

City of St. Pete Beach, Florida Annual Comprehensive Financial Report



**For the Fiscal Year Ended
September 30, 2021**

Prepared by:
City of St. Pete Beach Finance Department

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**CITY OF ST. PETE BEACH, FLORIDA
PRINCIPAL CITY OFFICIALS**

Mayor:

Alan Johnson

City Commission:

District 1 – Christopher Graus

District 2 – Mark Grill

District 3 – Ward Friszolowski

District 4 – Melinda Pletcher

City Officials:

City Manager – Alex Rey

City Clerk – Amber LaRowe

City Attorney – Andrew Dickman

Assistant City Manager/Finance Director – Vincent Tenaglia

Chief Operating Officer – Jennifer McMahon

Community Development Director – Michelle Gonzalez

Public Works Director – Michael Clarke

Fire Chief – Jim Kilpatrick

Library Director – Betcinda Kettells

City officials in place as of financial reporting date



City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, FL 33706

March 31, 2022

To the Honorable Mayor, City Commissioners, and Citizens of the City of St. Pete Beach, Florida:

The Annual Comprehensive Financial Report (ACFR) of the City of St. Pete Beach for the fiscal year ended September 30, 2021 is hereby submitted. In addition to meeting legal requirements of the City Charter, Florida Statutes and the Rules of the Auditor General of the State of Florida, the report continues to present the City's tradition of full financial disclosure. The ACFR represents the official report of the City's financial position and operations to the City Commission, citizens, rating agencies, bond holders and other interested parties. Responsibility for the accuracy of the data and the completeness and fairness of presentation, including all disclosures, rests with management. Management believes the data as presented are accurate in all material respects; that the report is presented in a manner which fairly illustrates the financial activity of the various funds; and that all disclosures necessary to enable the reader to gain a complete understanding of the City's financial activities have been included.

To provide a reasonable basis for making the financial presentations, management maintains an internal control structure that provides reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition; that transactions are executed in accordance with management's authorization; and that transactions are recorded properly to facilitate preparation of financial statements in accordance with generally accepted accounting principles (GAAP). The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that the valuation of costs and benefits requires estimates and judgments by management. Management believes the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Pursuant to the City Charter, Florida Statutes Chapters 11.45 and 218, and Chapter 10.550 of the Rules of the Auditor General of the State of Florida, an audit of the accounts and financial statements of the City of St. Pete Beach has been completed by the City's independent certified public accountants, James Moore & Co, P.L., whose opinion is included in the financial section of this report. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of St. Pete Beach's financial statements for the fiscal year ended September 30, 2021, are fairly presented in conformity with GAAP.

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

ST. PETE BEACH GOVERNMENT

The funds related to the City of St. Pete Beach that are included in the ACFR represent those funds for which the primary government is financially accountable. There are no other entities or organizations for which the City of St. Pete Beach is financially accountable that should be included. The criteria used in determining the reporting entity are consistent with the Government Accounting Standards Board (GASB) Statement 14, which defines a reporting entity. Based on these criteria, the various funds shown in the Table of Contents are included in this report.

The City operates under the City Commission/City Manager form of government. The City Commission is composed of a mayor and four commission members and as a group is responsible for enacting ordinances, resolutions, and regulations governing the City, and appointing the City Manager, the City Attorney and the City Clerk. The City Commission also appoints members to the following boards and advisory committees:

- | | |
|------------------------------------|---------------------------------------|
| ▪ General Employees' Pension Board | ▪ Finance and Budget Review Committee |
| ▪ Firefighters' Pension Board | ▪ Historic Preservation Board |
| ▪ Police Pension Board | ▪ Library Advisory Committee |
| ▪ Board of Adjustment | ▪ Planning Board |
| ▪ Beach Stewardship Committee | ▪ Recreation Advisory Committee |

The City provides a traditional range of services, including: fire protection and emergency medical service; maintenance of parks, streets, beaches, and infrastructure; planning and zoning; recreation services and amenities; library; wastewater collection; reclaimed water; and stormwater drainage management. On January 6, 2013, the City dissolved the police department and contracted with the Pinellas County Sheriff's Office for law enforcement service. Potable water, solid waste treatment, and criminal justice systems are provided by Pinellas County. Wastewater treatment is provided by the City of St. Petersburg.

BUDGETARY INFORMATION

The annual budget serves as the foundation for the City's financial planning and control. Department directors are required to submit their budget requests to the City Manager, who then uses these requests as the starting point for developing a proposed budget. The City Manager is required by the City Charter to present the proposed budget to the City Commission. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget by September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund and department. The City Manager may transfer any unencumbered appropriation or portion thereof between classifications of expenditures within a department. The City Commission may, by ordinance, make additional appropriations or transfer any unencumbered appropriation from any department or from reserves to another department. Budget-to-actual comparisons are provided in the basic financial statements for the General Fund, which is the only non-capital, major governmental fund for which an appropriated annual budget is adopted. Budget-to-actual comparisons are presented for the Capital, Building, and Fleet funds as required supplementary information (RSI).

LOCAL ECONOMY

St. Pete Beach is located at the southern end of Pinellas County, just west of St. Petersburg and immediately south of Treasure Island. The City has a land area of approximately two and one quarter square miles and a year-round resident population of 9,586. St. Pete Beach is frequently recognized as a top beach destination and received a Travelers' Choice award in 2021 from TripAdvisor as the top-ranked beach in the United States. The City's beaches, hotels, and historic resources attract tourists and visitors from all over the world. The City is heavily concentrated with resorts, hotels, and other accommodations to support the tourist population.

Florida voters approved an amendment to Save Our Homes legislation in January 2008, limiting property taxes by increasing property value exemptions and providing portability of exemption provisions. The City of St. Pete Beach managed the impact of property tax limitations by steadily increasing its millage rate, peaking in fiscal year ("FY") 2013 to coincide with a historically low property tax base. The City has since rebuilt from the economic recession and housing market collapse by gradually increasing staffing levels and services, with a millage rate of 3.15 in place since FY 2015. Since bottoming in FY 2012, property values have increased by an average annual rate of 6.3%.

Pinellas County voters approved the renewal of the Penny for Pinellas local option sales tax in November 2017. The "Penny" is a 1% sales tax levied by Pinellas County and applied to the first \$5,000 of a single purchase, not including groceries or medications. It typically generates approximately \$1 million annually for the City of St. Pete Beach and will remain in place through December 2030. Funds are restricted for long-term capital infrastructure projects and public safety vehicles.

In 2016, the City of St. Pete Beach declared a development moratorium due to the status of its sanitary sewer infrastructure. The wastewater collection system was surcharged and required significant rehabilitation to establish sufficient capacity. The City completed a State Revolving Fund loan agreement in FY 2020 in the amount of \$12.95 million to fund the estimated \$15.6 million of improvements required to lift the moratorium and facilitate new economic development opportunities. Construction began in FY 2021 to install approximately 15,000 linear feet of sanitary sewer force main and four new lift stations along the Gulf Blvd. and the Gulf Winds Drive/Boca Ciega Drive corridor.

LONG TERM FINANCIAL PLANNING

The City Charter requires the City Manager to prepare and submit to the City Commission a Capital Improvement Plan (CIP) every year. The CIP is a planning document for significant capital projects scheduled over a five-year planning period. Project proposal sheets describe the projects and illustrate whether expenditures are intended for acquisition, design, engineering, or construction. Funding sources are matched for each project and, when applicable, the associated operating costs of a project are identified.

In order to ensure that sufficient funds will be available, management begins the CIP process by calculating working capital projections and evaluating the impact of current spending on fund balance. When available funds are insufficient to support an identified project, new revenue must be generated or the project will be deferred to a later year. The most recent CIP was adopted for FY 2022 - FY 2026 with projects totaling \$52.7 million. Projects are supported by the following sources:

- **Capital Fund:** Funding is derived primarily from two sources: Penny for Pinellas tax revenue and transfers in from the General Fund.

- **Enterprise Funds:** The Wastewater, Reclaimed Water, and Stormwater Funds are established to recover their cost of operations, including associated capital improvements. Rates or fees are managed at sufficient levels to fund projects financed by enterprise funds.
- **Debt Proceeds:** Recent projects supported by the issuance of debt include Pass-a-Grille Way roadway reconstruction (phases I and II), Blind Pass Road reconstruction, and sanitary sewer capacity improvements.
- **Interlocal Agreement:** The Gulf Blvd. electric undergrounding project includes funding derived from an agreement between Pinellas County and the Barrier Islands Government Council to fund improvements on or adjacent to Gulf Blvd. Funds are generated at the County level from the Penny for Pinellas local option sales tax and allocated to local communities in proportion to their Gulf Blvd. linear mileage.
- **Grants:** Grants are sought to aide in the funding of projects and are often used as a match for capital improvement projects. Grant-funded projects are pursued only if grant funding is secured.

MAJOR INITIATIVES

Management began a strategic planning process in September 2019 via workshop sessions with City staff, elected officials, residents, and business owners. The outcome was to compile a working document – “Vision 2030” – which represents a matrix of the City’s perceived strengths, weaknesses, opportunities, and threats. The City Commission adopted the strategic plan in FY 2021, which includes five priorities:

- ✚ Coastal resiliency
- ✚ Community and neighborhoods
- ✚ Economic development
- ✚ Internal operations
- ✚ Transportation

Implementation of the strategic plan is underway, including the following recent accomplishments:

- ✚ Coastal resiliency:
 - Belle Vista neighborhood stormwater infrastructure improvements complete
 - Don CeSar Place neighborhood stormwater outfall improvements underway
 - Selected as one of three entities in the Tampa Bay area to partner with the Tampa Bay Regional Planning Council on coastal resiliency capital improvements
 - Received the top Local Mitigation Strategy ranking in Pinellas County for Community Center seawall coastal resiliency project
 - Completed a water threats analysis evaluation for all segments of the City
 - Encouraging water conservation via new reclaimed water restrictions
- ✚ Community and neighborhoods:
 - Hurley Park renovations complete
 - Merry Pier renovations complete
 - Installation of new placemaking signs at City-owned facilities complete
 - Landscaping beautification improvements at various City facilities complete
 - Aesthetic replacement of community street signs complete
 - Egan Park fishing pier installation and barge acquisition
 - Paddleboard rental station installation at McKenney Park, Egan Park, Upham Beach and Pass-a-Grille Beach

- McKenney Park boat launch installation
 - Introduction of new “movies in the neighborhood” events
 - Partnership program launched to beautify privately owned concentrated asphalt locations throughout the City
 - Executed new interlocal agreements with nearby cities to share equipment and resources
 - Introduction of new homeowner association and town hall meetings for each City district
 - Launched new business incentive program with the chamber of commerce to address code compliance issues
 - Introduction of a new resident assistance program to help maintain private properties
 - Additional Community Development resources provided to facilitate proactive code enforcement and short-term rental compliance
- ✚ Economic development:
- Development moratorium lifted based on the status of the sanitary sewer capacity improvement project
 - Approval of the Miramar Resort 54-room hotel construction redevelopment
 - Approval of the Corey Landings project - a 243-unit mixed-use development located in the City’s downtown redevelopment district
 - Expansion of the Don CeSar Resort
 - Established parklet program for alternative right-of-way uses
- ✚ Internal operations
- Fund balance policy adopted by the City Commission
 - Impact fees adopted for parks and recreation capital facilities
 - Award of enterprise resource planning software package for financial, payroll and HR applications
 - Replacement of recreation programming software complete
 - Transition of various City services to web-based applications and electronic payment complete
 - Transition to cloud-based hosting complete for all City software applications
 - Contractual agreement reached to close the General Employees’ Retirement System, with new employees participating in a defined contribution plan
 - Awarded \$2 million from the Florida Job Growth Grant Fund for the second phase of sanitary sewer capacity improvements
 - Awarded \$1.5 million from the Florida Department of Transportation for Boca Ciega Drive roadway reconstruction
 - Awarded \$50,000 to complete a historic resources survey of the Don CeSar Place and Belle Vista neighborhoods
 - Awarded \$36,000 for employee retention and signing bonuses to maintain a competitive compensation program
- ✚ Transportation:
- Expansion of Freebee on-demand service north to 75th Avenue complete
 - 73rd Avenue parking lot acquisition adjacent to public library and Corey Avenue
 - Execution of shared parking agreements with private sector to provide public access to additional parking spaces
 - Installation of parking sensors, accessible via mobile app to improve visitor parking experience
 - Transition to license-plate recognition software complete for parking enforcement
 - Upgraded parking permit technology to facilitate automated enforcement
 - Micro-mobility ordinance adopted by the City Commission

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Pete Beach, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2020. This was the 25th consecutive year the City of St. Pete Beach has received 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 (ACFR). This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Management believes the current ACFR continues to meet the Certificate of Achievement Program's requirements. It will be submitted to the GFOA to determine its eligibility for another certificate. Recognition by GFOA, as evidenced by this award, is verification of the Finance Department's dedication to producing documents that effectively communicate the City's financial condition.

ACKNOWLEDGMENTS

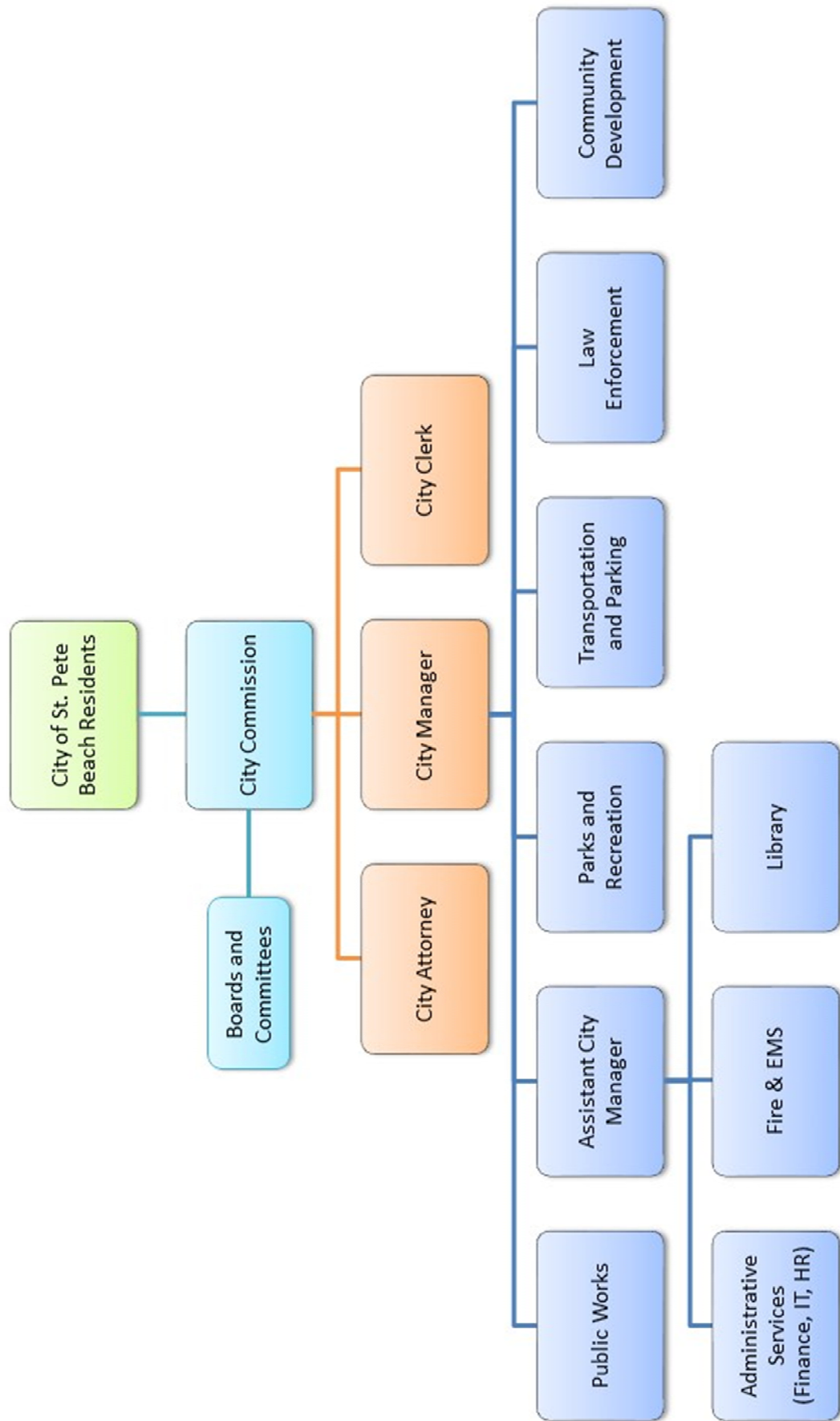
Preparation of the ACFR relies on the diligent and professional efforts of everyone in the Finance Division. The year-end closing process is demanding and time intensive, particularly for the Accounting Manager, Sheila Dalton. Ms. Dalton deserves special recognition for her outstanding contributions to the audit process and to this document. The City's independent auditors, James Moore & Co., P.L., also contributed invaluable to the process by testing data integrity and internal controls. Finally, thank you to the St. Pete Beach City Commission for the overall direction and support provided to management.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Vince Tenaglia', written in a cursive style.

Vince Tenaglia, MPA, CPFO, CGFO
Assistant City Manager/Finance Director

City of St. Pete Beach Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of St. Pete Beach
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Commission, and City Manager
of the City of St. Pete Beach, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Pete Beach, Florida, (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Pete Beach, Florida, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and budgetary comparison statement for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

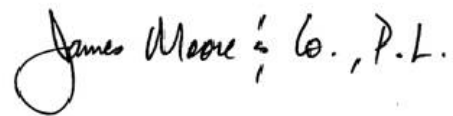
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, other supplementary information, statistical section, and schedule of expenditures of state financial assistance as required by Section 215.97, Florida Statutes, *Florida Single Audit Act*, and Chapter 10.550, Rules of the Florida Auditor General, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2022 on our consideration of City of St. Pete Beach, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



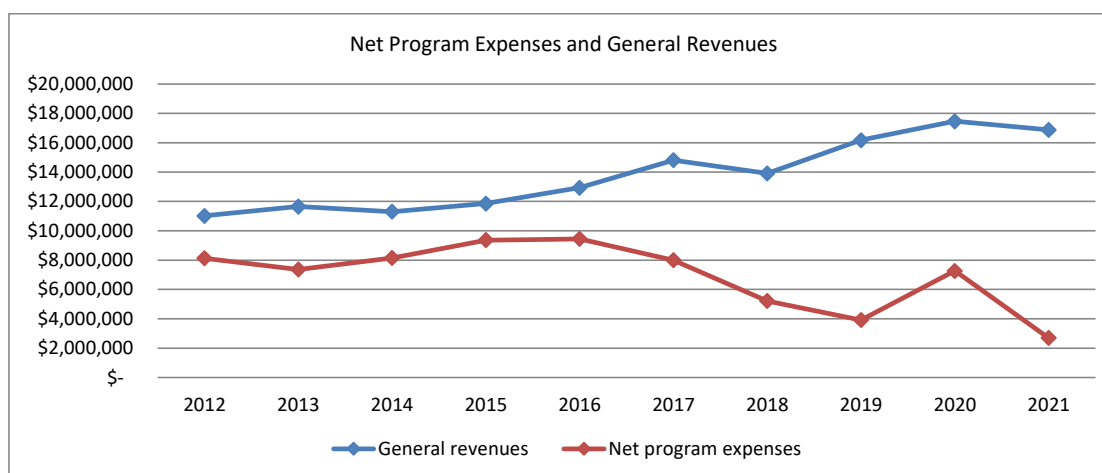
Daytona Beach, Florida
March 31, 2022

CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)

Management's discussion and analysis (MD&A) is designed to focus on significant financial issues and provide an overview of the City of St. Pete Beach's financial activity for the fiscal year ended September 30, 2021. The MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the transmittal letter (beginning on page 4), basic financial statements (beginning on page 27), and notes to the financial statements (beginning on page 39).

FINANCIAL HIGHLIGHTS

The City of St. Pete Beach experienced a quick rebound from the Covid-19 pandemic. Parking revenue reached unprecedented levels due to pent-up travel demand for the City's award-winning beaches. Property values continued to rise and notched an increase over five percent for the seventh consecutive year. Aside from interest earnings, which have been strictly limited by the low interest rate environment, virtually all major revenue sources increased over the prior year. Management continued to contain costs, with all department level expenditures reported in line with budgetary estimates. The City's strong general revenue base comprised of taxes, fees, and intergovernmental sources far surpassed the net cost of government services, as illustrated below. The difference between the two lines in the chart represents the annual change in net position. To the extent the lines diverge, the City accumulates more resources for future spending and capital investment. The net effect was a \$14.2 million increase in net position.



OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements provide insight into the City's ability to provide services and meet obligations, both now and in the future. Trends in assets, liabilities and net position illustrate the City's overall financial position, and can be evaluated to determine whether the City is better off or worse off as a result of its operations.

The financial statements include three components that should be considered together in order to gain a comprehensive understanding of the City's financial position: government-wide financial statements, fund financial statements, and notes to the financial statements.

Government-wide Financial Statements:

The government-wide financial statements provide a broad overview of the City's finances, in a manner similar to the private sector. The statements can be found on pages 27-28 of this document, and include two different reports: the statement of net position and the statement of activities.

CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)

The **Statement of Net Position** presents information on *all* of the City's assets and liabilities as of September 30, 2021. The difference between assets (plus deferred outflows of resources) and liabilities (plus deferred inflows of resources) is known in governmental accounting as net position. Analysis of net position requires evaluation of unrestricted and restricted net position as well as net investment in capital assets. The latter category represents the net assets being used by the City to provide goods and services to the community. As such, these assets are not readily available for spending without first being converted to financial resources. Restricted net assets represent those which are controlled by state statutes, enabling legislation, debt covenants, or other external requirements. The remaining balance is unrestricted net position, which represents the accumulated resources available to the City for meeting its future obligations.

The **Statement of Activities** illustrates *how* the City's net position changed as a result of its operations throughout the fiscal year. This section categorizes City services by program and illustrates the extent to which various functions are subsidized by general tax revenues. Distinction is made between those operations which are expected to be supported by taxes (i.e., governmental activities) and those which are intended to recover their costs (i.e., business-type activities).

Fund Financial Statements:

In governmental accounting, a "fund" is a segregated group of related accounts used to ensure and demonstrate compliance with enabling legislation, legal requirements, or other financial administration goals and objectives. The City of St. Pete Beach reports three types of funds: governmental, proprietary, and fiduciary.

Governmental Funds focus on *financial* resources rather than *economic* resources. Financial resources represent those which may be used to meet near-term requirements. Economic resources, such as capital assets which cannot be quickly converted to finance near-term requirements, are excluded from governmental fund reporting. The narrower focus is intended to emphasize the use of spendable assets.

The long-term impact of the City's shorter-term financial activities can be analyzed by comparing governmental fund reporting to the government-wide statements. Both the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison.

A budgetary comparison statement is provided for the General Fund to demonstrate compliance with the legally adopted budget. Budgetary comparison schedules are provided as required supplementary information (RSI) for the Capital, Building, and Fleet funds. Governmental fund financial statements begin on page 29.

The City's **Proprietary Funds** include three enterprise funds: Wastewater, Reclaimed Water, and Stormwater. These funds report the same functions and use the same basis of accounting as the business-type activities presented in the government-wide financial statements. Proprietary fund statements are located on page 34.

Fiduciary Funds are those which are unavailable to support the City's operations and are held in a trustee or agency capacity. The City's fiduciary funds include three pension trusts, beginning on page 37: Police, Firefighters, and General Employees.

**CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)**

Notes to the Financial Statements:

Notes to the financial statements provide additional information that is essential to gaining a full understanding of the data provided in the government-wide and fund financial statements. The notes begin on page 39 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following items contributed favorably to the change in net position:

-  **General revenue:** The City maintains a strong base of general revenues, which were bolstered by property values and sales tax. Property values increased by 5.5%, which, when coupled with an unchanged millage rate of 3.1500, generated approximately \$550,000 in new revenue. Renewed tourism activity and the improved economy following the worst of the Covid-19 pandemic led to half-cent sales tax growth of 17% while the local option sales tax increased 14%.
-  **General government charges for service:** The City's award-winning beaches continue to attract more visitors. The parking program reported unprecedented revenue, increasing 27% year-over-year and eclipsing \$4 million for the first time. Building permit revenue was up 38% based on the status of the sanitary sewer capacity improvement project, which lifted the City's development moratorium.
-  **Capital grants and contributions:** The City received reimbursements totaling \$5.7 million from Pinellas County for the Gulf Blvd. electrical undergrounding project. At the government-wide reporting level, the reimbursement proceeds provided an entire net gain, with depreciation expenses not yet recognized due to the project's status as construction in progress.
-  **Wastewater program:** The City adopted a 7.0% fee increase for sanitary sewer service, the charges for which are partially volumetric in nature. Meanwhile, hotel occupancy rates rebounded off the Covid-19 pandemic related lows and sanitary sewer flows increased by 2.6%. Charges for service therefore increased 14.1%.
-  **Stormwater program:** The Stormwater program reported net revenue of \$630,000, with stable assessment revenue and a 39% reduction in personnel costs due to favorable pension expense and the transfer of one full-time position.

The tables to follow present the condensed Statement of Net Position and Statement of Activities for the current year as compared to the previous year.

CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)

STATEMENT OF NET POSITION	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 23,280,282	\$ 21,060,686	\$ 6,439,961	\$ 10,004,874	\$ 29,720,243	\$ 31,065,560
Capital assets, net	73,588,182	64,228,612	44,375,143	26,818,061	117,963,325	91,046,673
Total assets	<u>96,868,464</u>	<u>85,289,298</u>	<u>50,815,104</u>	<u>36,822,935</u>	<u>147,683,568</u>	<u>122,112,233</u>
Deferred outflows related to pensions	288,087	903,085	7,881	47,273	295,968	950,358
Deferred outflows related to OPEB	126,681	143,486	11,409	18,582	138,090	162,068
Total deferred outflows	<u>414,768</u>	<u>1,046,571</u>	<u>19,290</u>	<u>65,855</u>	<u>434,058</u>	<u>1,112,426</u>
Total assets and deferred outflows	<u>97,283,232</u>	<u>86,335,869</u>	<u>50,834,394</u>	<u>36,888,790</u>	<u>148,117,626</u>	<u>123,224,659</u>
Current and other liabilities	2,447,837	2,550,254	2,778,545	858,033	5,226,382	3,408,287
Long-term liabilities outstanding	25,806,499	30,122,476	18,004,873	8,183,048	43,811,372	38,305,524
Total liabilities	<u>28,254,336</u>	<u>32,672,730</u>	<u>20,783,418</u>	<u>9,041,081</u>	<u>49,037,754</u>	<u>41,713,811</u>
Deferred inflows related to pensions	4,588,741	1,330,767	149,395	-	4,738,136	1,330,767
Deferred inflows related to OPEB	212,938	228,856	19,177	29,642	232,115	258,498
Total deferred inflows	<u>4,801,679</u>	<u>1,559,623</u>	<u>168,572</u>	<u>29,642</u>	<u>4,970,251</u>	<u>1,589,265</u>
Total liabilities and deferred inflows	<u>33,056,015</u>	<u>34,232,353</u>	<u>20,951,990</u>	<u>9,070,723</u>	<u>54,008,005</u>	<u>43,303,076</u>
Net position:						
Invested in capital assets	61,795,073	52,565,902	24,996,934	20,617,331	86,792,007	73,183,233
Restricted	3,074,937	1,907,602	743,776	2,202,347	3,818,713	4,109,949
Unrestricted	(642,793)	(2,369,988)	4,141,694	4,998,389	3,498,901	2,628,401
Total net position	<u>\$ 64,227,217</u>	<u>\$ 52,103,516</u>	<u>\$ 29,882,404</u>	<u>\$ 27,818,067</u>	<u>\$ 94,109,621</u>	<u>\$ 79,921,583</u>

STATEMENT OF ACTIVITIES	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 8,225,914	\$ 6,380,999	\$ 9,917,036	\$ 8,948,514	\$ 18,142,950	\$ 15,329,513
Operating grants & contributions	74,142	2,156,338	-	-	74,142	2,156,338
Capital grants & contributions	7,935,491	180,827	-	244,919	7,935,491	425,746
General revenues:						
Property taxes	10,478,967	9,961,492	-	-	10,478,967	9,961,492
Sales taxes	1,898,748	1,647,760	-	-	1,898,748	1,647,760
Franchise fees and utility taxes	3,519,038	3,476,989	-	-	3,519,038	3,476,989
Other taxes	424,665	395,487	-	-	424,665	395,487
Intergovernmental revenues	405,940	1,646,001	-	-	405,940	1,646,001
Interest earnings	47,878	210,394	20,141	75,666	68,019	286,060
Miscellaneous	86,197	44,120	-	-	86,197	44,120
Total revenues	<u>33,096,980</u>	<u>26,100,407</u>	<u>9,937,177</u>	<u>9,269,099</u>	<u>43,034,157</u>	<u>35,369,506</u>
Expenses:						
General government	\$ 4,495,399	\$ 4,345,118	\$ -	\$ -	\$ 4,495,399	\$ 4,345,118
Public safety	7,368,277	5,924,365	-	-	7,368,277	5,924,365
Public works	4,006,182	4,173,006	-	-	4,006,182	4,173,006
Culture and recreation	4,426,237	3,689,187	-	-	4,426,237	3,689,187
Wastewater	-	-	6,182,325	4,803,321	6,182,325	4,803,321
Reclaimed water	-	-	1,020,562	786,299	1,020,562	786,299
Stormwater	-	-	669,953	779,748	669,953	779,748
Interest and other fees on long-term debt	677,184	672,342	-	-	677,184	672,342
Total expenses	<u>20,973,279</u>	<u>18,804,018</u>	<u>7,872,840</u>	<u>6,369,368</u>	<u>28,846,119</u>	<u>25,173,386</u>
Increase (decrease) in net position:	<u>12,123,701</u>	<u>7,296,389</u>	<u>2,064,337</u>	<u>2,899,731</u>	<u>14,188,038</u>	<u>10,196,120</u>
Net position: October 1	52,103,516	44,807,127	27,818,067	24,918,336	79,921,583	69,725,463
Net position: September 30	<u>\$ 64,227,217</u>	<u>\$ 52,103,516</u>	<u>\$ 29,882,404</u>	<u>\$ 27,818,067</u>	<u>\$ 94,109,621</u>	<u>\$ 79,921,583</u>

**CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)**

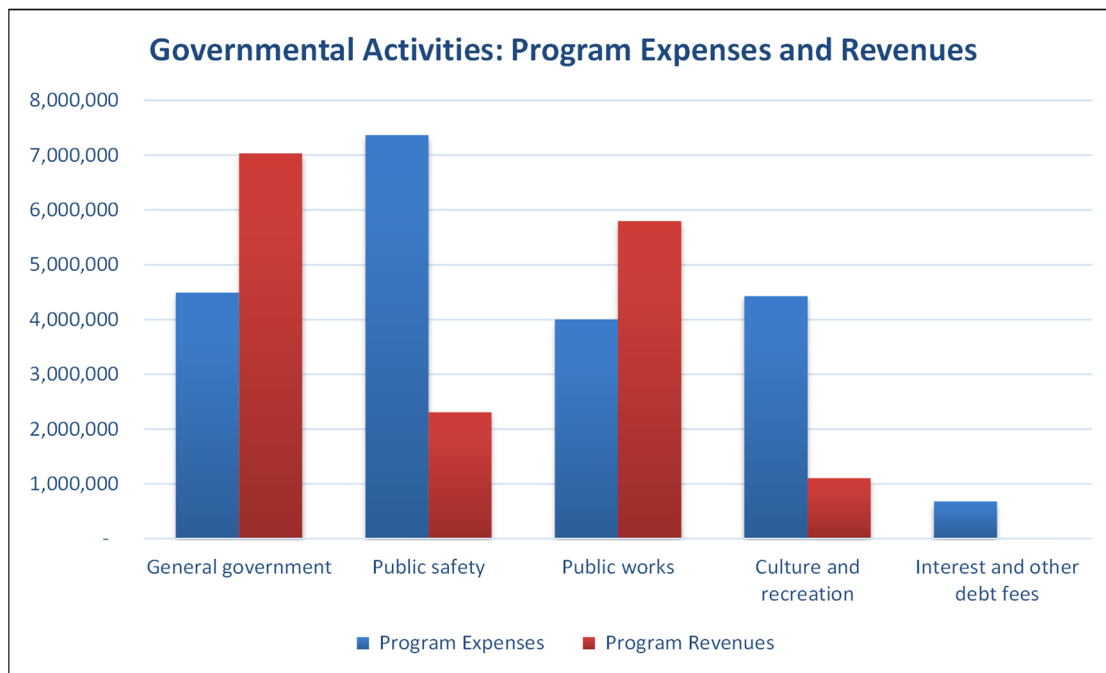
Governmental Activities:

Most of the revenue highlighted on page 17 was reported in governmental activities. The growth in parking revenue and building permits, plus the non-recurring Gulf Blvd. electrical undergrounding reimbursement, led to net program expenses of just \$4.7 million compared to \$10.0 million last year.

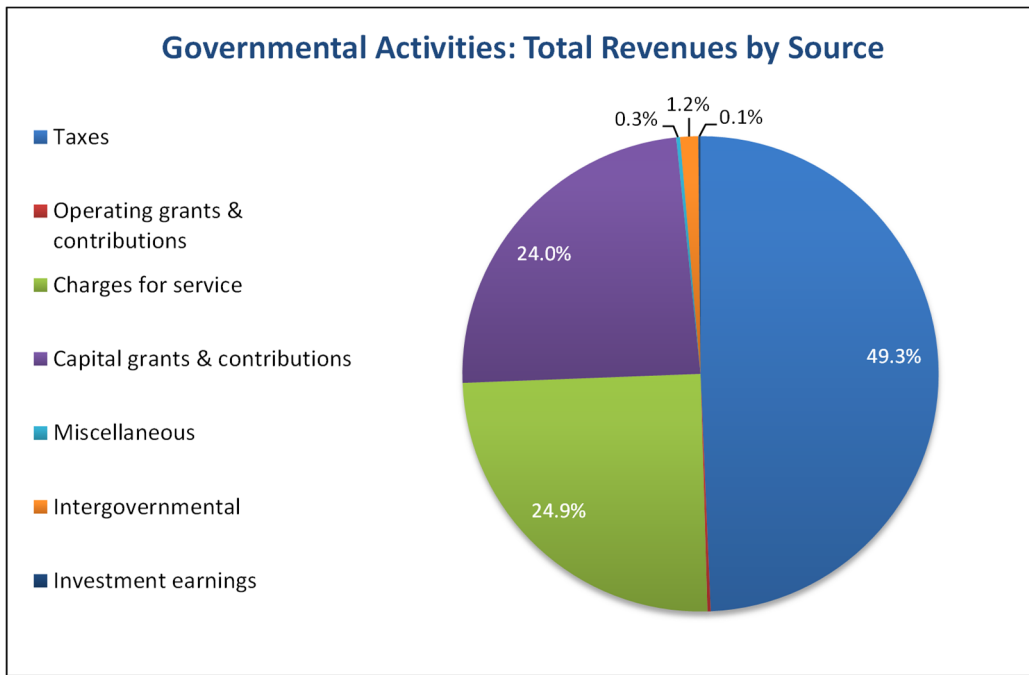
Unlike the City's business-type activities, governmental activities are not necessarily expected to cover their cost of operations. General revenues (e.g., taxes, franchise fees, intergovernmental sources, etc.) are intended to support traditional public services that typically generate only limited revenue. General revenues totaled \$16.9 million, far more than net governmental activity expenses, supported by property and sales taxes highlighted on page 17. As a result, governmental activities increased the City's net position by \$12.1 million.

Governmental activities

Net program expenses	\$ (4,737,732)
Plus general revenues	<u>\$ 16,861,433</u>
Change in net position	<u><u>\$ 12,123,701</u></u>



**CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)**



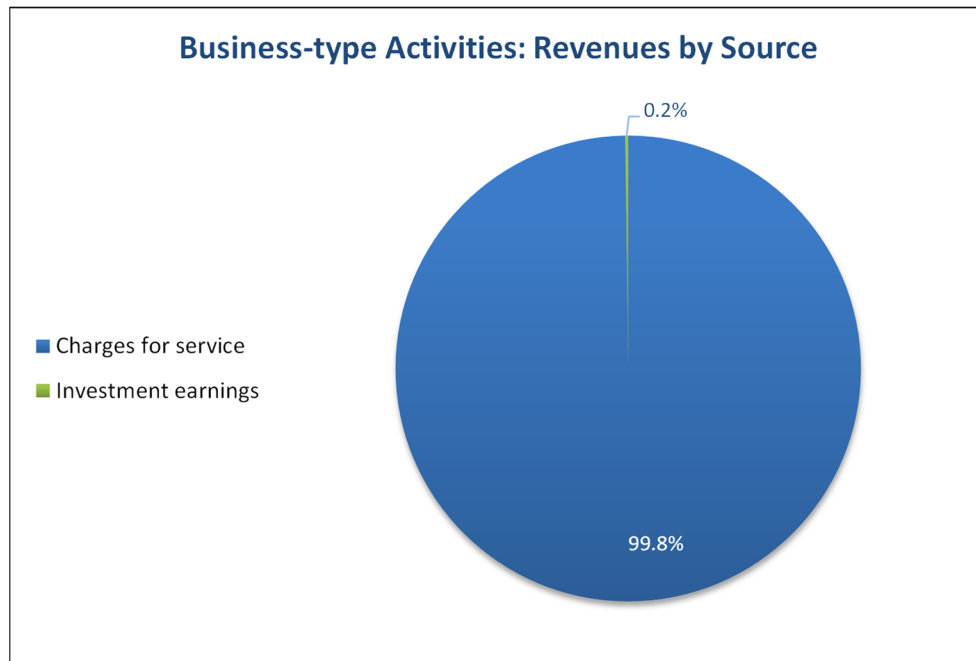
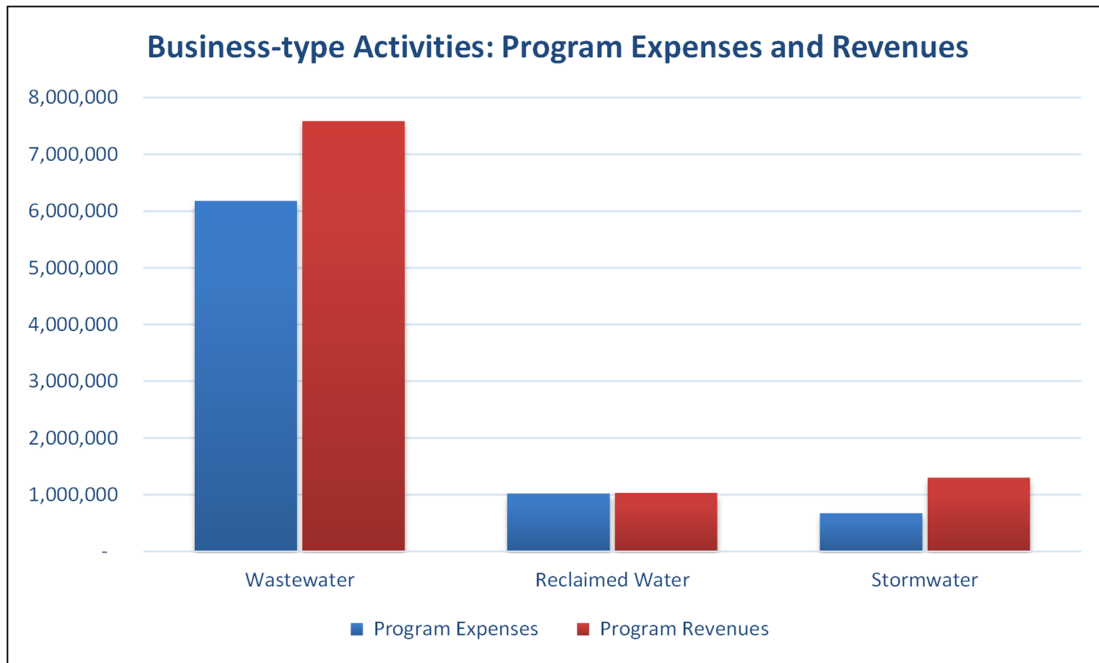
Business-type Activities:

The Wastewater and Stormwater programs highlighted on page 17 were reported in business-type activities. Unlike governmental activities, the fees and charges for the City's Wastewater, Reclaimed Water, and Stormwater programs are established at levels sufficient to recover the cost of operations and provide adequate capital for infrastructure improvements. Wastewater charges for service included a 7% fee increase in FY 2021 for such purposes. The City's business-type activities contributed \$2.1 million to net position.

Business-type activities

Net program revenues	\$ 2,044,196
Plus general revenues	<u>\$ 20,141</u>
Change in net position	<u><u>\$ 2,064,337</u></u>

**CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)**



FUND STATEMENT FINANCIAL ANALYSIS

Governmental Funds:

General Fund

Management's goal is to generate sufficient excess revenue in the General Fund to support the capital improvement program via transfers to the Capital Fund.

CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)

Excess revenue totaled \$6.5 million in FY 2021, due to several factors highlighted previously – property value growth, sales tax growth, and parking activity – while expenditures declined by 19%. Public safety expenditures in particular declined by 44% due to the absence of non-recurring expenditures reported last year (the City issued pension obligation debt in FY 2020 to fund the police pension system, with a one-time pension contribution of \$6 million). Approximately \$4.8 million was transferred from the General Fund to the Capital Fund, leaving \$1.7 million to increase fund balance.

Capital Fund

The status of Gulf Blvd. electrical undergrounding led to an 82% increase in Capital Fund expenditures as the City continued to make progress on the project, while revenue grew 174% corresponding to Pinellas County's reimbursement schedule. Fund balance declined by \$725,000, consistent with the City's capital improvement schedule.

Non-major Funds

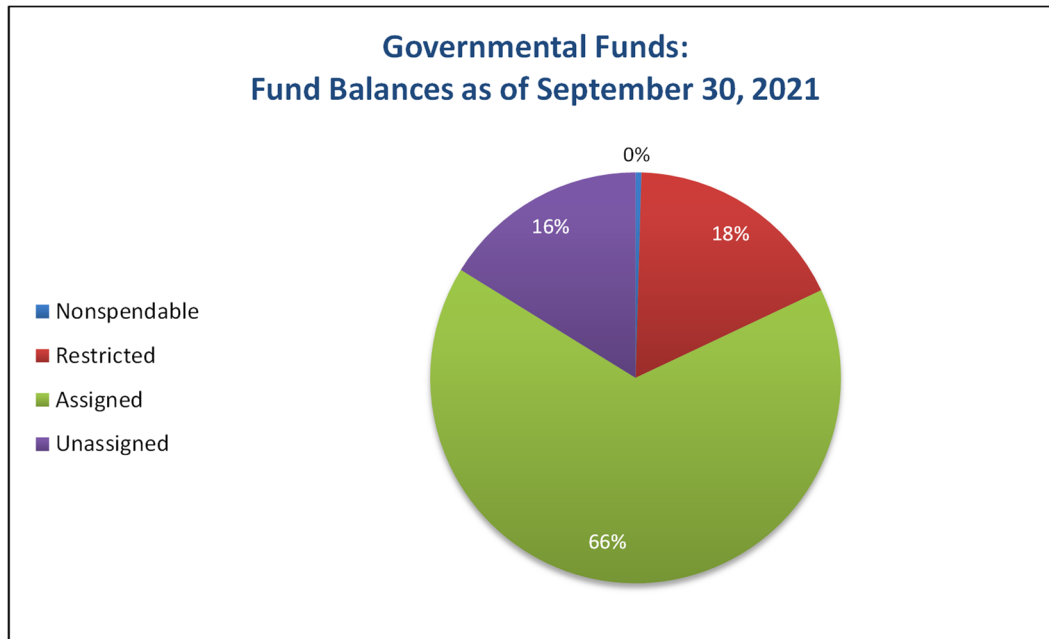
The permit growth described previously was reflected in the Building Fund and reported in non-major funds, which led to a collective revenue increase of 64% across several funds. Fund balance increased by nearly \$1.3 million, of which \$1.1 million was derived from the Building Fund.

Governmental Funds	General	Capital	Non-major	Total
Revenues	\$ 24,552,717	\$ 7,272,746	\$ 1,839,383	\$ 33,664,846
Less expenditures	\$ (18,027,347)	\$ (13,076,056)	\$ (790,549)	\$ (31,893,952)
Plus other financing sources	\$ -	\$ 5,077,649	\$ 255,470	\$ 5,333,119
Less other financing uses	\$ (4,775,786)	\$ -	\$ (7,333)	\$ (4,783,119)
Fund balance increase	\$ 1,749,584	\$ (725,661)	\$ 1,296,971	\$ 2,320,894

Fund balance is a commonly used measure of a government's available resources and liquidity. Designations are applied to various components of fund balance to describe the extent to which resources may be limited, as further described in Note A. The balances below reflect the limitations applicable to the City's total governmental fund resources as of September 30, 2021.

- **Non-spendable** fund balance items include prepaid accounts that are inherently not easily convertible into financial resources. The City's non-spendable fund balance as of September 30, 2021 was \$97,156.
- **Restricted** fund balance includes accounts and designations upon which restrictions have been externally imposed, totaling \$3,673,229 at September 30, 2021.
- **Assigned** fund balance represents management's intended use of specific resources and reflects the City's fund balance policy as described in Note A. Assigned balance also includes reserves for capital improvements, vehicle replacement, compensated absences, and future budget periods. The total balance as of September 30, 2021 was \$13,796,978.
- **Unassigned** balance also reflects the City's fund balance policy and was reported at the target goal of \$3,394,689, equivalent to two months of General Fund operating expenditures.

**CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)**



Proprietary Funds:

Net revenue generated by the City's business-type activities represents the net effect of operating income earned by the City's proprietary funds and non-operating items. Operating income reflected the Wastewater and Stormwater programs highlighted on page 17. Non-operating items such as interest earnings and amortization expense are deducted or added to operating income for the purposes of calculating the change in net position. Interest earnings declined sharply due to the low-interest rate environment, returning just \$20,000 versus \$75,000 last year. Interest expenses on wastewater and stormwater debt totaled \$262,000. The State Revolving Fund loan agreement associated with the sanitary sewer capacity improvement project allowed for a delayed amortization schedule since the construction timeline was extended. Debt service expenses will therefore not begin until FY 2022 and amortization expenses declined when they were originally scheduled to increase by over 150 percent. The net effect of non-operating items was a deduction of approximately \$240,000 from operating income. Proprietary funds collectively increased the City's net position by \$2.1 million.

Proprietary Funds

Operating income	\$ 2,306,468
Plus non-operating revenues	\$ 20,141
Less non-operating expenses	<u>\$ (262,272)</u>
Change in net position	<u><u>\$ 2,064,337</u></u>

Wastewater Fund

Working capital balance declined by 75% based on the degree of cash-funded capital improvements completed. Cash reserves of approximately \$2.3 million were utilized for improvements to lift stations, force mains, and inflow and infiltration rehabilitation. Capital assets increased by \$16.2 million, which included an additional \$13.9 million in borrowing - \$10.5 million from the 2020 State Revolving Fund loan and \$3.4 million from 2015 Capital Improvement Revenue bonds.

**CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)**

Reclaimed Water Fund

Reclaimed water is typically the City's most stable operation, with very little volatility. The City increased user fees in FY 2020 in preparation for wholesale rate increases imposed by Pinellas County and the financial position of the fund was virtually unchanged in FY 2021. Working capital increased modestly due to favorable accounts payable balances.

Stormwater Fund

Stormwater Fund working capital balance experienced a drawdown similar to the Wastewater Fund. Cash-funded capital improvements totaling \$1.5 million were completed, primarily for stormwater drainage improvements in the Belle Vista neighborhood.

	Wastewater		Reclaimed		Stormwater	
Working capital balances	9/30/2021	9/30/2020	9/30/2021	9/30/2020	9/30/2021	9/30/2020
Current assets	3,598,738	3,171,483	1,339,848	1,333,292	1,501,375	3,566,580
Less: current liabilities	(3,077,778)	(1,110,247)	(52,055)	(116,586)	(400,322)	1,361,732
Working capital	<u>\$ 520,960</u>	<u>\$ 2,061,236</u>	<u>\$ 1,287,793</u>	<u>\$ 1,216,706</u>	<u>\$ 1,101,053</u>	<u>\$ 4,928,312</u>
Annual change	-74.7%		5.8%		-77.7%	

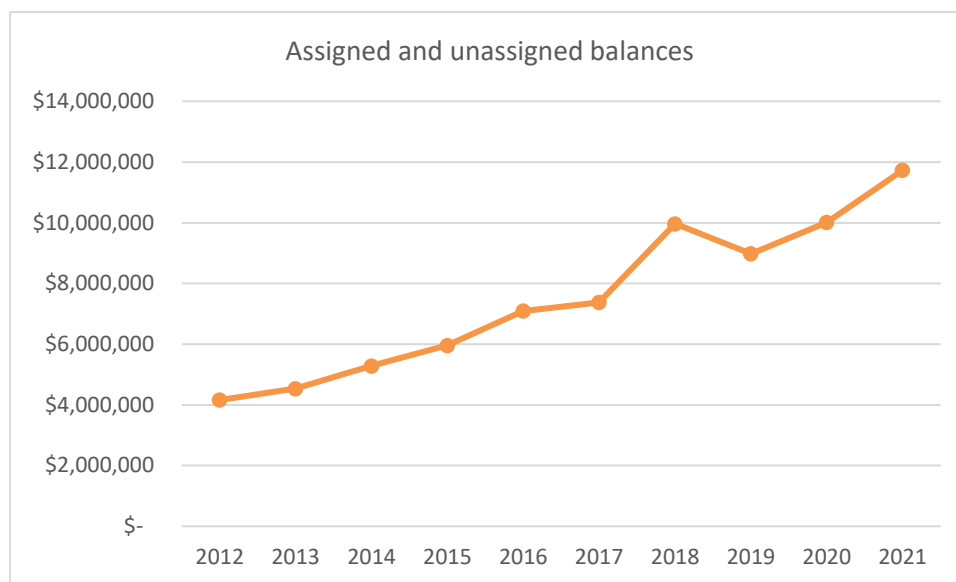
GENERAL FUND BUDGETARY HIGHLIGHTS

Fund balance increased by \$1.7 million driven by many of the factors discussed earlier, including well-managed expenditures, property value growth, sales tax growth, and parking activity. Taxable values reached an all-time high in 2019 and have continued to grow steadily.



The status of the General Fund provided an opportunity to re-evaluate fund balances and establish a formal fund balance policy, which is reflected on the financial statements and further described in Note A. The following chart illustrates the tremendous increase in assigned and unassigned balances over the last ten years.

**CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)**



Revisions from adopted to final budget:

Final authorized expenditures included supplemental appropriations of \$804,600, of which \$427,649 was transferred out to the Capital Fund to provide for additional infrastructure improvements. The remaining \$376,951 was allocated to the following items:

- Prior year encumbrances: \$211,951
- Supplemental weekend garbage collection service: \$70,000
- Enterprise resource planning software: \$50,000
- Contingency allowance: \$25,000
- Rescheduled July 4 fireworks due to Covid-19 pandemic: \$12,500
- Public records software: \$7,500

Significant budgetary variances:

Negative revenue variances (i.e., revenue reported less than budgeted estimates) included investment income and fire inspection fees. Investment earnings were affected by the prevailing low interest rate environment. Fire inspections underperformed due to staffing issues. A full-time fire inspector was subsequently added to the FY 2022 budget.

Revenue	Budget	Actual	Variance
Investment income	\$ 70,000	\$ 39,079	\$ (30,921)
Fire inspection fees	\$ 50,000	\$ 29,825	\$ (20,175)

Expenditures were reported under budget for all General Fund functions (i.e., General Government, Public Safety, Public Works, and Culture and Recreation) and departments. Within the departments, two divisions reported negative variances (i.e., expenditures exceeded budgeted estimates):

Expenditures	Budget	Actual	Variance
Fire suppression division	\$ 2,592,530	\$ 2,625,365	\$ (32,835)
Parks division	\$ 1,164,582	\$ 1,181,270	\$ (16,688)

CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)

Fire suppression costs were affected by overtime, particularly with extended absences related to Covid-19 protocols. Parks division expenditures reflected a significant water line repair at Upham Beach.

CAPITAL ASSETS

The sanitary sewer capacity improvement project discussed throughout this report is reflected in capital projects in process. Note C includes more information on the City's capital assets and activity for FY 2021.

CAPITAL ASSETS, NET	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land, land rights and improvements	\$ 4,836,311	\$ 4,505,449	\$ 310,117	\$ 310,117	\$ 5,146,428	\$ 4,815,566
Buildings and other improvements	12,326,444	9,981,783	87,621	93,528	12,414,065	10,075,311
Infrastructure	45,508,518	44,168,653	27,119,152	23,919,925	72,627,670	68,088,578
Furniture, machinery and equipment	3,190,233	2,021,585	518,625	585,961	3,708,858	2,607,546
Capital projects in process	7,726,676	3,551,142	16,339,628	1,908,530	24,066,304	5,459,672
Total	<u>\$ 73,588,182</u>	<u>\$ 64,228,612</u>	<u>\$ 44,375,143</u>	<u>\$ 26,818,061</u>	<u>\$ 117,963,325</u>	<u>\$ 91,046,673</u>

DEBT ADMINISTRATION

Note F includes a detailed listing of long-term liabilities. Following is a summary of the City's outstanding debt as of September 30, 2021 compared to the prior year.

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenue bonds	\$ 17,727,646	\$ 18,365,000	\$ 6,166,000	\$ 6,298,000	\$ 23,893,646	\$ 24,663,000
State revolving loans	-	-	11,530,416	1,279,497	11,530,416	1,279,497
Capital leases	406,489	-	-	75,165	406,489	75,165
Total	<u>\$ 18,134,135</u>	<u>\$ 18,365,000</u>	<u>\$ 17,696,416</u>	<u>\$ 7,652,662</u>	<u>\$ 35,830,551</u>	<u>\$ 26,017,662</u>

Next Year's Budget, Rates, and Economic Factors

St. Pete Beach property values continued to grow, increasing 5.07% effective FY 2022. The City maintained its ad valorem tax rate of 3.1500 mills, which will generate approximately \$530,000 in new revenue. Approximately \$75,000 from General Fund reserves was used to balance the FY 2022 adopted budget.

Management is focused on coastal resiliency and is closely studying water threats such as stormwater drainage maintenance requirements and sea level rise projections. The FY 2022 stormwater assessment included increases of 3% for Tier 1 and 7% for Tier 2 as the City prepares for future stormwater infrastructure projects.

The sanitary sewer capacity improvement project described throughout this report has long been anticipated to facilitate significant economic development opportunities. The Corey Landings project was approved in March 2022, a mixed-use development with 243 multi-family dwelling units located in the downtown redevelopment district. Several other potential redevelopment projects have recently been discussed with City administration. To recover the cost of capital investment needed to maintain service levels, the City adopted a parks and recreation impact fee in February 2022. Meanwhile, the City was awarded \$2 million from the Florida Job Growth Grant Fund to complete the second phase of sanitary sewer capacity improvements based on the number of jobs anticipated to be created by new development.

**CITY OF ST. PETE BEACH, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021 (UNAUDITED)**

Requests for information

This financial report is designed to provide a general overview of the City of St. Pete Beach's financial position for all those interested in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Assistant City Manager/Finance Director at 155 Corey Avenue, St. Pete Beach, Florida 33706.

BASIC FINANCIAL STATEMENTS

These basic financial statements contain Government-wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements.

