the basis of dealer quotes, pricing models, or quoted market prices for instruments with similar characteristics. The Local Government Surplus Funds Trust Fund operated by the Florida State Board of Administration is treated as a "2a-7 like" and therefore it is presented at its actual pooled share price of $1.

Cash Equivalents: For purposes of the statement of cash flows, the proprietary funds consider equity in pooled cash and investments with an original maturity date of three months or less when purchased, both restricted and unrestricted, to be cash equivalents.

Investments: Investments are reported at fair value. Investments in common stock and bonds traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the last reported bid and asked prices. Investments in mutual fund type securities are valued at the net asset value of the fund based on the underlying assets held in the funds. The fair value of an investment is the amount that could reasonably be expected to be received for it in a current sale between a willing buyer and a willing seller, other than in a forced or liquidation sale.

Receivables: Utility (water and sewer) operating revenues are generally recognized on the basis of cycle billings rendered monthly.

Inventories and Prepaid Costs: Inventory is valued at cost using the first-in, first-out method. Inventory in governmental funds consists of supplies held for consumption. The cost is recorded as an expenditure at the time inventory items are consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Inventories and prepaid costs reported within governmental funds are classified as nonspendable, which indicates that they do not constitute available resources. Inventories and prepaid costs in the governmental-wide and proprietary fund financial statements are reported as an expense when consumed.

Redevelopment Properties Held for Resale: Real estate properties acquired in economically depressed areas and held for resale to the private sector are stated at lower of cost or market value. These properties are not intended to be used in the City's operations but rather are intended to be converted to cash upon resale.

Restricted Assets: Certain resources of the Water and Sewer Fund are classified as restricted assets and represent assets set aside for customer deposits.

Property Taxes: Under Florida Law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the Pasco County Property Appraiser and Pasco County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit cities to levy property taxes at a rate of up to 10 mills. The millage rate in effect for the fiscal year ended September 30, 2020 was 8.75000 mills.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The tax levy of the City is established by the City Council prior to October 1 of each year. The Pasco County Property Appraiser incorporates the millages into the total tax levy, which includes the tax requirements of the county, municipalities, independent districts, and the Pasco County School Board.

All property is reassessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Pasco County Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount. Delinquent taxes on real property bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by Pasco County.

Capital Assets: Land and land rights, buildings, improvements, and machinery and equipment are stated at cost. Capital contributions are recorded at their acquisition value on the date donated.

The City capitalizes expenditures with a cost in excess of $1,500 or more for equipment and with a useful life in excess of five years and capital improvements and/or additions constructed or acquired in excess of $10,000. Expenditures for maintenance and repairs are charged to operating expense. The cost of capital assets retired or sold, together with the related accumulated depreciation, is removed from the accounts and any gain or loss on disposition is credited or charged to government-wide financial statements and proprietary fund financial statements.

Depreciation is provided using the straight-line method. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Capital Asset Class	Estimated Useful Life
Infrastructure	20 to-50 Years
Buildings and Improvements	10 to 50 Years
Improvements Other than Buildings	40 to 50 Years
Machinery and Equipment	5 to 10 Years

Deferred Outflows/Inflows of Resources: The statement of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and as such will not be recognized as an expense or expenditure in the current year.

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Unearned Revenue: In instances where assets have been received by the City for services rendered in future periods, asset balances are offset by an unearned revenue liability account in the financial statements.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences: The City follows the provisions of GASB No. 16, *Accounting for Compensated Absences*, as amended. This statement provides for the measurement of accrued vacation leave and other compensated absences using the pay or salary rates in effect at the balance sheet date. It also requires additional amounts to be accrued for certain salary related payments associated with the payment of compensated absences. Annual vacation accruals vary based on years of service. The maximum number of annual leave hours that an employee may accrue is equal to the employee's rate of annual accrual. Payments for compensated absences are made by the respective fund. Accrued compensated absences are recorded as liabilities in the government-wide financial statements and the proprietary fund financial statements. A liability is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements, and are considered due and payable as of year-end.

Net Position: Net position represents the difference between total assets plus deferred outflows of resources and liabilities plus deferred inflows of resources and is categorized as follows:

- Net investment in capital assets – Total capital assets, net of debt issued in the acquisition of these assets and net of depreciation is reported separately in the net position section.

- Restricted – This component consists of net position that has constraints placed on it either externally by third parties (creditors, grantors, and contributors) or by law through constitutional provisions of enabling legislation. The City would typically use restricted assets first, as appropriate opportunities arose, but reserves the right to selectively defer the use of these funds. The government-wide statement of net position reports $11,240,330 of restricted net position.

- Unrestricted – Balance are not restricted for specific purposes.

Fund Balance Classification: The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The City has classified Redevelopment Properties Held for Resale, Inventories, Prepaid Items, and Repayable Advances from Other Funds as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next current year.

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources through either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified forfeitures as being restricted as their use is restricted by Florida Statutes for police investigative expenditures. Debt service resources are to be used for future servicing of the revenue note and bonds and are restricted through debt covenants. Infrastructure projects are restricted by Florida Statute and the laws of Pasco County and are legally segregated for funding of infrastructure improvements. Transportation projects, which are funded by paving assessments and local option gas taxes, are restricted by Florida Statute, and are legally segregated for funding of street improvement projects.

- Committed – This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action by the City Council that constitutes the most binding constraint, which is an ordinance. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance) that was employed when the funds were initially committed. This classification also includes contractual obligations to the

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

- Assigned – This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to the City Manager through the budgetary process. The City has assigned funds for Capital Projects that are to be used for the repair and replacement of equipment, street improvements, debt services and future expenditures, funds designated for future expenditures and an amount designated for minimum funding as established by Ordinance 1119.

- Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balances of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

The spending order of fund balances as established by the City is to first spend restricted amounts when both restricted and unrestricted fund balances are available, unless there are legal restrictions that prohibit such action, such as grant agreements that require a dollar match. Additionally, when expenditures are incurred for purposes for which unrestricted fund balances could be used, the City shall first spend committed fund balance, followed by assigned fund balance, and then unassigned fund balance.

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Interfund Transactions: Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation. Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of Net position as receivable from and payable to external parties.

7. Impact of Recently Issued Accounting Principles:

The GASB issued Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements, effective for September 30, 2020 year-end. The objective is to improve the information that is disclosed in notes to government financial statements related to debt, which includes direct borrowings and direct placements. It also clarified which liabilities governments should include when disclosing information related to debt. The City has implemented this Statement for fiscal year 2020.

The GASB issued Statement No. 95, Postponement of the Effectiveness Dates of Certain Authoritative Guidance, which provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are schedules to become effective for periods beginning after June 15, 2018, and later. The City has implemented this Statement for fiscal year 2020.

NOTE B CASH, CASH EQUIVALENTS, AND INVESTMENTS

At September 30, 2020, the carrying amount of the City's deposits with financial institutions was $5,631,572 and the bank account balance was $6,050,861. The City's cash deposits were fully insured by federal depository insurance or by collateral held by the City's agent pursuant to the Public Depository Security Act of the state of Florida. This act establishes a multiple financial institution collateral pool in which all financial institutions holding public deposits pledge a pool of collateral against all public deposits they collectively hold. In the event of a default or insolvency by a qualified public depository, any loss not covered by deposit insurance or the proceeds from the sale of securities pledged by the defaulting depository is covered by an assessment against the other qualified public depository in default. The assessment is based upon the average share of the public fund deposits held by each of these depositories during the previous 12 months in relation to total public deposits held by all depositories of the same type during the same period.

Custodial Risk: Custodial credit risk is the risk that a government will not be able to recover deposits or the value of investments in the event of the failure of a depository financial institution or a third party holding the investments securities. All investments are held in the name of the City and all time deposits are maintained with qualified public depositories, as previously discussed.

Credit Risk: Credit quality risk results from potential default of investments that are not financially sound. Florida Statutes (166.261 and 218.415) authorize municipalities to invest excess funds in time deposits or savings accounts of financial institutions approved by the State Treasurer, obligations of the U.S. Government, U.S. Government Instrumentalities, Local Government Surplus Funds Trust Fund, and mutual funds investing in U.S. Government securities. The City adopted its own investment policy that also authorizes the City to invest in the following: a) obligations of government-sponsored corporations (Instrumentalities – which are usually "AAA" rated but have no explicit government guarantee) that are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve; b) collateralized mortgage obligations (CMO) with very accurately defined maturities issued by Federal Agencies and Instrumentalities with an average life less than three years; c) bankers' acceptance guaranteed by banking institutions with a bank rating of "AA" on its long-term debt; d) prime commercial paper having received an "A1/P1" or higher rating by a nationally recognized rating agency; e) nonnegotiable certificates of deposit and bank investment contracts (BIC), which can be insured, collateralized at the Federal Reserve or quality as state qualified public deposits as defined by Florida Statutes; f) taxable or tax-exempt government bonds, notes or other obligations of state or local governments, including municipal corporations and special districts, of investment grade quality; g) repurchase agreements with a "primary securities dealer" or with the City's primary state certified public depository that are collateralized pursuant to state law and pursuant to a Master Repurchase Agreement entered into with the selling institution; h) auction rate securities (Dutch Auctions) rated "AA" or "AAA" with 28 – 35 day resets rated by a nationally recognized rating agency; i) corporate debt of corporations whose long-term debt is rated at least "AA-" or equivalent by a nationally recognized rating agency; j) mortgaged back securities rated "AAA" or better by a nationally recognized rating agency; and k) any other investments authorized by law and by resolution of the City Council.

The Local Government Surplus Funds Trust Fund (Florida PRIME) is operated by the Florida State Board of Administration and is a local government investment pool (LGIP). The Florida State Board of Administration is a three-member board made up of the state elected officials of Governor, Chief Financial Officer, and Attorney General. This Board is empowered by Florida law to invest funds at the request of local governments. The Florida PRIME is treated as a qualified external investment pool in accordance with GASB Statement No. 79 and is valued using the pooled share price (amortized cost), which approximates fair value.

Qualifying local government investment pools in the state of Florida must comply with applicable Florida statutory requirements. Chapter 218.409(8)(a), Florida Statutes, states that the principal balance within a LGIP trust fund is subject to withdrawal at any time. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest in the monies entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council.

NOTE B CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

With regard to liquidity fees, Chapter 218.409(4) provides authority for an LGIP to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made by the SBA.

At September 30, 2020, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value within Florida PRIME.

The Florida Municipal Investment Trust (the Trust) is an investment pool created under the laws of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds. The Trust is administered by a Board of Trustees consisting of the President and Second Vice President of the Florida League of Cities, two representatives from the Florida Municipal Investment Trust, and three additional members who are elected officials of governmental entities who actively participate in the Trust. The City has invested in the Trust's 0-2 Year High Quality Bond Fund, which invests in government and high quality fixed income securities. The Trust is an authorized investment under the City's investment policy.

The City's investments as of September 30, 2020, consist of the following:

Investment	Weighted Average Maturity	Fair Value	Overall Credit Rating (Standard & Poors)
State Board of Administration - Florida PRIME	48	$ 13,294,363	AAAm
Florida Municipal Investment Trust - 0-2 Year High Quality Bond Fund	0.68 Year	4,376,016	Not Rated
United States Treasury Bill	12 Months	5,494,439	Not Rated
Portfolio Total		$ 23,164,818	

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Pursuant to the City's investment policy, as of September 30, 2020, the City minimized the interest rate risk, related to the decline in market value of securities due to rising interest rates, by limiting the maturity of individual securities to not exceed five years from the date of purchase with the exception of securities related to a specific cash flow such as a reserve fund and investing operating funds in primarily shorter-term securities or similar government investment pools so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the secondary market prior to maturity.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributable to the quantity of the government's investment in a single user. Appropriate diversification is maintained between security types and issuers to reduce concentration of credit risk.

A reconciliation of the amount of cash, cash equivalents, and investments to the Statement of Net Position is as follows:

Bank Deposits	$ 5,632,000
Petty Cash	2,329
Investments	23,164,818
Total	$ 28,799,147
Unrestricted:	
Cash, Cash Equivalents, and Investments	$ 23,763,591
Restricted:	
Cash, Cash Equivalents, and Investments - Customer Deposits	5,035,556
Total Cash, Cash Equivalents, and Investments	$ 28,799,147

NOTE B CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Pension Trust Funds: The City has two defined benefit single-employer pension plans: Police Officers' and Firefighters' (Pension Funds).

Firefighters' Retirement System

Cash and Cash Equivalents: Fiduciary Trust Company of the South, Inc. periodically holds uninvested cash in its capacity as custodian of the Firefighters' Retirement System (the Plan). These funds exist temporarily as cash in the process of collection from the sale of securities. At September 30, 2020, the carrying amount of the Plan's cash and cash equivalents was $15,827.

Investments: The Board of Trustees of the Firefighters' Retirement System are authorized to invest and reinvest in such securities or property, real or personal, as shall be approved by the Board of Trustees; including but not limited to stocks, common or preferred, bonds, so long as such stocks or bonds retain one of the three highest quality ratings on a major recognized rating service, and other evidence of indebtedness or ownership, including shares or units of common trust funds approved as investments for pension and profit sharing plans.

The Firefighters' Retirement System held the following fixed investments as of September 30, 2020:

Investment Type	Fair Value	Overall Credit Rating (S&P & Moody's)	Average Effective Duration (Years)
U.S. Government Obligations	$ 516,578	AA	9.3
U.S. Government Agency Obligations	524,956	AA	8.1
Domestic Corporate Bonds	1,661,989	A	12.2
Domestic Fixed Income Investment Fund	826,680	Not Rated	N/A
Domestic Stocks	4,996,529	Not Rated	N/A
Domestic Equity Investment Fund	3,429,522	Not Rated	N/A
International Equity Investment Fund	1,720,663	Not Rated	N/A
Temporary Investment Funds	82,500	Not Rated	N/A
Total Investments	$ 13,759,417		

Credit Risk – The Plan's investment policy limits its fixed income securities to a qualifying rating of "A" or equivalent as rated by one or more recognized bond rating services at the time of purchase. Fixed income investments that are downgraded to a "BAA" or equivalent rating must be liquidated within a reasonable period of time not to exceed 12 months. Fixed income investments that are downgraded below a "BAA" rating are to be liquidated immediately.

Interest Rate Risk – Through its investment policy, the Plan manages its exposure to fair value losses arising from increasing interest rates. In this regard, the Plan adopted the Barclays Capital Aggregate Bond Index benchmark performance evaluator. The Plan further limited the effective duration of its fixed investment portfolio to 120% of the duration of the Lehman Brothers Aggregate Bond Index duration.

Custodial Credit Risk – Custodial credit risk is defined as the risk that the Plan may not recover cash and investments held by another in the event of a financial failure. The Plan requires all securities to be held by a third-party custodian in the name of the Plan. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

The Plan has no instrument that, in whole or in part, is accounted for as a derivative instrument under GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments," during the current plan year.

NOTE B CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Police Officers' Retirement System

Cash and cash equivalents: Fiduciary Trust Company of the South, Inc. periodically holds un-invested cash in the capacity as custodians of the Police Officers' Retirement System (the Plan). These funds exist temporarily as cash in the process of collection from the sale of securities. At September 30, 2020, the carrying amount of the Plan's cash and cash equivalents was $133,096.

Investments: The Board of Trustees of the Police Officers' Retirement System are authorized to invest in time, savings and money market accounts of an institution insured by the Federal Deposit Insurance Corporation; obligations of the U.S. Government or an agency or instrumentality of the U.S. Government, high capitalization common or preferred stocks, pooled equity funds, high quality bonds or notes and fixed income funds. The Board requires that Plan assets be invested with no more than 70% in stocks and convertible securities measured at cost. Additionally, not more than 5% of the Plan's assets shall be invested in the common stock of any one issuing company. The Plan's investment in the common stock of any single corporation shall not exceed 5% of such corporation's outstanding common or capital stock.

The Police Officers' Retirement System held the following investments as of September 30, 2020:

Investment	Fair Value	Overall Credit Rating (S&P & Moody's)	Average Effective Duration (Years)
U.S. Government Obligations	$ 323,625	AA	5.2
U.S. Government Agency Obligations	3,461,172	AA	8.3
Domestic Corporate Bonds	3,902,057	A	5.9
Domestic Stocks	18,963,234	Not Rated	N/A
Real Estate Investment Fund	3,640,450	Not Rated	N/A
Temporary Investment Funds	902,500	Not Rated	N/A
Total Fixed Investments	$ 31,193,038		

Credit Risk – Consistent with state law, the Plan's investment guidelines limit its fixed income securities to a quality rating of "A" or equivalent as rated by one or more recognized bond rating services at the time of purchase. Fixed income investments that are downgraded to a "BAA" or equivalent rating must be liquidated within a reasonable period of time not to exceed 12 months. Fixed income investments that are downgraded below a "BAA" rating are to be liquidated immediately.

Interest Rate Risk – Through its investment policies, the Plan manages it exposure to fair value losses arising from increasing interest rates. In this regard, the Plan adopted the Barclays Capital Aggregate Bond Index benchmark performance evaluator. Additionally, the Plan further limited the effective duration of its fixed income investment portfolio to 120% of the duration of the Lehman Brothers Aggregate Bond Index.

Custodial Credit Risk – Custodial credit risk is defined as the risk that the Plan may not recover cash and investments held by another in the event of a financial failure. The Plan requires all securities to be held by a third-party custodian in the name of the Plan. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in had at the conclusion of the transaction.

The Plan has no instrument that, in whole or in part, is accounted for as a derivative instrument under GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments," during the current plan year.

NOTE B CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Fair Value Measurement - The City and the Firefighters' Retirement System and the Police Officers' Retirement System categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Investments are reported at fair value other than those using Net Asset Value (NAV) or amortized cost. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value determination, other than those measured using the NAV as a practical expedient, are made based upon a hierarchy that prioritizes the inputs to valuation techniques. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 – Inputs are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability, and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The investments of the City consist of the following:

- Florida PRIME, which is a qualified external investment pool and is valued at amortized cost of $13,294,363 as of September 30, 2020.
- United States Treasury Bill, with a fair value of $5,494,439 as of September 30, 2020. This is considered a Level 2 investment, whose pricing was obtained from an independent third-party custodian that utilizes matrix pricing.
- 0-2 Year High Quality Bond Fund, which is invested through the Florida Municipal Investment Trust (FMIVT), is an external investment pool. The 0-2 Year High Quality Bond Fund is valued at the net asset value (NAV) of $4,376,016 as of September 30, 2020. The NAV, provided by FMIVT, is based upon the values of the underlying securities within the fund. The 0-2 Year High Quality Bond Fund invests mainly in U.S. government and agency securities and asset-backed securities. The investment objective of this fund is to meet or exceed the return of its benchmark, the Bank of America ML 1 Year Treasury Note. The fund's underlying portfolio is valued on the 15th and last business day of the month. The fund is available to accept contributions or redemptions twice monthly, on the first business day following the portfolio valuation date. The minimum redemption amount is $5,000, and the Administrator must have advance written notification of intended withdrawals.

NOTE B CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

The Firefighters' Retirement System had the following recurring fair value measurements comprised of investments as of September 30, 2020:

	2020			
		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment by Fair Value Level				
Debt Securities:				
U.S. Government Obligations	$ 516,578	$ -	$ 516,578	$ -
U.S. Government Agency Obligations	524,956	-	524,956	-
Domestic Corporate Bonds	1,661,989	-	1,661,989	-
Domestic Fixed Income Fund	826,680	826,680	-	-
Equity Securities:				
Domestic Equity Investment Fund	3,429,522	3,429,522	-	-
Domestic Stocks	4,996,529	4,996,529	-	-
International Equity Investment Fund	1,720,663	1,720,663	-	-
Temporary Investments	82,500	82,500	-	-
Total Investments Measured at Fair Value	$ 13,759,417	$ 11,055,894	$ 2,703,523	$ -

Debt securities classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Pricing and Reference Data, LLC to value securities based on the securities' relationship to benchmark quoted prices.

