

# *Port Authority*



## **Annual Comprehensive Financial Report**

A Component Unit of Manatee County, Florida  
Fiscal Years Ended September 30, 2021 and 2020

Located “where Tampa Bay meets the Gulf of Mexico,” Port Manatee is the closest U.S. deepwater seaport to the expanded Panama Canal, with ten 40-foot-draft berths serving container, bulk, breakbulk, heavy lift, project and general cargo customers. The self-sustaining port generates more than \$3.9 billion in annual economic impacts while providing for more than 27,000 direct and indirect jobs, all without benefit of local property tax support. Governed by the seven member Manatee County Port Authority, Port Manatee is our community’s largest gateway to international trade and commerce.

Over the past half-century, Port Manatee has emerged from its humble beginnings, realizing the pioneering vision of its founders to flourish as the Port for Southwest Florida. The official dedication of Port Manatee was on October 29, 1970. Port Manatee has become one of Florida’s fastest growing seaports. Located on over 1,100 acres with 5,000 acres of contiguous land available, Port Manatee is the hub for a wide variety of agricultural and industrial products. It hosts shipments of orange juice and other citrus juices and beverages, forestry products, bananas, melons, aluminum, steel, paper products, linerboard, wood pulp, petroleum products, construction-grade aggregate, cement and fertilizer.

In fiscal year 2021, a record 135,660 twenty-foot-equivalent container units crossed Port Manatee docks, up 53.3 percent from 88,466 twenty-foot-equivalent container units in the preceding 12-month period. Port Manatee also achieved a record in total cargo tonnage in fiscal 2021, with 5,618,908 short tons handled, up 25.6 percent from 4,473,588 short tons in fiscal 2020.



ON THE COVER: Cortez fishermen at Longbeach, Florida, now known as Longboat Key, circa 1918.

**MANATEE COUNTY PORT AUTHORITY  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
A COMPONENT UNIT OF  
MANATEE COUNTY, FLORIDA**

**for the fiscal years ended  
September 30, 2021 and 2020**

**Reggie Bellamy, Chairman**

**Vanessa Baugh**

**James A. Satcher III**

**George W. Kruse**

**Misty Servia**

**Kevin Van Ostenbridge**

**Carol Whitmore**

**Clerk of the Circuit Court and Comptroller  
Angelina “Angel” Colonnese**

**Port Director  
Carlos Buqueras**

**Finance Director  
Kimberly Wilder, CGFO**

**Prepared by the Office of the Clerk of the Circuit Court**

**Manatee County Port Authority  
Annual Comprehensive Financial Report  
Fiscal Years Ended September 30, 2021 and 2020**

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# **INTRODUCTORY SECTION**



# Angelina “Angel” Colonnese

CLERK OF THE CIRCUIT COURT AND COMPTROLLER OF MANATEE COUNTY

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P.O. Box 25400, Bradenton, Florida 34206 - [www.manateeclerk.com](http://www.manateeclerk.com)

March 24, 2022

To the citizens of Manatee County:

We are pleased to present to you, the citizens of Manatee County, the Annual Comprehensive Financial Report of the Manatee County Port Authority for the fiscal years ended September 30, 2021 and 2020. This report was prepared by the Finance Department of the Clerk of the Circuit Court. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of the Circuit Court and Comptroller as Chief Financial Officer of the Manatee County Port Authority ([www.manateeclerk.com](http://www.manateeclerk.com)).

The Manatee County Port Authority (the "Port Authority") was established under the provisions of Chapter 315, Florida Statutes and Chapter 67-1681, Laws of Florida and began operations in 1970. When conducting business as a port authority, the Manatee County Board of County Commissioners employs the name Manatee County Port Authority. Although the Port Authority is a legally separate entity, it shares the same governing board as Manatee County and there is a specific benefit or burden relationship between the Port Authority and Manatee County. As such, the Port Authority is reported as a blended component unit (enterprise fund) of Manatee County. These financial statements include all operations and activities of the Manatee County Port Authority as defined above.

The Clerk of the Circuit Court and Comptroller, through the Finance Department, is responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from that control. The evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the Port Authority's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Port Authority as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a comprehensive understanding of the Port Authority's financial activity have been included.

Chapter 218.39 of the Florida Statutes requires a financial audit of local government entities in the State by an independent certified public accountant. This requirement has been met for the fiscal years ended September 30, 2021 and 2020. The reports of the independent auditor have been included in this report.

Governmental accounting and auditing principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Port Authority's MD&A can be found immediately following the auditor's report.

**Port information.** Our local port, known as Port Manatee, is located in the northwestern corner of Manatee County. It fronts Tampa Bay and borders the Manatee-Hillsborough county line. An access channel from Port Manatee connects with the federal channel in Tampa Bay only ten miles from the Gulf of Mexico. It is regarded as the closest U.S. seaport on Tampa Bay to the Panama Canal, as well as burgeoning Mexican manufacturing centers. Port Manatee is one of the largest of fifteen Florida deepwater seaports. The Port Authority manages the importing and exporting of many agricultural and industrial products serving bulk, breakbulk, container, heavy lift, project and general cargo customers. Port Manatee is a leading venue for shipments of citrus juices and beverages and operates in Foreign Trade Zone #169.

The Port Authority employs formal budgetary integration as a management control device during the year. The Port Authority follows the laws of Florida regarding the control, adoption and amendment of the budget during the fiscal year; however, the Port Authority increases the level of budgetary control because all budgetary increases or decreases are approved by resolution.

**Local economy.** Located in the central part of Florida's west coast, Manatee County has historically been one of the fastest-growing regions in the nation. The county has experienced an average growth rate of 2.43% per year during the last decade. The 3.19% increase experienced in the current year is evidence that the local economy is sustaining the growth experienced in recent years.

**Long-term financial planning.** Through the cooperation of Port Manatee and Manatee County government, the Port Authority continues to promote its Florida International Gateway (the "FIG") which incorporates 3,700 acres of privately-held land directly adjacent to Port Manatee that is available for intermodal distribution development opportunities. Port-

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Clerk of the Circuit Court – Clerk of Board of County Commissioners – County Comptroller – Auditor and Recorder

related development and the creation of quality jobs are encouraged in the FIG through the reduction or elimination of impact fees and other incentives.

Long-range plans include a capital expansion program designed to maximize the advantage of Port Manatee's location as one of the closest deepwater seaports to the Panama Canal and to provide available infrastructure needed to support distribution activities created by the FIG.

**Relevant financial policies.** The Port Authority has an "equity in pooled cash and investments" account with Manatee County that is increased for every cash receipt and decreased for every cash disbursement attributable to its operations.

The Treasury Management Division of the Finance Department monitors the daily cash needs of the County and invests the County's portfolio, maximizing investment returns, in accordance with the County's written investment policy.

**Major Initiatives.** The Port Authority continues to invest in infrastructure capital improvements to support the dynamic growth in cargo activity the Port has seen this year:

-The Port Authority has been awarded \$4 million in FDOT grant funding for Phase I of a new dry/chill warehouse to be constructed in zone B.

-The North Gate Expansion of exit lanes was completed this year. The South Gate Improvements at a cost of \$1 million will begin construction April 2022.

-Warehouse 6 Improvements will start construction May 2022. This includes a complete renovation to both the interior and exterior of the building.

-Berth 4 Extension Phase I will extend Berth 4 six hundred feet to facilitate two ships simultaneously at Berths 4 & 5. This project is currently in the design phase.

-The Berth 6 Rehab which includes wharf and wall repairs of Berth 6 and secondary repairs to Berth 7 and 8, is scheduled to be completed by October 2022.

-Phase I of the Perimeter Fencing project will replace 1.25 miles of existing fencing along the Port's northern perimeter.

-Access Control Systems Upgrades will provide a comprehensive update of the port-wide security systems.

-A portion of the railroad track re-build and upgrade was completed and phase two will continue by adding eleven railcars worth of usable space as well as repair defective track structures.

-Port Manatee advanced an additional \$4.8 million dockside yard expansion. Construction will continue on the container yard which will add an additional 4.24 acres to the existing 19-acre paved facility adjoining Port Manatee's Berth 12 and 14 docks. Completion is targeted for October 2022.

**Awards.** The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Manatee County Clerk of the Circuit Court for its Annual Comprehensive Financial Report for the Manatee County Port Authority for the fiscal year ended September 30, 2020. This was the 28th year that we have earned this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

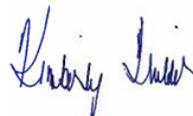
**Acknowledgments.** This report is a product of the dedication of the Finance Department of the Clerk of the Circuit Court of Manatee County as Auditor and Comptroller to the Port Authority. We would like to thank the staff of the Finance Department who worked on this report.

We would also like to express our appreciation and thanks to the firm of Carr, Riggs & Ingram, LLC, CPAs, who helped us with their comments and advice, and to Denise Stufflebeam, Senior Director of Business Administration and Finance and her staff at the Port Authority for the assistance they provided.

Sincerely,



Angelina "Angel" Colonneso  
Clerk of Circuit Court and Comptroller



Kimberly Wilder, CGFO  
Finance Director

AC:KW;jh

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Florida**

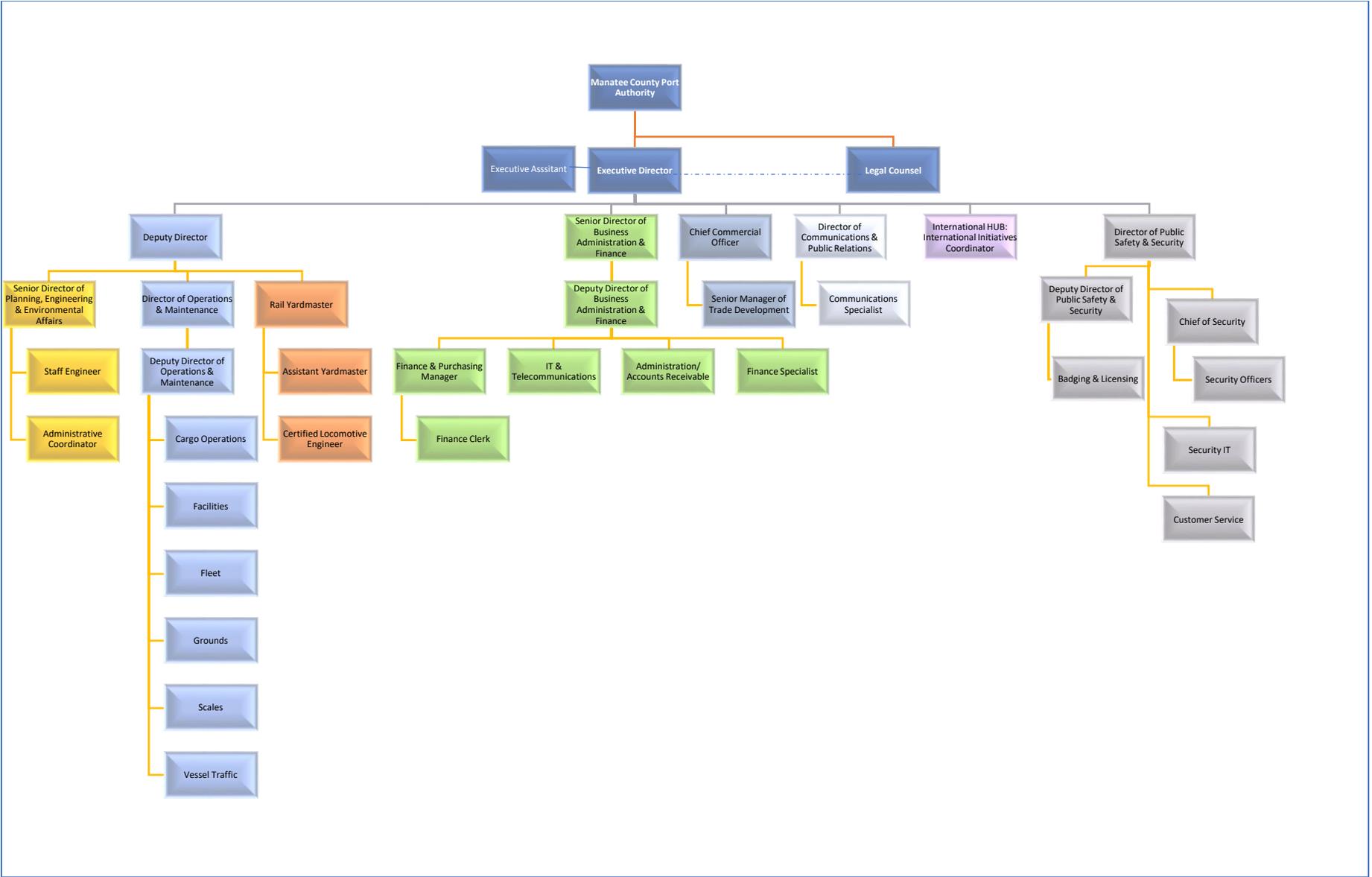
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

Executive Director/CEO

# MANATEE COUNTY PORT AUTHORITY Organization Chart



# FINANCIAL SECTION

## **INDEPENDENT AUDITORS' REPORT**

Honorable Members of the Board of County Commissioners  
In their capacity as Members of the Manatee County Port Authority  
Manatee County, Florida

We have audited the accompanying financial statements of the Manatee County, Florida, Port Authority (the "Port"), a component unit of Manatee County, Florida, as of September 30, 2021 and 2020 and for the years then ended, and the related notes to the financial statements, which collectively comprise the Port's basic financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Port, as of September 30, 2021 and 2020, and the changes in financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1, the financial statements present only the Port and do not purport to, and do not, present fairly the financial position of Manatee County, Florida, as of September 30, 2021 and 2020, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 2–5, the schedule of changes in total other post-employment benefits (OPEB) other than pension liability and other related ratios, the schedule of the Port's proportionate share of net pension liability for the FRS and HIS pension plans, and the schedule of the Port's contributions to the FRS and HIS pension plans on pages 34-36, 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 the 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 an opinion on the financial statements that collectively comprise the Port's basic financial statements. The introductory section, statistical section, and the other information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section, statistical section, and the other information 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 March 24, 2022, on our consideration of the Port'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 the effectiveness of the Port's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port's internal control over financial reporting and compliance.

Sincerely,

*Carr, Riggs & Ingram, L.L.C.*

Carr, Riggs, & Ingram, LLC

Bradenton, Florida

March 24, 2022

## Management's Discussion and Analysis

As Clerk of the Circuit Court and Comptroller for the Manatee County Port Authority, I offer readers of the Port Authority's financial statements this narrative overview and analysis of the financial activities of Port Manatee (the "Port") for the fiscal years ended September 30, 2021 and 2020. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- The Port's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2021 by \$131,206 and \$114,087 in 2020. At September 30, 2021, the unrestricted net position was \$29,754 while in 2020 the unrestricted net position was \$19,440.
- The Port's total net position increased \$17,119 in fiscal year 2021 and \$5,069 in fiscal year 2020.
- Total bonded debt of the Port Authority amounts to \$35,055, an increase of \$2,050 from fiscal year 2020.
- In fiscal year 2021, Port Authority notes and loans payable decreased by \$538 from \$4,969 to \$4,431. In fiscal year 2020, Port Authority notes and loans payable decreased by \$718 from \$5,687 to \$4,969.

### Overview of the Financial Statements

The Statements of Net Position show the Port's assets and deferred outflows of resources less liabilities and deferred inflows of resources at September 30, 2021 and 2020. The difference between these assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as net position. The net position presentation shows additional breakdowns, which may help the reader's understanding of the available resources of the Port versus those that are restricted. Changes in net position over time may be helpful in indicating an improving or deteriorating financial position. The Statements of Net Position appear on page 6.

The Statements of Revenues, Expenses and Changes in Fund Net Position, provided on page 7, present the revenues and expenses of the current and previous fiscal years. The net of operating revenues less expenses when combined with non-operating items such as interest income, interest expense, grants and contributions results in the net income or loss the Port generated for the fiscal year and increases or decreases the net position presented on the Statements of Net Position. A review of this statement for both fiscal years 2021 and 2020 can indicate the ongoing health of a business operation.

The Port Authority's Statements of Cash Flows, presented on page 8, show those items which resulted in additions and reductions to the Port Authority's cash balance for the fiscal year. A reconciliation of these cash changes to the operating income or loss as reported on the Port's Statements of Revenues, Expenses and Changes in Fund Net Position is included.

The Notes to the Financial Statements for the Port Authority provide background information that meets stringent governmental accounting reporting requirements and gives the reader additional information that may not be readily seen on the actual statements. Examples of such information include: a breakdown of assets owned by the Port, contingent liabilities, debt requirements, retirement information, and leases. The notes can be found on pages 9 to 33 and are an integral part of the financial statements.

This report presents certain required supplementary information on pages 34 to 36 concerning progress in funding of Manatee County's obligation to provide other postemployment benefits to its employees as well as information related to the County's participation in the Florida Retirement System pension plans. Additional information about the Port, which may be of interest to the reader, is found under the Statistical and Other Information sections of this report, beginning on page 37.

### Analysis of Financial Statements

My discussion of the Port Authority's financial statements includes an analysis of major changes in the Port's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position for fiscal years 2021 and 2020, as well as a look at changes in revenues and expenses as presented in the accompanying statements.

Comparative data as of September 30, 2021, 2020 and 2019 are shown below:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Assets:</b>			
Current and other assets	\$ 38,367	\$ 28,073	\$ 24,448
Capital assets	<u>141,105</u>	<u>132,998</u>	<u>129,681</u>
Total assets	<u>179,472</u>	<u>161,071</u>	<u>154,129</u>
Deferred outflows of resources:	<u>2,314</u>	<u>1,961</u>	<u>1,990</u>
<b>Liabilities:</b>			
Long-term liabilities	43,061	44,833	45,525
Other liabilities	<u>4,280</u>	<u>3,921</u>	<u>1,072</u>
Total liabilities	<u>47,341</u>	<u>48,754</u>	<u>46,597</u>
Deferred inflows of resources:	<u>3,239</u>	<u>191</u>	<u>504</u>
<b>Net position:</b>			
Net investment in capital assets	99,206	92,396	90,196
Restricted for debt service	2,246	2,251	2,253
Unrestricted	<u>29,754</u>	<u>19,440</u>	<u>16,569</u>
Total net position	<u>\$ 131,206</u>	<u>\$ 114,087</u>	<u>\$ 109,018</u>

Changes in net position over time can be one of the best and most useful indicators of the Port's financial position. In fiscal year 2021, the Port Authority saw an increase in net position of \$17,119. This increase in net position in fiscal year 2021 is largely attributable to a significant increase in capital grants and contributions, received for yard expansion and berth improvement projects, as well as a surge in operating revenues after the slowdown due to COVID-19 in fiscal year 2020.

At September 30, 2021, of the Port's \$131,206 in net position, \$99,206 (75%) reflects its net investment in capital assets. An additional 2% of the Port's net position, \$2,246, represents resources that are subject to bond and loan debt covenants. The balance of \$29,754 (23%) in unrestricted net position is a reflection of an increase in companies doing business at the Port along with the Port's commitment to expanding its ability to serve its customers.

At September 30, 2020, \$92,396 (81%) of the \$114,087 in net position reflected the Port's net investment in capital assets; \$2,251 (2%) represented net position restricted by bond and loan covenants, and \$19,440 (17%) unrestricted net position.

The Port continues to be aggressive in expanding its customer base and in providing additional service opportunities. At the end of the current fiscal year, the Port Authority is able to report positive balances in all three classifications of net position.

### **Port Current Assets**

The Port's current and other assets as of September 30, 2020 totaled \$38,367, an increase of \$10,294 from the fiscal year 2020 balance of \$28,073. The majority of this increase is attributable to cash from increased waterborne revenue, storage of various cargoes, security fees as well as lease revenues. As the Port continues significant capital improvement projects, cash has continued to accumulate in order to fund these projects. There was an increase in due from other governmental units of \$7,197 from fiscal year 2020 related to the current American Rescue Plan Act (ARPA) operating grant and the on-going capital grant reimbursed projects.

The Port's current and other assets as of September 30, 2020 totaled \$28,073, an increase of \$3,625 from the fiscal year 2019 balance of \$24,448. The majority of this increase is attributable to cash from increased warehouse lease revenue and storage of various cargoes. As the Port continues significant capital improvement projects, cash has been accumulated to fund these projects. There was an increase in due from other governmental units of \$1,653 from fiscal year 2019 related to the on-going grant reimbursed projects. The maintenance dredge, done by United States Army Corp of Engineers, was completed in fiscal year 2020, spending down the 2019 deposit of \$109.