CITY OF ST. PETE BEACH, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 16,982,242	\$ 2,637,300	\$ 19,619,542
Receivables, net	553,794	1,180,186	1,733,980
Due from other governments	4,723,618	1,745,020	6,468,638
Inventories	-	30,349	30,349
Prepays	97,156	5,903	103,059
Net pension asset	175,180	-	175,180
Restricted assets:			
Cash and investments	748,292	841,203	1,589,495
Capital assets:			
Non-depreciable capital assets	12,562,987	16,649,745	29,212,732
Other capital assets, net of depreciation	61,025,195	27,725,398	88,750,593
Total assets	<u>\$ 96,868,464</u>	<u>\$ 50,815,104</u>	<u>\$ 147,683,568</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	\$ 288,087	\$ 7,881	\$ 295,968
Deferred outflows related to OPEB	126,681	11,409	138,090
Total deferred outflows	<u>\$ 414,768</u>	<u>\$ 19,290</u>	<u>\$ 434,058</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 1,632,643	\$ 2,677,738	\$ 4,310,381
Customer deposits	112,761	-	112,761
Unearned revenue	95,376	-	95,376
Accrued interest payable	129,609	100,807	230,416
Due to fiduciary funds	302,268	-	302,268
Noncurrent liabilities:			
Due within one year:			
Bonds and notes payable	662,934	740,396	1,403,330
Capital leases	97,923	-	97,923
Compensated absences	336,828	11,214	348,042
Due in more than one year:			
Bonds and notes payable	17,064,712	16,956,020	34,020,732
Capital leases	308,566	-	308,566
Compensated absences	113,115	3,329	116,444
Total OPEB liability	470,268	42,353	512,621
Net pension liability	6,927,333	251,561	7,178,894
Total liabilities	<u>\$ 28,254,336</u>	<u>\$ 20,783,418</u>	<u>\$ 49,037,754</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	\$ 4,588,741	\$ 149,395	\$ 4,738,136
Deferred inflows related to OPEB	212,938	19,177	232,115
Total deferred inflows	<u>\$ 4,801,679</u>	<u>\$ 168,572</u>	<u>\$ 4,970,251</u>
NET POSITION			
Net investment in capital assets	\$ 61,795,073	\$ 24,996,934	\$ 86,792,007
Restricted for:			
Library	150,000	-	150,000
Debt service	399,006	743,776	1,142,782
Building department	2,257,759	-	2,257,759
Law enforcement	5,404	-	5,404
Transportation improvements	262,768	-	262,768
Unrestricted	(642,793)	4,141,694	3,498,901
Total net position	<u>\$ 64,227,217</u>	<u>\$ 29,882,404</u>	<u>\$ 94,109,621</u>

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

CITY OF ST. PETE BEACH, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 4,495,399	\$ 7,025,351	\$ 6,798	\$ -	\$ 2,536,750	\$ -	\$ 2,536,750
Public safety	7,368,277	52,120	50,521	2,203,534	(5,062,102)	-	(5,062,102)
Public works	4,006,182	64,115	-	5,731,957	1,789,890	-	1,789,890
Culture and recreation	4,426,237	1,084,328	16,823	-	(3,325,086)	-	(3,325,086)
Interest on long-term debt	677,184	-	-	-	(677,184)	-	(677,184)
Total governmental activities	20,973,279	8,225,914	74,142	7,935,491	(4,737,732)	-	(4,737,732)
Business-type activities:							
Wastewater	6,182,325	7,582,102	-	-	-	1,399,777	1,399,777
Reclaimed water	1,020,562	1,033,479	-	-	-	12,917	12,917
Stormwater	669,953	1,301,455	-	-	-	631,502	631,502
Total business-type activities	7,872,840	9,917,036	-	-	-	2,044,196	2,044,196
Total primary government	\$ 28,846,119	\$ 18,142,950	\$ 74,142	\$ 7,935,491	(4,737,732)	2,044,196	(2,693,536)
General revenues:							
Property taxes					10,478,967	-	10,478,967
Sales taxes					1,898,748	-	1,898,748
Utility taxes					1,863,009	-	1,863,009
Other taxes					424,665	-	424,665
Franchise fees					1,656,029	-	1,656,029
Other intergovernmental revenues-not restricted for specific programs					405,940	-	405,940
Investment earnings					47,878	20,141	68,019
Miscellaneous revenues					86,197	-	86,198
Total general revenues					16,861,433	20,141	16,881,575
Change in net position					12,123,701	2,064,337	14,188,039
Net position - beginning of year					52,103,516	27,818,067	79,921,582
Net position - end of year					\$ 64,227,217	\$ 29,882,404	\$ 94,109,621

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

CITY OF ST. PETE BEACH, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	<u>General Fund</u>	<u>Capital Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and investments	\$ 12,388,020	\$ 1,899,211	\$ 3,443,303	\$ 17,730,534
Receivables, net	553,660	107	25	553,792
Due from other governments	801,467	3,922,151	-	4,723,618
Prepaid items	92,226	-	4,930	97,156
Total assets	<u><u>\$ 13,835,373</u></u>	<u><u>\$ 5,821,469</u></u>	<u><u>\$ 3,448,258</u></u>	<u><u>\$ 23,105,100</u></u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 789,366	\$ 747,112	\$ 96,165	\$ 1,632,643
Customer deposits	78,912	-	33,849	112,761
Unearned revenue	95,376	-	-	95,376
Due to other funds	302,268	-	-	302,268
Total liabilities	<u><u>1,265,922</u></u>	<u><u>747,112</u></u>	<u><u>130,014</u></u>	<u><u>2,143,048</u></u>
FUND BALANCES				
Nonspendable:				
Prepaid items	92,226	-	4,930	97,156
Restricted:				
Pension obligation	598,292	-	-	598,292
Library	150,000	-	-	150,000
Debt service	-	399,006	-	399,006
Building department	-	-	2,257,759	2,257,759
Law enforcement	-	-	5,404	5,404
Transportation improvements	-	-	262,768	262,768
Assigned:				
Capital improvement projects	-	4,675,351	-	4,675,351
Fleet	-	-	763,965	763,965
Compensated absences	-	-	23,418	23,418
Subsequent year's budget	463,869	-	-	463,869
Coastal vulnerabilities	7,870,375	-	-	7,870,375
Unassigned	3,394,689	-	-	3,394,689
Total fund balances	<u><u>12,569,451</u></u>	<u><u>5,074,357</u></u>	<u><u>3,318,244</u></u>	<u><u>20,962,052</u></u>
Total liabilities and fund balances	<u><u>\$ 13,835,373</u></u>	<u><u>\$ 5,821,469</u></u>	<u><u>\$ 3,448,258</u></u>	<u><u>\$ 23,105,100</u></u>

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

CITY OF ST. PETE BEACH, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Fund balances - total governmental funds \$ 20,962,052

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

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

Total governmental capital assets	102,044,142	
Less: accumulated depreciation	<u>(28,455,960)</u>	73,588,182

On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.

Net pension asset	175,180	
Net pension liability	(6,927,333)	
Deferred outflows related to pensions	288,087	
Deferred inflows related to pensions	<u>(4,588,741)</u>	(11,052,807)

On the governmental fund statements, a total OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's total OPEB liability is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to OPEB are also reported.

Total OPEB liability	(470,268)	
Deferred outflows related to OPEB	126,681	
Deferred inflows related to OPEB	<u>(212,938)</u>	(556,525)

Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities deferred outflows, and other debt-related deferred charges consist of the following

Bonds and notes payable	(17,727,644)	
Capital leases payable	(406,489)	
Accrued interest payable	(129,609)	
Compensated absences	<u>(449,943)</u>	(18,713,685)

Net position of governmental activities \$ 64,227,217

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

CITY OF ST. PETE BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	General	Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 15,118,970	\$ 1,202,448	\$ -	\$ 16,321,418
Permits and fees	1,470,248	-	1,826,299	3,296,547
Intergovernmental	2,557,411	6,063,222	-	8,620,633
Charges for services	5,321,910	-	-	5,321,910
Investment income	39,079	7,076	1,723	47,878
Miscellaneous	45,099	-	11,361	56,460
Total revenues	<u>24,552,717</u>	<u>7,272,746</u>	<u>1,839,383</u>	<u>33,664,846</u>
Expenditures				
Current:				
General government	4,363,074	-	651,043	5,014,117
Public safety	7,279,296	-	-	7,279,296
Public works	2,186,632	76,184	-	2,262,816
Culture and recreation	3,297,073	-	-	3,297,073
Capital outlay	348,568	12,143,409	139,506	12,631,483
Debt service:				
Principal retirement	362,354	368,511	-	730,865
Interest and fiscal charges	190,350	487,952	-	678,302
Total expenditures	<u>18,027,347</u>	<u>13,076,056</u>	<u>790,549</u>	<u>31,893,952</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,525,370</u>	<u>(5,803,310)</u>	<u>1,048,834</u>	<u>1,770,894</u>
Other financing sources (uses)				
Capital lease issuance	-	500,000	-	500,000
Gain on sale of asset	-	50,000	-	50,000
Transfers in	-	4,527,649	255,470	4,783,119
Transfers out	(4,775,786)	-	(7,333)	(4,783,119)
Total other financing sources (uses)	<u>(4,775,786)</u>	<u>5,077,649</u>	<u>248,137</u>	<u>550,000</u>
Net change in fund balances	<u>1,749,584</u>	<u>(725,661)</u>	<u>1,296,971</u>	<u>2,320,894</u>
Fund balances, beginning of year	10,819,867	5,800,018	2,021,273	18,641,158
Fund balances, end of year	<u>\$ 12,569,451</u>	<u>\$ 5,074,357</u>	<u>\$ 3,318,244</u>	<u>\$ 20,962,052</u>

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

**CITY OF ST. PETE BEACH, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Net change in fund balances - total governmental funds	\$ 2,320,894
Differences in amounts reported for governmental activities in the statement of activities are	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives	
Capital outlay expenditures	12,631,483
Depreciation expense	(3,240,477)
Contributed capital assets and adjustments	2,287
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations, CIP project abandoned) is to decrease net position.	(33,720)
Bond and loan proceeds are reported as financing sources in the governmental funds. However the issuance of debt is reported as long-term debt payable in the statement of net position	
Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment of debt principal reduces long-term liabilities in the statement of net position	
These amounts are as follows:	
Principal repayment of general long-term debt	730,865
Issuance of governmental capital lease	(500,000)
Governmental funds report contributions to defined benefit pension plans as expenditures	
However, in the Statement of Activities, the amount contributed to defined benefit pension plan reduces future net pension liability. Also included in pension expense in the Statement of Activities are amounts required to be amortized.	
Change in net pension liability and deferred inflows/outflows related to pension:	201,264
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available	
In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. These adjustments are as follows	
Change in accrued interest on long-term debt	1,116
Change in compensated absences liability	12,382
Change in total OPEB liability	(2,393)
Change in net position of governmental activities	\$ 12,123,701

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

CITY OF ST. PETE BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 14,815,703	\$ 14,815,703	\$ 15,118,970	\$ 303,267
Permits and fees	1,210,440	1,210,440	1,470,248	259,808
Intergovernmental	2,478,381	2,478,381	2,557,411	79,030
Charges for services	4,459,160	4,459,160	5,321,910	862,750
Investment income	70,000	70,000	39,079	(30,921)
Miscellaneous	5,200	5,200	45,099	39,899
Total revenues	23,038,884	23,038,884	24,552,717	1,513,833
EXPENDITURES				
Current:				
General Government				
Charter Officers Department				
Elected Officials Division	108,184	108,184	84,982	23,202
City Clerk Division	287,106	294,606	255,579	39,027
City Manager Division	502,998	527,998	504,964	23,034
Legal Division	495,000	495,000	476,626	18,374
Total Charter Officers Department	1,393,288	1,425,788	1,322,151	103,637
Administrative Services Department				
Finance Division	711,798	762,066	645,024	117,042
Information Technology Division	372,045	379,832	374,912	4,920
Total Administrative Services Department	1,083,843	1,141,898	1,019,936	121,962
Transportation Department	1,454,443	1,458,689	1,431,352	27,337
Community Development Department				
Planning Division	402,225	428,961	378,995	49,966
Code Enforcement Division	209,621	229,621	210,640	18,981
Total Community Development Department	611,846	658,582	589,635	68,947
Total General Government	4,543,420	4,684,957	4,363,074	321,883
Public Safety				
Law Enforcement Department	2,693,040	2,693,040	2,672,947	20,093
Fire Department				
Fire Suppression Division	2,575,268	2,592,530	2,625,365	(32,835)
EMS Division	2,092,815	2,094,570	1,980,984	113,586
Total Fire Department	4,668,083	4,687,100	4,606,349	80,751
Total Public Safety	7,361,123	7,380,140	7,279,296	100,844
Public Works				
Public Works Department				
Administration Division	583,084	585,566	501,772	83,794
Facilities Division	470,721	479,924	444,892	35,032
Streets Division	959,055	967,788	896,073	71,715
Beaches Division	328,125	405,254	343,895	61,359
Total Public Works Department	2,340,985	2,438,532	2,186,632	251,900
Culture and Recreation				
Library Department	625,915	625,859	590,831	35,028
Parks and Recreation Department				
Parks Division	1,147,023	1,164,582	1,181,270	(16,688)
Recreation Division	1,564,744	1,581,082	1,524,972	56,110
Total Parks and Recreation Department	2,711,767	2,745,664	2,706,242	39,422
Total Culture and Recreation	3,337,682	3,371,523	3,297,073	74,450
Capital outlay	547,150	632,159	348,568	283,591
Debt service:				
Principal retirement	362,354	362,354	362,354	-
Interest and fiscal charges	190,350	190,350	190,350	-
Total expenditures	18,683,064	19,060,015	18,027,347	1,032,668
Excess of revenues over expenditures	4,355,820	3,978,869	6,525,370	2,546,501
Other financing sources (uses)				
Transfers out	(4,348,137)	(4,775,786)	(4,775,786)	-
Total other financing sources (uses)	(4,348,137)	(4,775,786)	(4,775,786)	-
Net change in fund balances	7,683	(796,917)	1,749,584	2,546,501
Fund balances, beginning of year	10,819,867	10,819,867	10,819,867	-
Fund balances, end of year	<u>\$ 10,827,550</u>	<u>\$ 10,022,950</u>	<u>\$ 12,569,451</u>	<u>\$ 2,546,501</u>

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

CITY OF ST. PETE BEACH, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			
		Reclaimed		
	Wastewater	Water	Stormwater	Total
ASSETS				
Cash and investments	\$ 458,296	\$ 1,183,541	\$ 995,463	\$ 2,637,300
Accounts receivable, net	1,008,452	142,754	28,980	1,180,186
Due from other governments	1,480,150	12,702	252,168	1,745,020
Inventories	30,349	-	-	30,349
Prepaid items	2,982	851	2,070	5,903
Restricted current assets				
Cash and investments	618,509	-	222,694	841,203
Total current assets	<u>3,598,738</u>	<u>1,339,848</u>	<u>1,501,375</u>	<u>6,439,961</u>
Noncurrent assets:				
Capital assets:				
Land	310,117	-	-	310,117
Building and improvements	129,409	-	-	129,409
Infrastructure	24,442,981	11,946,120	4,995,161	41,384,262
Machinery and equipment	1,054,253	92,678	67,646	1,214,577
Intangibles	42,935	-	64,756	107,691
Construction in progress	15,912,811	24,127	402,690	16,339,628
Accumulated depreciation	(8,078,028)	(6,577,259)	(455,254)	(15,110,541)
Total capital assets, net	<u>33,814,478</u>	<u>5,485,666</u>	<u>5,074,999</u>	<u>44,375,143</u>
Total noncurrent assets	<u>33,814,478</u>	<u>5,485,666</u>	<u>5,074,999</u>	<u>44,375,143</u>
Total assets	<u>\$ 37,413,216</u>	<u>\$ 6,825,514</u>	<u>\$ 6,576,374</u>	<u>\$ 50,815,104</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	\$ 4,141	\$ 987	\$ 2,753	\$ 7,881
Deferred outflows related to OPEB	5,873	1,617	3,919	11,409
Total deferred outflows	<u>\$ 10,014</u>	<u>\$ 2,604</u>	<u>\$ 6,672</u>	<u>\$ 19,290</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 2,454,549	\$ 50,444	\$ 172,745	\$ 2,677,738
Compensated absences	4,720	1,611	4,883	11,214
Payable from restricted assets:				
Current maturities on long-term debt	542,396	-	198,000	740,396
Accrued interest payable	76,113	-	24,694	100,807
Total current liabilities	<u>3,077,778</u>	<u>52,055</u>	<u>400,322</u>	<u>3,530,155</u>
Noncurrent liabilities:				
Bonds and notes payable, net	15,145,020	-	1,811,000	16,956,020
Compensated absences	3,277	-	52	3,329
Total OPEB liability	21,803	6,003	14,547	42,353
Net pension liability	132,166	31,512	87,883	251,561
Total noncurrent liabilities	<u>15,302,266</u>	<u>37,515</u>	<u>1,913,482</u>	<u>17,253,263</u>
Total liabilities	<u>\$ 18,380,044</u>	<u>\$ 89,570</u>	<u>\$ 2,313,804</u>	<u>\$ 20,783,418</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	\$ 78,490	\$ 18,714	\$ 52,191	\$ 149,395
Deferred inflows related to OPEB	9,872	2,718	6,587	19,177
Total deferred inflows	<u>\$ 88,362</u>	<u>\$ 21,432</u>	<u>\$ 58,778</u>	<u>\$ 168,572</u>
NET POSITION				
Net investment in capital assets	\$ 16,445,269	\$ 5,485,666	\$ 3,065,999	\$ 24,996,934
Restricted for debt service	545,776	-	198,000	743,776
Unrestricted	1,963,779	1,231,450	946,465	4,141,694
Total net position	<u>\$ 18,954,824</u>	<u>\$ 6,717,116</u>	<u>\$ 4,210,464</u>	<u>\$ 29,882,404</u>

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

CITY OF ST. PETE BEACH, FLORIDA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			
		Reclaimed		
	Wastewater	Water	Stormwater	Total
Operating revenues				
Charges for services	\$ 7,582,027	\$ 1,033,479	\$ 1,301,455	\$ 9,916,961
Other revenues	75	-	-	75
Total operating revenues	<u>7,582,102</u>	<u>1,033,479</u>	<u>1,301,455</u>	<u>9,917,036</u>
Operating expenses				
Personnel services	379,890	109,690	238,311	727,891
Contractual and other services	4,833,590	666,440	230,090	5,730,120
Depreciation	767,741	244,432	140,384	1,152,557
Total operating expenses	<u>5,981,221</u>	<u>1,020,562</u>	<u>608,785</u>	<u>7,610,568</u>
Operating income	<u>1,600,881</u>	<u>12,917</u>	<u>692,670</u>	<u>2,306,468</u>
Nonoperating revenues (expenses)				
Interest earnings	1,659	1,090	17,392	20,141
Interest and amortization expense	(201,104)	-	(61,168)	(262,272)
Total nonoperating revenues (expenses)	<u>(199,445)</u>	<u>1,090</u>	<u>(43,776)</u>	<u>(242,131)</u>
Change in net position	<u>1,401,436</u>	<u>14,007</u>	<u>648,894</u>	<u>2,064,337</u>
Net position, beginning of year	<u>17,553,388</u>	<u>6,703,109</u>	<u>3,561,570</u>	<u>27,818,067</u>
Net position, end of year	<u><u>\$ 18,954,824</u></u>	<u><u>\$ 6,717,116</u></u>	<u><u>\$ 4,210,464</u></u>	<u><u>\$ 29,882,404</u></u>

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

CITY OF ST. PETE BEACH, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds			
	Wastewater	Reclaimed Water	Stormwater	Total
Cash flows from operating activities				
Cash received from customers	\$ 6,611,153	\$ 1,035,951	\$ 1,301,730	\$ 8,948,834
Cash paid to employees	(397,298)	(101,826)	(265,200)	(764,324)
Cash paid to suppliers	(2,926,798)	(732,212)	(159,256)	(3,818,266)
Net cash provided by operating activities	<u>3,287,057</u>	<u>201,913</u>	<u>877,274</u>	<u>4,366,244</u>
Cash flows from noncapital financing activities				
Interfund loans	-	-	(1,040,352)	(1,040,352)
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>(1,040,352)</u>	<u>(1,040,352)</u>
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	(16,962,291)	(194,811)	(1,552,538)	(18,709,640)
Principal payments of long-term debt	(4,381,409)	-	(192,000)	(4,573,409)
Proceeds from issuance of long-term debt	14,617,162	-	-	14,617,162
Interest paid	(195,383)	-	(63,528)	(258,911)
Net cash provided by (used in) capital and related financing activities	<u>(6,921,921)</u>	<u>(194,811)</u>	<u>(1,808,066)</u>	<u>(8,924,798)</u>
Cash flows from investing activities				
Interest received	1,659	1,090	17,392	20,141
Net cash provided by (used in) investing activities	<u>1,659</u>	<u>1,090</u>	<u>17,392</u>	<u>20,141</u>
Net change in cash and cash equivalents	<u>(3,633,205)</u>	<u>8,192</u>	<u>(1,953,752)</u>	<u>(5,578,765)</u>
Cash and cash equivalents, beginning of year	<u>4,710,010</u>	<u>1,175,349</u>	<u>3,171,909</u>	<u>9,057,268</u>
Cash and cash equivalents, end of year	<u>\$ 1,076,805</u>	<u>\$ 1,183,541</u>	<u>\$ 1,218,157</u>	<u>\$ 3,478,503</u>
Cash and cash equivalents classified as:				
Unrestricted	\$ 458,296	\$ 1,183,541	\$ 995,463	\$ 2,637,300
Restricted	618,509	-	222,694	841,203
Total cash and cash equivalents	<u>\$ 1,076,805</u>	<u>\$ 1,183,541</u>	<u>\$ 1,218,157</u>	<u>\$ 3,478,503</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 1,600,881	\$ 12,917	\$ 692,670	\$ 2,306,468
Adjustments to reconcile net operating income to net cash provided by operating activities:				
Depreciation	767,741	244,432	140,384	1,152,557
Changes in assets and liabilities:				
Accounts receivable	509,199	(144,660)	275	364,814
Due from other governments	(1,480,150)	147,132	-	(1,333,018)
Inventories	(220)	-	-	(220)
Prepaid items	(2,593)	(836)	(1,649)	(5,078)
Accounts payable and accrued liabilities	1,909,605	(64,936)	72,483	1,917,152
Compensated absences	221	405	621	1,247
Net pension liability	(2,088)	6,976	(20,916)	(16,028)
Total OPEB liability	(15,539)	483	(6,594)	(21,650)
Net cash provided by operating activities	<u>\$ 3,287,057</u>	<u>\$ 201,913</u>	<u>\$ 877,274</u>	<u>\$ 4,366,244</u>

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

CITY OF ST. PETE BEACH, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021

	Pension Trust Funds
ASSETS	
Cash and cash equivalents with trustee	\$ 784,432
Receivables	
Due from general fund	302,268
Interest and dividends receivable	7,761
Total receivables	310,029
Investments, at fair value	
Government agency obligations	591,253
Asset-backed securities and collateralized obligations	288,031
Corporate bonds	825,908
Municipal obligations	15,199
Fixed-income mutual funds	14,723,125
Equities - common stock	5,403,881
Equities - mutual funds	29,446,327
Real estate funds	1,408,594
Total investments	52,702,318
Total assets	\$53,796,779
LIABILITIES	
Accounts payable	\$ 27,762
NET POSITION	
Restricted for pensions	\$53,769,017

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

CITY OF ST. PETE BEACH, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Pension Trust Funds
Additions	
Contributions:	
Employer	\$ 1,472,441
Plan members	325,468
State - insurance premium taxes	301,873
Total contributions	<u>2,099,782</u>
Investment earnings	
Net appreciation (depreciation) in fair value of investments	7,105,948
Interest and dividends	1,544,054
Total investment earnings	<u>8,650,002</u>
Less: investment expense	<u>(123,615)</u>
Net investment income (loss)	8,526,387
Total additions	<u>10,626,169</u>
Deductions	
Benefit payments and refunds	3,839,229
Administrative expenses	155,061
Total deductions	<u>3,994,290</u>
Change in net position	<u>6,631,879</u>
Net position restricted for pensions, beginning of year	47,137,138
Net position restricted for pensions, end of year	<u><u>\$53,769,017</u></u>

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

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial reporting entity

The City of St. Pete Beach, Florida (the City) is a political subdivision of the State of Florida located in Pinellas County. The legislative branch of the City is composed of a five (5) member elected City Commission, which is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the City Manager.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

In evaluating how to define the government, for financial reporting purposes, the City has considered all potential component units. The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body, and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government: (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. Management has determined there are no component units to be included within the reporting entity.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of the City. Individual funds are not displayed, but the statements distinguish governmental activities, which normally are supported by taxes and intergovernmental revenues, from business-type activities, which rely to a significant extent on fees and charges for support. The Statement of Net Position presents the financial position of the City's governmental and business-type activities at year-end. The effect of interfund activity such as internal balances has been eliminated from the government-wide financial statements.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE A – CONTINUED

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues.

Fund financial statements are provided for major governmental funds and enterprise funds. Non-major funds are aggregated and reported in one column, while major funds are reported as separate columns in the fund financial statements. Fiduciary fund statements are provided to account for the City's pension trust funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Most state-based or intergovernmental sources, franchise fees, and utility service taxes are susceptible to accrual and are recognized as revenue in the current reporting period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. This approach differs from the manner in which the governmental activities of the City are presented in the government-wide financial statements. The governmental fund financial statements, therefore, include a reconciliation to better identify the relationship between the government-wide financial statements and the governmental fund financial statements.

Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenditures vs. expenses. Under the modified accrual basis, property taxes, franchise taxes, licenses, intergovernmental revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes must be received within 60 days of year-end to be recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE A – CONTINUED

Governmental Funds

The City reports two major governmental funds:

- General Fund – The General Fund is the primary operating fund of the City, accounting for all financial resources of the City except those that are required legally or by generally accepted accounting principles to be accounted for in other funds.
- Capital Fund – Used to account for intergovernmental revenue that is restricted for infrastructure improvements and public safety vehicle acquisitions. This fund often includes significant, non-recurring financing sources such as transfers, grants, and other cost sharing arrangements corresponding to specific capital projects.

Non-major funds include the Multimodal Fund, Building Fund, Fleet Fund and Police Confiscation Fund, which are combined for the purposes of financial reporting. More information is available on the non-major funds in the supporting schedules of this document.

Proprietary Funds

The City reports three major proprietary funds, which are enterprise funds financed and operated in a manner similar to the private sector; the focus of these funds is cost recovery. Charges for service are designed to generate sufficient revenue to fund ongoing operations and capital improvements. Proprietary funds distinguish operating revenues and expenses from non-operating items; as a rule, those items which are inherently associated with the respective fund's activity are reported as operating items, while non-recurring items or those associated with financing (e.g., interest or amortization) are reported as non-operating.

- Wastewater Fund: Accounts for activities related to the City's sanitary sewer system. The City of St. Pete Beach owns and maintains the wastewater collection system infrastructure (i.e., manholes, sanitary sewer pipes, lift stations, etc.) and pays the City of St. Petersburg for sewage treatment and disposal. Operating revenues include charges for service, while operating expenses include the personnel, contractual, and depreciation expenses associated with ongoing operations. Non-operating items include interest earnings and interest expenses.
- Reclaimed Water Fund: Accounts for the City's provision of reclaimed water service for irrigation purposes. Operating revenues include charges for service based on City ordinance, while operating expenses include personnel costs, contractual fees for Pinellas County to provide maintenance services, and depreciation expense associated with the reclaimed water infrastructure. Non-operating items include interest earnings and interest expenses.
- Stormwater Fund: Accounts for the management of the City's stormwater drainage activities. The City adopted an assessment for stormwater service, which is included on residents' property tax bills. Operating revenues include the charges for service associated with the assessment, while operating expenses include the ongoing costs to maintain stormwater outfalls and drainage basins. Non-operating items include interest earnings and interest expenses.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE A – CONTINUED

Fiduciary Funds

The City reports three fiduciary funds, which are pension trust funds that account for the resources held in trust on behalf of the City's pension plan members (police officers, firefighters, and general employees). These funds are omitted from the government-wide financial statements due to the resources not being available for general government purposes.

Budgetary Accounting

Annual budgets are adopted by fund and department for the following funds: General, Building, Fleet, Capital, Wastewater, Reclaimed Water, and Stormwater. The City has no annually budgeted major special revenue funds; the only legally adopted major governmental funds are the General and Capital funds. For the purpose of financial reporting, the Building and Fleet Funds are reflected in non-major fund totals. Non-major funds also include the Multimodal and Police Confiscation funds, which are not legally adopted. A budgetary comparison statement is presented in the basic financial statements for the General Fund. Budgetary comparison schedules are presented as supplementary information for the Capital, Building and Fleet funds.

The legal level of budgetary control is at the department level, since the City Manager may authorize the transfer of funds between line items within a department. By Ordinance, the City Commission may transfer unencumbered balances between departments or funds. The City Commission may also amend the adopted budget to provide supplemental appropriations or to revise budgetary estimates. Encumbrance accounting is employed in governmental funds. Encumbrances (i.e., purchase orders) outstanding at year end are reflected in assigned fund balance totals (i.e., "subsequent year's budget") and do not constitute expenditures or liabilities because the balances are re-appropriated and honored during the subsequent year.

Balance Sheet / Statement of Net Position Disclosures

Definition of cash equivalents

The City considers all highly liquid investments, and those with a maturity of three months or less when purchased, to be cash equivalents. As reported on the financial statements, "cash and investments" include bank deposits, balances in local government investment pools and certificates of deposit. Note B includes additional information regarding the City's cash and investment balances.