The Police Officers' Retirement System had the following recurring fair value measurements comprised of investments as of September 30, 2020:

	2020			
		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment by Fair Value Level				
Debt Securities:				
U.S. Government Obligations	$ 323,625	$ -	$ 323,625	$ -
U.S. Government Agency Obligations	3,461,172	-	3,461,172	-
Corporate Bonds	3,902,057	-	3,902,057	-
Equity Securities:				
Domestic Stocks	18,963,234	18,963,234	-	-
Temporary Investments	902,500	902,500	-	-
Total Investments Measured at Fair Value	$ 27,552,588	$ 19,865,734	$ 7,686,854	$ -
Investments Measured at Net Asset Value (NAV)				
Real Estate Fund	3,640,450			
Total Investments Measured at Cost	3,640,450			
Total Investments	$ 31,193,038			

NOTE B CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Debt securities classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Pricing and Reference Data, LLC to value securities based on the securities' relationship to benchmark quoted prices.

The real estate investment fund (U.S. Real Estate Investment Fund, LLC) is an open end, commingled private real estate portfolio. This REIT-based fund is structured as a limited partnership. Its primary focus is to invest in well-leased, income producing properties within major U.S. markets. The fair values of the investments in this fund have been determined using the NAV per unit of the Trust's ownership interest in partners' capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 90 days in advance and may be paid in one or more installments.

NOTE C RECEIVABLES

The receivables and related allowance for uncollectibles at September 30, 2020 were as follows:

	Receivable Balance	Allowance for Uncollectible Balance	Net
General Fund:			
Taxes and Franchise Fees	$ 285,398	$ -	$ 285,398
Lot Mowing	21,022	-	21,022
Code Enforcement	1,754,907	1,338,680	416,227
Red Light Camera Fines	90,307	-	90,307
Other	192,583	-	192,583
Total General Fund	$ 2,344,217	$ 1,338,680	$ 1,005,537
Redevelopment Fund:			
Lot Mowing	$ 1,023	$ -	$ 1,023
Code Enforcement	296,210	296,210	-
Miscellaneous	21,708	-	21,708
Total Redevelopment Fund	$ 318,941	$ 296,210	$ 22,731
Street Improvement Fund:			
Special Assessments	$ 74,675	$ 37,925	$ 36,750
Water and Sewer Fund:			
Retail Utility Customers	$ 2,368,698	$ 567,646	$ 1,801,052
Impact Fees	16,107	-	16,107
Miscellaneous	17,552	-	17,552
Special Assessments	28,863	27,420	1,443
Total Water and Sewer Fund	$ 2,431,220	$ 595,066	$ 1,836,154

NOTE D INTERFUND TRANSFERS

The composition of interfund transfers for the year ended September 30, 2020 is as follows:

	Fund Transfers In:						
Fund Transfer Out:	General Fund	Redevelopment Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Water and Sewer Fund	Total
General Fund	$ -	$ 1,710,070	$ -	$ -	$ 325,000	$ -	$ 2,035,070
Redevelopment Fund	375,620	-	887,640	-	-	1,750,000	3,013,260
Capital Projects Fund	688,840	-	-	-	200,000	-	888,840
Street Improvement Fund	432,140	-	-	-	-	-	432,140
Water and Sewer Fund	4,183,580	1,750,000	-	-	-	-	5,933,580
Stormwater Fund	130,000	-	-	-	-	30,900	160,900
Total	$ 5,810,180	$ 3,460,070	$ 887,640	$ -	$ 525,000	$ 1,780,900	$ 12,463,790

	Due From:						
Due To:	General Fund	Redevelopment Fund	Street Improvement Fund	Internal Service Fund	Stormwater Fund	Stormwater Fund	Total
General Fund	$ -	$ 8,885,703	$ -	$ -	$ -	$ -	$ 8,885,703
Total	$ -	$ 8,885,703	$ -	$ -	$ -	$ -	$ 8,885,703

The majority of transfers to the General Fund represent each fund's share of operating overhead and administrative costs paid by the General Fund. In addition, the Redevelopment Fund transferred $887,640 into the Debt Service Fund to make principal and interest payments on the Redevelopment Revenue Note, Series 2016. Also, a portion of transfers made from the Water and Sewer Fund to the General Fund represented payments in lieu of franchise fees on utility billing revenues.

In addition to transfers, the General Fund has a long-term advance to the Redevelopment Fund with an outstanding balance of $8,885,703 as of September 30, 2020. This amount is made up of $7,619,352, which is the initial advance, per Resolution 2015-09, and accumulates interest at 4.5% per year. Total interest accrued and unpaid is $2,303,026. The principal and interest amounts are due starting in fiscal year 2021 based on a repayment plan that matures in FY2040. The remaining $1,266,351 is related to transfers to cover negative cash in previous fiscal years and other costs. The purpose of this advance was to provide the necessary funding to the Redevelopment Fund in order to meet its debt service obligations. The interfund activity is eliminated in the basic Government-Wide financial statement.

NOTE E NOTE RECEIVABLE

In May 1998, the City, along with the cities of Tampa, St. Petersburg and the counties of Pasco, Pinellas, and Hillsborough, entered into an interlocal agreement to reorganize the West Coast Regional Water Supply Authority. As part of this agreement, the City conveyed its interest in the North Pasco Wellfield, including water rights to the Authority, for the net amount of $13,226,250 that is to be received in the form of credits applied against the cost of water purchased over the next 30 years. For the year ending September 30, 2020, these applied credits totaled $847,579, represented by a principal portion of $544,954 and an interest portion of $302,625 at a rate of 4.865% compounded semi-annually. At September 30, 2020, the $5,471,445 outstanding balance ($572,365 – current portion and $4,899,080 – long-term portion) on the note was reported as a note receivable. The Authority commenced operations under its reorganized form on October 1, 1998 under the name of Tampa Bay Water.

NOTE F CAPITAL ASSETS

Capital asset activity of governmental activities for the fiscal year ended September 30, 2020 was as follows:

Governmental Activities:	Beginning Balance 10/1/19	Additions/ Transfers In	Deletions/ Transfers Out	Adjustments and Reclassifications	Ending Balance 9/30/20
Nondepreciable Assets:					
Land, Land Rights, and Improvements	$ 5,540,752	$ -	$ -	$ -	$ 5,540,752
Construction in Progress	3,390,813	4,343,305	(5,350,820)	-	2,383,298
Depreciable Assets:					
Buildings and Improvements	27,954,422	483,550	(152,218)	-	28,285,754
Improvements Other than Buildings	11,023,798	81,106	(1,239)	-	11,103,665
Machinery and Equipment	12,477,922	1,316,122	(95,406)	-	13,698,638
Infrastructure	25,418,883	4,418,494	-	-	29,837,377
Total at Historical Cost	85,806,590	10,642,577	(5,599,683)	-	90,849,484
Less Accumulated Depreciation for:					
Buildings and Improvements	14,833,505	858,605	(40,424)	-	15,651,686
Improvements Other than Buildings	6,595,775	566,719	(1,239)	-	7,161,255
Machinery and Equipment	9,337,019	907,718	(95,406)	-	10,149,331
Infrastructure	12,378,767	638,752	-	-	13,017,519
Total Accumulated Depreciation	43,145,066	2,971,794	(137,069)	-	45,979,791
Capital Assets, Net	$ 42,661,524	$ 7,670,783	$ (5,462,614)	$ -	$ 44,869,693

Depreciation charged to the governmental activities as follows:

General Government	$ 353,528
Public Safety - Police	377,624
Public Safety - Fire	148,675
Public Works	802,925
Culture and Recreation	1,265,684
Subtotal	2,948,436
Unallocated Internal Service Funds	23,358
Total	$ 2,971,794

NOTE F CAPITAL ASSETS (CONTINUED)

Capital asset activity of business-type activities for the fiscal year ended September 30, 2020 was as follows:

Business-Type Activities:	Beginning Balance 10/1/19	Additions/ Transfers In	Deletions/ Transfers Out	Adjustments and Reclassifications	Ending Balance 9/30/20
Nondepreciable Assets:					
Land, Land Rights, and Improvements	$ 1,220,787	$ -	$ -	$ -	$ 1,220,787
Construction in Progress	1,209,390	1,870,642	(786,597)	-	2,293,435
Depreciable Assets:					
Buildings and Improvements	36,324,433	33,807	-	-	36,358,240
Machinery and Equipment	7,127,237	792,824	(60,432)	-	7,859,629
Infrastructure and Other Improvements	45,631,130	950,678	-	-	46,581,808
Total at Historical Cost	91,512,977	3,647,951	(847,029)	-	94,313,899
Less Accumulated Depreciation for:					
Buildings and Improvements	19,013,367	833,710	-	-	19,847,077
Machinery and Equipment	3,963,891	675,093	(61,174)	-	4,577,810
Infrastructure and Other Improvements	18,643,160	946,252	-	-	19,589,412
Total Accumulated Depreciation	41,620,418	2,455,055	(61,174)	-	44,014,299
Capital Assets, Net	$ 49,892,559	$ 1,192,896	$ (785,855)	$ -	$ 50,299,600

Depreciation expense for the Water and Sewer Fund and the Stormwater Utility Fund is $2,191,087 and $263,968, respectively.

NOTE G LONG-TERM DEBT

Activity relating to long-term governmental liabilities for the fiscal year ended September 30, 2020 was as follows:

Governmental Activities	Beginning Balance 10/1/2019	Increases	Decreases	Ending Balance 9/30/2020	Amounts Due Within One Year
Direct Borrowings:					
Redevelopment Note, Series 2016	$ 9,080,000	$ -	$ 657,000	$ 8,423,000	$ 673,000
Notes payable - Fire Truck (Lease, Advance)	-	890,000	-	890,000	49,942
Compensated Absences	478,092	498,504	409,449	567,147	24,386
Total	$ 9,558,092	$ 1,388,504	$ 1,066,449	$ 9,880,147	$ 747,328

Amounts relating to compensated absences are liquidated in the funds that incurred the liabilities.

NOTE G LONG-TERM DEBT (CONTINUED)

Notes payable for the governmental activities is comprised of the following at September 30, 2020:

Non-Ad Valorem Refunding Revenue Note, Series 2016, in the amount of $11,265,000 was issued on January 25, 2016, to refund the Redevelopment Refunding Revenue Note, Series 2005A, and the Redevelopment Revenue Note, Series 2005B. The Redevelopment Refunding Revenue Note, Series 2005A, was used to refinance the redevelopment bond anticipation note, which had been used to finance the cost of acquiring, constructing and equipping certain capital improvements within the Redevelopment Area. The Redevelopment Revenue Note, Series 2005B, was also issued to finance the acquisition, construction and equipping of capital improvements within the Redevelopment Area. Interest accrues on the Series 2016 note at an annual interest rate of 2.54%. Interest is payable semi-annually on February 1 and August 1. Annual principal payments are due each August 1st in amounts ranging from $311,000 to $865,000 through August 1, 2031. This transaction had an aggregate difference in debt service of ($141,847) and a net present value of savings to the City of $787,985.	$	8,423,000
Notes Payable - Fire Truck (Lease, Advance), in the amount of $890,000 was issued on August 14, 2020 for the purpose of financing the cost of the purchase of the Fire Truck. Interest accrues at an annual fixed rate of 2.40%. Principal and Interest is payable semi-annually on February 14 and August 14. Principal payments range from $24,000 to $36,000 through August 14, 2035. This note is collateralized by the purchase of the Fire Truck in the event of default.	$	890,000

Total interest expense and fiscal charges for the governmental activities for the fiscal year ended September 30, 2020 was $230,858.

Restrictions: The official statement and council resolution authorizing the issuance of the Refunding Revenue Note, Series 2016 (the Note) described above contain certain restrictive covenants. The Note is secured by a covenant to budget, appropriate, and deposit non-ad valorem revenues in the manner and to the extent provided in the council resolution, and is payable solely from pledged revenues, which consist of non-ad valorem revenues budgeted, appropriated, and deposited as provided in the resolution.

The resolution provides that the City will deposit pledged revenues in the Debt Service Fund in amounts sufficient to pay principal of and interest on the Note. The resolution also establishes a reserve fund to be used to pay the principal and interest on the Note when the available assets within the Debt Service Fund are insufficient. The resolution requires that the reserve fund be funded in an amount equal to the contingent reserve requirement in the event the City fails to meet certain financial covenants. It is not reasonably expected that the City will fail to meet the financial covenants that would require the reserve fund to be funded.

Interest on the Note is excludable from gross income for federal income tax purposes. The City has also covenanted that all actions necessary will be taken to maintain the exclusion from gross income of interest on the Note.

NOTE G LONG-TERM DEBT (CONTINUED)

Activity relating to long-term governmental liabilities for the fiscal year ended September 30, 2020 was as follows:

	Principal	Interest	Total
Redevelopment Refunding Revenue Note, Series 2016			
2021	$ 673,000	$ 213,944	$ 886,944
2022	691,000	196,850	887,850
2023	708,000	179,299	887,299
2024	726,000	161,315	887,315
2025	744,000	142,875	886,875
2026-2030	4,016,000	421,005	4,437,005
2031	865,000	21,971	886,971
Total	$ 8,423,000	$ 1,337,259	$ 9,760,259

	Principal	Interest	Total
Notes Payable - Fire Truck (Lease, Advance)			
2021	$ 49,942	$ 21,062	$ 71,004
2022	51,148	19,856	71,004
2023	52,383	18,621	71,004
2024	53,648	17,357	71,004
2025	54,943	16,061	71,004
2026-2030	295,265	59,757	355,021
2031-2035	332,672	22,349	355,021
Total	$ 890,000	$ 175,064	$ 1,065,064

Activity relating to long-term liabilities within business-type activities for the fiscal year ended September 30, 2020 was as follows:

Business-Type Activities:	Beginning Balance 10/1/2019	Increases	Decreases	Ending Balance 9/30/2020	Amounts Due Within One Year
Direct Borrowings:					
Revenue Bond, Series 2017A	$ 665,000	$ -	$ 48,000	$ 617,000	$ 49,000
Revenue Bond, Series 2012	5,226,248	-	596,120	4,630,128	611,619
Revenue Bond, Series 2019	8,378,000	-	838,000	7,540,000	860,000
Capital Lease, Equipment	251,700	-	81,247	170,453	83,872
Compensated Absences	68,089	106,588	99,112	75,565	9,912
Total	$ 14,589,037	$ 106,588	$ 1,662,479	$ 13,033,146	$ 1,614,403

Amounts relating to compensated absences are liquidated in the funds that incurred the liabilities.

Bonds payable for business type activities is comprised of the following at September 30, 2020:

NOTE G LONG-TERM DEBT (CONTINUED)

Refunding Utility Revenue Bond, Series 2012, in the amount of $7,462,443 was issued on July 18, 2012 for the purpose of the advance refunding of the Series 2007B Bonds and paying certain costs of issuance of the Series 2012 Bonds. Interest accrues on the Series 2012 Bond at an annual fixed rate of 2.60%. Interest is payable semi-annually on April 1 and October 1. Annual principal payments are due each October 1st in amounts ranging from $537,953 to $713,452 through October 1, 2027. The principal and interest payments are secured by and payable solely from a lien on and pledge of the net revenues of the City's utility system. $ 4,630,128

Water and Sewer Revenue Bond, Series 2017A, in the amount of $787,000 was issued on February 10, 2017 for the purpose of financing the cost of acquisition of Purchased Assets based on the Utility Asset Acquisition Agreements by and between the City and Advisor Enterprises, Inc., dated November 15, 2016 and by and between the City and LWV Utilities, Inc., dated November 15, 2016, together with certain improvements to the water and sewer system of the City; and to pay the costs of issuing the Series 2017A Bond. Interest accrues on the Series 2017A Bond at an annual fixed rate of 2.53%. Interest is payable semi-annually on April 1 and October 1. Annual principal payments are due each October 1st in amounts ranging from $29,000 to $63,000 through October 1, 2031. The principal and interest payments are secured by and payable solely from a lien on and pledge of the net revenues of the City's utility system. $ 617,000

Water and Sewer Revenue Bond, Series 2019, in the amount of $8,723,00 was issued on April 23,2019 for the purpose of financing and/or reimbursing the costs of acquisition of certain water and sewer system assets and construction and equipping of certain improvements to the water and sewer system of the City; and to pay the costs of issuing the Series 2019 Bond. Interest accrues on the Series 2019 Bond at an annual fixed rate of 2.61%. Interest is payable on October 1. Annual principal payments are due each October 1st in amounts ranging from $800,000 to $1,000,000 through October 1, 2028. The principal and interest payments are secured by and payable solely from a lien on and pledge of the net revenues of the City's utility system. $ 7,540,000

Interest costs incurred for fiscal year ended September 30, 2020 were $371,397.

Funding of Business-Type Activities Long-Term Debt: Debt service payments are secured by a pledge and lien upon, and payable solely from, the net revenues of the City’s utility system. The total amount of Water and Sewer Fund charges for services and other income earned by the City and the Change in Net Position before depreciation, interest expense, and net transfers out for the year ended September 30, 2020 was $14,938,466 and $7,400,408, respectively.

NOTE G LONG-TERM DEBT (CONTINUED)

The annual future debt service requirements for business-type activities long-term debt as of September 30, 2020 are as follows:

	Principal	Interest	Total
Water and Sewer			
Refunding Revenue Bond, Series 2012			
2021	$ 611,619	$ 120,383	$ 732,002
2022	627,521	104,481	732,002
2023	643,836	88,166	732,002
2024	660,573	71,426	731,999
2025	677,751	54,251	732,002
2026-2027	1,408,828	55,179	1,464,007
Total	$ 4,630,128	$ 493,886	$ 5,124,014

	Principal	Interest	Total
Water and Sewer			
Revenue Bond, Series 2017A			
2021	$ 49,000	$ 15,610	$ 64,610
2022	51,000	14,370	65,370
2023	52,000	13,080	65,080
2024	53,000	11,765	64,765
2025	55,000	10,424	65,424
2026-2030	294,000	30,664	324,664
2031	63,000	1,594	64,594
Total	$ 617,000	$ 97,506	$ 714,506

	Principal	Interest	Total
Water and Sewer			
Revenue Bond, Series 2019			
2021	$ 860,000	$ 196,794	$ 1,056,794
2022	882,000	174,348	1,056,348
2023	905,000	151,328	1,056,328
2024	929,000	127,707	1,056,707
2025	953,000	103,460	1,056,460
2026-2028	3,011,000	158,531	3,169,531
Total	$ 7,540,000	$ 912,168	$ 8,452,168

Capital Lease

The City entered into a lease-purchase agreement with Leasing 2, Inc. for the lease of a sewer vacuum truck. The lease term is 5 years for a purchase price of $446,896 and requires annual installments of $89,379 with interest at 3.23%. The City may pay in full any time during the term of the lease the outstanding balance. The future minimum capital lease payment as of September 30, 2020 are as follows:

	Principal	Interest	Total
Water and Sewer			
Capital Lease, Equipment			
2021	$ 83,872	$ 5,507	$ 89,379
2022	86,581	2,797	89,378
Total	$ 170,453	$ 8,304	$ 178,757

NOTE H RETIREMENT PLANS

Florida Retirement System

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is a FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes, Chapter 112, Part IV, Florida Statutes: Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility contributions and benefits are defined and described in detail. Such provisions may be amended at any time by further action by the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The City's pension expense totaled $1,524,414 for both the FRS pension Plan and HIS Plan for the year ended September 30, 2020.

