

# FORT PIERCE UTILITIES AUTHORITY

"Committed to Quality"



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April 1, 2008

TO:

Interactive Data Pricing and Reference Data, Inc. Attn: NRMSIR 100 William Street, 15 <sup>th</sup> Floor New York, New York 10038 <a href="mailto:NRMSIR@interactivedata.com">NRMSIR@interactivedata.com</a>	Bloomberg Municipal Repository Bloomberg Business Park 100 Business Park Drive Skillman, NJ 08558 <a href="mailto:Munis@Bloomberg.com">Munis@Bloomberg.com</a>
Standard & Poor's Securities Evaluations, Inc. 55 Water Street, 45 <sup>th</sup> Floor New York, New York 10041 <a href="mailto:nrmsir_repository@sandp.com">nrmsir_repository@sandp.com</a>	DPC Data Inc. One Executive Drive Fort Lee, NJ 07024 <a href="mailto:nrmsir@dpccdata.com">nrmsir@dpccdata.com</a>

Re: Report of Annual Financial Information  
Fiscal Year Ended September 30, 2007

Enclosed in accordance with the undertakings of the Fort Pierce Utilities Authority of the City of Fort Pierce, Florida (the "Authority"), regarding secondary market disclosure ("Continuing Disclosure") made pursuant to SEC Rule 15c2-12(b)(5)(i), by various resolutions adopted by Fort Pierce Utilities Authority and continuing disclosure certificates ("Continuing Disclosure Provisions"), enclosed is the annual financial information and operating data for Fiscal Year ended September 30, 2007, of the type included with respect to Fort Pierce Utilities Authority in the final Official Statements for each of the following issues:


- \$22,445,000 Utilities Refunding Revenue Bonds, Series 1999A
- \$10,223,254.10 Utilities Revenue Capital Appreciation Bonds, Series 1999B
- \$9,545,000 Utilities Revenue Bonds, Series 2002
- \$42,965,000 Utilities Refunding Revenue Bonds, Series 2003

That information is for the Fiscal Year of Fort Pierce Utilities Authority ended September 30, 2007, and constitutes the supplemental annual information agreed to be provided pursuant to the provisions regarding Continuing Disclosure set forth in the Continuing Disclosure Provisions at the time of the primary offerings referenced above.

The audited financial statements are to be disseminated to you under separate cover. No representation is made as to the materiality or completeness of that information. Other relevant information for that period may exist, and matters may have occurred or become known during or since that period, which an investor would consider to be material to the making of an investment decision. Further, report of no representation is made that such information is indicative of financial or operating results of Fort Pierce Utilities Authority since the end of that Fiscal Year or future financial or operating results.

Any questions concerning this filing should be directed to Nina B. Hurtubise, Director of Finance, Fort Pierce Utilities Authority, 500 Boston Avenue, Fort Pierce, Florida 34950; telephone (772) 466-1600, Ext. 3298.

Very truly yours,

A handwritten signature in cursive script that reads "Nina B. Hurtubise". The signature is written in dark ink on a light-colored background.

Nina B. Hurtubise, CPA  
Director of Finance

NBH/cdk

**FORT PIERCE UTILITIES AUTHORITY  
OF THE CITY OF FORT PIERCE, FLORIDA**

**REPORT OF ANNUAL FINANCIAL INFORMATION  
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2007**

The following provides, in accordance with the provisions regarding Continuing Disclosure made by the Fort Pierce Utilities Authority of the City of Fort Pierce, Florida (the "Authority"), by various resolutions adopted by Fort Pierce Utilities Authority and continuing disclosure certificates ("Continuing Disclosure Provisions"), annual financial information and operating data for Fort Pierce Utilities Authority's fiscal year ended September 30, 2007 ("Fiscal Year 2007") of the type included in the final official statement for its primary offerings of the following obligations:

- \$22,445,000 Utilities Refunding Revenue Bonds, Series 1999A
- \$10,223,254.10 Utilities Revenue Capital Appreciation Bonds, Series 1999B
- \$9,545,000 Utilities Revenue Bonds, Series 2002
- \$42,965,000 Utilities Refunding Revenue Bonds, Series 2003

**The Fiscal Year 2007 Annual Information constitutes only the annual financial information and operating data agreed to be provided under the provisions regarding Continuing Disclosure set forth in the Continuing Disclosure Provisions at the time of the primary offerings referenced above. No representation is made as to the materiality or completeness of that information. Other relevant information for Fiscal Year 2007 may exist, and matters may have occurred or become known during or since that period, which a reasonable investor would consider to be important when making an investment decision. Further, no representation is made that the Fiscal Year 2007 Annual Information is indicative of financial or operating results of Fort Pierce Utilities Authority since the end of Fiscal Year 2007 or future financial or operating results.**

FORT PIERCE UTILITIES AUTHORITY  
Of the City of Fort Pierce, Florida

CONTACT: Nina B. Hurtubise, CPA  
Director of Finance  
500 Boston Avenue  
Fort Pierce, Florida 34950  
Telephone: (772) 466-1600 Ext. 3298

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## INTRODUCTION

This Report of Annual Financial Information is being filed with each of the National Recognized Securities Information Repositories pursuant to the provisions concerning Continuing Disclosure set forth in various resolutions adopted by Fort Pierce Utilities Authority and continuing disclosure certificates (“Continuing Disclosure Provisions”), in connection with the issuance of its:

- \$22,445,000 Utilities Refunding Revenue Bonds, Series 1999A,
- \$10,223,254.10 Utilities Revenue Capital Appreciation Bonds, Series 1999B,
- \$9,545,000 Utilities Revenue Bonds, Series 2002,
- \$40,720,000 Utilities Refunding Revenue Bonds, Series 2003,

(collectively, the “Bonds”). The Disclosure Provisions were adopted for the benefit of the holders, owners and beneficial owners of the Bonds and in order to assist the underwriters of the Bonds in complying with the terms and provisions of Rule 15c2-12 adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12).

In connection with the issuance of the Bonds, Fort Pierce Utilities Authority delivered Official Statements for each. Capitalized terms used but not defined herein shall have the meanings set forth in those Official Statements.

# FORT PIERCE UTILITIES AUTHORITY

## Selected Financial and Statistical Information

### Part A Statistical Information

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Average No. of Customers –					
Electric	25,550	27,833	25,594	26,600	26,883
Natural Gas	4,630	4,597	4,499	4,431	4,305
Water	16,194	16,497	16,663	16,952	17,711
Wastewater	12,778	12,938	12,917	13,099	13,428
 System Requirements:					
Electric:					
Net Peak Demand (MW)	132	124	125	120	120
Electric Net Energy for Load (MWh)	651,123	626,840	624,083	612,768	608,967
Off System	0	0	0	0	0
Total Retail Energy Sales (MWh)	617,661	590,435	596,667	599,776	573,049
Residential	256,665	240,759	251,423	251,837	234,140
General Service	360,996	338,899	334,916	347,939	338,909
 Natural Gas:					
Net Peak Demand (Dth) <sup>2</sup>	5,786	4,685	2,052	1,803	1,495
Total throughput (Dth) <sup>2</sup>	773,587	662,007	327,993	304,534	288,445
Natural Gas Sales: (Dth) <sup>2</sup>	292,745	298,242	320,461	305,060	286,781
Residential	78,387	75,183	67,205	64,458	60,220
Commercial/Industrial	214,358	223,059	252,413	239,936	226,561

(1) All sales are to FMPA per All Requirements Project.