Valuation bases

GASB Statement No. 72, Fair Value Measurement and Application, enhances comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using consistent definition and accepted valuation techniques. The City categorizes its fair value measurements within the hierarchy established by generally accepted accounting principles.

Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair value:

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE A – CONTINUED

- Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets.
- Level 2 inputs are not based on quotes but are observable for the asset in active markets at commonly quoted intervals. The City uses monthly and quarterly reports provided by asset managers and custodians to determine level 2 valuations.
- Level 3 inputs are unobservable and determined by assumptions or estimates.

In instances where inputs used to measure fair value fall into different levels in the above hierarchy, measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. Investments that are measured at fair value using the net asset value per share (NAV) – or its equivalent – are not classified in the fair value hierarchy as a practical expedient.

As of September 30, 2021, the City's cash and investments included money market instruments, balances in intergovernmental investment pools and certificates of deposit. Money market instruments are reported at cost, while the intergovernmental investment pools are considered "2a7-like" and therefore reported at NAV. Certificates of deposit are reported at fair value based on level 1 inputs.

Investment assets held in the City's Pension Trust Funds are recorded at fair value. Note B discloses the inputs used to determine fair value of the pension funds' investments.

Inventories and prepaid items

The City records inventories at cost. Wastewater Fund inventory includes stock supplies and equipment warehoused at the City's Public Works facility. It is valued at cost using the first-in/first-out (FIFO) method. The cost of inventory supplies is recorded as an expenditure when inventory is consumed. Certain payments to vendors reflect costs applicable to future accounting periods (e.g., insurance premiums) and are recorded as prepaid items, using the consumption method, in both the government-wide and fund financial statements.

Capital asset accounting policies

Capital assets, which include land and land rights, buildings and other land improvements, furniture, machinery and equipment, infrastructure and intangible assets are reported in the applicable governmental or business-type activity in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of \$2,500 or more and an estimated useful life in excess of one year. These assets are capitalized at historical cost or estimated historical cost if actual cost information is not available. Additions, improvements and other capital outlays that significantly extend the useful life of the asset are also capitalized.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE A – CONTINUED

As used in this section, the term depreciation includes amortization of intangible assets, which is computed on a straight-line basis. Depreciation is provided for in amounts sufficient to charge the cost of depreciable assets to operations over their estimated useful lives. Depreciation is not provided for construction in progress. The estimated useful lives of the assets are as follows:

Category	Estimated Useful Life
Buildings and other improvements	15 – 50 years
Furniture, machinery, and equipment	3 – 20 years
Infrastructure	12 – 40 years

Deferred Outflows and Inflows

On the financial statements, deferred outflows are presented with assets and deferred inflows are presented with liabilities. Deferred outflows consist of transactions that consume resources but do not relate to the current accounting period; likewise, deferred inflows represent acquisitions of resources relating to a future period. Balances reported for the City of St. Pete Beach are related to pension and OPEB, and generally represent the difference between projections (e.g., anticipated earnings, assumed economic or demographic factors, etc.) and actual experience.

Net Position/Fund Balance

Net Position:

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is presented in three components: net investment in capital assets, restricted, and unrestricted.

- Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any external bonds, notes or other borrowings attributable to the acquisition, construction or improvement of those assets. This component does not include the portion of debt attributable to the unspent proceeds.
- Restricted consists of amounts that have constraints placed on them either externally by third parties (e.g., creditors, grantors, and contributors) or by law through constitutional provisions or enabling legislation.
- Unrestricted consists of net position that does not meet the definition of “net investment in capital assets” or “restricted.”

Fund Balance:

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy, based primarily on the extent to which the City is bound to honor constraints placed upon available balances. Fund balance is reported in five classifications: non-spendable, restricted, committed, assigned, and unassigned.

Non-spendable includes amounts that cannot be spent because they are either not in spendable form (e.g., inventory) or are legally or contractually required to be maintained intact.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE A – CONTINUED

Restricted consists of amounts that have constraints placed on them either externally by third parties (e.g., creditors, grantors, and contributors) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. The City's restricted balances include unexpended debt proceeds, debt restrictions, donations, and externally enforceable amounts

Committed includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority. Commitments may only be adopted, amended, and rescinded via Ordinance by the City Commission. No such action has been taken by the St. Pete Beach City Commission; no committed balances are reported.

The City's fund balance policy is reflected in *assigned* and *unassigned* balances. Assigned balances represent resources accumulated for particular purposes but that do not meet the criteria to be classified as restricted or committed. The City's fund balance policy establishes a goal range of assigned balance equivalent to 26-35% of General Fund operating expenditures. The assigned resources are intended to mitigate the City's coastal vulnerabilities, including the following potential exposures:

- Extreme weather events (e.g., hurricanes, localized flooding, sea level rise, etc.)
- Funding sources for future capital projects (e.g., resiliency improvements, sub-aqueous infrastructure, etc.)
- Financial requirements of other operating funds, particularly Wastewater

Unassigned balance, if positive, can only be fund in the General Fund. It represents the residual amount of fund balance not contained in the other classifications. The City's fund balance policy includes a goal of unassigned balance equivalent to two months of General Fund operating expenditures.

In the event of expenditures having been incurred when both restricted and unrestricted balances are available for spending, the City considers restricted balances to have been spent first. The City's policy is to utilize funds in the following spending order:

Governmental Funds	Enterprise Funds
Restricted	Restricted
Committed	Unrestricted
Assigned	
Unassigned	

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE A – CONTINUED

Property tax policy

Property taxes are levied on October 1 of each year, on property values assessed on January 1 of the same year, and are due and payable on March 31 of the following year. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. Taxes paid in March are not subject to discount. Delinquent taxes on real property bear interest at 18% per year. All unpaid taxes are delinquent on April 1 following the year in which they are assessed. On or about May 31 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made to the certificate holder after a period of two years. Unsold certificates are held by Pinellas County.

Compensated absence policy

It is the City's policy to permit employees to accumulate earned but unused paid time off (PTO) benefits. Vested or accumulated PTO is recorded as an expense and liability of the appropriate fund as the benefits accrue to employees. The enterprise funds report 100% of compensated absence liability in both the government-wide and the proprietary fund statements, because it is accrued when incurred. Compensated absences liabilities related to governmental funds are liquidated through the governmental fund in which the liability is incurred. Accumulated PTO is accrued when incurred in the government-wide financial statements, but only the amount the City estimates to be due and payable as of the balance sheet date is recorded as a liability in the governmental fund statements. The remaining amount is presented as assigned fund balance. The City estimates the current portion of compensated absences based on the prior year's history.

NOTE B. DETAILED NOTE DISCLOSURES

Assets:

Cash and Investments

City of St. Pete Beach:

As of September 30, 2021, the City of St. Pete Beach held the following cash and investment balances:

	<u>Balance</u>	<u>Percentage</u>
Cash on hand	\$ 2,850	0.0%
Cash deposits	16,407,586	77.4%
Cash equivalents:		
FL PRIME	640,180	3.0%
FL CLASS	638,793	3.0%
FL PALM	3,060	0.0%
Certificates of deposit	<u>3,516,568</u>	16.6%
Total	<u><u>\$21,209,037</u></u>	100.0%

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE B – CONTINUED

Cash equivalents:

Fair value reporting was not applicable to the City’s cash equivalent accounts due to the balances being held in money market instruments and “2a7-like” investment pools. The carrying amount of the City’s cash deposits with financial institutions (excluding Pension Trust Funds) was \$16,407,586 and the total bank balances were \$16,478,069. Cash deposits were covered by Federal Depository Insurance and held at Florida Qualified Public Depository (“QPD”) financial institutions for collateralization. As of September 30, 2021, the City held cash equivalent assets in three local government investment pools. Credit ratings and weighted average maturities for each are listed below:

Institution:	Credit Rating	Agency	Weighted Average Maturity September 30, 2021
FL PRIME	AAAm	Standard and Poor’s	49 days
FL CLASS	AAAm	Standard and Poor’s	47 days
FL PALM	AAAm	Standard and Poor’s	47 days

Investments:

Certificates of deposit (“CDs”) were held with QPD financial institutions for collateralization. The weighted average maturity was 359 days. CD balances were valued using prices quoted in active markets for identical assets (level 1).

Reconciliation to Statement of Net Position:

	<u>Balance</u>
Assets:	
Cash and investments	\$ 19,631,609
Restricted assets:	
Cash and investments	<u>1,577,428</u>
Total	<u>\$ 21,209,037</u>

The City’s investment policy defines investment objectives, authorized investments, standards of prudence, maturity guidelines, liquidity requirements, and performance measures. The investment policy is designed to address several risk factors, including interest rate risk, credit risk, and custodial credit risk.

Authorized investments:

- Investment pools organized pursuant to Section 163.01 and 218.415 of the Florida Statutes
- Local Government Surplus Trust Fund
- Florida Municipal Investment Trust Funds
- SEC registered money market funds with the highest credit quality from a nationally recognized rating agency
- Interest-bearing time deposits or savings accounts in qualified public depositories

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE B – CONTINUED

- Direct obligations of the U.S. Treasury
- Certificates, notes, bonds, or bills of the United States or other obligations of the United States or its agencies
- Obligations of government-sponsored corporations (instrumentalities)
- Collateralized mortgage obligations
- Bankers' Acceptance guaranteed by banking institutions with ratings of "AA" on long-term debt
- Commercial Paper (A1/P1 rated)
- Non-negotiable certificates of deposit and bank investment contracts
- Taxable or tax-exempt government bonds, notes or other obligations of investment grade quality
- Repurchase agreements with primary dealers

Interest rate risk: Fixed income securities expose the City to the risk of prevailing interest rate changes. The City's investment policy controls for this risk by establishing a maximum maturity of five years.

Concentration risk: Concentration risk refers to the risk of loss resulting from over-exposure to a specific security or asset class. The City's investment policy addresses concentration risk by requiring diversification and limiting investments in securities that have higher credit risks, investing in securities with varying maturities, and continuously investing a portion of the portfolio in readily available funds such as intergovernmental pools, demand and savings accounts, money market funds, and overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Credit risk: Credit risk is the risk that a security or portfolio will lose value due to a real or perceived change in the ability of the issuer to fulfill its obligations. The selection of banking and investment institutions exposes the City to the possibility of default by external parties. To mitigate credit risk, the City holds all investments on deposit with qualified public depositories, which are required to pledge collateralized assets in the event of a bank failure. The City maintains balances only in local government investment pools with the highest credit quality ratings.

Police Officers' Retirement System (Police Pension):

As of September 30, 2021, the Police Pension held the following cash and investment balances:

	<u>Fair Value</u>	<u>Percentage</u>	<u>Fair Value Level</u>
Cash and cash equivalents	\$ 129,784	0.7%	N/A
Equity mutual funds	11,371,342	57.9%	1
Fixed income mutual funds	8,128,842	41.4%	2
Total	<u>\$ 19,629,968</u>	100.0%	

The fair value of the Police Pension's deposits and investments as of September 30, 2021 was \$19,629,968.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE B – CONTINUED

Interest rate risk: Interest rate risk is managed by laddering the fixed income portfolio so that securities mature on a recurring basis to allow for securities to be re-invested at higher prevailing rates, if applicable, or evaluated for other reinvestment options.

Concentration risk: The Board of Trustees of the Police Pension controls for concentration risk by managing an investment policy, which includes the following provisions:

- Not more than 5% of the Police Pension assets shall be invested in the common stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company, and the value of bonds by any single corporation shall not exceed 5% of the total Police Pension assets.
- Real Estate and Real Estate Investment Trusts shall not to exceed 15% of the total Police Pension assets.
- Investments in corporate common stock and convertible bonds shall not exceed 75% of the Police Pension assets at market value.
- Foreign securities shall not exceed 25% of the assets of the Police Pension.

Credit risk: The Police Pension investment policy addresses credit risk by requiring that fixed income securities be investment grade, as measured by Standard & Poor's or Moody's, and requiring that equity securities be traded on a national exchange.

Firefighters' Retirement System (Fire Pension):

As of September 30, 2021, the Firefighters' Pension held the following cash and investment balances:

	<u>Fair Value</u>	<u>Percentage</u>	<u>Fair Value Level</u>
Cash and cash equivalents	\$ 432,052	2.3%	N/A
Equity mutual funds	8,909,430	46.9%	1
Common stock	3,363,721	17.7%	1
Fixed income mutual funds	4,903,029	25.8%	2
Real estate investment fund	<u>1,408,594</u>	7.4%	1
Total	<u>\$19,016,826</u>	100.0%	

The fair value of the Firefighters' Pension's deposits and investments as of September 30, 2021 was \$19,016,826.

Interest rate risk: Interest rate risk is managed by laddering the fixed income portfolio so that securities mature on a recurring basis to allow for securities to be re-invested at higher prevailing rates, if applicable, or evaluated for other reinvestment options.

Concentration risk: The Board of Trustees of the Firefighters' Pension controls for concentration risk by managing an investment policy, which includes the following provisions:

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE B – CONTINUED

- Not more than 5% of the Firefighters' Pension assets shall be invested in the common stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company, and the value of bonds by any single corporation shall not exceed 5% of the total Firefighters' Pension assets.
- Real Estate and Real Estate Investment Trusts shall not to exceed 15% of the total Firefighters' Pension assets.
- Investments in corporate common stock and convertible bonds shall not exceed 75% of the Firefighters' Pension assets at market value.
- Foreign securities shall not exceed 25% of the assets of the Firefighters' Pension.

Credit risk: The Firefighters' Pension investment policy addresses credit risk by requiring that fixed income securities be investment grade, as measured by Standard & Poor's or Moody's, and requiring that equity securities be traded on a national exchange.

General Employees' Retirement System (General Pension):

As of September 30, 2021, the General Pension held the following cash and investment balances:

	<u>Fair Value</u>	<u>Percentage</u>	<u>Fair Value Level</u>
Cash and cash equivalents	\$ 222,596	1.5%	N/A
Fixed Income mutual funds	\$ 1,691,254		
Equity mutual funds	9,165,555	61.8%	1
Common stock	<u>2,040,160</u>	13.7%	1
Fixed income securities:			
U.S. government obligations	591,253	4.0%	1
Asset backed securities	288,031	1.9%	2
Corporate bonds	825,908	5.6%	2
Municipal Obligations	<u>15,199</u>	0.1%	2
Fixed income subtotal	<u>1,720,391</u>		
Total	<u><u>\$ 14,839,956</u></u>	100.0%	

The fair value of the General Pension's deposits and investments as of September 30, 2021 was \$14,839,956. Maturity schedules for the General Pension's fixed income securities are summarized below:

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE B – CONTINUED

	Maturities by Year
2022	\$ 118,469
2023	475,328
2024	665,930
2025	182,494
2026	58,838
2027	104,686
Remaining - combined	114,646
Total	<u>\$ 1,720,391</u>

Interest rate risk: Interest rate risk is managed by laddering the fixed income portfolio so that securities mature on a recurring basis (as illustrated above) to allow for securities to be re-invested at higher prevailing rates, if applicable, or evaluated for other reinvestment options.

Concentration risk: The Board of Trustees of the General Pension controls for concentration risk by managing an investment policy, which includes the following provisions:

- Not more than 5% of the General Pension assets shall be invested in the common stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company, and the value of bonds by any single corporation shall not exceed 5% of the total General Pension assets.
- Real Estate and Real Estate Investment Trusts shall not to exceed 15% of the total General Pension assets.
- Investments in corporate common stock and convertible bonds shall not exceed 75% of the General Pension assets at market value.
- Foreign securities shall not exceed 25% of the assets of the General Pension.

Credit risk: The General Pension investment policy addresses credit risk by requiring that fixed income securities be investment grade, as measured by Standard & Poor's or Moody's, and requiring that equity securities be traded on a national exchange.

Receivable balances

The Gulf Blvd. electrical undergrounding project is funded entirely by Pinellas County. Capital Fund receivables include County reimbursements totaling \$3,610,642, reported in "due from other governments."

Utility billing: Pinellas County serves as the utility billing agent for the City of St. Pete Beach's sewer fees, reclaimed water fees and water utility service taxes. Receivable balances from Pinellas County included the following significant items:

- General Fund water utility service tax, included in "Receivables, net" on page 29: \$44,251
- Wastewater Fund service charges, included in "Accounts receivable, net" on page 34: \$1,089,897
- Reclaimed Water service charges, included in "Accounts receivable, net" on page 34: \$155,949

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE B – CONTINUED

Allowance for doubtful accounts

Utility billing accruals include an allowance for doubtful accounts past 180 days (increased from 60 days due to COVID-19) delinquent. Allowances included the following significant items:

- General Fund water utility service tax: \$3,287
- Wastewater Fund charges for service: \$83,891
- Reclaimed Water Fund charges for service: \$13,195

Liabilities:

Payable balances

Significant payables included the following items included in the “Accounts payable and accrued liabilities” total for the Wastewater Fund on page 34:

- City of St. Petersburg wastewater treatment billing: \$577,921
- Sanitary sewer capacity improvement project billing: \$637,512
- Retainage related to the sanitary sewer capacity improvement project: \$715,964

Significant payables included the following items included in the “Accounts payable and accrued liabilities” total for the Capital Fund on page 29:

- Vina Del Mar bridge repairs project: \$168,289
- Merry Pier repairs: \$92,428

Construction commitments

Governmental funds included encumbrances of \$2,331,190 for the Gulf Blvd undergrounding project, to be paid from assigned balance in the Capital Fund.

Risk management

The City is subject to losses in the normal course of operations resulting from general liability, property and casualty, workers’ compensation, employee health and accident, and environmental matters. The City does not retain risk. Commercial insurance coverage is maintained in amounts management feels is adequate to protect and safeguard the assets of the City. To the extent such insurance has been purchased, all risk of loss has been transferred to the insurance underwriter.

The City maintains policies through Public Risk Management of Florida for the purposes of protecting against workers’ compensation losses, real and personal property losses, automobile damage, and general liability including malpractice, errors and omissions. Separate policies are maintained for flood and medical insurances.

Public Risk Management of Florida is an intergovernmental pool that assumes the risk of loss for all participating members. Members are subject to additional premium assessments in the event the risk pool requires additional funding to satisfy all claims. The City of St. Pete Beach has not been assessed any additional insurance premiums for the year ended September 30, 2021 nor is management aware of contingent assessments. The City has not reduced insurance coverage from the prior year for any category of insurance risk. Settlement claims, if any, have not exceeded insurance coverage at any time for any of the past three fiscal years.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE C. CAPITAL ASSETS

	<u>Balance</u> <u>10/1/2020</u>	<u>Additions /</u> <u>Transfers in</u>	<u>Deletions /</u> <u>Transfers out</u>	<u>Balance</u> <u>9/30/2021</u>
Governmental activities				
Non-depreciable assets:				
Capital projects in process	\$ 3,551,142	\$ 6,757,205	\$ 2,581,671	\$ 7,726,676
Land, land rights and improvements	4,505,449	330,862	-	4,836,311
Depreciable assets:				
Buildings and other improvements	18,989,542	2,978,545	32,760	21,935,327
Furniture, machinery and equipment	6,294,832	1,746,425	612,822	7,428,435
Infrastructure	56,931,391	3,402,400	216,398	60,117,393
Total at historical cost	<u>\$ 90,272,356</u>	<u>\$ 15,215,437</u>	<u>\$ 3,443,651</u>	<u>\$ 102,044,142</u>
<i>Less accumulated depreciation for:</i>				
Buildings and other improvements	\$ 9,007,759	\$ 633,885	\$ 32,760	\$ 9,608,884
Furniture, machinery and equipment	4,273,247	571,120	606,166	4,238,201
Infrastructure	12,762,738	2,035,472	189,335	14,608,875
Total accumulated depreciation	<u>\$ 26,043,744</u>	<u>\$ 3,240,477</u>	<u>\$ 828,261</u>	<u>\$ 28,455,960</u>
 Total governmental capital assets, net	 <u>\$ 64,228,612</u>	 <u>\$ 11,974,960</u>	 <u>\$ 2,615,390</u>	 <u>\$ 73,588,182</u>
 Business-type activities				
Non-depreciable assets:				
Capital projects in process	\$ 1,908,530	\$ 15,140,588	\$ 709,490	\$ 16,339,628
Land, land rights and improvements	310,117	-	-	310,117
Depreciable assets:				
Buildings and other improvements	129,409	-	-	129,409
Furniture, machinery and equipment	1,297,726	24,542	-	1,322,268
Infrastructure	37,130,263	4,253,999	-	41,384,262
Total at historical cost	<u>\$ 40,776,045</u>	<u>\$ 19,419,129</u>	<u>\$ 709,490</u>	<u>\$ 59,485,684</u>
<i>Less accumulated depreciation for:</i>				
Buildings and other improvements	\$ 35,881	\$ 5,907	\$ -	\$ 41,788
Furniture, machinery and equipment	711,765	91,878	-	803,643
Infrastructure	13,210,338	1,054,772	-	14,265,110
Total accumulated depreciation	<u>\$ 13,957,984</u>	<u>\$ 1,152,557</u>	<u>\$ -</u>	<u>\$ 15,110,541</u>
 Total business-type capital assets, net	 <u>\$ 26,818,061</u>	 <u>\$ 18,266,572</u>	 <u>\$ 709,490</u>	 <u>\$ 44,375,143</u>

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE C – CONTINUED

Depreciation expense was charged as follows:

Governmental activities:

General government	\$ 81,571
Public safety	290,245
Public works	2,053,541
Culture and recreation	<u>815,120</u>
	<u><u>\$ 3,240,477</u></u>

Business-type activities:

Wastewater	767,741
Reclaimed Water	244,432
Stormwater	<u>140,384</u>
	<u><u>\$ 1,152,557</u></u>

Total depreciation expense	<u><u>\$ 4,393,034</u></u>
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In accordance with GASB Statement #51 – “Accounting and Financial Reporting for Intangible Assets”, the City includes intangible purchases as a capital asset in the category of “Furniture, machinery and equipment” and property easements are included within the category of “Land, land rights and improvements”.

The City recorded \$2,287 in contributed capital assets and adjustments for the fiscal year ended September 30, 2021. This includes donated capital assets (e.g., library books), which are recorded at acquisition value.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D. PENSION

Defined Benefit Plans:

The City administers three defined benefit pension plans (the Plans): the Police Officers' Retirement System (Police Pension), the Firefighters' Retirement System (Firefighters' Pension) and the General Employees' Retirement System (General Pension). All three of the Plans are single employer defined benefit plans. The Plans are administered pursuant to the following laws: Police Pension - Florida Statutes Chapter 185; Firefighters' Pension - Florida Statutes Chapter 175, and General Pension - City Code of Ordinances Chapter 16, Article III. The Plans are reported herein as Fiduciary Funds as part of the City's reporting entity. The financial statements of each Plan are included in the Annual Comprehensive Financial Report of the City. The Plans do not issue stand-alone financial reports.

The investments of the Plans are held by the City in a trustee capacity and are maintained in segregated trust accounts for each Plan. The trust accounts are managed by a professional trustee pursuant to trust agreements with the City. The costs of administering the pension funds, including professional fees, are paid by each respective pension plan.

The Police Pension is administered by a 5-member Board of Trustees comprised of two legal residents appointed by the City Commission, two members of the system elected by a majority of the membership, and the fifth member is elected by the other four members and is appointed by the Commission.

The Firefighters' Pension is administered by a 5-member Board of Trustees comprised of two legal residents appointed by the City Commission, two full-time firefighters who are elected by a majority of the members of the plan, and a fifth Trustee who is chosen by a majority of the other four members.

The General Pension is administered by a 5-member Board of Trustees comprised of two legal residents appointed by the City Commission, two elected employee members, and one public member nominated by the board and appointed by the City Commission.

Significant Accounting Policies

The Plans' significant accounting policies are as follows (several of these policies are briefly disclosed in Note A to the financial statements):

Basis of Accounting: The Plans' financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plans are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans.

Method Used to Value Investments: Investments are reported at fair value. Short-term money market type investments are reported at cost, which is equal to fair value. Securities traded on a national exchange are valued at the last reported sales price.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

Plan Description: Each of the Plans provides retirement, disability, death benefits and deferred retirement option plans (DROP) to plan members and their beneficiaries. Each Plan has early retirement provisions and cost of living increase provisions.

Membership of the Plans: Membership of each plan consisted of the following at October 1, 2021:

	Police Pension	Firefighters' Pension	General Pension
Inactive plan members or beneficiaries currently receiving benefits	27	38	76
Inactive plan members entitled to but not yet receiving benefits	5	7	47
Active plan members	0	33	32
Total	32	70	155

Benefits Provided:

Police Pension

- As a result of the Police Department being merged into the Pinellas County Sheriff's Department, Plan members can elect to remain in the Police Pension or enter into Florida Retirement System.
- A freeze on all accrued benefits was implemented as of January 31, 2013 except for Plan members who have attained age 55 or 25 years of credited service as of that date. Such members will accrue benefits in accordance with the Plan provisions in effect prior to January 31, 2013: members hired before 10-1-1981 will receive 3.2% of average final compensation for service to 10-1-1981 plus 4% of average final compensation for service from 10-1-1981 to 1-13-2013 and for members hired after 10-1-1981 will receive 3.2% of average final compensation for service up to 1-31-2013.
- For all Plan members that had not completed 10 years of credited service by January 31, 2013, the normal retirement date will be the earlier of attaining age 60 and the completion of 10 years of credited service or the completion of 30 years of credited service regardless of age.
- Early retirement is the earlier of age 50 and 10 years of credited service and 20 years of credited service regardless of age for frozen benefits. There is no early retirement for those that don't have frozen benefits, except that if a member had 10 years of credited service on January 31, 2013 then prior retirement criteria applies to both benefits. The amount is equal to the accrued benefit, reduced 3% per year.
- A member is 10% vested after 1 year of credited service plus 10% per year thereafter up to 100% after 10 years if they have frozen benefits and 100% after 10 years of credited service for all other participants. A member will receive the vested portion of their accrued benefit payable at the otherwise normal retirement date.
- Members are eligible for total and permanent disability benefits after 10 years of credited service (for non-service incurred) or from the date of hire (for service-incurred). The benefits are accrued to the date of disability but not less than 50% of average final compensation for service-incurred disability.
- Pre-retirement death benefits for vested individuals is equal to the value of accrued benefits payable on a monthly basis to the beneficiary for 10 years. For non-vested members, benefits include a refund of contributions without interest.
- Retirees receive a 3% per year cost of living adjustment (COLA) commencing 7 years after retirement (10 years after retirement if they retired prior to March 14, 2006) on any frozen benefits. There is no COLA for members without frozen benefits.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

- Plan members will not be able to enter the Deferred Retirement Option Program (DROP) effective February 1, 2013 except for Plan members who have attained age 55 or 25 years of credited service as of that date. Participation is not to exceed 60 months and the member can elect a rate of return equal to 7.5% annual rate or actual net rate of investment return credited each fiscal quarter. The DROP balance as of September 30, 2021 was \$0.
- Member contribution rates were lowered from 8.3% to 3% effective February 1, 2013 except for Plan members who have attained age 55 or 25 years of credited service as of that date who will continue to make contributions at 8.3%.

Firefighters' Pension

- A freeze on all accrued benefits was implemented as of December 31, 2012 except for Plan members who have attained the earlier of age 55 or 25 years of credited service as of that date, regardless of age. Such members will accrue benefits on the frozen portion in accordance with the Plan provisions in effect prior to December 31, 2012, receiving 3.4% of their average final compensation times credited service.
- The normal retirement date for all Plan members that had not completed 10 years of credited service by January 1, 2013 such that the normal retirement date is the earlier of attaining age 55 or the completion of 30 years of credited service regardless of age. These members will receive 3.4% of their average final compensation times credited service.
- The maximum combined benefit is 100% of average final compensation. If a member's accrued benefit as of January 1, 2013 is greater than or equal to 75% of average final compensation, the benefit percentage may not be reduced.
- For members with frozen benefits, early retirement is the earlier of age 50 and 10 years of credited service or the completion of 20 years credited service, regardless of age. The benefit amount is the accrued benefit reduced by 3% for each year commencement of benefits precedes the normal retirement date. There is no early retirement for members without frozen benefits.
- A member becomes 100% vested after attaining 10 years of credited service and is 0% vested prior to attaining 10 years of credited service. The members will receive the vested portion of their accrued benefits payable at the otherwise normal retirement date. Pre-freeze members will continue to use the 10% per year vesting schedule.
- Members are eligible for total and permanent disability benefits after 10 years of credited service (for non-service incurred) or from the date of hire (for service-incurred). The benefits are accrued to the date of disability but not less than 42% of average final compensation for service-incurred disability.
- Pre-retirement death benefits for vested individuals is equal to the value of accrued benefits payable on a monthly basis to the beneficiary for 10 years. For non-vested members, member contributions are refunded.
- Retirees receive a 3% per year cost of living adjustment (COLA) commencing 7 years after retirement on any frozen benefits. There is no COLA for members without frozen benefits.
- Plan members will not be able to enter the Deferred Retirement Option Program (DROP) effective January 1, 2013 except for Plan members who have attained age 55 or 25 years of credited service as of that date. Participation is not to exceed 60 months and the member can elect a rate of return equal to 7.5% annual rate or the actual net rate of investment return credited each fiscal quarter. The DROP balance as of September 30, 2021 was \$76,957.
- Member contribution rates were increased from 3% to 11.9% effective September 30, 2017, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

- Member contribution rates were increased from 11.9% to 12.1% effective September 30, 2018, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.
- Member contribution rates were increased from 12.1% to 13.0% effective September 30, 2019, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.
- Member contribution rates were increased from 13.0% to 13.5% effective September 30, 2020, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.
- Member contribution rates were increased from 13.50% to 13.9% effective September 30, 2021, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.
- City-funded benefit accrual rate increased from 2.25% to 2.75% as of October 1, 2020.