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The

NOTE H RETIREMENT PLANS (CONTINUED)

Florida Retirement System (Continued)

net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service:	% Value
Regular Class Members Initially Enrolled before July 1, 2011:	
Retirement up to Age 62 or up to 30 Years of Service	1.60
Retirement up to Age 63 or up to 31 Years of Service	1.63
Retirement up to Age 64 or up to 32 Years of Service	1.65
Retirement up to Age 65 or up to 33 Years of Service	1.68
Regular Class Members Initially Enrolled on or after July 1, 2011:	
Retirement up to Age 65 or up to 33 Years of Service	1.60
Retirement up to Age 66 or up to 34 Years of Service	1.63
Retirement up to Age 67 or up to 35 Years of Service	1.65
Retirement up to Age 68 or up to 36 Years of Service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular:	
Service from December 1, 1970, through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

NOTE H RETIREMENT PLANS (CONTINUED)

Florida Retirement System (Continued)

Contributions

Employer contributions are based upon statewide rates established by the state of Florida. From July 1, 2019 through June 30, 2020, the employer rates, which include the health insurance subsidy contributions of 1.66%, and the 0.06% administrative/education fee, are applied to employee salaries as follows: regular employees – 8.47%; senior management – 25.41%; and deferred retirement option plan – 14.60%. From July 1, 2020 through June 30, 2021, the employer rates, which include the health insurance subsidy contributions of 1.66%, and the 0.06% administrative/education fee, are applied to employee salaries as follows: regular employees – 10.00%; senior management – 27.29%; and deferred retirement option plan – 16.98%. Effective July 1, 2011, employees participating in the Plan are required to contribute 3% of their eligible earnings on a pre-tax basis to the Plan. Employees enrolled in the DROP are not subject to the 3% contribution. The City's contributions to the FRS Plan were $497,491 for the year ended September 30, 2020.

Pension Costs

At September 30, 2020, the City reported a liability of $6,160,552 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportion of the net pension liability was based on the City's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2019, through June 30, 2020, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2020, the City's proportion was 0.01421%, which was a decrease of 0.00049% from its proportion measured as of June 30, 2019.

For the year ended September 30, 2020, the City recognized pension expense of $1,304,475 for its proportionate share of FRS's pension expense. In addition, the City reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 235,777	$ -
Changes in Actuarial Assumptions	1,115,256	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	366,805	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	17,754	244,424
City Contributions Subsequent to the Measurement Date	135,288	-
Total	$ 1,870,880	$ 244,424

A total of $135,288 was reported as deferred outflows of resources related to pensions resulting from City contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ending September 30,	Amount
2021	$ 307,201
2022	487,483
2023	415,215
2024	241,500
2025	39,769
Thereafter	-

NOTE H RETIREMENT PLANS (CONTINUED)

Florida Retirement System (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% Per Year
Salary Increases	3.25%, Average, Including Inflation
Investment Rate of Return	6.80%

Mortality rates for the July 1, 2020 valuation were based on PUB-2010 base table varies by member and sex, projected generationally with scale MP 2018. The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study completed in 2020 for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation, as outlined in the FRS Plan's investment policy and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.2%	2.2%	1.2%
Fixed Income	19.0%	3.0%	2.9%	3.5%
Global Equity	54.2%	8.0%	6.7%	17.1%
Real Estate	10.3%	6.4%	5.8%	11.7%
Private Equity	11.1%	10.8%	8.1%	25.7%
Strategic Investments	4.4%	5.5%	5.3%	6.9%
Totals	100%			
Assumed Inflation - Mean			2.4%	1.7%

Discount Rate

The discount rate used to measure the total pension liability was 6.80% for the FRS Plan. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE H RETIREMENT PLANS (CONTINUED)

Florida Retirement System (Continued)

Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for the FRS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.80%	6.80%	7.80%
City's Proportionate Share of the FRS Plan Net Pension Liability	$ 9,837,366	$ 6,160,552	$ 3,089,661

Pension Plan Fiduciary Net Position

Detailed information about the FRS Plan's fiduciary's net position is available in a separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at http://www.dms.myflorida.com.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2020, the contribution rate was 1.66% of payroll pursuant to section 112.363, Florida Statues. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The City's contributions to the HIS Plan were $106,322 for the year ended September 30, 2020.

NOTE H RETIREMENT PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Costs

At September 30, 2020, the City reported a liability of $2,241,853 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportion of the net pension liability was based on the City's contributions received during the measurement period for employer payroll paid dates from July 1, 2019, through June 30, 2020, relative to the total employer contributions received from all participating employers. At June 30, 2020, the City's proportion was 0.01836%, which was an increase of 0.00012% from its proportion measured as of June 30, 2019.

For the year ended September 30, 2020, the City recognized pension expense of $219,939 for its proportionate share of HIS's pension expense. In addition, the City reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 91,705	$ 1,729
Changes in Actuarial Assumptions	241,063	130,355
Net Difference Between Projected and Actual Earnings on HIS Program Investments	1,790	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	100,260	83,215
City Contributions Subsequent to the Measurement Date	24,378	-
Total	$ 459,196	$ 215,299

A total of $24,378 was reported as deferred outflows of resources related to pensions resulting from City contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ending September 30,	Amount
2021	$ 84,493
2022	50,824
2023	(2,703)
2024	16,059
2025	37,106
Thereafter	33,740

Actuarial Assumptions

The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% Per Year
Salary Increases	3.25%, Average, Including Inflation
Municipal Bond Rate	2.21%

Mortality rates were based on the PUB-2010 base table varies by member and sex, projected generationally with scale MP 2018. The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study completed in 2020 of the FRS Plan for the period July 1, 2013, through June 30, 2018.

NOTE H RETIREMENT PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 2.21% for the HIS Plan. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for the HIS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	1.21%	2.21%	3.21%
City's Proportionate Share of the HIS Plan Net Pension Liability	$ 2,591,482	$ 2,241,853	$ 1,955,683

Pension Plan Fiduciary Net Position

Detailed information about the HIS Plan's fiduciary's net position is available in a separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at http://www.dms.myflorida.com.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the state of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2019-20 fiscal years, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, and Senior Management Service. These allocations include a required employee contribution of 3% of gross compensation for each member class.

NOTE H RETIREMENT PLANS (CONTINUED)

FRS Investment Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2020, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The City's Investment Plan pension expense totaled $155,384 for the year ended September 30, 2020. Employee contributions to the Investment Plan totaled $42,591 for the fiscal year ended September 30, 2020.

Police Officers' and Firefighters' Retirement Systems

Plan Description

The City contributes to two single-employer defined benefit pension plans, the Police Officers' Retirement System and Firefighters' Retirement System. The plans cover all sworn police officers and uniformed firefighters, respectively. Each plan provides retirement, disability, and death benefits to plan members and beneficiaries. The City Ordinances assign the authority to establish and amend benefit provisions to the Board of Trustees of each retirement plan. The City's pension expense totaled $1,368,374 for both the Police Officers' and Firefighters' Retirement Systems for the year ended September 30, 2020.

Each plan issues a publicly available financial report that includes financial statements and required supplementary information for that plan. Those reports may be obtained by writing or calling the plan:

Police Officers' Retirement System
6739 Adams Street
New Port Richey, Florida 34652
(727) 841-4554

Firefighters' Retirement System
4901 Madison Street
New Port Richey, Florida 34652
(727) 841-4533

City of New Port Richey Police Officers' Retirement System

At September 30, 2020, the Plan's membership consisted of the following:

Vested	26
Nonvested	15
Currently Receiving Benefits	44
DROP Retirees	4
Terminated Employees Entitled to Benefits but Not Yet Receiving Them	6

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Police Officers' Retirement System (Continued)

Plan Description – Police Officers' Pension Plan

The Plan is a defined benefit plan covering all sworn police officers of the City. Participation in the Plan is required as a condition of employment. Originally established in 1969 and amended in 2001, 2004, 2005, and 2018 the Plan provides for pension, death, and disability benefits. The Plan is subject to provisions of Chapter 185, Florida Statutes.

The Plan, in accordance with the above statute, is governed by a five-member pension board. Two police officers, two City residents, and a fifth member elected by the other four members constitute the pension board. The City and the Plan participants are obligated to fund all Plan costs based upon actuarial valuations. The City is authorized to establish benefit levels and the Board of Trustees approves the actuarial assumptions used in the determination of contribution levels.

Benefits Provided – Police Officers' Pension Plan

The Plan provides retirement, termination, disability, and death benefits.

Pension Benefits – Under the Plan, participants with 10 or more years of continuous service are entitled to annual pension benefits beginning at normal retirement age (50) or before age 50 if they have completed 20 continuous years of service. Benefits are equal to 3.5% of the participants' average final compensation for each year of credited service provided however, in no extent shall the monthly benefit exceed 75% of average final compensation. A participant's monthly retirement benefit ceases upon the later of death or 120 months from the date of commencement. A participant who terminates prior to 10 continuous years of service forfeits the right to receive all benefits he/she has accumulated. However, he/she retains the right of refund of all personal contributions made to the Plan. All retirees including disability retirees and vested terminated persons who retire on or after October 1, 2004 and their beneficiaries shall receive a $500 ($400 as of January 1, 2010) supplemental benefit. This benefit shall also include participants who enter the DROP on or after October 1, 2004. An additional benefit of four hundred dollars per month, payable for life, shall be paid to all retirees who became members of the Plan prior to October 20, 1994. This benefit was temporarily reduced to three hundred dollars per month for the period from January 31, 1993 through September 14, 1994. Effective September 15, 1994 the supplemental benefit returned to four hundred dollars per month. For those who became members on or after October 10, 1994 the additional benefit is two hundred dollars per month.

Death Benefits – For any deceased employee who had been an actively employed participant eligible for early, normal, or delayed retirement, the benefit payable shall be at least equal to the annuity of ten years calculated as of the date of death. Benefits payable under service-connected death for participants ineligible for early retirement shall be payable to the spouse at the rate of 60% of the participant's regular base salary plus $500 (before January 1, 2010), $400 or $200 per month until death. If there is no spouse, or upon the death of the spouse, each unmarried child shall receive 15% of the participant's regular base salary (aggregate not greater than 60%) plus $500 (before January 1, 2010), $400 or $200 per month until age of 18, or the age of 22 if a full-time student at an accredited institution. After five years of continuous service, nonservice-connected death benefits shall be payable to the spouse at the rate of 30% of the participant's regular base salary plus $400 or $200 per month until the earlier of death or remarriage of the spouse. Benefits are payable to the children in amounts equal to one-half of the benefits as are payable by reason of service-incurred death.

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Police Officers' Retirement System (Continued)

Benefits Provided – Police Officers' Pension Plan (Continued)

Disability Benefits – Benefits payable to participants under service-incurred disability shall be monthly installments of 60% of participant's regular monthly base salary in effect at the date of disability plus $500 (before January 1, 2010), $400 or $200 per month. The benefit shall be paid from the date of disability until recovery or death of the participant and continued to the beneficiary for life. After one year of continuous service, should a participant become disabled due to a nonservice-incurred cause, benefits of 30% of the participant's regular monthly base salary plus $500 (before January 1, 2010), or $400 shall be paid monthly from date of disability until recovery or death. For those who became members on or after October 20, 1994 the benefit will equal 5% of regular base salary for each year of service not to exceed 30%. Disability payments may be reduced proportionally to the extent that the disabled participant's benefits received hereunder with additional earned income exceed his earnings for the calendar year preceding disability. An optional form of benefit, providing death benefits, may be elected, but one hundred twenty (120) payments shall be guaranteed in any event. Notwithstanding the foregoing, the benefits for service connected disabilities cannot be reduced below the greater of 42% of average final compensation, 2% of average compensation times the number of years of credited service or 3.25% of regular base salary for each year of credited service not to exceed 75% of regular base salary.

Deferred Retirement Option Plan – Any Plan participant who is eligible to receive a normal or early retirement pension may elect to participate in a deferred retirement option plan (DROP) while continuing his or her active employment as a police officer. Upon participation in the DROP, the participant becomes a retiree for all Plan purposes so that h or she ceases to accrue any further benefits under the pension plan. Normal retirement payments that would have been payable to the participant as a result of retirement are accumulated and invested in the DROP to be distributed to the participant upon his or he termination of employment. Participation in the DROP ceases for a Plan participant after the earlier of sixty months or the date elected by the participant.

Refund and Compulsory Contributions – Nonvested participants, upon termination, may request return of their compulsory contributions or leave them on deposit with the Plan. The Plan does not pay any interest on compulsory account balances or contributions returned.

Covered officers are required to contribute 4.5% of their salary to the Plan for the period from October 1, 1998 through January 16, 1999, 1.9% for the period from January 17, 1999 through the payroll for the week ended July 15, 2000, and 4.5% for the period from July 16, 2000 through the year ended September 30, 2009. Effective November 7, 2017, members will contribute 6.5% of salary, reduced to equal the City contribution in any year that the City contribution is less than 6.5% of covered payroll. If an officer retires, dies, becomes disabled, or terminates employment with the City, accumulated contributions are refunded to the officer or his/her designated beneficiary.

Net Pension Liability of the City – Police Officers' Pension Plan

The City's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension was determined by an actuarial valuation as of October 1, 2018.

Total Pension Liability	$	27,031,165
Plan Fiduciary Net Position		29,862,303
City Net Pension Liability	$	(2,831,138)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability		110.47%

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Police Officers' Retirement System (Continued)

Actuarial Assumptions – Police Officers' Pension Plan

The total pension liability was determined by an actuarial valuation as of October 1, 2018 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.75%
Salary Increases	5.5% to 8.0%
Investment Rate of Return	7.75%
Discount Rate	7.75%

Mortality rates for healthy Police Officer participants during employment were based on PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy Police Officer participants postemployment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses, and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date of September 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	60%	5.50%
Domestic Fixed Income	30%	2.50%
Real Estate	10%	4.50%

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the sponsor contributions will be made a rate to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - Police Officers' Pension Plan

The following presents the net pension liability of the City, calculated using the discount rate of 7.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1- percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Police Officers' Retirement System (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - Police Officers' Pension Plan (Continued)

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
City's Net Pension Liability (Asset)	$ 230,153	$ (2,831,138)	$ (5,385,219)

Changes in the Net Pension Liability – Police Officers' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Beginning Balance	$ 25,911,648	$ 29,955,223	$ (4,043,575)
Changes for the Year:			
Service Cost	710,034	-	710,034
Interest	1,997,614	-	1,997,614
Benefit Changes	615,658	-	615,658
Differences Between Expected and Actual Experience	(722,312)	-	(722,312)
Assumption Changes	-	-	-
Contributions - Employer and State	-	594,598	(594,598)
Contributions - Members	-	167,338	(167,338)
Net Investment Income	-	700,585	(700,585)
Benefit Payments, including Refunds of Member Contributions	(1,481,477)	(1,481,477)	-
Administrative Expense	-	(73,964)	73,964
Net Changes	1,119,517	(92,920)	1,212,437
Ending Balance	$ 27,031,165	$ 29,862,303	$ (2,831,138)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Police Officers' Pension Plan

For the year ended September 30, 2020, the City recognized pension expense of $788,497. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 387,384	$ 794,876
Changes of Assumptions or Other Inputs	238,636	-
Net Difference Between Projected and Actual Earnings on Police Pension Plan Investments	-	55,668
City and State Contributions Subsequent to the Measurement Date	424,341	-
Total	$ 1,050,361	$ 850,544

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Police Officers' Retirement System (Continued)

A total of $424,341 was reported as deferred outflows of resources related to contributions to the plan subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending September 30, 2020.

Amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Amount
2021	$ (142,942)
2022	(257,343)
2023	(48,063)
2024	223,824
2025	-
Thereafter	-

City of New Port Richey Firefighters' Retirement System

At September 30, 2020, the Plan's membership consisted of the following:

Vested	6
Nonvested	16
Currently Receiving Benefits	24
DROP Retirees	2
Terminated, Entitled to Benefits	13

Plan Description – Firefighters' Pension Plan

General -The Plan is a defined benefit pension plan covering all sworn firefighters of the City. Participation in the Plan is required as a condition of employment. Originally established in 1969 and amended in 2011, 2013 and 2018 the Plan provides for pension, death, and disability benefits. The Plan is subject to provisions of Chapter 175 of the State of Florida Statutes.

The Plan, in accordance with the above statute, is governed by a five-member pension board. Two firefighters, two City residents, and a fifth member elected by the other four members constitute the pension board. The City and the Plan participants are obligated to fund all Plan costs based upon actuarial valuations. The City is authorized to establish benefit levels and the Board of Trustees approves the actuarial assumptions used in the determination of contribution levels.

Benefits Provided – Firefighters' Pension Plan

Normal retirement date – A member's normal retirement date shall be the first day of the month coincident with, or next following the earlier of the attainment of age fifty-two (52) and accrual of 25 years of credited service; provided, however, that any member who has completed at least ten (10) years of credited service as of the effective date of Ordinance No. 2013-2016, shall be eligible for normal retirement upon the earlier of the attainment of age fifty (50) and the completion of ten (10) years of credited service or the attainment of age forty (40) and the completion of twenty (20) years of credited service. A member may retire on his normal retirement date or on the first date of any month thereafter, and each member shall become one hundred (100) percent vested in his accrued benefit on the member's normal retirement date. Normal retirement under the system is retirement from employment with the City on or after the normal retirement date.

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Firefighters' Retirement System (Continued)

Benefits Provided – Firefighters' Pension Plan (Continued)

The Normal Retirement Date for benefits earned after September 30, 2013 are for those Members not grandfathered in 2013 is being changed to the earlier of age 52 with 10 years of service or the completion of 23 years of service, regardless of age. Because of this change the assumed Normal Retirement Date for the Members is being changed to be the earlier of age 51 with 10 years of service of the completion of 23 years of service, regardless of age.

Normal retirement benefit – A member retiring hereunder on or after his normal retirement date shall receive a monthly benefit which shall commence on the first day of the month coincident with or next following his retirement and be continued thereafter during member's lifetime, ceasing upon death, but with one hundred twenty (120) monthly payments guaranteed in any event. The monthly retirement benefit shall equal three and on-half (3½) percent of average final compensation, for each year of credited service for each year of credited service accrued through September 30, 2013; however, the monthly retirement benefit for any member shall not exceed seventy-five (75) percent of average final compensation; provided, however, that in any event the benefit shall equal at least two (2) percent of average final compensation for each year of credited service accrued after September 30, 2013. An additional benefit of two hundred dollars ($200) per month shall be paid to all normal retirees, ceasing at death. An optional form of benefit may be elected by members as provided in section 17-45.

The benefit accrual rate for service after the effective date of this ordinance is changed from 3.0% to 3.25% of Average Final Compensation for each year of Credited Service. The maximum total benefit remains at 75% of Average Final Compensation.

Early Retirement Benefits - Early Retirement Benefits are being provided upon the attainment of age 50 with 10 years of Credited Service, with a 3.0% reduction for each year that precedes the Normal Retirement Date.

Death Benefits Prior to Vesting or Eligibility for Retirement – If deceased and not receiving monthly benefits, or not yet vested or eligible for normal retirement the beneficiary shall receive a refund of 100% of the participant's accumulated contributions.

Deceased Members Vested or Eligible for Retirement with Spouse as Beneficiary – A beneficiary may, in writing, elect either (a) or (b: (a) If vested or eligible for normal retirement as of date of death, the benefit payable under this option shall be that monthly amount which would have been payable had the member retired under normal retirement, without actuarial reduction, on the date of death, with the resulting benefit then being payable to the spouse beneficiary as if the member had selected the 100% joint and survivor annuity optional form of benefit (b) If vested or eligible for normal retirement as of the date of death, the benefit payable under this option shall be as follows: If vested, but not eligible for normal retirement, the spouse beneficiary shall receive a benefit payable for 10 years, beginning on the date that the deceased member would have been eligible for normal retirement, at the option of the spouse beneficiary. The benefit shall be calculated as for normal retirement based on the member's credited service and average final compensation as of the date of the member's death.

