

2018 / 2019

City of
OLDSMAR
connecting community



Photo By Craig On

COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT

OLDSMAR CITY COUNCIL



Mayor
Eric Seidel



Vice Mayor
Gabby McGee



Council Member
Linda Norris



Council Member
Dan Saracki



Council Member
Katie Gannon

City of
OLDSMAR
connecting community

COMPREHENSIVE
ANNUAL FINANCIAL
REPORT

Fiscal Year Ended
September 30, 2019

CITY MANAGER
Alan S. Braithwaite

Prepared by:
Administrative
Services Department

Director of
Administrative Services
Cynthia S. Nenno

Accounting Administrator
Amy Ratliff

Finance Administrator
J. Garrett Zeliff

LISTING OF CITY OFFICIALS
AS OF SEPTEMBER 30, 2019

ELECTED OFFICIALS

MAYOR
VICE MAYOR
COUNCIL MEMBER
COUNCIL MEMBER
COUNCIL MEMBER

ERIC SEIDEL
GABBY MCGEE
LINDA NORRIS
DAN SARACKI
KATIE GANNON

APPOINTED OFFICIALS

City Manager
City Clerk
City Attorney
Assistant City Manager
Director of Administrative Services
Director of Public Works
Planning & Redevelopment Director
Fire & EMS Chief
Library Director
Leisure Services Director

Alan S. Braithwaite
Ann E. Nixon
Thomas J. Trask
Felicia Donnelly
Cynthia S. Nenno
Janice "Nan" Bennett
Marie Dauphinais
Jason Schwabe
Susan Hurley
Christopher Potts

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CERTIFICATE OF ACHIEVEMENT

ORGANIZATION CHART

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City of Oldsmar

To protect the community and enhance the quality of life through customer oriented public service

100 State Street West ~ Oldsmar, FL 34677-3655 ~ (813) 749-1100

March 20, 2020

The Honorable Mayor, Council Members and Citizens
of the City of Oldsmar, Florida

The Comprehensive Annual Financial Report of the City of Oldsmar, Florida, for the fiscal year ended September 30, 2019 is submitted herewith pursuant to Florida State Statutes Chapter 218.39 and Chapter 10.550 of the Rules of the Auditor General of the State of Florida. This Annual Financial Report was prepared by the Administrative Services Department, Finance Division and represents the official report of the City's financial position and results of operations to the citizens, City Council, City administrative personnel, investment firms, rating agencies, and other interested persons.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with City management. To the best of our knowledge and belief, the data presented is accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the City on a Government-wide and a Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

MAJOR INITIATIVES

Fiscal year 2019 was a transformative year for the City, with the election of a new Mayor and two new Council Members. In addition, fiscal year 2019 represented the first budget developed under City Manager Al Braithwaite, as he completed his first full year in the position in 2018. Through Council's guidance and new executive leadership, a focus was placed on economic development and enhancement of the City's downtown. In addition, several large infrastructure projects were underway, demonstrating the Council's commitment to preserving our existing resources while responsibly expanding our ability to serve citizens and the business community. As with all major capital projects, there were a multitude of challenges to overcome, ranging from intergovernmental coordination to commercial utility placement. Staff worked hard to resolve these issues with projects while simultaneously initiating new projects to accomplish Council's priorities.

Those major efforts included construction of new study rooms in the Library, installation of a new Purple Heart Monument at Veterans Park, improvements to the Forest Lakes multimodal trail, renovation of medians on State Road 580, installation of a storage building at the Fire Station, and construction of an outdoor hockey rink at the Oldsmar Sports Complex, in partnership with the Tampa Bay Lightning organization.

Honorable Mayor, Council Members and Citizens
March 20, 2020

In the Community Redevelopment Agency (CRA), a major property purchase was completed in fiscal year 2019, as the City acquired the last remaining parcel needed to control all land from City Hall east to Washington Avenue. This purchase will allow the City to command all property envisioned for the initial phase of the downtown development and will provide Council a clean slate for future development. This is a major step forward in Council's objective for creation of an identifiable downtown, as well as the strategic goal of economic development. In addition, the City continued the CRA Sign Program, enhancing the area's appearance and ease of mobility. Finally, the property adjacent to the Library continued to be a focus for staff, with continued negotiations between the City and developers.

In the Enterprise Funds, several facilities were improved or repaired and field assets were upgraded throughout the City. Our Lift Station improvement plan continued as the Utilities Maintenance Division focused on the rehabilitation of the recently acquired Woodlands Square Lift Station. In addition, the Aquifer Storage and Recovery system project was closed out, finalizing the development of this important project that expands the City's ability to store reclaimed water. This investment in environmental sustainability will allow the City to better utilize this important environmental resource. The Harbor Palms development improvement project got underway, specifically the Water Main replacement, Sewer Line improvements, Sidewalk and Curbing enhancements. Debt funding is in place for this large infrastructure project. At the City's Reverse Osmosis Water Treatment Plant, the second floor buildout was completed, which will allow for a more functional space, especially during emergency operations.

Finally, our Stormwater Fund remained very busy during the year. In addition to coordinating with other Public Works Divisions to finalize design and begin the Harbor Palms Project construction, we also completed the Master Plan for stormwater upgrades throughout the City. This comprehensive plan will help the City prioritize project funding for improvements in future years, and will provide more efficient stormwater modeling for the City and other local coordinating agencies.

Currently the City is operating in two distinct but interconnected worlds. We are focused on maintaining and improving our existing assets and infrastructure. However, we are also pushing to meet Council's enhanced downtown and economic development goals. This balancing act, while challenging at times, is consistent with the history of the City, Council's 2022 Strategic Vision, and Mission Statement. In summation, we are preserving the past while looking to the future.

FUTURE PROSPECTS

For fiscal year 2020, the Administration presented a budget that recommended a 13.5% decrease from the prior year's revised budget. The slight decrease was attributable to the timing of the completion of capital projects, specifically roadway and trail improvements in the industrial sector. From a personnel perspective, the City began to incorporate a small number of new positions in key areas to support Council priorities. In total, the fiscal year 2020 budget was presented with an increase of 3 ½ positions overall as well as reinstating an annual cost of living adjustment and increasing minimum wage to \$13.06, which is the first step in keeping up with the federal trend towards a \$15 per hour minimum wage.

Ad Valorem revenue increased for the seventh year in a row (approximately 6.6%), and for fiscal year 2020 the City's taxable assessed value now exceeds that of the highest level ever attained, which was in fiscal year 2009. No change is planned for the millage rate, which is steady at 4.05, as it has been for the past 12 years. The City continues to plan for the utilization of grants where possible, while acknowledging that they are increasingly difficult

Honorable Mayor, Council Members and Citizens
March 20, 2020

to receive and come with significant compliance, restrictions on land use, and legacy costs.

In concert with the City Council's commitment to economic development and downtown, future projects for fiscal year 2019/20 will see the City focus on the development of downtown, while still maintaining our existing infrastructure. To support these goals in a fiscally responsible manner, high impact projects will become more targeted and maintenance tasks more important than ever. In the coming year specific projects, including the Burbank Road Extension project (funded in part via legislative appropriation/grant from FDOT), the Douglas Road Trail and Roadway improvements (funded in part via FDOT grant and legislative appropriation, respectively), the Harbor Palms Infrastructure Improvements project, and improvements to the Oldsmar Sports Complex will begin their construction phases. Additionally, the biannual Neighborhood Street Resurfacing program will occur, and design for the WRF Building Improvements and Cypress Forest Spray Park replacement will begin.

In addition to the City's many active and upcoming projects, in the pending fiscal year there are several anticipated large private construction projects, boosted by an improving economy. We anticipate these projects will bring a positive impact, both in terms of financial footing (via an increased tax base) and sense of community.

In the Community Redevelopment Agency (CRA), property development will continue to be the TOP priority. The demolition of the two remaining buildings on the properties next to City Hall and adjacent to the Library will occur, with the result being a renewed look to the development process. We hope developers, in light of recent acquisitions and clearing of land, will take notice.

In the Capital Projects Fund, the City has been saving Penny for Pinellas funds for the completion of two major infrastructure improvements. Penny funds have been saved for the completion of needed improvements in the industrial section of the City, specifically the widening of Douglas Road and the connection of Burbank to Douglas Road. In addition to Penny funds, a State appropriation for Burbank and grant for Douglas will be utilized in this targeted improvement to the City's industrial base. These projects have been unavoidably delayed due to multiple private utility conflicts, as well as coordination and approval from grantor agencies, however we look forward to progress in the coming year. The additional access and improved roadways throughout the Cypress Lakes Industrial Park will improve access for businesses and safety for multimodal travel in the area.

In addition to these two projects funded by the Penny for Pinellas, another other large project in the Capital Projects Fund is the Harbor Palms Infrastructure Improvement project. This project is currently in the first phase of construction and in the next year will see progress in construction and the design of phase two. The final phases of design and preparation for construction services bidding will contain several important elements of infrastructure work, including replacement of failing water lines, stormwater lines and sidewalks. This project, along with the Douglas/Burbank project, will require a significant commitment of City resources and will likely be in progress for several years. Other large projects planned for this fund include design for the Cypress Forest Spray Park renovation and the Douglas Trail.

In the Enterprise Funds, capital outlay will be spent on the continuation of started projects, like water meter upgrades, Downtown Water Line Distribution improvements, and utility components of the Harbor Palms Infrastructure Improvements project. New projects scheduled to begin include WRF Building Improvements and WRF Aeration System Upgrades. In the Stormwater fund, we are continuing work on the Harbor Palms project.

ECONOMIC CONDITION AND OUTLOOK

The City of Oldsmar continues to increase its popularity in the Tampa Bay region. The City is perfectly situated between the Tampa metropolitan area, and the beaches of Pinellas County. Tourists and visitors should not overlook the City's amenities, which include many incredible parks, a public beach, fishing pier and ten completed miles of recreational trail.