## Change in Net Position

The key elements of the Port's increased net position are as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating revenues:			
Dock operations	\$ 13,829	\$ 10,085	\$ 11,644
Land operations	8,474	7,161	6,835
Miscellaneous	447	383	473
Total operating revenues	<u>22,750</u>	<u>17,629</u>	<u>18,952</u>
Operating expenses:			
Personal services	6,231	6,827	6,111
Administration and marketing	1,370	1,255	1,281
Engineering and maintenance	1,103	730	682
Port operations	2,937	2,048	1,248
Depreciation and amortization	5,485	5,311	5,346
Total operating expenses	<u>17,126</u>	<u>16,171</u>	<u>14,668</u>
Operating income	<u>5,624</u>	<u>1,458</u>	<u>4,284</u>
Nonoperating revenues (expenses):			
Operating grants and contributions	3,407	940	454
Interest income	41	351	525
Interest expense	(2,518)	(1,424)	(1,473)
Debt issue cost	(315)	-	-
Loss on disposition of assets	(63)	-	(17)
Grant administration fee	(39)	(34)	(57)
Total nonoperating revenues (expenses)	<u>513</u>	<u>(167)</u>	<u>(568)</u>
Income before capital grants and contributions	<u>6,137</u>	<u>1,291</u>	<u>3,716</u>
Capital grants and contributions	<u>10,982</u>	<u>3,778</u>	<u>671</u>
Change in net position	<u>17,119</u>	<u>5,069</u>	<u>4,387</u>
Total net position - beginning	<u>114,087</u>	<u>109,018</u>	<u>104,631</u>
Total net position - ending	<u>\$ 131,206</u>	<u>\$ 114,087</u>	<u>\$ 109,018</u>

## Port Operations

A look at the Statements of Revenues, Expenses and Changes in Fund Net Position for fiscal year 2021 shows operating revenues increasing by \$5,121 (29%), from the \$1,323 decrease reported at September 30, 2020. During fiscal year 2021, operating revenues were impacted by an increase in dockage and wharfage revenues, rebounding from the decrease in fiscal year 2020 directly related to the COVID-19 pandemic. The Port also saw an increase in storage-related revenues, security fees, and lease revenues due to new and updated leases at higher rates. The flow of petroleum products through Port Manatee remained strong in fiscal year 2021.

Capital grants and contributions show an increase of \$7,204 in fiscal year 2021 related to port berth improvements and yard expansion projects. In fiscal year 2021, operating grant reimbursements received increased by \$2,467 over fiscal year 2020 attributable to the \$4.8 million ARPA grant awarded to reimburse certain operational expenses. There were no similar reimbursements in the prior year. Personal services expense decreased slightly from fiscal year 2020 as a result of that same ARPA grant that was used to offset these expenses.

## Port Capital Assets

Port Manatee is one of the largest of the fifteen deepwater seaports in Florida. As an enterprise operation, the Port's continuing investment in capital assets can give the reader a strong indication of the Port's ongoing expansion and efforts to increase business. Capital assets for the Port include such items as land, roads, utilities, warehouses, refrigerated and non-refrigerated storage, rail service, storage yards, harbor facilities including berths and docks and all the requisite equipment and machinery needed to run and maintain such a large operation. These assets are not available for future spending needs and cannot be used to liquidate liabilities; other resources will be needed to repay any associated debt. They are, therefore, separately presented in net position and are net of any accumulated depreciation and associated debt.

Major additions of capital assets in fiscal year 2021 include the following:

\$305 for maintenance vehicles and equipment  
\$246 for security equipment

Major additions of capital assets in fiscal year 2020 include the following:

\$429 for maintenance vehicles and equipment  
\$233 for barge mooring piling  
\$169 for security vehicles and equipment

Additional information on the Manatee County Port Authority's capital assets can be found in Note 5 on page 15 of this report.

### Administration of Debt

The Port's debt can be summarized as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenue Bonds	\$ 35,055	\$ 33,005	\$ 34,020
Notes from Direct Borrowings	967	1,308	1,611
Florida Department of Transportation State Infrastructure Bank Loans	<u>3,464</u>	<u>3,661</u>	<u>4,076</u>
Total	<u>\$ 39,486</u>	<u>\$ 37,974</u>	<u>\$ 39,707</u>

The Port Authority had total bonded debt outstanding of \$35,055 and \$33,005 at September 30, 2021 and 2020, respectively.

During fiscal year 2021 the Port Authority's total bonded debt increased by \$2,050 compared to a decrease of \$1,015 the previous year. The increase this fiscal year is due to the issuance of the Port Authority Taxable Revenue Refunding Bonds, Series 2021, discussed in detail in Note 7 of these statements. The Port also drew down \$248 in loan proceeds against a \$4,000 State Infrastructure Bank (SIB) 2017 Loan with the Florida Department of Transportation. The loan draw provided funding for capital improvements to berths 6, 7, 8, 10. The Port Authority made principal payments on the SIB loans in the amount of \$445 and \$440 for fiscal years 2021 and 2020, respectively. During fiscal years 2021 and 2020, debt service payments were made on the Revenue Note, Series 2014B in the amount of \$341 and \$303, respectively.

The Constitution of the State of Florida, Florida Statute 200.181 and Manatee County set no legal debt limit. The Port Authority has a bond rating from Fitch, Inc. of AA+ and Aa1 from Moody's. Additional information on the Port Authority's long-term debt can be found in Note 7 on pages 16 to 19 of this report.

### Economic Factors and Year 2021 Budgets and Rates

- The unemployment rate for Manatee County of 3.7% is currently less than the national average of 4.8%.
- Several long-term lease agreements have been renewed or extended ensuring continued business relationships and supporting record setting growth.
- The Port will continue to invest in construction projects including the berth improvements, perimeter fence upgrade, warehouse 6 modernization, intermodal container yard expansion and the south gate expansion.
- All of these factors were considered in preparing the Port Authority's budget for the 2022 fiscal year.

### Requests for Information:

This financial report is designed to provide a general overview of Port Manatee's finances. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the Clerk of the Circuit Court and Comptroller, Manatee County, P.O. Box 25400, Bradenton, Florida 34206-5400. I also suggest you visit our website, [www.manateeclerk.com](http://www.manateeclerk.com) for further financial information.

**Manatee County Port Authority**  
**Statements of Net Position**  
**September 30, 2021 and 2020**  
(Amounts expressed in thousands)

<u>Assets</u>	<u>2021</u>	<u>2020</u>	<u>Liabilities</u>	<u>2021</u>	<u>2020</u>
<b>Current assets:</b>			<b>Current liabilities:</b>		
Cash and cash equivalents	\$ 23,732	\$ 21,612	Accounts payable	1,107	1,178
Accounts receivable (net of allowance of \$76 for 2021 and \$29 for 2020)	3,229	2,285	Wages and benefits payable	306	260
Interest receivable	5	14	Contracts and retainages payable	2,530	2,132
Due from other governmental units	9,033	1,835	Compensated absences	39	38
Prepaid items	<u>122</u>	<u>76</u>	Deposits	1	-
Total current unrestricted assets	<u>36,121</u>	<u>25,822</u>	Notes payable	<u>297</u>	<u>313</u>
			Total current liabilities	<u>4,280</u>	<u>3,921</u>
<b>Current restricted assets:</b>			<b>Noncurrent liabilities:</b>		
Cash and cash equivalents	2,245	2,248	Compensated absences	951	928
Interest receivable	<u>1</u>	<u>3</u>	Other postemployment benefits liability	443	429
Total current restricted assets	<u>2,246</u>	<u>2,251</u>	Net pension liability	2,478	6,176
			Loans and notes payable	4,134	4,656
Total current unrestricted and restricted assets	<u>38,367</u>	<u>28,073</u>	Revenue bonds payable (net of unamortized discount and premium)	<u>35,055</u>	<u>32,644</u>
			Total noncurrent liabilities	<u>43,061</u>	<u>44,833</u>
<b>Noncurrent assets:</b>			Total liabilities	<u>47,341</u>	<u>48,754</u>
Land and other nondepreciable assets	67,724	57,885			
Capital assets, net of accumulated depreciation	<u>73,381</u>	<u>75,113</u>	<b>Deferred Inflows of Resources</b>		
Total noncurrent assets	<u>141,105</u>	<u>132,998</u>	Deferred other postemployment benefits inflows	90	102
Total assets	<u>179,472</u>	<u>161,071</u>	Deferred pension inflows	<u>3,149</u>	<u>89</u>
			Total deferred inflows of resources	<u>3,239</u>	<u>191</u>
<b>Deferred Outflows of Resources</b>					
Deferred charge on refunding	715	19	<b>Net Position</b>		
Deferred other postemployment benefits outflows	44	40	Net investment in capital assets	99,206	92,396
Deferred pension outflows	<u>1,555</u>	<u>1,902</u>	Restricted for debt service	2,246	2,251
Total deferred outflows of resources	<u>2,314</u>	<u>1,961</u>	Unrestricted	<u>29,754</u>	<u>19,440</u>
			Total net position	<u>\$ 131,206</u>	<u>\$ 114,087</u>

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

**Manatee County Port Authority**  
**Statements of Revenues, Expenses and**  
**Changes in Fund Net Position**  
**For the Fiscal Years Ended September 30, 2021 and 2020**  
(Amounts expressed in thousands)

	<u>2021</u>	<u>2020</u>
<b>Operating revenues:</b>		
Dock operations	\$ 13,829	\$ 10,085
Land operations	8,474	7,161
Miscellaneous	447	383
Total operating revenues	<u>22,750</u>	<u>17,629</u>
<b>Operating expenses:</b>		
Personal services	6,231	6,827
Administration and marketing	1,370	1,255
Engineering and maintenance	1,103	730
Port operations	2,937	2,048
Depreciation	5,485	5,311
Total operating expenses	<u>17,126</u>	<u>16,171</u>
Operating income	<u>5,624</u>	<u>1,458</u>
<b>Nonoperating revenues (expenses):</b>		
Operating grants and contributions	3,407	940
Interest income	41	351
Interest expense	(2,518)	(1,424)
Debt issue cost	(315)	-
Loss on disposition of assets	(63)	-
Grant administration fee	(39)	(34)
Total nonoperating revenues (expenses)	<u>513</u>	<u>(167)</u>
Income before capital grants and contributions	6,137	1,291
Capital grants and contributions	<u>10,982</u>	<u>3,778</u>
Change in net position	17,119	5,069
<b>Total net position - beginning</b>	<u>114,087</u>	<u>109,018</u>
<b>Total net position - ending</b>	<u>\$ 131,206</u>	<u>\$ 114,087</u>

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

**Manatee County Port Authority**  
**Statements of Cash Flows**  
**For the Fiscal Years Ended September 30, 2021 and 2020**  
(Amounts expressed in thousands)

	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities:</b>			<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Cash received from customers	\$ 21,807	\$ 17,332	Operating income	\$ <u>5,624</u>	\$ <u>1,458</u>
Cash payments to vendors for goods and services	(4,922)	(3,875)	Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Cash payments to employees for services	(5,822)	(5,338)	Depreciation	5,485	5,311
Cash payments to the County	(971)	(921)	Provision for uncollectibles	47	(19)
Net cash provided by operating activities	<u>10,092</u>	<u>7,198</u>	Changes in assets, deferred outflows, liabilities and deferred inflows:		
<b>Cash flows from noncapital financing activities:</b>			(Increase) decrease in:		
Operating grants	1,295	79	Accounts receivable	(991)	(278)
State sales tax	447	447	Prepaid items	(46)	(24)
Net cash provided by noncapital financing activities	<u>1,742</u>	<u>526</u>	Customer Deposits	1	-
<b>Cash flows from capital and related financing activities:</b>			Deferred other postemployment benefits outflows	(4)	20
Acquisition and construction of capital assets	(13,546)	(5,706)	Deferred pension outflows	347	(9)
Principal payments on debt	(786)	(1,730)	Increase (decrease) in:		
Interest payments on debt	(1,111)	(1,381)	Accounts payable	195	(37)
Debt proceeds	35,303	25	Wages and benefits payable	46	60
Defeasance of bonds	(34,736)	-	Compensated absences	24	61
Debt issuing expenses	(315)	-	Other postemployment benefits liability	14	(223)
Grant administration fee	(39)	(34)	Net pension liability	(3,698)	1,191
Receipt of contributed capital	5,449	2,539	Deferred other postemployment benefits inflows	(12)	48
Proceeds from sale of assets	12	1	Deferred pension inflows	<u>3,060</u>	<u>(361)</u>
Net cash used by capital and related financing activities	<u>(9,769)</u>	<u>(6,286)</u>	Total adjustments	<u>4,468</u>	<u>5,740</u>
<b>Cash flows from investing activities:</b>			Net cash provided by operating activities	\$ <u>10,092</u>	\$ <u>7,198</u>
Interest on investments	52	364	<b>Non-cash investing, capital and financing activities:</b>		
Net cash provided by investing activities	<u>52</u>	<u>364</u>	Loss on disposition of assets	\$ 63	\$ -
Net increase in cash and cash equivalents	2,117	1,802			
<b>Cash and cash equivalents, October 1</b>	<u>23,860</u>	<u>22,058</u>			
<b>Cash and cash equivalents, September 30</b>	<u>\$ 25,977</u>	<u>\$ 23,860</u>			
<b>Classified as:</b>					
Current assets	\$ 23,732	\$ 21,612			
Restricted assets	2,245	2,248			
<b>Cash and cash equivalents, September 30</b>	<u>\$ 25,977</u>	<u>\$ 23,860</u>			

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

**Manatee County Port Authority  
Notes to Financial Statements  
September 30, 2021 and 2020  
(Amounts expressed in thousands)**

**Note 1 Summary of Significant Accounting Policies**

The accounting policies and the presentation of the financial report of the Manatee County Port Authority have been designed to conform to generally accepted accounting principles as applicable to governmental units, in accordance with the Governmental Accounting Standards Board (GASB).

The following is a summary of the significant accounting policies:

**A. Reporting Entity**

Manatee County Port Authority (the "Port" or "Port Authority") was established by and under the provisions of Chapter 315 and Chapter 67.1681, Florida Statutes, ("Port Authority Special Act"). When conducting business as a port authority, the Manatee County Board of County Commissioners ("BOCC") employs the name Manatee County Port Authority. Although the Port Authority is a legally separate entity, it shares the same governing board as Manatee County and there is a specific benefit or burden relationship between the Port Authority and Manatee County. As such, the Port Authority is reported as a blended component unit (enterprise fund) of Manatee County.

The financial statements include all operations and activities of the Manatee County Port Authority as defined above.

**B. Basis of Presentation**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the stated intent is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed primarily through user charges, or where periodic determination of revenues earned, expenses incurred, and/or change in net position is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fund structures, where applicable, have been designed to comply with all requirements of bond resolutions and regulatory provisions or administrative action. The operations are accounted for with a set of self-balancing accounts comprised of assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenses as appropriate for an enterprise operation.

**C. Basis of Accounting**

Governmental proprietary operations are accounted for using a flow of economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred. Operating revenues generally result from providing goods and services such as dockage, wharfage, line handling and storage. Operating expenses for these operations include all costs related to providing the service or product. These costs include salaries, supplies, travel, contract services, depreciation, administrative expenses or other expenses directly related to costs of services. All other revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The preparation of financial statements in conformity with generally accepted accounting principles, as applicable to governmental units, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

**D. Cash and Cash Equivalents**

Cash and cash equivalents are cash on hand as well as demand deposits and investments included in pooled cash with original maturities of three months or less. Investments include securities with original maturities of three months or greater.

**E. Prepaid Items**

Prepaid insurance and similar items are recorded using the consumption method of accounting. Under the consumption method, services paid for in advance are reported as an asset until the period in which the services are actually consumed.

**F. Restricted Assets**

The use of certain assets is restricted by debt indentures and other agreements. Assets so designated are identified as restricted assets on the Statements of Net Position. The Port's policy when both restricted and unrestricted resources are available to be used for a certain purpose is to use restricted resources first, then use unrestricted resources as needed.

**G. Capital Assets**

Capital assets, which include property, plant and equipment, are stated at cost when purchased or constructed. Donated property, plant and equipment are recorded at their acquisition value on the date received.

**Manatee County Port Authority  
Notes to Financial Statements  
September 30, 2021 and 2020  
(Amounts expressed in thousands)**

**Note 1 Summary of Significant Accounting Policies – Continued**

**G. Capital Assets – Continued**

The Port Authority maintains a \$5,000 threshold (this and following threshold amounts are not expressed in thousands) for most additions to equipment with the following exceptions: generators and saws, \$2,000 threshold; laptops, printers and tablets, \$1,500 threshold; and grant-funded equipment, \$1,000 threshold. Buildings are capitalized when the value is \$15,000 or greater. Additions and improvements to port facilities are capitalized when the cost amounts to \$150,000. Software purchases and internally generated additions to software are capitalized as intangible assets when their cost equals or exceeds \$75,000 and are amortized over 7 years.

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

	<u>Life-Years</u>
Buildings	15-75
Equipment	5-10
Autos and trucks	3-12
Port facilities	20-40
Improvements	7-15

**H. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statements of Net Position include a separate section for deferred outflows of resources. This 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/expenditure) until then. Three types of items qualify for reporting in this category. The first type is deferred charges on refunded debt reported in the Statements of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt. The second type of item consists of the differences between the expected and actual experience measurement in other postemployment benefits with regard to economic or demographic factors. The third type is related to various actuarial assumption changes and valuations related to the Port's portion of the Florida Retirement System Pension Plan and Retiree Health Insurance Subsidy Program valuations, and retirement contribution payments made by the Port after the valuation date of the Florida Retirement System's latest valuation but before the end of the Port's fiscal year.

In addition to liabilities, the Statements of Net Position include a separate section for deferred inflows of resources. This 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 that time. Two items qualify for reporting in this category. One consists of the differences between the expected and actual experience measurement in other postemployment benefits with regard to economic or demographic factors. The second type consists of various actuarial assumption changes and valuations related to the Port's portion of the Florida Retirement System Pension Plan and Retiree Health Insurance Subsidy Program annual valuations. These amounts are recognized as inflows of resources in the period that they become available.

**I. Unamortized Bond Discount and Premium on Revenue Bonds Payable**

Unamortized bond discount and premium on revenue bonds are amortized by using the outstanding principal method. Each is amortized over the life of its respective debt. Bonds payable are reported net of the applicable bond discount or premium.

**J. Compensated Absences**

The Port Authority permits employees to accumulate a limited amount of annual and sick leave, which will be paid to employees upon termination of employment. Annual and sick leave pay is accrued and reflected in the financial statements as a liability.

**K. Pensions**

The Port Authority participates in the Florida Retirement System's pension plans. For purposes of measuring the Port's net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information is included from the *Florida Retirement System Pension Plan and Other State Administered Systems' Comprehensive Annual Financial Reports* about the Port's proportion of the fiduciary net position of the Florida Retirement System's pension plans, which include the Florida Retirement System (FRS) and the Health Insurance Subsidy (HIS) plans. Additions to and deductions from the FRS' and HIS' fiduciary net positions have been determined on the same basis as they are reported by the State. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of each plan. The FRS and HIS plans report investments in accordance with GASB Codification Section 150, Investments.

**Manatee County Port Authority**  
**Notes to Financial Statements**  
**September 30, 2021 and 2020**  
**(Amounts expressed in thousands)**

**Note 1 Summary of Significant Accounting Policies – Continued**

**L. Implementation of Governmental Accounting Standards Statements**

The Port implemented the following GASB Statements during the fiscal year ended September 30, 2021:

- 1) Statement No. 84, "Fiduciary Activities." This Statement establishes criteria for accounting and financial reporting of fiduciary activities.
- 2) Statement No. 90, "Majority Equity Interests." This Statement improves the consistency and comparability of reporting a majority equity interest and improves the relevance of financial statement information for certain component units.
- 3) Statement No. 98, "The Annual Comprehensive Financial Report." This statement establishes the term annual comprehensive financial report (ACFR); replacing the term comprehensive annual financial report.

**Note 2 Pooled Cash and Investments**

The Port Authority participates in the County's "pooled cash" program for investments. The County, on November 1, 1981, began the practice of pooling cash and investments of the County, excluding those funds held and accounted for by the separate Constitutional Officers and those funds requiring or benefiting by separate investment. This gives the County the ability to maximize its yield on the short-term investment of cash, increasing its interest income accordingly. Interest earned on pooled investments is allocated to the participating funds based on their average daily cash balance. Individual fund deficits are ignored in the allocation of interest.

The Port Authority has an "equity in pooled cash and investments" account with the County that is increased for every cash receipt and decreased for every cash disbursement attributable to its operations.

**Note 3 Investments**

The Port Authority participates in the Manatee County Government investment program. Florida Statute 218 and Manatee County's investment policy authorize the County to invest surplus funds in the following:

- 1) the Local Government Surplus Funds Trust Fund Investment Pool under the management of the State Board of Administration
- 2) the Florida Local Government Investment Trust Fund, an investment pool, under the sponsorship of the Florida Association of Counties and the Florida Association of Court Clerks and Comptrollers
- 3) negotiable direct obligations of, or obligations of which the principal and interest are unconditionally guaranteed by, the U.S. Government
- 4) interest bearing time deposits or savings accounts in banks and savings and loans organized under state laws or doing business in and situated in the state, provided collateral requirements are met
- 5) securities of U.S. instrumentalities, the government sponsored enterprises that include, but are not limited to: Federal Farm Credit Systems Banks, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association
- 6) commercial paper of U.S. corporations having a rating of at least two of the following three ratings: A-1, P-1 and F-1, as rated by Standard & Poor's, Moody's, and Fitch Investors Service rating services
- 7) bankers' acceptances that are eligible for purchase by the Federal Reserve Banks and have a letter of credit rating of AA or better
- 8) tax-exempt obligations of the State of Florida and its various local governments, including Manatee County. Tax-exempt obligations with a rating of A or less must be an insured issue through MBIA, or an equivalent company. Issues rated A+ or higher may or may not carry an insurance backing.