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Firefighters' Retirement System (Continued)

Disability benefits – If a member becomes totally and permanently disabled to the extent the member is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a firefighter, which disability was directly caused by the performance of his or her duty as a firefighter, the participant shall, upon establishing the same to the satisfaction of the board, be entitled to a monthly pension equal to sixty (60) percent of his or her regular base salary in effect as of the date of disability, but such monthly installment shall not be less than forty-two (42) percent of his or her average final compensation at the time of disability. The benefits shall be paid from the date of disability until recovery, as determined by the board, or for life and continued to the spouse for life upon the member's death. In the event of a member's death who does not have a surviving spouse, or upon the subsequent death of the spouse, the benefits shall be continued to the member's children in equal shares until each such child has attained the eighteenth birthday, or the twenty-second birthday if enrolled in a fully accredited college or university. An additional benefit of one hundred dollars ($100.00) per month, ceasing at the earlier of age sixty-five (65) or death, shall be paid to all disabled retirees. Terminated persons, either vested or nonvested are not eligible for disability benefits, except that those terminated by the City for medical reasons may apply for a disability within thirty (30) days after termination. Disability retirement benefits paid shall not be less than the accrued retirement benefit at the time of disability.

Effective July 1, 2019, an additional presumption was added to the disability in-line-of-duty presumptions. Diagnosis of cancer or the circumstances that arise out of the treatment of cancer. A firefighter shall be considered totally and permanently disabled in the line of duty if he or she meets the Plan's definition of total and permanently disabled due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer.

To value for this change, we are increasing the in-line-of-duty assumption from 75% of disablements to 90% of disablements for firefighters.

In addition, each person who was receiving a benefit from the plan on October 1, 2019, including joint pensioners and beneficiaries, and who were receiving benefits since October 1, 2009 will receive a one-time additional benefit payment equal to the sum of the current regular monthly benefit payment and the supplemental benefit payment.

Deferred Retirement Option Plan (DROP) – The DROP is being re-opened to all participants. The fixed interest rate alternative for DROP will be 1.5% per annum instead of 6.5%. The quarterly return for the plan return alternative for DROP participants will be no less than 0.0%. In order to value the impact of this change, the projected Normal Retirement Benefits were increased by 0.5%. The election by DROP participants of the earnings alternative will be a one-time irrevocable decision. The Back DROP alternative is eliminated.

A Share Plan is put in place with no current funding.

Refund and Compulsory Contributions – Nonvested participants, upon termination, may request return of their compulsory contributions or leave them on deposit with the Plan. The Plan does not pay any interest on compulsory account balances or contributions returned.

The Member Contribution Rate for all Members not fully grandfathered in 2013 is being reduced from 8.0% to 6.5%. Additionally, in any year where the City's net actuarially required contribution is less than 6.5%, the Member Contributions will be adjusted so that the Members' and City's contributions reduce by the same dollar amount.

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Firefighters' Retirement System (Continued)

Net Pension Liability of the City – Firefighters' Pension Plan

The City's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension was determined by an actuarial valuation as of October 1, 2018.

Total Pension Liability	$	13,717,828
Plan Fiduciary Net Position		13,196,475
City Net Pension Liability	$	521,353
Plan Fiduciary Net Position as a Percentage of Total Pension Liability		96.20%

Actuarial Assumptions – Firefighters' Pension Plan

The total pension liability was determined by an actuarial valuation as of October 1, 2018 updated to September 30, 2019 using the following actuarial assumptions applied to all measurement periods.

The most recent actuarial experience study used to review the other significant assumptions was dated November 19, 2018.

The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date of September 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	65%	6.33%
International Equity	15%	5.87%
Fixed Income	20%	2.50%

Discount Rate – Firefighter Pension Plan

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the sponsor contributions will be made a rate to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Firefighters' Retirement System (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – Firefighters' Pension Plan

The following presents the net pension liability of the City, calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
City's Net Pension Liability (Asset)	$ 2,103,129	$ 521,353	$ (791,359)

Changes in Net Pension Liability – Firefighters' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Beginning Balance	$ 12,851,492	$ 13,164,203	$ (312,711)
Changes for the Year:			
Service Cost	300,653	-	300,653
Interest	1,018,500	-	1,018,500
Changes in Excess State Money	-	-	-
Change of Benefit Terms	48,741	-	48,741
Differences Between Expected and Actual Experience	(43,118)	-	(43,118)
Changes of Assumptions	364,388	-	364,388
Contributions - Employer and State	-	484,903	(484,903)
Contributions - Member	-	92,542	(92,542)
Net Investment Income	-	359,622	(359,622)
Benefit Payments, including Refunds of Member Contributions	(822,828)	(822,828)	-
Administrative Expense	-	(81,967)	81,967
Net Changes	866,336	32,272	834,064
Ending Balance	$ 13,717,828	$ 13,196,475	$ 521,353

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

City of New Port Richey Firefighters' Retirement System (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Firefighters' Pension Plan

For the year ended September 30, 2020, the City recognized pension expense of $579,877. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ -	$ 106,801
Changes in Actuarial Assumptions	273,291	-
Net Difference Between Projected and Actual Earnings on Firefighter Pension Plan Investments	132,737	-
City and State Contributions Subsequent to the Measurement Date	114,779	-
Total	$ 520,807	$ 106,801

A total of $114,779 was reported as deferred outflows of resources related to contributions to the plan subsequent to the measurement date that will be recognized as an addition to the net pension asset in the year ending September 30, 2020.

Amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Amount
2021	$ 507
2022	19,640
2023	143,931
2024	135,149
2025	-
Thereafter	-

Summary of Defined Benefit Pension Plans

The aggregate amount of net pension liability, related deferred outflows of resources and deferred inflows of resources and pension expense for the City's defined benefit pension plans are summarized below:

	FRS Plan	HIS Plan	Police Officers' Pension Plan	Firefighters' Pension Plan	Total
Net Pension Asset	$ -	$ -	$ 2,831,138	$ (521,353)	$ 2,309,785
Net Pension Liability	6,160,552	2,241,853	-	-	8,402,405
Deferred Outflows of Resources Relating to Pensions	1,870,880	459,196	1,050,361	520,807	3,901,244
Deferred Inflows of Resources Relating to Pensions	244,424	215,299	850,544	106,801	1,417,068
Pension Expense	1,304,475	219,939	788,497	579,877	2,892,788

NOTE H RETIREMENT PLANS (CONTINUED)

Police Officers' and Firefighters' Retirement Systems (Continued)

Summary of Defined Benefit Pension Plans (Continued)

Net pension liabilities associated with the Florida Retirement System and Retiree Health Insurance Subsidy Program are liquidated in the individual fund to which the liability is directly associated. For the Police Officers' and Firefighters' Pension Plans, liabilities are liquidated in the General Fund, which captures public safety expenditures.

Defined Contribution Retirement Plan

Plan Description – The City, in accordance with Florida Statute 121, elected to opt out of the Florida Retirement System for newly hired employees effective January 1, 1996, and subsequently established a single-employer, defined contribution retirement plan. The Plan is a "money purchase" plan and is funded through the purchase of annuity contracts from the Variable Annuity Life Insurance Company (VALIC). Effective January 3, 2006, the City Council approved the rejoining of the Florida Retirement System for all eligible new nonuniformed employees and nonuniformed employees previously participating in the single-employer defined contribution pension plan that have elected to participate in the Florida Retirement System.

Employees are fully vested after six years of service and the Plan provides for retirement, disability, and death benefits to plan members and beneficiaries. The City of New Port Richey may amend or terminate the Plan at any time, at its sole discretion. However, no amendment may result in a reduction of any participant's vested interest or cause any portion of the plan's assets to revert back to the City. In addition, no amendment may authorize the use of the plan assets for purposes other than the exclusive benefit of participants and their beneficiaries. The Plan is administered by VALIC.

Funding Policy – The Plan does not require contributions from members. The City contributes 10% of the annual compensation of participating employees. For fiscal years ended September 30, 2020, 2019, and 2018, the City contributed approximately $30,898, $26,936, and $26,275, respectively, to the Plan. Contributions made by the City were equal to the required contribution percentage.

NOTE I POSTEMPLOYMENT HEALTH CARE PLAN

Plan Description – The City provides a defined benefit postemployment health care plan, the Retiree Health Care Program (the Plan), whereby retired employees are able to purchase health care benefits through the City's health care provider. The Plan is administered by the City as a single-employer plan. The Plan is currently unfunded. There is no separate trust through which benefits for retirees are funded. No assets are currently accumulated or earmarked for the Plan. All approved benefits are paid from general assets when due. The City does not issue stand-alone financial statements for the Plan.

To be eligible to participate in the Plan, *General employees* must have a minimum of six years of vesting service with the City under the Florida Retirement System (FRS) or the City's Defined Contribution Plan, must be eligible to receive benefits from FRS or the Defined Contribution Plan, and must either retire at the age of 62 or above, or retire with 30 years of consecutive service with the City. *Firefighter employees* are eligible to participate in the Plan if they retire at the age of 50 or above with 10 years of service or retire at age 40 or above with 20 years of service. *Police Officer employees* are eligible to participate in the Plan if they retire at the age of 50 or above with 10 years of service or retire after 20 years of service.

The retired employees (including their eligible dependents) that are eligible to participate in the Plan can currently select one of three health care plans offered by the City's health care provider. Retiree Plan participants are required to pay 100% of their respective health care insurance premiums.

NOTE I POSTEMPLOYMENT HEALTH CARE PLAN (CONTINUED)

The City's overall cost of providing health care benefits is increased as a result of an implicit insurance rate subsidy resulting from retired employees being permitted to pay lower than age-adjusted premiums through the use of blended premiums for both retirees and active employees. The resulting incremental increase in health care insurance premiums results in an actuarial accrued liability to the City based on projected health care costs.

Plan Membership. At September 30, 2020, pension plan membership consists of the following:

Inactive Employees or Beneficiaries Currently Receiving Benefits	9
Active Plan Members	194
Total	203

Funding Policy and Status - The annual required contribution to fund the incremental cost of the health care plan is based on a pay-as-you-go funding approach. Liabilities and OPEB expense were developed using the Entry Age Percent of Pay Actuarial Cost Method as required by GASB Statement No. 75.

Net OPEB Liability - The City's net OPEB Liability was measured as of October 1, 2019, and the total OPEB Liability used to calculate the net OPEB Liability was determined by an actuarial valuation as of October 1, 2018.

Actuarial Assumptions - Total pension liability was determined by actuarial valuation as of September 30, 2020, using the following actuarial assumptions:

Measurement Date	10/1/2019
Actuarial Valuation Date	10/1/2018
Inflation	2.75% - not explicitly used in valuation
Discount Rate	2.74%
Projected Salary Increases	3.70% - 7.80%
Healthcare Cost Trend Rates	Based on the Getzen Model starting at 6.40% gradually decreasing to an ultimate rate of 4.60% in 2040
Retirees' Share of Benefit-Related Costs	100% of blended health insurance premium rates except by law 0% for certain conditions for Police Officers and Firefighters death and disability benefits
Mortality Rates	Healthy members based on various RP-2000 mortality tables with varying Collar adjustments and generational mortality improvements with Scale BB. Disabled employees based on RP-2000 disabled mortality tables setback 4 years for males and set forward 2 years for females and no projected improvements.

Discount Rate - The discount rate used to measure total OPEB Liability was 2.74%. This rate is based on a municipal bond rate as required under GASB Statement No. 75 as of the measurement date October 1, 2019.

NOTE I POSTEMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Changes on Net OPEB liability -

	Total OPEB Liability
Balances - October 1, 2019	$ 3,187,121
Changes for the Year:	
Service Cost	307,655
Changes of Benefit Terms	-
Difference Between Actual and Expected Experience	-
Interest	132,697
Changes in Assumptions	865,929
Differences Between Expected and Actual Experience	
Benefit Payments	(60,824)
Net Changes	1,245,457
Balances - September 30, 2020	$ 4,432,578

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability calculated using the current discount rate of 2.74%, along with what the net OPEB liability would be if the discount rate used was 1-percentage-point lower (1.74%) and 1-percentage-point higher (3.74%).

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	1.74 %	2.74 %	3.74 %
Total OPEB Liability	$ 5,498,715	$ 4,432,578	$ 3,628,826

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability calculated using the current healthcare cost trend rate of 6.40% graded down to 4.60%, along with what the net OPEB liability would be if the healthcare cost trend rate used was 1-percentage-point lower (5.40% graded down to 3.60%) and 1-percentage-point higher (7.40% graded down to 5.60%).

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB Plan Healthcare Cost Rate	5.40% to 3.60%	6.40% to 4.60%	7.40% to 5.60%
Total OPEB Liability	$ 3,481,235	$ 4,432,578	$ 5,747,930

OPEB Costs - For the year ended September 30, 2020, the City recognized OPEB expense of $407,463. In addition, the City reported OPEB deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 581,722
Changes of Assumptions	778,461	386,055
Employer Contributions Subsequent to Measurement Date	82,169	-
Totals	$ 860,630	$ 967,777

NOTE I POSTEMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Amounts reported as deferred inflows of resources will be recognized as an increase (decrease) in OPEB expense as follows:

Year Ended September 30,	Amount
2021	$ (35,751)
2022	(35,751)
2023	(35,751)
2024	(35,751)
2025	(35,751)
Thereafter	(10,561)

At September 30, 2020, the City reported deferred outflows of resources related to OPEB totaling $82,169 from employer contributions subsequent to the measurement date. This deferred outflow of resources will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2020.

NOTE J EMPLOYER BENEFITS FROM ON-BEHALF PAYMENTS

The City receives insurance excise tax remittances from the state of Florida on behalf of the Police Officers' Retirement Fund and Firefighters' Retirement Plan that are restricted in purpose for the benefit of the retirement plans and must be transferred immediately upon receipt to each respective retirement plan. The amounts received from the state of Florida on behalf of the Police Officers' Retirement Plan and Firefighters' Retirement Plan for the year ended September 30, 2020 were $344,600. These amounts have been reported as intergovernmental revenues in the General Fund with a corresponding expenditure classified within Public Safety as part of personal services in the Police and Fire departments.

NOTE K DEFERRED COMPENSATION PLAN

The City has a deferred compensation plan, created in accordance with Internal Revenue Code Section 457, in which all full-time employees are eligible to participate. Deferred compensation amounts withheld from participating employees' pay are not taxable as current income until withdrawn from the Plan. As of September 30, 2020, annual contributions by a participant may not exceed the lesser of $19,000 or 100% of the participant's includable compensation. Employees that are age fifty (50) or older are able to defer an additional $6,000 as provided by the "catch-up" provisions of the Internal Revenue Code.

NOTE L LANDFILL COSTS

In July 1991, the City closed its landfill. State and federal laws require the City to perform post-closure monitoring for 20 years, which began in 1991. The facility is classified as a closed Class III landfill and shall be monitored and maintained in accordance with state requirements. The closed landfill includes a disposal footprint of approximately 55 acres.

On December 19, 2012 a new permit titled "Solid Waste Closure (long-term care) Permit – Landfill" was issued by the Department of Environmental Protection which replaces the previous permit. This extension of the long-term care period was required at the facility for an indefinite period of time until sufficient data has been collected to demonstrate that the site has "stabilized" as defined by Rule 17-701.020 (64), F.A.C. The new permit (which expires May 29, 2027) states that financial assurance is no longer required for the facility. The City incurred expenses of $3,748 for the fiscal year ended September 30, 2020, for post-closure monitoring and maintenance at the facility. No liability has been reported for landfill closure and post closure care as of September 30, 2020.

NOTE M RISK MANAGEMENT

The City is a member of Public Risk Management of Florida (PRM), a liability risk pool. PRM administers insurance activities relating to workers' compensation, property, liability, and automobiles. PRM absorbs the risk of loss up to a specified amount annually and purchases excess and other specific coverage's from third-party carriers. PRM assesses each member its pro rata share of the estimated amount required to meet current-year losses and operating expenses. During the fiscal year ended September 30, 2020, the City had no significant reductions in insurance coverage from the prior year. In addition, there have been no settlements that have exceeded the City's insurance coverage in any of the past three fiscal years.

NOTE N SIGNIFICANT CONTINGENCIES

Litigation – The City is involved as a defendant or plaintiff in certain litigation and claims arising in ordinary course of operations. In the opinion of legal counsel, the range of potential liabilities will not materially affect the financial position of the City.

State and Federal Grants – Grant monies received and disbursed by the City are for the specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does not believe that such disallowances, if any, would have a material effect on the financial position of the City.

Arbitrage Rebate – In accordance with the Tax Reform Act of 1986, any interest earnings on borrowed construction funds in excess of the interest costs incurred are required to be rebated to the federal government. There was no arbitrage liability as of September 30, 2020.

Construction Commitments – As of September 30, 2020, the City's commitments with contractors totaled $8,889,182 for a number of capital projects.

NOTE O STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Fund Deficits - The Redevelopment Fund has a negative fund balance of $4,237,865 caused primarily by the receipt in previous fiscal years of a repayable advance totaling $8,885,703 from the General Fund and the subsequent transfer of the same amount to the Debt Service Fund to pay off a Series 2012 Revenue Note. Since the General Fund advance was not recorded as an Other Financing Source, the transfer to the Debt Service Fund contributed to the reported fund balance deficit at September 30, 2020. The City plans to monitor cash flows in this fund to reduce this deficit over time with increases in collected tax increment financing revenues as the accessed values of properties in the City increases.

NOTE P SUBSEQUENT EVENT

Hacienda Hotel Purchase and Sale Agreement:

On December 15, 2020, the City of New Port Richey Community Redevelopment Agency (seller) entered into a Purchase and Sale Agreement to sell the Hacienda Hotel. At closing, the Purchaser executed a first mortgage and note to a third-party lender, in the amount of $500,000, for the payment of improvements to the property, the terms of which shall be reviewed and subject to approval by Seller. The Purchaser also executed a second mortgage and note to the City for the remaining balance of the purchase price due, after applying the Deposit of $75,000 (Year 1 below) and providing fixed annual payments (Year 2-8 below). The annual payments are due and payable on September 1 of each year until paid, commencing on December 31, 2021, which shall be the due date for the first payment. The fixed annual payments include the following:

	Annual Payments
Year 1	$ 75,000
Year 2	85,000
Year 3	90,000
Year 4	100,000
Year 5	110,000
Year 6	110,000
Year 7	110,000
Year 8	120,000
	$ 800,000

Taxable Non-ad Valorem Revenue Note, Series 2020A and Tax-exempt Non-ad Valorem Revenue Note, Series 2020B:

In November 2020, the City adopted Resolution No. 2021-08 authorizing the issuance of a Taxable Non-ad Valorem Revenue Note, Series 2020A in the amount of $2,617,294, and a Tax-exempt Non-ad Valorem Revenue Note, Series 2020B in the amount of $8,355,207. These Notes will be used to finance the costs of construction, renovation, design and/or equipping of various capital improvements, including a parking garage, fire station and public library and paying costs related thereto. The Notes shall be limited obligations of the City payable from Non-ad Valorem revenues budgeted and appropriated.

The Series 2020A Note shall have an initial fixed interest rate equal to 1.11% per annum (subject to adjustment upon the occurrence of certain events as provided in the Series 2020A Note) calculated on a 30/360-day basis. Interest on the 2020A Note shall be paid semi-annually on each April 1 and October 1, commencing April 1, 2021. Principal on the Series 2020A Note shall be paid annually, commencing on October 1, 2021, with a final maturity date of October 1, 2023.

The Series 2020B Note shall have an initial fixed interest rate equal to 1.54% per annum (subject to adjustment upon the occurrence of certain events as provided in the Series 2020B Note) calculated on a 30/360-day basis. Interest on the 2020B Note shall be paid semi-annually on each April 1 and October 1, commencing April 1, 2021. Principal on the Series 2020B Note shall be paid annually, commencing on October 1, 2023, with a final maturity date of October 1, 2030.

