



Fort Pierce Utilities Authority
A Component Unit of the City of Fort Pierce

206 S. 6th Street, Fort Pierce, FL 34950
www.fpua.com

Annual Comprehensive Financial Report

For the
Fiscal Year Ended
September 30,
2021





Fort Pierce Utilities Authority

A Component Unit of the City of Fort Pierce, Florida

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended September 30, 2021

Prepared by
Department of Finance

Barbara A. Mika, CGFO
Director of Financial Services
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FORT PIERCE UTILITIES AUTHORITY
Annual Comprehensive Financial Report
Fiscal Year Ended September 30, 2021

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TEAM UA - OVER 2,800

J A M E S

ADAMS ♦

C H A R L E S

ALFORD ♦

KATHARINE ALFORD ♦

WILLIAM ANDERSON

♦ ANDREW AVERS ♦

CHRISTOPHER BACK

♦ MAURICE BACON ♦

JEFFREY BAKER ♦ RAUL

BARRERA ♦ JAMES

BARRY ♦ RYAN BASTINE

♦ MEREDITH BENNETT

♦ KARYL BERTRAM ♦

LORI BIANCO ♦ JOHN

BIGGS ♦ DONALD BLACK

♦ CHARLES BLAIR ♦ S LANCE BRICK ♦ KEVIN BROGNANO ♦

DANIEL BROLMANN ♦ ROGER BROWN ♦ MELISSA BRUNO ♦ VICTOR BURRIS ♦ TRAVIS BUTLER ♦ ANDREW BYRD

♦ JOSHUA CALANDRO ♦ DWAYNE CALLENDER ♦ JULIE CANTAVE ♦ DADE CAPPAR ♦ JAMES CARNES ♦ BRANDON

CASS ♦ GLYNDA CAVALCANTI ♦ MICHAEL CHIDGEY ♦ JAVIER CISNEROS ♦ LINDA CLARK ♦ TEVIN CLAYTON ♦ ANDRE

CLEVELAND ♦ RICKY CLEVINGER ♦ ANTHONY CLINCO ♦ BRIAN COLLIER ♦ REGINALD COOK ♦ BRETT CORBETT ♦

TYLER COX ♦ BRANDY CRAWFORD ♦ CRAIG CRAWFORD ♦ SHILOH CRAWFORD ♦ WILBURN CRAWFORD ♦ STEVEN

CRITES ♦ CLAYTON CROUCH ♦ JONATHAN CRUMBLY ♦ MICHAEL CURRID ♦ THOMAS DAROZA ♦ TYRUS DARVILLE

♦ ALDONIO DASILVA ♦ FELICIA DAVIS ♦ GREGORY DAVIS ♦ JOEL DAVIS ♦ ROBERT DAVIS ♦ LUGEY DAWSON ♦

ALICE DELANNOY ♦ JAMES DENMAN ♦ OWEN DENNIS

♦ ANDREW DIGIACOMO ♦ THOMAS DRISKELL ♦ JASON

DROST ♦ PETER DUNCAN ♦ WILLIAM DUPRE ♦ SCOTT

DYKEMA ♦ CHRISTOPHER ELIASON ♦ JASON ERWIN ♦

ROBERT ESCHMANN ♦ TRENT EURY ♦ FRANK FEE ♦

STEVEN FERGUSON ♦ OMAR FOOTE ♦ DENISE FOUNTAIN

♦ SHARI FRANCO ♦ THOMAS FRYAR ♦ NORIEL FUMERO

♦ FREDERICK GADDIS ♦ JOSHUA GANG ♦ STEVEN GATINS

♦ KRISTINA GIBBONS ♦ BARBARA GIBSON ♦ PATRICK

GILLESPIE ♦ KEVIN GILLETTE ♦ MONIQUE GILSINAN

♦ PATRICIA GILSINAN ♦ JOSEPH GILSON ♦ MICHAEL

GOLDSMITH ♦ SONIA GOMEZ ♦ ANTONIO GONZALEZ ♦

WILLIAM GOODWIN ♦ CROSBY GORE ♦ AARON GRAVES ♦

WILLIAM GRAY ♦ MARIA GUERRERO ♦ KATHRYN GUILLETTE

♦ RONALD HAGWOOD ♦ GEORGE HALL ♦ JAMES HARRIS ♦

MICHELE HARRIS ♦ MATTHEW HARWARD ♦ SENATOR HAYES

♦ STEVE HERDEMAN ♦ CLINTON HINER ♦ ADAM HOFFER ♦

ESTELA HOLMAN ♦ KYLE HOLMAN ♦ BRANDON HOULE ♦ LINDA HUDSON

♦ TIMOTHY HUGHES ♦ BOWDOIN HUTCHINSON ♦ GINETTE INGLE ♦ MARCUS JACKSON ♦ PAUL JAKUBCZAK ♦

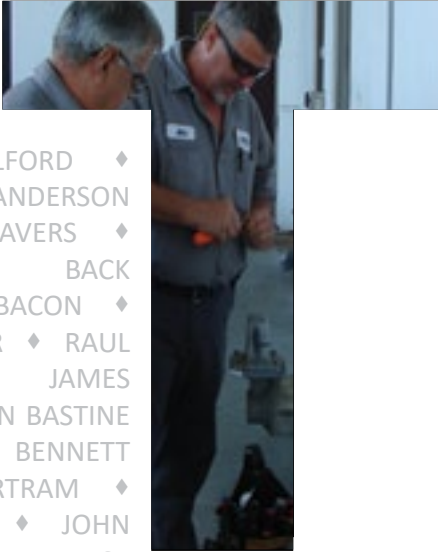
JORDEN JENNINGS ♦ SIDNEY JERGER ♦ SIDNEY JERGER ♦ JUWAN JEUNE ♦ ANA JOHNSON ♦ CHONTAE JOHNSON

♦ CHRISTOPHER JOHNSON ♦ TERRY JOHNSON ♦ MICHAEL JONES ♦ JOSHUA JORDAN ♦ KERVANS JOSEPH ♦

WILLIAM KAEFF ♦ ADAM KEE ♦ MARK KOBBE ♦ DANIELLE KOEHLER ♦ JENNIFER KRIP ♦ KUPER KRUEGER ♦ PAUL

LAGUERRE ♦ MICHAEL LEDOUX ♦ EDWARD LEONGOMEZ ♦ GLEN LEPESKA ♦ ASHLEY LEVIN ♦ KARINA LIVINGSTON

♦



YEARS OF DEDICATED SERVICE



◆ KAREN LLANAS



◆ JORGE LOPEZ-AGUILAR ◆ SCOTT LOVEN ◆ ALAN LUNA ◆ WANDA MAGNUSON ◆ WILLIAM MAIN ◆ TAMMY MALIN ◆ GLEN MANCHESTER ◆ FRED MANN ◆ BARBARA MARSHALL BENNETT ◆ LAURIE MARTIN ◆ MELISSA MARTIN ◆ MICHAEL MARTIN ◆ STEPHEN MASTELLER ◆ KENNETH MAXWELL ◆ TOMMIE MC CARTHY ◆ DANIEL MCKINLEY ◆ GEORGE MCMILLAN ◆ JOHN MCMILLIAN ◆ TERRANCE MCMILLON ◆ STONEY MCPEEK ◆ FRANCISCO MERCADO ◆ ERIC MEYER ◆ ROSALINE MICHEL ◆ BARBARA MIKA ◆ JOSHUA MILLER ◆ JASON MITTLER ◆ JOSE MORALES GUDINO ◆ KENNETH MORRIS ◆ REGINA MORRIS ◆ LARRY MORRISON ◆ STEVEN MOSELY ◆ STEVEN MURTO ◆ KYLE MYERS ◆ CHRISTELLE MYRICK ◆ CHRISTOPHER NASSO ◆ MICHAEL NEILL ◆ DINO NESSELRODE ◆ DAVID NOEL ◆ TINA O'CONNELL ◆ HAILEY OELKE ◆ KIMBERLY OKUBO ◆ SHANNON



SIRMONS ◆
SPENCE ◆
◆ BRIAN

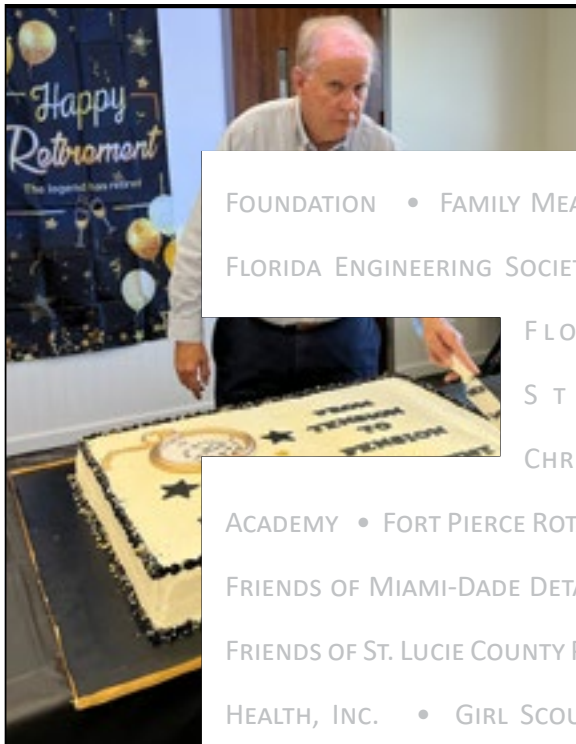
ONDERLINDE ◆ JOHNNY ORTIZ ◆ SHANE OSTRANDER ◆ ANGEL PADILLA-FERNANDEZ ◆ JAKUB PAJAK ◆ NANCY PALKA ◆ THOMAS PARKER ◆ SHELIA PARNELL ◆ KEVIN PARRISH ◆ EDWARD PATRICK ◆ DARIN PATTERSON ◆ ERIC PEARSON OLIVO ◆ LAURIE PEPPE ◆ RICHARD PETERSEN ◆ FELICIA PIERRE LOUIS ◆ BARBARA PLASENCIA ◆ TONY PRICE ◆ DOUGLAS PUPARD ◆ CHARLES PUTNAM ◆ DAVID RACICOT ◆ FRANCISCO RAMOS ◆ STEPHANIE RAULERSON ◆ SERITTA REEVES ◆ J RHODEN ◆ TIMOTHY RICHARDS ◆ BRANDON RICHARDSON ◆ EDWIN RICHBERG ◆ HEATHER RICUCCI ◆ ROBERTO RIGUAL ◆ WILLIAM ROLLE ◆ LINDA ROSADO ◆ SAMANTHA ROWLAND ◆ SCOTT RUBY ◆ JILL SABOTA ◆ DERRICK SANDERS ◆ EVAN SAPIA ◆ DEBORAH SAVRDA ◆ JAMES SCHMITT ◆ SAL SCIMECA ◆ JOSHUA SHOLANDER ◆ CARMELO SIGNORELLI ◆ STERLING SIMMONS ◆ DWAYNE SIMPSON ◆ VALENTIME JULIE SIZEMORE ◆ SHAWN SMITH ◆ JOEL SPADES ◆ RYAN CHARLES STANG ◆ KENNETH STEPHAN ◆ ANGELA STEPHENS STEPHENS ◆ KURTIS STRAND ◆ CHARLES SWINDLE ◆ THIERRY

SYDNE ◆ PATRICK TABOR ◆ TONYA TARDIF ◆ WILLIAM TAYLOR ◆ RACHEL TENNANT ◆ DEBRA THERIAULT ◆ JOSEPH TIETZ ◆ DANIEL TILLMAN ◆ NICOLE TIPTON ◆ ROBERT TIPTON ◆ WENDY TOMLINSON ◆ JOHN TOMPECK ◆ JENNIFER TOOMS ◆ GERMAN TORRES ◆ CUONG TRAN ◆ ANDREA TRASFERINI-SLOWN ◆ ELIZABETH UNDERWOOD ◆ OSVALDO VALDES ◆ DAVID VANAUKEN ◆ ROBERT VAUGHN ◆ CHRISTOPHER VELARDO ◆ ANDREW WARE ◆ KARISSA WARE-CURRY ◆ RODERICK WATKINS ◆ SIDNEY WETHERALL ◆ CODY WHITE ◆ CANDACE WICKHAM ◆ JUDITH WIDMAYER ◆ EDMOND WILLIAMS ◆ STACEY WILLIAMS ◆ CAROL WILSON ◆ OLIVER WINT ◆ ERIC WINTERSTEIN ◆ LOIS WOLFE ◆ SHARON WOLKOWICZ ◆ TERRANCE YEARBY ◆ RAY YOUNG ◆

FORT PIERCE UTILITIES AUTHORITY

“TO PROVIDE OUR CUSTOMERS WITH ECONOMICAL, RELIABLE AND FRIENDLY SERVICE
 FORT PIERCE UTILITIES AUTHORITY EMPLOYEES HAVE “ENHANCED THE QUALITY OF LIFE IN OUR

- 4-H • ALZHEIMER'S COMMUNITY CARE • AMERICAN CANCER SOCIETY • AMERICAN RED CROSS • BABY GIRL
- HORSE RESCUE & VETERANS THERAPY RANCH • BLUEBIRD EDUCATIONAL FOUNDATION • BOYS & GIRLS CLUBS OF ST.
- LUCIE COUNTY • BRENNITY ASSISTED LIVING • CHILD FUND INTERNATIONAL • CHRIST FAMILY CHURCH • CHRIST
- FELLOWSHIP CHURCH • CHRISTIAN FM • CITY OF FORT PIERCE • CONSERVATION FOUNDATION • CONSERVATION KIDZ
- COUNCIL ON AGING OF ST. LUCIE COUNTY • DOGS & CATS FOREVER • EARLY LEARNING COALITION • ECO DIVERS



- FOUNDATION • FAMILY MEALS •
- FLORIDA ENGINEERING SOCIETY •
- FLORIDA STATE CHRISTIAN
- ACADEMY • FORT PIERCE ROTARY •
- FRIENDS OF MIAMI-DADE DETAINEES
- FRIENDS OF ST. LUCIE COUNTY PUBLIC
- HEALTH, INC. • GIRL SCOUTS OF

SOUTH FLORIDA - TREASURE COAST



• GREAT AMERICAN CLEANUP •

- H.A.L.O. RESCUE • HABITAT FOR HUMANITY • HEATHCOTE BOTANICAL GARDENS • HIBISCUS CHILDREN'S CENTER •
- HIBISCUS PARK NEIGHBORHOOD ASSOCIATION & CRIME WATCH • HIGHWAYMEN FESTIVAL • IRL SCIENCE FESTIVAL •
- KEEP FORT PIERCE BEAUTIFUL • KIWANIS CLUB OF FORT PIERCE-SUNRISE • LINDSAY SCHOOL OF THE ARTS • LINCOLN
- PARK MAIN STREET • MAIN STREET FORT PIERCE • MARINE CLEAN-UP INITIATIVE • MARINE CORPS TOYS FOR TOTS
- MMPS ENVIRONMENTAL • MANATEE OBSERVATION & EDUCATION CENTER (MOEC) • MOORE'S CREEK CLEANUP
- MUSTARD SEED MINISTRIES • NORTHSIDE BAT & BALL LITTLE LEAGUE • ONE FLORIDA FOUNDATION • OXBOW

MISSION STATEMENT

IN A CONTINUOUS EFFORT TO ENHANCE THE QUALITY OF LIFE IN OUR COMMUNITY”
COMMUNITY” BY CONTRIBUTING THEIR TIME AND SERVICE TO THE FOLLOWING ORGANIZATIONS:

ECO-CENTER • OYSTER FEST • PACE CENTER FOR GIRLS • PARKVIEW BAPTIST CHURCH FOOD PANTRY • PILOT CLUB OF Ft. PIERCE • PSL POLICE DEPARTMENT • PSL PREDATORS - FL YOUTH FOOTBALL LEAGUE • REEF ENVIRONMENTAL EDUCATION FOUNDATION • RESTORING THE VILLAGE • ROUNDTABLE OF ST. LUCIE COUNTY • SALVATION ARMY CHRISTMAS ANGELS • SANDY SHOES FESTIVAL • SARAH'S KITCHEN • SCUBANAUTS INTERNATIONAL • SHARK WHISPERER ORGANIZATION • SMITHSONIAN INSTITUTE • SPONSOR ME, INC • ST. ANDREWS EPISCOPAL ACADEMY • ST. HELEN'S



STUFF THE BUS • SURFRIDER FOUNDATION TREASURE COAST • SUSAN G. KOMEN-STRIDES AGAINST BREAST CANCER • SWORD OUTREACH MENTORING & RESOURCE CENTER • THE LIGHTHOUSE FOUNDATION • THE MOMENTUM FOUNDATION • THE VANDUZER FOUNDATION • TIM TEBOW FOUNDATION • TREASURE COAST BLOOD BANK • TREASURE COAST FOOD BANK • TREASURE COAST MANATEE FOUNDATION • TREASURE COAST WATERWAY CLEANUP • TREASURE COAST YOUTH FOOTBALL & CHEER • UNITED AGAINST POVERTY, INC. • UNITED WAY OF ST. LUCIE COUNTY • VERO BEACH BASEBALL CLUB, INC. • WE LEAP, INC. • WILD OVER WILDLIFE •





Fort Pierce Utilities Authority
Director of Finance
500 Boston Avenue (PO Box 3191)
Fort Pierce, FL 34950 (34948)

March 8, 2022

Board Members
Fort Pierce Utilities Authority

The Annual Comprehensive Financial Report (ACFR) of Fort Pierce Utilities Authority (FPUA) for the fiscal year ended September 30, 2021, is submitted herewith pursuant to the City of Fort Pierce Charter, Article XII, Section 176 (12) and the bond covenants of FPUA's outstanding revenue bonds.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance the financial statements are free of any material misstatements.

DiBartolomeo, McBee, Hartley & Barnes, P.A., Certified Public Accountants, have issued an unmodified ("clean") opinion on FPUA's financial statements for the fiscal year ended September 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

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

FPUA PROFILE

FPUA was established in accordance with provisions of the City Charter, confirmed by an election held on May 30, 1972. The City Charter, Article XII, Section 169, states that FPUA shall be responsible for the development, production, purchase, distribution, and collection of all electricity, water, wastewater, natural gas, and such other utility services as may be designated by resolution by the City Commission. Accordingly, FPUA manages and operates the Manatee Observation and Education Center (MOEC) as a community enrichment program, and operates the Treasure Coast Energy Center (TCEC) for the Florida Municipal Power Agency (FMPA) on a contract basis, utilizing FPUA employees. FPUA is a component unit of the City of Fort Pierce, Florida and this report includes all systems of FPUA. This report does not include information on the financial activities of the City of Fort Pierce, which is instead contained in the City's ACFR, published separately.



Our mission is to provide our customers with economical, reliable and friendly service in a continuous effort to enhance the quality of life in our community.

772.466.1600

www.fpua.com



The FPUA Board consists of five members, one of whom is the Mayor-Commissioner of the City, who serves on the Board as long as he or she holds such office. The other four members are appointed by the City Commission for four-year overlapping terms, limited to two consecutive terms of office.

The **Electric System** serves the City of Fort Pierce and the immediately surrounding area, encompassing approximately 35 square miles, with an average of 28,870 services billed during the fiscal year ended September 30, 2021. FPUA currently has 16 circuit miles of 69 kilovolts (kV) and 7.5 circuit miles of 138kV transmission lines. The 69kV lines interconnect six sub-transmission substations and the 138kV lines connect two transmission substations to Florida Power & Light Company (FPL). FPUA primary distribution has approximately 263 circuit miles of overhead and 149 circuit miles of underground primary cable, which operates at 13.2kV. FPUA and FPL have a territorial agreement approved by the Florida Public Service Commission.

On December 12, 1997, FPUA agreed to participate in the FMPA All-Requirements Power Supply Project (ARP). In doing so, FPUA became one of 13 municipally owned utilities in the ARP. The principal benefits of ARP are:

1. Lower operating costs through utilization of the most efficient generation available.
2. Future generation will be planned for the collective systems, as needed, by FMPA.
3. Economies of scale in operating, planning, and financing.
4. Lower risk with more units and more cities working together.

As of January 1, 1998, FPUA assigned its resources to the ARP and agreed to purchase its total power requirements from the ARP. FPUA's resources, which have been assigned, include the contracts with FMPA related to Stanton Unit No. 1 (Stanton and Tri-City Projects) and Stanton Unit No. 2. The contracts related to the St. Lucie Nuclear Project have not been assigned.

On February 2, 2018 FPUA signed on as a participant in the FMPA Solar Project I at an amount equal to 3 Megawatts (MW). On November 19, 2019 FPUA added an additional 12MW of solar from the FMPA Solar Project II. In June of 2020, 2MW of the FPUA solar allocation from the Solar Project I came online. The balance of Solar Project I and all of Solar Project II are scheduled to come online in 2023.