County investments are valued in accordance with GASB 72 and 79. Certain investments are stated at fair value while County investments in external investment pools are stated at amortized cost when the pool has qualified and made this election. Interest earned on pooled investments is allocated to the participating funds based on their average daily balance. Individual fund deficits are ignored in the allocation of interest.

The following is the full disclosure of the Manatee County investment pool.

The SBA established the Florida PRIME whereby participants own a share of the pool and not the underlying securities. On September 30, 2021 and 2020, the County's Pooled Cash Investment Fund (the "Pooled Fund") had \$775,999 and \$672,870 invested in the PRIME account, respectively. The Florida PRIME is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in the Florida PRIME at amortized cost. Therefore, the (County's) investment in Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool's shares. The Florida PRIME did not participate in a securities lending program in the year ended September 30, 2021 or 2020, nor was it exposed to any foreign currency risk. The SBA provides separate financial statements for the Florida PRIME (unaudited) as of and for the period ending June 30. It does not issue financial statements as of and for the period ending September 30. At September 30, 2021 and 2020, there were no redemption fees or maximum transfer amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account balance. There are potential liquidity limitations on the PRIME pool. The executive director of the pool, upon proper notification to Pool participants, Trustees and

**Manatee County Port Authority  
Notes to Financial Statements  
September 30, 2021 and 2020  
(Amounts expressed in thousands)**

**Note 3 Investments - Continued**

various other oversight committees may limit contributions or withdrawals from the PRIME pool for 48 hours if an event occurs which has a material impact on liquidity or operations of the pool. Upon a subsequent vote of the Trustees, the initial restriction can be extended up to, but not exceed, 15 days. No such limitation took place during the years ended September 30, 2021 and 2020. The PRIME's weighted average days to maturity were 49 days and 48 days in 2021 and 2020, respectively.

Throughout the year, the SBA contained certain floating and variable rate securities which were indexed based on the prime rate and/or one and three month LIBOR rates. These investments were purchased to add relative value to the portfolio. There is risk of loss of interest on the investments if there are changes in the underlying indexed base. These investments represented 4.4% and 17.8% of the SBA's PRIME account in 2021 and 2020, respectively. At September 30, 2021 and 2020, the PRIME pool was rated AAAM principal stability fund rating by Standard and Poor's rating agency.

The County also invests throughout the year in the FLGIT, a public entity investment trust organized under the laws of the State of Florida. The Florida Local Government Investment Trust (the "FLGIT") reports all share information at Net Asset Value (NAV) and reflects fair value in its share value in accordance with GASB 72. At September 30, 2021 and 2020, the FLGIT portfolio included certain asset-backed securities, corporate securities and mortgage-backed securities. At September 30, 2021, these securities amounted to 23%, 34% and 2% respectively of the FLGIT Investment Trust portfolio. At September 30, 2020, these securities amounted to 16%, 26% and 2% respectively of the FLGIT Investment Trust portfolio. The Day to Day Fund is a short term liquidity fund, and at September 30, 2021 had 11% invested in corporate securities and 12% in asset-backed securities while September 30, 2020 had 9% invested in corporate securities, 17% in asset-backed securities and .2% in mortgage backed securities. Both funds' average credit quality is AAAs and AAAM respectively, as rated by Fitch at September 30, 2021 and 2020.

In accordance with GASB 72 & 79, guidelines have been established to measure the valuation of investments and external investment pools. GASB 72 establishes a hierarchy of inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets. Level 2 are inputs other than quoted prices included within level 1 that are observable directly or indirectly and level 3 are unobservable inputs.

At September 30, 2021, in accordance with GASB 72 and 79, the County's pooled investments are valued as follows:

<u>Type of Investments</u>	<u>Fair Value Method</u>	<u>Principal Value</u>	<u>9/30/2021 Fair Value</u>	<u>Fair Value Hierarchy</u>	<u>Cash Equivalents</u>
Local Government Surplus Funds Trust, PRIME account	Amortized cost	\$ 775,999	\$ 775,999	-	\$ 775,999
Institutional Cash Fund	Amortized cost	34,566	34,566	-	34,566
Florida Local Government Investment Trust Short Term Bond Fund	Current NAV share value	46,457	46,457	-	46,457
Florida Local Government Day to Day Fund	Amortized cost	32,188	32,188	-	32,188
U.S. Treasury Notes	Quoted market	32,000	32,183	Level 2	-
Federal Home Loan Bank	Quoted market	116,509	116,409	Level 2	-
Federal Home Loan Mortgage Corporation	Quoted market	47,000	46,961	Level 2	-
Federal National Mortgage Association	Quoted market	24,000	23,985	Level 2	-
Federal Farm Credit Bank	Quoted market	96,001	95,922	Level 2	-
<b>Total</b>		<u>\$ 1,204,720</u>	<u>\$ 1,204,670</u>		<u>\$ 889,210</u>

**Manatee County Port Authority  
Notes to Financial Statements  
September 30, 2021 and 2020  
(Amounts expressed in thousands)**

**Note 3 Investments - Continued**

At September 30, 2020, in accordance with GASB 72 and 79, the County's pooled investments are valued as follows:

<u>Type of Investments</u>	<u>Fair Value Method</u>	<u>Principal Value</u>	<u>9/30/2020 Fair Value</u>	<u>Fair Value Hierarchy</u>	<u>Cash Equivalents</u>
Local Government Surplus Funds Trust, PRIME account	Amortized cost	\$ 672,870	\$ 672,870	-	\$ 672,870
Institutional Cash Fund	Amortized cost	37,780	37,780	-	37,780
Florida Local Government Investment Trust Short Term Bond Fund	Current NAV share value	46,457	46,457	-	46,457
Florida Local Government Day to Day Fund	Amortized cost	32,166	32,166	-	32,166
U.S. Treasury Notes	Quoted market	128,000	129,150	Level 2	-
Federal Home Loan Bank	Quoted market	6,510	6,557	Level 2	-
Federal Home Loan Mortgage Corporation	Quoted market	72,000	72,008	Level 2	-
Federal National Mortgage Association	Quoted market	63,891	63,901	Level 2	-
Federal Farm Credit Bank	Quoted market	56,002	56,082	Level 2	-
Total		<u>\$ 1,115,676</u>	<u>\$ 1,116,971</u>		<u>\$ 789,273</u>

Investments classified as level 2 of the fair value hierarchy use valuation techniques that reflect market participant's assumptions and maximize the use of relevant observable inputs including quoted prices for similar assets, benchmark yield curves and market corroborated inputs.

**Custodial Credit Risk of Pooled Investments**

At September 30, 2021 and 2020, the pool had demand deposits of \$35,412 and \$38,814, respectively. All balances in excess of the Federal Deposit Insurance Corporation insurance for demand and time deposits are fully collateralized by the multiple financial institutions' collateral pool in accordance with Florida Statutes Section 280. U.S. Treasury notes, U.S. Treasury bills and all U.S. government agency and instrumentality securities are held by the County's agent in the County's name, in accordance with the County's investment policy requiring third party custody and safekeeping.

**Credit Risk of Pooled Investments**

Credit quality risk results from potential default of investments that are not financially sound. The PRIME account was rated AAAM by Standard & Poor's at September 30, 2021 and 2020. The SBA's investment policies related to the PRIME fund are disclosed at <https://www.sbafla.com/prime>. The FLGIT Short Term Bond Fund account and the FLGIT Trust Day to Day Fund were rated as AA AF and AAAM, respectively, by Fitch at September 30, 2021 and 2020.

Concentration of credit risk is the risk of loss attributable to the quantity of the government's investment in a single issuer. To limit concentration of credit risk, the County's investment policy requires diversification of the portfolio with maximum limits that can be invested per investment type. Investments in single issuers that equal or exceed 5% of the pool assets have a reportable concentration of credit risk. At September 30, 2021 the below investments have a reportable concentration of credit risk.

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Concentration Risk at Fair Value</u>	<u>Percentage of Total Pooled Investments</u>
Federal Home Loan Bank	AA+	\$ 116,409	9.66%
Federal Farm Credit Bank	AA+	95,922	7.96%
Total with concentration risk		<u>\$ 212,331</u>	<u>17.62%</u>

At September 30, 2020, the below investments have a reportable concentration of credit risk.

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Concentration Risk at Fair Value</u>	<u>Percentage of Total Pooled Investments</u>
Federal Home Loan Mortgage Corporation	AA+	\$ 72,008	6.50%
Federal National Mortgage Association	AA+	63,901	5.70%
Federal Farm Credit Bank	AA+	56,082	5.00%
Total with concentration risk		<u>\$ 191,991</u>	<u>17.20%</u>

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**Note 3 Investments - Continued**

**Interest Rate Risk of Pooled Investments**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's investment policy recognizes that the longer the maturity of an investment, the greater its price volatility. The County's policy limits risk for pooled investments by requiring all investments to have a maturity of three years or less from date of purchase, with a weighted average to maturity of less than two years. At September 30, 2021, the County's weighted average to maturity was .53 years. At September 30, 2021, none of the pooled investments have a maturity greater than three years.

<u>Investment Type</u>	<u>Total Fair Value</u>	<u>Investment Maturities</u>		
		<u>0-1 Year</u>	<u>1-2 Years</u>	<u>2-3 Years</u>
Local Government Surplus Funds				
Trust, PRIME account	\$ 775,999	\$ 775,999	\$ -	\$ -
Institutional Cash Fund	34,566	34,566	-	-
Florida Local Government Investment				
Trust (Short Term Bond and Day to Day)	78,645	78,645	-	-
U.S. Treasury Notes	32,183	32,183	-	-
Government Sponsored Enterprises	283,277	8,025	54,988	220,264
Total	<u>\$ 1,204,670</u>	<u>\$ 929,418</u>	<u>\$ 54,988</u>	<u>\$ 220,264</u>

At September 30, 2020, the County's weighted average to maturity was .47 years. At September 30, 2020, none of the pooled investments have a maturity greater than three years.

<u>Investment Type</u>	<u>Total Fair Value</u>	<u>Investment Maturities</u>		
		<u>0-1 Year</u>	<u>1-2 Years</u>	<u>2-3 Years</u>
Local Government Surplus Funds				
Trust, PRIME account	\$ 672,870	\$ 672,870	\$ -	\$ -
Institutional Cash Fund	37,780	37,780	-	-
Florida Local Government				
Investment (Trust and Day to Day)	78,623	78,623	-	-
U.S. Treasury Notes	129,150	96,556	32,594	-
Government Sponsored Enterprises	198,548	14,574	32,086	151,888
Total	<u>\$ 1,116,971</u>	<u>\$ 900,403</u>	<u>\$ 64,680</u>	<u>\$ 151,888</u>

**Note 4 Restricted Assets**

Restricted assets, as provided for by resolution adopted by the Port Authority Board for the issuance of the Port Authority Taxable Revenue Refunding Bonds, 2021 and the Port Authority Revenue Refunding Bonds, 2012 A and B are as follows at September 30:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents:		
Debt service reserve	\$ <u>2,245</u>	\$ <u>2,248</u>
Interest receivable:		
Debt service reserve	<u>1</u>	<u>3</u>
Total restricted assets	<u>\$ 2,246</u>	<u>\$ 2,251</u>

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**Note 5 Capital Assets**

Depreciation expense was \$5,485 and \$5,311 for fiscal years ending September 30, 2021 and 2020, respectively.

	<u>October 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>September 30</u>
<b>As of September 30, 2020</b>				
Capital assets not depreciated:				
Land	\$ 4,590	\$ -	\$ -	\$ 4,590
Land improvements	43,778	-	81	43,697
Construction in progress	1,839	8,105	346	9,598
Total assets not depreciated	<u>50,207</u>	<u>8,105</u>	<u>427</u>	<u>57,885</u>
Capital assets depreciated:				
Buildings	55,512	-	-	55,512
Port facilities	123,652	233	-	123,885
Machinery and equipment	14,805	718	9	15,514
Total assets depreciated	<u>193,969</u>	<u>951</u>	<u>9</u>	<u>194,911</u>
Less accumulated depreciation:				
Buildings	31,084	1,701	-	32,785
Port facilities	75,473	2,818	-	78,291
Machinery and equipment	7,938	792	8	8,722
Total accumulated depreciation	<u>114,495</u>	<u>5,311</u>	<u>8</u>	<u>119,798</u>
Total depreciable capital assets, net	<u>79,474</u>	<u>(4,360)</u>	<u>1</u>	<u>75,113</u>
Total capital assets, net	<u>\$ 129,681</u>	<u>\$ 3,745</u>	<u>\$ 428</u>	<u>\$ 132,998</u>
<b>As of September 30, 2021</b>				
Capital assets not depreciated:				
Land	\$ 4,590	\$ -	\$ -	\$ 4,590
Land improvements	43,697	-	-	43,697
Construction in progress	9,598	13,356	3,517	19,437
Total assets not depreciated	<u>57,885</u>	<u>13,356</u>	<u>3,517</u>	<u>67,724</u>
Capital assets depreciated:				
Buildings	55,512	-	-	55,512
Port facilities	123,885	3,203	-	127,088
Machinery and equipment	15,514	625	1,073	15,066
Total assets depreciated	<u>194,911</u>	<u>3,828</u>	<u>1,073</u>	<u>197,666</u>
Less accumulated depreciation:				
Buildings	32,785	1,700	-	34,485
Port facilities	78,291	2,917	-	81,208
Machinery and equipment	8,722	868	998	8,592
Total accumulated depreciation	<u>119,798</u>	<u>5,485</u>	<u>998</u>	<u>124,285</u>
Total depreciable capital assets, net	<u>75,113</u>	<u>(1,657)</u>	<u>75</u>	<u>73,381</u>
Total capital assets, net	<u>\$ 132,998</u>	<u>\$ 11,699</u>	<u>\$ 3,592</u>	<u>\$ 141,105</u>

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**Note 6 Net Investment in Capital Assets**

On the Statements of Net Position, net position is presented in three components. These include net investment in capital assets, restricted for debt service and unrestricted. Net investment in capital assets at September 30 is calculated in the following manner:

**Capital-related items used to determine net investment in capital assets**

	<u>2021</u>	<u>2020</u>
Construction in progress and capital assets, net of accumulated depreciation	\$ 141,105	\$ 132,998
Deferred outflows of resources, deferred charge on refunding	715	19
Vouchers, contracts and retainages payable	(3,128)	(3,008)
Bonds, notes and loans payable	(39,486)	(37,974)
Unamortized bond premium	-	(28)
Unamortized bond discount	-	389
<b>Net investment in capital assets</b>	<b><u>\$ 99,206</u></b>	<b><u>\$ 92,396</u></b>

**Note 7 Long-Term Liabilities**

A. The following is long-term liability activity for the fiscal years 2021 and 2020:

	<u>Revenue Bonds</u>	<u>Notes from Direct Borrowings</u>	<u>Loans from Direct Borrowings</u>	<u>Compen- sated Absences</u>	<u>OPEB Liability</u>	<u>Pension Liability</u>	<u>Total</u>
Balance at:							
October 1, 2019	\$ 34,020	\$ 1,611	\$ 4,076	\$ 905	\$ 652	\$ 4,985	\$ 46,249
Additions	-	-	25	388	31	2,274	2,718
Deductions	1,015	303	440	327	254	1,083	3,422
September 30, 2020	<u>33,005</u>	<u>1,308</u>	<u>3,661</u>	<u>966</u>	<u>429</u>	<u>6,176</u>	<u>45,545</u>
Less unamortized discounts	389	-	-	-	-	-	389
Plus unamortized premiums	28	-	-	-	-	-	28
September 30, 2020	<u><u>32,644</u></u>	<u><u>1,308</u></u>	<u><u>3,661</u></u>	<u><u>966</u></u>	<u><u>429</u></u>	<u><u>6,176</u></u>	<u><u>45,184</u></u>
Balance at:							
October 1, 2020	33,005	1,308	3,661	966	429	6,176	45,545
Additions	35,055	-	248	430	37	2,522	38,292
Deductions	33,005	341	445	406	23	6,220	40,440
September 30, 2021	<u>35,055</u>	<u>967</u>	<u>3,464</u>	<u>990</u>	<u>443</u>	<u>2,478</u>	<u>43,397</u>
Less unamortized discounts	-	-	-	-	-	-	-
Plus unamortized premiums	-	-	-	-	-	-	-
September 30, 2021	<u><u>\$ 35,055</u></u>	<u><u>\$ 967</u></u>	<u><u>\$ 3,464</u></u>	<u><u>\$ 990</u></u>	<u><u>\$ 443</u></u>	<u><u>\$ 2,478</u></u>	<u><u>\$ 43,397</u></u>
Due within one year at:							
September 30, 2020	\$ -	\$ 313	\$ -	\$ 38	\$ -	\$ -	\$ 351
September 30, 2021	-	297	-	39	-	-	336

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**Note 7 Long-Term Liabilities – Continued**

**B. Revenue bonds, notes, and loans payable consisted of the following at September 30:**

<u>Revenue Bonds</u>	<u>2021</u>	<u>2020</u>
<b>\$6,605 Series 2012A Port Authority Revenue Refunding Bonds</b>		
On November 7, 2012, these bonds were issued for the purpose of defeasing the Revenue Refunding Bonds, Series 2002B and paying issue costs; these bonds were fully refunded on April 14, 2021	\$ -	\$ 4,415
<b>\$33,730 Series 2012B Port Authority Revenue Refunding Bonds</b>		
On November 7, 2012, these bonds were issued to prepay all of the Port's Revenue Notes payable to the Florida Local Government Finance Commission, defeasing the Revenue Refunding Bonds, Series 2002A, and paying issue costs; these bonds were fully refunded on April 14, 2021	-	28,590
<b>\$35,055 Series 2021 Port Authority Taxable Revenue Refunding Bonds</b>		
On April 14, 2021, these bonds were issued to defease the Port's Revenue Refunding Bonds, Series 2012A and 2012B, make a deposit into the Series 2021 Debt Service Reserve account, and pay issue costs; \$750 of principal due October 1, 2022 to \$2,170 due October 1, 2042; interest at .243% to 3.287%	35,055	-
Less: unamortized bond discount	-	(389)
Plus: unamortized bond premium	-	28
<b>Total revenue bonds</b>	<u>\$ 35,055</u>	<u>\$ 32,644</u>
 <b><u>Notes from Direct Borrowings</u></b>		
<b>\$3,000 Series 2014B Revenue Note</b>		
On September 23, 2014, this note was issued to refinance two existing harbor crane loans, and is due in monthly installments of \$27 on November 1, 2021 to \$21 on September 1, 2024; interest at 3.15%	\$ 967	\$ 1,308
<b>Total notes from direct borrowings</b>	<u>\$ 967</u>	<u>\$ 1,308</u>
 <b><u>Loans from Direct Borrowings</u></b>		
<b>\$4,500 Florida Department of Transportation State Infrastructure Bank Loan, 2007</b>		
On February 7, 2007, this loan was used to finance a portion of the cost to construct an Intermodal Transit Warehouse, and is due in annual installments of \$251 on October 1, 2022 to \$146 on October 1, 2026; with a maximum principal of \$267 due October 1, 2025; interest at 2.00%	\$ 1,182	\$ 1,428
<b>\$4,000 Florida Department of Transportation State Infrastructure Bank Loan, 2017</b>		
On July 11, 2016, this loan was used to finance a portion of the cost to reconstruct and rehabilitate berth 9 and cathodic protection of berths 4,5,12 and 14 and is due in annual installments of \$202 on October 1, 2022 to \$234 on October 1, 2031; with a maximum principal of \$255 due October 1, 2030; interest at 2.92%	2,282	2,233
<b>Total loans from direct borrowings</b>	<u>\$ 3,464</u>	<u>\$ 3,661</u>

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**Note 7 Long-Term Liabilities - Continued**

**C. Debt Requirements to Maturity**

The combined annual debt service requirements to amortize the Port Authority Taxable Revenue Refunding Bonds, Series 2021, outstanding as of September 30, 2021 are listed below. Although principal payments are due on October 1, the Port Authority makes its payments on September 30. Accordingly, the principal amounts on this amortization schedule are not due until the first day following the fiscal year indicated and no amount is reported as the current portion of revenue bonds payable on the Statements of Net Position.

<b>Fiscal year ending September 30:</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ -	\$ 401	\$ 401
2023	750	801	1,551
2024	1,445	797	2,242
2025	1,450	789	2,239
2026	1,460	777	2,237
2027-2031	7,605	3,540	11,145
2032-2036	8,440	2,661	11,101
2037-2041	9,635	1,432	11,067
2042-2043	4,270	141	4,411
Total	<u>\$ 35,055</u>	<u>\$ 11,339</u>	<u>\$ 46,394</u>

The annual debt service requirement for the Revenue Note 2014B outstanding as of September 30, 2021 is as follows:

<b>Fiscal year ending September 30:</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 297	\$ 25	\$ 322
2023	334	17	351
2024	336	6	342
Total	<u>\$ 967</u>	<u>\$ 48</u>	<u>\$ 1,015</u>

The annual debt service requirement for the Florida Department of Transportation State Infrastructure Bank Loans outstanding as of September 30, 2021 is as follows:

<b>Fiscal year ending September 30:</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ -	\$ -	\$ -
2023	453	91	544
2024	464	80	544
2025	476	68	544
2026	488	56	544
2027-2031	1,349	144	1,493
2032-2032	234	7	241
Total	<u>\$ 3,464</u>	<u>\$ 446</u>	<u>\$ 3,910</u>

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**Note 7 Long-Term Liabilities - Continued**

**D. New Debt Issues**

**Fiscal Year 2021:**

During the fiscal year, the Port Authority drew down an additional \$248 from the \$4,000 loan agreement with the Florida Department of Transportation State Infrastructure Bank Loan program. As of September 30, the Port has received \$3,288 in loan proceeds.