Subsequent Lease

In FY21, the City entered into an agreement with Enterprise Management to update its fleet through the leasing of vehicles. The plan is to update the City's fleet over 5 years. As of the report date, the City has leased 39 vehicles.

NOTE P SUBSEQUENT EVENT (CONTINUED)

American Rescue Plan Act

The American Rescue Plan Act was signed into law on March 11, 2021. The plan will provide relief to state, local, and tribal governments. The City is expected to receive approximately $7 million in American Rescue Plan Act funds, but to date, has not received any distributions.

Required Supplementary Information

Required supplementary information includes budgetary comparison schedules for the general fund and major special revenue funds, and schedules depicting the funding progress and contributions for the single employer defined benefit pension plans.

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CITY OF NEW PORT RICHEY, FLORIDA
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
RESOURCES (INFLOWS)				
TAXES:				
Ad Valorem	$ 5,345,870	$ 5,345,870	$ 5,308,673	$ (37,197)
Franchise Taxes	2,906,000	2,906,000	3,119,842	213,842
Communication Services Tax	641,560	641,560	716,503	74,943
Total Taxes	8,893,430	8,893,430	9,145,018	251,588
LICENSES AND PERMITS:				
Local Business Tax	150,000	150,000	166,580	16,580
Permits and Fees	343,000	343,000	387,975	44,975
Total Licenses and Permits	493,000	493,000	554,555	61,555
INTERGOVERNMENTAL REVENUE:				
Federal Grants	415,530	415,530	532,472	116,942
State and Local Grants	52,000	52,000	33,445	(18,555)
State Excise Tax Rebate - Fire Pension	125,000	125,000	114,779	(10,221)
State Excise Tax Rebate - Police Pension	200,000	200,000	229,821	29,821
State Revenue Sharing	715,360	715,360	690,089	(25,271)
County Occupational Licenses	15,000	15,000	14,184	(816)
Mobile Home License Tax Rebate	50,000	50,000	38,884	(11,116)
Municipality Fuel Tax Refund	20,000	20,000	16,991	(3,009)
Half-Cent Sales Tax	1,103,290	1,103,290	1,089,177	(14,113)
Alcoholic Beverage Licenses	45,000	45,000	36,278	(8,722)
Firefighters Supplementary Compensation	5,000	5,000	10,742	5,742
Total Intergovernmental Revenue	2,746,180	2,746,180	2,806,862	60,682
CHARGES FOR SERVICES:				
Recreation	668,950	668,950	319,162	(349,788)
Public Safety	309,800	309,800	197,938	(111,862)
Street Lights	48,000	48,000	33,251	(14,749)
Other	82,500	82,500	87,308	4,808
Total Charges for Services	1,109,250	1,109,250	637,659	(471,591)
FINES AND FORFEITURES:				
Court Fines	2,274,000	1,999,620	1,686,381	(313,239)
Other Fines	580,000	778,500	410,833	(367,667)
Total Fines and Forfeitures	2,854,000	2,778,120	2,097,214	(680,906)
MISCELLANEOUS REVENUES:				
Investment Income	18,000	18,000	25,713	7,713
Issuance of Debt	886,000	886,000	-	(886,000)
Contributions	-	11,550	12,189	639
Rents	6,280	6,280	5,750	(530)
Proceeds from Sale of Capital Assets	64,290	64,290	-	(64,290)
Other	66,200	68,650	323,621	254,971
Total Miscellaneous Revenues	1,040,770	1,054,770	367,273	(687,497)
TRANSFERS FROM OTHER FUNDS	5,810,180	5,810,180	5,810,180	-
Amounts Available for Appropriations	22,946,810	22,884,930	21,418,761	(1,466,169)

(continued)

CITY OF NEW PORT RICHEY, FLORIDA
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final	(Budgetary Basis)	(Negative)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
GENERAL GOVERNMENT:				
Legislative - Nonclassified:				
Personnel	$ 20,030	$ 20,030	$ 20,023	$ 7
Operating	223,000	186,930	186,775	155
Nonoperating	1,770	1,770	1,764	6
	244,800	208,730	208,562	168
Executive:				
Personnel	190,560	204,500	204,052	448
Operating	16,800	16,670	16,576	94
	207,360	221,170	220,628	542
Human Resources:				
Personnel	136,210	151,110	150,327	783
Operating	456,470	507,320	507,238	82
	592,680	658,430	657,565	865
Financial Administration:				
Personnel	866,720	865,320	860,694	4,626
Operating	235,740	317,430	315,256	2,174
Capital Outlay	23,500	-	-	-
	1,125,960	1,182,750	1,175,950	6,800
Technology Solutions:				
Personnel	290,240	260,160	258,493	1,667
Operating	482,520	570,390	569,978	412
Capital Outlay	90,230	143,570	143,559	11
	862,990	974,120	972,030	2,090
City Clerk:				
Personnel	19,470	22,010	21,646	364
Operating	49,750	48,180	48,113	67
	69,220	70,190	69,759	431
Administrative Services:				
Personnel	-	12,000	11,577	423
Operating	-	1,230	1,220	10
	-	13,230	12,797	433
Economic Development:				
Personnel	165,800	184,660	183,528	1,132
Operating	2,400	3,440	3,416	24
Capital Outlay	-	-	-	-
	168,200	188,100	186,944	1,156
Development Services:				
Personnel	575,840	501,230	491,706	9,524
Operating	192,950	296,350	301,202	(4,852)
Capital Outlay	-	-	-	-
	768,790	797,580	792,908	4,672
Total General Government	4,040,000	4,314,300	4,297,143	17,157
PUBLIC SAFETY:				
Police:				
Personnel	5,850,630	6,040,830	6,020,139	20,691
Operating	1,788,600	1,906,780	1,892,740	14,040
Capital Outlay	188,700	162,610	164,342	(1,732)
	7,827,930	8,110,220	8,077,221	32,999
Fire:				
Personnel	2,092,490	2,199,890	2,198,440	1,450
Operating	289,800	263,140	251,382	11,758
Capital Outlay	1,117,530	1,103,880	217,873	886,007
	3,499,820	3,566,910	2,667,695	899,215
Total Public Safety	11,327,750	11,677,130	10,744,916	932,214

(continued)

CITY OF NEW PORT RICHEY, FLORIDA
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final	(Budgetary Basis)	(Negative)
CHARGES TO APPROPRIATIONS (Continued)				
PUBLIC WORKS:				
Public Works Administration:				
Personnel	$ 314,000	$ 344,090	$ 320,874	$ 23,216
Operating	102,470	83,940	79,253	4,687
Capital Outlay	-	-	-	-
	416,470	428,030	400,127	27,903
Road and Street Facilities:				
Personnel	412,700	280,380	278,916	1,464
Operating	333,100	344,740	328,777	15,963
Capital Outlay	-	16,500	21,464	(4,964)
	745,800	641,620	629,157	12,463
Facilities Maintenance:				
Personnel	282,130	244,810	246,164	(1,354)
Operating	315,720	328,730	324,051	4,679
Capital Outlay	-	-	-	-
	597,850	573,540	570,215	3,325
Grounds Maintenance:				
Personnel	498,210	368,380	366,025	2,355
Operating	378,250	407,040	395,996	11,044
Capital Outlay	101,000	15,100	23,615	(8,515)
	977,460	790,520	785,636	4,884
Total Public Works	2,737,580	2,433,710	2,385,135	48,575
CULTURE AND RECREATION:				
Library:				
Personnel	647,170	582,130	582,028	102
Operating	298,510	247,550	244,767	2,783
Capital Outlay	98,270	80,190	80,172	18
	1,043,950	909,870	906,967	2,903
Recreation:				
Personnel	782,860	672,020	674,919	(2,899)
Operating	352,770	321,195	314,833	6,362
Capital Outlay	93,500	103,880	103,875	5
	1,229,130	1,097,095	1,093,627	3,468
Swimming Pool:				
Personnel	223,950	164,310	162,160	2,150
Operating	135,500	123,305	120,953	2,352
Capital Outlay	64,500	20,760	20,758	2
	423,950	308,375	303,871	4,504
Total Culture and Recreation	2,697,030	2,315,340	2,304,465	10,875
TRANSFERS TO OTHER FUNDS	2,035,070	2,035,070	2,035,070	-
Total Charges to Appropriations	22,837,430	22,775,550	21,766,729	1,008,821
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	$ 109,380	$ 109,380	$ (347,968)	$ (457,348)

(continued)

CITY OF NEW PORT RICHEY, FLORIDA
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES:		
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule	$	21,418,761
Differences - budget to GAAP:		
Transfers from other funds and proceeds from sale of capital assets are inflows of budgetary resources but are not revenues for financial reporting purposes		(5,810,180)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$	15,608,581
USES/OUTFLOWS OF RESOURCES:		
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	$	21,766,729
Difference - budget to GAAP:		
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes		(2,035,070)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$	19,731,659

CITY OF NEW PORT RICHEY, FLORIDA
BUDGETARY COMPARISON SCHEDULE – REDEVELOPMENT FUND
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final	(Budgetary Basis)	(Negative)
RESOURCES (INFLOWS)				
Taxes	$ 1,486,600	$ 1,477,320	$ 1,477,319	$ (1)
Investment Income (Loss)	(20,000)	18,120	(1,387)	(19,507)
Surplus (Impairment) of Other Assets	75,000	656,560	-	(656,560)
Miscellaneous	67,000	28,570	34,805	6,235
Transfers from Other Funds	1,710,070	3,460,070	3,460,070	-
Amounts Available for Appropriation	3,318,670	5,640,640	4,970,807	(669,833)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current				
General Government	624,810	546,597	1,395,848	(849,251)
Capital Outlay	2,805,000	2,941,213	294,220	2,646,993
Transfer to Other Funds	1,263,260	3,013,260	3,013,260	-
Total Charges to Appropriations	4,693,070	6,501,070	4,703,328	1,797,742
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	$ (1,374,400)	$ (860,430)	$ 267,479	$ 1,127,909

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES:	
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	$ 4,970,807
Differences - budget to GAAP:	
Insurance proceeds and Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(3,460,070)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 1,510,737
USES/OUTFLOWS OF RESOURCES:	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	$ 4,703,328
Differences - budget to GAAP:	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(3,013,260)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 1,690,068

CITY OF NEW PORT RICHEY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - FRS
YEAR ENDED SEPTEMBER 30, 2020

Florida Retirement System Pension Plan	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	0.000142140%	0.014706643%	0.015086751%	0.015572645%	0.016258868%	0.016311776%
City's Proportionate Share of the Net Pension Liability	$ 6,160,552	$ 5,064,763	$ 4,544,208	$ 4,606,284	$ 4,105,377	$ 2,106,885
City's Covered Payroll	$ 6,337,150	$ 6,221,783	$ 5,938,263	$ 6,041,876	$ 6,114,037	$ 5,445,154
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	97.21%	81.40%	76.52%	76.24%	67.15%	38.69%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

Note: The amounts presented for each fiscal year were determined as of the measurement date (June 30).

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

Note: For June 30, 2015, and later, covered payroll shown includes the payroll for Investment Plan members and payroll on which only UAL rates are charged.

Retiree Health Insurance Subsidy Program (HIS)	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	0.000183610%	0.018239277%	0.018119023%	0.018952904%	0.019728422%	0.017911774%
City's Proportionate Share of the Net Pension Liability	$ 2,241,853	$ 2,040,793	$ 1,917,738	$ 2,026,532	$ 2,299,266	$ 1,826,719
City's Covered Payroll	$ 6,337,150	$ 6,221,783	$ 5,938,263	$ 6,041,876	$ 6,114,037	$ 5,445,154
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	35.38%	32.80%	32.29%	33.54%	37.61%	33.55%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Note: The amounts presented for each fiscal year were determined as of the measurement date (June 30).

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

Note: For June 30, 2015, and later, covered payroll shown includes the payroll for Investment Plan members and payroll on which only UAL rates are charged.

CITY OF NEW PORT RICHEY, FLORIDA
SCHEDULE OF RETIREMENT CONTRIBUTIONS - FRS
YEAR ENDED SEPTEMBER 30, 2020

Florida Retirement System Pension Plan	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 497,491	$ 467,100	$ 444,374	$ 391,266	$ 394,410	$ 383,864
Contributions in Relation to the Contractually Required Contribution	(497,491)	(467,100)	(444,374)	(391,266)	(394,410)	(383,864)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
City's Covered Payroll	$ 6,377,066	$ 6,252,292	$ 5,956,536	$ 6,271,939	$ 6,010,597	$ 5,427,103
Contributions as a Percentage of Covered Employee Payroll	7.80%	7.47%	7.46%	6.24%	6.56%	7.07%

Note: The amounts presented for each fiscal year were determined as the City's fiscal year end (September 30).

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

Note: For September 30, 2015, and later, covered payroll shown includes the payroll for Investment Plan members and payroll on which only UAL rates are charged.

Retiree Health Insurance Subsidy Program (HIS)	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 106,322	$ 103,451	$ 96,959	$ 100,560	$ 99,131	$ 74,334
Contributions in Relation to the Contractually Required Contribution	(106,322)	(103,451)	(96,959)	(100,560)	(99,131)	(74,334)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
City's Covered Payroll	$ 6,377,066	$ 6,252,292	$ 5,956,536	$ 6,271,939	$ 6,010,597	$ 5,427,103
Contributions as a Percentage of Covered Employee Payroll	1.67%	1.65%	1.63%	1.60%	1.65%	1.37%

Note: The amounts presented for each fiscal year were determined as the City's fiscal year end (September 30).

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

Note: For September 30, 2015, and later, covered payroll shown includes the payroll for Investment Plan members and payroll on which only UAL rates are charged.

CITY OF NEW PORT RICHEY, FLORIDA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – FIREFIGHTERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

Measurement Date	September 30, 2019 *	September 30, 2018 *	September 30, 2017 *	September 30, 2016 *	September 30, 2015 *	September 30, 2014 *
Total Pension Liability:						
Service Cost	$ 300,653	$ 282,107	$ 252,990	$ 208,740	$ 179,408	$ 167,944
Interest	1,023,544	992,079	848,665	941,721	936,203	935,634
Change in Excess State Money	-	(728,711)	243,050	33,395	153,093	154,517
Changes of Benefit Terms	48,741	-	68,651	-	-	-
Differences Between Expected and Actual Experience	(43,118)	(129,673)	(38,501)	(315,508)	(128,221)	-
Changes of Assumptions	364,388	-	-	351,939	-	-
Benefit Payments, Including Refunds of Employee Contributions	(822,828)	(814,132)	(823,984)	(766,095)	(1,615,853)	(600,003)
Net Change in Total Pension Liability	871,380	(398,330)	550,871	454,192	(475,370)	658,092
Total Pension Liability - Beginning	12,848,591	13,246,921	12,696,050	12,241,858	12,717,228	12,059,136
Total Pension Liability - Ending (a)	$ 13,719,971	$ 12,848,591	$ 13,246,921	$ 12,696,050	$ 12,241,858	$ 12,717,228
Plan Fiduciary Net Position:						
Contributions - Employer and State	$ 484,903	$ 462,112	$ 432,534	$ 396,911	$ 482,624	$ 538,130
Contributions - Employee	92,542	101,435	94,225	94,075	79,624	75,982
Net Investment Income	364,682	1,317,970	1,335,320	881,197	(330,078)	1,006,135
Benefit Payments, including Refunds of Employee Contributions	(822,828)	(814,132)	(823,984)	(766,095)	(1,615,854)	(600,003)
Administrative Expense	(81,983)	(54,696)	(63,596)	(64,186)	(46,159)	(42,509)
Net Change in Plan Fiduciary Net Position	37,316	1,012,689	974,499	541,902	(1,429,843)	977,735
Plan Fiduciary Net Position - Beginning	13,161,302	12,148,613	11,174,114	10,632,212	12,062,055	11,147,062
Plan Fiduciary Net Position - Ending (b)	$ 13,198,618	$ 13,161,302	$ 12,148,613	$ 11,174,114	$ 10,632,212	$ 12,124,797
Net Pension (Asset)/Liability - Ending (a) - (b)	$ 521,353	$ (312,711)	$ 1,098,308	$ 1,521,936	$ 1,609,646	$ 592,431
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	96.20%	102.43%	91.71%	88.01%	86.85%	95.34%
Covered Employee Payroll	$ 1,423,723	$ 1,327,104	$ 1,183,189	$ 1,201,440	$ 1,199,825	$ 952,337
Net Pension Liability as a percentage of Covered Employee Payroll	36.62%	-23.56%	92.83%	126.68%	134.16%	62.21%

Notes to Schedule:

Valuation date is beginning of year as of October 1.

* Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

CITY OF NEW PORT RICHEY, FLORIDA
SCHEDULE OF CONTRIBUTIONS AND NOTES TO SCHEDULE – FIREFIGHTERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

Fiscal Year Ending	September 30, 2020 *	September 30, 2019 *	September 30, 2018 *	September 30, 2017 *	September 30, 2016 *	September 30, 2015 *
Actuarially Determined Contribution	$ 408,765	$ 401,018	$ 364,803	$ 230,006	$ 272,482	$ 337,210
Contributions in Relation to the Actuarially Determined Contribution	114,779	484,903	1,190,823	305,906	344,470	265,222
Contribution Deficiency (Excess)	$ 293,986	$ (83,885)	$ (826,020)	$ (75,900)	$ (71,988)	$ 71,988
Covered Employee Payroll	$ 1,490,538	$ 1,423,723	$ 1,327,104	$ 1,183,189	$ 1,201,440	$ 1,199,825
Contributions as a Percentage of Covered Employee Payroll	7.70%	34.06%	89.73%	25.85%	28.67%	22.11%

Notes to Schedule:

* Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rate for the most recent actuarial valuation:

Funding Method:	Aggregate Actuarial Cost Method
Amortization Method:	N/A
Payroll Growth:	N/A
Load for Minimum DROP Return:	The liabilities for future Normal Retirement Benefits are increased by 0.5% to account for the fact that DROP Members' quarterly returns will be subject to a floor of 0.0%.
Asset Valuation Method:	Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.
Salary Increases:	5.00% per year until the assumed retirement age; see table below. We feel this is reasonable based on long-term expectations.
Interest Rate:	8.00% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.
Retirement Age:	10 or more years of service on 10/1/2013: Earlier of 1) age 41 and 21 years of service, or 2) age 51 and 11 years of service. Less than 10 years of service on 10/1/2013: Earlier of 1) age 51 with 10 years of service or 2) age 47 with 25 years of service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year. The assumed rates of retirement are consistent with those approved in conjunction with an actuarial experience study dated November 16, 2010.
Termination Rates:	See table below. The assumed rates of termination were approved in conjunction with an actuarial experience study dated November 16, 2010.
Disability Rates:	See table below. It is assumed that 75% of disablements and active Member deaths are service related. The assumed rates of disablement are consistent with those used by other plans containing Florida municipal Firefighters.
Mortality:	Healthy Active Lives: Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB. Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB. Disabled Lives: Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale. Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale. The assumed rates of mortality were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in the July 1, 2015 FRS actuarial valuation report. We feel this assumption sufficiently accommodates future mortality improvements.