The **Water System** serves the City of Fort Pierce and the immediately surrounding area, encompassing approximately 32 square miles, with an average of 21,470 services billed during the fiscal year ended September 30, 2021. Water supply is obtained from 36 surficial aquifer wells (shallow) and 11 Floridan aquifer wells (deep). FPUA currently has a Water Use Permit from the South Florida Water Management District to withdraw an annual daily average not to exceed 21.13 million gallons of ground water. Treatment of the raw ground water is presently accomplished through a 20 million gallons per day (MGD) conventional Lime Softening Water Treatment Plant and a 10.3 MGD Reverse Osmosis Water Treatment Plant. FPUA owns and operates a 13.3 MGD air stripping system, which services the lime-softening portion of FPUA's Water Treatment Facility. FPUA meets all federal and state drinking water standards and has 9

million gallons of storage capacity. The water distribution system is composed of 396 miles of water mains, remote pumping facilities, ground storage tanks, hydrants, and valves.

The **Wastewater System** serves the City of Fort Pierce and the immediately surrounding area, encompassing approximately 30 square miles, with an average of 15,820 services billed during the fiscal year ended September 30, 2021. The wastewater collection system consists of 121 lift stations, 178 miles of gravity sewer lines ranging from 4 to 48 inches in diameter, and approximately 100 miles of force mains ranging in size from 1.5 to 30 inches in diameter. The Island Water Reclamation Facility (IWRf) currently has a permitted capacity of 10 MGD for Annual Average Daily Flow and 11.5 MGD for 3-Month Annual Average Daily Flow. The Florida Department of Environmental Protection has issued an operating permit, which will be adequate through December 10, 2022.

FPUA has one domestic deep injection well at the IWRf plant site. A pumping station injects treated effluent into the 3,300-foot deep injection well for disposal. The permit for the IWRf IW-1 well, a twenty-four inch domestic well, has been renewed and will be adequate through 2022. There are two deep injection wells located on the site of the future Mainland Water Reclamation Facility (MWRf), in the southwest corner of the service area. Injection Well (IW)-1 is an 18-inch industrial deep injection well and IW-2 is a 24-inch domestic deep injection well. IW-1 accommodates the TCEC's industrial wastewater stream and St. Lucie County landfill leachate, and was permitted through August 4, 2020. We have submitted the permit renewal application and awaiting final acceptance. The IW-2 well is currently not in operation and therefore is not permitted. Both wells can be utilized for disposal of MWRf effluent when that facility is constructed.

The **Gas System** serves the City of Fort Pierce and the immediate surrounding area, encompassing approximately 27 square miles, with an average of 4,110 services billed during the fiscal year ended September 30, 2021. The system consists of 175 miles of gas main and 82 miles of service lines. The Gas System purchases firm gas for resale through Florida Gas Utility (FGU). FGU has a contract with Florida Gas Transmission for the transportation of gas to FPUA's system. Gas purchases are supplied by FGU under an all requirements agreement. The Gas Operations Department is responsible for the installation and maintenance of all gas mains and service lines. The department also employs a staff of qualified gas service technicians to maintain and repair customers' natural gas appliances.

FPUAnet Communications Services (FPUAnet) provides state-of-the-art fiber optic services such as Dedicated Fiber Internet Access, Bandwidth Connections, and Dark Fiber to businesses and commercial customers. FPUAnet services also include point-to-point wireless broadband internet and wireless broadband connections, for applications which extend FPUA's fiber through wireless communications. FPUAnet has continued to expand its optical fiber network to over 110 miles of cable.

FPUA manages the **Manatee Observation & Education Center (MOEC)**, which is located on Moore's Creek east of Indian River Drive. The Manatee Center represents FPUA's longtime

commitment to community engagement and environmental stewardship. The Manatee Center's mission is to promote understanding and responsible actions for the protection of the Treasure Coast's fragile ecosystems and their inhabitants. The Manatee Center provides environmental education and community involvement through an active education outreach program and a group of over 100 volunteers who staff the Exhibit Hall, Vanishing Mermaid Gift Shop, and community events. The Manatee Center Exhibit Hall, a museum of aquatic tanks and environmental information, provides a clean and safe facility for viewing manatees in the wild and other inhabitants of the Indian River Lagoon. During fiscal year 2021, Manatee Center staff counted 215 manatee sightings in Moore's Creek while hosting 23,407 visitors and students from all over the world. Volunteers provided critical and active support to the Center with a total of 5,351 hours of service.

In accordance with the City charter, FPUA is required to prepare, adopt, and furnish a copy of a budget to the City Commission of the City of Fort Pierce at least 45 days prior to the beginning of the next fiscal year. The budget and any amendments thereto shall be in effect when approved by FPUA and when any line item expense has not been disapproved by four-fifths (4/5) vote of the City Commission within 30 days of submission. The budget is prepared on the accrual basis. The budget and amendments for the year ended September 30, 2021, have been approved in accordance with the above procedures.

LOCAL ECONOMY

Fort Pierce is located on Florida's east coast, 120 miles north of Miami and 220 miles south of Jacksonville. The estimated 2021 populations of the City of Fort Pierce and St. Lucie County were 48,038 and 340,060 respectively. Fort Pierce is the county seat, with approximately 24.5 square miles in land area. It's metropolitan area includes a transportation network comprised of Interstate 95, Florida's Turnpike, U.S. Highway 1, State Roads 68 and 70, Florida East Coast Railway, Treasure Coast International Airport, and the Port of Fort Pierce. In January 2022 Brightline train made their inaugural test run through Fort Pierce. This line will eventually connect cities from Miami to Orlando.

FPUA's service area includes both the area within the corporate limits of the City of Fort Pierce and the Town of St. Lucie Village, and portions of unincorporated St. Lucie County. Approximately 78% of the system revenues are derived from services provided within the City of Fort Pierce, and 22% from services provided in the Town of St. Lucie Village and unincorporated St. Lucie County.

The economy of Fort Pierce and surrounding St. Lucie County has a very diverse business base. Industries large and small such as government, agriculture, construction, retail and wholesale trade, light manufacturing, tourism, biotechnology, and sport and commercial fishing operate in the service territory. There are several telemarketing service centers, commercial centers, research institutions, and a Walmart Distribution Center located in the area. Areas of growth include an Amazon Distribution Center and a Wave Park family resort.

Florida State University has a Regional Medical School Campus located at Indian River State College (IRSC), which also offers numerous Bachelor's Degree Programs. IRSC is also developing an Advanced Workforce Training Complex at their Fort Pierce campus providing advanced technology and leading-edge industry training.

FPUA's service area has become an educational and research center with the following facilities:

- Indian River State College (IRSC)
- Florida Atlantic University (FAU)/Harbor Branch Oceanographic Institution
- Smithsonian Fort Pierce Marine Station
- Smithsonian Marine Ecosystem Exhibit
- U.S. Department of Agriculture/Horticultural Research Laboratory
- University of Florida/Institute of Food and Agricultural Sciences (UF/IFAS) Research and Education Center
- Manatee Observation and Education Center

The real estate market is booming with construction of both residential and commercial properties, fueled by lower interest rates. The demand for housing, for the time being, has exceeded supply. These past two years have brought on difficult times for many. FPUA has remained committed to assisting our customers through Mustard Seed Ministries, the Agriculture and Labor Program, Inc., and OurFlorida.com. All of these programs have been made available to provide assistance to our customers with their utility bills and rent.

FPUA continues to be optimistic about growth in the long term. Construction and expansion projects have boosted sales activity. Improvements such as major roadwork, continued beautification of the downtown area, development of the Smart City initiative and private investment make the area attractive to new residents.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Rate Planning

Rate sufficiency has been projected for the upcoming five years. Rate adjustments will be made to ensure FPUA's electric, water, wastewater, and natural gas utilities each generate sufficient revenue to cover their respective expenses, while maintaining the required 45 days of operating cash, as defined by FPUA bond covenants. Changes to the power cost adjustment (PCA) and purchased gas adjustment (PGA) are approved as needed by the FPUA Board to ensure FPUA is recovering the cost of energy, and to stabilize the amounts billed to customers.

FPUA's plan for expansion of services where our territorial lines can be moved is under way. The Water and Wastewater systems' infrastructure and Natural Gas system's territorial boundaries have flexibility. Impending debt issuance will permit this construction, opening up new revenue streams. Economic conditions and supply chain issues are increasing our costs, making rate increases a necessity as we move forward.

Capital Planning

FPUA's renewals and replacements, expansion projects, and system improvements continue to be a major portion of our Capital Improvement Plan (CIP). The City of Fort Pierce and FPUA's service territory have an aged infrastructure. Many replacements are costly and provide no additional revenue, but are expected to have a positive impact through savings on operations and maintenance expenses.

The planning and implementation of new low pressure sewer grinder pump stations will allow for customer base expansion for our wastewater system. We have been approved for grant funding for wastewater to aid in the cost to our customer for these replacements. Grant funding has also been approved for the lining of our sewer force mains that, due to age, are experiencing infiltration and exfiltration. This lining process is necessary to preserve the mains for an additional 40 years of useful life at a fraction of the cost for replacement.

The multi-year project to implement an Advanced Metering Infrastructure (AMI) system for electric, gas and water will improve the efficiency and reliability of our operating systems. AMI will provide real-time notifications on system interruptions, remote turn-ons and turn-offs, give customers the ability to interact with their account, and allow FPUA to be more pro-active in correcting system concerns.

Capital contributions also continue to help fund the infrastructure needed to support future growth. Department Heads and engineers meet periodically with other governmental agencies to discuss, update, and coordinate implementation of capital plans.

Strategic Management Planning

FPUA's Strategic Plan continues to promote interdepartmental communication and cooperation, as well as encouraging increased employee involvement in achieving company goals that support FPUA's Mission Statement. FPUA participated in the Strategic Planning Workshop held with the City of Fort Pierce on January 12, 2021 which focused on the City's top priorities and action plan. A discussion regarding annexation strategies and procedures is one key result area. Other key result areas of focus that remain steadfast are:

Building the Utility/Building the City – FPUA's top goal over the next three years is to complete implementation of AMI system for the Electric, Water and Gas systems. The majority of the cost for AMI is expected to be financed through new debt issuance in the upcoming year. Expansion opportunities are being pursued for all systems. Natural Gas expansion will bring services to developed and new areas, all of which will add services and increase revenues. These projects offer the potential for customer growth for the utility and annexations for the city.

FPUA continues to plan for and gradually invest in the infrastructure, through pay-as-you go, to redirect the flow of wastewater toward a future Mainland Water Reclamation Facility. The project for relocating the Water Reclamation Facility, currently residing along the Indian River Lagoon on Hutchinson Island, is monumental. Pay-as-you-go simply will not complete the project in any reasonable amount of time. FPUA is currently pursuing the engineer's report and feasibility

study that will support the issuance of new debt to fund the majority of the expansion projects that support these strategic goals.

A strategic expansion of the communication infrastructure will provide high-speed communication to businesses and the local community. As a result, the City will then be able to attract technical businesses, such as industrial and manufacturing, that require reliable communication. This is expected to be a catalyst for higher paying jobs and residents in our community.

Reliability – Wastewater pipe lining reduces inflow, infiltration and exfiltration, and therefore reduces washouts, street repairs, and costs associated with treating storm water. Grant applications with Florida DEO for continued work on this ongoing project have been approved and will fund this effort through fiscal year 2024. Natural Gas reliability will be improved through the replacement or installation of valves, replacing corroded steel mains with polyethylene, looping dead-end mains, and implementation of a SCADA monitoring system, which will detect pressure fluctuations and avoid service interruptions. Electric reliability will be improved with more aggressive tree trimming, increased animal deterrent measures, and the implementation of AMI, which will reduce the frequency and length of service interruptions. AMI is scheduled to be completed in FY 2024.

Competitive Rates – FPUA will continue to work on electric cost reduction with our wholesale power supplier (FMPA) as well as reducing FPUA's costs of electric transmission and distribution. We will work to stabilize rates to the extent possible by reviewing costs and adjusting the Natural Gas, Water and Wastewater rates charged as necessary by the annual index published by the Public Service Commission. FPUA continually monitors the comparison of rates among all municipal utilities in the state of Florida. While raising rates is not the first choice to preserve our net position, lowering costs in the current economic environment is difficult at best. The impending issuance of debt will be a catalyst that will force staged rate increases.

Employee Development and Satisfaction - FPUA provides opportunities for advancement within the organization and is honest with employees as to expectations and possibilities. Nearly 3% of employees' time is spent in training. Apprenticeship and internship programs have helped develop potential employees with the specialized skills needed for technical Engineering positions and Electric Line Specialists. As the job market improves, FPUA is enhancing efforts to attract and retain the best-qualified employees for each job. A Pay for Performance plan has been implemented to reward superior job performance.

FPUA Image – FPUA continuously works to enhance our image in the community through our involvement in community events, social media and improving the appearance of our physical facilities. FPUA takes part in many community events through our local Treasure Coast Food Bank, City sponsored events, and the Boys and Girls Club to name a few. We participate with the Economic Development Council, in addition to many charitable organizations that help in the community. FPUA also sponsors our Weatherization Education Outreach Program (WEOP) providing aid to customers to minimize their bills through home improvements.

FPUA Business Development – FPUA offers a comprehensive and functional series of services both virtual and in person, to serve any and all incoming development needs-related utilities. FPUA is committed to working closely with businesses to navigate through a detailed development process. Our business development supports new builds, in-fill development, site expansion, and improvement projects. We provide functional portfolios that support a clear overview of responsibilities for all parties involved, ensuring successful endeavors.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to FPUA for its ACFR for the fiscal year ended September 30, 2020. This was the 27th consecutive year FPUA has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized ACFR that satisfies both generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe our current ACFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and it will be submitted to the GFOA to determine its eligibility for another certificate.

FPUA also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 21, 2020. In order to qualify for the Distinguished Budget Presentation Award, a budget document must be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report could not have been accomplished without the skill, effort, and dedication of the entire staff of FPUA's Department of Finance. I would also like to express my thanks to the Board, the Director of Utilities, and the entire FPUA staff for their interest and support in planning and conducting the financial operations in a responsible and progressive manner.

Respectfully submitted,



Barbara A Mika, CGFO
Director of Financial Services



LEADERSHIP FY 2021



Leadership Team

John K. Tompeck, P.E.

Director of Utilities

Barbara A. Mika, CGFO

Director of Financial Services

Bo Hutchinson, P.E.

Director of Water/Wastewater Systems

Javier Cisneros, P.E.

Director of Utility Support Services

Joshua Paul Gang, J.D.

Director of Regulatory Affairs

Paul A. Jakubczak, P.E.

Director of Electric and Gas Systems

Board of Directors



From Left to Right:

Linda Hudson

Mayor-Member

Kristina Gibbons

Vice Chairman

Frank H. Fee, IV

Chairman

Glynda W. Cavalcanti, CPA

Secretary

Barbara M. Bennett

Deputy Secretary

Rupert N. Koblegard III

Attorney

FORT PIERCE UTILITIES AUTHORITY

Organizational Structure





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Fort Pierce Utilities Authority
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020



Executive Director/CEO

INDEPENDENT AUDITOR'S REPORT

Board Members
Fort Pierce Utilities Authority
Fort Pierce, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Fort Pierce Utilities Authority ("FPUA"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise FPUA'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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 FPUA'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 FPUA'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, the financial statements referred to above present fairly, in all material respects, the respective financial position of FPUA, as of September 30, 2021, and the respective changes in financial position and the cash flows for the year then ended in accordance 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 the management's discussion and analysis 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.

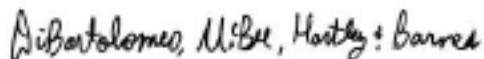
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the FPUA's basic financial statements. The introductory section and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2022, on our consideration of FPUA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 FPUA's internal control over financial reporting and compliance.



DiBartolomeo, McBee, Hartley & Barnes, P.A.
Fort Pierce, Florida
February 18, 2022



As management of the Fort Pierce Utilities Authority (FPUA), we offer readers of FPUA's financial statements this narrative overview and analysis of the financial activities of FPUA for the fiscal year ended September 30, 2021 (FY 2021). We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on [pages 1-8](#) of this report.

FINANCIAL HIGHLIGHTS

- Operating revenues increased \$3,619,000 compared to last year, and operating expenses increased \$1,376,000. Operating income of \$12,280,000 was up \$2,243,000 from \$10,037,000, which was reported for the previous year.
- The ability to adjust rates in order to ensure that FPUA's electric, water, wastewater and natural gas utilities each generate sufficient revenue to cover their respective expenses is critical to FPUA's financial health. The most recent rate adjustments were to water, wastewater, and gas rates effective November 2021 which were adjusted by the Public Service Commission (PSC) Index, as permitted by resolution without additional consent from The City Commission. Rates continue to be reviewed on an annual basis to ensure that FPUA's rate structure properly reflects the recovery of the cost of operating and maintaining each utility system.
- Natural gas prices were at historically low levels throughout FY 2021. The cost of power purchased from FMPA increased \$840,000 or 2.1% and the cost of natural gas purchased for resale rose \$605,000 or 44.3% in FY 2021. These increases in cost over the previous year were a result of increased unit sales for both systems.
- Operating revenues were up across the board for all five systems reporting. Natural Gas systems showed the greatest percentage increase with 19.2%, Wastewater and Water Operating revenues increased 5.4% and 4.5% respectively. FPUAnet had a modest increase of 3.1%. The Electric system's increase of 2.0% resulted in the greatest operating revenue dollar increase of \$1,242,000 over the previous year.
- Water and wastewater capital contributions increased by 80% in FY 2021. The current increase in construction, residential and commercial, is the rationale behind this change.
- Consumption billed in FY 2021 increased for all systems over the prior fiscal year. Natural Gas System's ccf's sold increased 8.2% with Contract Sales representing just 0.4%. Water System gallons sold increased 2.8% while Wastewater gallons billed rose 5.5% over FY 2020. The Electric System sale of megawatt hours increased 2.0%. All increases were mainly comprised of General services.
- FPUA, in accordance with Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68) has recorded the actuarially determined adjustment to the pension liability. Net Position for FY 2021 has increased by \$1,893,000 to reflect this accrued cost. See [Note E](#) for details.
- The Distribution to the City of Fort Pierce paid in April of 2021 increased \$66,000 from the amount paid in May 2020. This was primarily an increase in revenue being subject to the 6% distribution calculation multiplier.
- Information on FPUA's revenue bonds payable can be found in [Note L and in subsequent events Note P](#).

OVERVIEW OF THE FINANCIAL STATEMENTS

FPUA is a single enterprise fund even though it provides various utility services. FPUA's basic financial statements consist of fund financial statements and the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

The financial statements are designed to provide readers with a broad overview of FPUA's finances, in a manner similar to a private-sector business. The **Statement of Net Position** presents financial information on all of FPUA'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 FPUA is improving or deteriorating.

The **Statement of Revenues, Expenses and Changes in Net Position** presents information showing how FPUA's net position changed during the two most recent fiscal years. 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 utility billings and earned but unused vacation leave).

The enterprise fund activities of FPUA are intended to recover all or a significant portion of its costs through user fees and charges, and include providing electric, water, wastewater, natural gas, and communication services. FPUA also operates the Treasure Coast Energy Center (TCEC) for the Florida Municipal Power Agency (FMPA), as well as the Manatee Observation and Education Center (MOEC) as a community enrichment program. FPUA's financial information is presented in the ACFR prepared by the City of Fort Pierce, as a component unit.

The **Notes to the Financial Statements** provide additional information that is necessary to acquire a full understanding of the data provided in the financial statements. The notes can be found on [pages 30-56](#) of this report.

In addition to the basic financial statements and accompanying notes, this report also presents **Required Supplementary Information** concerning FPUA's pension and OPEB liabilities and pension contributions. Required supplementary information can be found on [pages 58-60](#) of this report.

FINANCIAL ANALYSIS OF FPUA AS A WHOLE

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. FPUA's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$205,051,000 at the close of the most recent fiscal year.

Table 1
Net Position
(Dollars in Thousands)

	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>Increase (Decrease)</u>	
			<u>\$</u>	<u>%</u>
Current Assets	\$ 63,288	\$ 64,806	\$ (1,518)	(2.3%)
Capital Assets	220,458	216,799	3,659	1.7%
Other Noncurrent Assets	8,838	8,810	28	0.3%
Total Assets	292,584	290,415	2,169	0.7%
Total Deferred Outflows of Resources	1,789	1,924	(135)	(7.0%)
Current Liabilities	27,353	26,692	661	2.5%
Noncurrent Liabilities	50,982	66,758	(15,776)	(23.6%)
Total Liabilities	78,335	93,450	(15,115)	(16.2%)
Total Deferred Inflows of Resources	10,986	3,836	7,150	186.4%
Net Position:				
Net Investment in Capital Assets	173,685	167,218	6,467	3.9%
Restricted	12,732	10,517	2,215	21.1%
Unrestricted	18,634	17,318	1,316	7.6%
Total Net Position	<u>\$ 205,051</u>	<u>\$ 195,053</u>	<u>\$ 9,998</u>	5.1%

The largest portion of FPUA's net position (84.7%) reflects its investment in capital assets, the calculation of which is presented in [Note C on page 37](#). FPUA uses capital assets to provide a variety of services to its customers. Accordingly, these assets are not available for future spending. Although FPUA'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 FPUA's net position (6.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$18,634,000 is unrestricted and is the residual amount of net position not included in net investment in capital assets or restricted net position.