Additionally, on April 14, 2021, the Port Authority issued \$35,055 of Series 2021 Taxable Revenue Refunding Bonds for the purpose of advance refunding the balance of the 2012A Revenue Refunding Bonds of \$4,415 and the 2012B Revenue Refunding Bonds of \$28,590. A total of \$34,736 was deposited into an irrevocable escrow trust account, derived from a portion of the net proceeds of \$32,488 and the 2012 bonds debt service reserve balance of \$2,248. The trust account will provide funds for all future debt service payments on the 2012 bonds. The 2012 bonds were considered defeased effective April 14, 2021, at the time of delivery of the 2021 bonds. Accordingly, the trust account assets and liabilities are not included in the County's financial statements. At September 30, 2021 there is outstanding principal of \$33,005 on these refunded bonds. This refunding resulted in a net economic gain of \$1,996.

**Fiscal Year 2020:**

During the fiscal year, the Port Authority drew down an additional \$25 from the \$4,000 loan agreement with the Florida Department of Transportation State Infrastructure Bank Loan program. As of September 30, the Port has received \$3,040 in loan proceeds.

**E. Non Exchange Financial Guarantees**

On October 18, 2012, the Port Authority, a blended component unit of the County, and Manatee County, entered into an Interlocal Agreement under which the County covenanted with the Port Authority to appropriate in its annual budget in each fiscal year and to transfer to the Port Authority within 30 days of the date of withdrawal from debt reserve accounts, non-ad valorem revenues to cure any reserve account deficiency relating to the Port Authority Series 2012A and 2012B bonds ("2012 bonds"). Per this agreement, the County covenanted to appropriate and deposit amounts not greater than the applicable debt service reserve requirements of said bonds for that County fiscal year. The Port Authority has covenanted to repay the County from its surplus net revenues, all non-ad valorem revenues received by the Port Authority from the County under this Interlocal Agreement. This agreement also applies to the Port Authority Series 2021 bonds. The County's obligations under the Interlocal Agreement with respect to the 2021 bonds terminate and are satisfied upon payment in full of the 2021 bonds.

At September 30, 2021 and 2020, no amounts had been paid in the current period or cumulatively by either party under this agreement.

**Note 8 Lease Revenue**

The Port Authority leases (as lessor) a portion of its real property to various tenants for storage and processing of their products, which are loaded and unloaded at the Port. The lessees have constructed the storage or processing facilities necessary for their use on the land leased from the Port Authority.

Lease terms vary from less than 1 to 35 years with renewal options for additional periods ranging from 1 to 25 years. All land held, except for that on which the warehouse and operations and maintenance building are located and land reserved for possible future construction, is available for leasing. Portions of the land are leased periodically on a one-year basis, renewable from year to year, for farming operations. Lease revenues totaled \$2,825 and \$2,417 for the years ended September 30, 2021 and 2020, respectively.

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**Note 8 Lease Revenue – Continued**

The following is a schedule by years of minimum future rental revenues to be received on non-cancellable operating leases as of September 30, 2021:

<u>Fiscal Year</u>	
2022	\$ 2,780
2023	2,471
2024	1,577
2025	1,473
2026	1,457
2027-2031	7,279
2032-2036	7,043
2037-2041	6,447
2042-2046	3,906
2047-2051	582
Total minimum future rental revenues	<u>\$ 35,015</u>

The following is a breakdown of capital assets under lease arrangements or available for lease by major asset class as of September 30, 2021:

	<u>Cost of Leased Asset</u>	<u>Accumulated Depreciation</u>	<u>Carrying Value</u>
Land	\$ 1,379	\$ -	\$ 1,379
Warehouses	32,075	18,183	13,892
Office space	2,105	1,508	597
Cranes	7,939	4,966	2,973
Other	862	615	247
Total	<u>\$ 44,360</u>	<u>\$ 25,272</u>	<u>\$ 19,088</u>

The following is a breakdown of capital assets under lease arrangements or available for lease by major asset class as of September 30, 2020:

	<u>Cost of Leased Asset</u>	<u>Accumulated Depreciation</u>	<u>Carrying Value</u>
Land	\$ 1,213	\$ -	\$ 1,213
Warehouses	31,932	17,051	14,881
Office space	2,264	1,569	695
Cranes	7,939	4,568	3,371
Other	669	417	252
Total	<u>\$ 44,017</u>	<u>\$ 23,605</u>	<u>\$ 20,412</u>

**Note 9 Compensated Absences**

Port Authority policy grants annual leave and sick leave to employees in varying amounts. Upon termination of employment, employees can receive payment for accumulated annual leave. In general, sick leave payments are granted upon termination of employment only to employees with five or more years of credited service. The maximum payment is 50% of accumulated sick leave up to 500 hours per employee. The amount recorded represents vested annual and sick leave pay and includes the associated FICA and retirement contribution amounts.

Compensated absences as of September 30, were:

	<u>2021</u>	<u>2020</u>
Annual leave	\$ 645	\$ 626
Sick leave	345	340
	<u>\$ 990</u>	<u>\$ 966</u>

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**Note 10 Restrictive Covenants and Collateral Requirements**

The Port Authority has outstanding revenue bonds payable, notes from direct borrowings, and outstanding loans from direct borrowings with restrictive covenant agreements.

**A. Revenue Refunding Bonds**

The Port Authority Taxable Revenue Refunding Bonds, Series 2021 are payable solely from and secured solely by pledged revenues. Pledged revenues consist of, (i) net revenues, which consist of the Port revenues after deduction of operating expenses, (ii) non-ad valorem revenues deposited by the County with the Port Authority, in an amount sufficient to cure any reserve account deficiency whenever the net revenues are insufficient for such purpose and (iii) investment income received from certain funds and accounts established by the resolution.

The Port Authority has covenanted in the resolution authorizing bonds, among other things, to fix, establish and maintain such rates and collect such fees, rentals or other charges for the services and facilities of the Port and the Port Facilities, and revise the same from time to time whenever necessary, as will always provide in each fiscal year, net revenues, which shall be adequate to pay at least one hundred ten percent (110%) of the annual debt service requirement for the bonds; and provided further, that such net revenues shall be sufficient to make all of the payments required by the terms of the resolution.

The Port Authority was in compliance with these covenants for the fiscal year ended September 30, 2021.

**B. Notes from Direct Borrowings**

The Port Authority notes from direct borrowings are payable solely from and secured solely by pledged revenues.

The Port Authority Series 2014B Revenue Note contains a covenant that in each fiscal year, beginning with fiscal year 2015, as the first year in which debt service was required, pledged revenues which are available after the annual debt service on the Port Bonds, Series 2012A and 2012B, Port Taxable Revenue Refunding Bonds, Series 2021, and SIB loans will be equal to or exceed one and five hundredths (1.05) times the annual debt service due in that fiscal year.

The Port Authority was in compliance with these covenants for the fiscal years ended September 30, 2021 and 2020.

The outstanding notes from direct borrowings of \$967 and \$1,308 at September 30, 2021 and 2020, respectively, contain a provision that in the event of default, an acceleration clause and the applicable default rate will take effect and all costs of the collection shall be paid by the borrower.

**C. State of Florida Department of Transportation Infrastructure Bank Loans from Direct Borrowings**

The Port Authority loans from direct borrowings are payable solely from and secured solely by pledged revenues.

In both State of Florida Department of Transportation Infrastructure Bank Loan (SIB) agreements, the Port Authority covenants to maintain revenue rates at a level sufficient to provide, in each fiscal year, pledged revenues equal to or exceeding one hundred percent (100%) of the sum of the loan payments due in such fiscal year.

The Port Authority was in compliance with these covenants for the fiscal years ended September 30, 2021 and 2020.

The outstanding loans from direct borrowings of \$3,464 and \$3,661 at September 30, 2021 and 2020, respectively, contain a provision that in the event of default, the remaining balance is immediately due from pledged revenues to satisfy these loans. In addition, the financing rate on the unpaid principal of the loans may be increased by 1.667 times the financing rate. There was an available draw amount on one of these loans in the amount of \$712 and \$960 at September 30, 2021 and 2020, respectively.

**Note 11 Retirement Plan**

The Port Authority is a participant under Manatee County in the Florida Retirement System Pension Plan ("FRS Pension Plan") and the Retiree Health Insurance Subsidy ("HIS"), both of which are cost-sharing multiple employer defined benefit plans managed by the State of Florida, Department of Management Services, Division of Retirement. The Port Authority also participates under Manatee County in the Florida Retirement System Investment Plan ("FRS Investment Plan"), a defined contribution plan administered by the State Board of Administration. All full-time Port employees are required to participate in the Florida Retirement System, as part of either the FRS Pension Plan or the FRS Investment Plan.

The Florida Retirement System ("FRS") was established under the authority of the Florida Legislature in 1970. Statutory authority for plan structure, benefit levels, and contribution rates for the state-administered retirement funds is detailed in Chapters 112 and 121, Florida Statutes, and plan changes or changes in benefit terms must be made by the Legislature. At September 30, 2021, FRS covered approximately 635,000 full-time employees of various governmental units within the State of Florida. At September 30, 2020, the FRS covered over 644,000 full-time employees of various governmental units within the State of Florida.

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**Note 11 Retirement Plan – Continued**

The Florida Division of Retirement issues a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplementary information for the Florida Retirement System Pension Plan and Other State-Administered Systems. The report may be obtained through the Florida Retirement website: [www.frs.myflorida.com](http://www.frs.myflorida.com) or by writing to the Department of Management Services, Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, FL 32315-9000.

**Plan General Information:**

**A. FRS Pension Plan**

The FRS Pension Plan is a defined benefit plan with retirement benefits based upon age, average compensation, and years-of-service credit. Vesting of benefits is based upon date of hire. Employees hired before July 1, 2011 are vested after 6 years of creditable service. For those hired on or after July 1, 2011 vesting of benefits occurs after the completion of 8 years of creditable service. Normal retirement benefits are available for employees hired before July 1, 2011 who retire at age 62 with 6 years of service or after 30 years if under age 62. Normal retirement benefits are available at age 65 with 8 years of service for employees hired on or after July 1, 2011, or after 33 years, if under age 65. Early retirement is available for those vested employees within 20 years of normal retirement age, with a 5% reduction of benefits for each year prior to the normal retirement age. Compensation is computed as the average of an individual's 5 highest years of earnings for employees hired before July 1, 2011 or 8 highest years of earnings for employees hired on or after July 1, 2011.

The Deferred Retirement Option Program ("DROP") is available under the FRS Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months. All FRS members excluding DROP participants are required to contribute 3% of their salaries to the FRS on a pre-tax basis. Members are immediately vested in their own contributions.

**B. FRS Investment Plan**

The Public Employee Optional Retirement Program (the "FRS Investment Plan") is a defined contribution alternative that is open to regular FRS Pension Plan members in lieu of participation in the FRS Pension Plan, except for those who are in the DROP. Related employer contributions are made to the FRS Investment Plan, which holds the contributions in individual investment accounts for each participating employee. As with the FRS Pension Plan, participants are required to contribute 3% of their pre-tax salaries for fiscal years ended September 30, 2021 and 2020. Participants direct their own investments, utilizing the various investment options available through the Plan. These investment accounts vest to the employee after 1 year of service and members are immediately vested in their own contributions. Investment Plan funds may be withdrawn by the employee 90 days after termination or retirement from a participating employer in the FRS. Alternately, the funds may remain in the investment account until the employee reaches normal retirement age or some earlier date, at the employee's choosing. Service retirement benefits are based solely upon value of the member's account upon retirement. Costs of administering the plan are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members as of September 30, 2021 and 2020. The Port's pension expense for the FRS Investment Plan totaled \$79 and \$69 for the years ended September 30, 2021 and 2020, respectively.

**C. Retiree Health Insurance Subsidy**

The Florida Retirement System Health Insurance Subsidy ("HIS") is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes. The benefit is a monthly payment to assist eligible retirees and beneficiaries of state-administered retirement systems in paying their health insurance costs. All eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month. To be eligible to receive the HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare. The HIS plan is funded by required contributions from FRS participating employers, as set by the Legislature. Pursuant to Section 112.363 of the Florida Statutes, required employer contributions are a percentage of gross compensation for specified employees. The HIS availability is based on the guidelines set forth by the Legislature on an annual basis. HIS contributions are deposited in a separate trust fund, from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

**D. Cost of Living Adjustments**

FRS Pension Plan benefits received by retirees and beneficiaries are increased by a cost-of-living adjustment each year. The cost-of-living adjustment for those retired or in DROP prior to August 1, 2011, is 3 percent per year. For retirees with an effective retirement date or DROP begin date on or after August 1, 2011, the cost-of-living adjustment is a percentage: the sum of the pre-July 2011 service credit divided by the total service credit at retirement, multiplied by 3 percent. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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**Note 11 Retirement Plan – Continued**

**Plan General Information – Continued**

**E. Contributions**

Participating employer contributions for both the FRS Pension Plan and Investment Plan are based upon statewide rates established by the Legislature of the State of Florida.

	<u>2021</u>		<u>2020</u>	
	<u>10/1 - 6/30</u>	<u>7/1 - 9/30</u>	<u>10/1 - 6/30</u>	<u>7/1 - 9/30</u>
Regular	10.00%	10.82%	8.47%	10.00%
Special Risk	24.45%	25.89%	25.48%	24.45%
Senior Management	27.29%	29.01%	25.41%	27.29%
Elected Officials	49.18%	51.42%	48.82%	49.18%
DROP	16.98%	18.34%	14.60%	16.98%

These contribution rates include 1.66% HIS plan subsidy contributions for the same periods. The Port Authority's contributions made during the years ended September 30, 2021, 2020 and 2019 were \$566, \$476, and \$403, respectively, equal to the actuarially determined contribution requirements for each year. The employee contributions were \$125, \$118 and \$106 for fiscal years 2021, 2020, and 2019 respectively.

**F. Long-Term Expected Rate of Return**

The long-term expected rate of return on pension plan investments was determined by the Florida Retirement System using a forward-looking capital market economic model. This model is applicable for valuation of both the FRS Pension Plan and the HIS plan, unless otherwise noted. The table below shows assumptions for each of the asset classes in which the plan was invested based upon the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized below for year ending September 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u> <sup>(1)</sup>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>
Cash	1.00%	2.10%	2.10%
Fixed Income	20.00%	3.80%	3.70%
Global equity	54.20%	8.20%	6.70%
Real estate (property)	10.30%	7.10%	6.20%
Private equity	10.80%	11.70%	8.50%
Strategic investments	3.70%	5.70%	5.40%
Assumed Inflation - Mean			2.40%

(1) As outlined in the Plan's investment policy

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**Note 11 Retirement Plan – Continued**

**Plan General Information – Continued**

**F. Long-Term Expected Rate of Return - Continued**

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized below for year ending September 30, 2020:

<u>Asset Class</u>	<u>Target Allocation</u> (1)	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>
Cash	1.00%	2.20%	2.20%
Fixed Income	19.00%	3.00%	2.90%
Global equity	54.20%	8.00%	6.70%
Real estate (property)	10.30%	6.40%	5.80%
Private equity	11.10%	10.80%	8.10%
Strategic investments	4.40%	5.50%	5.30%
Assumed Inflation - Mean			2.40%

(1) As outlined in the Plan's investment policy

**FRS Pension Plan**

**1) Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At September 30, 2021, the Port reported a liability of \$884 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The Port's proportion of the net pension liability was actuarially determined, based on a projection of the Port's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units. At June 30, 2021, the Port's proportion was 0.011697209%, which was an increase of 0.00095063% from its proportion measured as of June 30, 2020.

For the year ended September 30, 2021, the Port recognized pension expense of \$87. At September 30, 2021, the Port reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 151	\$ -
Changes of assumptions	605	-
Net difference between projected and actual earnings on pension plan investments	-	(3,082)
Changes in proportion and differences between Port contributions and proportionate share of contributions	322	-
Port contributions subsequent to the measurement date	131	-
Total	<u>\$ 1,209</u>	<u>\$ (3,082)</u>

At September 30, 2020, the Port reported a liability of \$4,658 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The Port's proportion of the net pension liability was actuarially determined, based on a projection of the Port's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units. At June 30, 2020, the Port's proportion was 0.010746579%, which was an increase of 0.000080516% from its proportion measured as of June 30, 2019.

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**Note 11 Retirement Plan - Continued**

**FRS Pension Plan - Continued**

**1) Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued**

For the year ended September 30, 2020, the Port recognized pension expense of \$1,020. At September 30, 2020, the Port reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 178	\$ -
Changes of assumptions	843	-
Net difference between projected and actual earnings on pension plan investments	278	-
Changes in proportion and differences between Port contributions and proportionate share of contributions	121	-
Port contributions subsequent to the measurement date	117	-
Total	<u>\$ 1,537</u>	<u>\$ -</u>

Of the total reported as the deferred outflows of resources related to pensions, \$131 resulted from Port's contributions subsequent to the measurement date will be recognized as reduction of the net pension liability in the year ended September 30, 2022. \$117 reported as deferred outflows of resources related to pensions resulting from Port's contributions subsequent to the measurement date was recognized as reduction of the net pension liability in the year ended September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal year ending September 30:</u>	<u>2021</u>	<u>2020</u>
2021	\$ -	\$ 315
2022	(527)	310
2023	(534)	303
2024	(542)	295
2025	(549)	197
2026	148	-
Thereafter	-	-

**2) Other Key Actuarial Assumptions for the FRS Pension Plan**

As of September 30, 2021 the actuarial assumptions that determined the total pension liability as of June 30, 2021 were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018. The valuation date is July 1, 2021, and the measurement date is June 30, 2021. Key assumptions include an inflation rate of 2.40%, salary increases including inflation of 3.25%, and an investment rate of return of 6.80%, net of pension plan investment expense, including inflation. The mortality rates are based on the PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2018, and the actuarial cost method used is the Individual Entry Age method.

As of September 30, 2020 the actuarial assumptions that determined the total pension liability as of June 30, 2020 were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018. The valuation date is July 1, 2020, and the measurement date is June 30, 2020. Key assumptions include an inflation rate of 2.40%, salary increases including inflation of 3.25%, and an investment rate of return of 6.80%, net of pension plan investment expense, including inflation. The mortality rates are based on the PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2018, and the actuarial cost method used is the Individual Entry Age method.

**3) Discount Rate**

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. At September 30, 2021 and 2020 the related discount rate used to measure the total pension liability was 6.80%.

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**Note 11 Retirement Plan – Continued**

**FRS Pension Plan - Continued**

**4) Sensitivity Analysis**

The following presents the Port's proportionate share of the net pension liability of the FRS Pension Plan as of September 30, 2021 and 2020, calculated using the discount rate of 6.80% for 2021 and 2020, as well as what the Port's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

<u>Fiscal year ending September 30:</u>	<u>1% Decrease 5.80%</u>	<u>Current Discount Rate 6.80%</u>	<u>1% Increase 7.80%</u>
2021	\$ 3,951	\$ 884	\$ (1,681)
<u>Fiscal year ending September 30:</u>	<u>1% Decrease 5.80%</u>	<u>Current Discount Rate 6.80%</u>	<u>1% Increase 7.80%</u>
2020	\$ 7,437	\$ 4,658	\$ 2,336

**Retiree Health Insurance Subsidy**

**1) Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At September 30, 2021, the Port reported a liability of \$1,594 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The Port's proportion of the net pension liability was actuarially determined, based on a projection of the Port's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units. At June 30, 2021, the Port's proportion was 0.012995036%, which was an increase of 0.000559131% from its proportion measured as of June 30, 2020.

For the year ended September 30, 2021, the Port recognized pension expense of \$155. At September 30, 2021, the Port reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 54	\$ (1)
Changes of assumptions	125	(66)
Net difference between projected and actual earnings on pension plan investments	2	-
Changes in proportion and differences between Port contributions and proportionate share of contributions	145	-
Port contributions subsequent to the measurement date	20	-
<b>Total</b>	<u>\$ 346</u>	<u>\$ (67)</u>

At September 30, 2020, the Port reported a liability of \$1,518 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The Port's proportion of the net pension liability was actuarially determined, based on a projection of the Port's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units. At June 30, 2020, the Port's proportion was 0.012435905%, which was an increase of 0.000713963% from its proportion measured as of June 30, 2019.