Decrement Tables:

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	9.00%	0.14%
25	8.60%	0.15%
30	7.50%	0.18%
35	5.70%	0.23%
40	3.90%	0.30%
45	2.40%	0.51%

CITY OF NEW PORT RICHEY, FLORIDA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – POLICE OFFICERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

Measurement Date	September 30, 2019 *	September 30, 2018 *	September 30, 2017 *	September 30, 2016 *	September 30, 2015 *	September 30, 2014 *
Total Pension Liability:						
Service Cost	$ 710,034	$ 676,144	$ 770,072	$ 760,315	$ 685,630	$ 728,582
Interest	1,997,614	1,916,514	1,970,862	1,939,254	1,895,631	1,799,225
Changes of benefit terms	615,658	(2,507,861)	-	-	-	-
Differences between Expected and Actual Experience	(722,312)	654,544	(610,687)	(704,111)	(18,648)	(780,543)
Changes of Assumptions	-	-	686,077	-	-	-
Benefit Payments, including Refunds of Employee Contributions	(1,481,477)	(1,466,384)	(1,727,246)	(1,456,540)	(1,337,591)	(1,205,714)
Net Change in Total Pension Liability	1,119,517	(727,043)	1,089,078	538,918	1,225,022	541,550
Total Pension Liability - Beginning	25,911,648	26,638,691	25,549,613	25,010,695	23,785,673	23,244,123
Total Pension Liability - Ending (a)	$ 27,031,165	$ 25,911,648	$ 26,638,691	$ 25,549,613	$ 25,010,695	$ 23,785,673
Plan Fiduciary Net Position:						
Contributions - Employer and State	$ 594,598	$ 1,046,237	$ 1,262,959	$ 1,182,194	$ 1,118,829	$ 943,208
Contributions - Employee	167,338	111,835	111,261	105,320	97,124	90,712
Net Investment Income	700,585	3,696,996	3,011,138	1,211,993	1,036,070	2,603,632
Benefit Payments, including Refunds of Employee Contributions	(1,481,477)	(1,466,384)	(1,727,246)	(1,456,540)	(1,337,591)	(1,205,714)
Administrative Expense	(73,964)	(90,802)	(65,265)	(53,575)	(58,144)	(51,602)
Net Change in Plan Fiduciary Net Position	(92,920)	3,297,882	2,592,847	989,392	856,288	2,380,236
Plan Fiduciary Net Position - Beginning	29,955,223	26,657,341	24,064,494	23,075,102	22,218,814	19,838,578
Plan Fiduciary Net Position - Ending (b)	$ 29,862,303	$ 29,955,223	$ 26,657,341	$ 24,064,494	$ 23,075,102	$ 22,218,814
Net Pension (Asset)/Liability - Ending (a) - (b)	$ (2,831,138)	$ (4,043,575)	$ (18,650)	$ 1,485,119	$ 1,935,593	$ 1,566,859
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	110.47%	115.61%	100.07%	94.19%	92.26%	93.41%
Covered Employee Payroll	$ 2,574,417	$ 2,484,983	$ 2,472,455	$ 2,335,381	$ 2,158,300	$ 1,912,968
Net Pension Liability as a Percentage of Covered Employee Payroll	-109.97%	-162.72%	-0.75%	63.59%	89.68%	81.91%

Notes to Schedule:

Valuation date is beginning of year as of October 1

Update procedures used to roll forward Total Pension Liability, excluding DROP account balances and reserve for excess State Funds to the measurement date - actual DROP account balances and reserve for excess State funds as of measurement date included in Total Pension Liability.

No assumption changes or benefit changes during the year.

* Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

CITY OF NEW PORT RICHEY, FLORIDA
SCHEDULE OF CONTRIBUTIONS AND NOTES TO SCHEDULE – POLICE OFFICERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

Fiscal Year Ending	September 30, 2020 *	September 30, 2019 *	September 30, 2018 *	September 30, 2017 *	September 30, 2016 *	September 30, 2015 *
Actuarially Determined Contribution	$ 660,836	$ 587,634	$ 992,658	$ 1,075,632	$ 1,162,424	$ 1,118,829
Contributions in Relation to the Actuarially Determined Contribution	654,162	594,598	1,046,237	1,262,959	1,182,194	1,118,829
Contribution Deficiency (Excess)	$ 6,674	$ (6,964)	$ (53,579)	$ (187,327)	$ (19,770)	$ -
Covered Employee Payroll	$ 2,666,145	$ 2,574,417	$ 2,484,983	$ 2,472,455	$ 2,335,381	$ 2,158,300
Contributions as a Percentage of Covered Employee Payroll	24.54%	23.10%	42.10%	51.08%	50.62%	51.84%

Notes to Schedule:

* Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Amortization Period	30 years
Asset Valuation Method:	5-year smoothed
Inflation:	2.50% per year
Salary Increases:	3.5% - 7.0%
Investment Rate of Return	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	For healthy Police Officer participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018 For healthy Police Officer participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018 For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018
Cost-of-Living Increases	None

CITY OF NEW PORT RICHEY, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
YEAR ENDED SEPTEMBER 30, 2020

Other Postemployment Benefits (OPEB) Plan **Last Ten Fiscal Years***	**2020**	**2019**	**2018**
OPEB Liability Beginning of Year	$ 3,187,121	$ 3,740,178	$ 3,652,745
Changes for the Year:			
Service Cost	307,655	330,902	355,910
Interest on OPEB Liability	132,697	141,017	122,954
Changes of Benefit Terms	-	(1,677)	-
Difference Between Actual and Expected Experience	-	(725,358)	-
Changes of Assumptions	865,929	(213,150)	(306,004)
Benefit Payments	(60,824)	(84,791)	(85,427)
OPEB Liability End of Year	$ 4,432,578	$ 3,187,121	$ 3,740,178
Covered-Employee Payroll	$ 9,732,294	$ 9,270,750	$ 9,089,270
Total OPEB Liability as a Percentage of Covered Employee Payroll:	45.55%	34.38%	41.15%

* The Amounts Presented for Each Fiscal Year were Determined as of September 30.

Note 1: Covered employee payroll based on pay provided for the actuarial valuation as of valuation date, October 1, 2018. GASB Statement No. 75 requires actual covered payroll during the measurement period.
Note 2: There are no assets accumulated in a trust for the payment of the related OPEB benefits.
Note 3: This table will be built out to include a ten-year history.

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Combining Financial Statements

These financial statements provide a more detailed view of the nonmajor funds that were combined for the governmental activities in the fund financial statements and a detail of the individual fiduciary funds.

CITY OF NEW PORT RICHEY, FLORIDA
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	Street Improvement	Street Lights	Total Nonmajor Governmental Funds
ASSETS			
Cash, Cash Equivalents, and Investments	$ 1,041,975	$ 403,020	$ 1,444,995
Receivables (Net of Allowance):			
Special Assessments	36,750	-	36,750
Due from Other Governments	194,486	1,719	196,205
Total Assets	$ 1,273,211	$ 404,739	$ 1,677,950
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 950	$ 28,540	$ 29,490
Unearned Revenue	45,016	-	45,016
Total Liabilities	45,966	28,540	74,506
FUND BALANCES			
Fund Balances			
Restricted - Other Capital Projects	1,227,245	376,199	1,603,444
Total Fund Balances	1,227,245	376,199	1,603,444
Total Liabilities and Fund Balances	$ 1,273,211	$ 404,739	$ 1,677,950

CITY OF NEW PORT RICHEY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2020

	Street Improvement	Street Lights	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ 1,044,516	$ 451,128	$ 1,495,644
Investment Income	51,334	-	51,334
Miscellaneous	728,476	-	728,476
Total Revenues	1,824,326	451,128	2,275,454
EXPENDITURES			
General Government	-	384,772	384,772
Public Works	14,054	-	14,054
Capital Outlay	1,935,356	-	1,935,356
Total Expenditures	1,949,410	384,772	2,334,182
EXCESS OF REVENUES OVER EXPENDITURES	(125,084)	66,356	(58,728)
OTHER FINANCING SOURCES (USES)			
Transfers In	525,000	-	525,000
Transfers Out	(432,140)	-	(432,140)
Total Other Financing Sources (Uses)	92,860	-	92,860
NET CHANGE IN FUND BALANCES	(32,224)	66,356	34,132
Fund Balances - Beginning of Year	1,259,469	309,843	1,569,312
FUND BALANCES - END OF YEAR	$ 1,227,245	$ 376,199	$ 1,603,444

CITY OF NEW PORT RICHEY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2020

	Pension Trust Funds		
	Police Officer	Firefighter	Employee Retirement Funds
ASSETS			
Cash	$ 133,096	$ 15,827	$ 148,923
Investments:			
U.S. Government Obligations	323,625	516,578	840,203
U.S. Government Agency Obligations	3,461,172	524,956	3,986,128
Domestic Corporate Bonds and Stocks	22,865,291	6,658,518	29,523,809
Real Estate Investment Trust	3,640,450	-	3,640,450
Temporary Investment Funds	902,500	82,500	985,000
Pooled Equity and Fixed Income Funds	-	5,976,865	5,976,865
Total Investments	31,193,038	13,759,417	44,952,455
Receivables:			
Accrued Dividends and Interest	36,693	18,246	54,939
Contributions	11,851	-	11,851
Intergovernmental	-	114,779	114,779
Total Receivables	48,544	133,025	181,569
Prepaid Items	129,765	71,753	201,518
Total Assets	31,504,443	13,980,022	45,484,465
LIABILITIES			
Accounts Payable	254,323	26,994	281,317
Total Liabilities	254,323	26,994	281,317
NET POSITION			
Restricted for Pension Benefits	$ 31,250,120	$ 13,953,028	$ 45,203,148

CITY OF NEW PORT RICHEY, FLORIDA
COMBINING STATEMENT CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2020

	Pension Trust Funds		
	Police Officer	Firefighter	Employee Retirement Funds
ADDITIONS			
Contributions:			
Employer	$ 424,341	$ -	$ 424,341
Employee	173,300	96,885	270,185
State	229,821	114,779	344,600
Total Contributions	827,462	211,664	1,039,126
Investment Earnings:			
Net Increase in Fair Value of Investments	2,162,835	1,245,156	3,407,991
Interest and Dividends	475,813	273,350	749,163
Other	3,675	-	3,675
Total Investment Earnings	2,642,323	1,518,506	4,160,829
Less Investment Expense	157,891	51,201	209,092
Net Investment Earnings	2,484,432	1,467,305	3,951,737
Total Additions	3,311,894	1,678,969	4,990,863
DEDUCTIONS			
Benefits	1,805,967	863,145	2,669,112
Refunds of Contributions	39,830	-	39,830
Administrative Expense	78,280	59,271	137,551
Total Deductions	1,924,077	922,416	2,846,493
CHANGE IN NET POSITION	1,387,817	756,553	2,144,370
Net Position - Beginning of Year	29,862,303	13,196,475	43,058,778
NET POSITION - END OF YEAR	$ 31,250,120	$ 13,953,028	$ 45,203,148

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Other Supplementary Schedules

These schedules are presented to provide greater detailed information than reported in the preceding financial statements. These schedules are not necessary for fair presentation in conformity with Generally Accepted Accounting Principles.

CITY OF NEW PORT RICHEY, FLORIDA
BUDGETARY COMPARISON SCHEDULE – STREET LIGHTS FUND
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final	(Budgetary Basis)	(Negative)
RESOURCES (INFLOWS)				
Taxes	$ 453,170	$ 426,650	$ 451,128	$ 24,478
Amounts Available for Appropriations	453,170	426,650	451,128	24,478
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
General Government	443,170	416,650	384,772	31,878
Total Charges to Appropriations	443,170	416,650	384,772	31,878
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	$ 10,000	$ 10,000	$ 66,356	$ 56,356

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	$ 451,128
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 451,128
USES/OUTFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	$ 384,772
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 384,772

CITY OF NEW PORT RICHEY, FLORIDA
BUDGETARY COMPARISON SCHEDULE – STREET IMPROVEMENT FUND
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final	(Budgetary Basis)	(Negative)
RESOURCES (INFLOWS)				
Taxes	$ 849,680	$ 1,044,500	$ 1,044,516	$ 16
Investment Income	9,500	31,570	51,334	19,764
Miscellaneous	786,960	685,830	728,476	42,646
Transfers from Other Funds	525,000	525,000	525,000	-
Amounts Available for Appropriations	2,171,140	2,286,900	2,349,326	62,426
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Public Works	14,000	13,060	14,054	(994)
Capital Outlay	3,200,000	3,316,700	1,935,356	1,381,344
Transfers to other funds	432,140	432,140	432,140	-
Total Charges to Appropriations	3,646,140	3,761,900	2,381,550	1,380,350
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	$ (1,475,000)	$ (1,475,000)	$ (32,224)	$ 1,442,776

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	$ 2,349,326
Differences - budget to GAAP:	
Transfers from other funds and debt proceeds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(525,000)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 1,824,326
USES/OUTFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	$ 2,381,550
Differences - budget to GAAP:	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(432,140)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 1,949,410

CITY OF NEW PORT RICHEY, FLORIDA
BUDGETARY COMPARISON SCHEDULE – DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final	(Budgetary Basis)	(Negative)
RESOURCES (INFLOWS)				
Investment income	$ -	$ -	$ 13	$ 13
Issuance of Debt	-	890,000	890,000	-
Transfers from Other Funds	887,640	887,640	887,640	-
Amounts Available for Appropriations	887,640	1,777,640	1,777,653	13
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Debt Service				
Principal Retirement	657,000	657,000	657,000	-
Interest and Fiscal Charges	230,640	230,640	230,858	(218)
Transfer to other funds	-	890,000	-	890,000
Total Charges to Appropriations	887,640	1,777,640	887,858	889,782
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	$ -	$ -	$ 889,795	$ 889,795

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	$ 1,777,653
Differences - budget to GAAP:	
Transfers from other funds and debt proceeds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(1,777,640)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 13
USES/OUTFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	$ 887,858
Differences - budget to GAAP:	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 887,858

CITY OF NEW PORT RICHEY, FLORIDA
BUDGETARY COMPARISON SCHEDULE – CAPITAL PROJECTS FUND
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final	(Budgetary Basis)	(Negative)
RESOURCES (INFLOWS)				
Taxes	$ 2,744,450	$ 2,722,950	$ 2,722,954	$ 4
Investment Income	15,000	58,620	72,560	13,940
Issuance of Debt	3,800,000	-	-	-
Amounts Available for Appropriations	6,559,450	2,781,570	2,795,514	13,944
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Capital Outlay	6,285,000	2,171,850	2,171,389	461
Transfer to Other Funds	888,840	888,840	888,840	-
Total Charges to Appropriations	7,173,840	3,060,690	3,060,229	461
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	$ (614,390)	$ (279,120)	$ (264,715)	$ 14,405

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	$ 2,795,514
Differences - budget to GAAP:	
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 2,795,514
USES/OUTFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	$ 3,060,229
Differences - budget to GAAP:	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(888,840)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	$ 2,171,389

Statistical Section

Statistical tables differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These tables reflect social and economic data, financial trends and the fiscal capacity of the government.

The Constitution of the State of Florida, Florida Statute 200.181 and the Charter of the City of New Port Richey, Florida set no legal debt margin.

The City has had no general bonded debt outstanding since 1978.

Schedules of Financial Trends Information

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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CITY OF NEW PORT RICHEY, FLORIDA
NET POSITION BY COMPONENT – LAST TEN FISCAL YEARS
SEPTEMBER 30, 2020

	2011	2012	2013	2014
Governmental Activities:				
Net Investment in Capital Assets	$ 20,746,105	$ 21,304,827	$ 24,341,556	$ 20,724,327
Restricted	4,370,155	3,819,762	4,653,007	5,215,107
Unrestricted	5,571,785	6,132,718	3,227,510	10,506,974
Total Governmental Activities Net Position	$ 30,688,045	$ 31,257,307	$ 32,222,073	$ 36,446,408
Business-Type Activities:				
Net Investment in Capital Assets	$ 37,304,052	$ 38,714,222	$ 38,895,570	$ 40,710,853
Restricted	-	-	-	2,785,560
Unrestricted	25,564,859	24,855,298	25,837,383	13,665,199
Total Business-Type Activities Net Position	$ 62,868,911	$ 63,569,520	$ 64,732,953	$ 57,161,612
Primary Government:				
Net Investment in Capital Assets	$ 58,050,157	$ 60,019,049	$ 63,237,126	$ 61,435,180
Restricted	4,370,155	3,819,762	4,653,007	8,000,667
Unrestricted	31,136,644	30,988,016	29,064,893	24,172,173
Total Primary Government Activities Net Position	$ 93,556,956	$ 94,826,827	$ 96,955,026	$ 93,608,020

CITY OF NEW PORT RICHEY, FLORIDA
NET POSITION BY COMPONENT – LAST TEN FISCAL YEARS (CONTINUED)
SEPTEMBER 30, 2020

2015	2016	2017	2018	2019	2020
$ 21,994,422	$ 26,028,231	$ 25,979,394	$ 28,997,102	$ 32,085,630	$ 35,271,230
8,704,016	6,162,908	5,953,485	4,734,833	4,405,687	7,457,752
1,505,257	1,333,624	1,481,334	935,224	5,370,744	(593,303)
$ 32,203,695	$ 33,524,763	$ 33,414,213	$ 34,667,159	$ 41,862,061	$ 42,135,679
$ 43,049,853	$ 43,046,655	$ 42,717,025	$ 42,368,692	$ 34,752,277	$ 36,871,188
3,151,358	3,478,157	3,429,235	3,429,235	3,633,277	3,782,578
10,009,905	9,702,040	9,018,154	10,193,453	19,203,761	17,800,069
$ 56,211,116	$ 56,226,852	$ 55,164,414	$ 55,991,380	$ 57,589,315	$ 58,453,835
$ 65,044,275	$ 69,074,886	$ 68,696,419	$ 71,365,794	$ 66,837,907	$ 72,142,418
11,855,374	9,641,065	9,382,720	8,164,068	8,038,964	11,240,330
11,515,162	11,035,664	10,499,488	11,128,677	24,574,505	17,206,766
$ 88,414,811	$ 89,751,615	$ 88,578,627	$ 90,658,539	$ 99,451,376	$ 100,589,514

CITY OF NEW PORT RICHEY, FLORIDA
CHANGES IN NET POSITION – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

	2011	2012	2013	2014
Expenses				
Governmental Activities:				
General Government	$ 3,310,681	$ 3,629,266	$ 3,413,510	$ 3,857,622
Public Safety	7,350,804	7,073,227	7,678,591	7,678,826
Public Works	1,499,293	1,584,915	2,007,581	2,533,260
Culture and Recreation	3,225,776	3,100,143	3,205,459	3,487,705
Interest and Fiscal Charges on Long-Term Debt	1,108,639	1,019,676	963,600	710,587
Total Governmental Activities Expenses	16,495,193	16,407,227	17,268,741	18,268,000
Business-Type Activities:				
Water and Sewer	9,874,088	10,386,931	11,060,727	9,491,918
Stormwater Utility	663,686	688,978	714,851	837,742
Total Business-Type Activities Expenses	10,537,774	11,075,909	11,775,578	10,329,660
Total Primary Government Expenses	$ 27,032,967	$ 27,483,136	$ 29,044,319	$ 28,597,660
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	$ 1,733,446	$ 1,908,712	$ 2,959,119	$ 3,738,052
Public Safety	502,602	547,736	637,961	532,867
Public Works	768,672	766,085	31,011	36,716
Culture and Recreation	456,605	461,879	495,550	488,520
Operating Grants and Contributions	268,662	212,087	336,592	407,632
Capital Grants and Contributions	411,586	165,442	92,098	71,034
Total Governmental Activities Program Revenues	4,141,573	4,061,941	4,552,331	5,274,821
Business-Type Activities:				
Charges for Services:				
Water and Sewer	9,339,704	9,450,701	9,794,132	9,879,326
Stormwater Utility	527,087	522,915	993,449	992,663
Operating Grants and Contributions	1,862,601	1,586,954	1,167,928	-
Capital Grants and Contributions	-	-	-	-
Total Business-Type Activities Program Revenues	11,729,392	11,560,570	11,955,509	10,871,989
Total Primary Government Program Revenues	$ 15,870,965	$ 15,622,511	$ 16,507,840	$ 16,146,810
Net (Expense)/Revenue				
Governmental Activities Net Expense	$ (12,353,620)	$ (12,345,286)	$ (12,716,410)	$ (12,993,179)
Business-Type Activities Net Expense	1,191,618	484,661	179,931	542,329
Total Primary Government Net Expense	$ (11,162,002)	$ (11,860,625)	$ (12,536,479)	$ (12,450,850)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Ad Valorem	$ 5,731,993	$ 5,322,729	$ 5,167,269	$ 4,971,732
Franchise Taxes	1,323,242	1,270,726	1,196,176	1,317,052
Utility Taxes	1,450,542	1,342,740	1,407,935	1,494,804
Communication Services Tax	881,055	895,727	854,510	704,995
Half-Cent Sales Tax	809,572	742,897	784,691	813,673
Local Option Gas Tax	504,016	498,890	1,566,812	522,565
Infrastructure Tax	1,311,649	1,430,997	529,683	1,673,113
State Excise Taxes - Public Safety	358,888	353,945	308,579	293,365
Other Taxes	310,998	226,667	226,285	239,135
State Revenue Sharing	668,568	668,623	610,486	723,724
Investment Income (Loss)	74,515	86,018	56,667	24,713
Miscellaneous	55,767	99,171	258,804	(9,794)
Total Governmental Activities	13,480,805	12,939,130	12,967,897	12,769,077
Business-Type Activities:				
Impact Fees (w/Charges for Svcs Water & Sewer - 2015)	216,145	244,550	597,939	-
Investment Income	543,688	531,331	485,391	465,495
Miscellaneous	17,241	555	18,949	222,172
Total Business-Type Activities	777,074	776,436	1,102,279	687,667
Special Item:				
Loss from Sale of Property Held for Resale	-	-	-	-
Total Primary Government	$ 14,257,879	$ 13,715,566	$ 14,070,176	$ 13,456,744
Change in Net Position (Excluding Transfers)				
Governmental Activities	$ 1,127,185	$ 593,844	$ 251,487	$ (224,102)
Business-Type Activities	1,968,692	1,261,097	1,282,210	1,229,996
Total Primary Government	$ 3,095,877	$ 1,854,941	$ 1,533,697	$ 1,005,894