Other unique offerings include a Spray-ground for the kids, Recreation Center, a brand new outdoor Street Hockey Rink, Ice Skating facility, Flea Market, Picnic facilities throughout the city, and special events throughout the year that are held at our own waterfront park, complete with a stage overlooking the water, rides for the kids, great music and fireworks.

In the immediate vicinity, you will find a thoroughbred racetrack that borders the city limits, and it hosts the Tampa Bay Derby, which usually produces an entrant to the Kentucky Derby. Within ten miles, two of the nation's highest ranked beaches are accessible, and there are two malls inside that perimeter for shoppers. The Tampa airport is within minutes of the city limits, and there are two minor league baseball stadiums within a ten-minute drive.

The City also proudly presents a Historical Museum, and the City Hall building doubles as an Art gallery. We offer bike and walking tours of our downtown residential areas, which are rich in character and history. We offer boat ramps, canoe trails and a Zip Line attraction. There isn't anything you could think of that we don't offer, or you can't find within minutes of our city limits. Oldsmar is a great place to live, work and play, and we've had that motto since 1996, when our city won the Most Livable City award. The amazing thing about that is our amenities have more than doubled in the twenty years since we won that award.

The City Council understands the commitment required to attract new business and serve the needs of our existing businesses. During our "We Mean Business" program, the Mayor and City Manager visit the businesses on a regular basis around town, keeping in touch with their needs and listening to their concerns. The stability of our tax base has been a long-standing trademark of our city, in large part due to the continuous effort placed on listening to the constituents, by our elected officials and administration.

Our economic outlook continues to be strong. We have a large waterfront residential development nearing completion, and the City's Gross Taxable Value has increased for the seventh consecutive year. The vision for the City-owned property on the east side of City Hall and adjacent to the Library is being carefully considered, with continuous workshops among stakeholders to clarify thoughts for the future.

City land continues to be a well-balanced mix, classified as (by % of land area): Preserve (48%), Residential (25%) Commercial/Industrial (20%), Recreational (5%) and Community Redevelopment area (2%).

ACCOUNTING SYSTEMS AND BUDGETARY CONTROL

The City's accounting records for general governmental operations and business type operations are maintained on a full accrual basis, with revenues recorded when earned, and expenditures recorded when the services or goods are received and liabilities incurred. These statements are considered the Government-wide Statements, and are found on pages 17, 18 and 19. These statements present an organizational wide view of all City operations in one place.

In developing the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

The safeguarding of assets against loss from unauthorized use or disposition; and

The reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

The cost of a control should not exceed the benefits likely to be derived; and

The evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within this framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the department level. All purchase requisitions are compared to available line item amounts and necessary significant budgetary adjustments are made prior to issuing purchase orders. The City Manager is authorized to transfer any unencumbered available line item balance or portion thereof between specific classifications of expenditures within a department. By resolution, the City Council may authorize the appropriation of the unencumbered reserve or the transfer of funds from one department to another.

THE REPORTING ENTITY

The criteria used in determining the reporting entity are consistent with Statement Number 14 and 61 of the Governmental Accounting Standards Board regarding the definition of the reporting entity. Based on criteria found in these statements, the various funds (all funds of the City) shown in the Table of Contents are all that is necessary to be included in this report. There are no other entities that require inclusion in this report.

SERVICES PROVIDED

The City provides the full range of municipal services normally associated with a municipality including fire protection, emergency medical services, street construction and maintenance, planning and redevelopment, cultural arts, recreation, parks, and library, as well as general administrative services. Police protection is provided by an annual contract with the Pinellas County Sheriff's Office. In addition, water, sewer, and reclaimed water services are provided under an enterprise fund structure with user charges set by the City Council to ensure adequate coverage of operating expenses and payment of outstanding debt. Stormwater Management and Solid Waste are also accounted for with enterprise funds. The City contracts with a solid waste hauler to provide automated solid waste and single stream recycling services to residents.

ORGANIZATION OF THE GOVERNMENT

The Community was founded in 1916 by Ransom E. Olds, inventor, and manufacturer of one of America's first automobiles, the "Oldsmobile". The City operates under the Council-Manager form of government. The City Council is comprised of the Mayor and four council members and is responsible for enacting ordinances, resolutions, and regulations governing the City as well as appointing members to various statutory and advisory boards, and appointing the City Manager, City Attorney, and City Clerk. The City Manager, as chief executive officer, is responsible for enforcement of laws and ordinances and appoints and supervises the City's department heads.

FINANCIAL CONDITION

The Management Discussion and Analysis (MD&A) (starting on page 3) summarizes the Statement of Net Position and Statement of Activities and reviews the changes (from the beginning to the end of the period and current year to the prior year). The actual statements (in detail) are presented on pages 17 through 19. These Government-wide statements are intended to present the City on a more corporate-style basis and provide a view of the larger picture.

Additionally, the Fund Financial Statements (starting on page 20) are designed to address the Major (or more significant) individual funds by category (governmental and proprietary). An explanation of these complementary presentations can be found in the MD&A (starting on page 3) and in Note A of the Financial Statements.

The City's Business-type Activities are summarized in the MD&A and the Government-wide financial statements as a consolidated single column. The Major individual funds are presented in the Fund Financial Statements (See pages 20 through 27). The assets of the Firefighters Pension Trust Fund are presented as a Fiduciary Fund on pages 28 and 29.

To complement the available presentation, the following schedule reflects, in summary form for the Water and Sewer Fund, both the operating income before and after depreciation and the debt service coverage presented on a bond covenant basis. The net income before and after depreciation demonstrates cash flow generated to cover all or a portion of the asset consumption (depreciation). The Water and Sewer Fund's debt service consists of a bond issue and three loans from the Florida Department of Environmental Protection. The City has a multi-step inverted rate structure to encourage water conservation and to penalize high usage.

WATER AND SEWER FUND ACTIVITIES

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Operating Revenues	\$7,665,168	\$7,843,587	\$8,206,237
Operating Income	1,445,721	1,643,615	1,479,256
Add: Depreciation	1,895,501	1,944,635	1,783,839
Interest Income	54,356	94,610	401,355
Income Available for Debt Service	<u>3,395,578</u>	<u>3,682,860</u>	<u>3,664,450</u>
Annual Debt Service (Principal and Interest)	<u>1,239,240</u>	<u>1,237,872</u>	<u>691,856</u>
Coverage (Income available for debt service divided by annual debt service)	<u>2.74</u>	<u>2.98</u>	<u>5.29</u>

INDEPENDENT AUDIT

The City Charter requires an annual audit of the books of account, financial records, and transactions of all City administrative departments by an independent certified public accountant selected by the City Council. This requirement has been fulfilled and the auditor's report from the certified public accounting firm of Wells, Houser & Schatzel, P.A., has been included in this report.

CERTIFICATE OF ACHIEVEMENT

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 Oldsmar for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

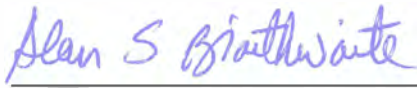
A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The timely preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Division. We would like to express appreciation to all members of the Division who assisted and contributed to its preparation, especially Amy Ratliff, Accounting Administrator, and Garrett Zelif, Finance Administrator. We would like to thank Wells, Houser & Schatzel, P.A., for their continued professional assistance. We express appreciation to the Mayor and the members of the City Council for their continued interest and support in planning and conducting the City's financial operations in a responsible and progressive manner.

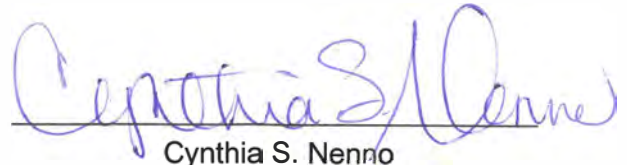
Honorable Mayor, Council Members and Citizens
March 20, 2020

Respectfully submitted,



Alan S. Braithwaite
City Manager

Respectfully submitted,



Cynthia S. Nenno
Director of Administrative Services



Government Finance Officers Association

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**City of Oldsmar
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