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**Note 11 Retirement Plan - Continued**

**Retiree Health Insurance Subsidy - Continued**

**1) Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued**

For the year ended September 30, 2020, the Port recognized pension expense of \$157. At September 30, 2020, the Port reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 62	\$ (1)
Changes of assumptions	163	(88)
Net difference between projected and actual earnings on pension plan investments	1	-
Changes in proportion and differences between Port contributions and proportionate share of contributions	119	-
Port contributions subsequent to the measurement date	20	-
Total	<u>\$ 365</u>	<u>\$ (89)</u>

Of the total reported as deferred outflows of resources, \$20 related to pensions resulting from the Port's contributions subsequent to the measurement date will be recognized as reduction of the net pension liability in the year ended September 30, 2022. \$20 reported as deferred outflows of resources related to pensions resulting from the Port's contributions subsequent to the measurement date was recognized as reduction of the net pension liability in the year ended September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal year ending September 30:</u>	<u>2021</u>	<u>2020</u>
2021	\$ -	\$ 54
2022	60	50
2023	55	45
2024	50	40
2025	44	34
2026	37	28
Thereafter	13	5

**2) Other Key Actuarial Assumptions**

As of September 30, 2021 the actuarial assumptions that determined the total pension liability for the HIS program as of June 30, 2021 were based on certain results of the most recent experience study for the FRS plan, which was for the period July 1, 2013 through June 30, 2018. Because the HIS program is funded on a pay-as-you-go basis, no separate experience study has been completed by FRS for that plan. The HIS program valuation is updated biannually, and the most recent valuation date is July 1, 2020. This valuation is updated by FRS for GASB reporting in the year that a valuation is not performed. Key assumptions include an inflation rate of 2.40%, salary increases including inflation of 3.25%, and a discount rate of 2.16% (municipal bond rate). The asset valuation method is fair value. The mortality rates are based on the Generational PUB-2010 with Projection Scale MP-2018, and the actuarial cost method used is the Individual Entry Age method.

As of September 30, 2020 the actuarial assumptions that determined the total pension liability for the HIS program as of June 30, 2020 were based on certain results of the most recent experience study for the FRS plan, which was for the period July 1, 2013 through June 30, 2018. Because the HIS program is funded on a pay-as-you-go basis, no separate experience study has been completed by FRS for that plan. The HIS program valuation is updated biannually, and the most recent valuation date is July 1, 2020. This valuation is updated by FRS for GASB reporting in the year that a valuation is not performed. Key assumptions include an inflation rate of 2.40%, salary increases including inflation of 3.25%, and a discount rate of 2.21% (municipal bond rate). The asset valuation method is fair value. The mortality rates are based on the Generational PUB-2010 with Projection Scale MP-2018, and the actuarial cost method used is the Individual Entry Age method.

**3) Discount Rate**

In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The related discount rate used to measure the total pension liability was 2.16% (Bond Buyer General Obligation 20-Bond Municipal Bond Index), as of September 30, 2021.

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**Note 11 Retirement Plan - Continued**

**Retiree Health Insurance Subsidy - Continued**

**3) Discount Rate - Continued**

The related discount rate used to measure the total pension liability was 2.21% (Bond Buyer General Obligation 20-Bond Municipal Bond Index), as of September 30, 2020.

**4) Sensitivity Analysis**

The following presents the Port's proportionate share of the net pension liability of the HIS as of September 30, 2021 and 2020, calculated using the discount rate of 2.16% for 2021 and 2.21% for 2020, as well as what the HIS's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

<u>Fiscal year ending September 30:</u>	<u>1% Decrease 1.16%</u>	<u>Current Discount Rate 2.16%</u>	<u>1% Increase 3.16%</u>
2021	\$ 1,843	\$ 1,594	\$ 1,390
	<u>1% Decrease 1.21%</u>	<u>Current Discount Rate 2.21%</u>	<u>1% Increase 3.21%</u>
2020	\$ 1,755	\$ 1,518	\$ 1,325

**Summary of Retirement Plans**

Net pension liabilities are liquidated in the specific fund to which the liability is directly associated. The fiscal year ending September 30, 2021 Port Authority's aggregate amount of net pension liability is \$2,478; deferred outflows of resources for pensions is \$1,555; deferred inflows of resources for pensions is \$3,149; and the pension expense is \$242. For the fiscal year ending September 30, 2020 the aggregate amount of net pension liability was \$6,176; deferred outflows of resources for pensions was \$1,902; deferred inflows of resources for pension was \$89; and pension expense was \$1,177.

**Note 12 Postemployment Benefits Other Than Pension**

The Port Authority participates in a single-employer defined benefit healthcare plan as administered by Manatee County. As such, the following is the pertinent elements of the note disclosure related to Other Postemployment Benefits (OPEB) for Manatee County:

Plan Description - The Manatee County Board of County Commissioners (BOCC) administers a single-employer defined benefit healthcare plan (the "Plan"). In accordance with Section 112.0801 of the Florida Statutes, because Manatee County provides a medical plan to active employees of the County and their eligible dependents, the County is also required to provide retirees with the opportunity to participate in this Plan. The Plan does not issue a publicly available financial report.

Benefits provided - The Plan provides health care benefits including medical coverage, prescription drug benefits, dental benefits, vision benefits and life insurance coverage to both active and eligible retired employees and their eligible dependents. The BOCC may amend the plan design, with changes to the benefits, premiums and/or levels of participant contribution at any time, by providing thirty days written notice to participants. In an open session, on at least an annual basis and prior to the annual enrollment process, the BOCC approves the rates for the coming calendar year for the retiree and County premium assistance contributions. County premium contributions are made to the Plan for eligible employees retiring after ten years of service. An additional contribution is provided to eligible participants aged 65 and over that enroll in Medicare Part B. Retirees and spouses over age 65 and enrolled in Medicare Part A and B may elect to remain in the County's Plan, or enroll in a Medicare Supplement and Part D Prescription Drug program through an outside provider. Under the current Plan, for employees hired after September 30, 2005, participation by retirees and their dependents in the county health plan and subsidization of the premium rate for retirees will be limited to that required by law. Retirees pay the entire cost for dental and vision coverage. Term life insurance coverage of one thousand dollars for retirees is fully paid by the County. Retirees electing additional coverage pay the entire cost at age graded rates.

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**Note 12 Postemployment Benefits Other Than Pension - Continued**

The 2021 premium contributions for medical coverage and retiree counts (expressed in whole numbers) at September 30, 2021 were:

<u>Class of Employees</u>	<u>County Provided Contribution Range</u>	<u>Retiree Count</u>
Retirees with more than 10 years of service	7% - 79%	226
Spouses, survivors, or children of retirees with more than 10 years of service	0%	22
Retirees with less than 10 years of service	0%	7
Spouses, survivors, or children of retirees with less than 10 years of service	0%	1
Retirees in Senior Care Plan with private insurers	17% - 71%	593
Spouses or survivors of retirees in Senior Care Plans with private insurers	0%	37
		<u>886</u>

The 2020 premium contributions for medical coverage and retiree counts (expressed in whole numbers) at September 30, 2020 were:

<u>Class of Employees</u>	<u>County Provided Contribution Range</u>	<u>Retiree Count</u>
Retirees with more than 10 years of service	9% - 79%	202
Spouses, survivors, or children of retirees with more than 10 years of service	0% - 4%	18
Retirees with less than 10 years of service	0%	7
Spouses, survivors, or children of retirees with less than 10 years of service	0%	1
Retirees in Senior Care Plan with private insurers	0% - 70%	513
Spouses or survivors of retirees in Senior Care Plans with private insurers	0%	33
		<u>774</u>

The County purchased individual stop-loss coverage for its health insurance plan in 2021 for \$720 and \$628 for 2020. This stop-loss coverage provides for the County to be reimbursed for benefit claims in excess of \$500 per claim. Reimbursements of \$35 and \$0 in fiscal years 2021 and 2020, respectively, were received under this coverage. The County also facilitates retiree participation in certain plans other than its own OPEB plan. In fiscal year 2021, premiums for these other medical and life insurance plans were \$1,688 and \$1,518 in fiscal year 2020. These additional plans transfer the obligation for benefit payments from the County to the insurance carrier. Payments received from the federal government under Medicare Part D are recognized as revenue, rather than as a reduction of the OPEB cost. Although the County did not transfer any amounts into the Health Self Insurance internal service fund in fiscal year 2021 or 2020 as additional internal funding for future period post-retirement costs, the \$10,070 transferred in prior fiscal years and related interest earnings is considered a County asset and is not accounted for as an OPEB contribution. A qualifying trust or agency fund has not been authorized by the County; therefore, no assets have been accumulated in a trust that meets the criteria in paragraph 4 of Statement 75 of the Governmental Accounting Standards Board. For fiscal year 2021, the County made \$1,929 in benefit payments, net of retiree contributions of \$3,411. For fiscal year 2020, the County made \$1,829 in benefit payments, net of retiree contributions of \$3,206.

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**Note 12 Postemployment Benefits Other Than Pension – Continued**

Employees covered by benefit terms – Eligibility for participation in the Plan is limited to full time employees of the County and the County Constitutional Officers who are active participants in the Plan at the time of retirement, who retire and are vested with the Florida Retirement System (FRS) at age 62 or older, have 30 years of creditable service before age 62, or meet alternative criteria if disabled or a member of a Special Risk Class. Surviving spouses or dependents of participating retirees may continue in the plan if eligibility criteria specific to those classes are met.

At September 30, 2021 and 2020, there were no terminated employees entitled to benefits but not yet receiving them. The membership (expressed in whole numbers) of the County’s medical plan consisted of:

	<u>2021</u>		<u>2020</u>	
	<u>Medical</u>	<u>Dental</u>	<u>Medical</u>	<u>Dental</u>
Active employees	3,200	2,677	3,184	2,598
Retirees with more than 10 years of service	240	510	233	471
Total membership	<u>3,440</u>	<u>3,187</u>	<u>3,417</u>	<u>3,069</u>

**Total OPEB Liability**

The Port Authority’s total OPEB liability was measured as of September 30, 2021 and September 30, 2020 as was determined by an actuarial valuation as of October 1, 2020 using the entry age normal cost method. The liabilities are rolled forward from the actuarial valuation date to the corresponding measurement dates. Liabilities are adjusted for passage of time by adding normal cost minus benefit payments all adjusted with interest.

Actuarial assumptions and other inputs – The total OPEB liability in the September 30, 2021 and September 30, 2020 actuarial valuation was determined using actuarial assumptions and other inputs, applied to all periods included in the measurement. The discount rate used of 2.19% in fiscal year 2021 and 2.41% in fiscal year 2020 was based on the 20-year general obligation bond index as of September 30, 2021 and October 1, 2020, respectively. The inflation rate utilized in fiscal year 2021 and in fiscal year 2020 was 2.50%. The payroll growth rate was an actuarial assumption with respect to future increases in total covered payroll attributable to inflation; used in applying the level percentage of projected payroll amortization method in fiscal year 2021 and in fiscal year 2020. Mortality rates were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 for fiscal year 2021 and for fiscal year 2020. Actual coverage, cost sharing and benefits at the time of valuation were used with coverage assumed to continue into retirement. In fiscal year 2021 and fiscal year 2020, claims data for the period September 1, 2018 to August 31, 2020 was reported by the County. Medical claims were projected to September 30, 2021 and September 30, 2020 assuming 6 percent annual increases and prescription drugs assuming 6 percent annual increases. Healthcare cost trend assumptions are based on the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. There is no trend applied to the County explicit subsidy. The following baseline assumptions were used as input variables into the medical cost trend model in fiscal year 2021 and fiscal year 2020:

Rate of Growth in Real Income/GDP per capita	1.50%
Extra Trend due to Technology and other factors	1.10%
Expected Health Share of GDP in 2029	20.00%
Health Share of GDP Resistance Point	25.00%
Year for Limiting Cost Growth to GDP Growth	2075

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgments of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of an SOA Project Oversight Group.

There have been no changes in the Plan since the prior valuation. The medical trend was updated for fiscal year 2020. The trend was developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions. The prior valuation included the impact of the Cadillac Tax; however, the current valuation uses the model updated in September 2019 and doesn’t include the impact of the Cadillac Tax. The only other change to the assumptions and methods since the last valuation includes the change in the discount rate. For fiscal year 2021, there have also been no changes to the assumptions and methods used since the last valuation, except for the change in the discount rate.

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**Note 12 Postemployment Benefits Other Than Pension – Continued**

**Changes in the Total OPEB Liability**

The following is the Port Authority’s proportionate share of the OPEB plans as administered by the County:

	<b>Total OPEB Liability</b>	
	<b>2021</b>	<b>2020</b>
Beginning Balance, October 1	\$ 429	\$ 652
Changes for the year:		
Service cost	18	18
Interest	10	13
Differences between expected and actual	-	(18)
Changes of assumptions or other inputs	9	(214)
Benefit payments	(23)	(22)
Net changes	14	(223)
Ending Balance, September 30	\$ 443	\$ 429

Changes of assumptions or other inputs reflect a change in the discount rate from 2.75 percent in 2019 to 2.41 percent in 2020 to 2.19 percent in 2021.

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Port Authority using the discount rate of 2.19% for fiscal year 2021 and 2.41% for fiscal year 2020, as well as what the Port Authority’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

<b>Fiscal year ending September 30:</b>	<b>1% Decrease 1.19%</b>	<b>Current Discount Rate 2.19%</b>	<b>1% Increase 3.19%</b>
2021	\$ 487	\$ 443	\$ 403
<b>Fiscal year ending September 30:</b>	<b>1% Decrease 1.41%</b>	<b>Current Discount Rate 2.41%</b>	<b>1% Increase 3.41%</b>
2020	\$ 473	\$ 429	\$ 391

Sensitivity of the total OPEB liability to changes in the medical cost trend rates – The following presents the total OPEB liability of the Port Authority using the medical cost trend rate of 4.00% for fiscal year 2021 and fiscal year 2020, as well as what the Port Authority’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current discount rate:

<b>Fiscal year ending September 30:</b>	<b>1% Decrease 3.00%</b>	<b>Current Discount Rate 4.00%</b>	<b>1% Increase 5.00%</b>
2021	\$ 381	\$ 443	\$ 520
<b>Fiscal year ending September 30:</b>	<b>1% Decrease 3.00%</b>	<b>Current Discount Rate 4.00%</b>	<b>1% Increase 5.00%</b>
2020	\$ 374	\$ 429	\$ 498

**Manatee County Port Authority  
Notes to Financial Statements  
September 30, 2021 and 2020  
(Amounts expressed in thousands)**

**Note 12 Postemployment Benefits Other Than Pension – Continued**

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

For the year ended September 30, 2021, the Port Authority recognized OPEB expense of \$(25). At September 30, 2021, the Port reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
Differences between expected and actual experience	\$ -	\$ (32)
Changes of assumptions or other inputs	44	(58)
Total	<u>\$ 44</u>	<u>\$ (90)</u>

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

<u>Year Ending September 30:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
2022	\$ 6	\$ (12)	\$ (6)
2023	6	(12)	(6)
2024	6	(12)	(6)
2025	6	(12)	(6)
2026	6	(11)	(5)
Thereafter	14	(31)	(17)
	<u>\$ 44</u>	<u>\$ (90)</u>	<u>\$ (46)</u>

For the year ended September 30, 2020, the Port Authority recognized OPEB expense of \$(133). At September 30, 2020, the Port reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
Differences between expected and actual experience	\$ -	\$ (37)
Changes of assumptions or other inputs	40	(65)
Total	<u>\$ 40</u>	<u>\$ (102)</u>

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

<u>Year Ending September 30:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
2021	\$ 5	\$ (12)	\$ (7)
2022	5	(12)	(7)
2023	5	(12)	(7)
2024	5	(12)	(7)
2025	5	(11)	(6)
Thereafter	15	(43)	(28)
	<u>\$ 40</u>	<u>\$ (102)</u>	<u>\$ (62)</u>

**Manatee County Port Authority  
Notes to Financial Statements  
September 30, 2021 and 2020  
(Amounts expressed in thousands)**

**Note 13 Commitments and Contingencies**

**A. Litigation**

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

**B. Grant Programs**

The Port Authority participates in several Federal and State grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives.

**C. Contract Commitments**

Open construction contracts totaled approximately \$2,745 and \$11,999 in September 30, 2021 and 2020, respectively.

**D. Arbitrage Rebate**

In accordance with the Tax Reform Act of 1986, any interest earnings on borrowed construction funds in excess of the interest costs are required to be rebated to the federal government. During the year, there was no arbitrage rebate liability.

**E. Federal and State Disaster Assistance**

On March 13, 2020, a presidential emergency was declared for all states, tribes, territories, and the District of Columbia due to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic. The declaration made federal disaster assistance available through the Coronavirus Aid, Relief, and Economic Security (CARES) Act to the State of Florida to supplement the County's local recovery efforts. As of September 30, 2021, any expenses related to the CARES Act are paid out of Manatee County's Federal and State Grants Fund.

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law. ARPA provides additional relief from the federal government in response to the COVID-19 pandemic. ARPA includes local fiscal recovery funds to further supplement local governments in the public health response and economic recovery from COVID-19. As of September 30, 2021, the Port Authority has been awarded \$4.8 million from the U.S. Department of The Treasury through ARPA.

**Note 14 Risk Management**

The Port Authority is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Port purchases various types of primary insurance coverage, including health, real & personal property, boiler and machinery, workers' compensation, vehicle liability, general liability, umbrella, railroad liability, inland marine, and public officials. There have been no significant reductions in insurance coverage from the previous year. Settled claims have not exceeded this commercial coverage in any of the past three years.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**Manatee County Port Authority**  
**Required Supplementary Information for the Current Year and Four Preceding Years**  
**Schedule of Changes in Total Other Postemployment Benefits (OPEB) Other Than Pension Liability**  
**and Other Related Ratios**  
**(Amounts expressed in thousands)**

<b>Total OPEB Liability</b>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> <sup>(1)</sup>
Service cost	\$ 18	\$ 18	\$ 18	\$ 20	\$ N/A
Interest	10	13	21	22	N/A
Difference between expected and actual experience	-	(18)	-	(39)	N/A
Changes of assumptions or other inputs	9	(214)	67	(28)	N/A
Benefit payments	<u>(23)</u>	<u>(22)</u>	<u>(29)</u>	<u>(174)</u>	<u>N/A</u>
<b>Net change in total OPEB liability</b> <sup>(2)</sup>	<b>\$ 14</b>	<b>\$ (223)</b>	<b>\$ 77</b>	<b>\$ (199)</b>	<b>\$ (39)</b>
<b>Total OPEB liability - beginning</b> <sup>(3)</sup>	<u>429</u>	<u>652</u>	<u>575</u>	<u>774</u>	<u>813</u>
<b>Total OPEB liability - ending</b>	<b><u>\$ 443</u></b>	<b><u>\$ 429</u></b>	<b><u>\$ 652</u></b>	<b><u>\$ 575</u></b>	<b><u>\$ 774</u></b>
<b>Covered-employee payroll</b>	<b>\$ 5,134</b>	<b>\$ 4,182</b>	<b>\$ 3,690</b>	<b>\$ 3,359</b>	<b>\$ 2,955</b>
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>8.63%</b>	<b>10.26%</b>	<b>17.67%</b>	<b>17.12%</b>	<b>26.19%</b>

(1) Initial year of plan disclosure due to the implementation of GASB 75. No prior data available.

(2) The net change in total OPEB liability for fiscal year 2017 has been netted. Detail related to service cost, interest, difference between expected and actual experience, change of assumptions or other inputs and benefit payments is not available for this period.

(3) The total OPEB liability - beginning balance for fiscal year 2017 has been restated for GASB 75.

**Notes to Schedule:**

*Benefit changes.* There have been no changes to the benefit terms.

*Changes of assumptions.* Changes of assumptions and other inputs reflect the rate each period. The following are the discount rates used in each period:

2021	2.19%
2020	2.41%
2019	2.75%
2018	3.83%
2017	3.50%

In fiscal year 2020, the medical trend rate was updated to the latest model released by the SOA and excludes the impact of the Cadillac Tax and decrement assumptions were updated based on the FRS 2019 experience study.

*Trust.* The defined benefit OPEB plan provided is not administered through a trust that meets the criteria of GASB Statement 75, paragraph 4.

**Manatee County Port Authority**  
**Required Supplementary Information for the Current and Seven Preceding Years**  
**Schedule of Port's Proportionate Share of the Net Pension Liability**  
**for the FRS and HIS Pension Plans**  
**(Amounts expressed in thousands)**

<b>FRS Pension Plan</b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b> <sup>(1)</sup>
Port's proportion of the net pension liability (asset)	0.011697209%	0.010746579%	0.010666063%	0.010049038%	0.009512664%	0.009260505%	0.008978370%	0.011050059%
Port's proportionate share of the net pension liability (asset)	\$ 884	\$ 4,658	\$ 3,673	\$ 3,027	\$ 2,814	\$ 2,338	\$ 1,160	\$ 674
Port's covered payroll <sup>(2)</sup>	\$ 3,819	\$ 3,525	\$ 3,348	\$ 3,048	\$ 2,806	\$ 2,656	\$ 2,501	\$ 2,602
Port's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	23.15%	132.14%	109.71%	99.31%	100.29%	88.03%	46.38%	25.90%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
tar								
<b>HIS Pension Plan</b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b> <sup>(1)</sup>
Port's proportion of the net pension liability (asset)	0.012995036%	0.012435905%	0.011721942%	0.010978185%	0.010288021%	0.010087937%	0.009542862%	0.011711403%
Port's proportionate share of the net pension liability (asset)	\$ 1,594	\$ 1,518	\$ 1,312	\$ 1,162	\$ 1,100	\$ 1,176	\$ 973	\$ 1,095
Port's covered payroll <sup>(2)</sup>	\$ 4,598	\$ 4,317	\$ 3,908	\$ 3,566	\$ 3,282	\$ 3,139	\$ 3,020	\$ 3,017
Port's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	34.67%	35.16%	33.57%	32.59%	33.52%	37.46%	32.22%	36.29%
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

(1) Information is not available for years prior to 2014.