CITY OF NEW PORT RICHEY, FLORIDA
CHANGES IN NET POSITION – LAST TEN FISCAL YEARS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

2015	2016	2017	2018	2019	2020
$ 3,948,776	$ 4,847,183	$ 5,255,579	$ 5,122,749	$ 5,451,679	$ 6,758,673
7,501,095	11,181,310	9,867,703	10,713,611	6,542,323	12,124,276
2,525,824	2,765,677	2,959,339	3,004,870	3,021,911	3,431,918
3,472,055	3,227,168	3,422,156	3,524,029	3,603,000	3,683,758
416,559	393,825	282,297	260,118	244,708	231,636
17,864,309	22,415,163	21,787,074	22,625,377	18,863,621	26,230,261
9,798,540	8,907,807	8,459,773	8,336,216	9,422,740	10,108,675
653,911	856,625	675,874	838,209	519,701	725,089
10,452,451	9,764,432	9,135,647	9,174,425	9,942,441	10,833,764
$ 28,316,760	$ 32,179,595	$ 30,922,721	$ 31,799,802	$ 28,806,062	$ 37,064,025
$ 2,055,286	$ 4,147,705	$ 2,509,117	$ 3,033,865	$ 2,951,834	$ 2,736,427
360,868	163,610	213,985	305,586	289,751	196,488
394,107	408,267	38,559	42,826	43,569	37,351
474,779	537,423	518,803	573,822	679,942	319,162
371,365	619,432	935,042	1,015,975	721,346	565,917
331,170	8,953	140,457	189,541	393,313	12,189
3,987,575	5,885,390	4,355,963	5,161,615	5,079,755	3,867,534
10,343,289	12,617,220	12,643,966	13,436,183	14,157,097	14,478,666
951,875	967,878	1,005,880	1,058,148	1,092,225	1,043,931
-	-	-	-	15,522,597	-
-	-	55,337	-	30,000	-
11,295,164	13,585,098	13,705,183	14,494,331	30,801,919	15,522,597
$ 15,282,739	$ 19,470,488	$ 18,061,146	$ 19,655,946	$ 35,881,674	$ 19,390,131
$ (13,876,734)	$ (16,529,773)	$ (17,431,111)	$ (17,463,762)	$ (13,783,866)	$ (22,362,727)
842,713	3,820,666	4,569,536	5,319,906	20,859,478	4,688,833
$ (13,034,021)	$ (12,709,107)	$ (12,861,575)	$ (12,143,856)	$ 7,075,612	$ (17,673,894)
$ 5,067,125	$ 5,133,835	$ 5,242,171	$ 5,514,362	$ 6,089,939	$ 6,769,853
1,247,460	1,174,076	1,242,978	1,301,335	1,437,438	1,481,158
1,352,119	1,375,391	1,388,523	1,455,309	1,546,129	1,638,684
656,780	651,949	655,342	674,449	647,355	716,503
882,574	954,797	991,044	1,050,889	1,085,454	1,089,177
654,244	742,954	773,264	811,384	833,547	1,044,516
2,036,452	2,248,051	2,713,655	2,904,945	3,103,243	3,181,780
300,040	321,892	343,262	352,072	329,121	344,600
-	-	-	-	-	-
818,358	783,876	803,173	799,436	823,034	807,168
64,671	66,403	(732,379)	(339,826)	14,577	135,869
213,901	134,233	158,389	736,011	822,001	1,113,457
13,293,724	13,587,457	13,579,422	15,260,366	16,731,838	18,322,765
-	-	-	-	-	-
437,135	433,761	409,836	421,809	488,250	489,088
114,515	24,693	124,065	17,357	19,734	179
551,650	458,454	533,901	439,166	507,984	489,267
-	-	-	-		
$ 13,845,374	$ 14,045,911	$ 14,113,323	$ 15,699,532	$ 17,239,822	$ 18,812,032
$ (583,010)	$ (2,942,316)	$ (3,851,689)	$ (2,203,396)	$ 2,947,972	$ (4,039,962)
1,394,363	4,279,120	5,103,437	5,759,072	21,367,462	5,178,100
$ 811,353	$ 1,336,804	$ 1,251,748	$ 3,555,676	$ 24,315,434	$ 1,138,138

CITY OF NEW PORT RICHEY, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS
SEPTEMBER 30, 2020

	2011	2012	2013	2014
General Fund:				
Nonspendable	$ 36,082	$ 20,309	$ 24,064	$ 7,434,660
Restricted	152,831	82,336	110,734	38,553
Committed	635,822	949,847	975,529	2,956,553
Assigned	643,925	56,060	242,530	948,890
Unassigned	3,937,179	4,391,831	5,485,728	1,811,805
Total General Fund	$ 5,405,839	$ 5,500,383	$ 6,838,585	$ 13,190,461
All Other Governmental Funds:				
Nonspendable	$ 3,206,723	$ 3,206,723	$ 3,206,723	$ 3,241,550
Restricted	4,217,324	3,737,426	4,542,273	-
Assigned to:				
Redevelopment	1,004,950	289,074	-	-
Street Improvement	1,318,441	1,974,567	2,580,844	3,116,725
Debt Service	137,109	130,682	145,272	268,111
Capital Project Fund	12,701	10,057	41,175	4,908,443
Other Gov. Fund	-	-	-	124,590
Unassigned (Deficit)	-	-	(524,660)	(7,421,423)
Total All Other Governmental Funds	$ 9,897,248	$ 9,348,529	$ 9,991,627	$ 4,237,996

CITY OF NEW PORT RICHEY, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS (CONTINUED)
SEPTEMBER 30, 2020

2015	2016	2017	2018	2019	2020
$ 9,097,360	$ 8,904,744	$ 8,896,577	$ 8,930,785	$ 8,914,550	$ 8,928,665
102,155	101,335	76,138	34,782	66,760	150,606
2,655,554	3,025,008	3,267,511	2,885,848	2,319,371	1,968,881
111,242	28,642	31,605	70,068	72,131	72,068
519,195	62,770	630,060	272,055	282,561	187,185
$ 12,485,506	$ 12,122,499	$ 12,901,891	$ 12,193,538	$ 11,655,373	$ 11,307,405
$ -	$ -	$ -	$ -	$ 8,936,230	$ 1,832,565
8,677,376	6,097,506	5,921,141	4,741,199	4,377,366	5,036,578
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(4,990,418)	(4,988,425)	(5,760,694)	(5,015,890)	(6,849,712)	(6,070,430)
$ 3,686,958	$ 1,109,081	$ 160,447	$ (274,691)	$ 6,463,884	$ 798,713

CITY OF NEW PORT RICHEY, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

	2011	2012	2013	2014
Revenues				
Taxes	$ 11,202,497	$ 10,761,809	$ 11,125,287	$ 11,090,929
Licenses and Permits	349,795	176,377	441,144	337,764
Intergovernmental Revenue	2,605,456	2,114,752	2,199,275	2,472,297
Charges for Services	2,983,696	3,349,502	3,139,900	3,033,884
Fines and Forfeitures	276,388	987,780	716,261	339,445
Investment Income (Loss)	-	-	-	-
Miscellaneous Revenue	270,916	313,889	402,420	233,902
Total Revenues	17,688,748	17,704,109	18,024,287	17,508,221
Expenditures				
General Government	3,037,032	3,250,608	2,269,718	2,919,051
Public Safety	7,427,937	7,219,904	7,504,941	7,910,644
Public Works	846,131	812,689	1,321,383	1,708,078
Culture and Recreation	2,070,964	2,051,818	2,044,045	2,355,535
Capital Outlay	1,974,584	2,441,273	1,036,969	2,380,655
Debt Service:				
Principal Retirement	1,317,791	1,331,929	1,484,865	7,579,989
Interest and Fiscal Charges	1,099,006	1,067,039	902,460	710,587
Total Expenditures	17,773,445	18,175,260	16,564,381	25,564,539
Excess of Revenues Over (Under) Expenditures	(84,697)	(471,151)	1,459,906	(8,056,318)
Other Financing Sources (Uses)				
Proceeds from Borrowing	-	-	-	22,219
Proceeds from Sale of Capital Assets	8,221	16,976	-	17,169,557
Gain (Loss) from Sale of Properties Held for Resale	-	-	-	(8,572,040)
Proceeds from Issuance of Refunded Bonds	-	6,449,269	-	-
Redemption of Refunded Debt	-	(6,449,269)	-	-
Proceeds from Insurance	-	-	-	-
Transfers In	4,271,034	3,288,551	3,333,452	-
Transfers Out	(4,271,034)	(3,288,551)	(2,812,058)	-
Total Other Financing Sources (Uses)	8,221	16,976	521,394	8,619,736
Net Change in Fund Balances	(76,476)	(454,175)	1,981,300	563,418
Fund Balances - Beginning of Year	15,379,563	15,303,087	14,848,912	16,830,212
Prior Period Adjustment	-	-	-	34,827
Fund Balances - End of Year	$ 15,303,087	$ 14,848,912	$ 16,830,212	$ 17,428,457
Debt Service as a Percentage of Noncapital Expenditures	15.3%	15.2%	15.4%	35.8%

CITY OF NEW PORT RICHEY, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS
(CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

2015	2016	2017	2018	2019	2020
$ 11,353,527	$ 11,673,019	$ 11,982,392	$ 12,626,315	$ 13,664,738	$ 14,840,935
322,553	404,488	390,984	451,759	429,997	554,555
2,635,950	3,594,353	3,197,521	3,393,372	3,333,955	2,806,862
640,005	743,141	840,199	988,105	1,080,354	637,659
1,705,093	2,777,550	2,049,281	2,516,235	2,454,745	2,097,214
-	-	(750,039)	(360,956)	(6,037)	148,233
348,173	209,204	225,048	807,151	853,839	1,104,841
17,005,301	19,401,755	17,935,386	20,421,981	21,811,591	22,190,299
3,174,239	4,463,664	4,555,614	4,682,137	5,003,396	5,912,880
9,683,755	11,319,074	10,169,514	10,570,319	10,470,824	10,362,701
1,738,639	1,852,146	2,097,798	2,223,566	2,187,827	2,375,204
2,446,502	1,999,993	2,179,970	2,211,104	2,285,871	2,099,660
4,597,311	6,590,420	4,093,734	5,619,468	5,614,638	5,176,853
873,000	11,295,000	609,000	625,000	640,000	657,000
489,100	422,968	284,875	262,764	247,417	230,858
23,002,546	37,943,265	23,990,505	26,194,358	26,449,973	26,815,156
(5,997,245)	(18,541,510)	(6,055,119)	(5,772,377)	(4,638,382)	(4,624,857)
-	-	-	-	-	890,000
16,215	72,241	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	11,265,000	-	-	-	-
-	-	-	43,826	-	-
7,369,842	31,082,146	9,556,455	9,566,204	8,902,878	10,682,890
(3,195,862)	(26,818,762)	(4,320,335)	(4,868,504)	(4,655,948)	(6,369,310)
4,190,195	15,600,625	5,236,120	4,741,526	4,246,930	5,203,580
(1,807,050)	(2,940,885)	(818,999)	(1,030,851)	(391,452)	578,723
17,428,457	16,172,465	13,231,578	13,062,338	11,918,847	11,527,395
551,058	-	649,759	(112,640)	-	-
$ 16,172,465	$ 13,231,580	$ 13,062,338	$ 11,918,847	$ 11,527,395	$ 12,106,118
7.4%	37.4%	4.5%	4.3%	4.3%	4.1%

CITY OF NEW PORT RICHEY, FLORIDA
TAX REVENUES BY SOURCE, GENERAL FUND – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

Fiscal Year Ended September 30,	Ad Valorem	Franchise Fees	Communications Service Tax	Total
2020	$ 5,292,534	$ 1,481,158	$ 716,503	$ 7,490,195
2019	4,956,886	1,437,438	647,355	7,041,679
2018	4,673,607	1,301,335	674,449	6,649,391
2017	4,561,087	1,242,978	655,342	6,459,407
2016	4,476,414	1,174,076	651,949	6,302,439
2015	4,510,864	1,247,460	656,780	6,415,104
2014	4,482,608	1,317,052	704,995	6,504,655
2013	4,661,075	1,196,176	854,510	6,711,761
2012	4,538,889	1,270,726	895,727	6,705,342
2011	4,730,981	1,323,242	881,055	6,935,278

CITY OF NEW PORT RICHEY, FLORIDA
SPECIAL ASSESSMENT COLLECTIONS – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

Fiscal Year	General Fund Original Budget	Unassigned Fund Balance at Beginning of Year	
		Amount	% of Budget
2020	$ 23,047,430	$ 187,185	0.8%
2019	22,350,160	282,561	1.3%
2018	20,159,730	272,055	1.3%
2017	19,628,645	630,060	3.2%
2016	30,206,880	62,770	0.2%
2015	20,229,720	519,195	2.6%
2014	17,684,110	1,811,805	10.2%
2013	16,637,400	4,391,831	26.4%
2012	18,227,000	4,391,831	24.1%
2011	16,084,690	3,937,179	24.5%

Schedules of Revenue Capacity Information

These schedules contain information to help the reader assess the City's most significant local revenue source – the property tax.

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CITY OF NEW PORT RICHEY, FLORIDA
ASSESSED VALUE AND JUST VALUE OF TAXABLE PROPERTY – RECERTIFIED TAX ROLL – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

Fiscal Year Ended September 30,	Just Value Residential Property	Just Value Commercial Property	Just Value Governmental Property	Just Value Institutional Property	Just Value Real Property
2020	$ 527,551,349	$ 331,863,218	$ 106,329,331	$ 44,251,469	$ 1,009,995,367
2019	506,297,081	204,833,586	107,964,299	44,352,309	863,447,275
2018	421,286,674	168,846,082	100,473,652	45,895,216	736,501,624
2017	397,134,374	167,945,635	98,748,596	44,526,874	708,355,479
2016	392,819,017	167,477,041	98,677,708	43,629,871	702,603,637
2015	383,126,881	166,961,843	98,884,754	44,344,555	693,318,033
2014	373,695,338	167,659,998	98,759,224	48,793,955	688,908,515
2013	342,573,329	165,597,184	125,423,466	47,421,246	681,015,225
2012	429,198,804	186,930,312	51,726,052	82,808,277	750,663,445
2011	479,519,975	189,713,682	52,580,818	81,188,459	803,002,934

Source: Pasco County Property Appraiser

CITY OF NEW PORT RICHEY, FLORIDA
ASSESSED VALUE AND JUST VALUE OF TAXABLE PROPERTY – RECERTIFIED TAX ROLL – LAST TEN FISCAL YEARS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

Just Value Tangible Personal Property	Just Value	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
$ 78,339,122	$ 1,088,334,489	$ 272,139,885	$ 816,194,604	8.7500
80,691,958	944,139,233	324,485,156	619,654,077	8.9000
81,277,563	817,779,187	280,151,518	537,627,669	8.9950
83,348,562	791,704,041	277,412,531	514,291,510	9.1500
83,208,411	785,812,048	276,170,720	509,641,328	9.5000
82,418,764	775,736,797	286,808,517	488,928,280	9.5000
88,058,373	776,966,888	292,265,179	484,701,709	9.5799
99,623,513	780,638,738	279,198,147	501,440,591	9.5799
107,332,163	857,995,608	298,640,560	559,355,048	8.3877
112,965,547	915,968,481	314,969,172	600,999,309	8.1037

CITY OF NEW PORT RICHEY, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

		Pasco County				Pasco County School Board			
Fiscal Year	City	Operating	District Bond	Mosquito Control	Total County - Operating	Operating	Capital Outlay	School Bond	Total School Board
2020	8.7500	7.6076	0.0695	0.2646	7.9417	4.6010	1.5000	-	6.1010
2019	8.9000	7.6076	-	0.2034	7.8110	4.7790	1.5000	-	6.2790
2018	8.9950	7.6076	-	0.2154	7.8230	5.0650	1.5000	-	6.5650
2017	9.1500	7.6076	-	0.2254	7.8330	5.2777	1.5000	-	6.7777
2016	9.5000	7.6076	-	0.2336	7.8412	5.6090	1.5000	-	7.1090
2015	9.5000	7.3441	-	0.2400	7.5841	5.6490	1.5000	-	7.1490
2014	9.5799	7.3441	-	0.1620	7.5061	5.8570	1.5000	-	7.3570
2013	9.5799	6.8623	-	0.1630	7.0253	5.8410	1.5000	-	7.3410
2012	8.3877	6.3668	-	0.1920	6.5588	6.1440	1.5000	-	7.6440
2011	8.1037	6.3668	-	0.1989	6.5657	6.2670	1.5000	-	7.7670

Notes: (1) The overall total includes the Florida Coastal Rivers Basin (and excludes the Pinellas Anclote River Basin) because it is the most predominant in the City.

(2) The City portion of property taxes is fully committed to operating expenditures.