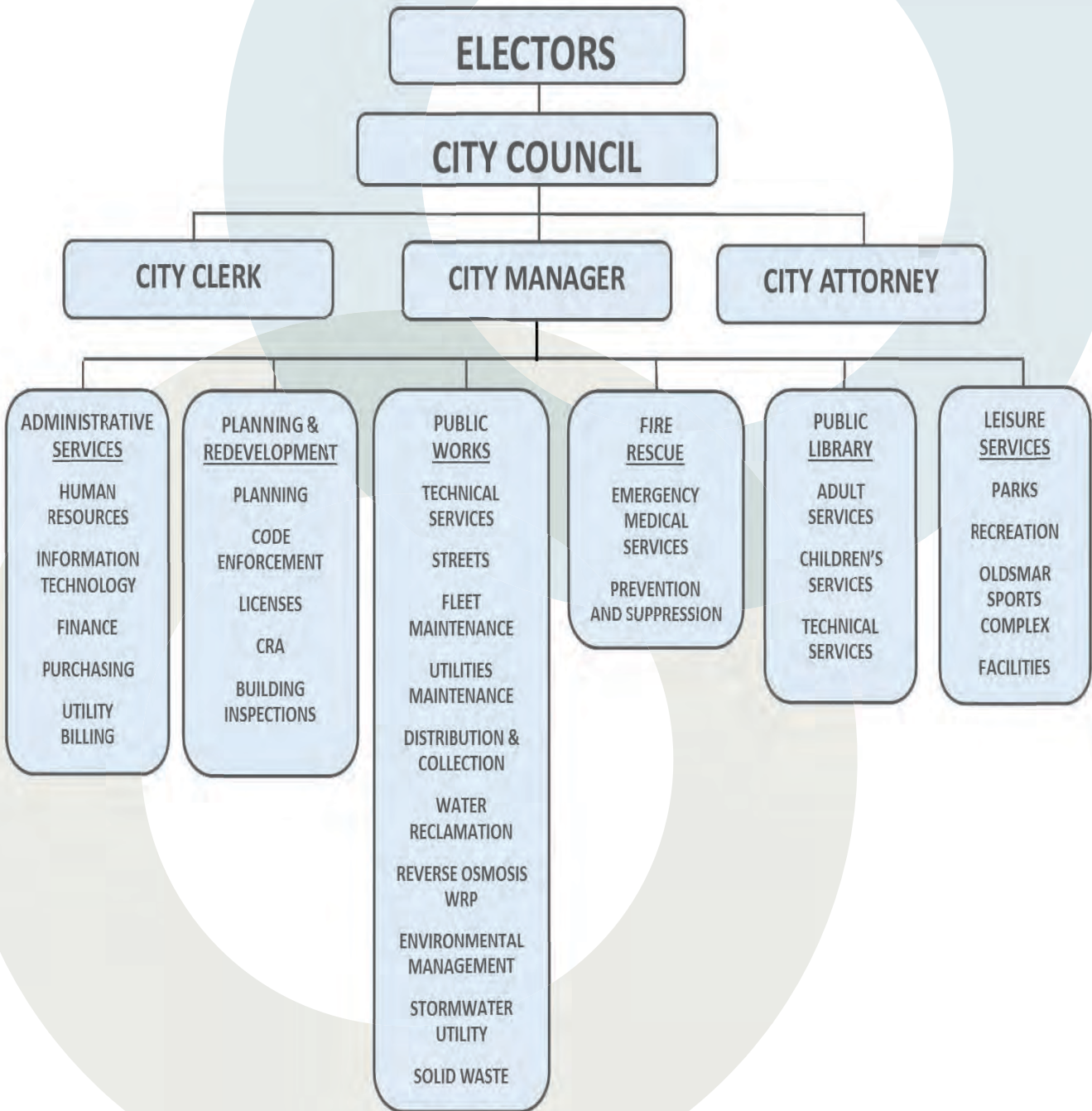
Christopher P. Morill

Executive Director/CEO

ORGANIZATIONAL CHART

Fiscal Year-End September 30, 2019

City of Oldsmar, Florida



FINANCIAL SECTION

This Section Contains the
Following Subsections:

INDEPENDENT AUDITOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS
(MD&A)

BASIC FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MD&A

COMBINING FINANCIAL STATEMENTS

SUPPLEMENTAL INFORMATION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
City Council Members
City of Oldsmar, 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 Oldsmar, Florida, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents. We have also audited the financial statements of the Oldsmar Community Redevelopment Agency as of and for the year ended September 30, 2019, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to 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 Oldsmar, Florida, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Oldsmar Community Redevelopment Agency as of September 30, 2019, and the respective changes in financial position for the year then ended in conformity 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 (pages 3-16) 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 of Oldsmar, Florida's basic financial statements and the financial statements of the Oldsmar Community Redevelopment Agency. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The required budgetary comparison schedules (pages 59-61) and the required pension and retiree health care plan schedules (pages 62-66) are not a required part of the basic financial statements but are required by accounting principles generally accepted in the United States of America. The schedule of expenditures of federal awards and state assistance is presented for purposes of additional analysis and the State of Florida Single Audit Act, and is also not a required part of the basic financial statements.

The budgetary comparison schedules, combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards 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, budgetary comparison schedule, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are 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 Standard*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 2, 2020, on our consideration of the City of Oldsmar, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Oldsmar, Florida's internal control over financial reporting and compliance.



Wells, Houser & Schatzel, P.A.
St. Petersburg, FL
January 2, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Oldsmar (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which begins on page iii of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of fiscal year 2019 by \$110,866,966 (net position). Of this amount, \$16,523,061 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position increased by \$1,666,102, or 11.2% from the prior year's net asset presentation. The City's total net position increased by 3.9% (\$4,186,799) from the prior year's total figure.
- As of the close of the fiscal year, the City's governmental funds reported combined ending total fund balances of \$15,597,816, an increase of \$1,185,183 when compared to the prior year. Of this amount, \$3,764,040 is available for spending at the government's discretion (unassigned fund balance). The remainder is either non-spendable, restricted, committed or assigned for open contracts, programs, or debt.
- At the end of the current fiscal year, the unassigned fund balance in the general fund was \$3,764,040, or 30% of the total general fund expenditures.
- Overall, the City's total outstanding debt decreased by \$574,076 (7.5%) during the fiscal year. The decrease reflects principal payments made on existing debt issues in both the Governmental and Enterprise funds. New borrowings during the fiscal year include a \$6 million construction loan secured to fund portions of the Harbor Palms Infrastructure Improvement project. The amount outstanding at the end of the fiscal year included the initial draw of \$100,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as a generic introduction to the City's financial operation and is intended to help readers understand the elements of the City's financial statements. It does not present any specific financial activity related to the City of Oldsmar. The City's basic financial statements are comprised of three major components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Each is discussed below. This report also contains other supplementary information in addition to the basic financial statements themselves.

1. **Government-wide Financial Statements.** The government-wide financial statements provide a broad overview of the City's finances, in a manner similar to that of a private-sector entity. This section does not discuss individual Funds, and instead, focuses on Governmental Activities (all governmental funds) and Business-type Activities (all enterprise funds). There are two statements:

- a. **Statement of Net Position** (pg. 17). The Government-wide Statement of Net Position presents information on all City assets and liabilities, with the difference between the two reported as net position (assets and deferred outflows minus liabilities and deferred inflows). The statement combines and consolidates the governmental funds' current financial resources with capital assets and long-term obligations. Increases or decreases in net position may be indicators of whether the City's financial position is improving or declining; however, increases and decreases, in and by themselves, cannot be viewed as positive or negative.

For example, changes in net position must be analyzed in relation to the City's overall objectives. If the City purchases a new capital asset for cash, the overall net position will decline because the new asset will be depreciated over its useful life. The City has traded cash, which does not depreciate, for an asset that will. However, the City's overall service objectives may be furthered by the purchase and use of the asset instead of holding the cash.

- b. **Statement of Activities** (pgs. 18-19). The Government-wide Statement of Activities presents information on why the City's net position changed during the fiscal year (the difference between revenues received and expenses incurred). The focus is on both the gross and net cost of various government services, revealing what portion of the city's programs require subsidy beyond what tax dollars provide. All changes in net position are reported as soon as an underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported even if cash is not received or paid.

Both financial statements described above divide the City's financial information into two types of activities: governmental activities, which are principally supported by taxes and intergovernmental revenues; and business-type activities, which are supported by user fees and charges. The City's Governmental Activities include: General Government, Law Enforcement, Fire Protection, Technical Services, Transportation, Library, Parks & Recreation, and Community Redevelopment. The City's Business-type Activities include: Water Reclamation, Reverse Osmosis Water Treatment Plant, Stormwater Utility, and Solid Waste services.

2. **Fund Financial Statements.** These are designed to provide readers with a more precise view of financial activity, unlike the government-wide statements, which focus on the City as a whole. A fund is a collection of resources, where a grouping of related accounts is used to control them. They have been segregated for a specific activity or objective. The City uses fund accounting to demonstrate compliance with legal requirements and to enhance accountability.

While the focus of the Fund Financial Statements is comparatively narrow (versus the government-wide), it is appropriate to compare fund information to its component counterpart in the governmental activities section of the government-wide financial statements. Doing so will assist the reader in understanding the long-term impact of the City's short-term decisions.

The Governmental Funds Financial Statements (pgs. 20-23) present sources and uses of spendable resources. This is the manner by which the budget is typically developed. The flow and availability of "liquid" resources is a clear and appropriate focus for any analysis of a government. Funds are established for various purposes and the Fund Financial

Statements present compliance with required Government Accounting Standards Board (GASB) rules.

While the Total column on the Business-type Fund Financial Statements (pgs. 24-27) equals the Business-type Total column on the Government-wide Financial Statements, the Governmental Funds Total column requires a reconciliation because of the difference in measurement focus, which is reflected on the page following each Governmental Fund Financial Statement (pages 21 and 23). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources, as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (i.e., bonds) into the Governmental Activities column (in the Government-wide Statements).

There are three types of funds used by the City to report financial transactions. They are:

- a. Governmental Funds.** The Governmental Funds are used to account for the same functions reported as governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, these focus on short-term inflows and outflows of spendable resources, as well as on spendable resources available at year-end. This information is useful in evaluating the City's short-term financial condition.

The City maintains seven individual governmental funds. The focus of the Fund Financial Statements and the MD&A report is on major funds only, of which the City normally has two: General Fund and Capital Improvement Fund. The Community Redevelopment Agency (CRA) no longer qualifies as a major fund, but it has been maintained as such due to its overall importance to the City's economic development initiatives. At the government-wide reporting level, information is presented separately for each major fund and information for the other four non-major governmental funds are combined into a single column. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements, which are included after the notes to the financial statements.

The City adopts a budget for all governmental funds. A budgetary comparison statement has been provided for all governmental funds with a legally adopted budget to demonstrate compliance with the budget. Significant budget variances (if any) for non-major funds are discussed in Note A of the financial statements.

- b. Proprietary Funds.** Proprietary Fund Financial Statements provide the same information found in the Government-wide Statements, except in greater detail.

Enterprise Funds are used to report the same information as is presented in the business-type activities section of the Government-wide Financial Statements. The City maintains three separate enterprise funds to account for activities of the Water and Sewer utility, Stormwater utility and Solid Waste utility. All three are considered major funds.