(2) Covered payroll for the FRS pension plan and the HIS pension plan may differ for Investment plan participant employees.

(3) The discount rates used for the FRS Plan for fiscal years 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014 are 6.80%, 6.80%, 6.90%, 7.00%, 7.10%, 7.60%, 7.65%, and 7.65%, respectively. The discount rates used for the HIS Program for fiscal years 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014 are 2.16%, 2.21%, 3.50%, 3.87%, 3.58%, 2.85%, 3.80%, and 4.29%, respectively.

(4) The investment rate of return used for the FRS Plan for fiscal years 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014 are 6.80%, 6.80%, 6.90%, 7.00%, 7.10%, 7.60%, 7.65%, and 7.65%, respectively. The investment rate of return used for the HIS Program for fiscal years 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014 are 2.16%, 2.21%, 3.50%, 3.87%, 3.58%, 2.85%, 3.80%, and 4.29%, respectively.

**Manatee County Port Authority**  
**Required Supplementary Information for the Current and Six Preceding Years**  
**Schedule of the Port's Contributions to the FRS and HIS Pension Plans**  
**(Amounts expressed in thousands)**

<b>FRS Pension Plan</b>	<b>Fiscal Year</b>						
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015<sup>(1)</sup></u>
Contractually required contribution	\$ 464	\$ 382	\$ 338	\$ 300	\$ 249	\$ 246	\$ 219
Contributions in relation to the contractually required contribution	<u>(464)</u>	<u>(382)</u>	<u>(338)</u>	<u>(300)</u>	<u>(249)</u>	<u>(246)</u>	<u>(219)</u>
Contribution deficiency (excess)	<u>\$ -</u>						
Port's covered payroll <sup>(2)</sup>	\$ 3,871	\$ 3,633	\$ 3,391	\$ 3,139	\$ 2,831	\$ 2,807	\$ 2,526
Contributions as a percentage of covered payroll	11.99%	10.52%	9.97%	9.56%	8.80%	8.76%	8.67%

<b>HIS Pension Plan</b>	<b>Fiscal Year</b>						
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015<sup>(1)</sup></u>
Contractually required contribution	\$ 78	\$ 74	\$ 67	\$ 61	\$ 55	\$ 55	\$ 40
Contributions in relation to the contractually required contribution	<u>(78)</u>	<u>(74)</u>	<u>(67)</u>	<u>(61)</u>	<u>(55)</u>	<u>(55)</u>	<u>(40)</u>
Contribution deficiency (excess)	<u>\$ -</u>						
Port's covered payroll <sup>(2)</sup>	\$ 4,686	\$ 4,438	\$ 4,015	\$ 3,666	\$ 3,314	\$ 3,314	\$ 3,037
Contributions as a percentage of covered payroll	1.66%	1.67%	1.67%	1.66%	1.67%	1.67%	1.32%

(1) Information is not available for years prior to 2015.

(2) Covered payroll for the FRS pension plan and the HIS pension plan may differ for Investment plan participant employees.

# STATISTICAL SECTION

**Manatee County Port Authority**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
(Amounts expressed in thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net investment in capital assets\$	99,206	\$ 92,396	\$ 90,196	\$ 92,819	\$ 95,836	\$ 92,766	\$ 90,658	\$ 92,803	\$ 89,925	\$ 81,045
Restricted	2,246	2,251	2,253	2,253	2,252	2,251	2,250	2,250	2,250	3,436
Unrestricted	<u>29,754</u>	<u>19,440</u>	<u>16,569</u>	<u>9,559</u>	<u>4,599</u>	<u>1,326</u>	<u>(1,519)</u>	<u>(1,313)</u>	<u>3,942</u>	<u>5,557</u>
Total primary government net position	<u>\$ 131,206</u>	<u>\$ 114,087</u>	<u>\$ 109,018</u>	<u>\$ 104,631</u>	<u>\$ 102,687</u>	<u>\$ 96,343</u>	<u>\$ 91,389</u>	<u>\$ 93,740</u>	<u>\$ 96,117</u>	<u>\$ 90,038</u>

**Manatee County Port Authority  
Changes in Net Position  
Last Ten Fiscal Years  
(Amounts expressed in thousands)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Operating revenues:</b>										
Dock operations	\$ 13,829	\$ 10,085	\$ 11,644	\$ 9,537	\$ 7,167	\$ 6,273	\$ 5,178	\$ 4,837	\$ 5,289	\$ 5,530
Land operations	8,474	7,161	6,835	5,936	5,507	5,244	4,559	4,157	4,348	4,068
Miscellaneous	447	383	473	394	1,055	432	477	433	314	506
Total operating revenues <sup>(1)</sup>	<u>22,750</u>	<u>17,629</u>	<u>18,952</u>	<u>15,867</u>	<u>13,729</u>	<u>11,949</u>	<u>10,214</u>	<u>9,427</u>	<u>9,951</u>	<u>10,104</u>
<b>Operating expenses:</b>										
Personal services	6,231	6,827	6,111	5,062	4,614	4,392	3,955	4,032	4,541	4,536
Administration and marketing <sup>(2)</sup>	1,370	1,255	1,281	1,231	1,204	1,393	1,264	989	1,343	1,386
Engineering and maintenance	1,103	730	682	957	334	456	312	390	446	560
Port operations <sup>(3)</sup>	2,937	2,048	1,248	1,280	1,248	1,220	1,250	2,802	1,749	1,929
Depreciation	5,485	5,311	5,346	5,362	5,149	4,932	5,205	5,200	5,135	5,204
Total operating expenses	<u>17,126</u>	<u>16,171</u>	<u>14,668</u>	<u>13,892</u>	<u>12,549</u>	<u>12,393</u>	<u>11,986</u>	<u>13,413</u>	<u>13,214</u>	<u>13,615</u>
Operating Income (loss)	<u>5,624</u>	<u>1,458</u>	<u>4,284</u>	<u>1,975</u>	<u>1,180</u>	<u>(444)</u>	<u>(1,772)</u>	<u>(3,986)</u>	<u>(3,263)</u>	<u>(3,511)</u>
<b>Nonoperating revenues (expenses):</b>										
Operating grants and contributions <sup>(3)</sup>	3,407	940	454	620	541	710	447	2,055	781	1,189
Interest income <sup>(4)</sup>	41	351	525	198	76	72	73	30	433	174
Interest expense <sup>(5)</sup>	(2,518)	(1,424)	(1,473)	(1,524)	(1,474)	(1,541)	(1,579)	(1,798)	(1,680)	(1,383)
Debt issue cost	(315)	-	-	-	-	-	-	(34)	(461)	(8)
Gain (loss) on disposition of assets	(63)	-	(17)	(7)	27	-	(123)	(37)	(1)	3
Grant administration fee	(39)	(34)	(57)	-	-	-	(26)	(42)	(8)	(100)
Gain (loss) on asset impairment <sup>(6)</sup>	-	-	-	-	-	-	-	-	-	1,051
Master plan <sup>(7)</sup>	-	-	-	-	-	(195)	(104)	-	-	-
Total nonoperating revenues (expenses)	<u>513</u>	<u>(167)</u>	<u>(568)</u>	<u>(713)</u>	<u>(830)</u>	<u>(954)</u>	<u>(1,312)</u>	<u>174</u>	<u>(936)</u>	<u>926</u>
Income (loss) before capital grants and contributions	<u>6,137</u>	<u>1,291</u>	<u>3,716</u>	<u>1,262</u>	<u>350</u>	<u>(1,398)</u>	<u>(3,084)</u>	<u>(3,812)</u>	<u>(4,199)</u>	<u>(2,585)</u>
Capital grants and contributions <sup>(8)</sup>	<u>10,982</u>	<u>3,778</u>	<u>671</u>	<u>682</u>	<u>5,331</u>	<u>6,352</u>	<u>733</u>	<u>4,550</u>	<u>10,278</u>	<u>5,668</u>
Change in net position	<u>\$ 17,119</u>	<u>\$ 5,069</u>	<u>\$ 4,387</u>	<u>\$ 1,944</u>	<u>\$ 5,681</u>	<u>\$ 4,954</u>	<u>\$ (2,351)</u>	<u>\$ 738</u>	<u>\$ 6,079</u>	<u>\$ 3,083</u>

(1) In fiscal year 2014, dockage revenue declined due to an agent's loss of fertilizer cargo and non-recurring corn and grain imports during fiscal year 2013. In fiscal years 2016 through 2019, dockage and wharfage increased due to increases in liquid and dry bulk products. In fiscal year 2020, dockage and wharfage declined related to a decline in the number of days ships were in port. Miscellaneous revenue increased in fiscal year 2017 due to security services as business increased. In fiscal year 2021, dockage and wharfage increased due to an increase in the number of days vessels are in the berths and an increase in liquid bulk (gas and juice) tonnage.

(2) In fiscal year 2014, there were no payments to Logistec for cost sharing in the crane operating agreement which ended in fiscal year 2013.

(3) In fiscal year 2014, Port operations expenses and operating grants and contributions increased due to Port's role as the fiduciary agent of the 2011 Port Security Grant Program. As a fiduciary agent, Port reimburses sub-grantee expenses after reimbursement is received from the grantor agency. In 2016, Port operating grants and contributions increased due to reimbursement revenue of \$98 for the master plan update and \$165 for the Emergency Communication Center. In fiscal year 2020, port operations and operating grants increased due to roof repairs and berth repairs. In fiscal year 2021, operating grants increased due to the receipt of the FDOT subaward of the American Rescue Plan Act (ARPA) grant in response to the COVID-19 public health emergency.

(4) In fiscal year 2013, interest income increased due to a one time termination fee of \$550 which was part of the bond refunding and closing an account that held the Port's debt service reserve money offset by \$133 in arbitrage rebates for the refunded bonds. In fiscal year 2019, the increase in interest income reflects a higher rate of return due to market conditions and an increased cash balance from operations. In fiscal year 2021, lower interest income is a result of lower market returns.

(5) In 2013, bonds and loans payable increased by \$910 due to the issuance of the Port Authority Revenue and Refunding Bonds, Series 2012A and 2012B, which refunded the Port Authority Revenue Refunding Bonds, Series 2002A and 2002B, and the Florida Local Government Finance Commission loans. In fiscal year 2021, the 2012A and 2012B Port Authority Revenue Refunding Bonds were refunded by the 2021 Taxable Revenue Refunding Bonds, resulting in the amortization of a loss of \$1,400.

(6) In fiscal year 2012, the pipeline for Berth 12 was temporarily rendered inoperable due to errors in the design.

(7) In fiscal year 2015, the Port Authority completed its Master Plan consistent with the requirements of Chapter 163, Florida Statutes (F.S.), and Rule 9J-5, Florida Administrative Code.

(8) In fiscal year 2013, reimbursements for the costs to extend Berth 12 and construct an intermodal container yard increased capital grants by \$4,610. In fiscal year 2014, the large reduction in capital contributions is attributed to the decrease in capital grant reimbursable projects compared to the prior year. In fiscal year 2016, the large increase in capital grants is due to \$777 for the South Gate project, \$1,059 for the Intermodal container yard, and \$4,192 for the renovation of Berth 9. In fiscal year 2017, capital grants decreased due to the completion of the South Gate project. In fiscal year 2018, the decrease in capital grants was due to the completion of Berth 9 renovations in the prior year. No significant projects were undertaken in fiscal year 2019 resulting in capital grant reimbursement. In fiscal year 2020, capital grant reimbursements increased due to improvements related to the cold storage warehouse and roadways. In fiscal year 2021, capital grants related to the intermodal yard expansion contributed over \$5,200 to the project and berth improvements received over \$2,200 in capital grants.

**Manatee County Port Authority  
Port Operations  
Revenue by Type and Related Averages  
Last Ten Fiscal Years  
(Amounts expressed in thousands)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Wharfage	\$ 6,276	\$ 5,169	\$ 5,273	\$ 4,882	\$ 4,078	\$ 3,546	\$ 3,204	\$ 2,836	\$ 2,668	\$ 3,147
Dockage	6,647	4,242	5,633	4,131	2,598	2,310	1,656	1,758	2,317	2,080
Other	906	674	738	524	491	417	318	243	304	303
Total	<u>\$ 13,829</u>	<u>\$ 10,085</u>	<u>\$ 11,644</u>	<u>\$ 9,537</u>	<u>\$ 7,167</u>	<u>\$ 6,273</u>	<u>\$ 5,178</u>	<u>\$ 4,837</u>	<u>\$ 5,289</u>	<u>\$ 5,530</u>
Cargo tonnage	5,619	4,474	5,226	4,616	3,260	2,339	1,977	2,028	2,648	2,288
Average wharfage revenue per cargo ton (not in thousands)	\$ 1.12	\$ 1.16	\$ 1.01	\$ 1.06	\$ 1.25	\$ 1.52	\$ 1.62	\$ 1.40	\$ 1.01	\$ 1.38
Berth linear feet	7,243	7,243	7,243	7,243	7,243	7,243	7,243	7,243	6,899	6,899
Average dockage revenue per berth linear foot (not in thousands)	\$ 918	\$ 586	\$ 778	\$ 570	\$ 359	\$ 319	\$ 229	\$ 243	\$ 336	\$ 301

Source: Manatee County Port Authority

**Dock Operations  
Major Revenues and Related Customers  
Current Year and Nine Years Ago  
(Amounts expressed in thousands)**

Customer:	Wharfage Revenue						Customer:	Dockage Revenue					
	2021			2012				2021			2012		
	Revenue	Rank	Percentage	Revenue	Rank	Percentage		Revenue	Rank	Percentage	Revenue	Rank	Percentage
Transmontaigne	\$ 1,309	1	21%	\$ 106	4	3%	Kinder Morgan	\$ 1,491	1	22%	\$ 758	1	36%
Del Monte Fresh Produce	886	2	14%	1,006	1	32%	Transmontaigne	1,284	2	19%	-	-	-
World Direct	795	3	13%	-	-	-	Citrosuco	975	3	15%	189	3	9%
Martin Marietta Aggregate	769	4	12%	-	-	-	G2 Ocean	763	4	11%	-	-	-
G2 Ocean	607	5	10%	-	-	-	Martin Marietta Aggregate	492	5	7%	78	5	4%
Kinder Morgan	-	-	-	359	2	11%	Coastal Tug & Barge	-	-	-	435	2	21%
Citrosuco	-	-	-	123	3	4%	Gearbulk	-	-	-	132	4	6%
Fresh Quest	-	-	-	101	5	3%	Total	<u>5,005</u>		<u>74%</u>	<u>1,592</u>		<u>76%</u>
Total	<u>4,366</u>		<u>70%</u>	<u>1,695</u>		<u>53%</u>	Total dockage revenue	<u>\$ 6,647</u>		<u>100%</u>	<u>\$ 2,080</u>		<u>100%</u>
Total wharfage revenue	<u>\$ 6,276</u>		<u>100%</u>	<u>\$ 3,147</u>		<u>100%</u>							

Source: Manatee County Port Authority

**Manatee County Port Authority  
Revenue Rates  
Last Ten Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Dockage Rates (GRT) <sup>(1)</sup>										
Motor vessels	\$ 0.23	\$ 0.23	\$ 0.22	\$ 0.21	\$ 0.20	\$ 0.20	\$ 0.19	\$ 0.19	\$ 0.18	\$ 0.18
Barges	0.31	0.30	0.29	0.28	0.27	0.26	0.25	0.24	0.23	0.23
Dockage Rates (LOA)										
Length (feet)										
0-199	3.08	3.00	2.88	2.88	2.77	2.69	2.61	2.51	2.44	2.30
200-299	4.00	3.90	3.75	3.69	3.55	3.45	3.35	3.22	3.13	2.95
300-399	4.00	3.90	3.75	3.69	3.55	3.45	3.35	3.22	3.13	2.95
400-499	5.41	5.28	5.08	4.88	4.69	4.55	4.42	4.25	4.13	3.90
500-599	7.30	7.12	6.85	6.61	6.36	6.17	5.99	5.76	5.59	5.27
600-699	8.49	8.28	7.96	7.66	7.37	7.16	6.95	6.68	6.49	6.12
700-799	10.76	10.50	10.10	9.78	9.40	9.13	8.86	8.52	8.27	7.80
800-899	12.97	12.65	12.16	11.75	11.30	10.98	10.66	10.25	9.95	9.39
900-over	15.50	15.12	14.54	14.62	14.06	13.65	13.25	13.12	12.74	12.02
Wharfage Rates (per ton)										
Articles - general	\$ 2.84	\$ 2.77	\$ 2.66	\$ 2.56	\$ 2.46	\$ 2.37	\$ 2.37	\$ 2.37	\$ 2.30	\$ 2.30
Automobiles/light trucks										
new - all weights <sup>(2)</sup>	4.44	4.33	4.16	4.00	3.85	3.70	3.70	3.70	-	-
used - less than 10,000 lbs. each	6.16	6.01	5.78	5.56	5.35	5.14	4.94	4.94	4.80	4.80
used - greater than 10,000 lbs. each	8.86	8.64	8.31	7.99	7.68	7.38	7.10	7.10	7.28	7.28
Bagged goods USDA PUBLIC LAW 480	0.53	0.52	0.50	0.48	0.46	0.44	0.42	0.40	0.39	0.39
Bulk commodities	.37-1.48	.36-1.44	.35-1.38	.34-1.33	.33-1.28	.32-1.23	.31-1.18	.30-1.13	.29-1.10	.29-1.10
Citrus, fruit juices, related beverages	2.14	2.09	2.01	1.93	1.86	1.79	1.72	1.65	1.60	1.60
Construction materials	1.50-3.17	1.46-3.09	1.40-2.97	1.35-2.86	1.30-2.75	1.25-2.62	.85-2.08	.82-2.00	.80-1.94	.80-1.94
Containerized cargo	2.33	2.27	2.18	2.10	2.02	2.02	1.96	1.96	1.90	1.90
Fertilizer, bagged	2.14	2.09	2.01	1.93	1.86	1.79	1.72	1.72	1.67	1.62
Flour, sugar, rice bagged	1.57	1.53	1.47	1.41	1.36	1.36	1.31	1.26	1.22	1.22
Glass (in crates or containers)	2.35	2.29	2.20	2.12	2.04	1.96	1.88	1.81	1.76	1.76
Fruits/vegetables	2.13	2.08	2.00	1.92	1.85	1.78	1.71	1.64	1.84	1.80
Limestone in super sacks	1.15	1.12	1.08	1.04	1.00	0.96	0.92	0.88	0.85	0.85
Melons	2.23	2.18	2.10	2.02	1.94	1.87	1.80	1.73	1.68	1.60
Paper products	1.51-2.59	1.47-2.53	1.41-2.43	1.36-2.34	1.31-2.25	1.31-2.16	1.31-2.08	1.26-2.00	1.22-1.94	1.22-1.94
Petroleum products in barrels or cases	2.07	2.02	1.94	1.87	1.80	1.73	1.66	1.60	1.55	1.55
Products, chilled or frozen USDA products	2.48	2.42	2.33	2.24	2.15	2.07	1.99	1.91	1.85	1.85

(1) Vessel or barge dockage rate application is based on gross registered ton (GRT) or vessel length overall (LOA), whichever results in the greater revenue.

(2) Beginning in 2014, new cars and trucks have separate revenue rates.

Source: Manatee County Port Authority

**Manatee County Port Authority  
Top Ten Customers <sup>(1)</sup>  
Current Year and Nine Years Ago  
(Amounts expressed in thousands)**

**2021**

<u>Customer</u>	<u>Type of Business</u>	<u>Billings</u>	<u>% of Total Billings</u>
A.R. Savage & Son	Agent	\$ 2,695	12.88%
Norton Lilly	Agent	2,241	10.71%
World Direct Shipping	Imports/exports various cargoes	2,127	10.16%
TransMontaigne	Petroleum products	1,772	8.47%
Del Monte Fresh Produce N.A., Inc.	Imports/exports containerized cargo	1,317	6.29%
Martin Marietta Aggregate	Imports aggregate	1,271	6.07%
Arrow Terminals, Inc.	Imports lumber & aluminum products	1,130	5.40%
Federal Marine Terminals	Stevedore	1,068	5.10%
Trans-Atlantic Agencies, Inc.	Agent	1,045	4.99%
Carver Maritime LLC	Stevedore	867	4.14%
			74.21%

**2012**

<u>Customer</u>	<u>Type of Business</u>	<u>Billings</u>	<u>% of Total Billings</u>
Del Monte Fresh Produce N.A., Inc./Network Shipping	Imports/exports containerized cargo	\$ 1,285	17.10%
Martin Marietta Aggregate	Imports aggregate	802	10.67%
A. R. Savage & Son	Agent	701	9.32%
Arrow Terminals, Inc.	Imports lumber products	602	8.01%
Logistec USA	Stevedore	524	6.98%
CSX Transportation	Railroad transportation	467	6.21%
Enterprise Marine Services	Transports petroleum products	446	5.94%
Kinder Morgan	Exports fertilizer	392	5.22%
Fresh Quest, Inc.	Imports melons	348	4.62%
Vulcan Distribution	Imports aggregate	290	3.86%
			77.93%

Source: Manatee County Port Authority

(1) Shipper and agent billings are reported individually.