General Pension

- A freeze on all accrued benefits was implemented as of September 30, 2012 except for Plan members who have attained age 55 or 25 years of credited service as of that date, regardless of age. Such members will accrue benefits on the frozen portion in accordance with the Plan provisions in effect prior to September 30, 2012, receiving 2.25% of their average final compensation times credited service.
- The normal retirement date for members hired before October 1, 2002 is the earlier of age 55 or the completion of 25 years of credited service, regardless of age. For individuals hired after October 1, 2002, normal retirement is the earlier of age 60 with 10 years of credited service or the completion of 30 years credited service, regardless of age, and will receive 1.00% of average final compensation time-credited service earned on and after October 1, 2012.
- The maximum combined benefit is 75% of average final compensation.
- For members with frozen benefits, early retirement is age 50 and the completion of 10 years of credited service. The benefit amount is the accrued benefit reduced by 1/15th for each year that the commencement of payments precedes normal retirement. There is no early retirement for members without frozen benefits.
- A member becomes 10% vested after 1 year of credited service for frozen benefits and is 100% vested after attaining 10 years of credited service. Members without frozen benefits are 0% vested prior to attaining 10 years of credited service. A member will receive the vested portion of their accrued benefit payable at the otherwise normal retirement date or on a reduced basis beginning at early retirement.
- Members are eligible for total and permanent disability after 10 years of credited service. The benefit is accrued to the date of disability.
- Pre-retirement death benefits are equal to the value of the accrued benefit payable on a monthly basis to the designated beneficiary for 10 years.
- Retirees receive a 3% per year cost of living adjustment (COLA) on any frozen benefits after completing 10 years of retirement. There is no COLA for members without frozen benefits.
- Plan members will not be able to enter the Deferred Retirement Option Program (DROP) effective October 1, 2012 except for Plan members who have attained age 55 or 25 years of credited service as of that date. Participation is not to exceed 60 months and the member can elect a rate of return equal to 7.5% annual rate or the actual net rate of investment return credited each fiscal quarter. The DROP balance as of September 30, 2021 was \$(372).

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

- Member contribution rates were lowered from 7.6% to 3% effective February 1, 2013 except for Plan members who have attained age 55 or 25 years of credited service as of that date who will continue to make contributions at 7.6%.
- General pension was closed to management, administrative, professional and supervisory (MAPS) employees effective December 1, 2020. All newly hired MAPS employees will participate in the City's defined contribution money purchase retirement plan.

Net Pension Asset and Liability:

During the year ended September 30, 2015, the City adopted GASB 68 *Accounting and Financial Reporting for Pensions*. This required the City to record its net pension asset and liability on the basic financial statements. The net pension asset and liability are measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position.

The City's total pension liability recorded in the September 30, 2021 financial statements was measured as of September 30, 2021.

Actuarial Assumptions: The total pension liability was determined using the following actuarial assumptions:

	Police Pension	Firefighters' Pension	General Pension
Projected salary increases	N/A	4.0 - 5.5% per year corresponding to years of credited service	5% per year
Inflation rate	2.5%	2.50%	2.30%
Discount rate	6.2%	7.50%	7.50%
Investment rate of return	6.2%	7.50%	7.50%
Mortality rate	PubS.H-2010 Combined Healthy Mortality Table, set forward one year Disabled Lives 80% PubG.H- 2010, 20% PubS.H- 2010	PubS.H-2010 (below median) Combined Healthy Mortality Table, set forward one year Disabled Lives 80% PubG.H-2010, 20% PubS.H-2010	Pub G.H-2010 (Below Median) (males-set back one year) Disabled Lives PubG.H-2010, set forward three years

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

Actuarial changes from the prior year:

Police Pension: For measurement date 09/30/21, the investment rate of return was lowered from 7.00% to 6.20% per year, net of investment related expenses.

Firefighters' Pension: For measurement date 09/30/2020, as mandated by chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics. Additionally, the investment return was lowered from 7.55% to 7.50% per year, net of investment related expenses.

General Pension: For measurement date 09/30/20, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 2, 2019 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class included in the Plans' adopted target asset allocation policy as of September 30, 2021 are summarized in the following table:

Asset Class	Police Pension Target Allocation	Police Pension Expected Return	Firefighters' Pension Target Allocation	Firefighters' Pension Expected Return	General Pension Target Allocation	General Pension Expected Return
Cash					1%	.85%
Domestic Equity	45%	7.5%	50%	7.5%	58%	5.83%
International Equity	10%	8.5%	15%	8.5%	8%	4.59%
Global Fixed Income	5%	3.5%	5%	3.5%	-	-
Broad Market Fixed Income	40%	2.5%	20%	2.5%	-	-
Fixed Income	-	-	-	-	24%	1.30%
Real Estate Funds	-	-	10%	4.5%	5%	4.43%
Emerging Markets					4%	6.65%

None of the plans held investments in any one organization that represents 5% or more of the Plans' fiduciary net position.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

The annual money-weighted rate of return on Plan investments, net of investment expense for the year ended September 30, 2021 was:

- Police Pension: 17.36%
- Firefighters' Pension: 17.23%
- General Pension: 21.62%

The discount rate used to measure the total pension liability was 6.2% for the Police Pension, 7.50% for the Firefighters' Pension and 7.50% for the General Pension. The projection of cash flows used to determine the discount rate assumed that plan member (employee) contributions will be made at the current contribution rate and that plan sponsor (employer) contributions will be made at rates equal to the difference between actuarially determined contribution rates and the plan member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>General Pension</u>
Total pension liability	\$ 19,549,229	\$ 24,512,586	\$ 16,710,917
Plan fiduciary net position	<u>(19,724,409)</u>	<u>(19,206,165)</u>	<u>(14,838,443)</u>
Net pension liability (asset)	<u><u>(175,180)</u></u>	<u><u>5,306,421</u></u>	<u><u>1,872,474</u></u>

Change in Net Pension Asset and Liability: The change in the net pension asset and liability for each pension plan for the year ended September 30, 2021 is as follows, with various differences noted in the ending plan fiduciary net position per the actuarial valuation versus the financial statements due to timing differences resulting from the accrual of income and expense items.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
<u>Police Pension</u>			
Beginning balance	\$ 18,121,814	\$ 17,969,938	\$ 151,876
Changes for the year:			
Interest	1,222,496	-	1,222,496
Difference between expected & actual experience	348	-	348
Changes of assumptions	1,519,746	-	1,519,746
Contributions - employer	-	395	(395)
Contributions - State	-	98,720	(98,720)
Net investment income	-	3,014,951	(3,014,951)
Benefit payments	(1,315,175)	(1,315,175)	-
Administrative expense	-	(44,420)	44,420
Net changes	1,427,415	1,754,471	(327,056)
Ending balance	<u>\$ 19,549,229</u>	<u>\$ 19,724,409</u>	<u>\$ (175,180)</u>
<u>Firefighters' Pension</u>			
Beginning balance	\$ 23,766,199	\$ 16,457,439	\$ 7,308,760
Changes for the year:			
Service cost	468,978	-	468,978
Interest	1,768,102	-	1,768,102
Difference between expected & actual experience	(172,163)	-	(172,163)
Changes of benefit terms	(2,436)	-	(2,436)
Contributions - State	-	203,153	(203,153)
Contributions - employer	-	811,509	(811,509)
Contributions - employees	-	290,113	(290,113)
Net investment income (loss)	-	2,816,274	(2,816,274)
Benefit payments	(1,316,094)	(1,316,094)	-
Administrative expense	-	(56,229)	56,229
Net changes	746,387	2,748,726	(2,002,339)
Ending balance	<u>\$ 24,512,586</u>	<u>\$ 19,206,165</u>	<u>\$ 5,306,421</u>
<u>General Pension</u>			
Beginning balance	\$ 16,531,892	\$ 12,709,761	\$ 3,822,131
Changes for the year:			
Service cost	69,827	-	69,827
Interest	1,199,830	-	1,199,830
Difference between expected & actual experience	117,328	-	117,328
Contributions - employer	-	660,537	(660,537)
Contributions - employees	-	35,355	(35,355)
Net investment income	-	2,695,162	(2,695,162)
Benefit payments	(1,207,960)	(1,207,960)	-
Administrative expense	-	(54,412)	54,412
Net changes	179,025	2,128,682	(1,949,657)
Ending balance	<u>\$ 16,710,917</u>	<u>\$ 14,838,443</u>	<u>\$ 1,872,474</u>

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

Sensitivity of the net pension liability to changes in the discount rate:

Police Pension	1% Decrease (5.20%)	Current Discount Rate (6.20%)	1% Increase (7.20%)
Net Pension Liability (Asset)	\$2,057,122	\$(175,180)	\$(2,041,607)
Firefighters' Pension	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net Pension Liability	\$8,494,593	\$5,306,421	\$2,684,707
General Pension	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$3,561,796	\$1,872,474	\$443,838

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources:

For the year ended September 30, 2021 the City recognized pension expense in the following amounts:

Police Pension	\$ 1,076,967
Firefighters' Pension	319,914
General Pension	160,140
Total Pension expense	<u>\$ 1,557,021</u>

The City has reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions in the Statement of Net Position as of September 30, 2021 from the following sources:

	Deferred Outflows of Resources			
	Police Pension	Firefighters' Pension	General Pension	Total
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ -	\$ -	\$ -
Differences between expected and actual experience	-	112,142	58,664	170,806
Change of assumptions	-	125,162	-	125,162
	<u>\$ -</u>	<u>\$ 237,304</u>	<u>\$ 58,664</u>	<u>\$ 295,968</u>
	Deferred Inflows of Resources			
	Police Pension	Firefighters' Pension	General Pension	Total
Net difference between projected and actual earnings on pension plan investments	\$ 1,666,839	\$ 1,508,487	\$ 1,112,017	\$ 4,287,343
Differences between expected and actual experience	-	270,476	-	270,476
Change of assumptions	-	180,318	-	180,318
	<u>\$ 1,666,839</u>	<u>\$ 1,959,281</u>	<u>\$ 1,112,017</u>	<u>\$ 4,738,137</u>

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to the pension funds will be recognized in pension expense as follows:

<u>Year ended September 30,</u>	<u>Police</u>	<u>Firefighters'</u>	<u>General</u>
2022	\$ (418,013)	\$ (481,102)	\$ (164,260)
2023	(417,029)	(408,705)	(221,187)
2024	(471,560)	(480,837)	(315,271)
2025	(360,237)	(351,333)	(352,635)
2026	-	-	-

Financial Statements: The financial statements for each of the pension funds as of and for the year ended September 30, 2021 are as follows:

Statement of Fiduciary Net Position
September 30, 2021

	<u>Police</u>	<u>Fire</u>	<u>General</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents with trustee	\$ 129,784	\$ 432,052	\$ 222,596	\$ 784,432
Receivables				
Due from State	99,115	203,153	-	302,268
Interest and dividends receivable	-	1,795	5,966	7,761
Total receivables	<u>99,115</u>	<u>204,948</u>	<u>5,966</u>	<u>310,029</u>
Investments, at fair value:				
Government agency obligations	-	-	591,253	591,253
Asset-backed securities & collateralized obligations	-	-	288,031	288,031
Corporate bonds	-	-	825,908	825,908
Municipal Obligations	-	-	15,199	15,199
Fixed income mutual funds	8,128,842	4,903,029	1,691,254	14,723,125
Equities - common stock	-	3,363,721	2,040,160	5,403,881
Equities - mutual funds	11,371,342	8,909,430	9,165,555	29,446,327
Real estate funds	-	1,408,594	-	1,408,594
Total investments	<u>19,500,184</u>	<u>18,584,774</u>	<u>14,617,360</u>	<u>52,702,318</u>
Total assets	<u>\$ 19,729,083</u>	<u>\$ 19,221,774</u>	<u>\$ 14,845,922</u>	<u>\$ 53,796,779</u>
LIABILITIES				
Accounts payable	<u>\$ 4,674</u>	<u>\$ 15,609</u>	<u>\$ 7,479</u>	<u>\$ 27,762</u>
NET POSITION				
Restricted for pensions	<u>\$ 19,724,409</u>	<u>\$ 19,206,165</u>	<u>\$ 14,838,443</u>	<u>\$ 53,769,017</u>

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2021

	<u>Police</u>	<u>Fire</u>	<u>General</u>	<u>Total</u>
Additions				
Contributions:				
Employer	\$ 395	\$ 811,509	\$ 660,537	\$ 1,472,441
Plan members	-	290,113	35,355	325,468
State-insurance premium taxes	98,720	203,153	-	301,873
Total contributions	<u>99,115</u>	<u>1,304,775</u>	<u>695,892</u>	<u>2,099,782</u>
Investment earnings				
Net appreciation (depreciation) - fair value of investments	2,428,655	2,248,667	2,428,626	7,105,948
Interest and dividends	614,496	619,397	310,161	1,544,054
Total investment earnings	<u>3,043,151</u>	<u>2,868,064</u>	<u>2,738,787</u>	<u>8,650,002</u>
Less: investment expense	(28,200)	(51,790)	(43,625)	(123,615)
Net investment income (loss)	3,014,951	2,816,274	2,695,162	8,526,387
Total additions	<u>3,114,066</u>	<u>4,121,049</u>	<u>3,391,054</u>	<u>10,626,169</u>
Deductions				
Benefit payments and refunds	1,315,175	1,316,094	1,207,960	3,839,229
Administrative expenses	44,421	56,228	54,412	155,061
Total deductions	<u>1,359,596</u>	<u>1,372,322</u>	<u>1,262,372</u>	<u>3,994,290</u>
Change in net position	1,754,470	2,748,727	2,128,682	6,631,879
Net position restricted for pensions, beginning of year	<u>17,969,939</u>	<u>16,457,438</u>	<u>12,709,761</u>	<u>47,137,138</u>
Net position restricted for pensions, end of year	<u>\$ 19,724,409</u>	<u>\$ 19,206,165</u>	<u>\$ 14,838,443</u>	<u>\$ 53,769,017</u>

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE D – CONTINUED

Defined Contribution Plans

Money Purchase Retirement Plan

Plan Description: The City implemented a defined contribution - money purchase - retirement plan (the “DC Plan”) during fiscal year 2005. Eligible participants consist of the city manager, department directors and other managerial, administrative, professional and supervisory personnel. The DC Plan provides retirement benefits to plan members and beneficiaries. All DC Plan provisions, including benefits, eligibility and vesting, are established by the City Commission and can only be amended with Commission approval.

Funding Policy: Pursuant to the DC Plan agreement, the City contributes 15% of eligible wages for the city manager, 12% of eligible wages for department directors, and 10% of eligible wages for all other participants. The City’s total contribution for the year ended September 30, 2021 was \$275,266.

Hybrid Money Purchase Retirement Plan

Plan Description: The City implemented an additional defined contribution - money purchase - retirement plan (the “Hybrid Plan”) effective October 1, 2012. Eligible participants consist of non-managerial general employees that elect to participate in the Hybrid Plan. Participants that elect to participate are still required to participate in the General Employees’ Retirement System.

Funding Policy: The City makes a matching contribution to the Hybrid Plan as follows: general employees with less than 14 years of credited service as of October 1, 2012 can contribute up to 5% of their earnings each year and the City will match 50% of the contribution percentage up to 2.5% of the employee’s contribution; general employees with more than 14 years of credited service as of the effective date can contribute up to 5% of earnings and the City will match 75% of the contribution percentage up to 3.75% of the employee’s contribution. The City’s total contribution for the year ended September 30, 2021 was \$31,385.

Both the DC Plan and Hybrid Plan are administered by ICMA Retirement Corporation. ICMA Retirement Corporation issues financial statements and reports as well as required supplementary information. This information can be obtained by writing ICMA Retirement Corporation at 777 North Capitol Street NE, Washington, D.C. 20002-4240 or by calling 800-326-7272.

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE E. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Other Post-Employment Benefits Plan

Plan Description: The City provides a defined benefit post-employment health care, dental, and life insurance plan (the “OPEB Plan”), whereby retired employees are able to purchase medical, dental, and life insurance benefits through the City’s insurance providers. The OPEB Plan is administered by the City as a single-employer plan.

Effective October 1, 2017, the City implemented GASB Statement No. 75, *Accounting and Reporting for Post-Employment Benefits Other Than Pensions*, for certain post-employment healthcare benefits provided by the City.

Benefits Provided: Retired employees, including their eligible dependents, that are eligible to participate in the OPEB Plan are required to pay 100% of their respective health care, dental, and life insurance premiums. Because retirees pay the same premium as active employees rather than age-adjusted premiums, the City’s cost to provide benefits is higher than it otherwise would be without retirees on the plan. This impact to the City is referred to as an “implicit rate subsidy” and the incremental increase in health care, dental, and life insurance premiums is reflected in the City’s OPEB liability.

The OPEB Plan is unfunded and there is no separate trust through which benefits for retirees are funded. No assets are accumulated for the OPEB Plan and all approved benefits are paid from general assets when due. The OPEB Plan does not issue separate, standalone audited financial statements.

Plan Membership: At October 1, 2019, the date of the latest actuarial valuation, plan participation consisted of the following:

Active employees:	87
Inactive employees entitled to, but not yet receiving, benefits:	0
Inactive employees:	<u>8</u>
Total:	<u>95</u>

Total OPEB Liability: The City’s total OPEB liability of \$512,621 was measured as of September 30, 2021 and was determined by an actuarial valuation as of that date.

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

Inflation:	3.00%
Salary increases:	4.00%
Discount rate:	2.43%
Healthcare cost trend rate:	4.50%
Retirees' share of benefit-related costs:	100.00%

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE E – CONTINUED

Actuarial changes from the prior year: The discount rate was increased from 2.14% to 2.43% to comply with GASB 75. The discount rate was based the S&P Municipal Bond 20 Year High Grade Rate Index as of September 30, 2021. The mortality assumption was changed from the RP-2014 Combine Annuitant Mortality Table for males and females to the PubS.H-20102 Mortality Table – Safety for firefighters and PubG.H-2010 Mortality Table – General for all others.

Changes in the OPEB liability for the fiscal year ended September 30, 2021, were as follows:

	<u>Total OPEB Liability</u>
Balance at September 30, 2020	\$ 529,476
Changes for year:	
Service Cost	38,834
Interest	10,713
Changes of assumptions and other inputs	(8,659)
Benefit payment - implicit rate subsidy	(57,743)
Net changes	<u>(16,855)</u>
Balance at September 30, 2021	<u><u>\$ 512,621</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the City calculated using the discount rate of 2.43%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.43%) or 1% higher (3.43%) than the current rate:

	<u>1% Decrease (1.43%)</u>	<u>Current Discount Rate (2.43%)</u>	<u>1% Increase (3.43%)</u>
Total OPEB Liability	\$ 543,273	\$ 512,621	\$ 484,284

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE E – CONTINUED

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate:

The following presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (1.43%) or 1% higher (3.43%) than the current healthcare cost trend rates (2.43%):

	<u>1% Decrease</u> <u>(1.43%)</u>	<u>Current Discount</u> <u>Rate (2.43%)</u>	<u>1% Increase</u> <u>(3.43%)</u>
Total OPEB Liability	\$ 473,582	\$ 512,621	\$ 557,946

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources:

For the year ended September 30, 2021, the City recognized OPEB expense of \$38,485. At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB expense from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 70,865	\$ 146,600
Changes of assumptions	67,225	85,515
Total	<u>\$ 138,090</u>	<u>\$ 232,115</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 ended September 30:</u>	<u>Outflows</u>	<u>Inflows</u>	<u>Net</u>
2022	\$ 23,978	\$ (35,040)	\$ (11,062)
2023	23,978	(35,040)	(11,062)
2024	23,978	(35,040)	(11,062)
2025	23,978	(35,040)	(11,062)
2026	23,978	(35,040)	(11,062)
2027	10,927	(25,308)	(14,381)
2028	4,922	(20,983)	(16,061)
2029	2,348	(10,505)	(8,157)
2030	-	(118)	(118)

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE F. LONG-TERM LIABILITIES

Long-term debt activity for the fiscal year ended September 30, 2021 was as follows:

	Balance 9/30/2020	Increases	Decreases	Balance 9/30/2021	Due Within One year
Governmental Activities					
Capital Improvement Revenue Bonds, Series 2015	\$ 11,665,000	\$ -	\$ 275,000	\$ 11,390,000	\$ 290,000
Police Pension Obligation Revenue Bonds, Series 2019	6,700,000	-	362,354	6,337,646	372,934
Capital leases	-	500,000	93,511	406,489	97,923
Accumulated unused Compensated absences	462,325	247,041	259,423	449,943	336,828
	<u>\$ 18,827,325</u>	<u>\$ 747,041</u>	<u>\$ 990,288</u>	<u>\$ 18,584,078</u>	<u>\$ 1,097,685</u>
Business-Type Activities					
State Revolving Loan (2003)	\$ 55,047	\$ -	\$ 17,897	\$ 37,150	\$ 18,448
State Revolving Loan (2005)	1,224,450	-	191,344	1,033,106	196,371
State Revolving Loan (2020)	-	10,460,162	-	10,460,160	85,280
Wastewater Revenue Bond, Series 2015	4,097,000	-	4,097,000	-	-
Wastewater Utility System Refunding Revenue Bond (2020)	-	4,157,000	-	4,157,000	242,297
Stormwater Revenue Bond, Series 2015	2,201,000	-	192,000	2,009,000	198,000
Capital leases	75,165	-	75,165	-	-
Accumulated unused Compensated absences	13,296	11,019	9,772	14,543	11,214
	<u>\$ 7,665,958</u>	<u>\$ 14,628,181</u>	<u>\$ 4,583,178</u>	<u>\$ 17,710,959</u>	<u>\$ 751,610</u>
Total	<u>\$ 26,493,283</u>	<u>\$ 15,375,222</u>	<u>\$ 5,573,466</u>	<u>\$ 36,295,037</u>	<u>\$ 1,849,295</u>

Long-term debt for the governmental activities is comprised of the following as of September 30, 2021:

Taxable Pension Obligation Notes 2019: Revenue bonds in the amount of \$6,700,000 were issued during fiscal year 2020 for the principal purpose of eliminating the unfunded actuarial accrued liability of the St. Pete Beach Municipal Police Officers Pension. The outstanding notes mature in various amounts annually, ranging from \$362,354 to \$542,162 on November 30, 2034. Interest on the outstanding bonds accrues at a fixed rate of 2.92% and is payable semi-annually on May 30 and November 30. The bond principal and interest are secured by and payable from the non-ad valorem revenues.

\$6,337,646

Capital Improvement Revenue Bonds, Series 2015: Revenue bonds in the amount of \$13,000,000 were issued for the principal purpose of acquiring, constructing and equipping various capital improvements within the City. The outstanding bonds mature in various amounts annually, ranging from \$245,000 to \$720,000, through May 1, 2045. Interest on the outstanding bonds accrues at rates ranging from 2% to 5% and is payable semi-annually on May 1 and November 1. The bond principal and interest are secured by and payable from the Local Government Half-cent Sales Tax, the Guaranteed Entitlement Revenues portion of the State of Florida Revenue Sharing Trust Fund, Franchise Fees and Utility Service Tax revenues.

\$11,390,000

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE F – CONTINUED

Capital leases (2021): The City leases a Fire pumper under a lease-purchase agreement that expires in June 2025, with an interest rate of 2.45%. The lease terms require the City to pay any taxes, insurance and maintenance expenses related to the fire pumper. As of September 30, 2021, the present value of future minimum lease payments was:

\$406,489

Accumulated unused compensated absences: Represents the vested portion of accumulated vacation and sick pay benefits due to employees. These liabilities are liquidated through the governmental fund in which the liability is incurred.

\$449,943

Total Governmental Activities Long-Term Debt

\$18,584,078

Long-term debt for the business-type activities is comprised of the following as of September 30, 2021:

State Revolving Loan (2003): The City entered into a revolving loan agreement with the State of Florida Department of Environmental Protection (DEP) on November 5, 2001, whereby DEP agreed to finance a sanitary sewer and reclaimed water relocation – reconstruction project. The final amended agreement provided for a total amount of available loan proceeds of \$492,549. The total amount drawn on the loan, including capitalized interest and excluding service fees, was \$287,004. The loan is to be repaid in semi-annual installments of \$9,725, including interest at 3.05%, through September 15, 2023. The first payment was due March 15, 2004. The loan is secured by a lien on pledged revenues from the wastewater system after payment of operation and maintenance expenses.

\$ 37,150

State Revolving Loan (2005): The City entered into a revolving loan agreement with the State of Florida Department of Environmental Protection (DEP) on May 14, 2004, whereby DEP agreed to finance a new master lift station. The final amended agreement provided for a total amount of available loan proceeds of \$3,630,146. The total amount drawn on the loan, excluding capitalized interest and service fees, was \$3,515,929. The remaining balance of the loan is to be repaid in semi-annual installments of \$111,053, including interest at 2.60%, through September 15, 2026. The first payment was due March 15, 2007. The loan is secured by a lien on pledged revenues from the wastewater system after payment of operation and maintenance expenses.

\$1,033,106

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE F – CONTINUED

State Revolving Loan (2020): The City entered into a revolving loan agreement with the State of Florida Department of Environmental Protection (DEP) on March 31, 2020, whereby DEP agreed to finance the construction of wastewater pollution control facilities. The agreement provided for a total amount of available loan proceeds of \$12,970,747. The total amount drawn on the loan, including capitalized interest and service fees, was \$10,460,162 at September 30, 2021. The remaining balance of the loan is to be repaid in semi-annual installments of \$331,485, including interest at .22%, through July 15, 2042. The first payment is due August 15, 2022. The loan is secured by a lien on pledged revenues from the wastewater system after payment of operation and maintenance expenses.

\$10,460,160

Stormwater Improvement Assessment Bond, Series 2015: An assessment bond in the amount of \$3,000,000 was issued for the principal purpose of financing costs of the acquisition, construction and equipping of various stormwater improvements. The bond matures semi-annually on May 1 and November 1, in various amounts ranging from \$84,000 to \$126,000, through May 1, 2030. Interest on the outstanding bond accrues at a rate of 2.95% and is payable semi-annually on May 1 and November 1. The bond principal and interest are secured by and payable from the annual assessments levied on the real property benefited by the City's Stormwater Utility System, and if necessary, other available non- Ad valorem revenues.

\$2,009,000

Wastewater Utility System Refunding Revenue Bond Series 2020: On October 30, 2020, the City executed \$4,157,000 in Wastewater Utility System Refunding Revenue bond, Series 2020. The proceeds are being used to finance the costs of the acquisition, construction and equipping of various capital improvements to the City's wastewater utility system. The proceeds are being used to advance refund all of the outstanding Wastewater utility system revenue bonds, series 2015, which mature on or after May 1, 2035. The bond matures annually on November 1, in various amounts ranging from \$242,297 to \$314,912 through November 1, 2035. Interest on the outstanding bond accrues at a rate of 1.89% and is paid annually on November 1. The Series 2020 refunding generated \$756,846 of net present value savings.

\$4,157,000

Accumulated unused compensated absences: Represents the vested portion of accumulated vacation and sick pay benefits due employees.