- c. Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties other than the City, such as pension plan participants. The basis of accounting for fiduciary funds is equivalent to that of proprietary funds. Fiduciary fund

financial information is not reflected in the Government-wide Financial Statements, because resources of those funds are not available to support the City's programs or services. The City presents Pension Trust Fund activity on pages 28 and 29.

- 3. Notes to the Financial Statements.** The notes provide additional information that is essential to the process of developing a complete understanding of the information presented in the government-wide and fund financial statements.

Required Supplementary Information (other than MD&A)

In addition to the basic financial statements described above, the CAFR also presents certain required supplementary information, including budgetary comparison schedules for the General Fund and the Community Redevelopment Agency Fund (CRA), as well as the schedules of funding progress for the City's defined benefit plan obligations. Required supplementary information is located just after the notes to the financial statements.

Combining Financial Statements, Individual Fund Financial Statements and Schedules

These statements and schedules are provided for non-major governmental funds and are located immediately following the required supplementary information.

Other Supplementary Information

These statements are designed to show a greater level of detail than is provided in the Fund Financial Statements. This information generally shows budgetary comparisons for the enterprise funds, and reconciliations between governmental fund statements and governmental activities in government-wide statements.

GOVERNMENT-WIDE FINANCIAL STATEMENT ANALYSIS

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, net position exceeded liabilities by \$110,866,966 at the close of fiscal year ended September 30, 2019.

The largest portion of the City's net position continues to be investment in capital assets (76.1%), such as land, buildings, improvement other than buildings, machinery and equipment, and infrastructure. The fiscal year 2018/19 figure, \$84,382,051, represents the net capital assets total, minus related debt outstanding used to acquire the assets.

Capital assets are used to provide services to the citizens, and therefore do not represent position available for future spending. The resources required to pay the debt must come from other sources, since the asset itself cannot be used to satisfy the liabilities. The following table reflects a summarized version of the Statement of Net Position, when compared to the prior fiscal year.

Table 1
Statement of Net Position
As of September 30, 2019 and 2018
(000's)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current and other assets	\$16,557	\$15,808	\$ 16,350	\$ 15,075	\$ 32,907	\$ 30,883
Capital assets	<u>49,886</u>	<u>49,226</u>	<u>41,578</u>	<u>40,728</u>	<u>91,464</u>	<u>89,954</u>
Total assets	66,443	65,034	57,928	55,803	124,371	120,837
Deferred outflows	<u>1,743</u>	<u>1,976</u>	<u>191</u>	<u>216</u>	<u>1,934</u>	<u>2,192</u>
Total assets & deferred outflows	<u>\$68,186</u>	<u>\$67,010</u>	<u>\$58,119</u>	<u>\$56,019</u>	<u>\$126,305</u>	<u>\$123,029</u>
Other liabilities	\$ 999	\$ 1,291	\$ 2,515	\$ 2,528	\$ 3,514	\$ 3,819
Long-term debt outstanding	<u>3,574</u>	<u>3,588</u>	<u>6,612</u>	<u>7,151</u>	<u>10,186</u>	<u>10,739</u>
Total liabilities	4,573	4,879	9,127	9,679	13,700	14,558
Deferred inflows	<u>1,637</u>	<u>1,713</u>	<u>101</u>	<u>77</u>	<u>1,738</u>	<u>1,790</u>
Total liabilities & deferred inflows	6,210	6,592	9,228	9,757	15,438	16,348
Net Position						
Net investment in capital assets	49,115	48,395	35,267	33,898	84,382	82,293
Restricted	8,602	8,325	1,360	1,205	9,962	9,530
Unrestricted (deficit)	<u>4,259</u>	<u>3,698</u>	<u>12,264</u>	<u>11,159</u>	<u>16,523</u>	<u>14,857</u>
Total net position	<u>61,976</u>	<u>60,418</u>	<u>48,891</u>	<u>46,262</u>	<u>110,867</u>	<u>106,681</u>
Total liabilities, deferred inflows & net position	<u>\$68,186</u>	<u>\$67,010</u>	<u>\$58,119</u>	<u>\$56,019</u>	<u>\$126,305</u>	<u>\$123,029</u>

9.0% of the City's total net position represents resources that are restricted on how they may be used. 14.9% of the total net position may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the fiscal year, the City of Oldsmar was again able to report positive balances in all three categories of net position, for the City as a whole, as well as the Governmental and Business-type activities, individually. The City's total Primary Government unrestricted net position increased by \$560,612, to \$4,258,834 during the fiscal year. The City's Business-type unrestricted net position increased by \$1,105,490 to \$12,264,227, due to cost control and renewal and replacement reserve funding for future capital projects.

For more detailed information, see the Statement of Net Position (page 17).

Statement of Activities

The following schedule compares the revenues and expenses for the current and previous fiscal year.

Table 2
Changes in Net Position
(in 000's)

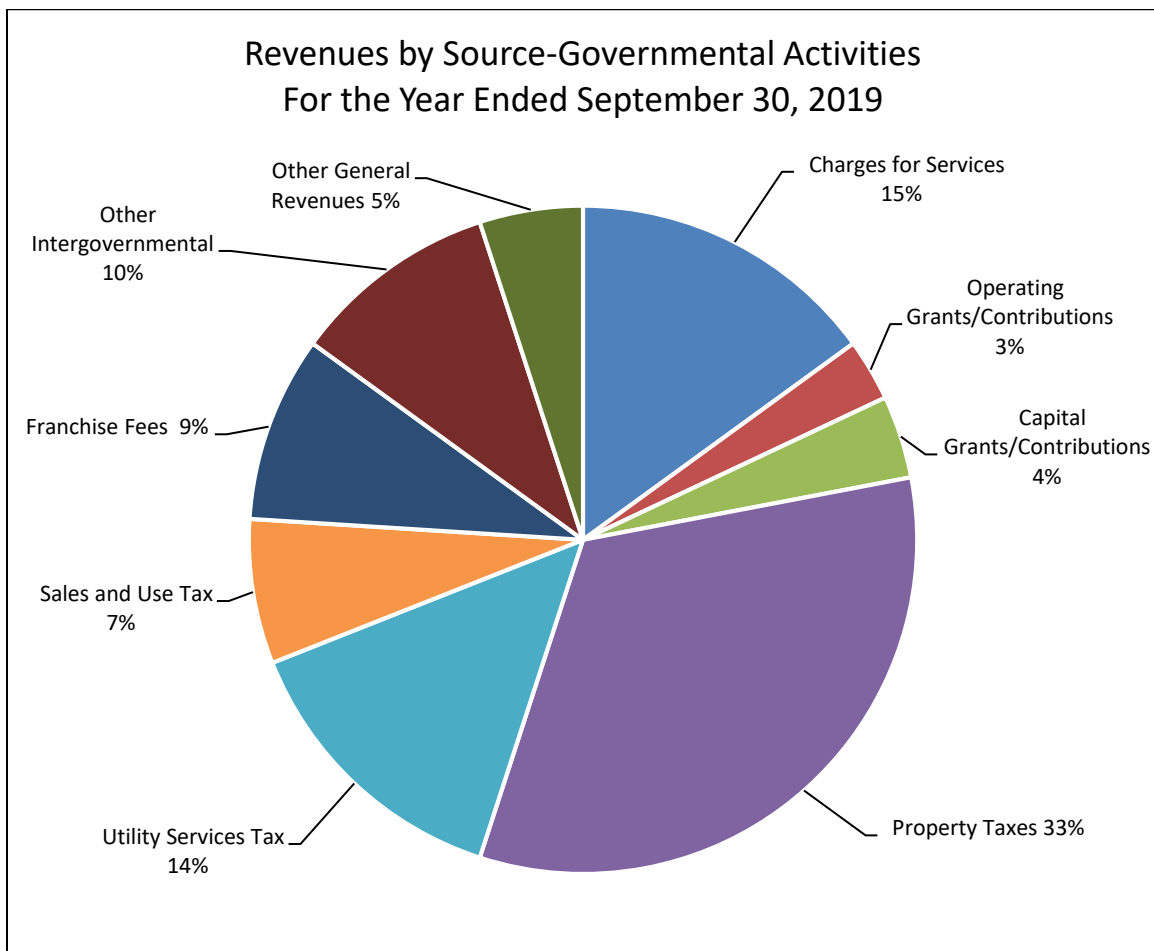
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
REVENUES						
Program Revenues:						
Charges for services	\$2,482	\$2,309	\$11,783	\$11,394	\$14,265	\$13,703
Operating Grants/Contributions	558	813	34	10	592	823
Capital Grants/Contributions	619	387	145	313	764	700
General Revenues:						
Property Taxes	5,289	5,024			5,289	5,024
Sales and Use Tax	1,176	1,096			1,176	1,096
Utility Services Tax	2,332	2,368			2,332	2,368
Franchise Fees	1,417	1,404			1,417	1,404
Other Intergovernmental	1,563	1,519	533	533	2,096	2,052
Investment Income	441	101	432	118	873	219
Other General Revenues	313	355	1	35	314	140
Interfund Transfers		250		(250)		
Gain on Disposal of Assets	19	37	10	8	29	45
Total Revenues	\$16,209	\$15,413	\$12,938	\$12,161	\$29,147	\$27,574
EXPENSES						
Program Activities:						
Primary Government						
Governmental Activities:						
General Government	4,260	4,248			4,260	4,248
Law Enforcement	1,751	1,695			1,751	1,695
Fire	2,485	2,397			2,485	2,397
Technical Services	420	398			420	398
Transportation and Drainage	1,460	1,557			1,460	1,557
Library	985	972			985	972
Parks & Recreation	3,022	2,975			3,022	2,975
Planning/Redevelopment	197	173			197	173
Interest on Long-Term Debt	71	10			71	10
Business-type Activities:						
Water & Wastewater						
Water Reclamation			3,328	3,319	3,328	3,319
Reverse Osmosis water plant			3,572	3,188	3,572	3,188
Stormwater Utility			773	719	773	719
Solid Waste			2,636	2,781	2,636	2,781
Total Expenses	14,651	14,425	10,309	10,007	24,960	24,432
Excess Revenue Over Expenses	1,588	988	2,629	2,154	4,187	3,142
Net Position, October 1	\$60,418	\$59,710	\$46,262	\$44,195	\$106,680	\$103,905
Prior Period Adjustment (OPEB)	-	(280)	-	(86)	-	(366)
Net Position, October 1 (Restated)	\$60,418	\$59,430	\$46,262	\$44,109	\$106,680	\$103,539
Ending Net Position	\$61,976	\$60,418	\$48,891	\$46,262	\$110,867	\$106,680

For more detailed information, see the Statement of Activities (page 18-19).