**Manatee County Port Authority  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(Amounts expressed in thousands)**

<b><u>Fiscal Year</u></b>	<b><u>Revenue Bonds</u></b> <sup>(1)</sup>	<b><u>Notes Payable</u></b>	<b><u>Loans Payable</u></b>	<b><u>Total</u></b>	<b><u>Percentage of Personal Income</u></b> <sup>(2)</sup>	<b><u>Per Capita</u></b> <sup>(2)</sup>
2012	19,178	-	28,443	47,621	0.39%	144
2013	39,031	499	6,246	45,776	0.34%	137
2014	38,192	3,453	2,809	44,454	0.28%	132
2015	37,333	3,102	2,590	43,025	0.29%	126
2016	36,449	2,745	2,367	41,561	0.26%	117
2017	35,540	2,386	4,616	42,542	0.25%	115
2018	34,600	2,010	4,373	40,983	0.23%	108
2019	33,635	1,611	4,076	39,322	0.21%	101
2020	32,644	1,308	3,661	37,613	0.19%	94
2021 <sup>(3)</sup>	35,055	967	3,464	39,486	0.18%	96

(1) Revenue bonds payable net of any applicable unamortized discounts and/or premiums

(2) Refer to page 47 for detail of population and per capita personal income.

(3) Details regarding the Port Authority's outstanding debt can be found in Note 7 of the financial statements.

**Computation of Legal Debt Margin**

The Constitution of the State of Florida, Florida Statute 200.181 and Manatee County set no legal debt limit.

**Manatee County Port Authority**  
**Schedule of Pledged Revenue Coverage <sup>(1)</sup>**  
**Last Ten Fiscal Years**  
**(Amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Gross Revenue <sup>(2)</sup></b>	<b>Expenses <sup>(3)</sup></b>	<b>Net Revenue Available Debt Service</b>	<b>Debt Service Requirement</b>			<b>Annual Debt Service Requirements <sup>(4)</sup></b>	<b>Coverage <sup>(5)</sup></b>
				<b>Principal</b>	<b>Interest</b>	<b>Maximum Annual Debt Service Requirements</b>		
2012	\$ 11,458	\$ 8,411	\$ 3,047	\$ 1,775	\$ 684	\$ 2,459	\$ -	1.24
2013	11,165	8,079	3,086	765	1,255	-	2,020	1.53
2014	11,512	8,213	3,299	865	1,379	-	2,244	1.47
2015	10,734	6,781	3,953	885	1,362	-	2,247	1.76
2016	12,633	7,461	5,172	910	1,337	-	2,247	2.30
2017	14,346	7,400	6,946	935	1,310	-	2,245	3.09
2018	16,685	8,530	8,155	965	1,282	-	2,247	3.63
2019	19,931	9,322	10,609	990	1,253	-	2,243	4.73
2020	18,920	10,860	8,060	1,015	1,230	-	2,245	3.59
2021	26,235	11,641	14,594	-	973	-	973	15.00

- (1) All debt for the Port Authority is revenue refunding bonds. Details regarding the Port Authority's outstanding revenue refunding bonds can be found in Note 7 of the financial statements.
- (2) "Gross Revenue" shall include all rates, fees, charges, assessments or other income received by the Authority or accrued to the Authority or any agency thereof in control of the management and operation of said Port Authority.
- (3) "Expenses" exclude depreciation of capital assets and amortization of deferred charges which are reflected as expenses in the financial statements.
- (4) The Port Authority Revenue Refunding Bonds, Series 2012A and 2012B changed the coverage test to "Annual Debt Service" beginning with fiscal year 2013. These bonds were refunded in fiscal year 2021, however, the coverage test remains the same for the Port Authority Taxable Revenue Refunding Bonds, Series 2021.
- (5) The Port Authority has covenanted in the current resolution authorizing bonds that net revenues are required to be at least equal to one hundred ten percent of the annual debt service requirement for the bonds. Prior to fiscal year 2013, the Port Authority had covenanted in the resolutions authorizing the bonds that net revenues were required to be at least equal to one hundred thirty percent of the maximum annual debt service requirements for the bonds.

**Manatee County Port Authority**  
**Schedule of State Infrastructure Bank (SIB) Loan Coverage**  
**Last Ten Fiscal Years**  
**(Amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Net Revenue Available Debt Service</b> <sup>(1)</sup>	<b>Debt Service Requirements Senior Debt</b> <sup>(2)</sup>	<b>Excess (Deficit) Revenue Available Debt Service</b>	<b>Debt Service Requirements SIB Loans</b>	<b>Coverage</b> <sup>(3)</sup>
2012	\$ 2,599	\$ 2,488	\$ 111	\$ 275	0.40
2013	2,639	2,020	619	275	2.25
2014	2,852	2,244	608	275	2.21
2015	3,506	2,247	1,259	275	4.58
2016	4,725	2,247	2,478	275	9.01
2017 <sup>(4)</sup>	6,499	2,245	4,254	544	7.82
2018	7,708	2,247	5,461	544	10.04
2019	10,162	2,243	7,919	543	14.58
2020	7,613	2,245	5,368	544	9.87
2021	14,147	973	13,174	544	24.22

- (1) "Net Revenue Available Debt Service" shall include all rates, fees, charges, or other income received or accrued by the Port Authority from the operation thereof, but shall not include (a) sales tax funds, (b) non-ad valorem revenues, (c) restricted grants or donations, (d) revenues received from or in connection with Special Purpose Facilities financed with Special Purpose Bonds, and (e) capital contributions. "Net Revenue Available Debt Service" is reduced for "Operating Expenses" which includes the current expenses, paid or accrued, of operation, maintenance and ordinary repairs of the Port and the Port Facilities but shall not include any allowance for depreciation.
- (2) In fiscal year 2021, "Senior Debt" includes the Manatee County Port Authority Taxable Revenue Refunding Bonds, Series 2021, and the Revenue Refunding Bonds, Series 2012A and 2012B. In fiscal years 2013 through 2020, "Senior Debt" included the Manatee County Port Authority Revenue Refunding Bonds, Series 2012A and 2012B. Prior to fiscal year 2013, "Senior Debt" included the Manatee County Port Authority Revenue Refunding Bonds, Series 1993B, 2002A and 2002B and various loans with the Florida Local Government Finance Commission.
- (3) The Port Authority has covenanted in the SIB loan agreements that net revenues available after payment of all senior and parity debt be at least equal to one hundred percent of the sum of the SIB loan payments due in each fiscal year.
- (4) Beginning fiscal year 2017, SIB loans include both the 2007 and 2017 loans.

**Manatee County Port Authority  
Schedule of 2014A and 2014B Revenue Note Loan Coverage  
Last Seven Fiscal Years  
(Amounts expressed in thousands)**

<b>Fiscal Year</b>	<b>Net Resources Available Debt Service</b> <sup>(1)(5)</sup>	<b>Debt Service Requirements Senior Debt</b> <sup>(2)</sup>	<b>Debt Service Requirements SIB Loans</b> <sup>(4)</sup>	<b>Debt Service Requirements 2014A and 2014B Revenue Notes</b> <sup>(5)</sup>	<b>Total Annual Debt Service Requirement</b>	<b>Coverage</b> <sup>(3)</sup>
2015	\$ 3,953	\$ 2,247	\$ 275	\$ 357	\$ 2,879	1.37
2016	6,498	2,247	275	360	2,882	2.25
2017	11,562	2,245	544	357	3,146	3.68
2018	17,714	2,247	544	356	3,147	5.63
2019	27,178	2,243	543	458	3,244	8.38
2020	27,500	2,245	544	350	3,139	8.76
2021	44,348	973	544	351	1,868	23.74

- (1) "Net Resources Available Debt Service" shall include all rates, fees, charges, or other income received or accrued by the Port Authority from the operation thereof, but shall not include (a) non-ad valorem revenues, (b) restricted grants or donations, (c) revenues received from or in connection with Special Purpose Facilities financed with Special Purpose Bonds and (d) capital contributions, reduced for "Operating Expenses" which includes the current expenses, paid or accrued, of operation, maintenance and ordinary repairs of the Port and the Port Facilities but shall not include any allowance for depreciation, plus unrestricted net position in each fiscal year of the Authority. Notwithstanding the foregoing, sales tax funds are not pledged to pay debt service on the Notes.
- (2) Prior to fiscal year 2021, "Senior Debt" includes Manatee County Port Authority Revenue Refunding Bonds, Series 2012A and 2012B. Beginning fiscal year 2021, "Senior Debt" also includes Manatee County Port Authority Taxable Revenue Refunding Bonds, Series 2021.
- (3) The Port Authority has covenanted in the 2014A and 2014B Revenue Note loan agreement that net resources available after payment of all senior debt, SIB loan, the subordinate parity debt and the notes be at least equal to one hundred and five percent of the annual debt service.
- (4) Beginning fiscal year 2017, SIB loans include both the 2007 and 2017 loans.
- (5) Beginning fiscal year 2020, 2014A and 2014B Revenue Notes only include 2014B Revenue Notes.

**Manatee County Port Authority**  
**Summary of Historical Operating Data**  
**Last Ten Fiscal Years**  
(Amounts expressed in thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Operating revenues:</b>										
Dock operations	\$ 13,829	\$ 10,085	\$ 11,644	\$ 9,537	\$ 7,167	\$ 6,273	\$ 5,178	\$ 4,837	\$ 5,289	\$ 5,530
Land operations	8,474	7,161	6,835	5,936	5,507	5,244	4,559	4,157	4,348	4,068
Miscellaneous	447	383	473	394	1,055	432	477	433	314	506
Total operating revenues	<u>22,750</u>	<u>17,629</u>	<u>18,952</u>	<u>15,867</u>	<u>13,729</u>	<u>11,949</u>	<u>10,214</u>	<u>9,427</u>	<u>9,951</u>	<u>10,104</u>
<b>Operating expenses:</b> <sup>(1)</sup>										
Personal services	6,231	6,827	6,111	5,062	4,614	4,392	3,955	4,032	4,541	4,536
Administration and marketing	1,370	1,255	1,281	1,231	1,204	1,393	1,264	989	1,343	1,386
Engineering and maintenance	1,103	730	682	957	334	456	312	390	446	560
Port operations	2,937	2,048	1,248	1,280	1,248	1,220	1,250	2,802	1,749	1,929
Total operating expenses	<u>11,641</u>	<u>10,860</u>	<u>9,322</u>	<u>8,530</u>	<u>7,400</u>	<u>7,461</u>	<u>6,781</u>	<u>8,213</u>	<u>8,079</u>	<u>8,411</u>
Net revenues	<u>11,109</u>	<u>6,769</u>	<u>9,630</u>	<u>7,337</u>	<u>6,329</u>	<u>4,488</u>	<u>3,433</u>	<u>1,214</u>	<u>1,872</u>	<u>1,693</u>
<b>Nonoperating revenues:</b>										
Operating grants	2,960	493	7	173	94	263	-	1,608	334	743
State funding <sup>(2)</sup>	447	447	447	447	447	447	447	447	447	446
Interest income <sup>(3)</sup>	78	351	525	198	76	72	73	30	433	163
Total nonoperating revenues	<u>3,485</u>	<u>1,291</u>	<u>979</u>	<u>818</u>	<u>617</u>	<u>782</u>	<u>520</u>	<u>2,085</u>	<u>1,214</u>	<u>1,352</u>
Net revenue available for payment of senior debt service	14,594	8,060	10,609	8,155	6,946	5,270	3,953	3,299	3,086	3,045
Less: Annual debt service requirement on senior debt <sup>(4)</sup>	<u>973</u>	<u>2,245</u>	<u>2,243</u>	<u>2,247</u>	<u>2,245</u>	<u>2,247</u>	<u>2,247</u>	<u>2,244</u>	<u>2,020</u>	<u>2,452</u>
Surplus Port revenues <sup>(5)</sup>	<u>\$ 13,621</u>	<u>\$ 5,815</u>	<u>\$ 8,366</u>	<u>\$ 5,908</u>	<u>\$ 4,701</u>	<u>\$ 3,023</u>	<u>\$ 1,706</u>	<u>\$ 1,055</u>	<u>\$ 1,066</u>	<u>\$ 593</u>

(1) Operating expenses before depreciation and amortization.

(2) Prior to fiscal year 2013, state funding was pledged to senior lien debt, but was not an underlying pledge on subordinate debt. Beginning in fiscal year 2013, state funding is no longer pledged.

(3) Does not include interest income not available for debt service.

(4) Beginning in fiscal year 2021, "Senior Debt" includes Manatee County Port Authority Taxable Revenue Refunding Bonds, Series 2021 and Manatee County Port Authority Revenue Refunding Bonds, Series 2012A and 2012B. The Series 2021 bonds advance refunded the Series 2012A and 2012B bonds. From fiscal years 2013 through 2020, this amount represents annual debt service requirements on Manatee County Port Authority Revenue Refunding Bonds, Series 2012A and 2012B. The series 2012A and 2012B bonds refunded Series 2002A and 2002B, defeased \$445 of the 1993B bonds, and paid off \$21,000 of loans payable to the Florida Local Government Finance Commission. Fiscal year 2012 amounts represent annual debt service requirements on Manatee County Port Authority Revenue Refunding Bonds, Series 1993B, 2002A and 2002B. The Series 2002A and 2002B bonds refunded Series 1993A bonds and paid off \$15,000 of loans payable to the Florida Local Government Finance Commission.

(5) Surplus Port revenues represent excess Port revenues and state funding. Prior to fiscal year 2013, the state funding was not pledged to the payment of the loans from the Florida Local Government Finance Commission or the State of Florida Department of Transportation Infrastructure Bank but was available to pay senior debt.

**Manatee County Port Authority  
Demographic and Economic Statistics in Primary Trade Area  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population</b> <sup>(1)</sup>	<b>Per Capita Personal Income</b> <sup>(2)</sup>	<b>Personal Income (in thousands)</b> <sup>(3)</sup>	<b>Median Age</b> <sup>(4)</sup>	<b>School Enrollment</b> <sup>(5)</sup>	<b>Unemployment Rate</b> <sup>(6)</sup>
2012	330,862	37,200	12,308,066	46	45,050	9.0%
2013	333,687	40,500	13,514,324	47	45,800	7.2%
2014	337,546	46,700	15,763,398	46	46,800	6.1%
2015	341,405	43,800	14,953,539	47	47,700	5.1%
2016	356,133	44,800	15,954,758	47	48,600	4.7%
2017	368,782	45,900	16,927,094	48	48,867	3.3%
2018	377,826	47,300	17,871,170	49	49,152	2.9%
2019	387,414	48,300	18,712,096	49	49,835	3.0%
2020	398,503	50,000	19,925,150	49	49,599	5.2%
2021	411,209	54,500	22,410,891	49	51,145	3.7%

Sources:

- (1) Office of Economic and Demographic Research, State of Florida
- (2) Information from U.S. Bureau of Economic Analysis and estimated 2012 through 2021 based upon historical growth.
- (3) Personal income is a calculated amount based on population and per capita personal income.
- (4) U.S. Census - reporting for prior calendar year.
- (5) School Board of Manatee County
- (6) US Department of Labor, Bureau of Labor Statistics

**Manatee County Port Authority  
Principal Employers in Primary Trade Area  
Current and Nine Years Ago**

<b>Employer</b>	<b>2021</b>			<b>2012</b>		
	<b>Employees</b> <sup>(2)</sup>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Employees</b> <sup>(1)</sup>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Manatee County School Board	5,632	1	3.13%	5,200	1	4.05%
Publix	3,200	2	1.78%	881	8	0.69%
Beall's Inc.	2,336	3	1.30%	1,701	3	1.32%
Manatee County Government	2,032	4	1.13%	1,703	2	1.33%
Manatee Memorial Hospital	1,651	5	0.92%	1,445	4	1.12%
Blake Medical Center	1,471	6	0.82%	1,100	6	0.86%
Manatee County Sheriff's Department	1,237	7	0.69%	1,095	7	0.85%
Tropicana Products, Inc.	1,000	8	0.56%	1,200	5	0.93%
IMG Academies	1,000	9	0.56%	493	10	0.38%
State College of Florida, Manatee-Sarasota	900	10	0.50%	-	-	-
Pierce Manufacturing	-	-	-	569	9	0.44%
<b>Total number of individuals employed within Manatee County</b> <sup>(3)</sup>	<b>179,848</b>			<b>128,472</b>		

Sources:

- (1) Bradenton Area Economic Development Council, Manatee County Government and Manatee County Sheriff's Department
- (2) Mergent Intellect, Manatee County Libraries, Manatee County School Board, Manatee County Government, and Manatee County Sheriff's Department
- (3) US Department of Labor, Bureau of Labor Statistics

**Manatee County Port Authority**  
**Schedule of Comparative Revenue by Activity**  
**Last Ten Fiscal Years**  
**(Amounts expressed in thousands)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Cargo ships <sup>(1)</sup>	\$ 11,487	\$ 8,538	\$ 10,100	\$ 8,493	\$ 6,064	\$ 5,436	\$ 4,804	\$ 4,302	\$ 4,733	\$ 4,705
Other ships/barges <sup>(1)</sup>	<u>2,342</u>	<u>1,547</u>	<u>1,544</u>	<u>1,044</u>	<u>1,103</u>	<u>837</u>	<u>374</u>	<u>535</u>	<u>556</u>	<u>825</u>
Total ship related operating revenues	<u>13,829</u>	<u>10,085</u>	<u>11,644</u>	<u>9,537</u>	<u>7,167</u>	<u>6,273</u>	<u>5,178</u>	<u>4,837</u>	<u>5,289</u>	<u>5,530</u>
Land leases <sup>(2)</sup>	2,826	2,418	2,232	1,875	1,895	1,925	2,722	2,367	2,350	2,625
Rail <sup>(3)</sup>	268	277	349	341	432	194	171	309	625	468
Storage <sup>(4)</sup>	2,897	2,599	2,015	1,798	1,526	1,804	443	306	258	142
Miscellaneous <sup>(5)</sup>	<u>2,930</u>	<u>2,250</u>	<u>2,712</u>	<u>2,316</u>	<u>2,709</u>	<u>1,753</u>	<u>1,700</u>	<u>1,608</u>	<u>1,429</u>	<u>1,339</u>
Total non-ship related operating revenues	<u>8,921</u>	<u>7,544</u>	<u>7,308</u>	<u>6,330</u>	<u>6,562</u>	<u>5,676</u>	<u>5,036</u>	<u>4,590</u>	<u>4,662</u>	<u>4,574</u>
Total operating revenues	<u>\$ 22,750</u>	<u>\$ 17,629</u>	<u>\$ 18,952</u>	<u>\$ 15,867</u>	<u>\$ 13,729</u>	<u>\$ 11,949</u>	<u>\$ 10,214</u>	<u>\$ 9,427</u>	<u>\$ 9,951</u>	<u>\$ 10,104</u>

- (1) In fiscal year 2012, ship related operating revenue increased due to negotiated minimum guarantees. The ship related operating revenue reduction in 2013 was due to the decline in wharfage from the loss in exports of fertilizer and importation of not from concentrate juice. In fiscal year 2014, dockage revenue declined due an agent's loss of fertilizer cargo and non-recurring corn and grain imports. In fiscal year 2015, waterborne revenue increased due to a new service importing perishable products, sugar, and other containerized cargoes from Mexico. Due to the rise in importation of petroleum products, waterborne revenue increased in fiscal year 2016. In fiscal year 2017, ship related revenue continued to increase due to sulphur and petroleum products. In fiscal year 2018, ship related revenue continued to increase due to petroleum, juice and phosphoric rock imports. In fiscal year 2019, ship related revenue increased due to petroleum, juice, fly ash and the increase in the importation of oranges due to a shortage caused by Hurricane Irma. Due to the COVID-19 pandemic in 2020, the demand for petroleum decreased as travel declined. In fiscal year 2021, wharfage and dockage revenues surged back after the slowdown due to COVID-19.
- (2) In 2013, the Port's land lease revenue decreased due to multiple tenants reducing their square footage leased and one tenant vacating space in a warehouse. In 2015, lease revenue increased due to a settlement agreement reached with a tenant. In 2016, certain lease revenues were reclassified as storage and one tenant did not return, leaving a six month vacancy. In 2019, lease revenue increased due to acquiring a tenant and in 2021 several lease modifications led to higher monthly rental rates.
- (3) The increase in rail revenues in 2013 is due to 154 unanticipated tons of Brazilian-produced corn imported to offset drought-stricken U.S. production shortfalls. This corn was used for animal feed. The large decrease in rail revenues in 2014 is due to an agent's loss of fertilizer cargo, which was brought in by rail and loaded on vessels for export. In 2015, rail revenue continued to decline due to the loss of the fertilizer cargo. In 2017, rail revenues increased due to fertilizer cargo that had been in decline since 2015.
- (4) In 2015, storage increased in commodities such as fly ash, aluminum, lumber, empty containers, and Seaforce IX boats. In 2016, lease revenue was reclassified as storage and the demand for storage rose significantly. In 2020, storage increased due to the increase in amount of time cargo was held at the port. In 2020, the COVID-19 pandemic slowed truck traffic but cargo continued to come in to the port, increasing storage revenue. In 2021, cargo was stored at the Port for longer periods before being trucked to its final destination.
- (5) In 2013, the Port received \$200 in non-recurring lease option fees. In 2014, TWIC escort fees increased due to an increase in drivers who did not possess a TWIC card and had to be monitored by port personnel. In 2015, TWIC continued to increase due to fewer drivers having the security card. The scales showed an increase due to an increase in fly ash and juice. In 2017, TWIC escort and guard service revenue was up due to an increase in hazardous materials. The increase in 2021 was due to TWIC renewals and security surcharges from vessels spending more days at the berths.