The value of FPUA's capital assets, net of depreciation, has increased this year. The increase in net investment in capital assets, as well as the decrease in total liabilities, is primarily due to the annual repayment of principal on revenue bonds payable.

Table 2
Changes in Net Position
(Dollars in Thousands)

	<u>FY 2021</u>	<u>FY 2020</u>	<u>Increase (Decrease)</u>	
			<u>\$</u>	<u>%</u>
Operating Revenues				
Electric	\$ 64,828	\$ 63,586	\$ 1,242	2.0%
Water	19,822	18,968	854	4.5%
Wastewater	14,255	13,527	728	5.4%
Natural Gas	5,261	4,415	846	19.2%
MOEC	366	429	(63)	(14.7%)
FPUAnet Communications	383	371	12	3.2%
Nonoperating Revenues				
Investment and Other Income	2,488	2,814	(326)	(11.6%)
Grant Revenue	97	159	(62)	(39.0%)
Total Revenues	<u>107,500</u>	<u>104,269</u>	<u>3,231</u>	<u>3.1%</u>
Operating Expenses				
Purchases for Resale	43,369	41,925	1,444	3.4%
Plant Operations	6,411	6,249	162	2.6%
Field Operations	10,837	10,459	378	3.6%
General and Administrative	17,755	19,242	(1,487)	(7.7%)
Depreciation	14,263	13,384	879	6.6%
Nonoperating Expenses				
Distribution to the City of Fort Pierce	6,342	6,276	66	1.1%
Interest Expense	2,585	2,825	(240)	(8.5%)
TCEC Expenses	1,968	2,332	(364)	(15.6%)
Storm Expenses	83	25	58	232.0%
Total Expenses	<u>103,613</u>	<u>102,717</u>	<u>896</u>	<u>0.9%</u>
Income (Loss) before Capital Contributions and Extraordinary Expense	3,887	1,552	2,335	150.5%
Capital Contributions	6,111	3,418	2,693	78.8%
Capacity Reductions	-	(26)	26	(100.0%)
Increase (Decrease) in Net Position	9,998	4,944	5,054	102.2%
Net Position - Beginning of Year	<u>195,053</u>	<u>190,109</u>	<u>4,944</u>	<u>2.6%</u>
Net Position - End of Year	<u>\$ 205,051</u>	<u>\$ 195,053</u>	<u>\$ 9,998</u>	<u>5.1%</u>

The increase in Net Position of \$9,998,000 is a combined result of increases in general service sales, an overall decrease in general and administrative expenses and a spike in capital contributions for FY 2021 over the prior year.

The distribution to the City of Fort Pierce, based on FY 2021 revenues, computes to \$6,524,000 and will be paid after approval and acceptance of the FY 2021 audited financial statements by the City Commission, see [Note N](#) for details. Last year’s distribution, based on FY 2020 revenues, totaled \$6,342,000, and was paid in April 2021. This increase is a result of higher revenues that are subject to the 6% distribution.

CAPITAL ASSETS

Major projects, and the costs associated with each during FY 2021, include:

- Advanced Metering Infrastructure \$2,496,000
- 17th St - Orange Ave to Ave D 570,000
- Electric System:
 - Substation Transformer Replacement 602,000
 - Distribution Pole Replacement 527,000
 - Transmission and Distribution System Improvements 412,000
 - LED - Rental Light Replacement 279,000
 - Derecktor 191,000
 - Substation Regulators 176,000
- Water System:
 - Lime Soft Unit #1 Reconfiguration 602,000
 - Lawnwood Wellfield Generator 540,000
 - Lawnwood Hospital WM Replacement 179,000
 - 12th Street WM Replacement 161,000
 - Stripping Tower Transfer Pumps 158,000
- Wastewater System:
 - Mains and Laterals R&R 783,000
 - Sewer Lining Projects 500,000
 - IWRF Relocation Phase I 469,000
 - IWRF Diffuser Reconstruction 431,000
 - DiGiorgio Road Sanitary Sewer 346,000
- Gas System:
 - Florida Turnpike Bridge Improvements 280,000
 - Gas System New Revenue 174,000
 - Waste Pro Loop 164,000
- FPUAnet System:
 - FPUAnet GPON Services 191,000
 - US Hwy 1 Fiber Replacement 170,000

Since many of the projects rehabilitate deteriorating lines in the older sections of the service territory, the impact on operating and maintenance expenses is expected to be favorable. Old water and wastewater lines remain in the systems. Replacement of these lines is being phased over a 25-year period to soften the impact on rates, however recently approved grant funding will help to expedite this process.

At the end of FY 2021, FPUA had \$220,458,000 invested in a broad range of net utility capital assets, including its electric and natural gas transmission and distribution systems, water treatment plant, water transmission and distribution mains, water storage facilities, pump stations, water reclamation facility, MWRf deep injection wells, and related wastewater collection plant facilities. The following tables summarize FPUA’s capital assets, net of accumulated depreciation, and changes therein, for the year ended September 30, 2021.

Table 3
Capital Assets, Net of Accumulated Depreciation
Categorized by System
(Dollars in Thousands)

	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>Increase (Decrease)</u>	
			<u>\$</u>	<u>%</u>
Electric	\$ 58,794	\$ 57,370	\$ 1,424	2.5%
Water	80,357	80,079	278	0.3%
Wastewater	63,517	62,417	1,100	1.8%
Shared Services	8,096	8,313	(217)	(2.6%)
Gas	8,153	7,532	621	8.2%
FPUAnet	1,471	1,010	461	45.6%
MOEC	70	78	(8)	(10.3%)
Total	<u>\$ 220,458</u>	<u>\$ 216,799</u>	<u>\$ 3,659</u>	1.7%

Table 4
Capital Assets, Net of Accumulated Depreciation
Categorized by Asset Class
(Dollars in Thousands)

	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>Increase (Decrease)</u>	
			<u>\$</u>	<u>%</u>
Land	\$ 9,557	\$ 9,556	\$ 1	0.0%
Transmission, distribution, and collection systems	155,450	149,325	6,125	4.1%
Equipment	18,882	18,210	672	3.7%
Structures and improvements	18,502	14,731	3,771	25.6%
Construction work in progress	<u>18,067</u>	<u>24,977</u>	<u>(6,910)</u>	<u>(27.7%)</u>
Total	<u>\$ 220,458</u>	<u>\$216,799</u>	<u>\$ 3,659</u>	1.7%

Additional information on FPUA’s capital assets can be found in [Note C on pages 37-38](#) of this report.

DEBT ADMINISTRATION

At September 30, 2021, FPUA had outstanding revenue bonds and direct placements totaling \$53,748,000. Debt service schedules extend to October 1, 2029. Interest rates range from 2.14% to 5.90% on these issuances. Principal payments are due October 1 of each year. Principal on the bonds of \$6,076,000 was due and paid on October 1, 2021. FPUA continues to evaluate refunding opportunities and is actively seeking new debt to fund expansion projects.

On May 14, 2021, the bond rating firm, Fitch Ratings Inc., affirmed FPUA’s ‘A+’ rating. The bond rating firm, Standard & Poor’s, last affirmed its ‘A’ rating on FPUA’s revenue bonds on October 25, 2019. Both firms have performed routine surveillance of our metrics in 2021. Neither agency has proposed any change to our rating or rating outlook.

FPUA has no general bonded debt. Neither the City of Fort Pierce Charter or Code of Ordinances, nor the Florida Statutes limit the amount of debt FPUA can issue. FPUA’s debt service coverage ratio was 3.54 times for the twelve months ended September 30, 2021, compared to 3.16 times on September 30, 2020. This coverage ratio remains well above the 1.25 minimum requirement.

Additional information on FPUA’s revenue bonds payable can be found in [Note L on pages 51-53](#) of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The COVID pandemic eased over this past fiscal year and while it still presented challenges for FPUA and our customers the alternatives put in place during FY 2020 presented a new normal. The economy grew stronger during FY 2021. Construction picked up and jobs opened. Further details along with other local economic factors are discussed at length on [pages 4 and 5](#).

Current rate schedules and charges are available on FPUA's website, www.fpua.com. Rates are reviewed on an annual basis to ensure FPUA's rate structure properly reflects the recovery of the cost of operating and maintaining its electric, water, wastewater, and natural gas systems. The rates adjustments implemented during FY 2021 were those permitted by resolution and were effected to keep pace with inflation. In light of pending debt issuance firm rate increases will need to be strongly considered.

CONTACTING FPUA'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of FPUA's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to FPUA's Director of Financial Services at Fort Pierce Utilities Authority, PO Box 3191, Fort Pierce, FL 34948-3191, or e-mail bmika@fpua.com.

This report and bond disclosure information is available on FPUA's website – www.fpua.com.

FORT PIERCE UTILITIES AUTHORITY
Statement of Net Position
September 30, 2021
(With comparative totals for September 30, 2020)
(Dollars in Thousands)

	2021	2020
ASSETS AND DEFERRED OUTFLOWS		
ASSETS		
Current Assets:		
Equity in Pooled Cash and Investments	\$ 20,786	\$ 24,808
Accounts Receivable, Net of Allowance for Uncollectible		
Accounts of \$878 in 2021 and \$891 in 2020	6,621	7,896
Unbilled Receivables	6,428	6,106
Due from Other Governments	914	1,418
Inventories and Other Current Assets	6,932	5,346
Restricted Equity in Pooled Cash and Investments	15,147	12,800
Restricted Cash with Fiscal Agent	6,460	6,432
Total Current Assets	63,288	64,806
Noncurrent Assets:		
Capital Assets:		
Utility Plant in Service	492,754	468,621
Construction Work in Progress	18,067	24,977
Less Accumulated Depreciation	(290,363)	(276,799)
Total Capital Assets (net of Accumulated Depreciation)	220,458	216,799
Other Noncurrent Assets:		
Restricted Equity in Pooled Cash and Investments	6,857	6,857
FMPA Working Capital Receivable	1,919	1,919
Preliminary Surveys	62	-
Investment in Public Gas Partners Pool	-	34
Total Other Noncurrent Assets	8,838	8,810
Total Noncurrent Assets	229,296	225,609
Total Assets	292,584	290,415
DEFERRED OUTFLOWS OF RESOURCES		
Net Deferred Pension Outflow	1,443	1,505
Net Deferred OPEB Outflow	282	339
Deferred Amount on Debt Refunding	64	80
Total Deferred Outflows of Resources	1,789	1,924
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 294,373	\$ 292,339

The accompanying notes are an integral part of this financial statement.

FORT PIERCE UTILITIES AUTHORITY
Statement of Net Position
September 30, 2021
(With comparative totals for September 30, 2020)
(Dollars in Thousands)

	2021	2020
LIABILITIES, DEFERRED INFLOWS AND NET POSITION		
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 9,855	\$ 9,546
Due to City of Fort Pierce	950	942
Customer Deposits - restricted assets	8,864	8,735
Revenue Bonds Payable - restricted assets	6,076	6,015
Accrued Interest Payable - restricted assets	792	822
Accrued Compensated Absences	276	-
Capital Leases Payable	40	34
Other Current Liabilities	501	598
Total Current Liabilities	27,354	26,692
Noncurrent Liabilities:		
Revenue Bonds Payable, Net of Unamortized Discounts	47,641	52,812
Accrued Compensated Absences	1,921	2,181
Other Postemployment Benefit Liability	1,178	1,228
Net Pension Liability	231	10,486
Capital Leases Payable	11	51
Total Noncurrent Liabilities	50,982	66,758
Total Liabilities	78,336	93,450
DEFERRED INFLOWS OF RESOURCES		
Purchased Power and Gas Over-Recovery	1,985	3,133
Deferred Pension Inflow	8,975	674
Deferred OPEB Inflow	26	29
Total Deferred Inflows of Resources	10,986	3,836
NET POSITION		
Net Investment in Capital Assets	173,685	167,218
Restricted Capital Improvement Charges	5,875	3,660
Restricted for Debt Service	5,457	5,457
Restricted for Emergencies	900	900
Restricted for Renewals and Replacements	500	500
Unrestricted	18,634	17,318
Total Net Position	205,051	195,053
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 294,373	\$ 292,339

The accompanying notes are an integral part of this financial statement.



FORT PIERCE UTILITIES AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
Year Ended September 30, 2021
(With comparative totals for the year ended September 30, 2020)
(Dollars in Thousands)

	2021	2020
OPERATING REVENUES		
Sales and charges for services	\$ 102,924	\$ 99,551
Other	1,991	1,745
Total Operating Revenues	104,915	101,296
OPERATING EXPENSES		
Purchases for resale	43,369	41,925
Plant operations	6,411	6,249
Field operations	10,837	10,459
General and administrative	17,755	19,242
Depreciation	14,263	13,384
Total Operating Expenses	92,635	91,259
OPERATING INCOME	12,280	10,037
NONOPERATING REVENUES (EXPENSES)		
Investment and other income	2,483	2,810
Grant revenue	97	159
Distribution to General Fund - City of Fort Pierce	(6,342)	(6,276)
Interest expense	(2,585)	(2,825)
TCEC expenses	(1,968)	(2,332)
Gain (Loss) on Disposal of Capital Assets	5	4
Storm expenses	(83)	(25)
Total Nonoperating Revenues (Expenses)	(8,393)	(8,485)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	3,887	1,552
Capital contributions	6,111	3,418
Capacity reductions	-	(26)
Total Contributed Capital	6,111	3,392
CHANGE IN NET POSITION	9,998	4,944
Net Position - Beginning of Year	195,053	190,109
Net Position - End of Year	\$ 205,051	\$ 195,053

The accompanying notes are an integral part of this financial statement.

FORT PIERCE UTILITIES AUTHORITY

Statement of Cash Flows

Year Ended September 30, 2021

(With comparative totals for the year ended September 30, 2020)

(Dollars in Thousands)

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 104,582	\$ 96,825
Receipts from other sources	1,991	1,745
Payments to suppliers for goods and services	(59,197)	(50,828)
Payments to employees for services	(16,726)	(16,586)
Payments for benefits on behalf of employees	<u>(6,801)</u>	<u>(8,320)</u>
Net cash provided by operating activities	<u>23,849</u>	<u>22,836</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Increase (decrease) in payable to City of Fort Pierce	8	84
Proceeds received for Grants and Storm damages	14	159
Payments for other non-operating activities	(1,976)	(2,357)
Distribution to General Fund - City of Fort Pierce	<u>(6,342)</u>	<u>(6,276)</u>
Net cash used by noncapital financing activities	<u>(8,296)</u>	<u>(8,390)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(14,804)	(19,017)
Proceeds from sale of assets	5	139
Capital contributions	3,465	3,393
Bond principal payments	(5,700)	(4,854)
Bond interest payments	(2,616)	(2,795)
Payment on capital lease obligation	<u>(34)</u>	<u>(29)</u>
Net cash used by capital and related financing activities	<u>(19,684)</u>	<u>(23,163)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments and other non-operating income	<u>2,483</u>	<u>2,810</u>
Net cash provided by investing activities	<u>2,483</u>	<u>2,810</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ (1,648)</u>	<u>\$ (5,907)</u>

The accompanying notes are an integral part of this financial statement.

FORT PIERCE UTILITIES AUTHORITY
Statement of Cash Flows
Year Ended September 30, 2021
(With comparative totals for the year ended September 30, 2020)
(Dollars in Thousands)

	2021	2020
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (1,648)	\$ (5,907)
Cash and Cash Equivalents at Beginning of Year	50,898	56,805
Cash and Cash Equivalents at End of Year	\$ 49,250	\$ 50,898
Current equity in pooled cash and investments	\$ 20,786	\$ 24,808
Restricted equity in pooled cash and investments	22,004	19,658
Restricted cash with fiscal agent	6,460	6,432
Total Cash and Cash Equivalents	\$ 49,250	\$ 50,898
RECONCILIATION OF OPERATING INCOME TO NET		
CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 12,280	\$ 10,037
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	14,263	13,384
Inventory adjustment / gain assets / pension expense	7,446	2,000
(Increase) decrease in accounts receivable	1,274	(346)
(Increase) decrease in unbilled revenue	(322)	(885)
(Increase) decrease in inventories and other current assets	(1,144)	(469)
Increase (decrease) in liabilities deferred & customer deposits	129	254
Increase (decrease) in accounts payable	308	1,577
Increase (decrease) in compensated absences	17	(60)
Increase (decrease) in other post employment benefits	(10,306)	(881)
Increase (decrease) in other liabilities	(96)	(1,775)
	\$ 23,849	\$ 22,836
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Accretion of Capital Appreciation Bonds	\$ 899	\$ 1,093
Contributions of capital assets	2,718	1,623
Amortization of deferred loss on refunding and bond discounts	21	22
Write down of investment	-	325

The accompanying notes are an integral part of this financial statement.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements
September 30, 2021
(Dollars in Thousands)

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The voters of the City of Fort Pierce, Florida authorized the organization of the Fort Pierce Utilities Authority (FPUA) at a special election held May 30, 1972. FPUA commenced operations as of June 30, 1972, and is currently responsible for management and operation of the combined Electric, Water, Wastewater, and Gas Systems, Treasure Coast Energy Center, FPUAnet Communications, and the Manatee Observation and Education Center. The City Charter, Article XII, defines the powers, duties, and responsibilities of FPUA. The members of FPUA's governing board are appointed and may be removed from office by the Fort Pierce City Commission. FPUA's budget is subject to approval by the City Commission, as are rates for service.

The accounts at September 30, 2021, and for the year then ended, of the various utility systems of FPUA are included as a discretely presented component unit of the City of Fort Pierce, Florida, financial statements. FPUA has no component units.

Basis of Presentation

The accounts of FPUA are an enterprise fund. An enterprise fund is a Proprietary type fund used to account for operations (a) that are financed and operated in a manner similar to private business enterprises -- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied. The accompanying financial statements are reported using the "economic resources measurement focus," and the "accrual basis of accounting." Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements

September 30, 2021
(Dollars in Thousands)

Accounting Standards Adopted

During fiscal Year 2020, the following new accounting standards were implemented:

GASB Statement No. 88 – Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements The objective of this statement is to improve consistency in the information that is disclosed in the notes to the financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt ([See Note L](#)).

GASB Statement No.95 – Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and their stakeholders in light of the COVID-19 pandemic.

During fiscal Year 2021, the following new accounting standards were implemented:

GASB Statement No.98 – The Annual Comprehensive Financial Report. The objective of the Statement is to address references in authoritative literature to the term *comprehensive annual financial report*.

Budget Process

FPUA is required to prepare, adopt, and furnish a copy to the City Commission of the City of Fort Pierce an annual budget at least 45 days prior to the beginning of the next fiscal year. The annual budget and any amendments thereto shall be in effect when approved by FPUA and when any line item expense has not been disapproved by four-fifths (4/5) vote of the City Commission within 30 days of submission. The budget is prepared on the accrual basis. The budget and amendments thereto, for the year ended September 30, 2021, have been approved according to the above procedures.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

Pooled Cash and Investments - FPUA, for accounting and investment purposes, pools its cash and investments. Cash and cash equivalents are considered to be cash on hand, demand deposits, deposits with Insured Cash Sweep and Florida PRIME, a money market account, and certificates of deposit with original maturities of twelve months or less from the date of acquisition.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements

September 30, 2021
(Dollars in Thousands)

In accordance with GASB 31, investments are stated at fair value based on per share prices. The State Board of Administration (SBA) Florida PRIME Local Government Surplus Fund is considered to be a “2a-7 like” investment, and is accounted for at fair value for financial reporting ([See Note B](#)). Florida PRIME has a current rating by Standard and Poor’s of AAAM. There is a risk of loss on these investments based upon the fluctuation of interest rates and lengths of maturity. Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however the Board has adopted operating procedures consistent with the requirements for a 2a-7 fund.

Unbilled Receivables - These receivables represent the estimated amount of accounts receivable for services that have not been billed as of the balance sheet date. The amounts are a result of a timing difference between the end of the financial statement cycle (month end) and the billing cycle (various dates within the month for each billing period).

Inventories - Inventories of fuel, supplies, construction materials, and utility plant replacement parts are recorded at weighted average cost. The cost of such inventories is recorded on the consumption method as expenses or additions to Construction Work in Progress when used rather than when purchased.

Utility Plant - Utility plant is stated at historical cost for items constructed or acquired by purchase. Donated or contributed capital assets are recorded at the value of acquisition on the date received as contributed capital. Utility plant assets are defined by FPUA as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of three years or more.