Governmental Activities

Governmental Activities increased the City's total net position by \$1,558,038, accounting for 37.2% of the total growth in the net position of the City. Key elements to the increase in net position included:

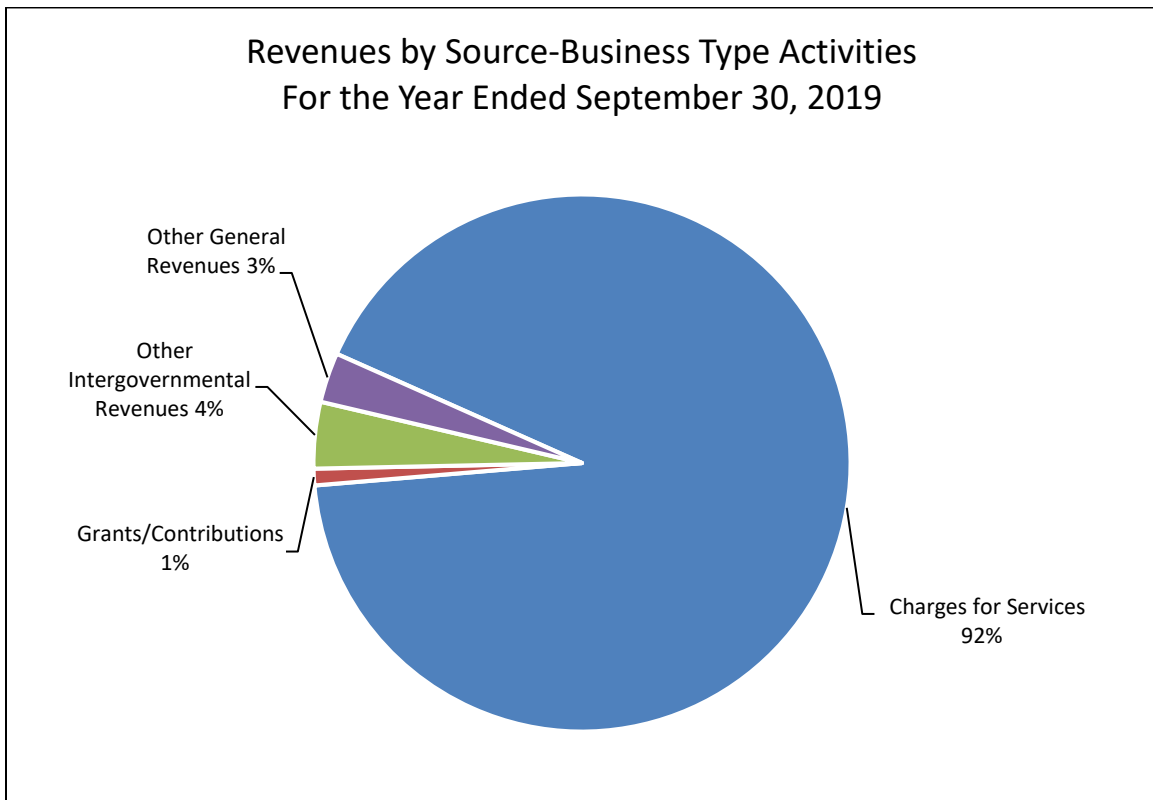
- Overall, total Governmental Revenues rose approximately 5.4%, with gains to the Ad Valorem proceeds and investment earnings, as well as the long-awaited receipt of Hurricane Irma reimbursement from FEMA. This expansion was partially offset by decreases in grant revenues and yet another downturn in Communications Services taxes. Program revenues increased slightly over the prior year, but general revenues were required to cover the shortage.
- Total Governmental activity expenses rose slightly, by about 1.6%, due to progress made capital projects.
- Total Governmental Capital Grants & Contributions increased due to expansion in CRA property values, a contribution from the Lightning Foundation for the new outdoor hockey rink, and a landscape grant from the Florida Department of Transportation (FDOT).



Business-type Activities

Business-type activities (enterprise funds) increased the City's total net position by \$2,628,761, accounting for 62.8% of the total growth in the government's net position. Key elements of the increase were:

- The Water and Sewer Operating Fund contributed \$2,405,260 to the increase in the city's business-type net position. System operations continue to fund future capital projects, including new water lines in Harbor Palms, improvements at the Reverse Osmosis Water Treatment Plant and a new control building at the Water Reclamation Facility. Program revenues for Business-type activities rose slightly, due to continued new development and a slight rate increase, enhancing stability in the system.
- The Stormwater Fund experienced an operating loss of \$33,453, due to higher depreciation charges and the addition of one full time employee.
- The Solid Waste Fund finished the fiscal year in a positive position with growth in net assets of \$242,333. Contributing factors in this growth include an operating grant and investment income totaling \$41,972, as well as various expense reductions.



FUND FINANCIAL STATEMENT ANALYSIS

Fund Financial Statement Analysis

As noted earlier, the City of Oldsmar uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year, the City's governmental funds reported a combined ending total fund balance of \$15,597,816, an increase of \$1,185,183 from the prior year. Unassigned fund balance, which is only in the General Fund, constitutes \$3,764,040 of the total governmental fund balance and is available for spending at the government's discretion. The remainder of governmental fund balances are either restricted, committed or assigned, which indicates that they are not available for spending. Major restrictions, commitments or assignments include: Nonspendable for prepaid items (\$411,928); amounts restricted for special purposes or enabling legislation for Capital Projects (\$1,644,271), Community Redevelopment (\$968,440), and Fire Suppression (\$927,086); Committed to Capital Projects by purchase orders not yet completed at year-end (\$3,769,130); and Assigned for reserves or subsequent year expenditures (\$3,080,000).

The General Fund is the primary operating fund of the City. At the end of the current year, unassigned fund balance was \$3,764,040, while total fund balance in the General Fund was \$6,996,184. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The General Fund's unassigned fund balance represents 26.64% of total fund expenditures for the current year, exceeding the 15% minimum as established by the City's General Fund Balance Reserve Policy.

Total fund balance in the City's General Fund increased by \$908,411 during the current fiscal year. Key factors in this change were:

- General Fund revenues totaled \$13,690,561, an increase of \$1,239,571 from the prior year. Overall, Intergovernmental revenues in the General Fund increased by \$455,715, representing growth in Ad Valorem proceeds of \$244,273 and investment earnings of \$210,566. Reimbursement for Hurricane Irma expenditures were finally received from FEMA and additional funds were received in franchise fees and utility taxes, partially offset by a downturn in communications services taxes.
- General Fund expenditures totaled \$12,674,707, a decrease of \$155,557 (1.2%) over the prior year.

Fund balance in the City's Capital Improvement Fund increased by \$495,823, to a total of \$5,714,341. Since balances are restricted legally for capital projects, large changes in Capital Improvement fund balance are not necessarily good or bad. Increases normally suggest that funds are being saved for future capital project use, which is the case here. The increase for FY

18/19 is largely attributable to a continued program to save Local Infrastructure Tax (Penny for Pinellas) proceeds to fund future improvement projects for Douglas Road and the Oldsmar Sports Complex. By the end of the fiscal year, the new Outdoor Hockey Rink at the Oldsmar Sports Complex was nearing completion with \$681,315 spent towards this project. Progress continued on the design phases of the Burbank Road Extension (\$85,365), the Harbor Palms Infrastructure project (\$84,844) and the Douglas Road Trail & Drainage Improvements (\$36,799).

In the Community Redevelopment Agency Fund (CRA), the purchase of commercial property led to a decrease in fund balance of \$195,854, to a total fund balance of \$1,301,244 at the end of the fiscal year.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but with more detail.

In the Water and Sewer Fund, progress made on the various capital projects was partially offset by system-wide depreciation charges and debt repayments, increasing the Net Investment in Capital Assets by \$1,289,917. A strong year of operations combined with the planned savings for funding future capital projects resulted in an increase of \$960,330 in unrestricted net assets, to a total of \$10,622,006. Total fund net position increased by \$2,405,260, to a total of \$42,600,556.

The unrestricted net position of the Stormwater Fund was \$864,800 at the end of the fiscal year, a decrease of \$97,173 from the prior year due to the planned purchase of heavy equipment. Unrestricted net position of the Solid Waste Fund was \$777,421 at year-end, an increase of \$242,333 from the prior year. Operating revenues were stable and the operating expenses decreased overall by \$144,513 primarily due to an adjustment to the administrative cost allocation and the transfer of the City's sustainability program to the Water and Sewer Operating Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget.

- The difference between the original and the final amended budget for appropriations (expenditures) in the General Fund was an increase of \$444,318 due to encumbrance (purchase order) carryovers from prior fiscal year.
- In addition, City Council approved the following charges against the General Fund's contingency reserve, totaling \$213,750:
 - \$136,250 for a transfer to the Public Safety Impact Fund to help meet future capital needs of the Fire Department
 - \$35,000 for a replacement fuel dispensing program in the Fleet Division
 - \$17,000 for a new utility vehicle for police protection
 - \$22,500 for additional aid to government agencies for Oldsmar's two local elementary schools (\$20,000) and a sponsorship for the Wounded Warrior Games (\$2,500)
 - \$3,000 for a position upgrade in the Streets Division.

