



Overview of Governmental Accounting

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Learning Objectives

Recall the similarities and differences between governmental and commercial accounting

Identify and categorize types of funds

Define measurement focus and basis of accounting

Recall financial statement elements that are unique to governmental accounting, deferred outflows and deferred inflows

Learning Objectives

Recall the components of fund balance and net position

Identify budgetary reporting requirements

Recall the components of an Annual Comprehensive Financial Report (ACFR)

Discuss the required fund-level and government-wide reconciliations

Public vs. Private

What's the Difference?



Public vs. Private-Sector

- Service motive vs. profit motive
- Stewardship vs. return on investment
- Appropriated budget vs. financial plan
- Basis of accounting differences
- Measurement focus differences



Governmental vs. Commercial

Private Business

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Single entity

Categories of
Financial
Activities

Governmental
Activity

Business-Type
Activity

Fiduciary
Activity

Governmental

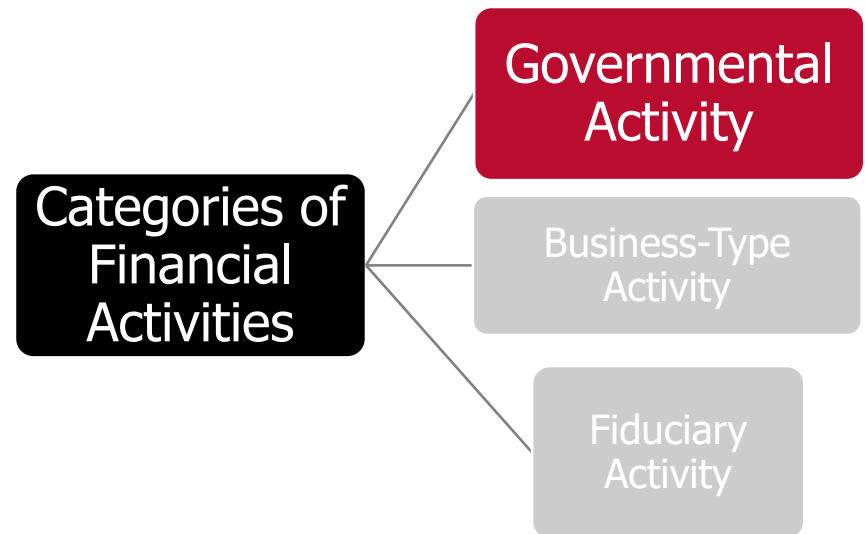
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Several separate funds, each having a separate set of accounts and functioning independently



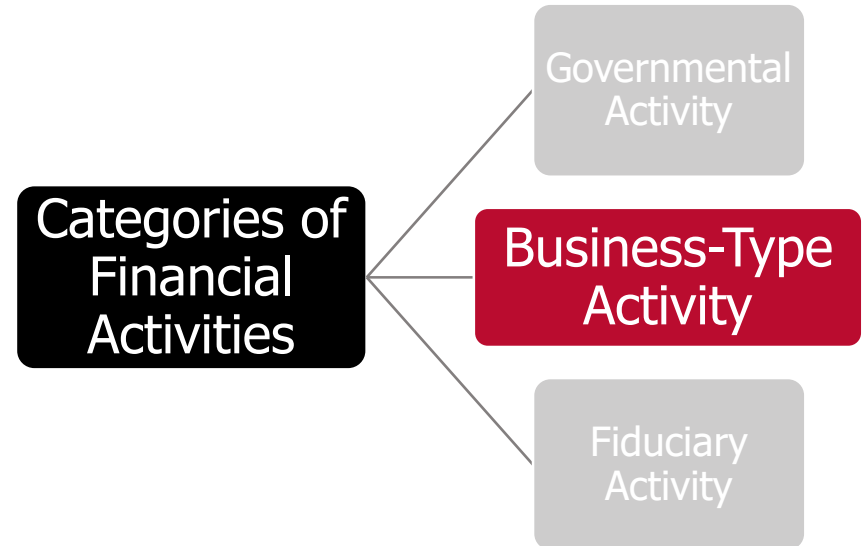
Governmental vs. Commercial

- **Governmental Activity**
 - Accounted for at the fund level in governmental funds
 - Focus is on the sources, uses, and balances of current financial resources
 - Source of revenue is usually taxes



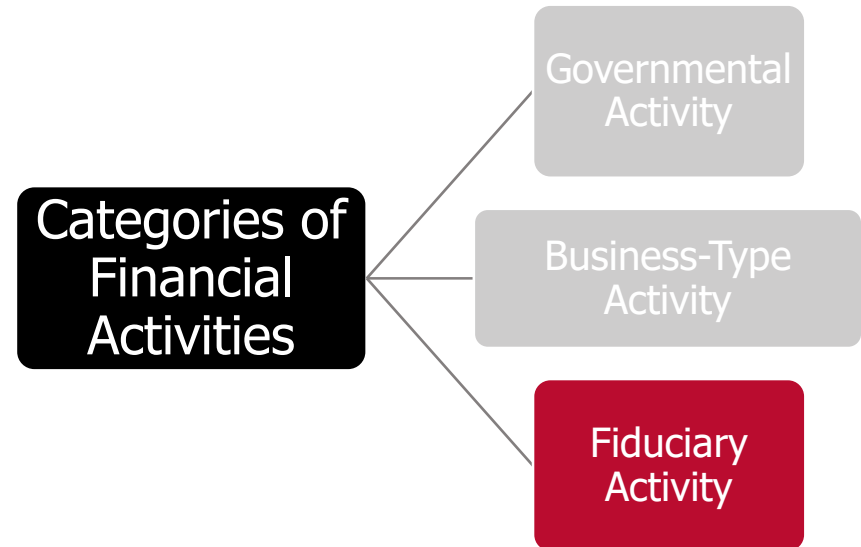
Governmental vs. Commercial

- **Business-type**
 - Accounted for at the fund level in proprietary funds
 - Focus is on operating income, changes in net position, financial condition and cash flows
 - Revenues usually come from user fees

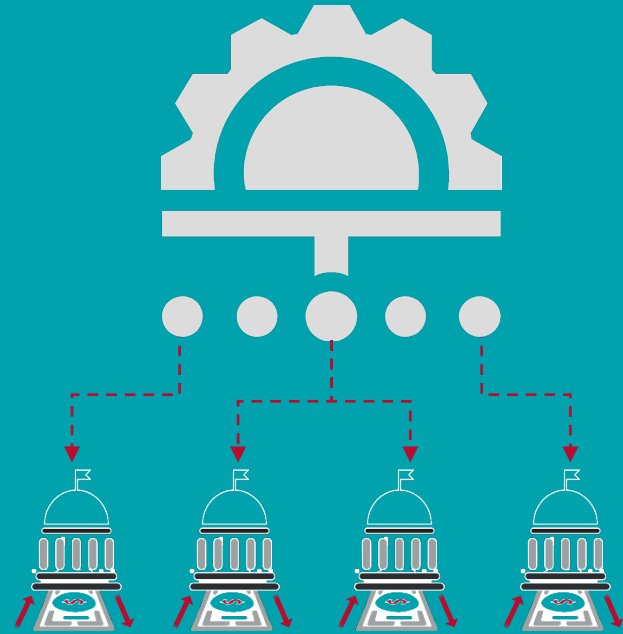


Governmental vs. Commercial

- **Fiduciary Activity**
 - Accounted for in fiduciary funds
 - Reports assets held in a trustee or custodial capacity for others
 - Can't be used to support the government's own programs

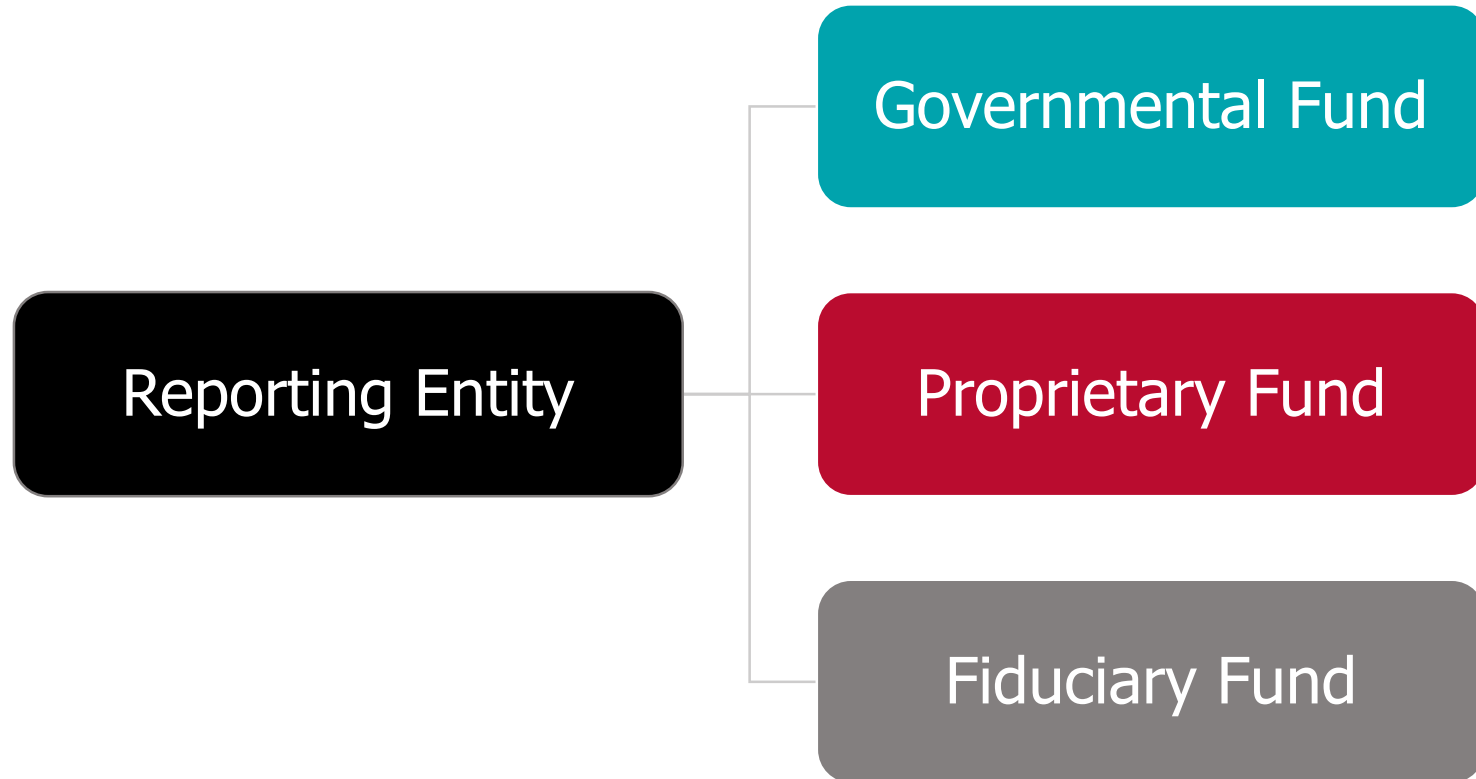


Fund Accounting

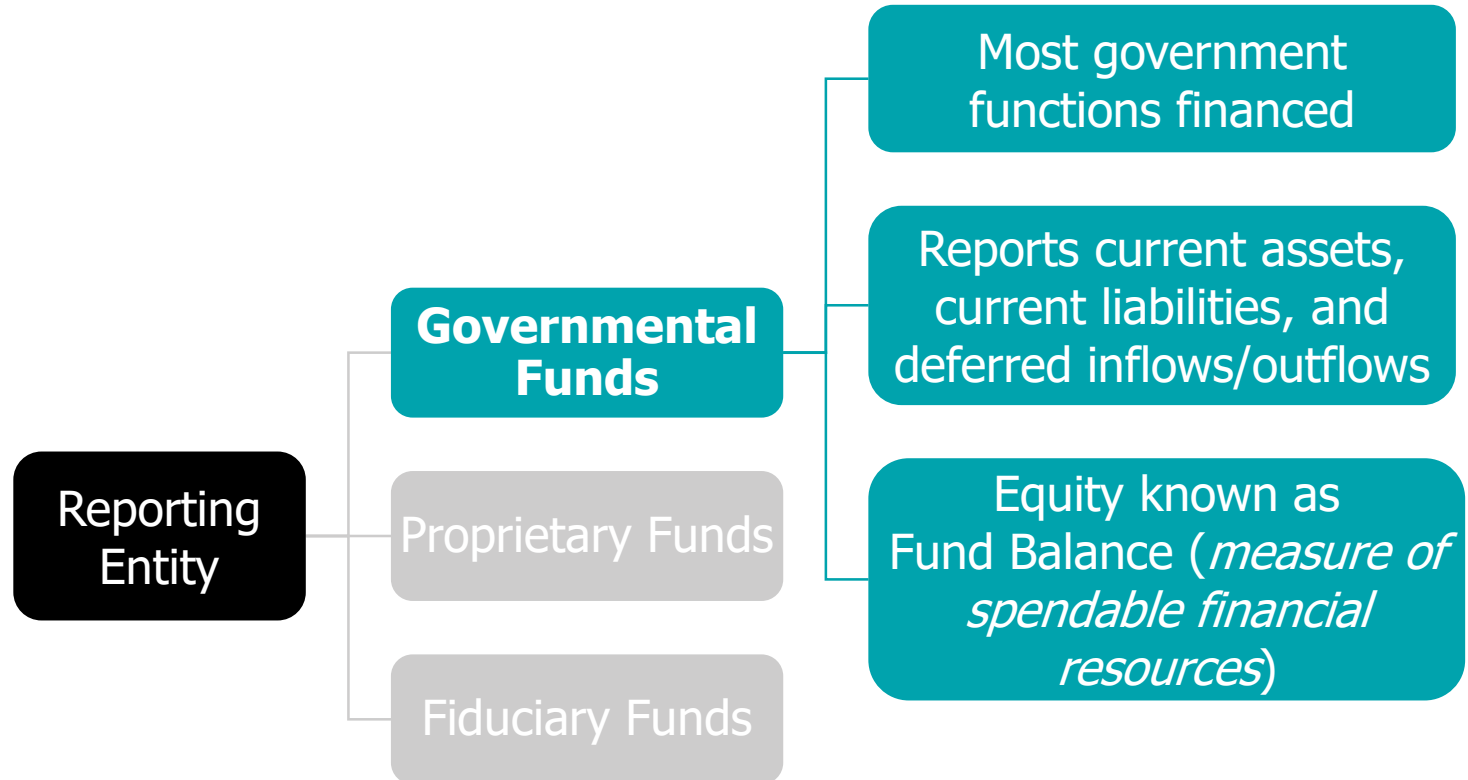


Why is it so important?