Depreciation of all exhaustible utility plant assets, including those acquired through intergovernmental grants externally restricted to capital acquisitions, is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation is calculated using the straight line method over the following estimated useful lives:

Transmission, distribution, and collection systems	5-60 years
Equipment	3-40 years
Structures and improvements	3-55 years

Deferred Outflows/Inflows of Resources - The financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until the period in which the expense belongs. Similarly, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until FPUA reaches the period to which the resources belong.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements

September 30, 2021

(Dollars in Thousands)

FPUA has the following items reported under this section:

- Deferred Pension Outflows and Inflows in accordance with GASB No. 68.
- Deferred Amount on Debt Refunding resulted from the difference in the carrying value of refunded Revenue Bonds Series 2002 and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Purchased Power and Gas Over-Recovery. Purchased power and gas costs greater or less than the amount included in the base rates are charged or credited to FPUA's customers. At the end of the fiscal year, FPUA has recorded a deferred inflow of resources for the balance of these over-recoveries.
- Deferred Inflows for Other Post Employment Benefits in accordance with GASB No. 75.

City of Fort Pierce Retirement and Benefit System – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Fort Pierce Retirement and Benefit System (the System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position – FPUA's equity is presented as net position and displayed in six components:

- Net Investment in Capital Assets – Consists of capital assets, contributed capital assets and capital leases, net of accumulated depreciation and reduced by the outstanding balances of any bonds, and related debt that is attributable to the acquisition, construction, or improvement of those assets ([See Note C](#)).
- Restricted Capital Improvement Charges – Consists of the unspent Capital Improvement Charges (CICs) collected in the Electric, Water and Wastewater Systems. The respective balances as of September 30, 2021 are \$380, \$3,454, and \$2,041. Electric CIC's are used to fund the cash outlay or debt service associated with the expansion of Electric Substations and Electric Transmission & Distribution Systems. In the Water and Wastewater Systems, CICs are used to fund the cash outlay or debt service associated with specific expansion and growth related projects.
- Restricted for Debt Service – Consists of \$5,457 in net position set aside for payment of principal and interest on the 2009 Utilities Revenue Refunding Bonds and additional amounts in accordance with FPUA's Master Bond Resolution, as revised in 2012.
- Restricted for Emergencies – Consists of \$900 in net position, set aside for emergencies which is limited to paying for repairs or replacements of FPUA capital assets damaged or destroyed by a disaster.

FORT PIERCE UTILITIES AUTHORITY

Notes to Financial Statements

September 30, 2021

(Dollars in Thousands)

- Restricted for Renewals and Replacements – Consists of \$500 in net position which is limited to paying for the cost of extensions, enlargements or additions to or the replacement of FPUA capital assets.
- Unrestricted – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Operating Revenues and Expenses - Operating revenues and expenses generally result from providing services in connection with FPUA’s principal ongoing operations. The principal operating revenues of FPUA consists of charges to customers for sales of electricity, water and natural gas and services including wastewater collection, FPUA net Communications services, and operation of the Manatee Observation and Education Center (MOEC). Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Capacity Reductions – Water and wastewater service capacity is obtained through payment of Capital Improvement Charges (CICs). Property developers in the FPUA service territory have executed amended supply agreements in order to take advantage of FPUA’s Capacity Reduction Option (CRO). Customers exercising this option can apply payments previously made for CICs toward payment of Guaranteed Revenue Charges (GRCs) incurred since the original agreements were signed. Any future need for additional capacity must be obtained through payment of CICs at prevailing rates. No new CROs were exercised in the current fiscal year.

Comparative data

Certain reclassifications have been made in order to provide a consistent and comparative understanding of the changes in the financial position and the results of operations of FPUA.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements
September 30, 2021
(Dollars in Thousands)

NOTE B – POOLED CASH AND INVESTMENTS

Cash Deposits with Financial Institutions - Florida Statutes require state and local governmental units to deposit monies with a financial institution classified as a "Qualified Public Depository". A Qualified Public Depository is defined as a bank or savings association that has a branch office authorized to receive deposits in Florida, is FDIC insured, meets the requirements of Chapter 280 of the Florida Statutes, and has been so designated by the office of Florida's Chief Financial Officer. FPUA had cash deposits only with qualifying institutions as of September 30, 2021. At year-end, FPUA's carrying amount of deposits was \$931 and the bank balance was \$393.

Investments – The following investments are considered cash equivalents for purposes of the Statement of Cash Flows ([see Note A](#)). FPUA's investments held throughout the year are principally the same as the investments held as of September 30, 2021. Due to fluctuations in cash flows, FPUA maintains investments in an Insured Cash Sweep account. The interest income generated on these investments including any gain on investment, for the year ended September 30, 2021, was \$180.

As of September 30, 2021, FPUA had the following investments:

Investment	Fair Value
Seacoast Bank Sweep	\$ 26,202
PNC MM	7,323
State Board of Administration - Florida PRIME	5,606
CenterState Bank Certificates of Deposit	1,691
Trust Co. Certificate of Deposit	1,024
Total	\$ 41,846

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from fluctuating interest rates, FPUA's investment policy permits a shifting in the maturity of debt obligations based upon the historical trend in interest rates.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements

September 30, 2021
(Dollars in Thousands)

Credit Risk - FPUA is authorized by Resolution to invest in:

- (1) Local Government Surplus Funds Trust Funds.
- (2) Negotiable direct obligations of the United States Government, or obligations, the principal and interest of which are unconditionally guaranteed by the United States Government.
- (3) Obligations of the federal farm credit banks, the Federal Home Loan Mortgage Corporation, including Federal Home Loan Corporation participation certificates, or the Federal Home Loan Bank or its district banks, or obligations guaranteed by the Government National Mortgage Association, U.S. Treasury, agencies, and instrumentalities.
- (4) Repurchase agreements secured by the types of investments listed above, restricted as to acquisition, term, and market value.
- (5) Interest-bearing time deposits or savings accounts in banks organized under the laws of this state, in national banks organized under the laws of the United States and doing business and situated in this state, in savings and loan associations which are under state supervision, or in federal savings and loan associations located in this state and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.
- (6) Deposits and certificates of deposit in out-of-state banks, savings and loan associations, and other regulated financial institutions insured by the FDIC.
- (7) Full faith and credit direct general obligations of any state, or unlimited tax direct obligations of any political subdivision thereof, to the payment of which the full faith and credit of such political subdivision is pledged, provided that at the time of purchase such obligations are rated in either of the two highest rating categories by a nationally recognized rating agency.

Concentration of Credit Risk - FPUA places no limit on the amount that may be invested with any one issuer. A combined 76% of FPUA's investments are in Insured Cash Sweep and Florida PRIME.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements
September 30, 2021
(Dollars in Thousands)

NOTE C – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, not being depreciated:				
Land	\$ 9,556	\$ 1	\$ -	\$ 9,557
Construction Work In Progress	24,977	15,736	(22,646)	18,067
Total Utility Plant, not being depreciated	34,533	15,737	(22,646)	27,624
Capital Assets, being depreciated:				
Transmission, distribution and collection systems	359,852	16,844	(307)	376,389
Equipment	58,256	3,161	(392)	61,025
Structures and improvements	40,957	4,826	-	45,783
Total Utility Plant being depreciated	459,065	24,831	(699)	483,197
Less accumulated depreciation for:				
Transmission, distribution and collection systems	(210,527)	(10,719)	307	(220,939)
Equipment	(40,046)	(2,489)	392	(42,143)
Structures and improvements	(26,226)	(1,055)	-	(27,281)
Total accumulated depreciation	(276,799)	(14,263)	699	(290,363)
Total Capital Assets, being depreciated, net	182,266	10,568	-	192,834
Total Capital Assets, net	\$ 216,799	\$ 26,305	\$ (22,646)	\$ 220,458

Construction work in progress at September 30, 2021, consists principally of expansions and upgrades to the electric transmission and distribution system, water supply and distribution system, wastewater collection and treatment system, and gas distribution system. Increases to Total Capital Assets include Non-cash Capital Contributions.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements

September 30, 2021

(Dollars in Thousands)

Depreciation expense was charged to the utility systems as follows:

Water	\$ 5,134
Electric	4,523
Wastewater	4,043
Gas	432
FPUAnet Communications	118
Manatee Observation and Education Center	<u>13</u>
 Total Depreciation Expense	 <u><u>\$ 14,263</u></u>

Net Investment in Capital Assets, the primary component of Net Position, is calculated as follows:

Total Capital Assets, net of Accumulated Depreciation	\$ 220,458
Principal Balance of Series 2009 Revenue Bonds	(29,665)
Series 2009 Debt Service Reserve funded with Debt	3,480
Principal Balance of Series 2016 Revenue Bonds	(8,153)
Deferred Amount on Series 2016 Debt Refunding	64
Proceeds from Series 1999B Capital Appreciation Bonds	(10,223)
Bond Discounts on Series 2009 and 2016 Bonds	31
Accounts Payable Attributable to Capital Assets	(2,174)
Retainages Payable	(82)
Capital Lease	<u>(51)</u>
 Net Investment in Capital Assets	 <u><u>\$ 173,685</u></u>

NOTE D – RESTRICTED ASSETS

Certain assets are restricted by bond resolution; additionally, some assets have been classified as restricted in accordance with governmental accounting standards for enterprise funds and utility industry accounting practices.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements

September 30, 2021
(Dollars in Thousands)

FPUA's restricted assets consist of equity in pooled cash and investments and cash with fiscal agent in the following accounts:

Principal and interest accounts	\$ 6,868
Capital Improvement Charges	5,875
Customer security deposits	8,864
Debt Service reserve	5,457
Emergency reserve	900
Renewal and replacement reserve	<u>500</u>
	<u>\$28,464</u>

NOTE E – RETIREMENT AND BENEFIT SYSTEM

General Information about the Plan

Plan Description

The City of Fort Pierce Retirement and Benefit System (the System) is a cost-sharing multiple employer Public Employees Retirement System (PERS) defined benefit plan administered by the City of Fort Pierce, covering all municipal employees, including employees of FPUA. Except for the Director of Utilities, participation in the System is compulsory for all employees of FPUA. Employees working more than 25 hours per week are required to participate upon employment. A Deferred Retirement Option Plan (DROP) is offered.

Benefits Provided

The plan provides retirement, termination, disability, and death benefits to all full time employees. Upon retirement, members are entitled to an annual retirement benefit (payable monthly), of total service times 3.0% of final average salary (FAS), based upon the highest five consecutive years of the last ten years. The maximum annual pension benefit is \$100 and may not exceed 75% of FAS for members hired on or after October 1, 2012. There is no maximum annual pension benefit for members hired before October 1, 2012. Benefits may be payable for life or based on one of five options and name a survivor pension beneficiary.

Normal Retirement - Eligibility occurs at 25 years of service regardless of age, or at age 60 (55 for police officers) with 5 years of service. Retirees receive 3% of final average salary times total service.

Non-Duty Disability Retirement - Benefits occur after 5 years of service; computed as a normal retirement based upon service and final average salary at date of disability.

FORT PIERCE UTILITIES AUTHORITY

Notes to Financial Statements

September 30, 2021

(Dollars in Thousands)

Duty Disability Retirement - No service requirement; computed as a normal retirement based upon service projected to the end of the duty disability period and final average salary at the time of disability.

Non-Duty Pre-Retirement Death Benefit - Benefits occur after 5 years of service; computed as a normal retirement but actuarially reduced in accordance with a 100% joint and survivor election.

Duty Pre-Retirement Death Benefit - No age of service requirement; benefits begin upon termination of workers compensation; benefits paid at the same amount that was paid by workers' compensation to the spouse until death, or to unmarried children under 18 and dependents of parents.

Deferred Retirement Option Plan - Eligibility is based on normal retirement. The maximum participation period is 5 years, but not beyond 30 years of service. The benefit is calculated as normal retirement but based on service and final average salary at the date of the DROP election. Member contributions cease and monthly benefits accumulate in a self-directed DROP account and are payable upon termination of employment.

The September 30, 2021 valuation reflects the elimination of the maximum annual pension benefit for members hired before October 1, 2012 resulting in a small increase in Total Pension Liability. Changes to benefits may be made with the approval of the Fort Pierce City Commission.

Contributions

Per the City of Fort Pierce Code of Ordinances, Ch. 13, Art. II, Div. 1, Sec. 13-40, FPUA employees are required to contribute 6.16% of their annual salary to the System. FPUA is required to contribute amounts actuarially determined annually which, together with member contributions, are sufficient to fund the System. Contributions to the System by FPUA were \$2,533 for the year ended September 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2021, FPUA reported a liability of \$231 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of September 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2020. The total pension liability was rolled-forward from the valuation date to the plan year ending September 30, 2021. FPUA's proportionate share of the net pension liability was based on FPUA's present value of projected long-term contributions. At September 30, 2021, FPUA's proportionate share was 48.73%, which was an increase of 3.29% from its proportion measured as of September 30, 2020.

FORT PIERCE UTILITIES AUTHORITY
Notes to Financial Statements

September 30, 2021
(Dollars in Thousands)

For the fiscal year ended September 30, 2021, FPUA recognized pension expense of \$640. FPUA has recorded beginning and ending accruals which may differ from reporting by the System. At September 30, 2021, FPUA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 736	\$ 298
Changes of assumptions	532	-
Net difference between projected and actual earnings on pension plan investments	-	8,677
Changes in proportion and difference between FPUA contributions and proportionate share of contributions	175	-
Total	<u><u>\$ 1,443</u></u>	<u><u>\$ 8,975</u></u>

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

Year ended September 30:	
2022	\$(1,769)
2023	(1,198)
2024	(2,335)
2025	(2,230)
Thereafter	-

Actuarial assumptions

Actuarially determined contribution rates are calculated as of September 30, which is 12 months prior to the beginning of the fiscal year in which contributions are reported. The total pension liability in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	1-30 years as of September 30, 2019
Asset Valuation Method	4-Year smoothed market
Wage Inflation	4.00%
Salary Increases	4.0% to 6.5% including inflation
Investment Rate of Return	7.75%
Long-Term Municipal Bond Rate	2.19% (2.41% in 2020)

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The Florida Retirement System (FRS) mortality table, which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB, were used. Based on these assumptions, the pension plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members.

Investments are reported at fair value and are managed by third party money managers. Investments that do not have established market values are reported at estimated fair market value. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Equity	26%	4.25%
Small/Mid Cap Equity	12%	4.45%
Global Ex-US Equity	25%	4.55%
Domestic Fixed Income	27%	-0.50%
Real Estate	10%	3.50%
Total	100%	

Discount Rate

A single discount rate of 7.50% is used to measure the total pension liability. This single rate was based on the expected rate of return on pension plan investments of 7.50%. The projection of cash flows used to determine this single discount rate assumes that plan member contributions will be made at the current contribution rate. Employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available 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 FPUA’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents FPUA’s proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the FPUA’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate:

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	1% Decrease (6.50%)	Current Single Discount Rate (7.50%)	1% Increase (8.50%)
FPUA's proportionate share of the Net Pension Liability	\$ 13,508	\$ 231	\$ (10,978)

Pension Plan Fiduciary Net Position

Detailed information about the System's fiduciary net position is included in the financial statements of the City of Fort Pierce, which can be found on the city's website, www.cityoffortpierce.com. The System does not issue a stand-alone financial report.

Payables to the Pension Plan

At September 30, 2021, FPUA reported a payable in the amount of \$83, for outstanding contributions to the Pension Plan.

NOTE F – EMPLOYEE HEALTH PLAN (the Plan)

FPUA has been a self-insurer for health and accident claims of their employees, retirees and their families since January 1, 2000. Payments of claims under the Plan are administered by Blue Cross Blue Shield of Florida (Florida Blue). Employee contributions to the Plan are made biweekly. Any benefit claims, up to the stop loss amounts, are paid by FPUA. Claims in excess of the stop loss amounts are underwritten by an insurer. The individual stop loss amount is \$125 and \$6,185 in the aggregate for calendar year 2021.

As of September 30, 2021, FPUA had estimated incurred unpaid claims of \$777. This liability does not include Dental Claims liability. This amount has been calculated based on the results of an actuarial analysis of the Plan, plus claims incurred prior to year-end but paid by FPUA subsequent to year-end.

Changes in FPUA's claim liability balance during the past two fiscal years were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Contributions/ Changes in Estimates	Claims/ Fees Payments	Balance at Fiscal Year End
2020	\$ 345	\$ 4,896	\$ 4,660	\$ 581
2021	581	5,342	5,146	777

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NOTE G—POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about OPEB

Benefit description. FPUA provides certain healthcare benefits for all full-time and retired employees and their families, as a single-employer (see Note F). All FPUA employees are eligible for those benefits while working for FPUA. FPUA establishes the benefits available to its employees and retirees and may amend the benefits as business conditions and statutory requirements change. In accordance with Florida Statutes, FPUA allows their retirees to participate in the same Plan offered to their active employees. Although retirees pay an amount equivalent to the full cost of the benefit, FPUA must account for the implicit cost. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Employees covered by benefit terms. At September 30, 2021, the following employees were covered by the benefit terms:

Active employees	263
Inactive employees or beneficiaries currently receiving benefits	<u>56</u>
	<u><u>319</u></u>

Total OPEB Liability

FPUA’s total OPEB liability of \$1,178 was measured as of September 30, 2021, and was determined by roll forward amounts from an actuarial valuation as September 30, 2020.

Actuarial assumptions and other inputs. The total OPEB liability in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	1.50% per annum
Salary increases	2.50% per annum
Discount rate	2.66% per annum (2.26% for 2021)
Healthcare cost trend rates	4.5% for 2020, decreased 1.0% from 2019 to an ultimate rate of 4.5%
Retirees’ share of benefit-related costs	Retiree pays the \$1,056.69 monthly premium for individual coverage and \$2,113.38 for retiree plus spouse coverage.

The discount rate was based on the Bond Buyer’s 20-Bond GO Index.

Mortality rates were based on the 2019 PPA Mortality Table (RP-2014, base year 2006, adjusted to 2019 with Mortality Improvement Scale MP-2017).

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The actuarial assumptions used in the September 30, 2021 valuation were based on the results of the October 1, 2020 Actuarial Valuation of the Fort Pierce Utilities Authority Retiree Medical Plan.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at September 30, 2020	\$ 1,228
Changes for the year:	
Service cost	32
Interest	28
Differences between Expected and Actual Experience	(5)
Implicit Rate Subsidy	(105)
Net changes	(50)
Balance at September 30, 2021	\$ 1,178

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the FPUA, as well as what FPUA's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.26%) or 1-percentage-point higher (3.26%) than the current discount rate:

	1% Decrease (1.26%)	Discount Rate (2.26%)	1% Increase (3.26%)
Total OPEB liability	\$1,336	\$1,178	\$1,048

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of FPUA, as well as what FPUA's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.5%) or 1-percentage-point higher (5.5%) than the current healthcare cost trend rates:

	1% Decrease (3.5%)	Healthcare Cost Trend Rates (4.5%)	1% Increase (5.5%)
Total OPEB liability	\$1,021	\$1,178	\$1,372

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OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2021, FPUA recognized an OPEB expense of \$4. At September 30, 2021, FPUA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 415	\$ 55
Current Recognition of Deferred Amounts	(133)	(29)
Total	\$ 282	\$ 26

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30:	
2022	\$49
2023	49
2024	49
2025	56
2026	39
Thereafter	14

NOTE H – COMPENSATED ABSENCES

Current policy allows each employee eligible for vacation leave, to accumulate a maximum of 30 days of vacation at the close of the last pay period of the fiscal year. Employees are paid up to 45 days of unused vacation leave at current hourly rates upon separation from the company. Employees who are eligible for sick leave are allowed unlimited accumulation. Upon termination, employees having at least 3 and less than 10 years of continuous service with FPUA will receive pay for 1/2 of their accumulated sick leave balance up to a maximum of 45 days. Those employees having at least 10 years of continuous service with FPUA will receive pay for their accumulated sick leave balance up to a maximum of 90 days.

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Accrued liabilities, based on hourly rates at September 30, 2021, have been reflected in the accounts of FPUA for vested (not contingent on employee future service) vacation and sick leave benefits. The amount considered payable within one year is determined based upon three-year averages of leave amounts that are taken in the form of cash payments. Final payouts, conversions and sell-backs have a significant impact on liability balances and are almost entirely for services already rendered during a prior year.

At September 30, 2021 the liability was:

	<u>Total</u> <u>Liability</u>	<u>Due Within</u> <u>One Year</u>
Vacation leave	\$ 933	\$ 88
Sick leave	<u>1,264</u>	<u>188</u>
	<u>\$2,197</u>	<u>\$ 276</u>

Annually, FPUA offers its employees the opportunity to receive payment for up to 6 days of unused sick leave, calculated at current hourly rates, providing certain established criteria have been met. This sick leave conversion plan is intended to provide incentive for sick leave to be used only when necessary. During the year ended September 30, 2021, \$84 was paid to employees electing this option.