Final budget compared to actual results.

- The difference between the final amended budget for appropriations and actual expenditure in the General Fund was a positive variance of \$2,511,082. Of this amount, \$1,013,395 is unused contingency reserve. Other variances include: \$439,946 budget savings from personal services vacancies, \$332,349 for operating expenditures cost control, and \$725,357 in capital outlay, mainly due to delays in the completion of projects, and subsequently the payments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2019, amounts to \$91.5 million (net of accumulated depreciation). This investment in capital assets includes land and land rights, buildings, improvements, machinery and equipment, and infrastructure. The total increase in the City's investment in capital assets for the fiscal year was 1.7%, \$1,509,350.

Major capital asset events during the 2018/2019 fiscal year included the following:

- In the General Fund, progress towards a comprehensive overhaul of the City's building HVAC systems continued with \$171,000 spent to replace the Fire Department's HVAC system and \$18,034 to upgrade an urgent portion of the City Hall's HVAC system. A new Purple Heart Monument was installed at Veterans Memorial Park for \$10,903, improvements to the Forest Lakes Trail were completed for \$47,981, and the FDOT Landscape Renovation project on SR580 was completed with a total expenditure of \$152,971. Other projects include \$27,882 to provide electrical service to the Municipal Service Center vehicle storage building, as well as bathroom renovations totaling \$24,711. New study rooms were constructed at the Library for \$17,249, and a new storage building was built at the Fire Department for a total project cost of \$44,935.
- In the CRA Fund, \$12,975 was spent to update and install new signs in the CRA area of the City. The City also spent \$903,000 to purchase commercial property located at 101 – 109 Fairfield Street.
- In the Capital Improvement Fund, progress continued on the Harbor Palms Infrastructure design, with an additional \$84,844 expended during the fiscal year, for a total of \$199,387. In addition, \$85,365 was spent during the year on designing the Burbank Road Extension, with total expended to date of \$614,786. The Douglas Road Trail and Drainage Improvements project continued to be in focus, with \$36,799 spent during fiscal year 2019 with a total project cost to date of \$431,436. At the Oldsmar Sports Complex \$681,315 was expended to design and build a brand-new outdoor Lightning Made Hockey Rink and the evaluation of the BMX Supercross facility totaled \$71,988.
- The ROWTP second floor buildout improvements were essentially complete with an additional \$84,517 spent during FY 18/19, along with communication upgrades in the amount of \$16,102. Additionally, \$53,786 was spent on the preliminary design work for a major renovation of the Control Building at the Water Reclamation Facility.
- The Downtown Water Line System Improvements project continued, with an additional \$1,813,195 dedicated towards this important water quality project. Progress continued on

the annual gravity sewer relining project with \$50,000 spent during the fiscal year. Major lift station and pump station renovations were completed for \$46,032 and \$32,594, respectively. Additional funds in the amount of \$10,603 were spent on the Forest Lakes Road widening project during the fiscal year.

- Touch-Read meter reading upgrades totaled \$111,512 for the fiscal year. The system upgrades, well underway, will continue to be phased in city-wide over the next several years, hoping the result will be enhanced revenue and stability for the Water and Sewer Operating fund.
- Design work on the Harbor Palms water main replacement and stormwater system upgrades was completed, with \$244,178 incurred during the year in the Water and Sewer Operating Fund (\$508,131 to date), and \$88,777 in the Stormwater Utility Fund (\$178,947 to date). This multifaceted, multi-year project will bring much needed relief to the aging street and utility infrastructure in the Harbor Palms neighborhood.
- A Master Plan update was finalized in the Stormwater Utility Fund, with a total project cost of \$274,895.

The City's investment in capital assets is summarized in the table below for the past two fiscal years, including additions and deletions.

Table 3
Capital Assets at Year-end (millions)
(Net of Depreciation)

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land and land rights	\$15.3	\$14.4	\$ 1.1	\$ 1.1	\$16.4	\$15.5
Buildings	18.1	17.6	24.1	24.0	42.2	41.6
Improvements other than Buildings	38.6	38.4	43.3	41.5	81.9	79.9
Equipment	7.3	7.1	3.1	3.0	10.4	10.1
Less:						
Accumulated Depreciation	<u>(31.4)</u>	<u>(29.4)</u>	<u>(34.1)</u>	<u>(32.3)</u>	<u>(65.5)</u>	<u>(61.7)</u>
Sub-Total	47.9	48.1	37.5	37.2	85.4	85.3
Work in Progress	<u>2.0</u>	<u>1.1</u>	<u>4.1</u>	<u>3.5</u>	<u>6.1</u>	<u>4.6</u>
Total	<u>\$49.9</u>	<u>\$49.2</u>	<u>\$41.6</u>	<u>\$40.7</u>	<u>\$91.5</u>	<u>\$89.9</u>

Additional information on all capital assets can be found in Note C of the notes to the financial statements.

Long-Term Debt

At the end of the current fiscal year, the City had total debt outstanding of \$7,065,764 which comprises bonds and notes secured solely by specified revenue sources. The City continues to have no General Obligation (GO) debt. Additional information on the City's long-term debt can be found in Note E of the notes to the financial statements.

Table 4
Outstanding Debt, at Year-end

	<u>2019</u>	<u>Totals</u> <u>2018</u>
Governmental:		
Capital Improvement		
Refunding Note – 2012 Veterans Park	\$ 654,000	\$ 810,000
Revenue Note Series 2019 - Harbor Palms	<u>100,000</u>	<u>-</u>
Sub-Total	<u>754,000</u>	<u>810,000</u>
Business Type:		
State Revolving Loan – Water	525,372	665,535
State Revolving Loan – RO Plant ARRA	2,220,530	2,367,987
State Revolving Loan – RO Plant Secondary	<u>3,565,862</u>	<u>3,796,318</u>
Sub Total	<u>6,311,764</u>	<u>6,829,840</u>
Total	<u>\$7,065,764</u>	<u>\$7,639,840</u>

The City's balance of total debt decreased by \$574,076 during the 2018/2019 fiscal year.

New borrowings during the year include a \$6 million Revenue Note to fund construction costs for the Harbor Palms Infrastructure Improvement project, which will ultimately result in debt allocated between the Governmental and Business-type activities. An initial amount of \$100,000 was drawn at closing and the balance of the loan proceeds will be disbursed over a two-year period ending March 11, 2021, as construction advances. Semi-annual interest payments are due during the draw period, with principal repayments beginning October 1, 2021. Project activities for new sidewalks, street and curb reconstruction will ultimately be allocated as Governmental debt, with the new water lines and drainage system allocated as Business-type.

No other debt was issued during the fiscal year and all debt service payments were made in a timely manner.

Readers seeking more detailed information on long-term debt activity should refer to Note E in the notes to the financial statements.

ECONOMIC FACTORS

The State of Florida, by Constitution, does not have a state personal income tax and, therefore, operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) primarily rely on property and a limited array of other permitted taxes and fees (franchise, business tax receipts, etc.) for funding of their governmental activities. There are also a limited number of state-shared revenues, recurring and non-recurring (one-time) grants available from both state and federal governments.

For the business-type and certain governmental activities (permitting, recreational programs, etc.) the user of services pays a related fee or charge.

The City places significant emphasis on encouraging economic development, particularly in the downtown redevelopment area (CRA). During the fiscal year, the City continued work on promoting economic development especially in the CRA in light of an improving economy. Increasing home values should continue to help overall economic conditions and assist the City in furthering the vision of the Council, which is to have a vibrant and successful downtown area. The area now contains several retail strip centers, a mixed-use facility, multiple restaurants and five hotels. Oldsmar continues to work closely with Pinellas County to provide an economic environment that attracts new business to our community. In addition, a focus for the coming year will be to engage the development community in discussions regarding both the property east of City Hall and adjacent to the Library.

FINANCIAL CONTACT

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, contact the City's Director of Administrative Services or Accounting Administrator at City Hall at 100 State Street West, Oldsmar, Florida 34677-3655, telephone (813) 749-1100.

BASIC FINANCIAL STATEMENTS

The basic financial statements include the government-wide financial statements, fund financial statements, and notes to the financial statements.

The government-wide financial statements present financial information about the reporting government as a whole.

The fund financial statements present financial information about major funds individually and nonmajor funds in the aggregate for the governmental and enterprise funds.

The notes to the financial statements present information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements.