Fund Categories



Governmental Fund Category



Governmental Funds



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graph TD; A[Governmental Funds] --> B[General Fund]; A --> C[Special Revenue Fund]; A --> D[Capital Project Fund]; A --> E[Debt Service Fund]; A --> F[Permanent Fund];
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The diagram illustrates the five types of governmental funds. A central black box labeled 'Governmental Funds' is connected by a horizontal line to five colored boxes below it. From left to right, the boxes are: a teal box for 'General Fund', a red box for 'Special Revenue Fund', a grey box for 'Capital Project Fund', a teal box for 'Debt Service Fund', and a red box for 'Permanent Fund'. The background of the slide features a faded image of a classical building with columns.

General
Fund

Special
Revenue
Fund

Capital
Project
Fund

Debt
Service
Fund

Permanent
Fund



General Fund

- All financial resources except those required to be accounted for in another fund
- Only report one
- Usually the largest fund
- Compelling reason to account for transactions in funds other than the general fund
- General fund of a blended component unit should be reported as a **special revenue fund**
- Most common source of inflows is taxes
- Other sources include grants, investment income, donations, unclaimed property and proceeds from long term debt

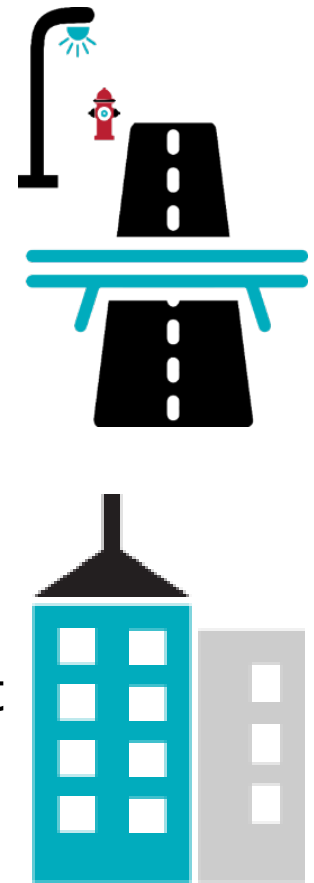


Special Revenue Fund

- Used to account for and report proceeds of **specific revenue sources restricted or committed** to expenditure for specified purposes other than capital outlay and debt service
- Foundation must be a specific revenue source that is and will remain a substantial portion of inflows
- Core revenue source must be reported as direct revenue of the fund
 - **Transfers in alone are not sufficient**
- Use is not required unless mandated
- GAAP encourages limited use
- Must disclose purpose of Major Special Revenue funds in Notes to Financial Statements

Capital Projects Fund

- Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets
- Major capital projects and acquisitions
 - Construction of new administrative building
- Typically **NOT** used for routine capital outlays
 - Routine capital is typically reported by function in the general fund
- Use is **optional** unless required by debt covenants, grant contracts, law, or regulation



Debt Service Fund

- Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest
- Typically, use is “permitted” rather than “required”
- Required if
 - Legally mandated
 - Financial resources are being accumulated for principal and interest maturing in future years
- Not appropriate for debt reported as a liability in a proprietary fund



Permanent Fund

- Used to account for and report financial resources that are restricted to the extent that only earnings, and **not principal** may be used for purposes that support the reporting government's programs
- Examples –
 - Perpetual care endowment for a municipal cemetery
 - Florida Fish and Wildlife Conservation Programs



Governmental Fund Financials

Basic Financial Statements

- Balance Sheet
- Statement of Revenues, Expenditures and Changes in Fund Balance
- Required summary reconciliations to Government-wide Statements (GW)
 - Fund Balance to Net Position
 - Change in Fund Balance to Change in Net Position

City of Fort Myers

CITY OF FORT MYERS, FLORIDA

Annual Comprehensive Financial Report

Fiscal Year Ended September 30, 2022



CITY OF FORT MYERS, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2022

	General Fund	Revenue Bonds and Notes	Transportation Capital Projects	General Capital Projects	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 14,446,774	\$ 270,605	\$ 14,232,192	\$ 6,330	\$ 5,683,369	\$ 34,639,270
Investments	31,662,648	7,707,160	18,909,456	14,371,733	20,192,915	92,843,912
Receivables:						
Accounts receivable, net	3,971,100	-	-	78,105	16,534	4,065,739
Special assessments receivable	35,426	-	-	-	-	35,426
Interest receivable	17,665	2,473	122,782	30,830	16,744	190,494
Leases	2,517,591	-	-	-	-	2,517,591
Due from other funds	5,370,585	-	-	-	-	5,370,585
Due from other governmental agencies	3,309,678	-	296,508	4,062,094	3,319,980	10,988,260
Prepaid items	1,316,946	960	28,195	-	10,143	1,356,244
Notes receivable, net	500,621	-	-	-	707,750	1,208,371
Advances to other funds	617,000	-	-	-	-	617,000
Assets held for resale	-	-	-	-	784,068	784,068
Total assets	<u>\$ 63,766,034</u>	<u>\$ 7,981,198</u>	<u>\$ 33,589,133</u>	<u>\$ 18,549,092</u>	<u>\$ 30,731,503</u>	<u>\$ 154,616,960</u>
LIABILITIES						
Accounts and contracts payable	\$ 6,474,755	\$ 61,139	\$ 1,444,563	\$ 1,225,044	\$ 792,330	\$ 9,997,831
Accrued and other liabilities	6,551,422	11,500	-	-	74,866	6,637,788
Due to other funds	-	-	-	2,215,838	3,154,747	5,370,585
Due to other governmental agencies	138,669	-	-	-	-	138,669
Funds held in escrow	321,304	-	-	-	541	321,845
Customer deposits	1,933,442	-	-	-	-	1,933,442
Unearned revenue	270,231	-	1,400,360	-	14,457,959	16,128,550
Advances from other funds	-	-	-	-	617,000	617,000
Total liabilities	<u>15,689,823</u>	<u>72,639</u>	<u>2,844,923</u>	<u>3,440,882</u>	<u>19,097,443</u>	<u>41,145,710</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - code enforcement fees	438,098	-	-	-	-	438,098
Unavailable revenue - rental income	850,820	-	-	-	-	850,820
Unavailable revenue - grants, contributions	-	-	1,460	4,138,860	1,208,042	5,348,362
Deferred inflows related to leases	2,490,738	-	-	-	-	2,490,738
Total deferred inflows of resources	<u>3,779,656</u>	<u>-</u>	<u>1,460</u>	<u>4,138,860</u>	<u>1,208,042</u>	<u>9,128,018</u>
FUND BALANCES (DEFICITS)						
Nonspendable:						
Advances to other funds	617,000	-	-	-	-	617,000
Prepaid items	1,316,946	960	28,195	-	10,143	1,356,244
Public safety principal, nonexpendable	-	-	-	-	2,000	2,000
Restricted for:						
Donations received	-	-	-	-	1,152,922	1,152,922
Community redevelopment agency	-	-	-	-	6,217,937	6,217,937
Capital projects	-	-	-	10,966,855	-	10,966,855
Debt service	-	7,907,599	-	-	-	7,907,599
Economic environment	3,232,075	-	-	-	1,391,911	4,623,986
Law enforcement programs	-	-	-	-	269,647	269,647
Physical environment	-	-	-	-	185,431	185,431
Transportation	-	-	30,714,555	-	1,851,519	32,566,074
Committed to:						
Law enforcement programs	-	-	-	-	42,639	42,639
Assigned to:						
Subsequent year's expenditures	4,870,443	-	-	-	-	4,870,443
Capital projects	24,525	-	-	2,495	-	27,020
Cemetery maintenance	219,964	-	-	-	-	219,964
Culture and recreation	98,267	-	-	-	-	98,267
Economic environment	99,251	-	-	-	-	99,251
Land acquisition	138,989	-	-	-	-	138,989
Law enforcement programs	92,647	-	-	-	-	92,647
Submerged land lease	128,829	-	-	-	-	128,829
Unassigned	33,457,619	-	-	-	(696,131)	32,759,488
Total fund balances (deficits)	<u>44,296,555</u>	<u>7,908,559</u>	<u>30,742,750</u>	<u>10,969,350</u>	<u>10,426,018</u>	<u>104,343,232</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 63,766,034</u>	<u>\$ 7,981,198</u>	<u>\$ 33,589,133</u>	<u>\$ 18,549,092</u>	<u>\$ 30,731,503</u>	<u>\$ 154,616,960</u>

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

CITY OF FORT MYERS, FLORIDA
Annual Comprehensive
Financial Report
Fiscal Year Ended September 30, 2022

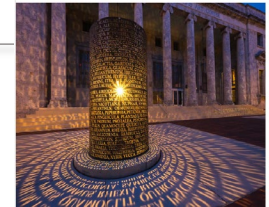


CITY OF FORT MYERS, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2022

CITY OF FORT MYERS, FLORIDA
Annual Comprehensive
Financial Report
Fiscal Year Ended September 30, 2022



	General Fund	Revenue Bonds and Notes	Transportation Capital Projects	General Capital Projects	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 89,966,880	\$ -	\$ 1,740,015	\$ -	\$ 4,781,402	\$ 96,488,297
Permits and fees	18,434,557	-	3,072,848	511,558	-	22,018,963
Intergovernmental revenue	14,654,736	-	186,828	538,091	9,732,631	25,112,286
Charges for services	8,857,411	-	-	-	-	8,857,411
Fines and forfeitures	636,283	-	-	-	93,254	729,537
Miscellaneous	444,378	58,995	-	119,452	393,076	1,015,901
Contributions - private source	80,976	-	65,005	-	165,145	311,126
Total revenues	<u>133,075,221</u>	<u>58,995</u>	<u>5,064,696</u>	<u>1,169,101</u>	<u>15,165,508</u>	<u>154,533,521</u>
EXPENDITURES						
Current:						
General government	17,060,371	-	943,023	2	448,860	18,452,256
Police	57,892,051	-	-	-	1,995,860	59,887,911
Fire	33,152,012	-	-	844	409,879	33,562,735
Protective inspections	1,632,705	-	-	-	27,914	1,660,619
Physical environment	8,178,773	-	-	-	365,560	8,544,333
Transportation	404,018	-	15,922	-	4,640,191	5,060,131
Economic environment	465,923	-	-	6	10,717,032	11,182,961
Culture and recreation	4,612,739	-	-	1,892	124,929	4,739,560
Debt service:						
Principal	-	36,279,414	-	-	496,154	36,775,568
Lease Payments	156,556	-	-	-	52,401	208,957
Interest	-	4,696,443	-	-	37,240	4,733,683
Fiscal charges	-	187,123	-	-	-	187,123
Capital outlay:						
General government	-	-	-	456,897	-	456,897
Police	-	-	-	92,386	-	92,386
Fire	-	-	-	4,138,517	-	4,138,517
Physical environment	-	-	-	15,488	-	15,488
Transportation	-	-	8,700,129	226,630	-	8,926,759
Economic environment	-	-	-	133,259	598,409	731,668
Culture and recreation	-	-	-	6,455,144	-	6,455,144
Total expenditures	<u>123,555,148</u>	<u>41,162,980</u>	<u>9,659,074</u>	<u>11,521,065</u>	<u>19,914,429</u>	<u>205,812,696</u>
Excess (deficiency) of revenues over expenditures	<u>9,520,073</u>	<u>(41,103,985)</u>	<u>(4,594,378)</u>	<u>(10,351,964)</u>	<u>(4,748,921)</u>	<u>(51,279,175)</u>
OTHER FINANCING SOURCES (USES)						
Leases	927,050	-	-	-	598,409	1,525,459
Transfers in	14,504,289	12,866,825	1,049,179	17,157,863	6,631,452	52,209,608
Transfers out	(17,988,032)	(15,879,849)	-	(7,218,535)	(4,599,756)	(45,686,172)
Issuance of revenue note	-	51,619,725	-	-	-	51,619,725
Finance purchase obligations	4,990,082	-	-	-	-	4,990,082
Total other financing sources (uses)	<u>2,433,389</u>	<u>48,606,701</u>	<u>1,049,179</u>	<u>9,939,328</u>	<u>2,630,105</u>	<u>64,658,702</u>
Net change in fund balances	<u>11,953,462</u>	<u>7,502,716</u>	<u>(3,545,199)</u>	<u>(412,636)</u>	<u>(2,118,816)</u>	<u>13,379,527</u>
Fund balances - beginning	<u>32,343,093</u>	<u>405,843</u>	<u>34,287,949</u>	<u>11,381,986</u>	<u>12,544,834</u>	<u>90,963,705</u>
Fund balances - ending	<u>\$ 44,296,555</u>	<u>\$ 7,908,559</u>	<u>\$ 30,742,750</u>	<u>\$ 10,969,350</u>	<u>\$ 10,426,018</u>	<u>\$ 104,343,232</u>



The City reports the following major governmental funds:

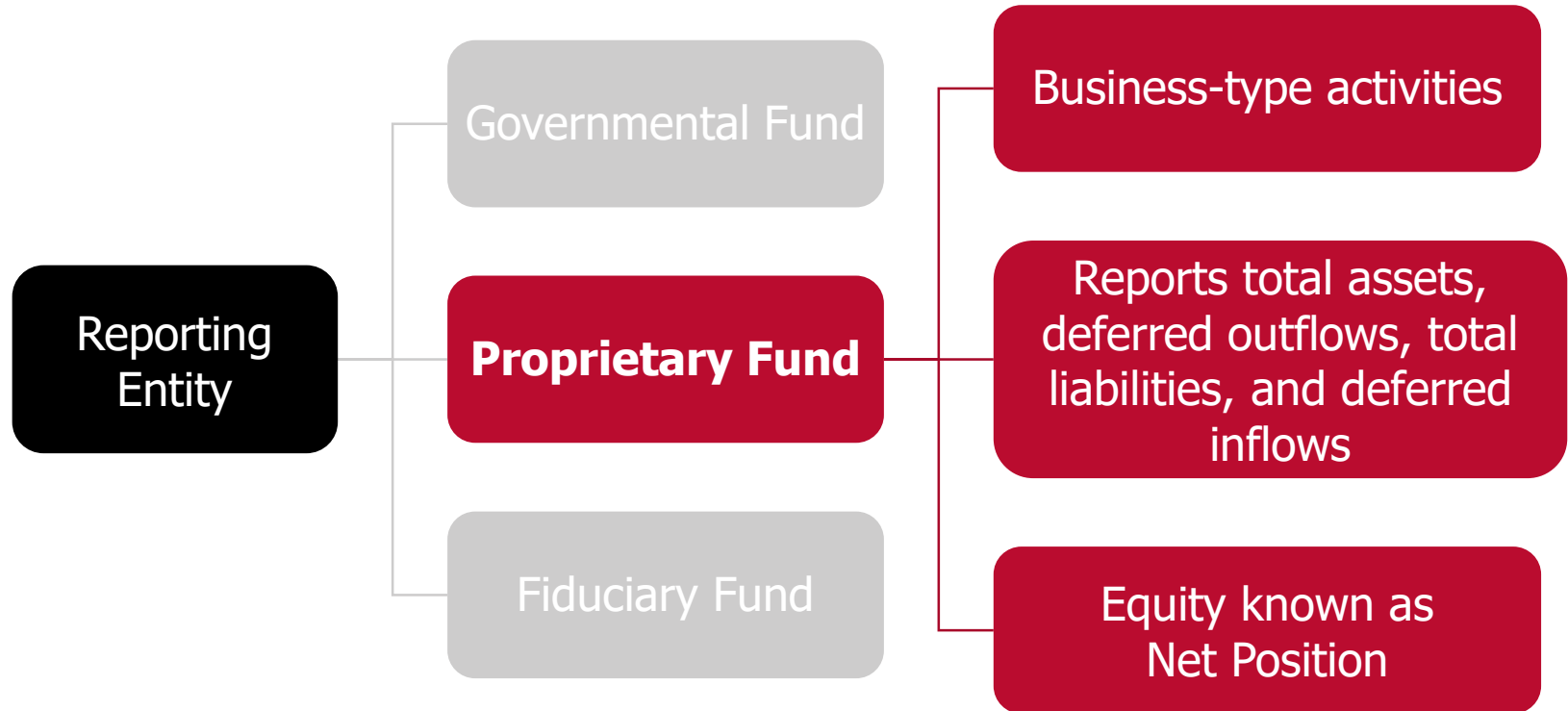
The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those that are required to be accounted for in another fund. Revenue is derived primarily from property taxes, state and federal distributions, grants and other intergovernmental revenue. The general operating expenditures, fixed charges and capital outlay costs that are not paid through other funds are paid from the General Fund.

The Revenue Bonds and Notes Fund accounts for the accumulation of resources to pay outstanding long term debt. It is made up of several sub-funds, one for each bond or other borrowing that is outstanding and for which resources are accumulated to pay the debt service.

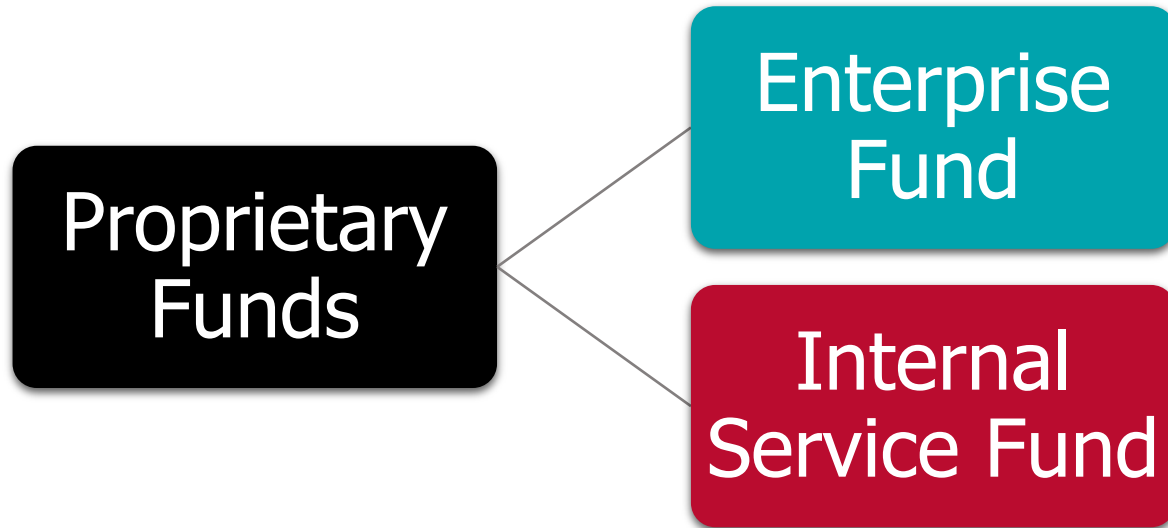
The Transportation Capital Projects Fund accounts for resources accumulated to provide transportation related capital projects. It includes road impact fees, cash from debt borrowing, the accounting for capital projects and the 5th cent local option gas tax money.

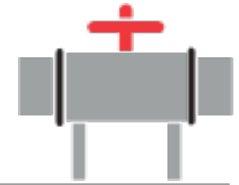
The General Capital Projects Fund is used to account for the financial resources to be used for the acquisition and construction of the City's general capital facilities, improvements and equipment.

Proprietary Fund Category



Proprietary Fund Types





Enterprise Funds


- May be used to report an activity for which a fee is charged to **external** customers for goods and services
- Required to be used when...
 - Financed with debt secured solely by a pledge of the net revenues from fees and charges of the activity
 - Laws or regulations require costs be recovered with fees and charges
 - Pricing policies are designed to recover costs, including capital
- Examples
 - Convention Center, Solid Waste System and Water Utilities System

Internal Service Funds

- Used to account for the transactions from providing goods and services
 - To other funds, departments, or agencies of the primary government and
 - Its component units or
 - To other governments on a cost-reimbursement basis
- Examples
 - Fleet management
 - Risk management



Proprietary Fund Financials

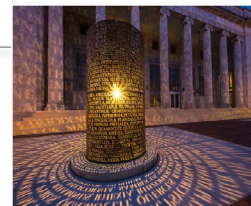
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- Statement of Net Position or Balance Sheet
 - Statement of Revenues, Expenses and Changes in Net Position
 - Statement of Cash Flows
 - Focus is on major enterprise funds
 - Presented in a separate column
 - Nonmajor aggregated and displayed in a single column

CITY OF FORT MYERS, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2022

	Business-type Activities				Governmental Activities
	Water-Wastewater	Solid Waste	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 21,921,225	\$ 5,091,220	\$ 10,490,034	\$ 37,502,479	\$ 13,575,576
Investments	28,429,068	6,638,129	13,669,377	48,736,574	16,944,576
Restricted cash and cash equivalents	-	282	1,314,193	1,314,475	2,071,383
Restricted investments	-	398	1,849,768	1,849,166	-
Receivables:					
Accounts receivable, net	9,419,815	1,743,442	54,137	11,217,394	532
Interest receivable	36,609	11,630	15,935	64,174	24,561
Restricted interest receivable	-	-	990	990	-
Leases receivable	-	-	53,994	53,994	-
Due from other governmental agencies	4,321,129	18,289	525,018	4,864,436	183
Inventories	258,620	-	9,339	267,959	790,885
Prepaid items	7,776,067	-	54,483	7,830,550	796,754
Total current assets	72,162,533	13,503,390	28,036,268	113,702,191	34,104,450
Noncurrent assets:					
Restricted cash and cash equivalents	14,888,081	589,180	-	15,477,261	-
Restricted investments	46,600,363	887,132	-	47,487,495	-
Receivables:					
Restricted interest receivable	1,271,130	625	-	1,271,755	-
Unamortized bond insurance costs	128,210	-	-	128,210	-
Intangible assets, net	302,330	-	78,551	380,881	-
Land and improvements	963,763	-	1,748,973	2,712,736	-
Construction in progress	77,383,386	71,494	2,160,549	79,615,429	-
Buildings, net	52,524,951	1,503,994	2,738,393	56,767,338	1,123
Improvements other than buildings, net	-	-	22,959,534	22,959,534	-
Equipment, net	3,149,993	4,557,439	2,150,076	9,857,508	2,507,158
Utility systems	284,956,564	-	-	284,956,564	-
Total noncurrent assets	482,168,771	7,609,864	31,836,076	521,614,711	2,508,281
Total assets	\$54,331,304	21,113,254	\$9,872,344	\$65,316,902	\$36,612,731
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	6,674,269	-	-	6,674,269	-
Deferred outflows related to postemployment benefits	278,250	132,802	162,938	573,990	121,463
Deferred outflows related to pensions	4,697,800	1,919,434	2,315,233	8,932,467	1,914,557
Total deferred outflows of resources	11,650,319	2,052,236	2,478,171	16,180,726	2,036,020
LIABILITIES					
Current liabilities:					
Accounts and contracts payable	16,090,591	792,502	3,927,974	20,811,067	1,551,051
Accrued and other liabilities	76,958	4,346	31,415	112,719	121,352
Due to other governmental agencies	267,692	680	71,646	340,018	-
Customer deposits	12,050,290	-	149,053	12,199,343	-
Compensated absences	197,978	160,336	109,174	467,488	10,919
Claims and judgments	-	-	-	-	2,430,803
Accrued interest payable	4,577,076	-	8,380	4,585,456	7,024
Leases payable	-	-	245,703	245,703	-
Finance purchase obligations	1,394,306	-	35,400	1,429,706	164,209
Loans and notes payable	2,557,000	-	297,612	2,854,612	-
Revenue bonds payable	10,845,000	-	-	10,845,000	-
Total current liabilities	48,056,891	957,864	4,876,357	53,891,112	4,285,358
Noncurrent liabilities:					
Net pension liability	12,380,978	5,058,639	6,101,763	23,541,380	5,045,785
Compensated absences	365,537	116,263	150,802	632,602	200,099
Total other postemployment benefits liability	2,052,647	979,676	1,201,988	4,234,311	896,024
Claims and judgments	-	-	-	-	6,776,006
Leases payable	-	-	600,288	600,288	-
Finance purchase obligations	11,636,047	-	-	11,636,047	375,314
Loans and notes payable	43,532,250	-	1,715,124	45,247,374	-
Revenue bonds payable	158,678,965	-	-	158,678,965	-
Total noncurrent liabilities	268,646,424	6,154,978	9,759,965	284,570,967	13,293,228
Total liabilities	\$16,703,315	\$7,112,442	\$14,636,322	\$38,462,079	\$17,578,586
DEFERRED INFLOWS OF RESOURCES					
Deferred charge on refunding	1,610,891	-	-	1,610,891	-
Deferred inflows of resources related to leases	-	-	51,554	51,554	-
Deferred inflows related to postemployment benefits	291,858	139,295	170,905	602,058	127,401
Total deferred inflows of resources	1,902,749	139,295	222,459	2,264,503	127,401
NET POSITION					
Net investment in capital assets	145,233,831	6,131,623	27,514,017	178,879,471	1,968,758
Restricted for:					
Capital projects	16,125,712	-	3,332,480	19,458,192	-
Debt service	17,171,268	-	-	17,171,268	-
Impact fee projects	7,891,268	-	-	7,891,268	-
Renewal and replacement	8,939,150	1,517,156	148,790	10,605,096	-
Unrestricted	52,014,330	8,264,974	16,486,447	76,765,751	18,974,006
Total net position	\$ 247,375,559	\$ 15,913,793	\$ 47,481,734	\$ 310,771,046	\$ 20,942,764

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

CITY OF FORT MYERS, FLORIDA
Annual Comprehensive
Financial Report
 Fiscal Year Ended September 30, 2022



CITY OF FORT MYERS, FLORIDA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2022

CITY OF FORT MYERS, FLORIDA
Annual Comprehensive
Financial Report
Fiscal Year Ended September 30, 2022



	Business-type Activities				Governmental Activities
	Water- Wastewater	Solid Waste	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 77,712,973	\$ 20,287,689	\$ 22,426,435	\$ 120,427,097	\$ 24,985,186
Rent	-	-	138,575	138,575	-
Miscellaneous	5,834,650	52,101	144,521	6,031,272	347,404
Total operating revenues	83,547,623	20,339,790	22,709,531	126,596,944	25,332,590
OPERATING EXPENSES					
Personnel services	10,557,779	4,932,370	5,488,521	20,978,670	4,431,122
Materials and supplies	8,665,744	560,103	6,505,320	15,731,167	5,088,783
Contractual services	5,239,876	4,769,813	3,383,718	13,393,407	966,306
General and administrative	3,536,327	798,760	1,804,330	6,139,417	1,259,874
Utilities	4,131,712	39,157	806,306	4,977,175	968,869
Repairs and maintenance	2,509,086	129,177	451,791	3,090,054	4,095,888
Rentals	1,830,872	2,399,379	758,021	4,988,272	672,338
Travel	7,664	165	4,329	12,158	10,566
Insurance	910,100	580,200	477,800	1,968,100	1,602,576
Self insurance claims	-	-	-	-	2,301,101
Depreciation	18,520,031	1,562,894	2,780,390	22,863,315	1,423,186
Total operating expenses	55,909,191	15,772,018	22,460,526	94,141,735	22,820,609
Operating income	27,638,432	4,567,772	249,005	32,455,209	2,511,981
NONOPERATING REVENUES (EXPENSES)					
Investment earnings (loss)	(2,061,112)	(451,600)	(943,958)	(3,456,670)	(1,037,378)
Gain (loss) on disposal of capital assets	61,000	-	(36,653)	24,347	852,290
Interest expense and bond insurance costs	(7,381,848)	29,930	(128,045)	(7,479,963)	(93,107)
Total nonoperating revenues (expenses)	(9,381,960)	(421,670)	(1,108,656)	(10,912,286)	(278,195)
Income (loss) before contributions and transfers	18,256,472	4,146,102	(859,651)	21,542,923	2,233,786
Capital grants and contributions	1,472,556	-	1,050,424	2,522,980	-
Transfers in	-	-	5,848,806	5,848,806	-
Transfers out	(7,364,797)	(2,593,800)	(2,147,818)	(12,106,415)	(265,827)
Change in net position	12,364,231	1,552,302	3,891,761	17,808,294	1,967,959
Net position - beginning	235,011,328	14,361,451	43,589,973	292,962,752	18,974,805
Net position - ending	\$ 247,375,559	\$ 15,913,753	\$ 47,481,734	\$ 310,771,046	\$ 20,942,764

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

Major Enterprise Funds / Internal Service Funds

CITY OF FORT MYERS, FLORIDA
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The City reports the following major enterprise funds:

The Water-Wastewater Fund accounts for the activities related to providing water, wastewater and reclaimed water services to the public.