FPUA also offers its employees the opportunity to sell back a portion of their accumulated sick leave, calculated at current hourly rates, providing certain established criteria have been met. Employees may elect to convert up to a maximum of 90 days of sick leave which will reduce their amount payable upon separation. During the year ended September 30, 2021, \$23 was paid to employees electing this option.

In addition, all employees have two opportunities per fiscal year to convert up to one half of their annual vacation accrual to cash and will reduce their amount payable upon separation. During the year ended September 30, 2021, \$35 was paid to employees electing this option.

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NOTE I – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

FPUA has entered into contracts for the construction or renovation of various system assets as follows:

<u>Upgrade and Expansion</u>	<u>Project Authorization</u>	<u>Expended to Date</u>	<u>Remaining Commitment</u>	<u>Required Further Financing</u>
Wastewater	\$ 3,531	\$ 484	\$ 3,047	None
Electric	981	167	814	None
Water	558	157	401	None
Gas	42	22	20	None
Administration	279	271	8	None
FPUAnet	241	91	150	None
	<u>\$ 5,632</u>	<u>\$ 1,192</u>	<u>\$ 4,440</u>	

In addition, FPUA enters into unit price contracts for the construction or renovation of system assets. These contracts are not firm commitments, and the contractors are utilized as needed. As of September 30, 2021, costs of \$357 were authorized under these contracts, \$89 had been spent, and authorized amounts of \$268 remained.

FMPA All-Requirements Power Supply Project

As of January 1, 1998, FPUA became a participant in the Florida Municipal Power Agency’s (FMPA) All-Requirements Power Supply Project (hereinafter referred to as ARP). FPUA has agreed to purchase all capacity and energy necessary for their electric system from FMPA’s ARP during the term of the contract. The contract is a 30 year evergreen, automatically renewing on October 1 of each year unless notification is provided one year prior to the automatic extension date.

Prior to being involved in the ARP, FPUA had Project Support Contracts and Power Sales Contracts with FMPA regarding Stanton Unit No. 1 (Stanton and Tri-City Projects) and Stanton Unit No. 2, coal-fired plants constructed by the Orlando Utilities Commission. FPUA’s resources, which have been assigned, include the contracts with FMPA related to Stanton Unit No. 1 and Stanton Unit No. 2, and to part of the contract with Florida Gas Transmission for the purchase of firm capacity natural gas. The contracts related to the St. Lucie Project, detailed within this section, have not been assigned; however, as of January 1, 1998, FPUA’s share of transmission costs related to the St. Lucie Project have been assigned to the ARP.

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FMPA St. Lucie Project

FPUA has entered into agreements with FMPA, of which it is a member, and with certain other members of FMPA, for entitlement to capacity, energy, and transmission services from Florida Power & Light's (FP&L) St. Lucie Unit No. 2 (the Unit) which is located on South Hutchinson Island near Fort Pierce, and through a reliability exchange agreement related to St. Lucie Unit No. 1, located at the same site. Pursuant to a Power Sales Contract and a Project Support Contract, FPUA has acquired an entitlement share of FMPA's allocation of these services. The Power Sales Contract requires payments for each month in which capacity, energy, or transmission services are available from the St. Lucie Project. Payments due each month are based upon an annual budget. Once each year, the excess or deficiency of payments related to actual cost is calculated and applied to the next year's monthly statements from FMPA to FPUA.

The Power Sales Contract will remain in effect until the latest of (i) the date that the principal, premium, if any, and interest on all bonds have been paid, or funds are set aside for the payment thereof; (ii) the date the Unit is decommissioned or finally disposed of as an electric generating unit pursuant to the Participation Agreement, or FMPA's interest in the Unit is terminated pursuant to the Participating Agreement or otherwise disposed of; or (iii) the date all obligations of FMPA under the Participation Agreement have been paid, performed, or provided for.

In any month when electric capacity, energy, or transmission services are not made available to FPUA, payment is made to FMPA under a Project Support Contract in a like amount as would have been due under the Power Sales Contract.

Purchases under these contracts are accounted for as operating expenses by FPUA. Total cost included in operating expenses for FY 2020 and FY 2021 was \$7,136 and \$6,582 respectively. FPUA is committed under the agreements to payments of \$6,510 for the year ending September 30, 2022.

Florida Gas Transmission

FPUA executed an All Requirements Gas Services Agreement with Florida Gas Utility (FGU) on January 15, 2002. As a member of the All Requirements project, FPUA is required to purchase natural gas and the firm capacity needed for its delivery through FGU. The firm capacity of natural gas is the availability of the pipeline required to transport the natural gas to FPUA. This agreement will remain in effect until cancelled by FPUA.

On July 3, 2012, FPUA acquired additional firm capacity from the City of Sunrise, Florida in order to meet the needs of new industrial customers. This agreement will remain in effect until cancelled by FPUA. In FY 2016, additional firm capacity was made available from Florida Gas Transmission, and FPUA exercised rights to obtain this capacity. An additional 96,800 MMbtu of

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capacity was obtained. With this additional capacity, the amount of Sunrise capacity was reduced by 45,300 MMBtu via a revised interlocal agreement with the City of Sunrise. In FY 2022, FPUA will be entitled to firm capacity of 566,412 MMBtu, and will be committed to purchase 207,960 MMBtu of natural gas at an approximate cost of \$859. The amounts purchased under these contracts, for FY 2020 and FY 2021 were \$1,330 and \$1,936 respectively.

FMPA Treasure Coast Energy Center

FPUA has entered into an agreement with FMPA to manage, operate, and maintain their facility located in St. Lucie County near Fort Pierce. The Treasure Coast Energy Center (TCEC) is a natural gas fueled power generation site. The initial terms of this agreement commenced on July 24, 2007 and expired on September 30, 2011, after which the agreement became a one-year evergreen. The agreement is extended annually and was for the year ended September 30, 2021.

TCEC employees are on the payroll of FPUA and all costs associated with them are reimbursed bi-weekly by FMPA. TCEC employee costs and revenue for FY 2020 and FY 2021 totaled \$2,332 and \$1,968 respectively.

NOTE J – RISK MANAGEMENT

FPUA is exposed to various other risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which FPUA carries commercial insurance. Settled claims resulting from these risks have not exceeded the commercial insurance coverage.

FPUA has property, automobile liability, general liability and worker's compensation policies through Florida Municipal Insurance Trust (FMIT), as well as flood insurance through Wright National Flood Insurance Company and computer & telephone equipment through Foundation Risk Partners Corp (Accent). FPUA is a qualified self-insurer in the State of Florida and under Florida Statue 768.28 is granted sovereign immunity. The limit of liability is \$200,000 Bodily Injury and/or Property Damage per person or \$300,000 Bodily Injury and/or Property Damage per occurrence. These specific limits of liability are increased to \$1,000,000 (combined single limit) per occurrence, solely for any liability resulting from entry of a claims bill pursuant to Section 768.28 (5) Florida Statutes or liability/settlement. The Workers Compensation liability policy is statutory per Florida Statute 440, including Employers Liability of \$1,000,000 each accident/\$1,000,000 by disease/ \$1,000.000 aggregate by disease.

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NOTE K – CAPITAL LEASE

On January 1, 2018, FPUA entered into a lease with Pitney Bowes and committed to a new five-year capital lease for equipment and software used for billing and mailing. The equipment has been capitalized at its fair market value (FMV) of \$154. As of September 30, 2021, the FMV less accumulated amortization of \$115 was \$39. The effective interest/maintenance expense for the year ended September 30, 2021 was \$12. The following table is a schedule by year of future minimum lease obligations together with the present value of the net minimum lease payments as of September 30, 2021.

<u>Year Ending September 30</u>	<u>Amount</u>
2022	46
2023	<u>11</u>
Total minimum lease payments	<u>57</u>
Less amounts representing interest	<u>(6)</u>
Present Value of Minimum Lease Payments	<u>\$ 51</u>

NOTE L – REVENUE BONDS AND DIRECT PLACEMENTS

Revenue Bonds Payable at September 30, 2021, consist of:

\$10,223 Utilities Revenue Capital Appreciation Bonds, Series 1999B, collateralized by pledge of and first lien on the net revenues of the combined systems, yield varying from 5.89% to 5.90%. The bonds were issued to finance the cost of acquiring and constructing additions, extensions and improvements to FPUA’s water and wastewater facilities, as well as to fund the increase in required reserves, and pay certain costs associated with the bond issuance. The accreted value at September 30, 2021 is \$15,930. The remaining principal to be paid totals \$17,345, in annual amounts ranging from \$4,335 to \$4,340 through October 1, 2024. \$15,930

\$34,800 Utilities Refunding Revenue Bonds, Series 2009, collateralized by pledge of and first lien on the net revenues of the combined systems, interest varying from 4.10% to 5.00%. The bonds were issued to pay the cost of refunding FPUA’s outstanding Florida Municipal Power Agency pooled loans, as well as to fund the increase in required reserves, and pay certain costs associated with the bond issuance. The remaining annual principal amounts range from \$1,420 to \$7,285 through October 1, 2029. 29,665

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Direct Placements Payable at September 30, 2021, consist of:

\$9,545 Utilities Refunding Revenue Bonds, Series 2016, collateralized by pledge of and first lien on the net revenues of the combined systems, interest at 2.14%. The bonds were issued to pay the cost of refunding the outstanding principal amount of FPUA's Utilities Revenue Bonds Series 2002, as well as to fund the increase in required reserves, and pay certain costs associated with the bond issuance. The remaining annual principal amounts range from \$321 to \$3,451 are due through October 1, 2026.

	8,153
Revenue Bonds Payable	\$45,595
Revenue Bonds through Direct Placements	<u>8,153</u>
 Total Revenue Bonds and Direct Placements	 \$53,748
Less: Unamortized portion of revenue bond discounts	31
Current portion of revenue bonds payable	<u>6,076</u>
	<u>\$47,641</u>

Bonds payable are reported net of any applicable discounts. Bond discounts are deferred and amortized over the life of the bonds using the effective interest method.

Unresolved events of default on direct placements for (a) failure to make payments of principal or interest, (b) dissolution or bankruptcy of FPUA, (c) defaults with the covenants, agreements or provisions of the bond resolution, or (d) if final judgement is rendered shall result in interest rates escalating to Prime plus 6% with and additional assessment of 6% on overdue amounts.

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Requirements to amortize all revenue bonds outstanding as of September 30, 2021 are as follows:

Year Ending September 30	Revenue Bonds		Direct Placements		Total
	Principal	Interest	Principal	Interest	
2022	5,755	1,351	321	168	7,595
2023	5,810	1,288	328	161	7,587
2024	5,875	1,224	335	153	7,587
2025	5,940	1,154	343	146	7,583
2026	2,985	1,004	3,375	74	7,438
2027-2030	20,645	1,900	3,451	-	25,996
	47,010	7,921	8,153	702	63,786
Future accretion on CABs	(1,415)	1,415	-	-	-
	<u>\$ 45,595</u>	<u>\$ 9,336</u>	<u>\$ 8,153</u>	<u>\$ 702</u>	<u>\$ 63,786</u>

Significant Bond Covenants for Utilities Revenue Bonds

The Series 1999, 2009 and 2016 bond issues provide that FPUA accumulate monthly 1/6 of the amount of all interest due on the next semi-annual interest payment date, and 1/12 of the amount of principal due and payable on the next principal maturity date. Additionally, FPUA's Master Bond Resolution requires renewal and replacement, emergency reserve and debt service reserve subaccount funds with minimum requirements of \$500, \$900 and \$5,457, respectively. These reserves are funded in the amounts of \$500, \$900 and \$5,457 respectively, at September 30, 2021.

Redemption Options Prior to Maturity

The Series 2016 Utilities Refunding Revenue Bonds maturing on October 1, 2026 with an interest rate of 2.14% are redeemable anytime at the option of FPUA. Any full or partial prepayment will carry a fee equal to the greater of (i) 1.00% of the principal balance multiplied by the number of years remaining or (ii) a 'Yield Maintenance Fee'.

The Series 2009 Bonds maturing on October 1, 2029 with an interest rate of 4.70% are redeemable prior to their stated date of maturity, at the option of FPUA, on or after October 1, 2014 at par plus accrued interest to the redemption date. The Series 2009 Bonds maturing on or after October 1, 2020 (excluding those maturing on October 1, 2029 with an interest rate of 4.70%) are redeemable prior to their stated date of maturity, at the option of FPUA, on or after October 1, 2019 at par plus accrued interest to the redemption date.

FORT PIERCE UTILITIES AUTHORITY
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 September 30, 2021
 (Dollars in Thousands)

NOTE M – CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Revenue Bonds	\$ 50,396	\$ 899	\$ (5,700)	\$ 45,595	\$ 5,755
Direct Placement	8,468	-	(315)	8,153	321
Bond Discounts	(37)	-	6	(31)	-
Net Pension Liability	10,486	-	(10,255)	231	-
Capital Leases	85	-	(34)	51	40
Compensated Absences	2,181	1,708	(1,692)	2,197	276
Other Postemployment Benefits	<u>1,228</u>	<u>60</u>	<u>(110)</u>	<u>1,178</u>	<u>-</u>
Long Term Liabilities	<u><u>\$ 72,807</u></u>	<u><u>\$ 2,667</u></u>	<u><u>\$ (18,100)</u></u>	<u><u>\$ 57,374</u></u>	<u><u>\$ 6,392</u></u>

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(Dollars in Thousands)

NOTE N – DISTRIBUTION TO THE GENERAL FUND, CITY OF FORT PIERCE

As provided by Article XII, Section 178 of the Charter of the City of Fort Pierce, Florida, six percent of FPUA’s utility systems gross revenues, as defined therein, is distributed to the City’s General Fund on an annual basis. The distribution calculation is based on the preceding fiscal year’s audited financial statements. The following is the computation of the amounts distributable to the General Fund during the year ending September 30, 2021:

Gross Revenue	\$ 113,611
Plus:	
Power Cost Adjustment	4,623
Gas Piping and Appliance Costs	127
	118,361
Less:	
Capital Contributions	6,111
FMPA O&M Contract Income	1,968
FPUAnet Operating Revenue	383
Manatee Observation and Education Center Operating Revenue	366
Purchased Gas Adjustment	336
Revenue for City Billing	187
Gas Piping and Appliance Revenue	174
Grant Revenue	97
	97
Adjusted Gross Revenue	\$ 108,739
Amount distributable to General Fund, City of Fort Pierce	\$ 6,524

NOTE O – TRANSACTIONS WITH THE CITY OF FORT PIERCE

As an enterprise fund of the City of Fort Pierce, transactions occur between FPUA and the City throughout the year in the ordinary course of operations. Below is a summary of significant transactions:

Metered and Non-metered Service Charges - FPUA bills the City on a monthly basis for all metered and non-metered services. Total amounts charged to the City for the year ended September 30, 2021, were \$1,702. Current accounts receivable from the City at September 30, 2021, totaled \$410.

FORT PIERCE UTILITIES AUTHORITY**Notes to Financial Statements**

September 30, 2021

(Dollars in Thousands)

Sanitation, Clean Community Fees and Utility Tax Billings - Charges to City residents for sanitation services, clean community fees and utility tax are included on FPUA's monthly billing statements to customers as a service to the City. FPUA acts only as an agent, with all cash collections relating to these charges forwarded monthly to the City. The City is charged \$187 annually by FPUA to bill, collect and remit payment for sanitation services and clean community fees.

Disbursements made to the City by FPUA, including payments of utility tax, sanitation charges collected and other routine charges for the year ended September 30, 2021, were \$11,748. In addition, FPUA paid the September 30, 2020 General Fund distribution to the City in the amount of \$6,342. Amounts payable to the City at September 30, 2021, were \$1,082.

Vehicle Fuel - The City charges FPUA for fuel used by FPUA vehicles. FPUA reciprocates by permitting the City to fuel their vehicles as needed at FPUA pumps and in turn bills the City for fuel used in their vehicles.

NOTE P – SUBSEQUENT EVENTS

Subsequent to year end, FPUA has embarked on the refunding of the Series 2009 Utilities Refunding Revenue Bonds. In addition this refunding FPUA is pursuing new debt in the amount of \$28.4 million for proposed Advanced Meter Infrastructure (AMI) and other System Expansion projects. Both a financial feasibility study and consulting engineer's report on the expansion projects are underway.

FPUA is also facing the task of moving their Wastewater Reclamation Facility that sits on Hutchinson Island along the Indian River Lagoon. The anticipated mandate, for environmental reasons, by federal and state environmental agencies to relocate the plant away from the Indian River Lagoon has prompted management to consider additional new debt issuance. The design, construction and rerouting of the wastewater collection system and the decommissioning of the existing plant is estimated to be \$118 million accounting for inflation of 3.5% per year. Funding of approximately 85% (\$100 M) for the completion of the initial phase. Grant money is being pursued to fund the remaining costs for completion.



Required Supplementary Information

FORT PIERCE UTILITIES AUTHORITY
Schedule of Proportionate Share of the Net Pension Liability
For the City of Fort Pierce Retirement and Benefit System
(Dollars in Thousands)

Fiscal Year Ending September 30,	FPUA Proportion of the NPL	FPUA Proportionate Share of the NPL	FPUA Covered Payroll	NPL as a % of Covered Payroll	Plan Net Position as a % of Total Pension Liability
2021	48.73%	\$ 231	\$15,654	1.47%	99.81%
2020	45.44%	10,486	15,814	66.31%	90.33%
2019	48.01%	11,606	15,007	77.34%	89.42%
2018	48.48%	7,408	13,401	55.28%	93.12%
2017	50.75%	10,090	13,209	76.39%	90.74%
2016	44.84%	6,655	12,508	53.21%	92.51%
2015	41.74%	5,528	12,431	44.47%	92.95%
2014	41.74%	1,750	11,835	14.79%	98.20%

This schedule will show information for 10 years when that information is available.

Required Supplementary Information

FORT PIERCE UTILITIES AUTHORITY
Schedule of Proportionate Share of Employer Contributions
For the City of Fort Pierce Retirement and Benefit System
(Dollars in Thousands)

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2021	\$ 2,575	\$ 2,575	\$ -	\$15,654	16.45%
2020	2,775	2,775	-	15,814	17.55%
2019	2,717	2,717	-	15,007	18.10%
2018	2,402	2,402	-	13,401	17.92%
2017	2,147	2,147	-	13,209	16.25%
2016	2,039	2,039	-	12,508	16.30%
2015	2,087	2,087	-	12,431	16.79%
2014	2,053	2,053	-	11,835	17.35%

This schedule will show information for 10 years when that information is available.

Required Supplementary Information

FORT PIERCE UTILITIES AUTHORITY
Other Postemployment Benefits (OPEB)
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Four Fiscal Years
(Dollars in Thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 32	\$ 29	\$ 27	\$ 20
Interest	28	33	37	33
Differences between expected and actual experience	(5)	282	133	(51)
Implicit Rate Subsidy	(105)	(105)	(64)	(41)
Net change in total OPEB liability	(50)	239	133	(39)
Total OPEB liability - beginning	1,228	989	856	895
Total OPEB liability - ending	<u>\$ 1,178</u>	<u>\$ 1,228</u>	<u>\$ 989</u>	<u>\$ 856</u>
Covered - employee payroll	\$ 17,472	\$ 17,191	\$ 16,497	\$ 15,211
Total OPEB liability as a percentage of covered - employee payroll	6.74%	7.14%	6.00%	5.63%

This schedule will show information for 10 years when that information is available.

Statistical Section Contents

This part of the Fort Pierce Utilities Authority’s (FPUA) Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosure, and required supplementary information says about FPUA’s overall financial health. Statistical information for the current period, as well as nine years prior, is presented in this section. Historical data that is unavailable for the full nine years prior has been presented to include the earliest periods for which that information is readily accessible.

Contents	Page
<p><u>Financial Trends</u></p> <p>These schedules contain trend information to help the reader understand how FPUA’s financial performance and well being has changed over time.</p>	64-69
<p><u>Revenue Capacity</u></p> <p>These schedules contain information to help the reader assess FPUA’s local revenue source.</p>	73-80
<p><u>Debt Capacity</u></p> <p>These schedules present information to help the reader assess FPUA’s debt burden and its ability to issue additional debt in the future.</p>	82-83
<p><u>Demographic and Economic Information</u></p> <p>This schedule offers demographic and economic indicators to help the reader understand the environment in which FPUA’s financial activities take place.</p>	86-87
<p><u>Operating Information</u></p> <p>These schedules contain service and infrastructure data to help the reader understand how the information in FPUA’s financial report relates to the services FPUA provides and the activities it performs.</p>	90-101

Sources: Unless otherwise noted, the information in these schedules was obtained from the Annual Comprehensive Financial Reports for the relevant year.