STATEMENT OF NET POSITION

September 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets			
Cash, pooled cash & cash equivalents	\$ 9,258,687	\$ 6,699,502	\$ 15,958,189
Investments	2,002,319	1,496,787	3,499,106
Receivables			
Accounts and other, net	57,500	851,868	909,368
Due from Other Governments	237,181	26,490	263,671
Inventories	20,504	-	20,504
Prepaid Items	411,928	45,996	457,924
Total Current Assets	11,988,119	9,120,643	21,108,762
Noncurrent Assets			
Investments	4,569,186	5,110,109	9,679,295
Restricted Assets			
Cash, pooled cash & equivalents	-	2,119,613	2,119,613
Capital Assets			
Nondepreciable	17,318,301	5,167,100	22,485,401
Depreciable, net of depreciation	32,567,663	36,411,207	68,978,870
Total Noncurrent Assets	54,455,150	48,808,029	103,263,179
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related	1,682,687	174,535	1,857,222
OPEB Related	59,952	16,251	76,203
TOTAL ASSETS AND DEFERRED OUTFLOWS	68,185,908	58,119,458	126,305,366
LIABILITIES			
Accounts Payable	457,917	747,339	1,205,256
Retainage Payable	64,176	232,704	296,880
Accrued Items	265,521	85,246	350,767
Customer Deposits	-	759,391	759,391
Due to Other Governments	50,066	-	50,066
Accrued Interest payable	-	18,152	18,152
Current portion of LT Debt	161,000	672,619	833,619
Total Current Liabilities	998,680	2,515,451	3,514,131
Long-Term Liabilities			
Total OPEB Liability	1,217,999	330,150	1,548,149
Net Pension Liability	1,368,907	450,493	1,819,400
Noncurrent portion of LT Debt	987,345	5,831,247	6,818,592
Total Long Term Liabilities	3,574,251	6,611,890	10,186,141
Total Liabilities	4,572,931	9,127,341	13,700,272
DEFERRED INFLOWS OF RESOURCES			
Pension Related	1,446,107	85,772	1,531,879
OPEB Related	52,631	15,353	67,984
Deferred Revenues	121,809	-	121,809
Bond refunding premium	16,456	-	16,456
Total Deferred Inflows of Resources	1,637,003	101,125	1,738,128
TOTAL LIABILITIES AND DEFERRED INFLOWS	6,209,934	9,228,466	15,438,400
NET POSITION			
Net Investment in capital assets	49,115,508	35,266,543	84,382,051
Restricted For			
Capital Projects	5,714,341	1,108,050	6,822,391
Community Redevelopment Agency	1,301,244	-	1,301,244
Debt Service	147,277	252,172	399,449
Parkland Dedication	130,052	-	130,052
Public Safety	1,142,664	-	1,142,664
Multimodal Impact	166,054	-	166,054
Unrestricted	4,258,834	12,264,227	16,523,061
Total Net Position	61,975,974	48,890,992	110,866,966
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 68,185,908	\$ 58,119,458	\$ 126,305,366

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

CITY OF OLDSMAR, FLORIDA

STATEMENT OF ACTIVITIES

For the year ended September 30, 2019

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Function/Program Activities				
Primary Government				
Government Activities				
General Government	\$ (4,259,706)	\$ 1,429,524	\$ 257,633	\$ -
Law Enforcement	(1,750,645)	-	-	-
Fire Protection	(2,485,517)	520,752	73,925	-
Technical Services	(419,687)	-	-	-
Transportation	(1,459,704)	78,622	-	135,000
Library	(985,560)	13,592	190,149	-
Parks and Recreation	(3,022,293)	337,934	36,392	110,000
Community Redevelopment	(196,709)	101,843	-	373,763
Interest on Long-Term Debt	(\$71,382)	-	-	-
Total Governmental Activities	(14,651,203)	2,482,267	558,099	618,763
Business-type Activities				
Water and Sewer				
Water reclamation	(3,327,698)	3,956,929	8,605	85,483
Reverse osmosis water plant	(3,572,030)	4,249,309	-	59,856
Stormwater Utility	(772,762)	739,309	1,893	-
Solid Waste	(2,636,579)	2,836,940	23,569	-
Total Business-type Activities	(10,309,069)	11,782,487	34,067	145,339
Total Primary Government	<u>\$(24,960,272)</u>	<u>\$14,264,754</u>	<u>\$ 592,166</u>	<u>\$ 764,102</u>

General Revenues

Taxes

Property taxes

Sales and use taxes

Utility taxes

Communications service tax

Franchise fees

State and local revenue sharing - unrestricted

Investment income

Miscellaneous

Gain on disposal of capital assets

Total general revenues and transfers

Change in Net Position

Net Position Beginning

Net Position Ending

Net (Expense) Revenue and
Changes in Net Position

Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (2,572,549)	\$ -	\$ (2,572,549)
(1,750,645)	-	(1,750,645)
(1,890,840)	-	(1,890,840)
(419,687)	-	(419,687)
(1,246,082)	-	(1,246,082)
(781,819)	-	(781,819)
(2,537,967)	-	(2,537,967)
278,897	-	278,897
(71,382)	-	(71,382)
<u>(10,992,074)</u>	<u>-</u>	<u>(10,992,074)</u>
-	723,319	723,319
-	737,135	737,135
-	(31,560)	(31,560)
<u>-</u>	<u>223,930</u>	<u>223,930</u>
<u>-</u>	<u>1,652,824</u>	<u>1,652,824</u>
<u>(10,992,074)</u>	<u>1,652,824</u>	<u>(9,339,250)</u>
5,289,111	-	5,289,111
1,175,756	-	1,175,756
1,578,341	-	1,578,341
754,187	-	754,187
1,416,607	-	1,416,607
1,562,537	532,500	2,095,037
441,221	432,486	873,707
313,039	555	313,594
19,313	10,396	29,709
<u>12,550,112</u>	<u>975,937</u>	<u>13,526,049</u>
1,558,038	2,628,761	4,186,799
<u>60,417,936</u>	<u>46,262,231</u>	<u>106,680,167</u>
<u>\$ 61,975,974</u>	<u>\$ 48,890,992</u>	<u>\$110,866,966</u>

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

CITY OF OLDSMAR, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS

September 30, 2019

	General	Capital Improvement	Special Revenue Fund Community Redevelopment	Other Governmental Funds	Total
ASSETS					
Cash, pooled cash & cash equivalents	\$ 1,667,200	\$ 4,639,211	\$ 1,306,435	\$ 1,645,841	\$ 9,258,687
Investments	5,572,735	998,770	-	-	6,571,505
Receivables					
Accounts & Other	51,599	3,001	2,900	-	57,500
Due from Other Governments	237,181	-	-	-	237,181
Inventories	20,504	-	-	-	20,504
Prepaid Items	82,102	329,826	-	-	411,928
TOTAL ASSETS	\$ 7,631,321	\$ 5,970,808	\$ 1,309,335	\$ 1,645,841	\$ 16,557,305
LIABILITIES AND FUND BALANCE					
Accounts Payable	\$ 247,807	\$ 192,291	\$ 8,091	\$ 9,728	\$ 457,917
Retainage Payable	-	64,176	-	-	64,176
Accrued Items	265,521	-	-	-	265,521
Due to Other Governments	-	-	-	50,066	50,066
TOTAL LIABILITIES	513,328	256,467	8,091	59,794	837,680
DEFERRED INFLOWS OF RESOURCES					
Local business tax receipts	121,809	-	-	-	121,809
TOTAL DEFERRED INFLOWS	121,809	-	-	-	121,809
TOTAL LIABILITIES AND DEFERRED INFLOWS	635,137	256,467	8,091	59,794	959,489
FUND BALANCES					
Nonspendable:					
Inventory	20,504	-	-	-	20,504
Prepaid items	82,102	329,826	-	-	411,928
Restricted for:					
Capital Projects	-	1,514,219	-	130,052	1,644,271
Transportation/Multimodal	-	-	-	166,054	166,054
Community Development	-	-	968,440	-	968,440
Debt Service	-	-	-	147,277	147,277
Fire Suppression	-	-	-	927,086	927,086
Committed to:					
Capital Projects	430,452	2,790,296	332,804	215,578	3,769,130
Assigned to:					
Insurance	579,159	-	-	-	579,159
Art Improvements	2,185	-	-	-	2,185
Disaster Recovery	117,742	-	-	-	117,742
Appropriated Reserve	2,000,000	1,080,000	-	-	3,080,000
Unassigned	3,764,040	-	-	-	3,764,040
TOTAL FUND BALANCES	6,996,184	5,714,341	1,301,244	1,586,047	15,597,816
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,631,321	\$ 5,970,808	\$ 1,309,335	\$ 1,645,841	\$ 16,557,305

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

CITY OF OLDSMAR, FLORIDA

RECONCILIATION OF THE BALANCE SHEET TO THE
STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS

September 30, 2019

Fund balances - total governmental funds \$ 15,597,816

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

Capital Assets used in government activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	\$ 81,321,376	
Less current year depreciation	<u>(31,435,412)</u>	49,885,964

Pension related items recognized pursuant to GASB 68 and OPEB related items recognized pursuant to GASB 75 are not reported in the governmental funds but will be recognized in pension and OPEB expense on a long-term basis and therefore are reported in the Statement of Net Position

Deferred outflows of resources - Pension related	1,682,687	
Net Pension liability	(1,368,907)	
Deferred inflows of resources - Pension related	(1,446,107)	
Total OPEB Liability	(1,217,999)	
Deferred outflows of resources - OPEB related	59,952	
Deferred inflows of resources - OPEB related	<u>(52,631)</u>	(2,343,005)

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

Governmental bonds payable	(754,000)	
Unamortized bond premium	(16,456)	
Compensated absences	<u>(394,345)</u>	<u>(1,164,801)</u>

Net position of governmental activities \$ 61,975,974

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

CITY OF OLDSMAR, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the year ended September 30, 2019