The Solid Waste Fund accounts for the revenues and costs associated with providing solid waste services to the residents of the City.

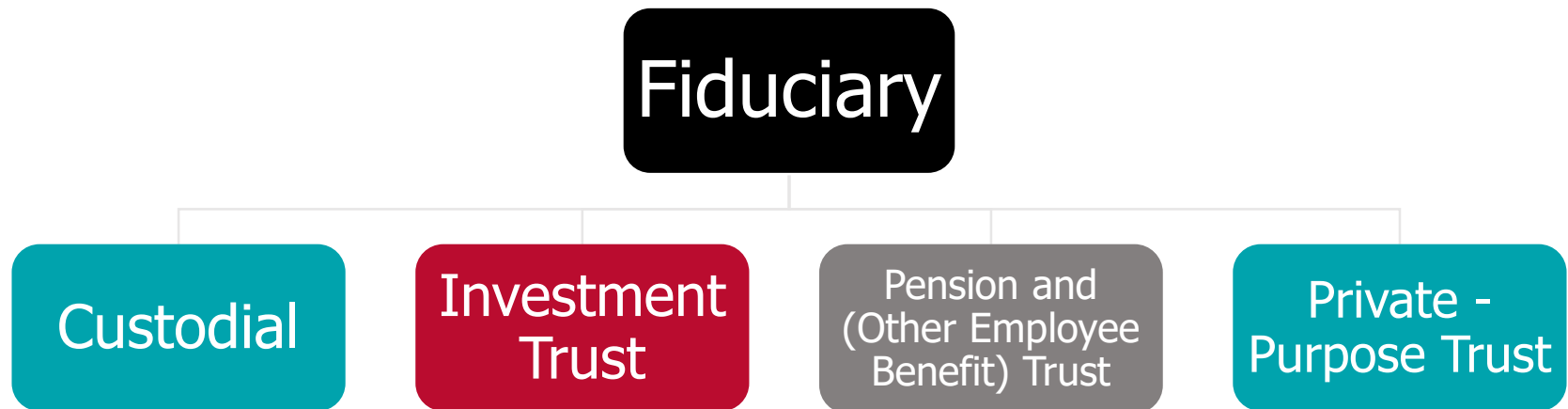
In addition, the City reports the following other fund types:

Internal Service Funds account for services provided to other departments of the City on a cost reimbursement basis. These services include: Information Technology Services, Risk Management Services (workers' compensation, general liability insurance and property insurance), Fleet Maintenance and a Public Works Warehouse that acts as a central repository for items needed for all phases of Public Works.



Fiduciary Funds

Used to account for resources that a government holds as a trustee or custodial capacity on behalf of an outside party that cannot be used to support the government's own programs

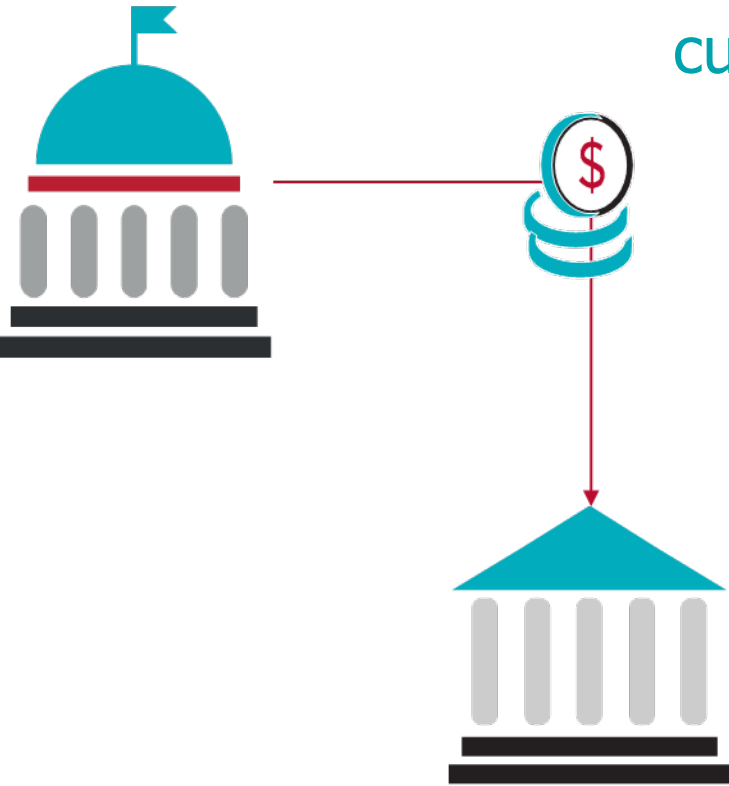


Custodial Funds

Used to report resources held by the reporting government in a **purely custodial capacity**

Examples -

- Cash bonds
- Tax distribution and administration
- Florida School for the Deaf and the Blind
- Fines and forfeitures



Investment Trust Funds

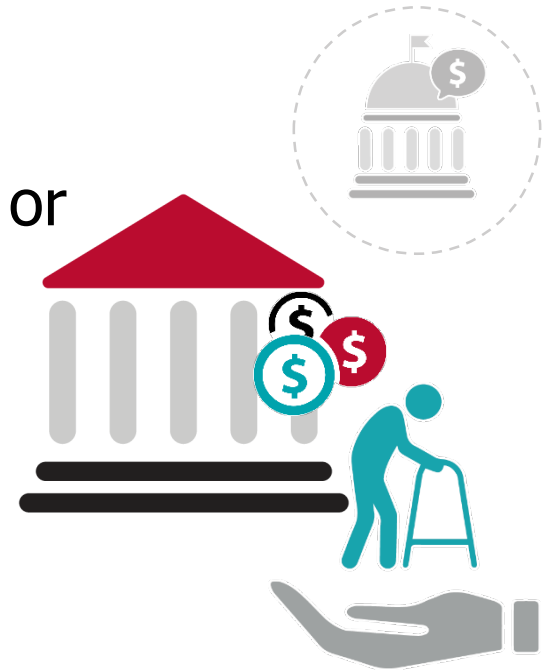
- Used to report fiduciary activities from the **external portion** of investment pools and individual investment accounts that are held in trust
- External Treasury Pool
- Investment Pool A



Pension (and OPEB) Trust Funds

Reports resources that are required to be held in trust for the members and beneficiaries of

- defined benefit plans,
- defined contribution plans,
- other post-employment benefit plans, or
- other employee benefit plans




Private-Purpose Trust Funds

- Used to report escheat property and all other trust arrangements
 - Principal and income benefit individuals, private organizations or other governments
- Examples:
 - Unclaimed Property
 - Trust Escrow Administration
 - College Savings Plan
 - Student Loan Guaranty Reserve

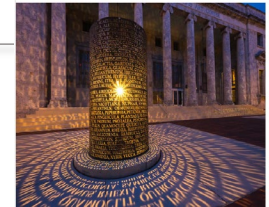


Fiduciary Fund Financials

- 
- Statement of Fiduciary Net Position
 - Statement of Changes in Fiduciary Net Position
 - Terminology Differences
 - Inflows of resources are referred to as “Additions”
 - Outflows of resources are referred to as “Deductions”
 - Do NOT use a total column
 - Net Position should be reported in a single category that reflects the fiduciary status of the fund’s resources
 - Restricted for Pensions
 - Postemployment benefits other than pensions
 - Pool participants
 - Individuals, organizations, and other governments

Fiduciary Funds

CITY OF FORT MYERS, FLORIDA
Annual Comprehensive
Financial Report
Fiscal Year Ended September 30, 2022



CITY OF FORT MYERS, FLORIDA Statement of Fiduciary Net Position Fiduciary Funds September 30, 2022

	Pension Trust Funds	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 4,472,324	\$ 24,515
Investments, at fair value		
U.S. government and agency securities	31,460,736	-
Municipal bonds	2,502,685	-
Corporate stock	99,713,741	-
Corporate bonds	20,779,666	-
Convertible bonds	14,649,531	-
Convertible preferred	2,482,981	-
Mortgage backed securities	18,450,646	-
Mutual funds:		
Fixed income	20,610,227	-
Equity	77,790,779	-
International equity	17,227,685	-
Commingled funds - Real estate	21,488,192	-
Limited partnerships:		
Real estate	11,948,622	-
International equity	16,541,203	-
Real estate investment trusts	19,349,769	-
International securities:		
Bonds and notes	1,608,239	-
Stocks	16,517,546	-
Total investments	393,122,248	-
Receivables		
Due from Other Govts	841,225	-
Employer contributions	19,006,499	-
Interest and dividends	485,253	-
Total receivables	20,332,977	-
Prepaid items - benefits	2,493,017	-
Total assets	420,420,566	24,515
LIABILITIES		
Payables		
Due to other governmental agencies	-	24,515
Benefit payments	155,795	-
Investment expenses	351,534	-
Administrative expenses	22,156	-
Total liabilities	529,485	\$ 24,515
FIDUCIARY NET POSITION		
Fiduciary net position restricted for pensions	\$ 419,891,081	

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



Fiduciary Funds

CITY OF FORT MYERS, FLORIDA
Annual Comprehensive
Financial Report
Fiscal Year Ended September 30, 2022



CITY OF FORT MYERS, FLORIDA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2022

	Pension Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Employer	\$ 25,275,554	\$ -
State of Florida	1,928,423	-
Plan members	4,411,012	-
Total contributions	<u>31,614,989</u>	<u>-</u>
Investment earnings:		
Interest and dividends	7,010,926	-
Net decrease in the fair value of investments	<u>(87,543,531)</u>	<u>-</u>
Total investment (loss)	(80,532,605)	-
Less: investment expenses	1,826,603	-
Net investment (loss)	<u>(82,359,208)</u>	<u>-</u>
Fees collected for other governments	-	1,684,303
Total additions (reductions)	<u>(50,744,219)</u>	<u>1,684,303</u>
DEDUCTIONS		
Benefits paid	35,231,290	-
Administrative expenses	580,050	-
Payments of fees to other governments	-	1,684,303
Total deductions	<u>35,811,340</u>	<u>1,684,303</u>
Change in fiduciary net position	(86,555,559)	-
FIDUCIARY NET POSITION		
Fiduciary net position - beginning	506,446,640	-
Fiduciary net position - ending	<u>\$ 419,891,081</u>	<u>\$ -</u>

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

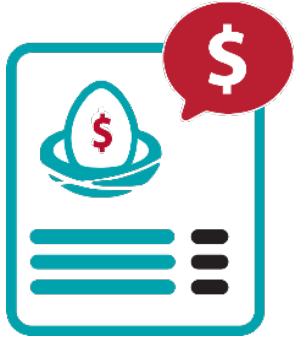
Fiduciary Funds



The Pension Trust Funds account for activities of the City's General Employees' Pension Plan, Police Officers' Retirement System and the Firefighters' Retirement System (collectively, the Pension Trust Funds). The Pension Trust Funds are separate legal entities, which accumulate resources for the pension benefit payments to virtually all full-time, regular employees, all non-civilian police department employees, and all firefighters and fire department officers, respectively.

The Custodial Funds are used to account for resources collected by the City for third parties. The custodial funds include the Regional Park Impact Fee Fund, the Emergency Medical Services (EMS) Impact Fee Fund and School Board Impact Fee Fund. The Regional Park, EMS and School Impact Fee Funds accumulate impact fees levied by the County. The City collects these impact fees at the time that building permits are issued and then remits the fees to the County.