FINANCIAL TRENDS

FORT PIERCE UTILITIES AUTHORITY
Statement of Net Position - Assets and Deferred Outflows
 Last Ten Fiscal Years
 (Dollars in Thousands)

	2021	2020	2019
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets:			
Equity in Pooled Cash and Investments	\$ 20,786	\$ 24,808	\$ 30,506
Accounts Receivable, Net of Allowance for Uncollectible Accounts	6,621	7,896	7,549
Unbilled Receivables	6,428	6,106	5,221
Due from Other Governments	914	1,418	1,793
Inventories and Other Current Assets	6,932	5,346	4,501
Restricted Equity in Pooled Cash and Investments	15,147	12,800	13,038
Restricted Cash with Fiscal Agent	6,460	6,432	6,404
Total Current Assets	<u>63,288</u>	<u>64,806</u>	<u>69,012</u>
Noncurrent Assets:			
Capital Assets:			
Utility Plant in Service	492,754	468,621	457,592
Construction Work in Progress	18,067	24,977	17,483
Less Accumulated Depreciation	<u>(290,363)</u>	<u>(276,799)</u>	<u>(263,908)</u>
Total Capital Assets (net of Accumulated Depreciation)	220,458	216,799	211,167
Other Noncurrent Assets:			
Restricted Equity in Pooled Cash and Investments	6,857	6,857	6,857
FMPA Working Capital Receivable	1,919	1,919	1,919
Preliminary Survey	62	-	-
Investment in Public Gas Partners Pool	-	34	359
Total Other Noncurrent Assets	<u>8,838</u>	<u>8,810</u>	<u>9,135</u>
Total Assets	<u>292,584</u>	<u>290,415</u>	<u>289,314</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflow	1,443	1,505	3,328
Deferred OPEB Outflow	282	339	114
Deferred Amount on Debt Refunding	64	80	97
Advance Distribution to General Fund - City of Fort Pierce	-	-	-
Total Deferred Outflows	<u>1,789</u>	<u>1,924</u>	<u>3,539</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 294,373</u>	<u>\$ 292,339</u>	<u>\$ 292,853</u>

FORT PIERCE UTILITIES AUTHORITY
Statement of Net Position - Assets and Deferred Outflows
 Last Ten Fiscal Years
 (Dollars in Thousands)

2018	2017	2016	2015	2014	2013	2012
\$ 28,616	\$ 26,661	\$ 23,163	\$ 27,712	\$ 29,371	\$ 32,533	\$ 30,179
7,820	8,489	9,072	8,149	7,256	7,137	7,438
6,306	5,626	5,432	5,534	5,959	5,380	5,260
1,962	2,085	424	422	447	447	547
4,723	4,514	4,546	5,009	4,877	4,716	4,679
12,831	13,946	22,349	20,757	20,306	14,483	13,991
6,379	6,353	1,083	1,308	1,300	7,471	7,819
<u>68,637</u>	<u>67,674</u>	<u>66,069</u>	<u>68,891</u>	<u>69,516</u>	<u>72,167</u>	<u>69,913</u>
455,645	446,447	434,848	423,324	414,941	411,561	406,146
18,052	20,124	22,547	24,768	20,472	15,750	15,485
(259,869)	(253,514)	(241,651)	(231,252)	(219,917)	(210,951)	(199,294)
<u>213,828</u>	<u>213,057</u>	<u>215,744</u>	<u>216,840</u>	<u>215,496</u>	<u>216,360</u>	<u>222,337</u>
6,857	6,857	6,857	6,703	6,703	6,703	6,703
1,919	1,919	1,919	1,919	1,919	1,919	1,919
68	41	41	6	29	29	30
428	486	537	587	624	658	830
<u>9,272</u>	<u>9,303</u>	<u>9,354</u>	<u>9,215</u>	<u>9,275</u>	<u>9,309</u>	<u>9,482</u>
<u>291,737</u>	<u>290,034</u>	<u>291,167</u>	<u>294,946</u>	<u>294,287</u>	<u>297,836</u>	<u>301,732</u>
3,701	5,737	3,880	3,689	-	-	-
-	-	-	-	-	-	-
115	132	151	-	-	-	-
-	-	-	1,251	1,250	-	-
<u>3,816</u>	<u>5,869</u>	<u>4,031</u>	<u>4,940</u>	<u>1,250</u>	<u>-</u>	<u>-</u>
<u>\$ 295,553</u>	<u>\$ 295,903</u>	<u>\$ 295,198</u>	<u>\$ 299,886</u>	<u>\$ 295,537</u>	<u>\$ 297,836</u>	<u>\$ 301,732</u>

FORT PIERCE UTILITIES AUTHORITY
Statement of Net Position - Liabilities, Deferred Inflows and Net Position
 Last Ten Fiscal Years
 (Dollars in Thousands)

	2021	2020	2019
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Expenses	\$ 9,855	\$ 9,546	\$ 7,969
Due to City of Fort Pierce	950	942	858
Customer Deposits - restricted assets	8,864	8,735	8,481
Revenue Bonds Payable - restricted assets	6,076	6,015	5,953
Accrued Interest Payable - restricted assets	792	822	853
Accrued Compensated Absences	276	-	-
Due to St. Lucie County	-	-	-
Capital Leases Payable	40	34	29
Other Current Liabilities	501	598	623
Total Current Liabilities	<u>27,354</u>	<u>26,692</u>	<u>24,766</u>
Noncurrent Liabilities:			
Revenue Bonds Payable, Net of Unamortized Discounts	47,641	52,812	57,728
Accrued Compensated Absences	1,921	2,181	2,211
Other Postemployment Benefits	1,178	1,228	989
Net Pension Liability	231	10,486	11,606
Due to St. Lucie County	-	-	-
Capital Leases Payable	11	51	85
Other Noncurrent Liabilities	-	-	-
Total Noncurrent Liabilities	<u>50,982</u>	<u>66,758</u>	<u>72,619</u>
Total Liabilities	78,336	93,450	97,385
DEFERRED INFLOWS OF RESOURCES			
Purchased Power and Gas Over-Recovery	1,985	3,133	4,881
Deferred Pension Inflow	8,975	674	441
Deferred OPEB Inflow	26	29	37
Deferred Amount on Debt Refunding	-	-	-
Total Deferred Inflow of Resources	<u>10,986</u>	<u>3,836</u>	<u>5,359</u>
NET POSITION			
Net Investment in Capital Assets	173,685	167,218	160,527
Restricted Capital Improvement Charges	5,875	3,660	4,155
Restricted For Debt Service	5,457	5,457	5,457
Restricted For Emergencies	900	900	900
Restricted For Renewals & Replacements	500	500	500
Unrestricted	<u>18,634</u>	<u>17,318</u>	<u>18,570</u>
Total Net Position	<u>205,051</u>	<u>195,053</u>	<u>190,109</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 294,373</u>	<u>\$ 292,339</u>	<u>\$ 292,853</u>

FORT PIERCE UTILITIES AUTHORITY
Statement of Net Position - Liabilities, Deferred Inflows and Net Position
 Last Ten Fiscal Years
 (Dollars in Thousands)

	2018	2017	2016	2015	2014	2013	2012
\$	8,977	\$ 8,973	\$ 7,900	\$ 9,577	\$ 10,066	\$ 9,295	\$ 7,785
	802	746	913	781	766	732	699
	8,280	8,029	8,024	7,803	7,445	7,205	6,869
	5,897	5,840	7,367	7,086	6,987	6,653	5,955
	881	908	971	1,145	1,197	1,356	1,864
	-	-	24	170	55	-	82
	77	-	-	-	-	-	-
	24	11	38	31	26	22	39
	658	835	859	873	832	1,312	1,351
	<u>25,596</u>	<u>25,342</u>	<u>26,096</u>	<u>27,466</u>	<u>27,374</u>	<u>26,575</u>	<u>24,644</u>
	62,403	66,851	71,085	76,754	82,375	87,978	92,493
	2,015	1,968	1,778	1,592	1,878	1,830	1,675
	856	742	711	681	622	564	509
	7,408	10,090	6,655	5,528	1,750	-	-
	-	125	132	137	137	177	189
	114	-	11	49	80	105	-
	-	-	-	-	713	757	700
	<u>72,796</u>	<u>79,776</u>	<u>80,372</u>	<u>84,741</u>	<u>87,555</u>	<u>91,411</u>	<u>95,566</u>
	98,392	105,118	106,468	112,207	114,929	117,986	120,210
	4,482	2,416	3,516	5,695	3,204	2,255	3,147
	2,803	683	217	-	-	-	-
	43	-	-	-	-	-	-
	-	-	-	10	30	60	-
	<u>7,328</u>	<u>3,099</u>	<u>3,733</u>	<u>5,705</u>	<u>3,234</u>	<u>2,315</u>	<u>3,147</u>
	161,387	140,472	137,376	132,679	125,879	121,697	123,978
	4,152	5,521	7,070	6,031	5,977	6,740	7,122
	5,457	5,457	5,457	4,930	4,534	4,139	3,744
	900	900	900	1,273	1,668	2,000	2,000
	500	500	500	500	500	564	959
	<u>17,437</u>	<u>34,836</u>	<u>33,694</u>	<u>36,561</u>	<u>40,566</u>	<u>42,395</u>	<u>40,572</u>
	<u>189,833</u>	<u>187,686</u>	<u>184,997</u>	<u>181,974</u>	<u>179,124</u>	<u>177,535</u>	<u>178,375</u>
\$	<u>295,553</u>	<u>295,903</u>	<u>295,198</u>	<u>299,886</u>	<u>297,287</u>	<u>297,836</u>	<u>301,732</u>

FORT PIERCE UTILITIES AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
 Last Ten Fiscal Years
 (Dollars in Thousands)

	FY 2021	FY 2020	FY 2019	FY 2018
OPERATING REVENUES				
Residential Sales	\$ 44,551	\$ 43,677	\$ 42,205	\$ 41,364
General Service Sales	56,187	53,670	54,726	54,347
Sales for Resale	2,186	2,204	1,062	894
Other Operating Revenues	1,991	1,745	3,402	3,605
Total Operating Revenues	104,915	101,296	101,395	100,210
OPERATING EXPENSES				
Purchases for Resale	43,369	41,925	43,796	43,289
Plant Operations	6,411	6,249	5,917	5,771
Field Operations	10,837	10,459	10,107	9,647
General and Administrative	17,755	19,242	20,716	18,580
Depreciation	14,263	13,384	13,959	12,993
Total Operating Expenses	92,635	91,259	94,495	90,280
OPERATING INCOME	12,280	10,037	6,900	9,930
NONOPERATING REVENUES (EXPENSES)				
Investment and Other Income	2,483	2,810	3,044	2,654
Grant Revenue	97	159	423	457
Gain (Loss) on Disposal of Capital Assets	5	4	29	(122)
TCEC Expenses	(1,968)	(2,332)	(2,285)	(1,828)
Storm Expenses	(83)	(25)	(264)	(19)
Interest Expense	(2,585)	(2,825)	(3,044)	(3,077)
Distribution to City of Fort Pierce	(6,342)	(6,276)	(6,125)	(6,139)
Total Nonoperating Revenues (Expenses)	(8,393)	(8,485)	(8,222)	(8,074)
INCOME BEFORE CAPITAL CONTRIBUTIONS	3,887	1,552	(1,322)	1,856
Capital Contributions	6,111	3,392	1,501	292
INCOME BEFORE EXTRAORDINARY ITEMS	9,998	4,944	179	2,148
Extraordinary Income (Expense)	-	-	97	(1)
CHANGE IN NET POSITION	9,998	4,944	276	2,147
Net Position - Beginning of Year	195,053	190,109	189,833	187,686
Net Position - End of Year	<u>\$ 205,051</u>	<u>\$ 195,053</u>	<u>\$ 190,109</u>	<u>\$ 189,833</u>

FORT PIERCE UTILITIES AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
 Last Ten Fiscal Years
 (Dollars in Thousands)

FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
\$ 42,237	\$ 41,432	\$ 39,558	\$ 39,565	\$ 38,489	\$ 38,275
55,839	53,811	52,964	55,899	55,518	55,162
953	914	874	799	854	882
3,621	2,264	2,162	2,272	2,172	2,171
<u>102,650</u>	<u>98,421</u>	<u>95,558</u>	<u>98,534</u>	<u>97,033</u>	<u>96,490</u>
45,523	43,783	42,304	45,347	44,800	44,356
5,577	5,313	5,325	5,247	5,127	5,336
9,360	9,062	8,641	8,716	8,579	8,236
17,740	16,997	15,802	15,078	14,546	14,645
12,774	13,097	12,461	14,991	15,300	15,253
<u>90,974</u>	<u>88,252</u>	<u>84,533</u>	<u>89,379</u>	<u>88,352</u>	<u>87,826</u>
11,676	10,169	11,025	9,155	8,681	8,664
2,215	2,011	2,150	1,972	1,913	2,149
421	-	81	6	12	8
20	125	21	260	48	62
(1,794)	(1,699)	(1,809)	(1,668)	(1,654)	(1,642)
(297)	-	-	-	-	-
(3,325)	(3,445)	(3,594)	(3,582)	(5,105)	(4,632)
(5,969)	(5,809)	(5,735)	(5,605)	(5,366)	(4,767)
<u>(8,729)</u>	<u>(8,817)</u>	<u>(8,886)</u>	<u>(8,617)</u>	<u>(10,152)</u>	<u>(8,822)</u>
2,947	1,352	2,139	538	(1,471)	(158)
(256)	1,650	2,471	1,478	1,392	1,229
2,691	3,002	4,610	2,016	(79)	1,071
(2)	21	(10)	(427)	(761)	(1,200)
2,689	3,023	4,600	1,589	(840)	(129)
<u>184,997</u>	<u>181,974</u>	<u>177,374</u>	<u>177,535</u>	<u>178,375</u>	<u>178,504</u>
<u>\$ 187,686</u>	<u>\$ 184,997</u>	<u>\$ 181,974</u>	<u>\$ 179,124</u>	<u>\$ 177,535</u>	<u>\$ 178,375</u>



REVENUE CAPACITY



FORT PIERCE UTILITIES AUTHORITY
Average Number of Services Billed By System
Last Ten Fiscal Years

FISCAL YEAR	ELECTRIC	WATER	NATURAL GAS	WASTEWATER	INTERNET SERVICES
FY 2021	28,870	21,470	4,110	15,820	60
FY 2020	28,749	21,124	4,117	15,585	61
FY 2019	28,527	20,725	4,111	15,316	70
FY 2018	28,265	20,356	4,099	15,107	70
FY 2017	28,287	20,221	4,128	15,084	71
FY 2016	28,299	20,079	4,166	15,069	76
FY 2015	28,221	19,929	4,189	15,038	77
FY 2014	28,096	19,756	4,223	14,987	78
FY 2013	27,630	19,248	4,179	14,635	76
FY 2012	27,765	19,276	4,189	14,450	75

FORT PIERCE UTILITIES AUTHORITY
Operating Revenues By System

Last Ten Fiscal Years

(Dollars in Thousands)

	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2018</u>
ELECTRIC				
Residential				
Inside the City	\$ 23,509	\$ 23,378	\$ 22,671	\$ 22,387
Outside the City	5,763	5,719	5,589	5,527
General Service				
Inside the City	28,993	28,298	29,025	29,487
Outside the City	5,235	5,112	5,307	5,312
Other Retail	515	515	515	508
Other Operating Revenues	813	564	1,025	1,065
Total Electric Operating Revenues	<u>64,828</u>	<u>63,586</u>	<u>64,132</u>	<u>64,286</u>
WATER				
Residential				
Inside the City	5,654	5,346	5,067	4,877
Outside the City	2,217	2,098	1,965	1,837
General Service				
Inside the City	6,174	5,882	5,970	5,793
Outside the City	3,221	3,096	2,880	2,515
Sales for Resale	2,186	2,204	1,061	894
Other Operating Revenues	370	342	691	431
Total Water Operating Revenues	<u>19,822</u>	<u>18,968</u>	<u>17,634</u>	<u>16,347</u>
GAS				
Sales Revenue				
Residential	1,240	1,185	1,203	1,212
Heat Only	9	8	8	9
General Service	3,953	3,166	3,610	3,429
Other Operating Revenues	59	56	67	61
Total Gas Operating Revenues	<u>5,261</u>	<u>4,415</u>	<u>4,888</u>	<u>4,711</u>
WASTEWATER				
Residential				
Inside the City	5,484	5,290	5,104	4,929
Outside the City	678	656	601	587
General Service				
Inside the City	5,843	5,518	5,518	5,640
Outside the City	2,054	1,898	1,726	1,507
Other Operating Revenues	196	165	898	1,298
Total Wastewater Operating Revenues	<u>14,255</u>	<u>13,527</u>	<u>13,847</u>	<u>13,961</u>
MANATEE OBSERVATION AND EDUCATION CENTER				
Total MOEC Operating Revenues	366	429	429	435
FPUAnet COMMUNICATIONS				
Total FPUAnet Communications Operating Revenues	<u>383</u>	<u>371</u>	<u>465</u>	<u>470</u>
TOTAL OPERATING REVENUES	<u><u>\$104,915</u></u>	<u><u>\$101,296</u></u>	<u><u>\$101,395</u></u>	<u><u>\$100,210</u></u>

FORT PIERCE UTILITIES AUTHORITY
Operating Revenues By System
 Last Ten Fiscal Years
 (Dollars in Thousands)

FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
\$ 23,105	\$22,718	\$ 21,434	\$21,724	\$21,325	\$21,460
5,641	5,600	5,255	5,282	5,281	5,378
30,038	29,077	28,423	30,507	31,515	32,280
5,171	5,039	4,958	5,235	5,254	5,393
1,711	1,680	1,750	1,979	2,012	1,895
1,022	1,042	1,024	1,074	1,115	1,051
<u>66,688</u>	<u>65,156</u>	<u>62,844</u>	<u>65,801</u>	<u>66,502</u>	<u>67,457</u>
4,876	4,710	4,546	4,351	4,054	3,855
1,790	1,680	1,597	1,494	1,367	1,277
5,868	5,498	5,305	5,169	4,813	4,807
2,638	2,625	2,381	2,519	2,249	2,348
953	914	874	799	854	882
689	110	101	156	119	124
<u>16,814</u>	<u>15,537</u>	<u>14,804</u>	<u>14,488</u>	<u>13,456</u>	<u>13,293</u>
1,196	1,192	1,240	1,293	1,251	1,215
9	11	12	13	13	11
3,367	3,106	3,511	3,813	3,331	2,400
73	69	85	82	53	75
<u>4,645</u>	<u>4,378</u>	<u>4,848</u>	<u>5,201</u>	<u>4,648</u>	<u>3,701</u>
4,963	4,874	4,826	4,763	4,564	4,459
582	572	574	570	555	541
5,688	5,547	5,280	5,305	4,973	4,918
1,433	1,314	1,428	1,446	1,449	1,198
928	141	126	180	143	234
<u>13,594</u>	<u>12,448</u>	<u>12,234</u>	<u>12,264</u>	<u>11,684</u>	<u>11,350</u>
444	410	390	350	348	337
465	492	438	430	395	352
<u>\$102,650</u>	<u>\$98,421</u>	<u>\$ 95,558</u>	<u>\$98,534</u>	<u>\$97,033</u>	<u>\$96,490</u>

FORT PIERCE UTILITIES AUTHORITY
Unit Sales By System
 Last Ten Fiscal Years

	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2018</u>
ELECTRIC SALES (MWh)				
General Service				
Inside the City	206,495	204,535	274,339	268,973
Outside the City	<u>48,539</u>	<u>47,986</u>	<u>47,597</u>	<u>44,915</u>
Total General Service	255,034	252,521	321,936	313,888
Residential				
Inside the City	274,385	266,890	199,503	188,706
Outside the City	<u>47,508</u>	<u>46,471</u>	<u>47,204</u>	<u>44,725</u>
Total Residential	<u>321,893</u>	<u>313,361</u>	<u>246,707</u>	<u>233,431</u>
Total Sales	<u><u>576,927</u></u>	<u><u>565,882</u></u>	<u><u>568,643</u></u>	<u><u>547,319</u></u>
WATER SALES - 1,000 GALLONS				
General Service				
Inside the City	973,438	936,306	977,228	953,524
Outside the City	<u>569,684</u>	<u>556,032</u>	<u>519,213</u>	<u>448,681</u>
Total General Service	1,543,122	1,492,338	1,496,441	1,402,205
Residential				
Inside the City	753,198	718,156	687,026	678,972
Outside the City	<u>224,466</u>	<u>217,524</u>	<u>207,312</u>	<u>195,718</u>
Total Residential	977,664	935,680	894,338	874,690
Sales for Resale	<u>447,273</u>	<u>458,579</u>	<u>343,496</u>	<u>314,748</u>
Total Sales	<u><u>2,968,059</u></u>	<u><u>2,886,597</u></u>	<u><u>2,734,275</u></u>	<u><u>2,591,643</u></u>
NATURAL GAS SALES (ccf)				
General Service	2,788,752	2,418,710	2,538,305	2,224,479
Residential	431,705	433,924	430,370	440,858
Heat Only				
General Service	185	171	8	738
Residential Service	611	563	580	278
Contract Natural Gas	<u>1,717,644</u>	<u>1,711,290</u>	<u>1,688,760</u>	<u>1,635,710</u>
Total Sales	<u><u>4,938,897</u></u>	<u><u>4,564,658</u></u>	<u><u>4,658,023</u></u>	<u><u>4,302,063</u></u>
WASTEWATER BILLED - 1,000 GALLONS				
General Service				
Inside the City	767,094	709,374	730,146	725,643
Outside the City	<u>255,994</u>	<u>254,566</u>	<u>218,172</u>	<u>182,984</u>
Total General Service	1,023,088	963,940	948,318	908,627
Residential				
Inside the City	645,001	614,653	586,400	577,746
Outside the City	<u>53,386</u>	<u>53,105</u>	<u>49,668</u>	<u>47,981</u>
Total Residential	<u>698,387</u>	<u>667,758</u>	<u>636,068</u>	<u>625,727</u>
Total Sales	<u><u>1,721,475</u></u>	<u><u>1,631,698</u></u>	<u><u>1,584,386</u></u>	<u><u>1,534,354</u></u>