\$14,543

Total Business-Type Activities Long Term Debt

\$17,710,959

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE F – CONTINUED

The annual requirements to amortize the long-term debt for governmental activities bonds payables as of September 30, 2021, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 662,934	\$ 639,584	\$ 1,302,518
2023	688,824	614,035	1,302,859
2024	715,032	587,414	1,302,446
2025	741,567	559,711	1,301,278
2026	768,438	530,915	1,299,353
2027-2031	4,217,761	2,282,503	6,500,264
2032-2036	4,403,090	1,540,118	5,943,208
2037-2041	2,825,000	912,444	3,737,444
2042-2045	2,705,000	284,831	2,989,831
	<u>\$17,727,646</u>	<u>\$ 7,951,555</u>	<u>\$ 25,679,201</u>

<u>Capital Leases</u>	<u>Total</u>
2022	\$ 107,994
2023	107,994
2024	107,994
2025	107,994
	<u>431,976</u>
Less: interest	<u>(25,487)</u>
Present value of lease liability	<u>\$ 406,489</u>

The governmental-type activities capital lease was reported in the asset totals for furniture, machinery, and equipment. Following is an analysis of the leased property under capital lease:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Governmental-type activities:			
Fire Pumper	\$ 650,000	\$ 14,444	\$ 635,556

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE F – CONTINUED

The annual requirements to amortize the notes and bonds payable for business-type activities as of September 30, 2021, are as follows:

	Principal	Interest	Total
2022	740,396	311,321	1,051,717
2023	1,183,445	307,977	1,491,422
2024	1,181,833	283,068	1,464,901
2025	1,199,150	258,982	1,458,132
2026	1,215,997	234,177	1,450,174
2027-2031	4,935,367	807,495	5,742,862
2032-2036	4,141,669	273,130	4,414,799
2037-2041	2,653,473	19,762	2,673,235
2042	445,086	442	445,528
	<u>\$ 17,696,416</u>	<u>\$ 2,496,354</u>	<u>\$ 20,192,770</u>

NOTE G. INTERFUND TRANSACTIONS

The City makes routine transfers between its funds in the course of the fiscal year, typically for construction projects as specified in the City's capital improvement program. Transfers are reported as other financing sources (uses) in the Governmental Funds and as transfers in (out) in the Proprietary Funds. Interfund transfers included:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 4,775,786
Capital Improvement Projects Fund	4,527,649	-
Building fund	-	7,333
Fleet Fund	255,470	-
	<u>\$ 4,783,119</u>	<u>\$ 4,783,119</u>

CITY OF ST. PETE BEACH, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE H. RECENT ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (“GASB”) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the City’s financial statements:

- (a) GASB issued Statement No. 87, *Leases*, in June 2017. GASB 87 increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after June 15, 2021.
- (b) GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, in May 2020. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The provisions in GASB 96 are effective for periods beginning after June 15, 2022.

NOTE I. SUBSEQUENT EVENTS

General Pension Plan:

Per the terms of a collective bargaining agreement authorized by the City Commission in January 2022, the City’s General Pension plan is anticipated to be closed to new employees retroactive to October 1, 2021. Newly hired employees would instead participate in the City’s defined contribution retirement plan as described on page 66.

CITY OF ST. PETE BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY
AND RELATED RATIOS
SEPTEMBER 30, 2021
(UNAUDITED)

Fiscal Year Ending September 30,	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 38,834	\$ 31,664	\$ 36,540	\$ 38,317
Interest	10,713	23,137	23,745	20,934
Difference between actual and expected experience	-	(185,814)	-	124,279
Assumption changes	(8,659)	46,649	2,149	16,812
Benefit payments - implicit rate subsidy	(57,743)	(56,785)	(79,832)	(72,733)
Other changes	-	(4,051)	(170)	(96,619)
Net change in total OPEB liability	(16,855)	(145,200)	(17,568)	30,990
Total OPEB liability - beginning	529,476	674,676	692,244	661,254
Total OPEB liability - ending (a)	<u>\$ 512,621</u>	<u>\$ 529,476</u>	<u>\$ 674,676</u>	<u>\$ 692,244</u>
Covered payroll	\$ 4,665,479	\$ 4,665,479	\$ 4,282,059	\$ 4,282,059
Total OPEB liability as a percentage of covered payroll	10.99%	11.35%	15.76%	16.17%

Notes to Schedule:

Valuation Date	10/1/2019	10/1/2019	10/1/2018	10/1/2018
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Changes of assumptions. For Fiscal year 2020, the mortality assumption was changed from the RP-2014 Combined Annuitant Mortality Table for males and females to the PubS.H-20102 Mortality Table - Safety for firefighters and PubG.H-2010 Mortality Table - General for all others. Changes of assumptions and other changes reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Discount Rate	2.43%	2.14%	3.58%	3.64%
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** 10 years of data will be presented as it becomes available

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

**CITY OF ST. PETE BEACH, FLORIDA
POLICE OFFICERS' RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
SEPTEMBER 30, 2021
(UNAUDITED)**

Fiscal Year Ending September 30,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,380	\$ 45,240
Interest	1,222,497	1,254,096	1,238,416	1,194,357	1,179,519	1,102,568	1,101,556	1,099,695
Difference between actual and expected experience	348	49,514	246,567	682,795	267,414	239,884	255,813	-
Assumption changes	1,519,746	(460,355)	-	-	-	1,161,657	-	-
Benefit payments including refunds of contributions	(1,315,175)	(1,274,210)	(1,247,733)	(1,247,746)	(1,222,178)	(1,587,440)	(1,098,393)	(1,078,586)
Net change in total pension liability	1,427,416	(430,955)	237,250	629,406	224,755	916,669	274,356	66,349
Total pension liability - beginning	18,121,813	18,552,768	18,315,518	17,686,112	17,461,357	16,544,688	16,270,332	16,203,983
Total pension liability - ending (a)	<u>\$ 19,549,229</u>	<u>\$ 18,121,813</u>	<u>\$ 18,552,768</u>	<u>\$ 18,315,518</u>	<u>\$ 17,686,112</u>	<u>\$ 17,461,357</u>	<u>\$ 16,544,688</u>	<u>\$ 16,270,332</u>
Total Fiduciary Net Position								
Contributions - employer (1)	\$ 395	\$ 6,000,000	\$ 614,925	\$ 553,743	\$ 472,080	\$ 494,855	\$ 444,748	\$ 577,960
Contributions - state	98,720	99,319	107,421	97,990	93,815	86,942	87,677	88,047
Contributions - employee	-	-	-	-	-	-	274	3,857
Net investment income	3,014,951	1,539,733	526,266	790,622	1,143,369	972,743	(133,318)	1,052,775
Benefit payments, including refunds of contributions	(1,315,175)	(1,274,210)	(1,247,733)	(1,247,746)	(1,222,178)	(1,587,440)	(1,098,393)	(1,078,586)
Administrative expense	(44,420)	(53,795)	(35,687)	(46,526)	(26,288)	(15,598)	(24,655)	(32,171)
Net change in plan fiduciary net position	1,754,471	6,311,047	(34,808)	148,083	460,798	(48,498)	(723,667)	611,882
Plan fiduciary net position - beginning	17,969,938	11,658,891	11,693,699	11,545,616	11,084,818	11,133,316	11,856,983	11,245,101
Plan fiduciary net position - ending (b)	<u>\$ 19,724,409</u>	<u>\$ 17,969,938</u>	<u>\$ 11,658,891</u>	<u>\$ 11,693,699</u>	<u>\$ 11,545,616</u>	<u>\$ 11,084,818</u>	<u>\$ 11,133,316</u>	<u>\$ 11,856,983</u>
Net pension liability (asset) - ending (a) - (b)	<u>\$ (175,180)</u>	<u>\$ 151,875</u>	<u>\$ 6,893,877</u>	<u>\$ 6,621,819</u>	<u>\$ 6,140,496</u>	<u>\$ 6,376,539</u>	<u>\$ 5,411,372</u>	<u>\$ 4,413,349</u>
Plan fiduciary net position as a percentage of the total pension liability	100.90%	99.16%	62.84%	63.85%	65.28%	63.48%	67.29%	72.87%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	\$ 9,453	\$ 124,414
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	57,245.02%	3,547.31%

NOTES:

Changes of assumptions:

For measurement date 9/30/21, the investment rate of return was lowered from 7.00% to 6.20% per year, net of investment related expenses.

For measurement date 9/30/20, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics

(1) The plan was closed during 2015; therefore, there is no covered payroll in subsequent years.

(2) In 2020 the City issued a Pension Obligation Bond

** 10 years of data will be presented as it becomes available

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

**CITY OF ST. PETE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
SEPTEMBER 30, 2021
(UNAUDITED)**

Fiscal Year Ending September 30,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 468,978	\$ 458,273	\$ 481,584	\$ 463,655	\$ 421,007	\$ 245,298	\$ 230,254	\$ 238,163
Interest	1,768,102	1,720,116	1,659,502	1,576,276	1,516,026	1,245,496	1,212,870	1,189,290
Change in excess State money	-	-	-	-	(251,482)	-	-	-
Changes of benefit terms	(2,436)	-	(1,397)	-	2,483,070	-	-	-
Difference between actual and expected experience	(172,163)	175,998	(226,945)	19,624	(251,797)	(786,356)	103,860	-
Assumption changes	-	(300,528)	135,391	129,145	167,748	1,212,697	-	-
Contributions - buy back	-	-	63,761	43,564	-	-	-	-
Benefit payments including refunds of contribution	(1,316,094)	(1,224,798)	(1,060,255)	(976,061)	(982,669)	(933,688)	(1,348,403)	(882,183)
Net change in total pension liability	746,387	829,061	1,051,641	1,256,203	3,101,903	983,447	198,581	545,270
Total pension liability - beginning	23,766,198	22,937,137	21,885,496	20,629,293	17,527,390	16,543,943	16,345,362	15,800,092
Total pension liability - ending (a)	<u>\$ 24,512,585</u>	<u>\$ 23,766,198</u>	<u>\$ 22,937,137</u>	<u>\$ 21,885,496</u>	<u>\$ 20,629,293</u>	<u>\$ 17,527,390</u>	<u>\$ 16,543,943</u>	<u>\$ 16,345,362</u>
Total Fiduciary Net Position								
Contributions - employer	\$ 811,509	\$ 719,591	\$ 782,210	\$ 737,476	\$ 675,894	\$ 690,612	\$ 413,656	\$ 632,678
Contributions - state	203,153	177,893	183,517	186,995	176,996	178,044	392,128	39,565
Contributions - employer	290,113	270,299	266,161	252,277	61,764	59,223	50,369	45,249
Contributions - buy back	-	-	63,761	43,564	-	-	-	-
Net investment income	2,816,274	1,645,839	742,409	1,257,530	1,080,346	962,019	(72,360)	999,549
Benefit payments, including refunds of contribution	(1,316,094)	(1,224,798)	(1,060,255)	(976,061)	(982,669)	(933,688)	(1,348,403)	(882,183)
Administrative expenses	(56,229)	(64,161)	(29,627)	(34,157)	(50,943)	(21,656)	(19,804)	(16,250)
Net change in plan fiduciary net position	2,748,726	1,524,663	948,176	1,467,624	961,388	934,554	(584,414)	818,608
Plan fiduciary net position - beginning	16,457,439	14,932,776	13,984,600	12,516,976	11,555,588	10,621,034	11,205,448	10,386,840
Plan fiduciary net position - ending (b)	<u>\$ 19,206,165</u>	<u>\$ 16,457,439</u>	<u>\$ 14,932,776</u>	<u>\$ 13,984,600</u>	<u>\$ 12,516,976</u>	<u>\$ 11,555,588</u>	<u>\$ 10,621,034</u>	<u>\$ 11,205,448</u>
Net pension liability - ending (a) - (b)	<u>\$ 5,306,420</u>	<u>\$ 7,308,759</u>	<u>\$ 8,004,361</u>	<u>\$ 7,900,896</u>	<u>\$ 8,112,317</u>	<u>\$ 5,971,802</u>	<u>\$ 5,922,909</u>	<u>\$ 5,139,914</u>
Plan fiduciary net position as a percentage of the total pension liability	78.35%	69.25%	65.10%	63.90%	60.68%	65.93%	64.20%	68.55%
Covered payroll	\$ 2,152,295	\$ 2,085,303	\$ 2,206,645	\$ 2,190,372	\$ 1,938,036	\$ 1,787,358	\$ 1,572,198	\$ 1,371,924
Net pension liability as a percentage of covered payroll	246.55%	350.49%	362.74%	360.71%	418.58%	334.11%	376.73%	374.65%

NOTES:

For measurement date 09/30/2017, the following changes were made based on the 2017-16 Ordinance:

- 1.) The Normal Retirement Date for Members not eligible for Normal Retirement and who had less than 10 years of Credited Service on December 31, 2012 is changed to the earliest of A) Age 55 with 10 years of Credited Service, B) Age 52 with 25 years of Credited Service, or C) 30 years of Credited Service regardless of age.
- 2.) The benefit multiplier is increased to 3.4% per year of Credited Service, retroactive to January 1, 2013.
- 3.) The definition of Compensation is changed for Salary earned after January 1, 2013 to include total W-2 earnings, including up to 300 hours of overtime, but not including any lump sum payments of accrued sick or annual leave.
- 4.) The maximum benefit is increased from 75% of Average Final Compensation to 100%.
- 5.) Early retirement provisions are established for service on and after January 1, 2013, with eligibility at age 50 with 10 years of Credited Service and with an early retirement reduction of 3% per year prior to age 55.
- 6.) A 3.0% annual cost-of-living adjustment is added for service on and after January 1, 2013. It is commencing on the first October 1st following 7 complete years of receiving benefits.
- 7.) The member contribution rate has been increased to help fund some of these benefit improvements listed.

Changes in benefit terms:

For measurement date 9/30/2019, amounts reported as changes of benefit terms resulted from the provisions of Chapter 112.1816, Florida Statutes. The Statutes state that, effective July 1, 2019, a death or disability (under the Plan's definition of total and permanent disability) for a Firefighter due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer will be treated as duty-related.

For measurement date 09/30/21, the following plan change has been made pursuant to Ordinance 21-10: The benefit accrual rate was increased January 1, 2013 from 1.25% to 3.40% for service earned after that date. The agreement between the Union and the City was that the baseline Member Contribution Rate would be 4.0% of Salary and the City would fund the cost of improving the benefit accrual rate from 1.25% to 2.25% among other benefit changes and the Members would have to cover the increase from 2.25% to 3.40% among other benefit changes. The change outline in our March 16, 2021 Impact Statement is that the City is now filing to fund a 2.75% benefit accrual rate instead of a 2.25% benefit accrual rate starting October 1, 2020. The new Member Contribution Rate is effective October 1, 2021.

Changes in assumptions:

For measurement date 9/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

For measurement date 9/30/20, amounts reported as changes of assumptions resulted from lowering the investment return from 7.55% to 7.50%, net of investment related expenses. For measurement date 9/30/2019, amounts reported as changes of assumptions resulted from lowering the investment return from 7.6% to 7.55% per year, net of investment related expenses

** 10 years of data will be presented as it becomes available.

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

**CITY OF ST. PETE BEACH, FLORIDA
GENERAL EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
SEPTEMBER 30, 2021
(UNAUDITED)**

Fiscal Year Ending September 30,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 69,827	\$ 53,202	\$ 60,393	\$ 48,627	\$ 55,922	\$ 63,167	\$ 67,894	\$ 79,454
Interest	1,199,830	1,221,290	1,259,117	1,252,251	1,274,501	1,248,359	1,244,204	1,235,212
Difference between actual and expected experience	117,328	(133,700)	(601,889)	46,018	(511,151)	(570,758)	(2,077)	-
Assumption changes	-	(248,501)	-	250,564	-	989,394	-	-
Benefit payments including refunds of contributions	(1,207,960)	(1,182,130)	(1,247,455)	(1,133,112)	(1,072,544)	(1,268,722)	(1,234,650)	(1,139,505)
Net change in total pension liability	179,025	(289,839)	(529,834)	464,348	(253,272)	461,440	75,371	175,161
Total pension liability - beginning	16,531,892	16,821,731	17,351,565	16,887,217	17,140,489	16,679,049	16,603,678	16,428,517
Total pension liability - ending (a)	<u>\$ 16,710,917</u>	<u>\$ 16,531,892</u>	<u>\$ 16,821,731</u>	<u>\$ 17,351,565</u>	<u>\$ 16,887,217</u>	<u>\$ 17,140,489</u>	<u>\$ 16,679,049</u>	<u>\$ 16,603,678</u>
Total Fiduciary Net Position								
Contributions - employer	\$ 660,537	\$ 733,738	\$ 813,325	\$ 656,988	\$ 503,935	\$ 563,121	\$ 585,936	\$ 557,646
Contributions - employee	35,355	32,451	25,209	27,621	24,813	25,913	29,971	30,176
Net investment income	2,695,162	730,618	449,642	913,431	1,028,577	1,052,550	(6,633)	1,203,892
Benefit payments, including refunds of contributions	(1,207,960)	(1,182,130)	(1,247,455)	(1,133,112)	(1,072,544)	(1,268,722)	(1,234,650)	(1,139,505)
Administrative expense	(54,412)	(90,812)	(53,600)	(34,262)	(42,257)	(36,156)	(30,510)	(25,430)
Net change in plan fiduciary net position	2,128,682	223,865	(12,879)	430,666	442,524	336,706	(655,886)	626,779
Plan fiduciary net position - beginning	12,709,761	12,485,896	12,498,775	12,068,109	11,625,585	11,288,879	11,944,765	11,317,986
Plan fiduciary net position - ending (b)	<u>\$ 14,838,443</u>	<u>\$ 12,709,761</u>	<u>\$ 12,485,896</u>	<u>\$ 12,498,775</u>	<u>\$ 12,068,109</u>	<u>\$ 11,625,585</u>	<u>\$ 11,288,879</u>	<u>\$ 11,944,765</u>
Net pension liability - ending (a) - (b)	<u>\$ 1,872,474</u>	<u>\$ 3,822,131</u>	<u>\$ 4,335,835</u>	<u>\$ 4,852,790</u>	<u>\$ 4,819,108</u>	<u>\$ 5,514,904</u>	<u>\$ 5,390,170</u>	<u>\$ 4,658,913</u>
Plan fiduciary net position as a percentage of the total pension liability	88.79%	76.88%	74.22%	72.03%	71.46%	67.83%	67.68%	71.94%
Covered payroll	\$ 1,178,506	\$ 1,081,710	\$ 817,412	\$ 799,160	\$ 700,400	\$ 738,138	\$ 1,017,523	\$ 761,318
Net pension liability as a percentage of covered payroll	158.89%	353.34%	530.43%	607.24%	688.05%	747.14%	529.73%	611.95%

NOTES:

Changes of assumptions:

For measurement date 09/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

For measurement date 9/30/2018, amounts reported as changes of assumptions resulted from lowering the investment rate return from 7.65% to 7.50%.

For measurement date 9/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System.

The inflation assumption rate was lowered from 3.00% to 2.30%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

The investment rate return was lowered from 7.75% to 7.65% per year compounded annually, net of investment related expenses.

** 10 years of data will be presented as it becomes available

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

**CITY OF ST. PETE BEACH, FLORIDA
POLICE OFFICERS' RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2021
(UNAUDITED)**

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll*	Contributions as Percentage of Employee Payroll
2021	\$ 65,616	\$ 99,115	\$ (33,499)	N/A	N/A
2020	772,890	6,099,319	(5,326,429)	N/A	N/A
2019	722,346	722,346	-	N/A	N/A
2018	651,733	651,733	-	N/A	N/A
2017	564,940	565,895	(955)	N/A	N/A
2016	581,797	581,797	-	N/A	N/A
2015	530,921	532,425	(1,504)	9,453	5632.34%
2014	666,007	666,007	-	124,414	535.32%

Notes to Schedule:

Valuation Date: 10/1/2020

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Pay, New UAAL amortization bases will be amortized over 17 years
Mortality:	<i>Healthy Lives:</i> Female: PubS.H-2010 for Employees, set forward one year. Male: PubS.H-2010 (Below Median) for Employees, set forward one year. <i>Beneficiary Lives:</i> Female: PubG.H-2010 for Healthy Retirees Male: PubG.H-2010 for Healthy Retirees, set back one year. <i>Disabled Lives:</i> 80% PubG.H-2010 for Disabled Retirees / 20% Pub S.H-2010 for Disabled Retirees
Interest Rate	6.20% (prior year 7.00%) per year, compounded annually, net of investment-related expenses.
Retirement Age:	N/A
Salary Increases:	N/A
Payroll Growth:	None.
Cost-of-Living Adjustmetn:	3% per year following completion of 7 years of retirement on old benefit
Asset Valuation Method:	All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expect market value investment return) over a five-year period.

* The plan was closed during 2015; therefore, there is no covered payroll in subsequent years.

** 10 years of data will be presented as it becomes available

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

**CITY OF ST. PETE BEACH, FLORIDA
FIREFIGHTERS' RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2021
(UNAUDITED)**

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Employee Payroll
2021	\$ 1,005,122	\$ 1,014,662	\$ (9,540)	\$ 2,152,295	47.14%
2020	898,766	897,484	1,282	2,085,303	43.04%
2019	955,477	965,727	(10,250)	2,206,645	43.76%
2018	922,147	924,471	(2,324)	2,190,372	42.21%
2017	769,400	852,890	(83,490)	1,938,036	44.01%
2016	868,656	868,656	-	1,787,358	48.60%
2015	740,688	804,784	(64,096)	1,572,198	51.19%
2014	672,243	672,243	-	1,371,924	49.00%

Notes to Schedule:

Valuation Date: 10/1/2019 (AIS 01/31/2020)

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

Methods and assumptions used to determine contribution rates

Actuarial Cost Method: Entry Age Normal
Amortization Method: Level Percentage of Pay, Closed
Remaining Amortization Period: 30 Years (as of 10/01/2016).
Mortality: *Healthy Lives:*
Female: PubS.H-2010 for Employees, set forward one year
Male: PubS.H-2010 (Below Median) for Employees, set forward one year
Beneficiary Lives:
Female: PubG.H-2010 for Healthy Retirees
Male: PubG.H-2010 for Healthy Retirees, set back one year
Disabled Lives:
80% PubG.H-2010 for Disabled Retirees / 20% Pub S.H-2010 for Disabled Retirees

Interest Rate: 7.50% per year compounded annually, net of investment related expenses. This is supported by the target asset class allocation of the trust and the expected long-term return by asset class

Retirement Age: For members eligible for normal retirement on 1/1/2013 or hired before: Earlier of age 56 or 26 years of service. For all others: earlier of age 60 with 10 years of service or 30 years of service.

Early Retirement: Immediate subsidized benefit at rate of 5% per year
For all others: None.

Salary Increases: 4.0% to 5.5% depending on years of service

Payroll Growth: Up to 1.38% per year

Cost-of-Living Adjustment: 3% per year following completion of 7 years of retirement on old benefit. None after January 1, 201.

Asset Valuation Method: Each year, the Actuarial Value of Assets is brought forward using the historical 4-year geometric average market value return. Over time, this may produce an insignificant bias above or below Market Value of Assets.

Termination Rates: See table below. Based on actuarial experience study issued January 18, 2017

<u>Service</u>	<u>% Terminating During the Year</u>
<1	15.00%
1-4	9.00%
5-9	4.00%
10-14	3.00%
15+	2.00%

Disability Rates

Other Information: Disability Rate Table:

<u>Age</u>	<u>% Becoming Disabled During the Year</u>
20	0.03%
30	0.04%
40	0.07%
50	0.18%

** 10 years of data will be presented as it becomes available

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

CITY OF ST. PETE BEACH, FLORIDA
GENERAL EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2021
(UNAUDITED)

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Employee Payroll
2021	\$ 652,747	\$ 660,537	\$ (7,790)	\$ 1,178,506	56.05%
2020	731,236	733,738	(2,502)	1,081,710	67.83%
2019	813,325	813,325	-	817,412	99.50%
2018	638,879	656,988	(18,109)	799,160	82.21%
2017	464,066	503,935	(39,869)	700,400	71.95%
2016	563,121	563,121	-	738,138	76.29%
2015	585,936	585,936	-	1,017,523	57.58%
2014	548,356	557,646	(9,290)	761,318	73.25%

Notes to Schedule:

Valuation Date: 10/1/2019

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method: Entry Age Normal
Amortization Method: New UAAL amortization bases are amortized over 30 years
Remaining Amortization Period: 30 Years (as of 10/01/2017).
Mortality: *Healthy Lives*
Female: PubG.H-2010 (Below Median) for Employees. Prior (2019) year assumption: RP2000 Generational, , 100% Annuitant White Collar, Scale BB.
Male: PubG.H-2010 (Below Median) for employees, set back one year. Prior (2019) year assumption: RP2000 Generational, 50% Annuitant White Collar / 50% Annuitant Blue Collar, Scale BB
Disabled Lives
PubG.H-2010 for Disabled Retirees, set forward three years. Prior (2019) year assumptions: Female: 100% RP2000 Disabled Female set forward two years. Male: 100% RP2000 Disabled Male set back four years.
Interest Rate: 7.50% per year compounded annually, net of investment related expenses. Prior (2019) year: 7.65% per year, compounded annually, net of investment-related expenses.
Retirement Age: Earlier of 1) age 60 with 10 years of service or 2) 30 years of service (earlier of 55 or 25 years if hired before 10/1/2012). No early retirement.
Early Retirement: None.
Salary Increases: 5.0% per year until assumed retirement
Payroll Growth: None.
Cost-of-Living Adjustment: 3% per year following completion of 10 years of retirement on old benefit
Asset Valuation Method: All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses over a five-year period. Prior (2019) year method: Each year, the Actuarial Value of Assets is brought forward using the historical 4-year geometric average market value return. Over time, this may produce an insignificant bias above or below Market Value of Assets.
Termination Rates: See table below.
Disability Rates: See table below.
Other Information: Termination and Disability Rate Table:

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>
20	28.4%	0.050%
25	27.4%	0.050%
30	24.8%	0.060%
35	19.5%	0.070%
40	13.5%	0.120%
45	7.9%	0.220%
50	2.8%	0.430%
55	1.0%	0.890%
60	0.8%	1.610%
65+	0.0%	2.800%

** 10 years of data will be presented as it becomes available

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

CITY OF ST. PETE BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN
SEPTEMBER 30, 2021
(UNAUDITED)

Annual Money-Weighted Rate of Return, Net of Investment Expense			
Fiscal Year	Police Pension	Fire Pension	General Pension
2021	17.36%	17.23%	21.62%
2020	9.94%	11.13%	5.98%
2019	4.76%	5.31%	3.65%
2018	7.24%	10.06%	7.70%
2017	10.75%	9.48%	9.05%
2016	9.22%	9.25%	9.72%
2015	-1.17%	-0.66%	-0.06%
2014	9.67%	9.74%	10.84%

** 10 years of data will be presented as it becomes available

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

SUPPORTING SCHEDULES

Financial schedules are presented to provide greater detailed information than reported in the preceding financial statements. This information, in many cases, has been spread throughout the report and is brought together here for greater clarity. Financial schedules are not necessary for fair presentation in conformity with generally accepted accounting principles.