Fund Financial Statements



Pooled Cash and Investments

- If the balance of an individual fund is negative, report as an [interfund borrowing](#), not as a negative asset

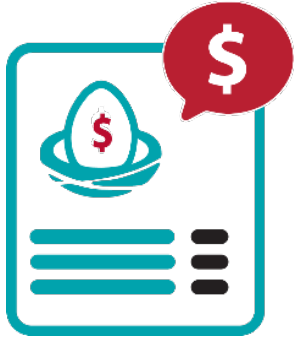
Interfund Receivables/Payables

- Short-term balances – “Due to” and “Due from”
- Long-term balances – “Advances”

Compensated Absences

- Liability in governmental funds – just portion due to employees separated from service as of end of fiscal period
- Liability in proprietary funds – report current and long-term amounts

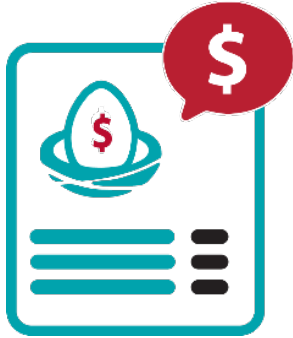
Fund Financial Statements



Issuance of Debt – Governmental Funds

- ❑ Other financing source equal to face value of debt – NOT amount of proceeds
- ❑ Discount on issuance
 - ❑ Report as expenditure for an underwriter's discount
 - ❑ Report as other financing use for an original issue discount
- ❑ Issuance costs reported as an expenditure
- ❑ Premium on issuance reported as other financing source
- ❑ Payments to escrow agents for refunded debt – other financing use
- ❑ Capital leases – report an other financing source and a related capital outlay expenditure
- ❑ Issuance of short-term debt (TAN) reported as a liability

Fund Financial Statements



Transfer of capital assets

- From governmental activities to proprietary fund – asymmetrical
 - No effect on governmental fund statements
 - Report as a capital contribution in proprietary fund
- From proprietary fund to governmental activities – asymmetrical
 - No effect on governmental fund statements
 - Report as a non-operating expense (disposal of capital asset)

In the Statement of Activities, the reassignment of capital assets between governmental and business-type activities would be reported as a transfer, requiring a reconciling item in the governmental funds' reconciliation since difference created between change in fund balance and change in net position.

Extraordinary & Special Items



Events and transactions that meet certain criteria are properly reported on a [separate line item](#) in the financial statements

Extraordinary Items

- Unusual in nature, and
- Infrequent in occurrence, and
- Not within the control of management

Special Items

- Either unusual in nature, or
- Infrequent in occurrence, and
- *Within the control of management*

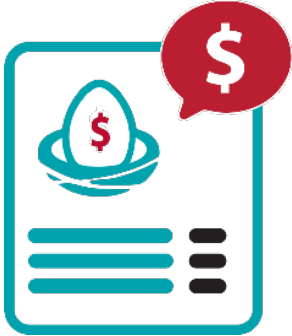
Minimum Number of Funds

- No “one size fits all”
- Consistent with legal requirements and sound financial administration



Major Fund Reporting

Governmental and Proprietary Fund Financials



Major fund reporting – must present fund as major if it meets both the 10% & 5% tests

- ❑ Include *deferred outflows* with assets and *deferred inflows* with liabilities
- ❑ Do not include transfers with revenues and expenses/expenditures
- ❑ Threshold applies to final numbers reported in fund financial statements
- ❑ Reapply test every year
- ❑ Can present calculated non-major funds as major

Major Funds

Determining Major Funds

	Assets + Deferred Outflows of Resources	Liabilities + Deferred Inflows of Resources	Revenues	Expenditures/ Expenses	Exceeds 10%	Exceeds 5%	Qualifies as a Major Fund?
General fund	\$ 49,173,890	\$ 7,862,866	\$ 145,682,174	\$ 116,292,880	N/A	N/A	always
Special revenue funds:							
SR1	5,450,058	859,898	2,141,676	270,609			no
SR2	10,308,338	573,337	7,678,162	2,210,684			no
SR3	118,124	3,226	431,789	515,268			no
SR4	1,501,859	1,433	2,326,182	2,954,631			no
SR5	321,869	60,696	52,799	64,905			no
SR6	6,825,027	123,139	6,746,992	6,010,772			no
SR7	13,858,494	12,829,985	431,309	1,792,222	X	X	yes
SR8	6,758,635	6,513,754	4,053,631	4,146,729	X		no
SR9	243	208,070	1,526,362	1,685,353			no
SR10	1,726,313	1,067,869	3,252,238	2,449,801			no
Debt service fund	10,306,296	708,954	5,017,692	15,464,559		X	no
Capital project funds:							
CPF1	15,052,294	1,762,238	-	7,977,027			no
CPF2	303,883	1,285	441,180	1,320,431			no
CPF3	21,321,620	91,001	-	768,181	X		no
CPF4	3,571,022	1,067	-	130,045			no
CPF5	5,096,526	2,773	-	1,206,247			no
Total governmental funds	151,694,491	\$ 32,671,591	\$ 179,782,186	\$ 165,260,344			
10% of total governmental funds	15,169,449	3,267,159	17,978,219	16,526,034			
Enterprise funds:							
ENT1	282,399,315	110,391,320	37,442,090	31,877,442	X	X	yes
ENT2	62,783,468	2,505,769	12,898,952	14,854,588	X	X	yes
ENT3	7,017,621	169,622	2,007,955	2,593,371			no
ENT4	9,235,650	8,810,604	1,820,753	2,375,639		X	no
ENT5	22,310,981	19,767,620	8,182,129	17,688,470	X	X	yes
Total enterprise funds	383,747,035	141,644,935	62,351,879	69,389,510			
10% of total enterprise funds	38,374,704	14,164,494	6,235,188	6,938,951			
Total governmental and enterprise funds	\$ 535,441,526	\$ 174,316,526	\$ 242,134,065	\$ 234,649,854			
5% of total governmental and enterprise funds	26,772,076	8,715,826	12,106,703	11,732,493			



CITY OF FORT MYERS

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

Law Enforcement Trust – To account for the proceeds collected under the Florida Contraband Forfeiture Act to be used for school resource officers, crime prevention, safe neighborhoods, drug abuse education and prevention programs, and for other law enforcement purposes and providing matching funds to obtain federal grants.

Federal Forfeiture – To account for federal forfeiture proceeds, which can be expended for any activity calculated to enhance future investigations, support investigations and operations that may result in further seizures and forfeitures.

FEMA Disaster Grant – To account for the expenditures related to the damage caused by Hurricane Irma and Hurricane Ian, and the associated cleanup costs to be reimbursed by the Federal government.

Grants – To account for monies, received from various Federal, State and local agencies or private foundations, which must be expended according to the terms of grant requirements.

Special Assessment Geographical Area Administration (SAGA) – To account for Special Assessment District administration fees.

Police Training – To account for the \$2 assessment paid by persons convicted for violation of city ordinances. This assessment may be used for criminal justice education and training for the local government unit's officers and support personnel.

Street Light Maintenance – To account for the accumulation of funds to provide repairs and maintenance for certain street light poles and ballasts.

Street Maintenance – To account for funds received from the State for traffic light and street maintenance.

Public Art Fund – To account for proceeds from in-lieu contributions and all other revenue to support Public Art.

Law Enforcement Equipment Fund – To account for donations required of developers for law enforcement equipment purchases necessitated by commercial and residential development.

Attainable Workforce Housing Fund – To account for resources from developer contributions to provide loans to eligible residents with income of 150% of the median income for Lee County.

Hurricane Shelter – To account for developer contributions made to rehabilitate downtown buildings for use as hurricane shelters.

Public-Private Parking – To account for developer fees paid in lieu of the provision for parking.

East Riverside Community Center – To account for operations and maintenance of the community center, built for the citizens and visitors of Fort Myers and Lee County.

Para-Transit Fund – To account for developer contributions made annually for a downtown trolley system.

Patrons of the Palms – To account for operations and resources related to maintaining palm trees, to enhance the City's identity as the "City of Palms".

State Housing Initiative Partnership Program – To account for funds received from the State of Florida to assist very low, low, and moderate income persons or families in becoming single-family homeowners.

Community Redevelopment Agency:

Downtown Redevelopment Area – To account for the operations and resources related to the Downtown Redevelopment Area.

Other Redevelopment Areas – To account for the administration and resources related to implementing the Cleveland Avenue Redevelopment Areas, the Central Fort Myers Redevelopment Area, the Martin Luther King Redevelopment Areas, and the East Fort Myers Redevelopment Area.

Community Development Block Grant Program – To account for monies received from the U.S. Department of Housing and Urban Development for community redevelopment.

Crime Prevention Fund – To account for monies received from fines, which are used to advance the crime prevention program.

CITY OF FORT MYERS, FLORIDA
**Annual Comprehensive
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Fiscal Year Ended September 30, 2022



Permanent Fund

The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the government's programs.

Ned Fould's Police Award Fund – To account for a donation to the City to provide an award to the City's Police Officer of the Year. The interest is awarded to the Officer of the Year with the principal being retained in the fund.

CITY OF FORT MYERS, FLORIDA
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Measurement Focus & Basis of Accounting

Perspective is Important!



Perspectives for Analyzing Financial Statements

Perspective	Significance
Near-term financial position	Are regular inflows sufficient to cover regular outflows? Are there sufficient liquid resources to meet unexpected events and developments
Net position	Is the entity's net position improving or deteriorating?
Economic condition	Is the entity's net position likely to improve or deteriorate in the future?

Source: GAAFR, Page 803

Sources of Information for Different Purposes

Perspective	Principal source of information in the ACFR*
Near-term financial position	Fund financial statements
Net position	Government-wide financial statements
Economic condition	Statistical section

* Annual Comprehensive Financial Report

Source: GAAFR, Page 804

Definition of Measurement Focus

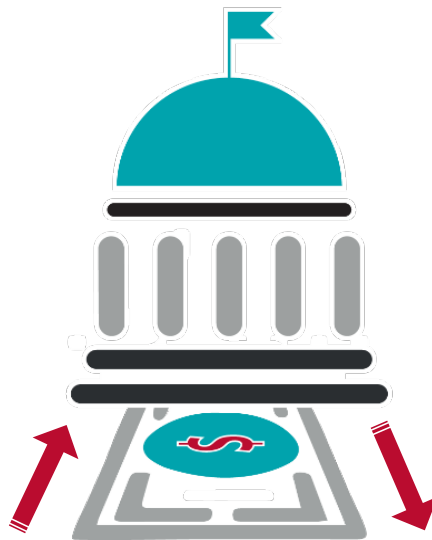


A term used to describe the types of transactions and events that are reported on a fund's operating statement

Are we measuring –

- ❑ Expenses? (economic condition)
- ❑ Expenditures? (current financial resources)

Measurement focus tells us “**what to measure**”



Basis of accounting tells us “**when**” to report the items in the financial statements

Measurement Focus – Governmental Funds

- Flow of **current financial resources** measurement focus
 - Are there more or less resources available for spending?
- Increases in available expendable resources
 - Revenue or other financing sources
- Decreases in expendable resources
 - Expenditures or other financing uses



Measurement Focus – Business Type Funds

- Flow of **economic resources** measurement focus
 - Better or worse off economically as a result of transactions for the period?
- Improve economic position
 - Revenues or gains
- Diminish economic position
 - Expenses or losses



Fundamental Differences

Transaction or Event	Government Funds (Current Financial Resources)	Proprietary Funds (Economic Resources)
Issuance of debt	Increases	No effect
Debt service principal	Decreases when due and payable – usually when payment is made	No effect
Debt service interest	Decreases when due and payable – usually when payment is made	Decreases each year debt is outstanding
Purchase of a capital asset	Decreases	No effect
Depreciation expense	No effect	Decreases
Sale of capital asset	Increase	Increase if \$ received is more than book value/ Decrease if \$ received is less than book value



Basis of Accounting

Refers to the point in time **WHEN** a government recognizes revenues, expenditures or expenses (as appropriate), and the related assets and liabilities in the accounts and reports them in the financial statements



Basis of Accounting Types

Cash

- Recognizes transactions only when cash changes hands
- Can't report financials using the cash basis

Accrual

- Recognizes transactions when the economic event occurs regardless of the timing of cash flows
- Revenues = earned and measurable
- Expenses = When liability is incurred

Modified Accrual

- Hybrid of both accrual and cash
- Revenues = earned, measurable and available
- Expenditures = When liability is incurred with the *exception* of unmatured debt, accrued interest, supplies inventory, and prepaids

Basis of Accounting

FUND CATEGORY	BASIS OF ACCOUNTING
Governmental Funds	Modified Accrual
Proprietary Funds	Accrual
Fiduciary Funds	Accrual

Deferred – Outflows & Inflows

Why these financial statement elements are unique to governmental accounting



Financial Statement Elements



Assets are resources with present service capacity that the government presently controls



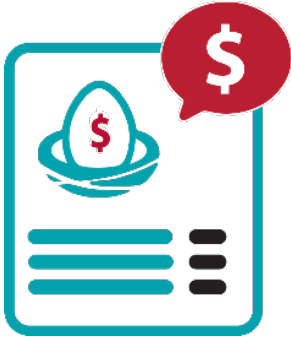
A **Deferred Outflow of Resources** is a consumption of net assets by the government that is applicable to a future reporting period

Liabilities are present obligations to sacrifice resources that the government has little or no discretion to avoid



A **Deferred Inflow of Resources** is an acquisition of net assets by the government that is applicable to a future reporting period

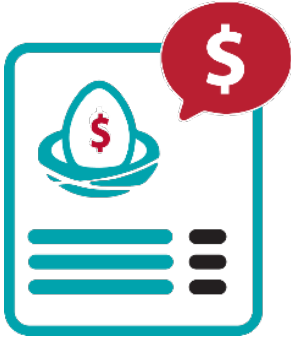
Deferred Outflows



Examples -

- ❑ Grant paid in advance of meeting the timing requirement
- ❑ Deferred amounts from refunding of debt
- ❑ Costs to acquire rights to future revenues
- ❑ Deferred loss from sale-leaseback
- ❑ Pension related -
 - ❑ Change in assumptions
 - ❑ Contributions subsequent to the measurement date