FORT PIERCE UTILITIES AUTHORITY
Unit Sales By System
 Last Ten Fiscal Years

<u>FY 2017</u>	<u>FY 2016</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2013</u>	<u>FY 2012</u>
273,618	272,166	267,525	265,950	264,278	271,001
43,915	44,243	43,850	42,305	41,000	41,285
<u>317,533</u>	<u>316,409</u>	<u>311,375</u>	<u>308,255</u>	<u>305,278</u>	<u>312,286</u>
190,973	193,198	184,261	172,628	164,672	165,063
44,912	45,883	43,522	40,445	39,293	39,657
<u>235,885</u>	<u>239,081</u>	<u>227,783</u>	<u>213,073</u>	<u>203,965</u>	<u>204,720</u>
<u><u>553,418</u></u>	<u><u>555,490</u></u>	<u><u>539,158</u></u>	<u><u>521,328</u></u>	<u><u>509,243</u></u>	<u><u>517,006</u></u>
961,850	907,134	896,997	891,635	863,507	925,939
478,576	485,639	442,529	498,887	460,394	527,997
<u>1,440,426</u>	<u>1,392,773</u>	<u>1,339,526</u>	<u>1,390,522</u>	<u>1,323,901</u>	<u>1,453,936</u>
694,146	665,354	664,402	644,116	636,431	652,425
195,685	181,754	179,748	169,702	164,871	167,297
<u>889,831</u>	<u>847,108</u>	<u>844,150</u>	<u>813,818</u>	<u>801,302</u>	<u>819,722</u>
<u>335,494</u>	<u>327,819</u>	<u>320,144</u>	<u>302,486</u>	<u>340,834</u>	<u>367,595</u>
<u><u>2,665,751</u></u>	<u><u>2,567,700</u></u>	<u><u>2,503,820</u></u>	<u><u>2,506,826</u></u>	<u><u>2,466,037</u></u>	<u><u>2,641,253</u></u>
2,114,141	2,024,641	2,091,516	2,006,259	2,254,172	2,142,737
427,855	436,048	453,139	450,403	480,393	473,387
104	181	128	173	258	215
494	857	1,605	1,215	1,333	1,272
<u>1,624,410</u>	<u>1,593,130</u>	<u>1,642,320</u>	<u>1,670,980</u>	<u>1,259,670</u>	<u>63,230</u>
<u><u>4,167,004</u></u>	<u><u>4,054,857</u></u>	<u><u>4,188,708</u></u>	<u><u>4,129,030</u></u>	<u><u>3,995,826</u></u>	<u><u>2,680,841</u></u>
740,121	712,513	687,268	682,611	655,667	680,739
170,391	158,987	177,356	178,122	185,993	149,452
<u>910,512</u>	<u>871,500</u>	<u>864,624</u>	<u>860,733</u>	<u>841,660</u>	<u>830,191</u>
592,358	567,945	568,243	552,000	545,418	558,685
49,491	46,633	49,849	47,286	47,361	49,426
<u>641,849</u>	<u>614,578</u>	<u>618,092</u>	<u>599,286</u>	<u>592,779</u>	<u>608,111</u>
<u><u>1,552,361</u></u>	<u><u>1,486,078</u></u>	<u><u>1,482,716</u></u>	<u><u>1,460,019</u></u>	<u><u>1,434,439</u></u>	<u><u>1,438,302</u></u>

FORT PIERCE UTILITIES AUTHORITY
Ten Year Rate Analysis
Residential Rates
 (Month of September)

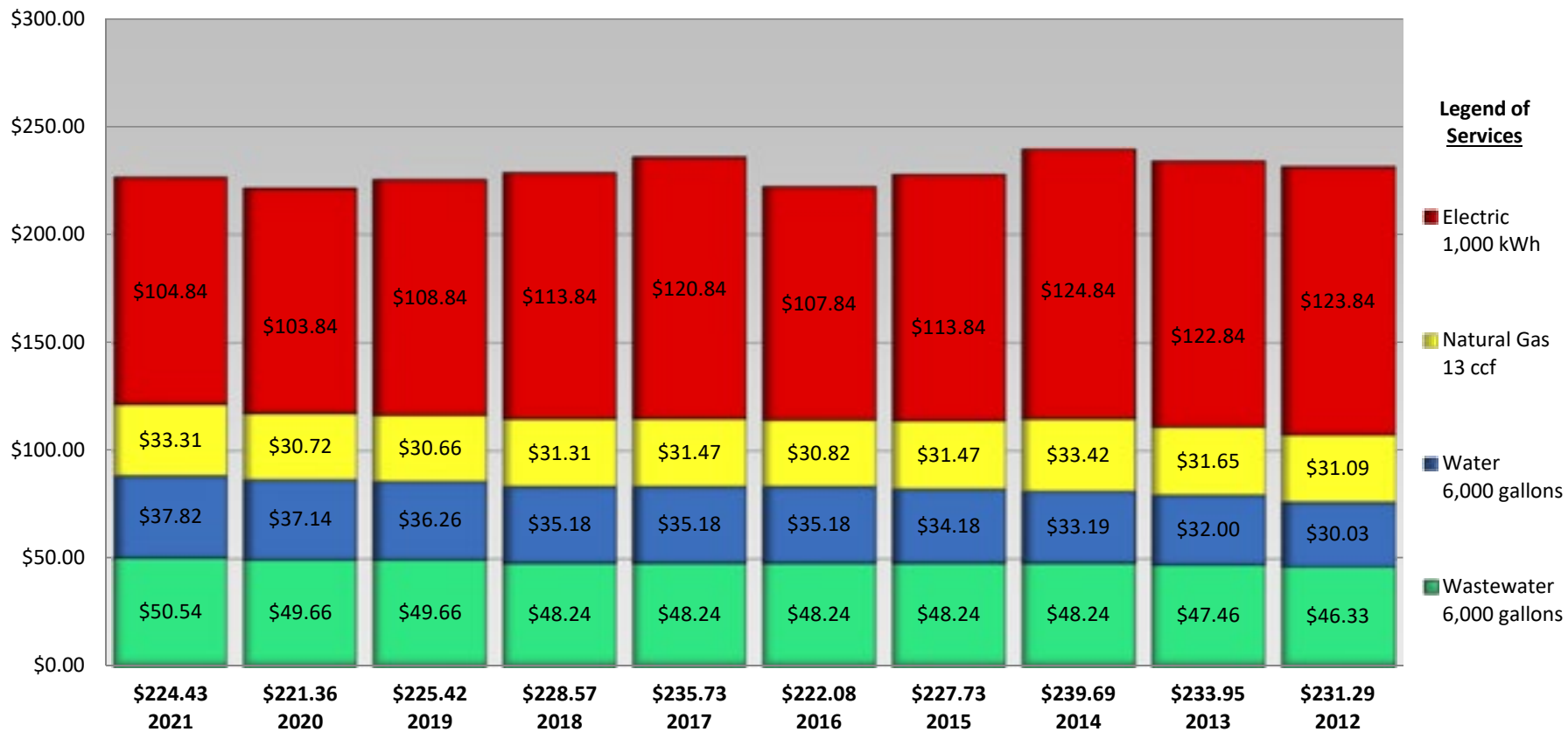
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
ELECTRIC										
Customer Charge ⁽¹⁾	\$ 6.01	\$ 6.01	\$ 6.01	\$ 6.01	\$ 6.01	\$ 6.01	\$ 6.01	\$ 6.01	\$ 6.01	\$ 6.01
Rate Per kWh (up to 750 kWh)	0.10822	0.10822	0.10822	0.10822	0.10822	0.10822	0.10822	0.10822	0.10922	0.11322
PCA Per kWh ⁽²⁾	(0.01200)	(0.01300)	(0.00800)	(0.00300)	0.00400	(0.00900)	(0.00300)	0.00800	0.00500	0.00200
GAS										
Customer Charge ⁽¹⁾	\$ 13.94	\$ 13.69	\$ 13.37	\$ 13.37	\$ 13.14	\$ 13.14	\$ 13.14	\$ 13.14	\$ 12.93	\$ 12.63
Rate Per CCF (up to 100 CCF)	1.52	1.50	1.48	1.48	1.46	1.46	1.46	1.46	1.44	1.42
PGA Per CCF ⁽³⁾	(0.03000)	(0.19000)	(0.15000)	(0.10000)	(0.05000)	(0.10000)	(0.05000)	0.10000	-	-
WATER										
Customer Charge ⁽¹⁾	\$ 14.90	\$ 14.64	\$ 14.30	\$ 13.88	\$ 13.88	\$ 13.88	\$ 13.48	\$ 13.09	\$ 12.62	\$ 11.85
Rate Per 1,000 Gallons (up to 10,000 gallons)	3.82	3.75	3.66	3.55	3.55	3.55	3.45	3.35	3.23	3.03
WASTEWATER										
Customer Charge ⁽¹⁾	\$ 16.04	\$ 15.76	\$ 15.76	\$ 15.30	\$ 15.30	\$ 15.30	\$ 15.30	\$ 15.30	\$ 15.06	\$ 14.71
Rate Per 1,000 Gallons	5.75	5.65	5.65	5.49	5.49	5.49	5.49	5.49	5.40	5.27

(1) Customer Charge reflects the Readiness-to-Serve charge.

(2) PCA - Power Cost Adjustment.

(3) PGA - Purchased Gas Adjustment.

FORT PIERCE UTILITIES AUTHORITY
Average Monthly Residential Bill
 Last Ten Years
 (Month of September)



FORT PIERCE UTILITIES AUTHORITY
System Rate Increases
Last Ten Fiscal Years

Fiscal Year	System	Increase (Decrease)
2021	Water	1.79%
	Wastewater	1.79%
	Natural Gas	1.79%
2020	Water	2.4%
	Natural Gas	2.4%
2019	Water	3.0%
	Wastewater	3.0%
2018	Natural Gas	1.76%
2017	-	-
2016	Water	3.0%
2015	Water	3.0%
2014	Electric	(0.9%)
	Water	3.7%
	Wastewater	1.6%
	Natural Gas	1.6%
2013	Electric	(3.3%)
	Water	6.5%
	Wastewater	2.4%
	Natural Gas	2.4%
2012	Water	2.5%
	Wastewater	2.5%
	Natural Gas	2.5%

DEBT CAPACITY

FORT PIERCE UTILITIES AUTHORITY
Ratios of Outstanding Debt by Type

Last Ten Fiscal Years
(Dollars in Thousands)

As of September 30	BUSINESS-TYPE ACTIVITIES										Total Outstanding Debt	Population	Debt per Capita
	Revenue Bonds ¹					Direct Placement	Loan	Lease					
	1999 Series	2002 Series	2003 Series	2009 Series	2012 Series	2016 Series	SL County	Capital Equip.					
2021	\$ 15,923	\$ -	\$ -	\$ 29,640	\$ -	\$ 8,153	\$ -	\$ 51	\$ 53,767	48,038	\$ 1,119		
2020	19,362	-	-	30,997	-	8,468	-	85	58,912	44,476	1,325		
2019	22,601	-	-	32,304	-	8,776	-	114	63,795	43,653	1,461		
2018	25,666	-	-	33,556	-	9,078	77	138	68,515	43,326	1,581		
2017	28,555	-	-	34,763	-	9,373	124	11	72,826	43,409	1,678		
2016	27,227	-	-	34,760	6,920	9,545	131	49	78,632	42,489	1,851		
2015	25,954	9,378	-	34,757	13,751	-	137	80	84,057	42,119	1,996		
2014	24,747	9,363	-	34,754	20,498	-	137	106	89,605	41,188	2,176		
2013	23,622	9,348	6,015	34,750	20,896	-	177	127	94,935	41,729	2,275		
2012	22,552	9,332	31,816	34,748	-	-	189	39	98,676	41,646	2,369		

¹ Presented net of original issuance, discounts, and premiums

FORT PIERCE UTILITIES AUTHORITY
Computation of Debt Service Coverage
 Last Ten Years
 (Dollars in Thousands)

	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
OPERATING INCOME	\$ 12,310	\$ 10,071	\$ 6,966	\$ 9,960	\$ 11,681	\$ 10,218	\$ 11,027	\$ 9,236	\$ 8,746	\$ 8,700
ADD:										
Depreciation Expense	14,250	13,373	13,948	12,985	12,769	13,092	12,453	14,982	15,290	15,243
Investment & Other Income	516	767	795	835	438	388	356	484	304	535
Extraordinary Income (Expense)	-	-	97	(1)	(2)	21	(10)	(427)	(761)	(1,200)
Net OPEB Expense	4	6	11	156	31	30	58	57	54	53
NET AVAILABLE INCOME	<u>\$ 27,080</u>	<u>\$ 24,217</u>	<u>\$ 21,817</u>	<u>\$ 23,935</u>	<u>\$ 24,917</u>	<u>\$ 23,749</u>	<u>\$ 23,884</u>	<u>\$ 24,332</u>	<u>\$ 23,633</u>	<u>\$ 23,331</u>
DEBT SERVICE - Bonds & Pooled Loans										
Principal	\$ 6,076	\$ 6,015	\$ 5,953	\$ 5,897	\$ 5,840	\$ 7,367	\$ 7,086	\$ 6,987	\$ 6,653	\$ 5,955
Interest	1,584	1,644	1,706	1,762	1,816	2,079	2,291	2,394	2,762	3,728
NET CASH DEBT SERVICE	<u>\$ 7,660</u>	<u>\$ 7,659</u>	<u>\$ 7,659</u>	<u>\$ 7,659</u>	<u>\$ 7,656</u>	<u>\$ 9,446</u>	<u>\$ 9,377</u>	<u>\$ 9,381</u>	<u>\$ 9,415</u>	<u>\$ 9,683</u>
DEBT SERVICE COVERAGE (TIMES)	<u>3.54</u>	<u>3.16</u>	<u>2.85</u>	<u>3.12</u>	<u>3.25</u>	<u>2.51</u>	<u>2.55</u>	<u>2.59</u>	<u>2.51</u>	<u>2.41</u>

NOTE: Amounts exclude the Treasure Coast Energy Center and Manatee Observation and Education Center



DEMOGRAPHIC AND ECONOMIC INFORMATION

FORT PIERCE UTILITIES AUTHORITY
Demographic and Economic Information
 Last Ten Years

Year	City of Fort Pierce Population ¹	St. Lucie County Population ¹	St. Lucie County Labor Force ²	Total Unemployment ²	Percentage Rate of Unemployment ²	St. Lucie County School Enrollment ³	St. Lucie County Per Capita Income ⁴	St. Lucie County Personal Income ⁴
2021	48,038*	340,060*	152,747	7,630	5.0	41,277	***	***
2020	44,476	322,265	144,957	9,066	6.3	42,627	\$43,970	14,825,941
2019	43,653	309,359	146,710	5,479	3.7	41,225	\$41,125	13,501,095
2018	43,326	302,432	140,686	5,626	4.0	42,124	39,374	12,644,172
2017	43,409	297,634	136,063	6,046	4.4	40,678	38,835	12,175,078
2016	42,489	292,826	135,719	7,322	5.4	39,390	36,196	11,094,354
2015	42,119	287,749	129,727	8,238	6.4	41,374	35,829	10,688,079
2014	41,188	282,821	129,004	10,198	7.9	41,158	34,129	9,932,383
2013	41,729	281,151	128,813	12,227	9.5	41,136	31,182	8,943,912
2012	41,646	280,355	123,588	14,519	11.7	40,844	31,742	9,010,473

Sources:

- ¹ University of Florida, Bureau of Economic & Business Research
- ² Florida Department of Labor & Employment Security
- ³ St. Lucie County School Board
- ⁴ U.S. Department of Commerce, Bureau of Economic Analysis
- * Total Estimated
- *** Data unavailable

FORT PIERCE UTILITIES AUTHORITY
St. Lucie County Principal Employers⁽¹⁾
 Current Year and Nine Years Ago

Employer	2021⁽¹⁾			2012		
	Number of Employees	Rank	% of City Population	Number of Employees	Rank	% of City Population
St. Lucie County School Board	5,564	1	11.58%	4,478	1	10.75%
Indian River State College	2,338	2	4.87%	1,884	2	4.52%
Lawnwood Regional Medical Center	1,615	3	3.36%	1,350	4	3.24%
Wal-Mart Distribution Center	890	4	1.85%	1,653	6	3.97%
St. Lucie County	797	5	1.66%	1,594	3	3.83%
Convey Health Solutions	450	6	0.94%	-	-	-
St. Lucie County Fire District	434	7	0.90%	434	7	1.04%
New Horizons of the Treasure Coast	408	8	0.85%	-	-	-
Maverick Boat Co Inc	406	9	0.85%	-	-	-
Blue Goose Growers/Construction	400	10	0.83%	-	-	-
City of Fort Pierce	337	13	0.70%	350	10	0.84%
Publix Super Markets Inc ⁽²⁾	-	-	-	1,327	5	3.19%
Winn-Dixie Stores, Inc ⁽²⁾	-	-	-	432	8	1.04%
The Home Depot ⁽²⁾	-	-	-	386	9	0.93%
TOTALS	13,639		28.39%	13,888		33.35%

Source:

Economic Development Council of St. Lucie County, St. Lucie County Profile 2018

⁽¹⁾Employment information is for St. Lucie County. Specific City only data is not available.

St. Lucie County, Florida - Economic Development Council (most recent data available)

⁽²⁾Information is no longer available.