(2) Dekatherms

**Part B**  
**Summary of Operating Results<sup>1</sup>**  
(Dollars in Thousands)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Total Operating Revenues	\$78,239	\$81,574	\$85,118	\$94,778	\$95,504
Operating Expenses:					
Production Electric	2,555	1,896	1,731	1,649	1,602
Purchased Power	32,908	35,932	39,733	47,980	44,737
Plant Operations	3,912	4,164	4,361	5,069	5,030
Field Operations	6,335	6,555	7,165	7,643	8,579
General & Administrative	10,944	10,495	12,856	15,244	15,788
Depreciation	<u>10,475</u>	<u>11,668</u>	<u>11,456</u>	<u>13,892</u>	<u>15,020</u>
Total Operating Expenses <sup>2</sup>	<u>67,129</u>	<u>70,710</u>	<u>77,302</u>	<u>91,477</u>	<u>90,756</u>
Net Operating Revenues <sup>2</sup>	11,110	10,864	7,816	3,301	4,748
Adjustments to Net Operating Revenues					
Add Depreciation Expense	10,465	11,652	11,444	13,892	15,020
Add Other Income (Deductions) – Net	811	740	1,157	1,624	3,114
Add Extraordinary Gain	-	-	-	-	-
Deduct: Interest on Construction Funds	<u>(6)</u>	<u>5</u>	<u>4</u>	<u>-92</u>	<u>-944</u>
Net Revenues Available for Debt Service	<u>22,392</u>	<u>23,253</u>	<u>20,519</u>	<u>18,725</u>	<u>21,938</u>
Debt Service:					
Revenue Bonds	4,305	4,430	4,902	4,942	5,138
Current Principal					
Current Interest Expense	3,963	3,446	3,432	3,225	4,197
Capitalized Interest	--	--	--	--	--
Customer Deposit Interest	--	--	--	--	--
Accretion	--	--	--	--	--
Bond Loss Amortization	--	--	--	--	--
Capital Improvement Charges	--	--	--	--	--
Total Debt Service	<u>8,268</u>	<u>7,876</u>	<u>8,334</u>	<u>8,167</u>	<u>9,335</u>
Debt Service Ratios					
Actual	2.71	2.95	2.46	2.29	2.35
Required By Bond Resolution Rate Covenant	1.25	1.25	1.25	1.25	1.25
Balance available for renewals, replacements, capital additions and other lawful purposes	\$14,124	\$15,377	\$12,185	\$10,558	\$12,603
Annual Distribution to City <sup>3</sup>	\$4,477	\$4,647	\$4,585	\$4,652	\$4,209

(1) Utility system.

(2) Includes depreciation.

(3) 6% of adjusted gross revenues.

**Part C**  
**Condensed Balance Sheet <sup>(1)</sup>**  
(Dollars in Thousands)

<u>Assets</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Current assets	\$ 29,542	\$ 40,257	\$ 34,864	\$29,388	\$34,653
Restricted assets	9,876	14,550	10,952	20,620	30,633
Property, plant and equipment	175,213	177,201	180,158	193,174	213,325
Deferred debits	<u>2,636</u>	<u>3,773</u>	<u>3,710</u>	<u>3,664</u>	<u>2,786</u>
Total Assets	<u>\$220,489</u>	<u>\$239,004</u>	<u>\$232,907</u>	<u>\$246,846</u>	<u>\$281,397</u>
<b><u>Liabilities and Equity</u></b>					
Current liabilities	\$ 9,800	\$ 19,673	\$ 14,544	\$ 16,181	\$ 15,584
Liabilities payable from restricted assets	9,876	14,550	10,952	11,091	11,668
Long-term liabilities	94,275	92,128	88,864	95,125	111,485
Net Assets	<u>106,538</u>	<u>112,653</u>	<u>118,547</u>	<u>124,449</u>	<u>142,660</u>
Total Liabilities and Fund Equity	<u>\$220,489</u>	<u>\$239,004</u>	<u>\$232,907</u>	<u>\$246,846</u>	<u>\$281,397</u>

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(1) Utility system.