Deferred Inflows

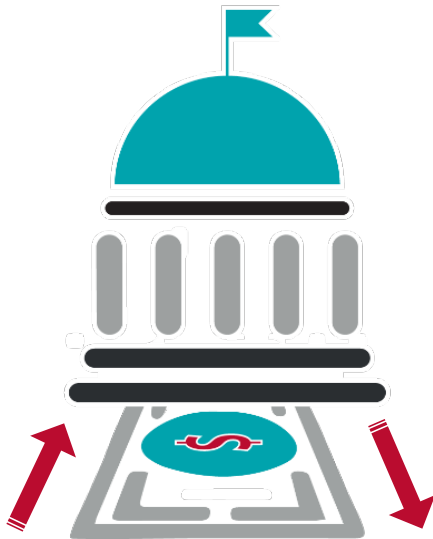


Examples -

- ❑ Unavailable revenue in governmental funds
- ❑ Deferred amounts from refunding of debt
- ❑ Grants received in advance of meeting timing requirements
- ❑ Taxes received in advance
- ❑ Proceeds from sales of future revenues
- ❑ Deferred gain from sale-leaseback
- ❑ Pension Related –
 - ❑ Change in assumptions
 - ❑ Differences between expected and actual experience

Modified Accrual Basis of Accounting

Revenue Recognition



Recognizes revenues in the accounting period in which they are:

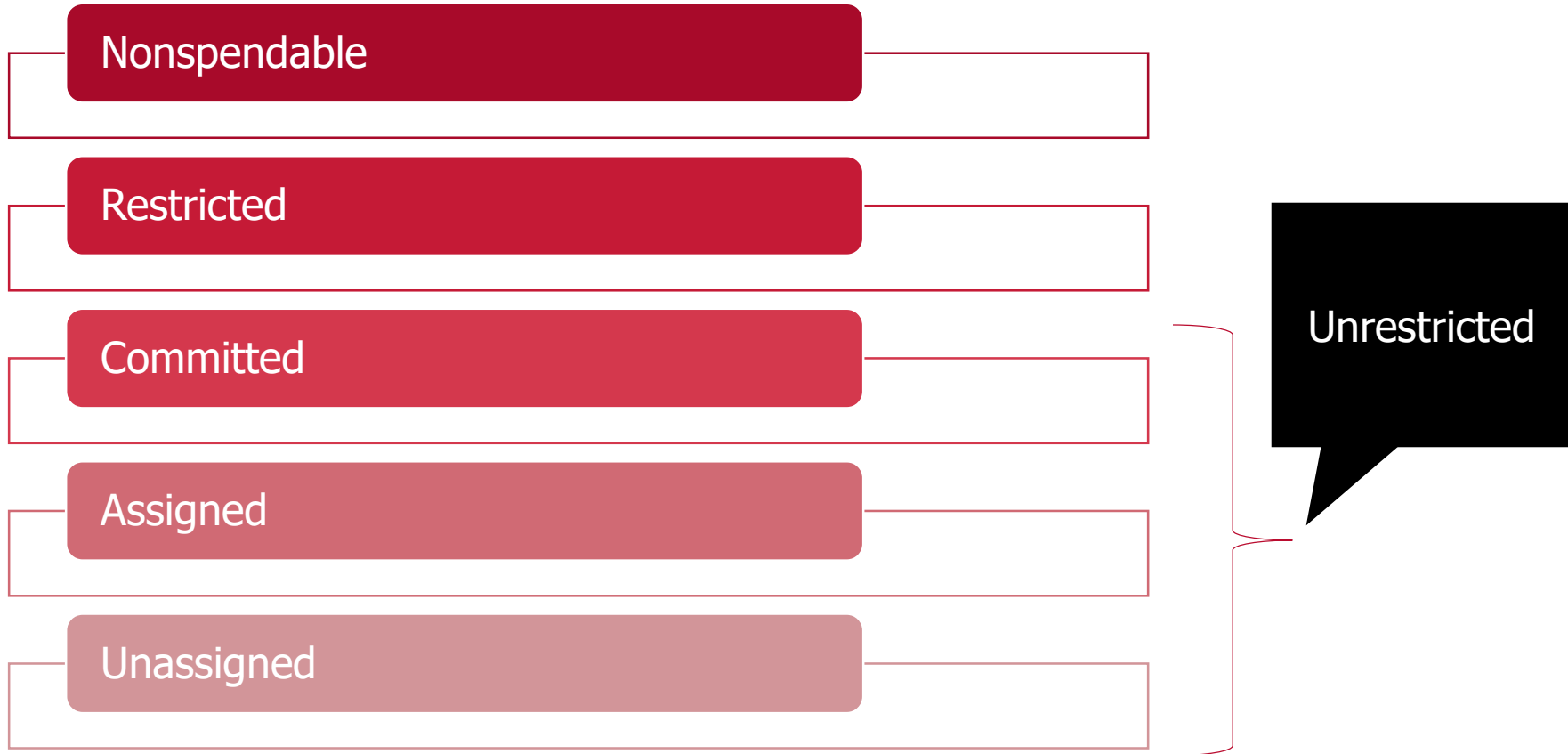
- ❑ Earned
- ❑ Measurable
- ❑ Available

Fund Balance & Net Position

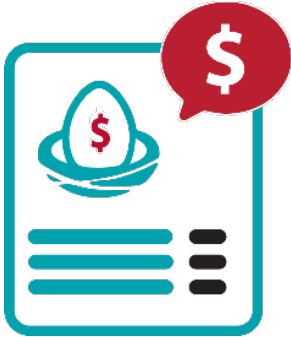
What are the components?



Fund Balance - GASB 54

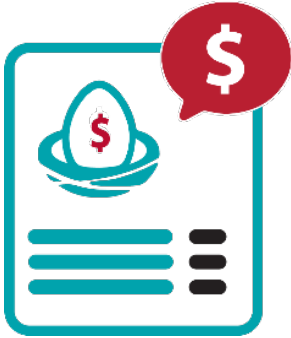


Fund Balance - Nonspendable



- ❑ Assets that will never convert to cash
 - ❑ Prepaid items; Inventories
- ❑ Assets that will not convert to cash soon enough to affect current period
 - ❑ Long-term portion of loans receivable
 - ❑ Non-financial assets held for resale
- ❑ Resources required to be maintained intact
 - ❑ Principal of endowment
 - ❑ Capital of a revolving loan fund

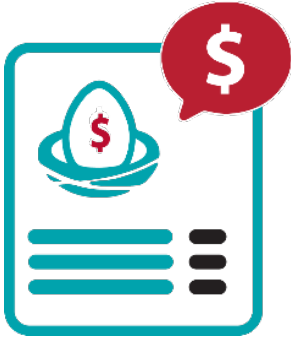
Fund Balance – Restricted



Fund balance should be reported as restricted when constraints placed on the use of resources are either:

- ❑ Externally imposed by creditors (debt covenants, grantors, or law or regulations of other governments)
- ❑ Imposed by law through constitutional provisions or enabling legislation

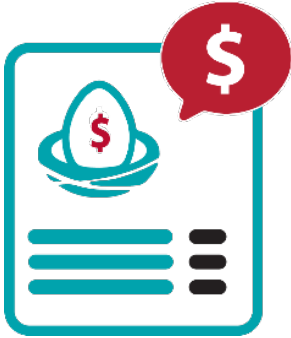
Fund Balance – Committed



Includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action:

- ❑ Limitation imposed by the highest level of decision making authority
- ❑ Remains binding unless removed in the same manner
- ❑ Must be in place prior to the end of the period

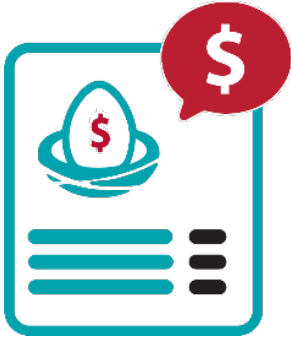
Fund Balance – Assigned



Includes amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted or committed:

- ❑ Limitation imposed by the highest level of decision making authority or their designee
- ❑ Express intent of use of funds
- ❑ Purpose must be narrower than fund itself
- ❑ Removal of limitation less formal than with committed fund balance

Fund Balance – Unassigned



- ❑ Residual classification
- ❑ Only General Fund can report a positive unassigned fund balance
- ❑ Any governmental fund can report a negative balance
- ❑ Often used as a government's "reserve" calculation
 - ❑ GFOA Best Practice – No less than two months of regular GF operating revenues or GF operating expenditures in the unrestricted (committed, assigned and unassigned)

	General Fund	Revenue Bonds and Notes	Transportation Capital Projects	General Capital Projects	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 14,448,774	\$ 270,605	\$ 14,232,192	\$ 6,330	\$ 5,883,369	\$ 34,639,270
Investments	31,662,648	7,707,160	16,908,456	14,371,730	20,192,915	92,843,912
Receivables:						
Accounts receivable, net	3,571,100	-	-	78,105	16,534	4,065,739
Special assessments receivable	35,426	-	-	-	-	35,426
Interest receivable	17,665	2,473	122,782	30,830	16,744	190,494
Utilities	2,517,591	-	-	-	-	2,517,591
Due from other funds	5,370,588	-	-	-	-	5,370,588
Due from other governmental agencies	3,329,678	-	296,628	4,992,294	3,318,980	10,686,260
Prepaid items	1,316,346	960	28,195	15,143	1,356,244	2,691,944
Notes receivable, net	502,621	-	-	-	707,750	1,208,371
Advances to other funds	617,000	-	-	-	-	617,000
Assets held for resale	-	-	-	-	784,069	784,069
Total assets	<u>\$ 63,769,034</u>	<u>\$ 7,981,128</u>	<u>\$ 33,589,133</u>	<u>\$ 18,549,002</u>	<u>\$ 30,731,503</u>	<u>\$ 154,616,965</u>
LIABILITIES						
Accounts and contracts payable	\$ 6,474,755	\$ 61,139	\$ 1,444,563	\$ 1,225,044	\$ 792,330	\$ 9,997,831
Accrued and other liabilities	6,551,422	11,500	-	-	74,866	6,637,788
Due to other funds	-	-	-	2,215,838	3,154,747	5,370,586
Due to other governmental agencies	138,669	-	-	-	-	138,669
Funds held in escrow	321,354	-	-	-	541	321,895
Customer deposits	1,933,442	-	-	-	-	1,933,442
Unearned revenue	272,231	-	1,400,360	-	14,487,969	16,120,590
Advances from other funds	-	-	-	-	617,000	617,000
Total liabilities	<u>15,689,513</u>	<u>72,639</u>	<u>2,844,923</u>	<u>3,440,882</u>	<u>19,097,443</u>	<u>41,145,710</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - code enforcement fees	438,056	-	-	-	-	438,056
Unavailable revenue - rental income	850,620	-	-	-	-	850,620
Unavailable revenue - grants, contributions	-	-	1,460	-	4,138,980	5,349,340
Deferred inflows related to leases	2,490,738	-	-	-	-	2,490,738
Total deferred inflows of resources	<u>3,779,656</u>	<u>-</u>	<u>1,460</u>	<u>4,138,980</u>	<u>1,208,042</u>	<u>9,125,018</u>
FUND BALANCES (DEFICITS)						
Nonexpendable:						
Advances to other funds	617,000	-	-	-	-	617,000
Prepaid items	1,316,346	960	28,195	10,143	1,356,244	2,691,944
Public safety principal, nonexpendable	-	-	-	2,000	-	2,000
Restricted for:						
Donations received	-	-	-	1,152,922	1,152,922	1,152,922
Community redevelopment agency	-	-	-	6,217,937	6,217,937	6,217,937
Capital projects	-	-	10,966,855	-	10,966,855	10,966,855
Debt service	-	7,907,599	-	-	7,907,599	7,907,599
Economic environment	3,232,075	-	-	-	1,391,911	4,623,986
Law enforcement programs	-	-	-	-	269,647	269,647
Physical environment	-	-	-	185,431	185,431	185,431
Transportation	-	-	30,714,555	-	1,851,519	32,566,074
Committed to:						
Law enforcement programs	-	-	-	-	42,639	42,639
Assigned to:						
Subsequent year's expenditures	4,870,443	-	-	-	-	4,870,443
Capital projects	24,525	-	-	2,495	-	27,020
Cemetery maintenance	219,964	-	-	-	-	219,964
Culture and recreation	98,267	-	-	-	-	98,267
Economic environment	99,251	-	-	-	-	99,251
Land acquisition	138,989	-	-	-	-	138,989
Law enforcement programs	92,647	-	-	-	-	92,647
Submerged land lease	128,829	-	-	-	-	128,829
Unassigned	33,457,619	-	-	(698,131)	32,759,488	32,759,488
Total fund balances (deficits)	<u>44,296,555</u>	<u>7,908,559</u>	<u>30,742,750</u>	<u>10,969,350</u>	<u>10,426,018</u>	<u>104,343,232</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 63,769,034</u>	<u>\$ 7,981,128</u>	<u>\$ 33,589,133</u>	<u>\$ 18,549,002</u>	<u>\$ 30,731,503</u>	<u>\$ 154,616,965</u>

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

CITY OF FORT MYERS, FLORIDA
**Annual Comprehensive
Financial Report**
Fiscal Year Ended September 30, 2022



CITY OF FORT MYERS, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2022

	Revenue Bonds and Notes	Transportation Capital Projects	General Capital Projects	Total Nonmajor Funds	Total Governmental Funds
General Fund					
FUND BALANCES (DEFICITS)					
Nonspendable:					
Advances to other funds	617,000	-	-	-	617,000
Prepaid items	1,316,946	960	28,195	10,143	1,356,244
Public safety principal, nonexpendable	-	-	-	2,000	2,000
Restricted for:					
Donations received	-	-	-	1,152,922	1,152,922
Community redevelopment agency	-	-	-	6,217,937	6,217,937
Capital projects	-	-	10,966,855	-	10,966,855
Debt service	-	7,907,599	-	-	7,907,599
Economic environment	3,232,075	-	-	1,391,911	4,623,986
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Physical environment	-	-	-	185,431	185,431
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Law enforcement programs	-	-	-	42,639	42,639
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Subsequent year's expenditures	4,870,443	-	-	-	4,870,443
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Unassigned	33,457,619	-	-	(698,131)	32,759,488
Total fund balances (deficits)	<u>44,296,555</u>	<u>7,908,559</u>	<u>30,742,750</u>	<u>10,426,018</u>	<u>104,343,232</u>