OPERATING INFORMATION

FORT PIERCE UTILITIES AUTHORITY

Expenses By System

Last Ten Fiscal Years

(Dollars in Thousands)

	FY 2021	FY 2020	FY 2019	FY 2018
ELECTRIC				
Generation and				
Purchases for Resale	\$ 41,320	\$ 40,480	\$ 41,924	\$ 41,402
Transmission and Distribution	5,271	5,215	4,958	4,372
General and Administrative	7,619	8,262	8,778	7,918
Depreciation	4,523	4,335	4,291	3,538
Total Electric Operating Expenses	58,733	58,292	59,951	57,230
WATER				
Purchases for Resale	-	-	6	-
Plant Operations	4,177	4,032	3,886	3,693
Transmission and Distribution	2,111	2,008	2,045	2,078
General and Administrative	4,973	5,492	6,100	5,498
Depreciation	5,134	4,951	5,542	5,407
Total Water Operating Expenses	16,395	16,483	17,579	16,676
NATURAL GAS				
Purchases for Resale	1,971	1,365	1,788	1,817
Supply and Distribution	1,056	1,052	1,051	989
General and Administrative	1,180	1,297	1,384	1,140
Depreciation	432	389	413	362
Total Natural Gas Operating Expenses	4,639	4,103	4,636	4,308
WASTEWATER				
Plant Operations	1,962	1,933	1,758	1,804
Pumping and Collection	2,399	2,184	2,053	2,209
General and Administrative	3,366	3,645	3,868	3,647
Depreciation	4,043	3,628	3,637	3,613
Total Wastewater Operating Expenses	11,770	11,390	11,316	11,273
MANATEE OBSERVATION AND EDUCATION CENTER				
Plant Operations	272	285	273	273
General and Administrative	111	167	210	183
Depreciation	13	11	11	8
Total MOEC Operating Expenses	396	463	494	464
FPUAnet COMMUNICATIONS				
Purchases for Resale	78	79	78	69
General and Administrative	506	379	377	195
Depreciation	118	70	64	65
Total FPUAnet Communications Operating Expenses	702	528	519	329
TOTAL OPERATING EXPENSES	\$ 92,635	\$ 91,259	\$ 94,495	\$ 90,280

FORT PIERCE UTILITIES AUTHORITY

Expenses By System

Last Ten Fiscal Years

(Dollars in Thousands)

FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
\$ 43,689	\$ 42,179	\$ 40,343	\$ 43,006	\$ 42,947	\$ 42,933
4,122	4,091	3,927	4,017	4,037	3,783
7,863	7,460	6,964	6,696	6,738	6,885
4,401	4,508	4,463	4,721	4,668	6,477
<u>60,075</u>	<u>58,238</u>	<u>55,697</u>	<u>58,440</u>	<u>58,390</u>	<u>60,078</u>
2	-	7	24	9	-
3,481	3,304	3,320	3,185	3,199	3,309
1,898	1,743	1,789	1,767	1,732	1,743
4,930	4,726	4,426	4,207	4,158	4,183
4,417	4,454	3,872	4,246	4,044	3,726
<u>14,728</u>	<u>14,227</u>	<u>13,414</u>	<u>13,429</u>	<u>13,142</u>	<u>12,961</u>
1,773	1,556	1,900	2,274	1,816	1,398
1,024	1,251	1,016	1,018	961	875
1,016	1,046	978	892	596	570
298	313	274	1,088	304	507
<u>4,111</u>	<u>4,166</u>	<u>4,168</u>	<u>5,272</u>	<u>3,677</u>	<u>3,350</u>
1,823	1,742	1,766	1,776	1,696	1,779
2,316	1,977	1,909	1,913	1,849	1,834
3,530	3,385	3,113	2,975	2,769	2,755
3,587	3,743	3,779	4,836	6,194	4,446
<u>11,256</u>	<u>10,847</u>	<u>10,567</u>	<u>11,500</u>	<u>12,508</u>	<u>10,814</u>
272	267	238	286	232	249
171	186	145	136	114	115
6	6	8	9	11	11
<u>449</u>	<u>459</u>	<u>391</u>	<u>431</u>	<u>357</u>	<u>375</u>
58	48	55	43	28	25
230	194	175	173	171	137
66	73	66	91	79	86
<u>355</u>	<u>315</u>	<u>296</u>	<u>307</u>	<u>278</u>	<u>248</u>
<u>\$ 90,974</u>	<u>\$ 88,252</u>	<u>\$ 84,533</u>	<u>\$ 89,379</u>	<u>\$ 88,352</u>	<u>\$ 87,826</u>

FORT PIERCE UTILITIES AUTHORITY
Electric Energy Sources, Water and Wastewater Statistics
 Last Ten Fiscal Years

	FY 2021	FY 2020	FY 2019	FY 2018
ELECTRIC STATISTICS				
Sources of Energy (MWh)				
Total Energy Purchased	595,749	578,051	578,051	572,717
Gross Peak Demand (MW)	115	116	113	112
WATER STATISTICS				
Water Production - 1,000 Gallons				
Raw Water Treated	3,573,585	3,438,204	3,153,294	3,361,321
Water from Distribution System	58,849	62,869	84,384	81,215
Less Deep Well Concentrate	(267,880)	(210,750)	(154,259)	(202,420)
Water Used in Plant	(20,960)	(19,764)	(19,710)	(33,087)
Water from or (left-in) Storage	(435)	112	(1)	(255)
FINISHED WATER FROM PLANT	3,343,159	3,270,671	3,063,708	3,206,774
Purchased for Resale (Interconnects)	-	-	2,813	-
Water Pumped to City	3,343,159	3,270,671	3,066,521	3,206,774
Water Used in System	163,623	185,704	280,623	267,414
Water Sales	2,968,059	2,886,797	2,734,275	2,591,643
Losses and Unaccounted for Gallonage	211,477	198,170	51,623	347,717
% of Unaccounted	6.33%	6.06%	1.68%	10.84%
Average Daily Consumption	9,157	8,936	8,394	8,793
Highest Daily Consumption	10,838	10,691	9,756	11,196
Date	5/30/21	3/31/20	5/30/19	2/26/18
Peak Maximum Demand (MG)	19,298	13,522	12,910	20,863
Date	1/6/21	7/12/20	6/24/19	8/3/18
Rainfall (inches)	65.42	65.92	49.27	51.61
WATER RECLAMATION FACILITY				
(In Millions of Gallons per Day)				
Average Daily Flow	6.42	5.76	4.99	5.96
Peak Flow	18.96	11.48	7.72	14.21

FORT PIERCE UTILITIES AUTHORITY
Electric Energy Sources, Water and Wastewater Statistics
 Last Ten Fiscal Years

FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
569,684	583,207	559,061	544,751	532,038	537,115
112	112	107	106	104	103
3,142,178	3,015,157	2,911,231	2,880,512	2,889,435	3,088,102
75,158	34,250	2,034	14,718	8,657	17,644
(174,491)	(155,230)	(142,482)	(142,399)	(144,156)	(174,731)
(23,007)	(20,986)	(19,710)	(19,710)	(19,710)	(19,764)
(2,867)	890	(1,678)	(308)	61	4,218
<u>3,016,971</u>	<u>2,874,081</u>	<u>2,749,395</u>	<u>2,732,813</u>	<u>2,734,287</u>	<u>2,915,469</u>
1,105	130	2,021	10,100	3,943	-
<u><u>3,018,076</u></u>	<u><u>2,874,211</u></u>	<u><u>2,751,416</u></u>	<u><u>2,742,913</u></u>	<u><u>2,738,230</u></u>	<u><u>2,915,469</u></u>
237,965	195,953	169,338	193,590	170,788	193,707
2,665,751	2,567,700	2,503,820	2,506,826	2,466,037	2,641,253
114,360	110,558	78,258	42,497	101,405	80,509
3.79%	3.85%	2.84%	1.55%	3.70%	2.76%
8,269	7,853	7,535	7,489	7,496	7,990
9,992	9,477	9,285	9,258	8,950	10,524
3/30/17	3/8/16	2/18/15	5/19/14	3/13/13	4/18/12
13,668	15,634	13,355	14,329	13,932	17,437
9/28/17	3/28/16	5/27/15	5/5/14	4/13/13	7/22/12
58.03	69.65	40.08	56.11	51.91	67.10
5.33	6.40	3.79	4.00	4.72	4.86
13.30	13.83	8.75	12.25	8.14	13.03

FORT PIERCE UTILITIES AUTHORITY
Authorized Full-Time Positions By Department
 Last Ten Fiscal Years

Department	9/30/2021	9/30/2020	9/30/2019	9/30/2018
01 Manatee Observation & Education Center	4 P	4 P	4 P	4 P
02 Treasure Coast Energy Center	15 D	15 D	15 D	15 D
10 Board	5	5	5	5
11 Director of Utilities	2	2	2	2
12 Attorney	1	1	1	1
14 Regulatory Affairs	4	3	-	-
15 Human Resources	3 D	3 D	3 D	3
18 Safety	1 P	1 P	1 P	1 P
21 Finance	11 D	11	13	13
22 Materials Management	7 D	6 D	6 D,P	6 P
31 Director of Utility Support Services	2	2	2	2
32 Information Technology Services	17	17	17	17 D
35 Facilities	6	5	5	5
41 Community Relations	1	1	1	1
43 Customer Service	28 D	26 D	26 D	26 D
51 Director of Electric & Gas Systems	1	1	1	1
54 Electric Transmission and Distribution	25 D	25	25	23
55 Electric Operations	24 D	24 D	23 D	23 D
56 Electric & Gas Engineering	13 P	13 P	13 D,P	11 D
61 Director of Water/Wastewater Systems	1	1	1	1
62 Water Resources	25 D	25 D	25 D	25 D
64 Water Distribution	28 D	27 D	27 D	27 D
66 Water/Wastewater Engineering	13 D,P	13 P	13 P	12
74 Gas Operations	15 D	15	15	15 D
82 Water Reclamation	16 D	16 D	16 D	16 D
84 Wastewater Collection	20	20	20	20 D
93 FPUAnet Communications	4	4	3	3
TOTAL	<u>292</u>	<u>286</u>	<u>283</u>	<u>278</u>

D - Includes D.R.O.P. Participant employees

H - Excludes positions held vacant

P - Excludes part-time employees

14 Regulatory Affairs was created FY 2020 from two Finance personnel and one ITS employee

FORT PIERCE UTILITIES AUTHORITY
Authorized Full-Time Positions By Department
 Last Ten Fiscal Years

<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>	<u>9/30/2013</u>	<u>9/30/2012</u>
3 P	3 P	3 P	2 P	2 P	2 P
13	13	13 D	14 D	14 D	15 D
5	5	5	5	5	5
2	2	2	2	2	2
1	1	1	1	1	1
-	-	-	-	-	-
3	3	3	3	4	4
1 P	1 P	4 D	4 D	6 D	5 D
13	13	13	12	11 D	11 D
6 P	6 P	4 P	4 P	3 P	3 P
1	1	1	1	1	1
17 D	17 D	17 D	16 D	16	16
5	5 D	5 D	5	5	5
-	-	1	1	1	1
26 D	26 D	26 D	26 D,P	26 D,P	26 D,P
1	1	1	1 D	1 D	1 D
23 D	23 D	21 D	46 D	49 D	51 D
24 D	24 D	25 D	-	-	-
9 P	9	9	9 D	10 D	9
1	1	1 D	1 D	1 D	1 D
24 D	24 D	23 D	23 D	23 D	23 D
28 D	28 D	29 D	28 D	28 D	25
11 P	11	11 P	11 D	11 D	11 D
15 D	15 D	15 D	15 D	16 D	15 D
16 D	16 D	16 D	16 D	14 D	13 D
19 D	19 D	19 D	20 D	21 D	21 D
3 D	2 D	2 D	2 D	2	2
<u>270</u>	<u>269</u>	<u>270</u>	<u>268</u>	<u>273</u>	<u>269</u>

FORT PIERCE UTILITIES AUTHORITY
Performance Indicators
 Last Ten Fiscal Years

	FY 2021	FY 2020	FY 2019	FY 2018
SAFETY				
Frequency Rate	0.40	2.04	3.10	3.77
DART/Severity Rate *	2.77	17.51	0.00	213.84
Workers' Compensation Experience Modification Factor	1.11	1.21	1.28	0.97
FINANCIAL				
Debt Service Ratio (12 months ended)	3.54	3.16	2.85	3.12
Operating Ratio	0.88	0.90	0.91	0.92
COMPONENT COSTS				
Water Treatment Plant				
\$ / 1,000 gallons raw water	\$1.97	\$2.04	\$2.48	\$2.21
Water Reclamation Facility				
\$ / 1,000 gallons effluent	\$1.48	\$1.64	\$1.98	\$1.60
Electric T&D				
\$ / mile of T & D lines	\$22,838.11	\$23,249.60	\$24,073.82	\$20,530.49
\$ / number of services	\$28.71	\$29.36	\$30.39	\$25.93
Water Distribution				
\$ / 1,000 gallons billed	\$1.76	\$1.84	\$1.97	\$2.11
\$ / number of services	\$20.31	\$20.92	\$21.68	\$22.36
Wastewater Collection				
\$ / 1,000 gallons billed	\$2.32	\$2.25	\$2.30	\$2.47
\$ / number of services	\$21.01	\$19.62	\$19.81	\$20.90
Natural Gas Distribution				
\$ / 1,000 ccf billed	\$0.37	\$0.41	\$0.43	\$0.43
\$ / number of services	\$36.85	\$37.75	\$40.36	\$37.41
Lift Stations				
\$ / 1,000 gallons billed	\$0.72	\$0.75	\$0.68	\$0.72
\$ / number of services	\$6.48	\$6.56	\$5.89	\$6.12
Industrial Pre-Treatment				
\$ / Customers	\$1,129.98	\$1,142.53	\$888.13	\$916.33
FPUAnet Communications				
\$ / Customers	\$733.04	\$491.19	\$540.93	\$423.99
Administration				
\$ / number of services	\$14.41	\$14.53	\$14.60	\$14.48

* Calculations FY 2015 - current are based on DART rate; Previous years are based on Severity rate.

FORT PIERCE UTILITIES AUTHORITY
Performance Indicators
 Last Ten Fiscal Years

FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
5.30	4.11	5.30	4.10	4.10	4.90
170.84	89.00	79.00	80.00	48.00	24.00
0.97	0.97	0.79	0.87	0.92	1.25
3.25	2.51	2.55	2.59	2.51	2.41
0.89	0.90	0.88	0.91	0.91	0.91
\$1.99	\$2.02	\$1.88	\$1.94	\$1.90	\$1.80
\$1.78	\$1.46	\$2.46	\$2.70	\$1.93	\$2.07
\$21,860.34	\$21,636.69	\$20,112.83	\$20,633.15	\$20,516.14	\$23,742.33
\$27.56	\$27.27	\$26.13	\$27.11	\$27.41	\$31.57
\$1.92	\$1.88	\$1.88	\$1.89	\$1.82	\$1.59
\$21.05	\$20.01	\$19.69	\$20.04	\$19.44	\$18.14
\$2.60	\$2.39	\$2.36	\$2.68	\$3.87	\$2.65
\$22.31	\$19.61	\$19.41	\$21.77	\$31.61	\$21.98
\$0.41	\$0.49	\$0.40	\$0.59	\$0.40	\$0.62
\$34.36	\$39.54	\$33.16	\$47.71	\$31.89	\$32.90
\$0.66	\$0.75	\$0.71	\$0.79	\$0.80	\$0.74
\$5.62	\$6.14	\$5.80	\$6.38	\$6.53	\$6.17
\$919.02	\$927.50	\$985.46	\$903.78	\$698.46	\$793.71
\$414.79	\$345.35	\$348.35	\$328.03	\$306.83	\$275.98
\$14.96	\$14.51	\$14.59	\$14.60	\$15.74	\$16.01

FORT PIERCE UTILITIES AUTHORITY
Performance Indicators
 Last Ten Fiscal Years

	FY 2021	FY 2020	FY 2019	FY 2018
HUMAN RESOURCES				
Overtime Ratio	0.067	0.052	0.053	0.058
Sick Leave Ratio	0.039	0.032	0.030	0.043
Overtime vs. Annual Overtime Budget	122.33%	120.04%	120.09%	132.07%
Training Hours vs. Regular Hours Worked	2.73%	1.91%	3.56%	2.11%
Training Dollars vs. Budgeted Salary Dollars	2.40%	2.51%	3.59%	3.12%
Annual Turnover Rate	12.66%	7.00%	9.00%	9.00%
CUSTOMER SERVICE				
Number of connections	9,365	10,163	10,237	12,231
Number of disconnections	11,671	11,363	12,314	12,818
Number of accounts to collection agency	1,139	1,110	1,269	1,498
Amount of accounts written off				
Electric	\$256,722	\$122,572	\$28,984	\$112,847
Water	\$46,031	\$21,981	\$5,189	\$20,226
Natural Gas	\$3,354	\$1,602	\$364	\$1,461
Wastewater	\$41,317	\$19,729	\$4,658	\$18,156
Customer Charges	\$66,201	\$57,542	\$1,790	\$6,952
Communications	\$331	\$155	\$50	\$157
Number of service orders				
Started	54,697	38,516	42,120	40,193
Completed	48,293	37,777	41,846	40,524

FORT PIERCE UTILITIES AUTHORITY
Performance Indicators
 Last Ten Fiscal Years

FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
0.073	0.050	0.046	0.046	0.042	0.040
0.037	0.038	0.038	0.034	0.034	0.034
176.47%	114.22%	120.48%	114.96%	107.47%	100.48%
2.10%	2.87%	2.93%	2.53%	2.48%	1.52%
1.51%	2.00%	1.92%	1.69%	1.80%	1.23%
10.64%	12.40%	8.60%	12.08%	13.25%	6.77%
13,534	14,109	15,663	16,238	16,001	16,360
12,795	13,316	14,800	15,338	15,206	15,419
1,353	1,622	1,890	1,852	1,584	1,535
\$184,794	\$200,966	\$99,489	\$256,860	\$182,006	\$253,362
\$33,140	\$36,032	\$17,826	\$46,081	\$32,638	\$45,434
\$2,415	\$2,639	\$1,366	\$3,302	\$2,374	\$3,308
\$29,744	\$32,324	\$16,050	\$41,325	\$29,294	\$40,780
\$11,371	\$12,371	\$6,141	\$15,770	\$11,181	\$15,563
\$232	\$257	\$42	\$371	\$231	\$321
41,243	45,028	44,505	49,837	44,205	50,182
41,014	44,937	44,389	49,740	44,224	44,991

FORT PIERCE UTILITIES AUTHORITY
Capital Asset Statistics by Utility System
 Last Ten Fiscal Years

As of September 30

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
ELECTRIC										
Miles of transmission and distribution lines	435	432	432	428	428	428	440	443	443	443
WATER										
Miles of water mains	400	396	393	390	385	385	385	385	384	384
Number of hydrants	1,715	1,702	1,689	1,661	1,645	1,642	1,629	1,622	1,612	1,606
Number of surficial wells	36	36	36	36	36	36	36	36	36	36
Number of floridan wells	11	11	11	11	11	11	11	11	11	11
NATURAL GAS										
Miles of main lines	175	171	171	171	171	170	167	168	167	165
Miles of service lines	82	81	81	81	81	80	80	80	80	83
WASTEWATER										
Miles of force mains	100	100	97	97	97	97	97	97	97	97
Miles of gravity sewer lines	177	175	174	172	172	172	172	172	171	171
Number of lift stations	121	119	118	118	117	117	117	116	116	116
FPUAnet										
Miles of Fiber Line	110	*	*	*	*	*	*	*	*	*

* Data not available

FORT PIERCE UTILITIES AUTHORITY
Ten Largest Customers
 Fiscal Year 2021

Ranking	Customer Name	Utility Service	Unit Sales	Revenues	Total
1	St. Lucie County Board of County Commissioners	Electric (kWh)	13,294,053	\$1,449,324	\$5,516,753
		Water (kgal.)	507,639	2,567,434	
		Wastewater	194,878	1,330,571	
		Natural Gas (ccf)	24,178	37,495	
		Internet		131,929	
2	St. Lucie County School Board	Electric (kWh)	20,788,778	\$2,298,044	\$2,825,930
		Water (kgal.)	29,058	216,379	
		Wastewater	28,753	250,398	
		Natural Gas (ccf)	33,237	61,109	
3	Indian River State College	Electric (kWh)	17,586,242	\$1,823,938	\$2,251,277
		Water (kgal.)	24,858	162,869	
		Wastewater	20,896	171,073	
		Natural Gas (ccf)	80,587	84,356	
		Internet		9,041	
4	Lawnwood Regional Medical Center	Electric (kWh)	19,229,065	\$1,693,957	\$2,200,262
		Water (kgal.)	24,292	118,732	
		Wastewater	14,507	99,124	
		Natural Gas (ccf)	342,125	275,811	
		Internet		12,638	
5	Fort Pierce Utilities Authority	Electric (kWh)	18,180,107	\$1,788,981	\$1,936,459
		Water (kgal.)	7,040	57,086	
		Wastewater	3,721	41,057	
		Natural Gas (ccf)	28,972	30,315	
		Internet		19,020	
6	City of Fort Pierce	Electric (kWh)	9,726,635	\$1,083,983	\$1,701,553
		Water (kgal.)	50,886	489,108	
		Wastewater	9,645	95,175	
		Natural Gas (ccf)	2,365	8,488	
		Internet		24,799	
7	Orchid Island Juice Company	Electric (kWh)	7,215,274	\$732,944	\$1,163,927
		Water (kgal.)	25,704	103,730	
		Wastewater	25,692	151,810	
		Natural Gas (ccf)	225,697	175,443	
8	Florida Power & Light Company	Electric (kWh)	4,320	\$1,671	\$1,098,505
		Water (kgal.)	245,091	1,092,348	
		Wastewater	170	4,486	
9	Florida Atlantic University	Electric (kWh)	10,906,957	\$1,066,798	\$1,066,798
10	Fort Pierce Housing Authority	Electric (kWh)	3,591,559	\$393,300	\$1,001,833
		Water (kgal.)	35,675	244,736	
		Wastewater	36,433	306,430	
		Natural Gas (ccf)	23,313	57,367	

TOTAL REVENUES BY UTILITY	Electric	\$12,332,940
	Water	5,052,422
	Wastewater	2,450,124
	Natural Gas	730,384
	Internet	197,428
TOTAL COMBINED REVENUES		\$20,763,298



INDEPENDENT AUDITOR'S 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 Board Members
Fort Pierce Utilities Authority
Fort Pierce, Florida

We have audited the financial statements of Fort Pierce Utilities Authority ("FPUA"), as of and for the year ended September 30, 2021, which collectively comprise of FPUA's basic financial statements and have issued our report thereon dated February 18, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered FPUA's internal control over financial reporting to determine the 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 FPUA's internal control. Accordingly, we do not express an opinion on the effectiveness of FPUA'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 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.

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

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 testing, and not to provide an opinion on the effectiveness of the entity'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.

DiBartolomeo, McBee, Hartley & Barnes

DiBartolomeo, McBee, Hartley & Barnes, P.A.
Fort Pierce, Florida
February 18, 2022