**CITY OF ST. PETE BEACH, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Multimodal	Building	Fleet	Police Confiscation	
ASSETS					
Cash and investments	\$ 300,672	\$ 2,365,492	\$ 771,735	\$ 5,404	\$ 3,443,303
Receivables, net	-	25	-	-	25
Prepaid items	-	4,930	-	-	4,930
Total assets	<u>\$ 300,672</u>	<u>\$ 2,370,447</u>	<u>\$ 771,735</u>	<u>\$ 5,404</u>	<u>\$ 3,448,258</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 37,904	\$ 50,491	\$ 7,770	\$ -	\$ 96,165
Customer deposits	-	33,849	-	-	33,849
Total liabilities	<u>37,904</u>	<u>84,340</u>	<u>7,770</u>	<u>-</u>	<u>130,014</u>
FUND BALANCES					
Nonspendable:					
Prepaid items	-	4,930	-	-	4,930
Restricted for					
Building department	-	2,257,759	-	-	2,257,759
Law enforcement	-	-	-	5,404	5,404
Transportation improvements	262,768	-	-	-	262,768
Assigned to					
Fleet	-	-	763,965	-	763,965
Compensated Absences	-	23,418	-	-	23,418
Total fund balances	<u>262,768</u>	<u>2,286,107</u>	<u>763,965</u>	<u>5,404</u>	<u>3,318,244</u>
Total liabilities and fund balances	<u>\$ 300,672</u>	<u>\$ 2,370,447</u>	<u>\$ 771,735</u>	<u>\$ 5,404</u>	<u>\$ 3,448,258</u>

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

CITY OF ST. PETE BEACH, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Multimodal	Building	Fleet	Police Confiscation	
REVENUES					
Permits and fees	\$ 40,915	\$ 1,785,384	\$ -	\$ -	\$ 1,826,299
Investment income	194	1,365	163	1	1,723
Miscellaneous	-	11,361	-	-	11,361
Total revenues	<u>41,109</u>	<u>1,798,110</u>	<u>163</u>	<u>1</u>	<u>1,839,383</u>
EXPENDITURES					
Current:					
General government	-	651,043	-	-	651,043
Capital outlay	-	9,972	129,534	-	139,506
Total expenditures	<u>-</u>	<u>661,015</u>	<u>129,534</u>	<u>-</u>	<u>790,549</u>
Excess (deficiency) of revenues over (under) expenditures	<u>41,109</u>	<u>1,137,095</u>	<u>(129,371)</u>	<u>1</u>	<u>1,048,834</u>
Other financing sources (uses)					
Transfers in	-	-	255,470	-	255,470
Transfers out	-	(7,333)	-	-	(7,333)
Total other financing sources (uses)	<u>-</u>	<u>(7,333)</u>	<u>255,470</u>	<u>-</u>	<u>248,137</u>
Excess (Deficiency) of Revenues and other Sources Over (Under) Expenditures and Other Uses	41,109	1,129,762	126,099	1	1,296,971
Fund balances, beginning of year	221,659	1,156,345	637,866	5,403	2,021,273
Fund balances, end of year	<u>\$ 262,768</u>	<u>\$ 2,286,107</u>	<u>\$ 763,965</u>	<u>\$ 5,404</u>	<u>\$ 3,318,244</u>

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

CITY OF ST. PETE BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BUILDING
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Permits and fees	\$ 820,000	\$ 820,000	\$ 1,785,384	\$ 965,384
Investment income	4,700	4,700	1,365	(3,335)
Miscellaneous	-	-	11,361	11,361
Total revenues	<u>824,700</u>	<u>824,700</u>	<u>1,798,110</u>	<u>973,410</u>
EXPENDITURES				
Current:				
General government	702,810	702,810	651,043	51,767
Capital outlay	-	4,008	9,972	(5,964)
Total expenditures	<u>702,810</u>	<u>706,818</u>	<u>661,015</u>	<u>45,803</u>
Other financing sources (uses)				
Transfers out	<u>(7,333)</u>	<u>(7,333)</u>	<u>(7,333)</u>	-
Total other financing sources (uses)	<u>(7,333)</u>	<u>(7,333)</u>	<u>(7,333)</u>	-
Net change in fund balances	<u>114,557</u>	<u>110,549</u>	<u>1,129,762</u>	<u>1,019,213</u>
Fund balances, beginning of year	1,156,345	1,156,345	1,156,345	-
Fund balances, end of year	<u><u>\$ 1,270,902</u></u>	<u><u>\$ 1,266,894</u></u>	<u><u>\$ 2,286,107</u></u>	<u><u>\$ 1,019,213</u></u>

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

CITY OF ST. PETE BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 987,000	\$ 987,000	\$ 1,202,448	\$ 215,448
Intergovernmental	8,461,727	14,050,041	6,063,222	(7,986,819)
Investment income	15,000	15,000	7,076	(7,924)
Total revenues	9,463,727	15,052,041	7,272,746	(7,779,295)
EXPENDITURES				
Current:				
Public works:				
Streets	-	-	76,184	(76,184)
Total public works	-	-	76,184	(76,184)
Capital outlay	20,657,727	24,020,690	12,143,409	11,877,281
Debt service:				
Principal retirement	380,294	368,512	368,511	1
Interest and fiscal charges	476,170	487,952	487,952	-
Total expenditures	21,514,191	24,877,154	13,076,056	11,801,098
Excess (deficiency) of revenues over expenditures	(12,050,464)	(9,825,113)	(5,803,310)	4,021,803
Other financing sources (uses)				
Proceeds from issuance of Capital Lease	-	-	500,000	500,000
Other Financing Sources	-	-	50,000	
Transfers in	4,100,000	4,527,649	4,527,649	-
Total other financing sources (uses)	4,100,000	4,527,649	5,077,649	500,000
Net change in fund balances	(7,950,464)	(5,297,464)	(725,661)	4,571,803
Fund balances, beginning of year	5,800,018	5,800,018	5,800,018	-
Fund balances, end of year	<u>\$ (2,150,446)</u>	<u>\$ 502,554</u>	<u>\$ 5,074,357</u>	<u>\$ 4,571,803</u>

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

CITY OF ST. PETE BEACH, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FLEET
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Original	Final	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 163
Total revenues	-	-	163
EXPENDITURES			
Current:			
General government			
Capital outlay	266,500	323,189	129,534
Total expenditures	266,500	323,189	129,534
Other financing sources (uses)			
Transfers in	255,470	255,470	255,470
Total other financing sources (uses)	255,470	255,470	255,470
Net change in fund balances	(11,030)	(67,719)	126,099
Fund balances, beginning of year	637,866	637,866	637,866
Fund balances, end of year	\$ 626,836	\$ 570,147	\$ 763,965

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

CITY OF ST. PETE BEACH, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
EMERGENCY MEDICAL SERVICES (EMS)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

REVENUES

EMS operating reimbursement	\$ 1,989,519
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EXPENDITURES

Current:

Salaries, wages, and employees benefits	1,914,018
Contract services	10,770
Insurance	17,643
Repairs and maintenance	18,319
Uniforms	7,500
Fuel	6,653
Other	6,085
Capital outlay	<u>12,359</u>
Total expenditures	1,993,347

Excess (deficiency) of revenues over (under) expenditures	<u><u>\$ (3,828)</u></u>
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The accompanying notes to financial statements are an integral part of this statement.

Statistical Section

This part of the City of St. Pete Beach, Florida's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends (*Schedules 1-5*)

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

Revenue Capacity (*Schedules 6-9*)

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity (*Schedules 10-12*)

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

Demographic and Economic Information (*Schedules 13-14*)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and help make comparisons over time and with other governments.

Operating Information (*Schedules 15-17*)

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF ST. PETE BEACH, FLORIDA
Schedule 1 - Net Position by Component
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Governmental activities										
Net investment in capital assets	\$ 25,813,130	\$ 25,885,225	\$ 26,275,283	\$ 26,222,880	\$ 26,880,493	\$ 32,831,443	\$ 38,579,444	\$ 50,265,720	\$ 52,565,902	\$ 61,795,073
Restricted	387,549	388,582	414,080	683,376	3,005,075	2,819,838	8,474,445	1,395,435	1,907,602	3,074,937
Unrestricted	<u>4,158,240</u>	<u>6,818,460</u>	<u>7,900,552</u>	<u>(5,189,099)</u>	<u>(6,921,248)</u>	<u>(4,064,101)</u>	<u>(9,936,009)</u>	<u>(6,854,028)</u>	<u>(2,369,988)</u>	<u>(642,793)</u>
Total governmental activities net position	<u>30,358,919</u>	<u>33,092,267</u>	<u>34,589,915</u>	<u>21,717,157</u>	<u>22,964,320</u>	<u>31,587,180</u>	<u>37,117,880</u>	<u>44,807,127</u>	<u>52,103,516</u>	<u>64,227,217</u>
Business-type activities										
Net investment in capital assets	\$ 9,504,196	\$ 10,617,326	\$ 13,045,091	\$ 14,956,744	\$ 17,279,462	\$ 17,577,589	\$ 18,051,782	\$ 19,259,026	\$ 20,617,331	\$ 24,996,934
Restricted	1,869,900	1,373,720	875,172	260,195	172,025	219,928	2,191,481	2,195,150	2,315,174	743,776
Unrestricted	<u>1,936,117</u>	<u>2,866,840</u>	<u>2,589,632</u>	<u>2,105,940</u>	<u>2,110,454</u>	<u>(43,879)</u>	<u>95,743</u>	<u>3,464,160</u>	<u>4,885,562</u>	<u>4,141,694</u>
Total business-type activities net position	<u>13,310,213</u>	<u>14,857,886</u>	<u>16,509,895</u>	<u>17,322,879</u>	<u>19,561,941</u>	<u>17,753,638</u>	<u>20,339,006</u>	<u>24,918,336</u>	<u>27,818,067</u>	<u>29,882,404</u>
Total primary government										
Net investment in capital assets	\$ 35,317,326	\$ 36,502,551	\$ 39,320,374	\$ 41,179,624	\$ 44,159,955	\$ 50,409,032	\$ 56,631,226	\$ 69,524,746	\$ 73,183,233	\$ 86,792,007
Restricted	2,257,449	1,762,302	1,289,252	943,571	3,177,100	3,039,766	10,665,926	3,590,585	4,222,776	3,818,713
Unrestricted	<u>6,094,357</u>	<u>9,685,300</u>	<u>10,490,184</u>	<u>(3,083,159)</u>	<u>(4,810,794)</u>	<u>(4,107,980)</u>	<u>(9,840,266)</u>	<u>(3,389,868)</u>	<u>2,515,574</u>	<u>3,498,901</u>
Total primary government net position	<u>43,669,132</u>	<u>47,950,153</u>	<u>51,099,810</u>	<u>39,040,036</u>	<u>42,526,261</u>	<u>49,340,818</u>	<u>57,456,886</u>	<u>69,725,463</u>	<u>79,921,583</u>	<u>94,109,621</u>

Note:

The City implemented GASB 68 in FY 2015, resulting in the City's net pension liability being recorded in the financial statements.

CITY OF ST. PETE BEACH, FLORIDA

Schedule 2 - Changes in Net Position

Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Expenses										
Governmental activities:										
General government	\$ 3,133,994	\$ 2,740,336	\$ 2,655,993	\$ 3,041,062	\$ 3,321,599	\$ 5,049,394	\$ 3,356,645	\$ 4,032,184	\$ 4,345,118	\$ 4,495,399
Public safety	7,167,047	6,241,767	6,468,442	7,053,404	10,956,336	7,133,967	7,493,658	7,829,874	5,924,365	7,368,277
Public works	2,761,043	3,091,481	3,713,816	3,641,112	3,161,814	3,609,883	4,138,155	4,515,104	4,173,006	4,006,182
Culture and recreation	1,930,246	1,941,723	2,008,092	2,254,188	2,339,008	2,089,068	2,213,821	2,281,504	3,689,187	4,426,237
Interest and fees on long term-debt	147,049	123,922	109,061	227,514	471,029	507,083	508,910	490,244	672,342	677,184
Total governmental activities expenses	<u>15,139,379</u>	<u>14,139,229</u>	<u>14,955,404</u>	<u>16,217,280</u>	<u>20,249,786</u>	<u>18,389,395</u>	<u>17,711,189</u>	<u>19,148,910</u>	<u>18,804,018</u>	<u>20,973,279</u>
Business-type activities:										
Wastewater	\$ 3,756,305	\$ 3,691,949	\$ 3,893,752	\$ 4,222,963	\$ 5,000,215	\$ 3,913,435	\$ 5,430,492	\$ 5,005,765	\$ 4,803,321	\$ 6,182,325
Reclaimed water	884,287	772,697	709,244	761,196	831,244	841,137	755,705	764,551	786,299	1,020,562
Stormwater	259,057	332,920	243,292	320,452	391,015	451,741	519,746	634,679	779,748	669,953
Total business-type activities expenses	<u>4,899,649</u>	<u>4,797,566</u>	<u>4,846,288</u>	<u>5,304,611</u>	<u>6,222,474</u>	<u>5,206,313</u>	<u>6,705,943</u>	<u>6,404,995</u>	<u>6,369,368</u>	<u>7,872,840</u>
Total primary government expenses	<u>20,039,028</u>	<u>18,936,795</u>	<u>19,801,692</u>	<u>21,521,891</u>	<u>26,472,260</u>	<u>23,595,708</u>	<u>24,417,132</u>	<u>25,553,905</u>	<u>25,173,386</u>	<u>28,846,119</u>
Program revenues										
Governmental activities:										
Charges for service										
General government	\$ 2,328,005	\$ 2,384,818	\$ 2,625,268	\$ 2,890,515	\$ 3,046,295	\$ 3,844,693	\$ 4,119,518	\$ 4,406,722	\$ 5,336,652	\$ 7,025,351
Public safety	143,527	41,819	147,864	24,649	53,518	75,117	84,186	69,337	69,797	52,120
Public works	-	-	-	-	-	-	-	-	25,120	64,115
Culture and recreation	599,680	765,787	751,239	856,764	1,055,449	1,045,575	1,097,056	1,192,666	949,430	1,084,328
Operating grants and contributions	1,541,530	1,800,650	1,544,867	1,650,010	3,369,796	1,777,535	2,296,165	1,850,411	2,156,338	74,142
Capital grants and contributions	1,143,600	353,008	6,309	2,810	919,891	87,714	640,389	3,279,516	180,827	7,935,491
Total governmental activities program revenues	<u>5,756,342</u>	<u>5,346,082</u>	<u>5,075,547</u>	<u>5,424,748</u>	<u>8,444,949</u>	<u>6,830,634</u>	<u>8,237,314</u>	<u>10,798,652</u>	<u>8,718,164</u>	<u>16,235,547</u>
Business-type activities:										
Charges for service										
Wastewater	\$ 4,741,773	\$ 4,680,651	\$ 5,051,892	\$ 5,219,730	\$ 5,806,838	\$ 6,047,688	\$ 6,733,254	\$ 6,554,556	\$ 6,647,101	\$ 7,582,102
Reclaimed water	797,045	800,471	864,886	869,447	866,099	849,628	863,271	853,663	1,025,050	1,033,479
Stormwater	610,966	637,350	636,163	644,968	862,478	1,005,387	1,099,125	1,190,234	1,276,363	1,301,455
Operating grants and contributions	3,176	118,280	-	-	-	199,838	217,746	-	-	-
Capital grants and contributions	-	-	24,450	-	1,043,852	668,599	2,050,091	2,248,115	244,919	-
Total business-type activities program revenues	<u>6,152,960</u>	<u>6,236,752</u>	<u>6,577,391</u>	<u>6,734,145</u>	<u>8,579,267</u>	<u>8,771,140</u>	<u>10,963,487</u>	<u>10,846,568</u>	<u>9,193,433</u>	<u>9,917,036</u>
Total primary government program revenues	<u>11,909,302</u>	<u>11,582,834</u>	<u>11,652,938</u>	<u>12,158,893</u>	<u>17,024,216</u>	<u>15,601,774</u>	<u>19,200,801</u>	<u>21,645,220</u>	<u>17,911,597</u>	<u>26,152,583</u>
Net (expense)/revenue										
Governmental activities	\$ (9,383,037)	\$ (8,793,147)	\$ (9,879,857)	\$ (10,792,532)	\$ (11,804,837)	\$ (11,558,761)	\$ (9,473,875)	\$ (8,350,258)	\$ (10,085,854)	\$ (4,737,732)
Business-type activities	1,253,311	1,439,186	1,731,103	1,429,534	2,356,793	3,564,827	4,257,544	4,441,573	2,824,065	2,044,196
Total primary government net expense	<u>(8,129,726)</u>	<u>(7,353,961)</u>	<u>(8,148,754)</u>	<u>(9,362,998)</u>	<u>(9,448,044)</u>	<u>(7,993,934)</u>	<u>(5,216,331)</u>	<u>(3,908,685)</u>	<u>(7,261,789)</u>	<u>(2,693,536)</u>

CITY OF ST. PETE BEACH, FLORIDA
Schedule 2 - Changes in Net Position (Continued)
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	\$ 5,641,473	\$ 6,474,606	\$ 5,694,314	\$ 6,783,032	\$ 7,235,035	\$ 7,768,938	\$ 8,368,981	\$ 9,325,425	\$ 9,961,492	\$ 10,478,967
Sales taxes	1,253,134	1,317,798	1,398,239	1,490,896	1,605,830	1,591,169	1,661,937	1,739,563	1,647,760	1,898,748
Franchise fees and utility taxes	3,209,993	3,187,616	3,386,877	3,373,281	3,312,619	3,269,998	3,301,671	3,471,683	3,476,989	3,519,038
Other taxes	461,571	456,578	470,427	456,808	362,120	411,279	419,938	421,126	395,487	424,665
Intergovernmental revenue	265,814	267,052	269,354	272,972	273,574	1,467,061	1,471,523	465,776	1,646,001	405,940
Investment earnings	13,413	9,700	9,320	17,210	66,585	150,154	297,731	326,849	210,394	47,878
Miscellaneous	146,592	93,367	68,078	108,059	49,193	86,481	104,888	289,083	44,120	86,197
Transfers	-	(75,418)	80,896	57,909	147,044	5,436,541	1,710,479	-	-	-
Special items										
Change in assumptions - OPEB	-	556,716	-	-	-	-	-	-	-	-
Transfer of operations	-	(747,433)	-	-	-	-	-	-	-	-
Legal settlement	-	-	-	(652,137)	-	-	349,523	-	-	-
Legal judgment	-	-	-	-	-	-	(2,165,195)	-	-	-
Total governmental activities	<u>10,991,990</u>	<u>11,540,582</u>	<u>11,377,505</u>	<u>11,908,030</u>	<u>13,052,000</u>	<u>20,181,621</u>	<u>15,521,476</u>	<u>16,039,505</u>	<u>17,382,243</u>	<u>16,861,433</u>
Business-type activities:										
Investment income	9,616	4,584	2,132	1,827	29,313	63,411	104,084	137,757	75,666	20,141
Miscellaneous	12,340	(7,866)	(330)	-	-	-	-	-	-	-
Transfers	-	75,418	(80,896)	(57,909)	(147,044)	(5,436,541)	(1,710,479)	-	-	-
Special item - change in assumptions - OPEB	-	36,351	-	-	-	-	-	-	-	-
Total business-type activities	<u>21,956</u>	<u>108,487</u>	<u>(79,094)</u>	<u>(56,082)</u>	<u>(117,731)</u>	<u>(5,373,130)</u>	<u>(1,606,395)</u>	<u>137,757</u>	<u>75,666</u>	<u>20,141</u>
Total primary government	<u>\$ 11,013,946</u>	<u>\$ 11,649,069</u>	<u>\$ 11,298,411</u>	<u>\$ 11,851,948</u>	<u>\$ 12,934,269</u>	<u>\$ 14,808,491</u>	<u>\$ 13,915,081</u>	<u>\$ 16,177,262</u>	<u>\$ 17,457,909</u>	<u>\$ 16,881,574</u>
Total change in net position										
Governmental activities	\$ 1,608,953	\$ 2,747,435	\$ 1,497,648	\$ 1,115,498	\$ 1,247,163	\$ 8,622,860	\$ 6,047,601	\$ 7,689,247	\$ 7,296,389	\$ 12,123,701
Business-type activities	<u>1,275,267</u>	<u>1,547,673</u>	<u>1,652,009</u>	<u>1,373,452</u>	<u>2,239,062</u>	<u>(1,808,303)</u>	<u>2,651,149</u>	<u>4,579,330</u>	<u>2,899,731</u>	<u>2,064,337</u>
Total primary government	<u>\$ 2,884,220</u>	<u>\$ 4,295,108</u>	<u>\$ 3,149,657</u>	<u>\$ 2,488,950</u>	<u>\$ 3,486,225</u>	<u>\$ 6,814,557</u>	<u>\$ 8,698,750</u>	<u>\$ 12,268,577</u>	<u>\$ 10,196,120</u>	<u>\$ 14,188,038</u>

CITY OF ST. PETE BEACH, FLORIDA
Schedule 3 - Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund:										
Nonspendable	\$ 352,325	\$ 284,467	\$ 211,956	\$ 211,818	\$ 208,978	\$ 142,170	\$ 77,211	\$ 200,709	\$ 58,507	\$ 92,226
Restricted	198,063	198,063	198,063	198,063	2,477,505	2,497,700	151,518	150,000	748,292	748,292
Committed	-	-	-	431,487	-	-	-	-	-	-
Assigned	543,695	412,809	483,073	611,860	1,041,737	863,452	2,198,154	1,363,300	770,914	8,334,244
Unassigned	<u>3,617,274</u>	<u>4,124,482</u>	<u>4,800,833</u>	<u>5,348,413</u>	<u>6,052,922</u>	<u>6,512,890</u>	<u>7,765,768</u>	<u>7,617,320</u>	<u>9,242,154</u>	<u>3,394,689</u>
Total General Fund	<u>4,711,357</u>	<u>5,019,821</u>	<u>5,693,925</u>	<u>6,801,641</u>	<u>9,781,142</u>	<u>10,016,212</u>	<u>10,192,651</u>	<u>9,331,329</u>	<u>10,819,867</u>	<u>12,569,451</u>
All other governmental funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 343	\$ -	\$ 110,017	\$ 4,930
Restricted	189,484	190,519	216,017	12,885,834	12,193,093	16,850,788	11,665,073	2,685,001	1,757,602	2,924,937
Committed	-	-	-	494,378	-	-	-	-	-	-
Assigned	561,608	1,372,620	2,093,244	2,448,141	-	-	-	3,635,759	5,953,672	5,462,734
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>751,092</u>	<u>1,563,139</u>	<u>2,309,261</u>	<u>15,828,353</u>	<u>12,193,093</u>	<u>16,850,788</u>	<u>11,665,416</u>	<u>6,320,760</u>	<u>7,821,291</u>	<u>8,392,601</u>

Note:

2021 balances reflect the adoption of Resolution 2022-01, establishing a fund balance policy.

CITY OF ST. PETE BEACH, FLORIDA
Schedule 4 - Change in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues by source:										
Taxes	\$ 10,523,622	\$ 11,388,888	\$ 10,908,517	\$ 12,052,487	\$ 12,557,697	\$ 13,041,384	\$ 13,752,527	\$ 14,957,797	\$ 15,481,728	\$ 16,321,418
Permits and fees	516,512	540,699	640,300	713,346	804,309	1,040,026	1,193,069	1,202,203	2,401,812	3,296,547
Intergovernmental	2,979,397	2,468,421	1,857,820	1,977,321	2,905,990	3,238,459	3,684,796	5,482,989	4,119,496	8,620,633
Charges for services	2,135,514	2,212,547	2,292,991	2,592,614	2,960,646	3,736,594	4,230,221	4,361,885	4,285,759	5,321,910
Investment income	13,413	9,700	9,320	17,210	31,396	150,154	297,731	326,849	210,394	47,878
Miscellaneous	544,739	506,876	694,489	561,817	2,476,911	820,324	1,114,725	1,160,584	114,080	56,460
Total revenues	<u>16,713,197</u>	<u>17,127,131</u>	<u>16,403,437</u>	<u>17,914,795</u>	<u>21,736,949</u>	<u>22,026,941</u>	<u>24,273,069</u>	<u>27,492,307</u>	<u>26,613,269</u>	<u>33,664,846</u>
Expenditures by function:										
General government	\$ 3,483,874	\$ 3,208,279	\$ 3,202,472	\$ 3,415,010	\$ 4,215,918	\$ 3,605,797	\$ 3,786,067	\$ 5,323,803	\$ 4,791,870	\$ 5,014,117
Public safety	6,884,686	6,985,526	6,154,403	6,272,784	6,680,246	7,491,435	7,634,470	7,581,988	12,942,901	7,279,296
Public works	2,324,891	2,408,160	2,798,998	2,790,557	2,739,822	2,840,780	3,333,091	3,472,251	2,220,766	2,262,816
Culture and recreation	903,841	1,045,861	1,074,734	1,139,551	1,122,687	1,221,966	1,281,613	1,392,726	2,910,629	3,297,073
Capital outlay	1,671,800	1,478,124	1,688,167	1,691,375	6,645,674	6,649,357	11,870,901	15,175,648	6,551,091	12,631,483
Debt service:										
Principal retirement	760,000	495,000	422,010	437,930	774,637	721,383	748,171	260,000	265,000	730,865
Interest and fiscal charges	144,126	121,397	106,855	241,985	360,768	548,338	522,496	491,869	641,943	678,302
Total expenditures	<u>16,173,218</u>	<u>15,742,347</u>	<u>15,447,639</u>	<u>15,989,192</u>	<u>22,539,752</u>	<u>23,079,056</u>	<u>29,176,809</u>	<u>33,698,285</u>	<u>30,324,200</u>	<u>31,893,952</u>
Excess (deficit) revenue over expenditures	539,979	1,384,784	955,798	1,925,603	(802,803)	(1,052,115)	(4,903,740)	(6,205,978)	(3,710,931)	1,770,894
Other financing sources (uses)										
Capital lease obligation incurred	\$ -	\$ -	\$ 379,132	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Bond proceeds	-	-	-	13,048,318	-	-	-	-	6,700,000	-
Sale of surplus capital assets	34,298	19,056	4,400	23,615	-	-	-	-	-	-
Gain on sale of asset	-	-	-	-	-	-	-	-	-	50,000
Transfers in	925,000	1,384,400	1,905,896	1,961,909	2,122,044	11,946,377	4,519,554	4,758,057	5,662,764	4,783,119
Transfers out	(925,000)	(1,325,000)	(1,825,000)	(1,904,000)	(1,975,000)	(6,509,836)	(2,809,075)	(4,758,057)	(5,662,764)	(4,783,119)
Special item - transfer of operations	-	(342,729)	-	(428,637)	-	-	-	-	-	-
Special item - legal settlement	-	-	-	-	-	-	349,523	-	-	-
Special item - legal judgment	-	-	-	-	-	-	(2,165,195)	-	-	-
Total other financing sources (uses)	<u>34,298</u>	<u>(264,273)</u>	<u>464,428</u>	<u>12,701,205</u>	<u>147,044</u>	<u>5,436,541</u>	<u>(105,193)</u>	<u>-</u>	<u>6,700,000</u>	<u>550,000</u>
Total net change in fund balances	<u>574,277</u>	<u>1,120,511</u>	<u>1,420,226</u>	<u>14,626,808</u>	<u>(655,759)</u>	<u>4,384,426</u>	<u>(5,008,933)</u>	<u>(6,205,978)</u>	<u>2,989,069</u>	<u>2,320,894</u>
 Debt service as a percentage of non-capital expenditures	 6.2%	 4.3%	 3.8%	 4.8%	 7.1%	 7.7%	 7.3%	 4.1%	 3.8%	 7.3%

CITY OF ST. PETE BEACH, FLORIDA
Schedule 5 - Tax Revenues of Governmental Activities by Source
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Property Tax	\$ 5,641,473	\$ 6,474,606	\$ 5,694,314	\$ 6,783,032	\$ 7,235,035	\$ 7,768,938	\$ 8,368,981	\$ 9,325,425	\$ 9,961,492	\$ 10,478,967
Utility Service Tax	2,052,136	2,082,201	2,211,732	2,167,637	2,181,759	2,161,813	2,148,226	2,251,007	2,326,786	2,350,130
Franchise Fees	1,157,857	1,105,415	1,175,145	1,205,644	1,130,860	1,108,185	1,153,445	1,220,676	1,150,203	1,168,908
Local Option Sales Tax	761,136	804,221	858,293	923,839	971,639	997,929	1,045,701	1,111,847	1,053,728	1,202,448
Half Cent Sales Tax	491,998	513,577	539,946	567,057	634,191	593,240	616,236	627,716	594,032	696,300
Casualty & Fire Insurance Premium Tax	292,403	277,654	297,977	269,876	264,986	270,811	284,985	290,938	277,211	301,873
County Gas Tax	<u>126,619</u>	<u>131,214</u>	<u>131,110</u>	<u>135,402</u>	<u>139,227</u>	<u>140,468</u>	<u>134,953</u>	<u>130,188</u>	<u>118,276</u>	<u>122,792</u>
Total	<u>\$ 10,523,622</u>	<u>\$ 11,388,888</u>	<u>\$ 10,908,517</u>	<u>\$ 12,052,487</u>	<u>\$ 12,557,697</u>	<u>\$ 13,041,384</u>	<u>\$ 13,752,527</u>	<u>\$ 14,957,797</u>	<u>\$ 15,481,728</u>	<u>\$ 16,321,418</u>

CITY OF ST. PETE BEACH, FLORIDA
Schedule 6 - Estimated Actual Value, Assessed Value, and Taxable Value of Property
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Tax roll	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Estimated actual value ¹	\$ 2,407,528,267	\$ 2,387,324,798	\$ 2,521,062,913	\$ 2,793,552,852	\$ 3,055,048,740	\$ 3,293,642,819	\$ 3,628,185,639	\$ 3,928,113,413	\$ 4,157,370,518	\$ 4,401,425,551
Assessed values:										
Residential property	1,745,788,800	1,785,350,119	1,793,883,055	1,920,699,855	2,050,677,526	2,193,984,291	2,336,668,474	2,492,563,814	2,626,622,072	2,786,676,120
Commercial property	365,880,150	383,501,063	393,536,407	397,961,637	432,117,910	471,088,007	513,243,211	676,175,722	743,396,747	768,015,690
Government property	24,841,805	25,393,771	25,463,444	29,848,399	31,260,231	35,932,573	36,792,796	39,965,145	43,198,296	45,862,430
Institutional property	17,039,690	19,389,257	19,456,265	20,159,599	21,380,662	22,784,996	23,233,393	24,428,720	23,821,676	25,843,363
Other real property	7,252,963	7,773,482	7,713,624	7,857,808	8,121,842	8,395,964	8,954,513	9,636,620	10,343,749	10,733,225
Personal property	57,842,179	57,629,771	61,230,630	63,539,771	70,313,910	70,207,385	69,072,139	72,915,002	76,766,625	74,570,475
Total assessed value	<u>2,218,645,587</u>	<u>2,279,037,463</u>	<u>2,301,283,425</u>	<u>2,440,067,069</u>	<u>2,613,872,081</u>	<u>2,802,393,216</u>	<u>2,987,964,526</u>	<u>3,315,685,023</u>	<u>3,524,149,165</u>	<u>3,711,701,303</u>
Less: property tax exemptions	(237,892,158)	(294,774,137)	(237,841,071)	(240,837,037)	(242,859,589)	(250,217,383)	(252,405,116)	(257,932,737)	(265,561,857)	(273,748,815)
Total taxable value	<u>1,980,753,429</u>	<u>1,984,263,326</u>	<u>2,063,442,354</u>	<u>2,199,230,032</u>	<u>2,371,012,492</u>	<u>2,552,175,833</u>	<u>2,735,559,410</u>	<u>3,057,752,286</u>	<u>3,258,587,308</u>	<u>3,437,952,488</u>
Total direct tax rate ²	2.9464	3.3697	2.8569	3.1500	3.1500	3.1500	3.1500	3.1500	3.1500	3.1500
Assessed value as a percentage of actual value	92.2%	95.5%	91.3%	87.3%	85.6%	85.1%	82.4%	84.4%	84.8%	84.3%
Taxable value as a percentage of actual value	82.3%	83.1%	81.8%	78.7%	77.6%	77.5%	75.4%	77.8%	78.4%	78.1%

Note:

(1) Estimated actual value is the "just value" of properties per Chapter 193.011, Florida Statutes, without exemptions.