Net Position – GASB 63

Displayed in three components

Net Investment in Capital Assets

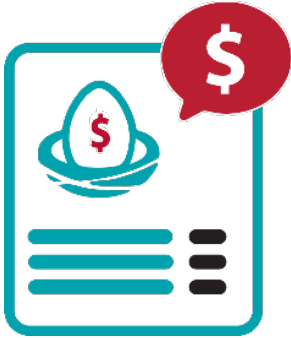


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graph TD; A[Net Investment in Capital Assets] --> B[Restricted]; B --> C[Unrestricted];
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Restricted

Unrestricted

Net Investment in Capital Assets



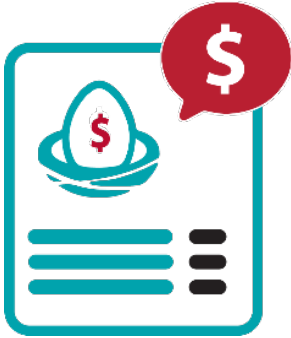
- ❑ Government-Wide (GW) and Proprietary Fund financial statements
- ❑ Net Investment in Capital Assets vs. Invested in Capital Assets, Net of Related Debt
- ❑ No capital related borrowings classify as *Investment in Capital Assets*

Net Investment in Capital Assets

Calculation of Net Investment in Capital Assets:

Capital assets	\$ 95,750,035
Intangible assets	2,589,215
Accumulated depreciation / amortization	(12,476,525)
Subtotal, capital assets	<u>85,862,725</u>
Capital related debt	
Capital related bonds payable	27,545,000
Capital related notes payable	1,980,000
Unamortized bond premium	290,930
Unamortized bond discount	(164,732)
Unspent proceeds from capital related debt	(2,560,368)
Subtotal, capital related debt	<u>27,090,830</u>
Net Investment in Capital Assets	<u>\$ 58,771,895</u>

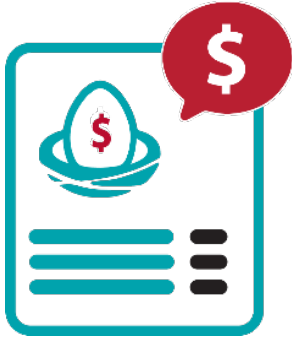
Net Position – Restricted



Calculated as the **difference** between –

1. Non-capital assets whose use is restricted (*including* assets that must be used to repay capital-related borrowings); and,
2. Related liabilities and deferred inflows of resources (*excluding* capital-related borrowings)

Restricted Net Position



- ❑ Reasons for restrictions should be on face of statement
- ❑ Avoid generic terms – “special purposes,” “other purposes”
- ❑ Cannot be negative balance – instead, reduce unrestricted balance

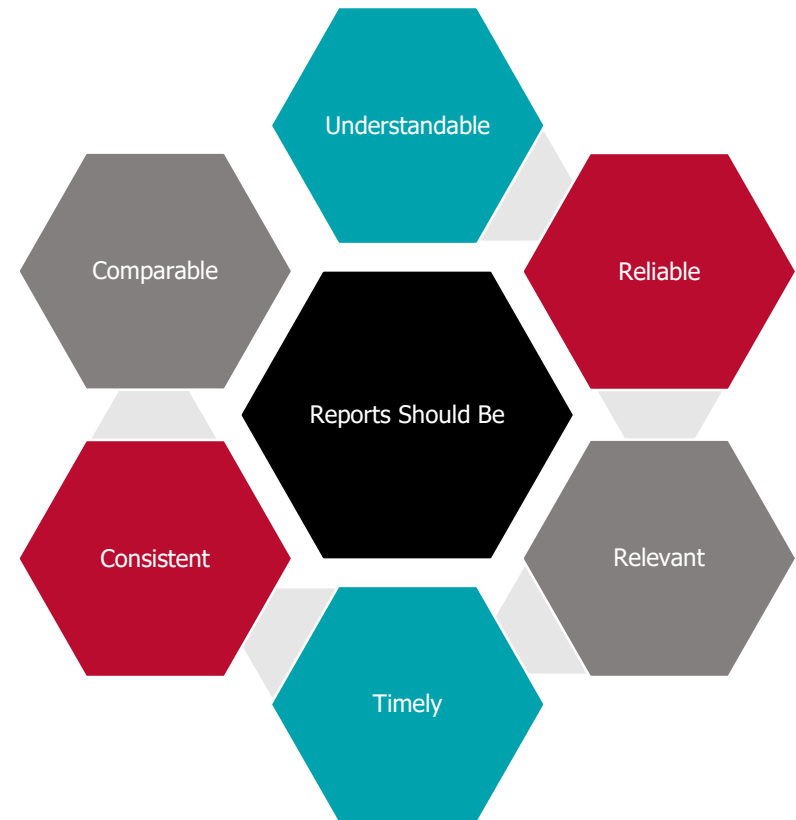
Budgetary Comparisons

What are the requirements?



Providing Accountability

- Financial reports are used to assess accountability by:
 - Comparing actual financial results with the legally adopted budget,
 - Assessing financial condition and results with operations,
 - Assisting in determining compliance with finance-related laws, rules and regulations, and
 - Assisting in evaluating efficiency and effectiveness

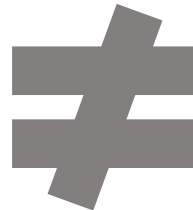


Characteristics – Relationship of Taxpayers to Services

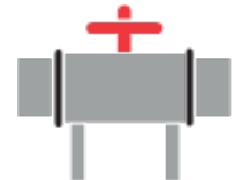
Taxpayers are **involuntary** resource providers



Taxes
paid



cost or
value of
services
received

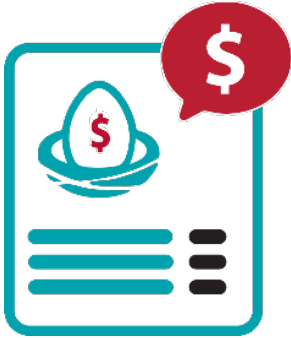


Legal Level of Budgetary Control

- Must demonstrate compliance at the legal level of control
- Lowest level of detail in which a government's management may **NOT** reassign resources without specific approval
- Statutory Level of Control – Fund Level
 - Some jurisdictions control at a greater level of detail, the department level within the fund

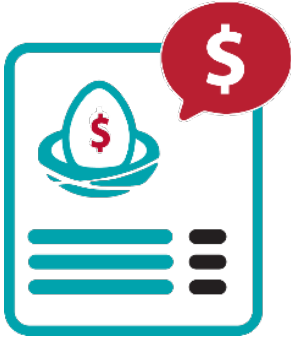


Budgetary Comparisons



- ❑ Present either as basic financial statement or as RSI schedule
 - ❑ If a basic financial statement, describe as a statement
 - ❑ If RSI, describe as a schedule
- ❑ Required for General Fund and each major special revenue fund only
 - ❑ Cannot present for debt service funds, capital projects funds, or non-major funds (except as supplementary information)
- ❑ Original budget, amended budget and actual amounts
- ❑ If presented on a budget basis, must include reconciliation to GAAP basis on face of statement/schedule or in footnotes/notes to RSI

Budgetary Comparisons



Placement of RSI disclosures

- ❑ Supporting disclosures for RSI – present as Notes to RSI, not as part of notes to the financial statements
- ❑ Disclosure is always required; however, in the **notes to the financial statements** of any budget related significant violations, even if budgetary comparisons are in RSI

External Financial Reporting Bridging the GAAP

What are the components of an Annual Comprehensive Financial Report (ACFR)?



Basic Financial Reporting Requirements



Annual Financial Report

Basic Financial Statements

Government-wide (GW)
Financial Statements

Fund Based Financial
Statements

Accompanying Note
Disclosures

Components of an ACFR

Annual Comprehensive Financial Report (ACFR)

Introductory Section

Financial Section

Statistical Section



What's Included?

Table of Contents

Letter of Transmittal

Other Material Deemed Appropriate by Management

Organizational Chart

List of Principal Officials

Last Year's GFOA Certificate of Achievement (if applicable)

What's Included?

Independent Auditor's Report

Management's Discussion & Analysis (MD&A)

Basic Financial Statements (including notes)

Required Supplementary Information (RSI) and related notes

Combining Statements (nonmajor funds and discretely presented component units)

Individual fund financial statements and schedules

What's Included?

Information on financial trends

Information on revenue capacity

Information on debt capacity

Demographic and economic information

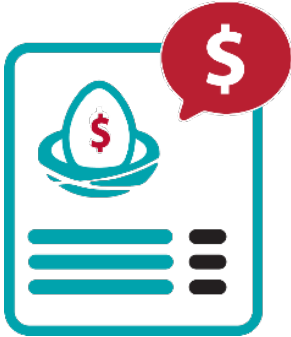
Operating information

Reconciliation – Fund Level to Government-Wide

Why the reconciliation is required



Overview



Reconciliation – Fund statements to GW statements presentation –

- ❑ Bottom of fund financial statements, or
- ❑ Separate schedule on the page immediately following statement it supports

Reconciling items

- ❑ If a reconciling item on face of financial statements is a combination of several similar balances, must disclose details of item in footnotes

Measurement Focus Differences

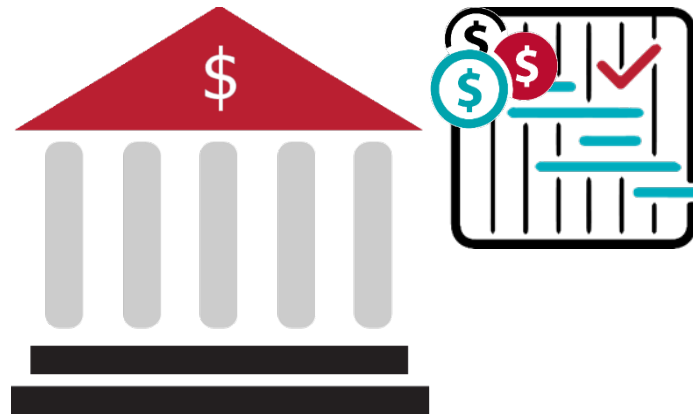
- Issuance of long-term debt
- Repayment of the principal of long-term debt
- Capital outlays
- Depreciation/amortization
- Dispositions of capital assets



Basis of Accounting Differences

Some revenues are not reported at the fund level (governmental funds), but are recognized at the government-wide level

Unavailable vs. Available



CITY OF FORT MYERS, FLORIDA

Balance Sheet
Governmental Funds
September 30, 2022CITY OF FORT MYERS, FLORIDA
Statement of Net Position
September 30, 2022

	General Fund	Revenue Bonds and Notes	Transportation Capital Projects	General Capital Projects	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 14,446,774	\$ 270,605	\$ 14,232,192	\$ 6,330	\$ 5,683,369	\$ 34,639,270
Investments	31,662,648	7,707,160	18,909,456	14,371,733	20,192,915	92,843,912
Receivables:						
Accounts receivable, net	3,971,100	-	-	78,105	16,534	4,065,739
Special assessments receivable	35,426	-	-	-	-	35,426
Interest receivable	17,665	2,473	122,782	30,830	16,744	190,494
Leases	2,517,591	-	-	-	-	2,517,591
Due from other funds	5,370,585	-	-	-	-	5,370,585
Due from other governmental agencies	3,309,678	-	296,508	4,062,094	3,319,980	10,988,260
Prepaid items	1,316,946	960	28,195	-	10,143	1,356,244
Notes receivable, net	500,621	-	-	-	707,750	1,208,371
Advances to other funds	617,000	-	-	-	-	617,000
Assets held for resale	-	-	-	-	784,068	784,068
Total assets	<u>\$ 63,766,034</u>	<u>\$ 7,981,198</u>	<u>\$ 33,589,133</u>	<u>\$ 18,549,092</u>	<u>\$ 30,731,503</u>	<u>\$ 154,616,960</u>
LIABILITIES						
Accounts and contracts payable	\$ 6,474,755	\$ 61,139	\$ 1,444,563	\$ 1,225,044	\$ 792,330	\$ 9,997,831
Accrued and other liabilities	6,551,422	11,500	-	-	74,866	6,637,788
Due to other funds	-	-	-	2,215,838	3,154,747	5,370,585
Due to other governmental agencies	138,669	-	-	-	138,669	138,669
Funds held in escrow	321,304	-	-	-	541	321,845
Customer deposits	1,933,442	-	-	-	-	1,933,442
Unearned revenue	270,231	-	1,400,360	-	14,457,959	16,128,550
Advances from other funds	-	-	-	-	617,000	617,000
Total liabilities	<u>15,689,823</u>	<u>72,639</u>	<u>2,844,923</u>	<u>3,440,882</u>	<u>19,097,443</u>	<u>41,145,710</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - code enforcement fees	438,098	-	-	-	-	438,098
Unavailable revenue - rental income	850,820	-	-	-	-	850,820
Unavailable revenue - grants, contributions	-	-	1,460	4,138,860	1,208,042	5,346,362
Deferred inflows related to leases	2,490,738	-	-	-	-	2,490,738
Total deferred inflows of resources	<u>3,779,656</u>	<u>-</u>	<u>1,460</u>	<u>4,138,860</u>	<u>1,208,042</u>	<u>9,128,018</u>
FUND BALANCES (DEFICITS)						
Nonspendable:						
Advances to other funds	617,000	-	-	-	-	617,000
Prepaid items	1,316,946	960	28,195	-	10,143	1,356,244
Public safety principal, nonexpendable	-	-	-	-	2,000	2,000
Restricted for:						
Donations received	-	-	-	-	1,152,922	1,152,922
Community redevelopment agency	-	-	-	-	6,217,937	6,217,937
Capital projects	-	-	-	10,966,855	-	10,966,855
Debt service	-	7,907,599	-	-	-	7,907,599
Economic environment	3,232,075	-	-	-	1,391,911	4,623,986
Law enforcement programs	-	-	-	-	269,647	269,647
Physical environment	-	-	-	-	185,431	185,431
Transportation	-	-	30,714,555	-	1,851,519	32,566,074
Committed to:						
Law enforcement programs	-	-	-	-	42,639	42,639
Assigned to:						
Subsequent year's expenditures	4,870,443	-	-	-	-	4,870,443
Capital projects	24,525	-	-	2,495	-	27,020
Cemetery maintenance	219,964	-	-	-	-	219,964
Culture and recreation	98,267	-	-	-	-	98,267
Economic environment	99,251	-	-	-	-	99,251
Land acquisition	138,989	-	-	-	-	138,989
Law enforcement programs	92,647	-	-	-	-	92,647
Submerged land lease	128,829	-	-	-	-	128,829
Unassigned	33,457,619	-	-	-	(698,131)	32,759,488
Total fund balances (deficits)	<u>44,296,555</u>	<u>7,908,559</u>	<u>30,742,750</u>	<u>10,969,350</u>	<u>10,426,018</u>	<u>104,343,232</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 63,766,034</u>	<u>\$ 7,981,198</u>	<u>\$ 33,589,133</u>	<u>\$ 18,549,092</u>	<u>\$ 30,731,503</u>	<u>\$ 154,616,960</u>