**Manatee County Port Authority**  
**Annual Cargo Tonnage**  
**Last Ten Fiscal Years**  
(Amounts expressed in thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Liquid Bulk Cargoes</b>										
Ethanol	99	73	123	86	46	32	2	-	-	-
Gasoline	867	772	903	795	528	386	141	24	137	5
Other petroleum products <sup>(1)</sup>	293	458	571	544	266	206	43	217	265	363
Other	295	105	377	250	181	123	163	154	113	156
	<u>1,554</u>	<u>1,408</u>	<u>1,974</u>	<u>1,675</u>	<u>1,021</u>	<u>747</u>	<u>349</u>	<u>395</u>	<u>515</u>	<u>524</u>
<b>Dry Bulk Cargoes</b>										
Fertilizers	282	295	327	375	368	147	123	422	817	808
Cement/clinkers/fly ash	249	180	453	224	139	117	154	-	-	-
Aggregate	1,086	1,090	877	639	566	390	397	384	477	129
Other	881	313	583	732	254	156	132	171	325	285
	<u>2,498</u>	<u>1,878</u>	<u>2,240</u>	<u>1,970</u>	<u>1,327</u>	<u>810</u>	<u>806</u>	<u>977</u>	<u>1,619</u>	<u>1,222</u>
<b>General Cargoes</b>										
Food products	549	527	533	467	442	431	499	424	351	397
Paper and lumber	339	142	167	216	191	124	132	112	68	65
Water sales	13	12	18	12	12	11	9	8	8	8
Construction products	167	162	125	160	166	145	125	104	77	54
Other	499	344	169	116	101	71	57	8	10	18
	<u>1,567</u>	<u>1,187</u>	<u>1,012</u>	<u>971</u>	<u>912</u>	<u>782</u>	<u>822</u>	<u>656</u>	<u>514</u>	<u>542</u>
<b>Total cargo tonnage</b>	<u>5,619</u>	<u>4,473</u>	<u>5,226</u>	<u>4,616</u>	<u>3,260</u>	<u>2,339</u>	<u>1,977</u>	<u>2,028</u>	<u>2,648</u>	<u>2,288</u>
Imports	5,050	4,152	4,939	4,170	2,764	2,135	1,809	1,471	1,678	1,235
Exports	569	321	287	446	496	204	168	557	970	1,053
<b>Total cargo tonnage</b>	<u>5,619</u>	<u>4,473</u>	<u>5,226</u>	<u>4,616</u>	<u>3,260</u>	<u>2,339</u>	<u>1,977</u>	<u>2,028</u>	<u>2,648</u>	<u>2,288</u>

Source: Manatee County Port Authority

(1) In fiscal year 2016, certain types of cargo have been combined for consistent presentation. Prior year amounts were reclassified to conform to current categories.

**Manatee County Port Authority  
Capital Assets  
Last Ten Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Total Land (acres)	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106
Channel width (feet)	400	400	400	400	400	400	400	400	400	400
Channel depth (feet)	40	40	40	40	40	40	40	40	40	40
Hard surfaced open storage (acres)	40	40	40	40	40	40	40	40	30	30
Covered storage (sq. ft.)	1,156,015	1,156,015	1,109,515	1,109,515	1,109,515	1,109,515	1,109,515	1,109,515	1,109,515	1,109,515
Refrigerated storage (sq. ft.)	207,000	207,000	207,000	207,000	207,000	207,000	207,000	207,000	207,000	207,000
Railroad track (miles) <sup>(1)</sup>	7	7	7	7	7	7	7	7	7	8
Berthing space (linear feet)	7,243	7,243	7,243	7,243	7,243	7,243	7,243	7,243	6,899	6,899
Number of berths	10	10	10	10	10	10	10	10	9	9
Refrigerated container hookups	328	328	328	328	328	208	208	208	208	208
Mobile harbor container cranes	2	2	2	2	2	2	2	2	2	2

(1) 2013 was verified by yardmaster, all prior years are estimates.

Source: Manatee County Port Authority

**Manatee County Port Authority  
Full-time Employees by Function  
Last Ten Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Administration	10	10	11	10	9	9	8	8	10	10
Administration - communications <sup>(2)</sup>	2	2	2	2	2	-	-	-	-	-
Administration - international trade hub <sup>(3)</sup>	1	-	-	-	-	-	-	-	-	-
Administration - scales	1	3	3	3	3	2	2	2	2	2
Engineering	3	3	1	1	1	1	1	1	2	2
Sales and marketing	2	2	2	2	2	4	5	3	2	3
Operations - yard/general	4	3	2	2	2	2	2	3	3	3
Operations - safety/security	28	28	28	27	19	19	19	19	17	17
Operations - railroad	3	3	3	2	2	2	2	3	7	7
Maintenance	22	18	18	17	13	13	13	13	11	12
Total employees by function	<u>76</u>	<u>72</u>	<u>70</u>	<u>66</u>	<u>53</u>	<u>52</u>	<u>52</u>	<u>52</u>	<u>54</u>	<u>56</u>

(2) In 2017, part of the sales and marketing department was reclassified as administration - communications.

(3) In 2021, part of the administration department was reclassified as administration - international trade hub.

Source: Manatee County Port Authority

## **OTHER INFORMATION**

**Manatee County Port Authority  
Bond Issues - Description  
September 30, 2021  
(Amounts expressed in thousands)**

**Port Authority Bonds**

	<b>Taxable Revenue Refunding Series 2021</b>
Original authorization	\$ 35,055
Unissued	-
Issued	<u>35,055</u>
Retirements	-
Balance outstanding	<u><u>\$ 35,055</u></u>
Date of issue	April 14, 2021
Principal payment date	October 1
Interest payment dates	April-October
Denominations (amounts not rounded)	\$5,000
Interest rates (fiscal year)	0.243% Maturity 2023 0.439% Maturity 2024 0.619% Maturity 2025 1.070% Maturity 2026 1.320% Maturity 2027 1.669% Maturity 2028 1.749% Maturity 2029 2.087% Maturity 2030 2.177% Maturity 2031 2.237% Maturity 2032 2.387% Maturity 2033 2.517% Maturity 2034 2.617% Maturity 2035 2.687% Maturity 2036 2.747% Maturity 2037 2.857% Maturity 2038 2.937% Maturity 2039 3.037% Maturity 2040 3.087% Maturity 2041 3.187% Maturity 2042 3.287% Maturity 2043
Effective interest cost rate	2.6732%
Call features	Prior to Apr 1 2031 - Greater of Maturity 100 or PV Remaining Payments plus 15 bps Apr 1 2031-Maturity 100
Paying agent	Regions Bank Jacksonville, FL

**Manatee County Port Authority  
Schedule of Debt Service Requirements  
September 30, 2021  
(Amounts expressed in thousands)**

**Port Authority Taxable Revenue Refunding Bonds**

\$35,055  
Series 2021 Bonds

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ -	\$ 401	\$ 401
2023	750	801	1,551
2024	1,445	797	2,242
2025	1,450	789	2,239
2026	1,460	777	2,237
2027	1,475	760	2,235
2028	1,495	737	2,232
2029	1,520	712	2,232
2030	1,540	682	2,222
2031	1,575	649	2,224
2032	1,610	614	2,224
2033	1,645	576	2,221
2034	1,685	535	2,220
2035	1,730	491	2,221
2036	1,770	445	2,215
2037	1,820	396	2,216
2038	1,870	345	2,215
2039	1,925	290	2,215
2040	1,980	231	2,211
2041	2,040	170	2,210
2042	2,100	105	2,205
2043	2,170	36	2,206
	<u>\$ 35,055</u>	<u>\$ 11,339</u>	<u>\$ 46,394</u>

**Manatee County Port Authority**  
**Schedules of Debt Service Requirements**  
**September 30, 2021**  
(Amounts expressed in thousands)

**Revenue Note**

**Series 2014B Note**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 297	\$ 25	\$ 322
2023	334	17	351
2024	336	6	342
	<u>\$ 967</u>	<u>\$ 48</u>	<u>\$ 1,015</u>

Interest is calculated at 3.15%.

**Florida Department of Transportation**  
**State Infrastructure Bank Loans**

**2007 Loan**

**2017 Loan**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	251	24	275	202	67	269
2024	256	19	275	208	61	269
2025	262	13	275	214	55	269
2026	267	8	275	221	48	269
2027	146	3	149	227	42	269
2028	-	-	-	234	35	269
2029	-	-	-	240	29	269
2030	-	-	-	247	21	268
2031	-	-	-	255	14	269
2032	-	-	-	234	7	241
	<u>\$ 1,182</u>	<u>\$ 67</u>	<u>\$ 1,249</u>	<u>\$ 2,282</u>	<u>\$ 379</u>	<u>\$ 2,661</u>

Interest is calculated at 2.00%.

Interest is calculated at 2.92%.

**Manatee County, Florida  
Schedule of Debt Service  
Payable from Non-Ad Valorem Revenue Sources  
September 30, 2021  
(Amounts expressed in thousands)**

<u>Fiscal Year</u>	<u>Revenue Refunding and Improvement Bonds, Series 2013</u>	<u>Revenue Improvement Bonds, Series 2016</u>	<u>Manatee County School Board Infrastructure Loan, 2018</u>	<u>Revenue Refunding and Improvement Bonds, Series 2019</u>	<u>Revenue Refunding Bonds, Series 2019</u>	<u>Manatee Revenue Improvement Note (NAV), Series 2021</u>	<u>Manatee Revenue Improvement Note (IST), Series 2021</u>	<u>Total Annual Debt Service (1)</u>
2022	\$ 461	\$ 2,784	\$ 820	\$ 1,045	\$ 201	\$ 13	\$ 41	\$ 5,365
2023	3,121	2,785	690	3,465	776	5,189	16,202	32,228
2024	3,120	2,784	678	3,462	806	-	-	10,850
2025	3,119	4,253	-	3,457	828	-	-	11,657
2026	3,111	-	-	1,868	853	-	-	5,832
2027	2,849	-	-	2,545	870	-	-	6,264
2028	2,842	-	-	2,545	900	-	-	6,287
2029	3,127	-	-	2,542	932	-	-	6,601
2030	3,131	-	-	2,538	804	-	-	6,473
2031	-	-	-	2,966	925	-	-	3,891
2032	-	-	-	2,966	1,013	-	-	3,979
2033	-	-	-	2,962	1,047	-	-	4,009
2034	-	-	-	2,960	1,081	-	-	4,041
2035	-	-	-	2,959	-	-	-	2,959
2036	-	-	-	2,967	-	-	-	2,967
2037	-	-	-	2,957	-	-	-	2,957
2038	-	-	-	2,964	-	-	-	2,964
2039	-	-	-	2,961	-	-	-	2,961
2040	-	-	-	2,951	-	-	-	2,951
2041	-	-	-	2,957	-	-	-	2,957
2042	-	-	-	2,954	-	-	-	2,954
2043	-	-	-	2,953	-	-	-	2,953
2044	-	-	-	2,954	-	-	-	2,954
2045	-	-	-	2,951	-	-	-	2,951
2046	-	-	-	2,949	-	-	-	2,949
2047	-	-	-	2,944	-	-	-	2,944
2048	-	-	-	2,944	-	-	-	2,944
2049	-	-	-	2,941	-	-	-	2,941
2050	-	-	-	2,938	-	-	-	2,938
<b>Total</b>	<b>\$ <u>24,881</u></b>	<b>\$ <u>12,606</u></b>	<b>\$ <u>2,188</u></b>	<b>\$ <u>82,565</u></b>	<b>\$ <u>11,036</u></b>	<b>\$ <u>5,202</u></b>	<b>\$ <u>16,243</u></b>	<b>\$ <u>154,721</u></b>

(1) The County has a contingent obligation to pay the Port Authority Taxable Revenue Refunding Bonds, Series 2021 which arises if the Port Authority fails to pay the principal and/or interest on such bonds. The debt service on the Port Authority Bonds is not included in this table.

**Manatee County Port Authority  
Schedules of Debt Service Coverage  
For the Fiscal Years Ended September 30, 2021 and 2020  
(Amounts expressed in thousands)**

	Revenue Bonds, Series 2012A, 2012B and 2021		State Infrastructure Bank Loans		Revenue Note 2014B	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 22,750	\$ 17,629	\$ 22,750	\$ 17,629	\$ 22,750	\$ 17,629
Add resources available for debt service coverage not included as operating revenues in financial statements:						
Operating grants	2,960	493	2,960	493	2,960	493
Interest earned	78	351	78	351	78	351
Unrestricted Net Assets <sup>(3)</sup>	-	-	-	-	29,754	19,440
State sales tax <sup>(1)(4)</sup>	447	447	-	-	447	447
Total resources available for debt service coverage	<u>26,235</u>	<u>18,920</u>	<u>25,788</u>	<u>18,473</u>	<u>55,989</u>	<u>38,360</u>
Less: Operating expenses (excluding depreciation and amortization)	<u>11,641</u>	<u>10,860</u>	<u>11,641</u>	<u>10,860</u>	<u>11,641</u>	<u>10,860</u>
Net resources available for debt service before deductions debt service on senior and parity debt	14,594	8,060	14,147	7,613	44,348	27,500
Debt service requirement on senior and parity debt <sup>(2)</sup>	<u>NA</u>	<u>NA</u>	<u>(973)</u>	<u>(2,245)</u>	<u>NA</u>	<u>NA</u>
Net resources available for debt service	<u>\$ 14,594</u>	<u>\$ 8,060</u>	<u>\$ 13,174</u>	<u>\$ 5,368</u>	<u>\$ 44,348</u>	<u>\$ 27,500</u>
Annual debt service requirement <sup>(2)</sup>	\$ 973	\$ 2,245	\$ 544	\$ 544	\$ 1,868	\$ 3,139
Debt service coverage	1500%	359%	2422%	987%	2374%	876%

(1) State sales tax revenues are not pledged as revenue for the State Infrastructure Bank Loans ("SIB Loans").

(2) In fiscal year 2020, "Senior Debt" for the SIB Loans includes Manatee County Port Authority Revenue Refunding Bonds, Series 2012A and 2012B. In fiscal year 2021 "Senior Debt" also includes Manatee County Port Authority Taxable Revenue Refunding Bonds, Series 2021. For the Revenue Note 2014B, "Senior Debt" also includes the State Infrastructure Bank Loans; however, when calculating the debt service coverage for the notes, "Annual debt service requirement" is used which includes the Revenue Bonds, SIB Loans, and the 2014B Note.

(3) Debt covenants for the 2014B Note include "Unrestricted Net Assets" in the calculation for debt service coverage.

(4) State sales tax revenues are not pledged as revenue for the 2014B Revenue Note but are included in the coverage calculation per debt covenants.

**Manatee County, Florida**  
**Non-Ad Valorem Revenues Legally Available to Pay**  
**Debt Service on Certain Bonds and Other Indebtedness**  
**Last Five Fiscal Years**  
(Amounts expressed in thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Permit fees	\$ 1,044	\$ 1,088	\$ 937	\$ 827	\$ 771
State revenue sharing <sup>(1)</sup>	11,778	9,974	10,597	9,957	9,388
Sheriff program reimbursements	257	210	201	204	191
Mobile home licenses	288	248	269	274	273
Communication service tax	2,870	2,987	3,032	3,324	3,300
1/2 Cent sales tax	33,833	27,516	27,265	26,580	25,401
Infrastructure sales surtax <sup>(2)</sup>	31,863	27,582	25,529	25,225	17,438
Planning and zoning fees	4,734	4,451	4,287	4,109	3,347
Elected officials excess fees	9,192	6,930	10,059	6,430	7,001
Interest	284	2,713	4,554	2,266	1,211
Charges for services	18,585	15,348	16,969	16,156	17,161
Payments in lieu of taxes & franchise fees	12,284	12,468	11,946	11,567	11,131
Road assessments	12	14	44	18	42
Indirect cost recovery	11,961	11,939	11,982	11,903	11,045
Miscellaneous	5,588	7,252	7,180	8,624	5,343
Non-revenue interfund transfers	12,428	5,283	3,133	4,087	6,887
<b>Subtotal</b>	<u>157,001</u>	<u>136,003</u>	<u>137,984</u>	<u>131,551</u>	<u>119,930</u>
Fines & forfeitures <sup>(3)</sup>	1,975	1,519	1,624	1,717	1,622
Gas taxes <sup>(4)</sup>	21,663	20,309	21,716	21,391	21,437
<b>Legally available revenues before General Operating &amp; Maintenance Expense (O&amp;M)</b>	<u>180,639</u>	<u>157,831</u>	<u>161,324</u>	<u>154,659</u>	<u>142,989</u>
Less General O&M not supported by Ad Valorem taxes <sup>(5)</sup>	<u>127,105</u>	<u>107,303</u>	<u>107,557</u>	<u>103,692</u>	<u>101,673</u>
<b>Net legally available revenues for debt service</b>	<u>53,534</u>	<u>50,528</u>	<u>53,767</u>	<u>50,967</u>	<u>41,316</u>
Beginning fund balances: <sup>(6)</sup>					
General fund	115,401	111,531	96,508	83,875	81,539
Transportation trust fund	<u>32,037</u>	<u>30,984</u>	<u>25,529</u>	<u>25,547</u>	<u>24,566</u>
<b>Total net legally available funds available for non-ad valorem commitments</b>	<u>200,972</u>	<u>193,043</u>	<u>175,804</u>	<u>160,389</u>	<u>147,421</u>
Less non-ad valorem commitments: <sup>(7)</sup>					
2010 Revenue Refunding Bonds	-	-	-	-	1,719
2013 Revenue Refunding and Improvement Bonds	8,866	12,782	12,605	12,582	12,779
2013 Revenue Improvement Note <sup>(8)</sup>	-	5,283	394	380	368
2014 Revenue Improvement Bonds <sup>(8)</sup>	-	5,469	503	444	481
2016 Revenue Improvement Bonds	2,784	5,056	5,062	5,061	5,059
2016 Revenue Improvement Note	-	-	-	18,738	203
2018 Revenue Refunding and Improvement Note <sup>(8)</sup>	-	36,002	847	297	-
2019 Revenue Improvement & Refunding Bonds <sup>(8)</sup>	2,563	2,559	-	-	-
2019 Revenue Refunding Bonds <sup>(8)</sup>	763	728	-	-	-
2021 Revenue Improvement Note (NAV) <sup>(9)</sup>	4	-	-	-	-
2021 Revenue Improvement Note (IST) <sup>(9)</sup>	13	-	-	-	-
<b>Total net legally available funds for debt service and net position <sup>(10)</sup></b>	<u>\$ 185,979</u>	<u>\$ 125,164</u>	<u>\$ 156,393</u>	<u>\$ 122,887</u>	<u>\$ 126,812</u>

(1) Includes guaranteed entitlements.

(2) Infrastructure sales surtax may be only used for certain infrastructure expenditures.

(3) Used primarily for criminal fees and costs.

(4) Gas taxes may be used only for certain transportation expenditures.

(5) General and municipal services fund expenditures times ratio of available revenue to total revenue.

(6) Only the Unassigned Fund Balance portion of the General fund and the Assigned Fund Balance of the Transportation Trust Fund are in the Beginning Balances.

(7) Includes all debt of the County payable in such years from non-ad valorem revenues with the exception of the County's Public Utilities System. Does not include debt which has been incurred subsequent to such years.

(8) In FY2020, the 2013 Revenue Improvement Note, 2014 Revenue Improvement Bonds, and the 2018 Revenue Refunding and Improvement Note were paid off and the 2019 Revenue Improvement & Refunding Bonds and 2019 Revenue Refunding Bonds were added.

(9) In FY2021, the 2021 Revenue Improvement Note (NAV) and 2021 Revenue Improvement Note (IST) were added.

(10) The County has a contingent obligation to pay the Port Authority Revenue Refunding Bonds, Series 2021 which arises if the Port Authority fails to pay principal and/or interest on such bonds.

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

Honorable Members of the Board of County Commissioners  
In their capacity as Members of the Manatee County Port Authority  
Manatee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Manatee County, Florida Port Authority (the "Port"), a component unit of Manatee County, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Port's basic financial statements, and have issued our report thereon dated March 24, 2022.

**Internal Control over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Port'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 the Port's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Port'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 Port's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely,

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." with a stylized ampersand and a small mark above the 'i' in "Ingram".

Carr, Riggs, & Ingram, LLC

Bradenton, Florida  
March 24, 2022