(2) Total direct tax rate is the millage rate per \$1,000 of taxable value.

Source:

Pinellas County Property Appraiser

CITY OF ST. PETE BEACH, FLORIDA
Schedule 7 - Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	City of St. Pete Beach			Pinellas County			Pinellas County School Board			Emerg.	Pinellas	Juvenile	Southwest Florida Water	
Fiscal	Operating	Debt	Total	Operating	Health	Total	State	Local	Total	Medical	Planning	Welfare	Management	
Year	Millage	Millage	City	Millage	Department	County	Operating	Operating	School	Services	Council	Board	District	Total
2012	2.8569	0.0895	2.9464	4.8108	0.0622	4.8730	5.6370	2.7480	8.3850	0.8506	0.0125	0.8337	0.3928	18.2940
2013	3.2819	0.0878	3.3697	5.0105	0.0622	5.0727	5.5540	2.7480	8.3020	0.9158	0.0125	0.8981	0.3928	18.9636
2014	2.8569	0.0000	2.8569	5.2755	0.0622	5.3377	5.3120	2.7480	8.0600	0.9158	0.0160	0.8981	0.3818	18.4663
2015	3.1500	0.0000	3.1500	5.2755	0.0622	5.3377	5.0930	2.7480	7.8410	0.9158	0.0160	0.8981	0.3658	18.5244
2016	3.1500	0.0000	3.1500	5.2755	0.0622	5.3377	5.0930	2.7480	7.8410	0.9158	0.0160	0.8981	0.3488	18.5074
2017	3.1500	0.0000	3.1500	5.2755	0.0622	5.3377	4.5700	2.7480	7.3180	0.9158	0.0150	0.8981	0.3317	17.9663
2018	3.1500	0.0000	3.1500	5.2755	0.0835	5.3590	4.2610	2.7480	7.0090	0.9158	0.0150	0.8981	0.3131	17.6600
2019	3.1500	0.0000	3.1500	5.2755	0.0835	5.3590	3.8360	2.7480	6.5840	0.9158	0.0150	0.8981	0.2955	17.2174
2020	3.1500	0.0000	3.1500	5.2755	0.0835	5.3590	3.8360	2.7480	6.5840	0.9158	0.0150	0.8981	0.2801	17.2020
2021	3.1500	0.0000	3.1500	5.2755	0.0835	5.3590	3.6790	2.7480	6.4270	0.9158	0.0150	0.8981	0.2669	17.0318

Note:

All millage rates are applicable per \$1,000 of assessed property value.

Source:

Pinellas County Tax Collector

CITY OF ST. PETE BEACH, FLORIDA
Schedule 8 - Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2021			2012		
	Taxable Value	Rank	Percentage of Total Value	Taxable Value	Rank	Percentage of Total Value
HHR St Pete Beach LLC	86,447,687	1	2.5%			
GPIF Sirata LLC	75,000,000	2	2.2%			
Vacation Trust Inc Tre	41,150,047	3	1.2%			
TPG St Pete Beach LLC	36,000,000	4	1.0%			
PNC Bank Na Tre	33,607,750	5	1.0%			
Grand Plaza Hotel Owner LLC	31,900,929	6	0.9%			
5750 Gulf Blvd CR LLC	22,512,031	7	0.7%			
HHR Beach House LLC	19,750,000	8	0.6%			
Beachcomber Hotel Owner LLC	19,211,936	9	0.6%			
BRE Mariner Dolphin Village LLC	17,160,000	10	0.5%			
The Don CeSar Beach Resort				44,269,252	1	2.2%
Nicklaus, H Gregg Tre				21,000,000	2	1.1%
RIA - Sandpiper, Inc.				13,900,000	3	0.7%
RIA - Breckenridge, Inc.				13,800,000	4	0.7%
Dolphin Village Partners LLC				12,637,956	5	0.6%
St. Pete Partners LLC				11,272,560	6	0.6%
Grand Plaza Resorts, Inc.				9,700,000	7	0.5%
RIA - Tradewinds, Inc.				9,021,866	8	0.5%
Dolphin Holdings, LTD				8,950,000	9	0.5%
Alden Enterprises, Inc.				8,000,000	10	0.4%
Total taxable value of ten largest taxpayers	382,740,380		11.1%	152,551,634		7.7%
Total taxable value of other taxpayers	3,055,212,108		88.9%	1,828,201,795		92.3%
Total taxable value of all taxpayers	3,437,952,488		100%	1,980,753,429		100%

Source:

Pinellas County Property Appraiser's Office

CITY OF ST. PETE BEACH, FLORIDA
Schedule 9 - Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Tax Roll	Taxable Value	Tax Rate in Mills	Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
					Amount	Percentage of Levy	
2012	2011	1,980,753,429	2.9464	5,836,092	5,641,473	96.7%	149,008
2013	2012	1,984,263,326	3.3697	6,686,372	6,474,606	96.8%	133,935
2014	2013	2,063,442,354	2.8569	5,895,048	5,694,314	96.6%	143,385
2015	2014	2,199,230,032	3.1500	6,927,575	6,783,032	97.9%	188,569
2016	2015	2,371,012,492	3.1500	7,468,689	7,235,035	96.9%	148,544
2017	2016	2,552,175,833	3.1500	8,039,354	7,768,938	96.6%	179,641
2018	2017	2,735,559,410	3.1500	8,617,012	8,368,981	97.1%	174,520
2019	2018	3,057,752,286	3.1500	9,631,920	9,325,425	96.8%	253,019
2020	2019	3,258,587,308	3.1500	10,264,550	9,961,492	97.0%	159,372
2021	2020	3,437,952,488	3.1500	10,829,550	10,478,967	96.8%	158

Note:

Fiscal year 2021 collections in subsequent years are reported through February 2022.

Source:

Pinellas County Property Appraiser

CITY OF ST. PETE BEACH, FLORIDA
Schedule 10 - Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
General Obligation (G.O.) Bonds, 1993	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Revenue Bond, Series 2001 & 2006	2,250,000	1,915,000	1,570,000	1,205,000	820,000	420,000	-	-	-	
Capital Improvement Revenue Bonds, Series 2015	-	-	-	13,000,000	12,685,000	12,440,000	12,190,000	11,930,000	11,665,000	11,390,000
Police Pension Obligation Revenue Bonds, Series 2019	-	-	-	-	-	-	-	-	6,700,000	6,337,646
Capital leases payable	-	-	302,121	229,191	154,554	78,171	-	-	-	406,489
Total governmental activities	<u>\$ 2,410,000</u>	<u>\$ 1,915,000</u>	<u>\$ 1,872,121</u>	<u>\$ 14,434,191</u>	<u>\$ 13,659,554</u>	<u>\$ 12,938,171</u>	<u>\$ 12,190,000</u>	<u>\$ 11,930,000</u>	<u>\$ 18,365,000</u>	<u>\$ 18,134,135</u>
Business-type activities:										
State Revolving Fund Loan (1992)	\$ 1,671,186	\$ 1,133,436	\$ 576,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Revolving Fund Loans (2003, 2005)	2,771,313	2,601,769	2,427,708	2,249,010	2,065,552	1,875,315	1,681,824	1,483,306	1,279,497	1,070,256
State Revolving Fund Loan (2020)	-	-	-	-	-	-	-	-	-	10,460,160
Wastewater Revenue Bond, Series 2015	-	-	-	5,000,000	4,838,000	4,664,000	4,482,000	4,293,000	4,097,000	-
Wastewater Utility System Refunding Bank Note (2020)	-	-	-	-	-	-	-	-	-	4,157,000
Stormwater Revenue Bond, Series 2015	-	-	-	3,000,000	2,916,000	2,745,000	2,569,000	2,388,000	2,201,000	2,009,000
Capital leases payable	-	-	-	-	356,843	289,173	219,702	148,383	75,165	-
Total business-type activities	<u>\$ 4,442,499</u>	<u>\$ 3,735,205</u>	<u>\$ 3,004,308</u>	<u>\$ 10,249,010</u>	<u>\$ 10,176,395</u>	<u>\$ 9,573,488</u>	<u>\$ 8,952,526</u>	<u>\$ 8,312,689</u>	<u>\$ 7,652,662</u>	<u>\$ 17,696,416</u>
Total primary government outstanding debt	<u>\$ 6,852,499</u>	<u>\$ 5,650,205</u>	<u>\$ 4,876,429</u>	<u>\$ 24,683,201</u>	<u>\$ 23,835,949</u>	<u>\$ 22,511,659</u>	<u>\$ 21,142,526</u>	<u>\$ 20,242,689</u>	<u>\$ 26,017,662</u>	<u>\$ 35,830,551</u>
Total outstanding debt as percent of personal income	1.7%	1.3%	1.1%	5.4%	4.8%	4.2%	3.9%	3.6%	4.5%	5.7%
Total outstanding debt per capita	\$ 736	\$ 604	\$ 515	\$ 2,633	\$ 2,522	\$ 2,311	\$ 2,172	\$ 2,070	\$ 2,662	\$ 3,738
General bonded debt as percent of property tax value	0.01%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
General bonded debt per capita	\$ 17	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note:

The City of St. Pete Beach is not subject to any legal limitations on the issuance of debt.

CITY OF ST. PETE BEACH, FLORIDA
Schedule 11 - Direct and Overlapping Governmental Activities Debt

Governmental Unit	Debt Outstanding	Percentage Applicable to City of St. Pete Beach	Amount Applicable to City of St. Pete Beach
City of St. Pete Beach			
Total direct debt	\$ 18,134,135	100%	\$ 18,134,135
Pinellas County Government:			
Governmental Activities Notes	12,005,521	3.7%	449,976
Capital Leases	433,171	3.7%	16,236
Pinellas County School Board:			
Certificates of Participation	65,241,168	3.5%	2,255,411
Bonds	852,480	3.5%	29,471
Capital Leases	4,752,393	3.5%	164,292
Total overlapping debt	<u>83,284,733</u>		<u>2,915,385</u>
Total direct and overlapping debt			<u>\$ 21,049,520</u>
Total direct and overlapping debt as a percentage of personal income			3.3%
Total direct and overlapping debt per capita			\$ 2,196

Note:

The applicable share of overlapping debt is calculated based on the ratio of the City of St. Pete Beach taxable property value (\$3,437,952,488) to Pinellas County (\$91,725,856,109) and Pinellas County School Board (\$99,447,950,796) respective taxable property values.

Sources:

Pinellas County Property Appraiser
Pinellas County Finance Department
Pinellas County School Board

CITY OF ST. PETE BEACH, FLORIDA
Schedule 12 - Pledged Revenue Coverage
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Obligation (G.O.) Bonds, 1993										
Pledged revenue - property taxes	\$ 5,641,473	\$ 6,474,606	-	-	-	-	-	-	-	-
Total debt service requirement	171,357	168,400	-	-	-	-	-	-	-	-
Coverage ratio	32.92	38.45	-	-	-	-	-	-	-	-
State Revolving Fund Loan, 1992										
Gross pledged revenue - reclaimed water fees	\$ 781,555	\$ 775,886	\$ 842,702	\$ 846,638	-	-	-	-	-	-
Net available revenue (gross revenue less operating expenses; plus sale of other assets)	698,798	787,196	897,992	829,543	-	-	-	-	-	-
Total debt service requirement	597,101	597,101	597,101	581,763	-	-	-	-	-	-
Coverage ratio	1.17	1.32	1.50	1.43	-	-	-	-	-	-
Revenue Bonds, Series 2001 & 2006										
Pledged revenue - Infrastructure Sales Tax (1)	\$ 761,136	\$ 804,221	\$ 858,293	\$ 923,839	\$ 971,639	\$ 997,929	-	-	-	-
Total debt service requirement	727,729	444,150	440,750	443,500	445,250	441,000	-	-	-	-
Coverage ratio	1.05	1.81	1.95	2.08	2.18	2.26	-	-	-	-
Capital Improvement Revenue Bonds, Series 2015										
Pledged revenue (2)	-	-	-	-	\$ 4,146,045	\$ 4,001,311	\$ 4,117,142	\$ 4,298,634	\$ 4,290,856	\$ 4,434,573
Total debt service requirement	-	-	-	-	749,681	746,769	746,869	746,569	745,970	745,969
Coverage ratio	-	-	-	-	5.53	5.36	5.51	5.76	5.75	5.94
State Revolving Fund Loan, 2003 & 2005										
Gross pledged revenue - sewer service fees	\$ 4,737,866	\$ 4,679,616	\$ 5,048,037	\$ 5,218,696	\$ 5,806,807	\$ 6,047,553	\$ 6,677,519	\$ 6,554,431	\$ 6,644,358	\$ 7,582,027
Net available revenue (gross revenue less operating expenses)	1,270,655	1,309,323	1,524,879	1,573,624	669,411	1,976,733	1,116,852	1,405,961	1,684,350	1,600,806
Total debt service requirement	251,627	241,555	241,283	241,555	241,356	241,555	241,556	241,558	241,558	241,556
Coverage ratio	5.05	5.42	6.32	6.51	2.77	8.18	4.62	5.82	6.97	6.63
Wastewater Revenue Bonds, Series 2015										
Gross pledged revenue - sewer service fees	-	-	-	-	\$ 5,806,807	\$ 6,047,553	\$ 6,677,519	\$ 6,554,431	\$ 6,644,358	\$ 7,582,027
Net available revenue (gross revenue less operating expenses and parity debt service requirements)	-	-	-	-	1,037,899	2,289,065	1,486,028	1,774,540	2,053,050	1,359,250
Total debt service requirement	-	-	-	-	368,488	369,493	369,176	368,579	368,700	369,498
Coverage ratio	-	-	-	-	2.82	6.20	4.03	4.81	5.57	3.68
Stormwater Revenue Bonds, Series 2015										
Gross pledged revenue - Stormwater assessment	-	-	-	-	\$ 862,478	\$ 1,005,287	\$ 1,099,125	\$ 1,190,234	\$ 1,276,363	\$ 1,301,455
Net available revenue (gross revenue less operating expenses)	-	-	-	-	525,021	575,164	656,910	627,789	563,390	692,670
Total debt service requirement	-	-	-	-	167,338	255,768	255,694	256,074	255,529	255,820
Coverage ratio	-	-	-	-	3.14	2.25	2.57	2.45	2.20	2.71
State Revolving Fund Loan, 2020										
Gross pledged revenue - sewer service fees	-	-	-	-	-	-	-	-	-	\$ 7,582,027
Net available revenue (gross revenue less operating expenses and parity debt service requirements)	-	-	-	-	-	-	-	-	-	989,752
Total debt service requirement	-	-	-	-	-	-	-	-	-	338,255
Coverage ratio	-	-	-	-	-	-	-	-	-	2.93

Notes:

- (1) Revenue bonds are supported by non-ad valorem revenue, but the Series 2001 & 2006 debt covenants did not specify a required funding source. The City chose to utilize Infrastructure Sales Tax ("Penny for Pinellas") proceeds.
- (2) Pledged revenue includes: Half Cent Sales Tax, utility service franchise fees, utility service taxes, and the guaranteed entitlement portion of the Florida Municipal Revenue Sharing Program.

CITY OF ST. PETE BEACH, FLORIDA
Schedule 13 - Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Per Capita		Median Age	Unemployment Rate (1)
		Personal Income	Personal Income		
2012	9,307	397,883,557	42,751	56.8	8.1%
2013	9,357	435,587,064	46,552	57.5	7.0%
2014	9,471	451,037,433	47,623	55.9	6.0%
2015	9,373	460,036,213	49,081	56.1	5.1%
2016	9,452	493,073,032	52,166	58.6	4.8%
2017	9,739	539,238,691	55,369	59.4	3.9%
2018	9,735	548,294,670	56,322	59.7	3.3%
2019	9,779	565,245,758	57,802	60.3	3.2%
2020	9,775	580,429,725	59,379	60.5	6.0%
2021	9,586	632,580,140	65,990	61.1	3.9%

Sources:

Pinellas County Economic Development

U.S. Department of Labor, Bureau of Labor Statistics

Notes:

(1) Unemployment rate is reported for Tampa-St. Petersburg-Clearwater metropolitan statistical area.

CITY OF ST. PETE BEACH, FLORIDA
Schedule 14 - Principal Employers
Current Year and Nine Years Ago

Employer	2021			2012	
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank
Tradewinds Island Resort	1000	1	14.1%	650	1
Grand Plaza Hotel & Resort	500	2	7.0%	100	6
Sirata Beach Resort	300	3	4.2%	300	3
The Don CeSar Resort	300	3	4.2%	550	2
Publix Supermarkets	200	5	2.8%	200	4
City of St. Pete Beach	143	6	2.0%	104	5
Coldwell Banker Real Estate	90	7	1.3%		
Beachcomber Beach Resort	85	8	1.2%	85	10
Dolphin Beach Resort	83	9	1.2%		
Toasted Monkey Beach Bar	75	10	1.1%		
Fortune Hotels				100	6
Hurricane Lounge, Inc.				100	6
Sandpiper Hotel & Suites				99	9
Total employment of ten largest employers	<u>2,776</u>		39.0%	<u>2,288</u>	
Total employment of other employers	<u>4,336</u>		61.0%		
Total employment of all employers (1)	<u><u>7,112</u></u>		100.0%		

Source:

Pinellas County Economic Development

Note:

2012 total employment data unavailable.

CITY OF ST. PETE BEACH, FLORIDA
Schedule 15 - Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Function										
General government										
City Manager	2.50	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00
City Clerk	3.13	3.13	2.88	2.88	2.63	2.75	2.75	3.00	3.00	3.00
Community Development	6.00	6.00	7.00	7.00	7.00	11.00	12.40	13.03	13.03	12.40
Finance	4.00	4.00	4.00	4.00	3.20	3.00	3.63	4.63	5.63	5.75
Library	6.50	6.50	7.43	7.15	7.15	7.15	7.15	7.40	7.40	7.40
Parking Enforcement	2.00	2.00	2.00	2.20	3.00	3.35	3.35	3.35	3.50	6.20
Information Technology	1.80	1.80	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Public Safety										
Law Enforcement (1)	33.00	33.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fire/EMS	29.75	29.75	29.75	32.00	32.00	35.00	35.00	35.00	35.63	35.63
Public Works	28.94	18.33	17.00	18.00	19.00	22.19	25.80	29.00	22.00	22.46
Parks and Recreation (2,3)	0.00	11.36	13.83	13.83	15.14	15.34	15.59	16.54	24.77	24.82
Total (4)	<u>117.61</u>	<u>118.86</u>	<u>87.88</u>	<u>91.05</u>	<u>94.12</u>	<u>104.78</u>	<u>110.67</u>	<u>115.95</u>	<u>118.96</u>	<u>121.66</u>

Source:

City of St. Pete Beach Adopted Budget

Notes:

(1) Law enforcement services were outsourced to the Pinellas County Sheriff's Office effective FY 2014.

(2) Recreation was reported under Public Works prior to FY 2013.

(3) Parks was reported under Public Works prior to FY 2020.

(4) Full-time equivalent totals will not agree to City employment reported on Schedule 15 due to vacancies and variances associated with elected officials, part-time, and seasonal employees.

CITY OF ST. PETE BEACH, FLORIDA
Schedule 16 - Operating Indicators by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Public Safety										
Law enforcement calls for service	12,891	23,469	7,023	6,324	6,962	6,218	5,816	5,655	5,815	5,965
Felony arrests	103	141	147	159	206	219	116	150	75	122
Traffic citations	1,085	3,235	1,629	2,986	2,799	3,903	2,769	3,071	2,095	2,076
Parking citations (1)	2,520	3,190	2,612	2,904	5,039	4,093	4,293	4,133	5,502	9,592
Fire structure responses	116	41	59	288	386	455	645	736	693	915
EMS medical calls	1,793	1,910	1,880	1,831	2,267	2,707	2,380	2,279	2,215	2,308
EMS auto crash responses	120	41	120	114	182	89	137	139	114	134
EMS water rescues	36	18	30	15	65	81	52	53	85	118
Public Works										
Street resurfacing (miles)	1.18	-	0.95	1.20	-	4.23	2.42	5.64	2.96	1.91
Culture and Recreation										
Summer camp participation	191	138	328	398	216	156	142	699	623	630
Recreation classes offered	37	49	53	59	39	42	45	37	39	37
Recreation program participation	38,217	46,890	58,390	62,000	68,778	89,551	112,655	115,302	56,003	66,791
Facility rentals booked	361	318	250	321	290	212	205	61	33	71
Library materials borrowed	172,082	153,213	154,360	165,548	157,044	147,211	149,988	133,597	92,578	95,563
Library reference questions	14,745	15,706	15,685	17,620	22,414	27,724	20,623	17,842	18,745	26,008
Wastewater										
Average daily sewer flow (mgd)	3.00	2.63	2.95	2.78	2.99	2.87	2.61	2.61	2.56	2.63
Miles of sewer lines	42	42	42	42	42	42	42	42	42	42
Reclaimed Water										
Average daily consumption (mgd)	2.40	2.10	1.60	1.90	2.20	3.02	2.89	2.92	2.80	2.69

Source:

Internal City departments

Note:

(1) FY 2021 parking citation increase reflected additional staffing resources and new technology.

CITY OF ST. PETE BEACH, FLORIDA
Schedule 17 - Capital Asset Statistics by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Public Safety										
Police Stations	1	1	1	0	0	0	0	0	0	0
Fire Stations	2	2	2	2	2	2	2	2	2	2
Libraries										
Main	1	1	1	1	1	1	1	1	1	1
Transportation										
Streets (miles)	45.73	45.73	45.73	45.73	45.73	45.73	45.73	45.73	45.73	45.73
Recreation										
Parks (acres)	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5
Beaches (acres)	39.8	39.8	39.8	40	40	40	40	40	40	40
Playgrounds	5	5	5	5	5	5	5	5	5	5
Picnic areas	6	6	6	6	6	6	6	6	6	6
Fishing piers	2	2	2	2	2	2	2	2	2	2
Fishing areas	5	5	5	5	5	5	5	5	5	5
Boat ramps	2	2	2	2	2	2	2	2	2	2
Tennis courts	9	9	9	9	9	9	9	9	9	9
Baseball fields	3	3	3	3	3	3	3	3	3	3
Basketball courts	3	3	3	3	3	3	3	3	3	3
Wastewater										
Sanitary sewers (miles)	37	37	37	37	37	37	37	37	37	37
Pump stations	17	17	17	17	17	17	17	17	17	17
Average daily flow (mgd)	3	2.63	2.95	2.78	2.99	2.87	2.61	2.61	2.56	2.63
Reclaimed water										
Reclaimed lines (miles)	40	40	40	40	40	40	40	40	40	40

Source:

Various City Departments

CITY OF ST. PETE BEACH, FLORIDA
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

State Agency / Pass-Through Entity / State Project	CSFA Number	Contract / Grant Number	Expenditures
STATE FINANCIAL ASSISTANCE			
<u>State of Florida Department of Environmental Protection</u>			
Direct Programs:			
Wastewater Treatment Facility Construction	37.077	WW520310	\$ 8,959,312
Total State Financial Assistance			<u><u>\$ 8,959,312</u></u>

Notes:

1) Basis of Presentation:

The accompanying Schedule of State Financial Assistance includes state financial assistance activity of the City of St. Pete Beach, Florida, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.550, Rules of the Florida Auditor General.

2) Subrecipients:

The City provided no state awards to subrecipients during the year ended September 30, 2021.

**CITY OF ST. PETE BEACH, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

I. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

State Financial Assistance:

Internal control over major State projects:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major State projects: *Unmodified*

Any audit findings disclosed that are required to be reported for state financial assistance projects in accordance with Chapter 10.550? _____ yes X none reported

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Identification of major State programs:

CSFA Number	Program Name
37.077	Wastewater Treatment Facility Construction

II. Financial Statement Findings: None.

III. State Project Findings and Questioned Costs: None.

IV. Summary Schedule of Prior Audit Findings: Not applicable as there were no prior year findings.

V. Corrective Action Plan: Not applicable as there are no current year findings.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE
PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

To the Honorable Mayor, City Commission, and City Manager,
City of St. Pete Beach, Florida:

Report on Compliance for Each Major State Project

We have audited the City of St. Pete Beach, Florida's (the City) compliance with the types of compliance requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major state projects for the year ended September 30, 2021. The City's major state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal and state statutes, regulations, and the terms and conditions of its state financial assistance applicable to its state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General. Those standards and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state project. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major State Project

In our opinion, the City complied, in all material respects, with the types of requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2021.

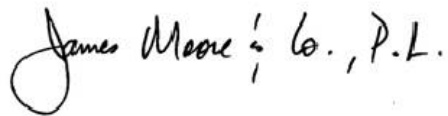
Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the Florida Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, Rules of the Florida Auditor General. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Daytona Beach, Florida
March 31, 2022



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

To the Honorable Mayor, City Commission, and City Manager
of the City of St. Pete Beach, Florida:

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Pete Beach, Florida as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 31, 2022.

Internal Control over Financial Reporting

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

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

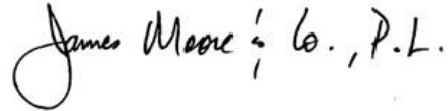
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive, flowing style.

Daytona Beach, Florida
March 31, 2022



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY OFFICE OF THE AUDITOR GENERAL**

To the Honorable Mayor, City Commission, and City Manager
of the City of St. Pete Beach, Florida:

Report on the Financial Statements

We have audited the financial statements of the City of St. Pete Beach, Florida, as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 31, 2022.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major State Project and Report on Internal Control over Compliance, Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 31, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The City has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units; therefore, we did not note any such component units that failed to provide the necessary information, nor is any specific special district information required to be reported.

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, City Council, management, others within the City, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Daytona Beach, Florida
March 31, 2022

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.



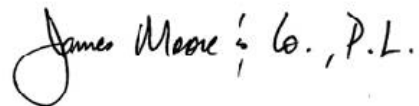
INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Honorable Mayor, City Commission, and City Manager
of the City of St. Pete Beach, Florida:

We have examined the City of St. Pete Beach, Florida's (the City) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the City of St. Pete Beach, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.



Daytona Beach, Florida
March 31, 2022