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

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 29,291,828	\$ 37,502,479	\$ 66,794,307
Investments	52,729,002	48,736,574	101,465,576
Accounts receivable, net	4,066,271	11,217,394	15,283,665
Special assessments receivable	35,426	-	35,426
Interest receivable	211,802	64,174	275,976
Due from other governments	10,988,443	4,864,436	15,852,879
Leases receivable	1,407,710	53,994	1,461,704
Inventories	790,885	287,959	1,058,844
Prepaid items	2,152,998	7,830,550	9,983,548
Notes receivable, net	1,208,371	-	1,208,371
Assets held for resale	784,068	-	784,068
Restricted assets:			
Cash and cash equivalents	20,994,401	16,791,736	37,786,137
Investments	56,959,496	49,336,061	106,295,557
Leases receivable	1,109,881	-	1,109,881
Interest receivable	3,253	1,272,745	1,275,998
Unamortized bond insurance costs	124,503	128,210	252,713
Capital assets:			
Land and non-depreciable capital assets	49,747,596	82,709,046	132,456,642
Depreciable and Amortizable capital assets, net	150,022,634	374,540,944	524,563,578
Total Assets	<u>391,628,548</u>	<u>635,316,902</u>	<u>1,026,945,450</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	1,725,393	6,674,269	8,399,662
Deferred outflows related to other postemployment benefits	1,908,367	573,990	2,482,357
Deferred outflows related to pensions	75,819,809	8,632,467	84,452,276
Total Deferred Outflows of Resources	<u>79,453,569</u>	<u>16,180,726</u>	<u>95,634,295</u>
LIABILITIES			
Accounts and contracts payable	11,548,881	20,811,067	32,359,948
Accrued and other liabilities	7,080,965	112,719	7,193,704
Accrued interest payable	1,912,803	4,585,456	6,498,259
Accrued retirement payable	16,650,385	-	16,650,385
Due to other governments	138,669	340,018	478,687
Unearned revenues	16,128,550	-	16,128,550
Customer deposits	1,933,442	12,196,343	14,129,785
Noncurrent liabilities:			
Due within one year	14,487,548	15,842,509	30,330,057
Due in more than one year	166,126,451	256,795,276	422,921,727
Total other postemployment benefits liability	14,077,964	4,234,311	18,312,305
Net pension liability	170,660,060	23,541,380	194,201,440
Total Liabilities	<u>420,745,768</u>	<u>338,462,079</u>	<u>759,207,847</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	2,490,738	51,554	2,542,292
Deferred charge on refunding	4,537	1,610,891	1,615,428
Deferred inflows related to other postemployment benefits	2,001,682	602,058	2,603,740
Deferred inflows related to pensions	1,251,512	-	1,251,512
Total Deferred Inflows of Resources	<u>5,748,469</u>	<u>2,264,503</u>	<u>8,012,972</u>
NET POSITION			
Net investment in capital assets	52,371,629	178,879,471	231,251,100
Restricted for:			
Capital projects	9,936,644	19,458,192	29,394,836
Culture and recreation	189,807	-	189,807
Debt service	6,002,780	17,171,268	23,174,048
Economic environment	11,063,989	-	11,063,989
Impact fee projects	27,987,677	7,861,268	35,848,945
Public safety:			
Nonexpendable	2,000	-	2,000
Expendable	1,103,455	-	1,103,455
Renewal and replacement	-	10,605,096	10,605,096
Transportation	2,464,242	-	2,464,242
Unrestricted	(66,535,343)	76,765,751	10,230,408
Total Net Position	<u>\$ 44,586,880</u>	<u>\$ 310,771,049</u>	<u>\$ 355,357,929</u>

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

CITY OF FORT MYERS, FLORIDA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2022

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds

\$ 104,343,232

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

206,261,940

Some revenues have been unearned on the balance sheet because they were not measurable and available at year end.

6,637,280

Long-term liabilities, including revenue bonds payable, are not due and payable in the current period, and, therefore, are not reported in the funds.

(367,884,555)

Deferred outflows related to deferred charge on refunding
Deferred inflows related to deferred charge on refunding

1,725,393
(4,537)

Deferred outflows related to other postemployment benefits
Deferred outflows related to pensions

1,786,904
73,904,252

Deferred inflows related to other postemployment benefits
Deferred inflows related to pensions

(1,874,281)
(1,251,512)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

20,942,764

Net position of governmental activities

\$ 44,586,880

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



CITY OF FORT MYERS, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2022

	General Fund	Revenue Bonds and Notes	Transportation Capital Projects	General Capital Projects	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 89,966,880	\$ -	\$ 1,740,015	\$ -	\$ 4,781,402	\$ 96,488,297
Permits and fees	18,434,557	-	3,072,848	511,558	-	22,018,963
Intergovernmental revenue	14,654,736	-	186,828	538,091	9,732,631	25,112,286
Charges for services	8,857,411	-	-	-	-	8,857,411
Fines and forfeitures	636,283	-	-	-	93,254	729,537
Miscellaneous	444,378	58,995	-	119,452	393,076	1,015,901
Contributions - private source	80,976	-	65,005	-	165,145	311,126
Total revenues	<u>133,075,221</u>	<u>58,995</u>	<u>5,064,696</u>	<u>1,169,101</u>	<u>15,165,508</u>	<u>154,533,521</u>
EXPENDITURES						
Current:						
General government	17,060,371	-	943,023	2	448,860	18,452,256
Police	57,892,051	-	-	-	1,995,860	59,887,911
Fire	33,152,012	-	-	844	409,879	33,562,735
Protective inspections	1,632,705	-	-	-	27,914	1,660,619
Physical environment	8,178,773	-	-	-	365,560	8,544,333
Transportation	404,018	-	15,922	-	4,640,191	5,060,131
Economic environment	465,923	-	-	6	10,717,032	11,182,961
Culture and recreation	4,612,739	-	-	1,892	124,929	4,739,560
Debt service:						
Principal	-	36,279,414	-	-	496,154	36,775,568
Lease Payments	156,556	-	-	-	52,401	208,957
Interest	-	4,696,443	-	-	37,240	4,733,683
Fiscal charges	-	187,123	-	-	-	187,123
Capital outlay:						
General government	-	-	-	456,897	-	456,897
Police	-	-	-	92,386	-	92,386
Fire	-	-	-	4,138,517	-	4,138,517
Physical environment	-	-	-	15,488	-	15,488
Transportation	-	-	8,700,129	226,630	-	8,926,759
Economic environment	-	-	-	133,259	598,409	731,668
Culture and recreation	-	-	-	6,455,144	-	6,455,144
Total expenditures	<u>123,555,148</u>	<u>41,162,980</u>	<u>9,659,074</u>	<u>11,521,065</u>	<u>19,914,429</u>	<u>205,812,696</u>
Excess (deficiency) of revenues over expenditures	<u>9,520,073</u>	<u>(41,103,985)</u>	<u>(4,594,378)</u>	<u>(10,351,964)</u>	<u>(4,748,921)</u>	<u>(51,279,175)</u>
OTHER FINANCING SOURCES (USES)						
Leases	927,050	-	-	-	598,409	1,525,459
Transfers in	14,504,289	12,866,825	1,049,179	17,157,863	6,631,452	52,209,608
Transfers out	(17,988,032)	(15,879,849)	-	(7,218,535)	(4,599,756)	(45,686,172)
Issuance of revenue note	-	51,619,725	-	-	-	51,619,725
Finance purchase obligations	4,990,082	-	-	-	-	4,990,082
Total other financing sources (uses)	<u>2,433,389</u>	<u>48,606,701</u>	<u>1,049,179</u>	<u>9,939,328</u>	<u>2,630,105</u>	<u>64,658,702</u>
Net change in fund balances	<u>11,953,462</u>	<u>7,502,716</u>	<u>(3,545,199)</u>	<u>(412,636)</u>	<u>(2,118,816)</u>	<u>13,379,527</u>
Fund balances - beginning	32,343,093	405,843	34,287,949	11,381,986	12,544,834	90,963,705
Fund balances - ending	<u>\$ 44,296,555</u>	<u>\$ 7,908,559</u>	<u>\$ 30,742,750</u>	<u>\$ 10,969,350</u>	<u>\$ 10,426,018</u>	<u>\$ 104,343,232</u>

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



CITY OF FORT MYERS, FLORIDA
Statement of Activities
For the Year Ended September 30, 2022

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 18,479,616	\$ 2,695,171	\$ 4,900	\$ -	\$ (15,779,545)	\$ -	\$ (15,779,545)
Police	61,012,272	626,422	2,241,316	-	(58,144,534)	-	(58,144,534)
Fire	34,465,131	15,158,373	96,085	487,881	(18,722,792)	-	(18,722,792)
Protective inspections	1,674,852	2,426,427	-	-	751,575	-	751,575
Physical environment	7,591,614	6,180,630	-	-	(1,410,984)	-	(1,410,984)
Transportation	14,453,028	115,400	1,057,552	3,708,652	(9,571,424)	-	(9,571,424)
Economic environment	11,236,632	1,019,275	6,168,407	-	(4,048,950)	-	(4,048,950)
Culture and recreation	6,693,857	1,194,450	71,953	423,596	(5,003,858)	-	(5,003,858)
Interest on long-term debt	5,841,339	-	-	-	(5,841,339)	-	(5,841,339)
Total governmental activities	161,448,341	29,416,148	9,640,213	4,620,129	(117,771,851)	-	(117,771,851)
Business-type Activities:							
Water-Wastewater	63,291,039	83,547,624	-	1,472,556	-	21,729,141	21,729,141
Solid Waste	15,742,088	20,339,790	-	-	-	4,597,702	4,597,702
Building Permits and Inspections	4,122,782	4,559,920	-	-	-	437,138	437,138
Stormwater	5,295,838	6,057,904	-	981,839	-	1,743,905	1,743,905
Fort Myers Country Club	1,950,736	2,768,199	-	-	-	817,463	817,463
Eastwood Golf Course	2,254,317	2,285,741	-	-	-	31,424	31,424
Yacht Basin	6,061,353	3,599,562	-	68,585	-	(2,393,206)	(2,393,206)
Downtown Parking Garages	1,473,926	2,375,307	-	-	-	901,381	901,381
Skatium	1,429,610	1,062,237	-	-	-	(367,373)	(367,373)
Total business-type activities	101,621,689	126,596,284	-	2,522,980	-	27,497,575	27,497,575
Total primary government	\$ 263,070,030	\$ 156,012,432	\$ 9,640,213	\$ 7,143,109	(117,771,851)	27,497,575	(90,274,276)
General revenues:							
Taxes:							
Property taxes					64,967,621	-	64,967,621
Public service taxes					15,203,132	-	15,203,132
Fuel taxes					4,232,095	-	4,232,095
Local business tax					2,489,958	-	2,489,958
Franchise taxes					7,740,890	-	7,740,890
Intergovernmental, unrestricted					16,451,941	-	16,451,941
Investment earnings (loss)					(5,158,321)	(3,456,670)	(8,614,991)
Miscellaneous					2,964,764	24,998	2,989,762
Net transfers					6,257,609	(6,257,609)	-
Total general revenues, special items and transfers					115,149,689	(9,689,281)	105,460,408
Change in net position					(2,622,162)	17,808,294	15,186,132
Net position - beginning					47,209,042	292,962,752	340,171,794
Net position - ending					\$ 44,586,880	\$ 310,771,046	\$ 355,357,926

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

CITY OF FORT MYERS, FLORIDA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2022

Net change in fund balances - total governmental funds

\$ 13,379,527

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

8,927,657

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.

271,889

Certain revenues collected after year end, but not available for the current period's expenditures, are reported as deferred inflows in the funds.

(980,733)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

(20,933,818)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

(5,254,643)

Internal service funds are used by management to charge the costs of information technology, fleet management, risk management, and warehousing to individual funds and customers. Losses arising from the internal customers are added as expenses on the statement of activities as chargebacks. Revenues and expenses with outside customers are included also, as are nonoperating revenues and expenses. This amount is the effect of reporting internal service funds with governmental activities.

1,967,959

Change in net position of governmental activities

\$ (2,622,162)

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



Thank You!

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