Source: Pasco County Property Appraiser

CITY OF NEW PORT RICHEY, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES – LAST TEN FISCAL YEARS
(CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

Southwest Florida Water Management District	Florida Coastal Rivers Basin	Pinellas Anclote River Basin	Total (1)
0.2801	-	-	23.0728
0.2955	-	-	23.2855
0.3131	-	-	24.7990
0.3317	-	-	24.7990
0.3488	-	-	24.7990
0.3658	-	-	24.5989
0.3818	-	-	24.8248
0.3928	-	-	24.3390
0.3928	-	-	22.9833
0.3770	0.1885	0.2600	23.0019

CITY OF NEW PORT RICHEY, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS – CURRENT YEAR AND NINE YEARS AGO
YEAR ENDED SEPTEMBER 30, 2020

	2020			2011		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
New Plan Florida Holdings LLC (Southgate Shopping Plaza)	$ 15,645,124	1	2.52%			
Harbor View MHC LLC	12,045,785	2	1.94%			
Duke Energy	10,652,412	3	1.72%			
Sunshine Lake Estates MHC LLC	9,541,254	4	1.54%	$ 6,904,114	6	1.15%
Frontier Florida LLC	5,012,456	5	0.81%			
HCA Health Services of Florida	4,965,324	6	0.80%	17,966,053	1	2.99%
Rajn Hotels LLC	3,582,108	7	0.58%			
Gilliss & Gilliss Inc	2,268,953	9	0.37%			
Royal Five Hospitality Inc	2,995,823	8	0.48%			
Orchard Ridge Realty LLC (Gulfcoast Harborside Health)	2,145,685	10	0.35%	2,998,214	10	0.50%
Verizon Communications, Inc.				14,221,931	2	2.37%
New Plan Realty Trust (Southgate Shopping Plaza)				11,385,316	3	1.89%
Harborview Investors LLC (Harborview Trailer Park)				11,178,468	4	1.86%
Florida Power Corporation				8,220,938	5	1.37%
Mortan Plant Hospital Association, Inc.				4,175,697	7	0.69%
Sweet Bay LLC				3,275,783	8	0.55%
GTE Federal Credit Union				3,073,375	9	0.51%
	$ 68,854,924		11.11%	$ 83,399,889		13.88%

Source: Pasco County Property Appraiser's Office

CITY OF NEW PORT RICHEY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Subsequent Year Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2020	$ 5,487,947	$ 5,282,194	96.25%	$ 12,546	$ 5,294,740	96.48%
2019	5,104,396	4,939,351	96.77%	17,535	4,956,886	97.11%
2018	4,865,530	4,431,108	91.07%	242,499	4,673,607	96.06%
2017	4,705,767	4,315,635	91.71%	245,452	4,561,087	96.93%
2016	4,754,168	4,284,165	90.11%	192,249	4,476,414	94.16%
2015	4,644,819	4,486,507	96.59%	24,357	4,510,864	97.12%
2014	4,643,394	4,473,225	96.34%	9,383	4,482,608	96.54%
2013	4,803,751	4,653,277	96.87%	7,788	4,661,065	97.03%
2012	4,683,698	4,537,813	96.89%	1,076	4,538,889	96.91%
2011	4,870,318	4,725,924	97.04%	5,057	4,730,981	97.14%

Source: Pasco County Property Appraiser

Schedules of Debt Capacity Information

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

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CITY OF NEW PORT RICHEY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

	Governmental Activities					
Fiscal Year	Revenue Note Series 2000	Redevelopmt. Refunding Rev. Note Series 2005A	Redevelopmt. Revenue Note Series 2005B	Redevelopmt. Taxable Rev. Note Series 2010	Redevelopmt. Ref Taxable Rev. Bond Series 2012	Redevelopmt. Revenue Note Series 2016
2020	$ -	$ -	$ -	$ -	$ -	$ 8,423,000
2019	-	-	-	-	-	9,080,000
2018	-	-	-	-	-	9,720,000
2017	-	-	-	-	-	10,345,000
2016	-	-	-	-	-	10,954,000
2015	-	5,497,000	5,487,000	-	-	-
2014	-	5,934,000	5,923,000	-	-	-
2013	673,522	6,354,000	6,342,000	-	6,067,466	-
2012	983,068	6,757,000	6,745,000	-	6,436,786	-
2011	1,275,780	7,144,000	7,132,000	6,702,003	-	-

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

N/A - Personal income data was not available.

The City has had no general obligation bonded debt in the last ten years.

The Constitution of the State of Florida, Florida Statute 200.181 and the Charter of the City of New Port Richey, Florida set no legal debt margin.

CITY OF NEW PORT RICHEY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE – LAST TEN FISCAL YEARS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

	Business-Type Activities							
Notes Payable (Lease, Advance)	Revenue Bonds Series 2007A	Revenue Bonds Series 2007B	Refunding Revenue Bond Series 2012	Revenue Bond Series 2017A	Capital Leases Payable	Revenue Bond Series 2019	Total	Percentage of Personal Income
$ 890,000	$ -	$ -	$ 4,630,128	$ 617,000	$ 170,453	$ 7,540,000	$ 22,270,581	95.56%
-	-	-	5,226,248	665,000	251,700	8,378,000	23,600,948	108.49%
-	-	-	5,807,261	712,000	330,404	-	16,569,665	81.01%
-	-	-	6,373,551	758,000	-	-	17,476,551	0.09%
-	-	-	6,925,490	-	-	-	17,879,490	0.10%
-	-	-	7,463,443	-	-	-	18,447,443	N/A
-	654,150	-	7,463,443	-	-	-	19,974,593	0.12%
-	1,280,550	-	7,463,443	-	-	-	28,180,981	0.18%
-	1,883,360	-	7,463,443	-	-	-	30,268,657	0.20%
-	2,461,790	7,530,000	-	-	-	-	32,245,573	0.21%

CITY OF NEW PORT RICHEY, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
YEAR ENDED SEPTEMBER 30, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping Debt:			
Pasco County School Board (1)	$ 548,107,984	2.78%	$ 15,221,306
City's Direct Debt			$ 23,600,948
Total Direct and Overlapping Debt			$ 38,822,254

Notes: (1) The City's share is calculated based on the ratio of the 2020 City Taxable Value of $ 816,194,604
to the County's Taxable Value of $29,390,564,000

Source: Pasco County School Board

CITY OF NEW PORT RICHEY, FLORIDA
PLEDGED REVENUE COVERAGE – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

Year	Public Service Tax	Revenue Note, Series 2000			Tax Increment Revenue	Redevelopment Revenue Notes		
		Principal	Interest	Coverage		Principal	Interest	Coverage
2020					$ 3,187,389	$ 657,000	$ 246,888	0.13
2019	-	-	-	-	2,471,163	640,000	246,888	0.13
2018	-	-	-	-	1,834,839	625,000	254,826	0.13
2017	-	-	-	-	1,546,795	609,000	284,875	0.13
2016	-	-	-	-	1,468,482	11,295,000	422,968	0.13
2015	-	-	-	-	1,275,820	11,295,000	422,968	0.11
2014	1,356,940	673,522	44,098	1.89	1,121,409	7,037,359	535,596	0.15
2013	1,277,872	309,546	47,586	3.58	1,215,412	1,175,319	854,874	0.60
2012	1,210,723	292,712	64,906	3.39	1,816,481	1,084,717	856,634	0.94
2011	1,327,868	276,794	81,285	3.71	2,275,106	1,040,997	1,017,722	1.11

Note: The revenue bonds are secured by non ad-valorem revenues.

CITY OF NEW PORT RICHEY, FLORIDA
PLEDGED REVENUE COVERAGE – LAST TEN FISCAL YEARS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2020

Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Revenue Bonds Series 2012, 2017A, and 2019		
			Principal	Interest	Coverage
			$ 1,482,120	$ 263,865	
-	-	-	973,013	263,865	-
-	-	-	612,290	184,810	-
-	-	-	580,939	192,800	-
-	-	-	537,953	194,050	-
-	-	-	654,150	222,113	-
-	-	-	626,400	248,914	-
12,802,058	8,869,172	3,932,886	602,810	274,639	4.48
11,963,671	8,931,134	3,032,537	684,488	376,012	2.86
11,901,282	8,260,388	3,640,894	698,300	424,772	3.24

Schedules of Demographic and Economic Information

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

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CITY OF NEW PORT RICHEY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS – LAST TEN CALENDAR YEARS
YEAR ENDED SEPTEMBER 30, 2020

	City	Pasco County					
Year	Population(1)	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2020	16,935	542,638	$ 23,304,817	$ 42,947	44.5	76,687	5.20%
2019	16,027	527,122	21,754,119	41,270	43.6	74,324	3.80%
2018	15,863	515,077	20,453,361	39,710	44.2	73,645	4.40%
2017	15,764	505,709	19,000,369	37,572	44.2	72,493	5.20%
2016	15,619	495,868	18,017,635	36,336	44.1	69,813	5.10%
2015	15,351	487,588	16,478,279	33,795	44.1	68,116	6.1%
2014	15,107	479,340	15,679,803	32,711	43.8	68,904	7.1%
2013	14,868	473,566	15,735,511	33,228	43.6	68,107	8.6%
2012	14,849	468,562	14,163,668	30,228	43.6	67,151	10.5%
2011	14,959	466,533	13,790,695	29,677	43.6	66,657	12.4%

N/A - Not Available

Sources:

(1) Bureau of Economic and Business Research

(2) Bureau of Economic and Business Research-Florida Statistical Abstract

(3) Florida Department of Education

(4) Florida Department of Economic Opportunity

CITY OF NEW PORT RICHEY, FLORIDA
PRINCIPAL EMPLOYERS – CURRENT YEAR AND NINE YEARS AGO
YEAR ENDED SEPTEMBER 30, 2020

	2020			2011		
Employer	Employees	Rank	Percentage of Total City Employment (1)	Employees	Rank	Percentage of Total City Employment (1)
North Bay Hospital/Morton Plant	801	1	10.92%	700	2	8.32%
Baycare Behavioral Health, Inc.	316	2	5.04%			
Madison Pointe Rehab & Health	174	3	2.61%	182	5	2.16%
Orchard Ridge Nursing Center	1553	4	2.40%	135	8	1.60%
Med-Fleet Systems, Inc.	148	5	2.20%			
Publix Supermarket #1020	141	6	2.02%			
(Southgate)						
Cracker Barrel	121	7	2.01%			
Heather Hills Nursing Home	119	8	1.96%	135	9	1.60%
Applicant Insight, Inc.	118	9	1.95%			
Southern Pines Nursing Home	115	10	1.92%	128	10	1.52%
Community Hospital				1025	1	12.18%
The Harbor				402	3	4.78%
Gulfside Regional Hospice				214	4	2.54%
TCS Communications				163	6	1.94%
Hyundai of New Port Richey				150	7	1.78%
	3,606		33.03%	3,234		38.42%

Note: (1) Does not include government or nonprofit agencies.

Source: City of New Port Richey Billing & Collection Division

Schedules of Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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CITY OF NEW PORT RICHEY, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM – LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

	Full-Time Equivalent Employees as of September 30									
Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government:										
Legislative	5.0	5.0	5.0	5.0	5.0	5.0	1.0	1.0	1.0	1.0
Executive	2.8	1.8	1.8	3.0	2.4	2.8	2.8	2.8	2.0	2.0
Technology Solutions (1)	4.0	3.8	4.0	4.0	3.0	3.0	3.0	3.0	-	-
Human Resources	2.0	2.0	1.8	1.8	1.8	1.8	2.9	2.6	2.0	2.0
Financial Administration	14.0	14.0	14.0	14.0	14.6	14.6	14.3	14.3	18.3	20.5
City Clerk	0.3	0.3	0.3	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Police:										
Supervision	3.0	2.0	2.0	3.0	3.8	3.8	2.5	2.5	3.0	3.0
Support Services	13.7	14.7	14.7	16.2	14.8	14.8	13.6	12.6	11.9	11.9
Community Services	7.0	8.0	9.0	9.0	11.0	11.0	9.0	9.0	10.0	11.0
Patrol	38.4	35.9	34.7	34.7	28.7	28.7	26.7	26.7	26.9	22.9
Code Enforcement	4.0	4.0	3.0	3.0	3.0	2.0	1.0	1.0	1.0	2.0
Code Enforcement-Grant Funded	-	-	-	-	-	1.0	1.0	1.0	-	-
Red Light Camera	2.0	2.0	2.0	2.0	2.2	2.0	2.0	-	-	-
Fire:										
Supervision	3.0	4.5	4.0	3.7	2.7	3.0	3.0	2.7	2.8	3.0
Firefighting	26.1	26.1	24.0	24.0	24.1	23.8	23.8	21.8	23.6	25.6
Development:										
Development Department	6.4	6.7	7.7	10.0	10.0	7.0	7.0	7.0	7.0	-
Redevelopment:										
Economic Development	2.0	2.0	2.0	2.0	2.0	2.0	2.0	-	-	-
Development Department	-	-	-	-	-	-	-	-	-	9.0
Public Works:										
Supervision	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	7.0	7.0
Road and Street Facilities	7.0	6.0	8.0	8.0	8.0	7.0	7.0	7.0	7.0	7.0
Facilities Maintenance	6.4	5.8	6.9	5.5	5.5	-	-	-	-	-
Grounds Maintenance	7.0	6.0	9.4	9.4	8.0	-	-	-	-	-
Water Production	3.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Water Distribution	9.0	8.0	10.0	10.0	10.0	11.0	12.0	10.0	10.8	10.8
Water Pollution Control	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Sewer Collection	6.0	8.0	9.0	8.0	7.0	7.0	8.0	8.0	7.0	6.0
Reclaimed Water Production	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Construction Services	5.0	4.0	4.0	4.0	4.0	4.0	-	-	-	-
Stormwater	5.0	6.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0	3.0
Central Garage	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Culture and Recreation:										
Library	11.8	13.8	13.8	13.7	13.2	13.9	13.9	13.9	14.8	15.3
Recreation	13.6	16.6	16.6	14.6	11.9	12.5	16.8	16.8	15.8	16.8
Aquatics	6.8	8.0	8.0	8.3	7.3	6.4	5.3	5.3	6.3	6.3
Total	238.2	244.0	251.6	252.8	239.9	224.0	214.6	205.0	210.2	213.1

Source: City of New Port Richey Accounting & Budgeting Division

(1) Previously part of Financial Administration

CITY OF NEW PORT RICHEY, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM –
LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Police:										
Calls for Service	30,899	34,500	38,684	32,741	28,461	28,230	27,274	19,471	19,664	22,253
Physical Arrests	841	1,601	1,517	985	953	841	884	761	631	911
Parking Violations	0	0	1	7	5	6	5	4	8	51
Traffic Violations	3,880	2,560	3,704	2,749	1,649	1,462	2,048	1,211	1,187	2,560
Fire:										
Emergency Responses	5,072	4,836	3,333	3,856	3,923	3,977	3,921	3,753	3,972	3,563
Fires Extinguished	45	48	31	29	27	33	46	47	52	68
Inspections	926	2,071	749	890	1,000	1,100	1,088	1,155	1,124	1,086
Development Services:										
Building Permits	1,762	1,547	1,757	1,527	1,696	1,515	1,665	1,502	1,376	1,175
Building Permit Amount	30,777,286	31,100,483	33,125,842	31,678,000	32,809,997	16,400,350	14,606,289	18,606,369	12,090,800	6,092,700
Public Works:										
Street Resurfacing (Miles)	4.96	4.96	4.17	-	-	-	-	-	-	4.050
Recreation:										
Daily Attendance	174,315	309,584	263,013	251,452	279,456	281,221	280,521	275,952	257,650	257,643
Memberships	2,567	5,353	3,121	2,341	2,275	2,269	2,254	1,768	1,531	1,674
Library:										
Attendance (1) (2)	85,370	139,344	149,432	491,489	491,256	490,920	471,581	488,847	517,655	443,211
Volumes in Collection (2)	966,534	126,243	126,521	167,452	165,487	157,964	141,152	113,859	97,134	95,467
Total Volumes Borrowed (2)	119,823	371,005	142,492	755,412	754,260	734,425	652,164	323,256	339,504	395,630
Water:										
New Connections	165	484	354	10	10	45	13	459	(260)	22
Avg.Daily Consumption(MG)	6.42	6.24	5.91	5.62	5.27	5.15	5.20	5.13	4.91	3.35
Sewer:										
New Connections	165	484	289	112	150	20	8	893	(1,040)	7
Average Daily Flow (MG)	6.42	6.24	5.91	5.62	5.43	5.25	5.133	4.963	5.161	4.856
Miles of New Sewer Lines	-	-	-	-	-	-	-	0.610	-	-
Reclaimed Water:										
New Connections	-	-	5	(6)	(12)	19	224	9	(2)	5
Avg.Daily Consumption(MG) *(Pasco County & City)*	5.03	4.70	4.62	4.46	4.97	5.05	5.133	4.867	4.389	4.856
Avg.Daily Consumption(MG) *(City only)*	2.38	2.31	2.38	2.19	2.21	2.25	2.267	2.182	1.273	1.168

Notes:

N/A = Not Available

MG = Million Gallons

(1) Attendance was not reported in this table prior to 2010.

(2) In 2018, a change in reporting system and method of how information is recorded resulted in a significant change in statistical information from previous years.

Source: All data was provided by the various City of New Port Richey departments.

CITY OF NEW PORT RICHEY, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM –
LAST TEN FISCAL YEARS
YEAR ENDED SEPTEMBER 30, 2020

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Public Works:										
Streets (Miles)	80.53	80.53	80.53	80.53	80.53	80.53	80.53	80.53	80.53	80.53
Streetlights	2,779	2,776	2,762	2,726	2,726	2,726	2,718	2,714	2,704	2,704
Recreation:										
Number of Parks	12.00	12.00	12.00	12	12	12	12	12	12	12
Acreage	172.43	172.43	172.43	172.43	172.43	172.43	158.50	158.50	158.50	158.50
Baseball Fields	-	-	-	-	-	-	-	-	-	-
Community Centers	2	2	2	2	2	2	2	2	2	2
Water:										
Water Mains (Miles)	154.21	154.19	150.25	142.65	141.22	141.22	139.56	139.56	138.86	138.86
Fire Hydrants	697	697	687	669	669	669	669	669	660	657
Storage Capacity (MG)	3.6	3.6	3.6	3.6	3.5	3.5	3.5	3.5	3.5	3.5
Number of Connections	17,843	17,838	17,354	16,951	16,612	16,550	16,505	16,492	16,033	16,293
Wastewater:										
Number of Connections	14,756	14,753	14,269	13,791	13,750	13,600	13,580	13,572	12,679	13,749
Sanitary Sewers (Miles)	87.64	87.52	84.85	84.85	84.77	84.77	84.77	84.77	84.46	84.46
Forced Main (Miles)	29.37	29.37	29.25	29.25	29.25	29.25	29.25	29.25	29.20	29.20
Treatment Capacity (MG)	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Reclaimed Water:										
Reclaimed Lines (Miles)	29.00	29.00	29.00	29.00	29.00	29.00	29.00	28.12	17.83	16.98
Number of Connections	496	496	496	493	503	515	496	272	263	265

Notes:

N/A = Not Available

MG = Million Gallons

Source: All data provided by various City of New Port Richey departments

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor, Members of the City Council,
and City Manager
City of New Port Richey, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of New Port Richey, Florida (the City) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2021. Our report includes a reference to other auditors who audited the financial statements of the Police Officers' Retirement System, and the Firefighters' Retirement System, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Police Officers' Retirement System and the Firefighters' Retirement System were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

To the Honorable Mayor, Members of the City Council,
and City Manager
City of New Port Richey, Florida

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
June 30, 2021

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MANAGEMENT LETTER

To the Honorable Mayor, Members of the City Council,
and City Manager
City of New Port Richey, Florida

Report on the Financial Statements

We have audited the financial statements of the City of New Port Richey, Florida (City), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 30, 2021.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 30, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. See Appendix A – Prior year Findings and Recommendations.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City discloses this information in the notes to the financial statements.

To the Honorable Mayor, Members of the City Council,
and City Manager
City of New Port Richey, Florida

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
June 30, 2021

CITY OF NEW PORT RICHEY, FLORIDA
MANAGEMENT LETTER
YEAR ENDED SEPTEMBER 30, 2020

APPENDIX A – PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Prior Year Findings		Current Year Status		
Finding Reference #	**Comment**	**Cleared**	**Partially Cleared**	**Not Cleared**
2019-001	Investment Policy Compliance	X		
2019-002	Budgetary Control	X		
2019-003	Compliance with Florida Statute 163.387	X		
2019-004	Utility Billing Rates	X		

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INDEPENDENT ACCOUNTANTS' REPORT

To the Honorable Mayor, Members of the City Council,
and City Manager
City of New Port Richey, Florida

We have examined the City of New Port Richey, Florida's (City) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2020. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

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

In our opinion, the City complied, in all material respects, with the Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2020.

This report is intended solely for the information and use of the City and the Auditor General, state of Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
June 30, 2021

City of New Port Richey
5919 Main Street
New Port Richey, FL 34652