	General	Capital Improvement	Special Revenue Community Redevelopment	Other Governmental Funds	Total
REVENUES					
Property taxes	\$ 5,008,038	\$ -	\$ 281,073	\$ -	\$ 5,289,111
Sales taxes	-	1,175,756	-	-	1,175,756
Franchise fees	1,416,607	-	-	-	1,416,607
Utility taxes	1,409,311	-	-	169,030	1,578,341
Fire insurance premium tax	69,605	-	-	-	69,605
Communications services tax	754,187	-	-	-	754,187
Business tax receipts	183,699	-	-	-	183,699
Licenses, permits and fees	396,718	-	-	-	396,718
Intergovernmental revenues	2,609,690	-	373,763	-	2,983,453
Charges for services	468,921	175	-	-	469,096
Rents and royalties	115,538	-	101,843	-	217,381
Fines and forfeitures	145,245	-	-	-	145,245
Investment income	269,191	136,620	12,990	22,420	441,221
Impact fees	-	-	-	115,698	115,698
Other miscellaneous	843,811	110,000	-	-	953,811
TOTAL REVENUES	13,690,561	1,422,551	769,669	307,148	16,189,929
CURRENT EXPENDITURES					
General Government	3,733,765	-	-	-	3,733,765
Law Enforcement	1,748,392	-	-	-	1,748,392
Fire Protection	2,159,238	-	-	-	2,159,238
Technical Services	391,342	-	-	-	391,342
Transportation	880,553	-	-	-	880,553
Library	864,041	-	-	-	864,041
Parks & Recreation	2,091,890	-	-	-	2,091,890
Community Redevelopment	-	-	45,748	-	45,748
Capital Outlay	805,486	1,112,890	919,775	147,529	2,985,680
Debt Service	-	-	-	-	-
Principal Retirement	-	-	-	156,000	156,000
Interest and other fiscal charges	-	63,838	-	13,030	76,868
TOTAL EXPENDITURES	12,674,707	1,176,728	965,523	316,559	15,133,517
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,015,854	245,823	(195,854)	(9,411)	1,056,412
OTHER FINANCING SOURCES (USES)					
Interfund transfers	(136,214)	150,000	-	(13,786)	-
Debt proceeds	-	100,000	-	-	100,000
Proceeds from sale of capital assets	28,771	-	-	-	28,771
TOTAL OTHER FINANCING SOURCES (USES)	(107,443)	250,000	-	(13,786)	128,771
NET CHANGE IN FUND BALANCES	908,411	495,823	(195,854)	(23,197)	1,185,183
FUND BALANCES BEGINNING	6,087,773	5,218,518	1,497,098	1,609,244	14,412,633
FUND BALANCES ENDING	\$ 6,996,184	\$ 5,714,341	\$ 1,301,244	\$ 1,586,047	\$ 15,597,816

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

CITY OF OLDSMAR, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES

For the year ended September 30, 2019

Net change in fund balances - total governmental funds \$ 1,185,183

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditure for capital assets	2,985,680	
Less current year depreciation	<u>(2,317,054)</u>	668,626

Governmental funds report the proceeds from the sale of capital assets as an other revenue source. However, in the Statement of Activities, the gain is included in General Revenues and the loss is included in direct expenses.

Proceeds from the sale of capital assets	(28,771)	
Gain on disposal of capital assets	<u>19,313</u>	(9,458)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets

Principal payments on long-term debt		156,000
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Some items reported in the Statement of Activities do not require the use of or provide current financial resources and therefore are not reported as revenues or expenditures in governmental funds.

Pension Expense - GASB 68	(202,114)	
Proceeds from long-term debt	(100,000)	
Amortization of bond premium	5,486	
Change in long-term compensated absences	(36,746)	
Change in OPEB	<u>(108,939)</u>	<u>(442,313)</u>

Change in net position of governmental activities		<u>\$ 1,558,038</u>
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The accompanying notes to financial statements are an integral part of this statement

CITY OF OLDSMAR, FLORIDA

STATEMENT OF NET POSITION - BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS

September 30, 2019

	Water and Sewer Fund	Stormwater Utility Fund	Solid Waste Fund	Total
ASSETS				
Current Assets				
Cash, pooled cash and cash equivalents	\$ 4,795,429	\$ 991,872	\$ 912,201	\$ 6,699,502
Investments	1,496,787	-	-	1,496,787
Receivables				
Accounts and other, net	776,812	12,598	62,458	851,868
Due from Other Governments	24,597	1,893	-	26,490
Prepaid Items	30,062	4,666	11,268	45,996
Total Current Assets	7,123,687	1,011,029	985,927	9,120,643
Noncurrent Assets				
Investments	5,110,109	-	-	5,110,109
Restricted Assets				
Cash, pooled cash and cash equivalents	1,883,787	-	235,826	2,119,613
Capital Assets				
Nondepreciable	4,655,916	511,184	-	5,167,100
Depreciable, net of accumulated depreciation	32,274,176	4,137,031	-	36,411,207
Total Noncurrent Assets	43,923,988	4,648,215	235,826	48,808,029
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related	174,535	-	-	174,535
OPEB Related	14,729	1,522	-	16,251
TOTAL ASSETS	\$ 51,236,939	\$ 5,660,766	\$ 1,221,753	\$ 58,119,458
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 450,565	\$ 88,440	\$ 208,334	\$ 747,339
Retainage Payable	225,243	7,461	-	232,704
Accrued Items	78,383	6,691	172	85,246
Accrued Interest Payable	18,152	-	-	18,152
Customer Deposits	523,565	-	235,826	759,391
Current portion of long-term obligations	662,566	10,053	-	672,619
Total Current Liabilities	1,958,474	112,645	444,332	2,515,451
Long Term Liabilities				
Total OPEB Liability	299,238	30,912	-	330,150
Net Pension Liability	450,493	-	-	450,493
Noncurrent portion of long-term obligations	5,828,990	2,257	-	5,831,247
TOTAL LIABILITIES	8,537,195	145,814	444,332	9,127,341
DEFERRED INFLOWS OF RESOURCES				
Pension related	85,772	-	-	85,772
OPEB related	13,416	1,937	-	15,353
	99,188	1,937	-	101,125
TOTAL LIABILITIES AND DEFERRED INFLOWS	8,636,383	147,751	444,332	9,228,466
NET POSITION				
Invested in capital assets, net of debt	30,618,328	4,648,215	-	35,266,543
Restricted for:				
Debt Service	252,172	-	-	252,172
Capital projects	1,108,050	-	-	1,108,050
Unrestricted	10,622,006	864,800	777,421	12,264,227
TOTAL NET POSITION	42,600,556	5,513,015	777,421	48,890,992
TOTAL NET POSITION AND LIABILITIES	\$ 51,236,939	\$ 5,660,766	\$ 1,221,753	\$ 58,119,458

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

CITY OF OLDSMAR, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS

For the year ended September 30, 2019

	Water and Sewer Fund	Stormwater Utility Fund	Solid Waste Fund	Total
OPERATING REVENUES				
User Charges	\$ 7,944,919	\$ -	\$ 2,836,940	\$ 10,781,859
Fees	220,343	736,194	-	956,537
Other income	40,975	3,115	-	44,090
TOTAL OPERATING REVENUES	8,206,237	739,309	2,836,940	11,782,486
EXPENSES				
Salaries, wages and benefits	2,720,126	247,495	-	2,967,621
Contract services	563,721	98,273	6,268	668,262
Solid waste disposal	-	-	2,438,088	2,438,088
Utilities	424,736	-	-	424,736
Operating Supplies	401,527	29,775	-	431,302
Repairs and maintenance	266,220	22,072	-	288,292
Other expense	243,812	43,830	52,223	339,865
Expense allocation	323,000	27,000	140,000	490,000
Depreciation	1,783,839	304,317	-	2,088,156
TOTAL EXPENSES	6,726,981	772,762	2,636,579	10,136,322
OPERATING INCOME/(LOSS)	1,479,256	(33,453)	200,361	1,646,164
NONOPERATING REVENUES (EXPENSES)				
Investment income	401,355	12,728	18,403	432,486
Intergovernmental revenue	541,105	1,893	23,569	566,567
Gain on sale of capital assets	10,396	-	-	10,396
Miscellaneous income	555	-	-	555
Interest expense and fiscal charges	(172,746)	-	-	(172,746)
TOTAL NONOPERATING REVENUES (EXPENSES)	780,665	14,621	41,972	837,258
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	2,259,921	(18,832)	242,333	2,483,422
CONTRIBUTIONS AND TRANSFERS				
Capital Contributions	145,339	-	-	145,339
TOTAL CONTRIBUTIONS AND TRANSFERS	145,339	-	-	145,339
CHANGE IN NET ASSETS	2,405,260	(18,832)	242,333	2,628,761
NET POSITION BEGINNING	40,195,296	5,531,847	535,088	46,262,231
NET POSITION ENDING	\$ 42,600,556	\$ 5,513,015	\$ 777,421	\$ 48,890,992

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

CITY OF OLDSMAR, FLORIDA

STATEMENT OF CASH FLOWS - BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS

Year Ended September 30, 2019

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	Water and Sewer Fund	Stormwater Utility Fund	Solid Waste Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 8,088,769	\$ 758,470	\$ 2,856,930	\$ 11,704,169
Cash paid to suppliers for goods and services	(1,815,255)	(122,730)	(2,681,994)	(4,619,979)
Cash payments to and for the benefit of employees	(2,648,378)	(240,149)	(244)	(2,888,771)
Cash paid for general government allocated expenses	(323,000)	(27,000)	(140,000)	(490,000)
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,302,136	368,591	34,692	3,705,419
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental revenue	541,105	-	23,569	564,674
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	541,105	-	23,569	564,674
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on revolving loans	(518,077)	-	-	(518,077)
Interest paid on revolving loans	(173,775)	1,893	-	(171,882)
Acquisition and construction of capital assets	(2,555,679)	(417,659)	-	(2,973,338)
Other interest costs paid on long-term debt	(1,100)	-	-	(1,100)
Proceeds from sale of capital assets	10,951	-	-	10,951
Capital contributed by developers, grantors and landowners	145,339	-	-	145,339
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(3,092,341)	(415,766)	-	(3,508,107)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment maturities	1,308,749	-	-	1,308,749
Earnings on investments	401,355	12,728	18,403	432,486
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	1,710,104	12,728	18,403	1,741,235
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,461,004	(34,447)	76,664	2,503,221
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	4,218,212	1,026,319	1,071,363	6,315,894
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 6,679,216	\$ 991,872	\$ 1,148,027	\$ 8,819,115
COMPOSED OF:				
Cash, pooled cash and cash equivalents	\$ 4,795,429	\$ 991,872	\$ 912,201	\$ 6,699,502
Noncurrent, Restricted cash, pooled cash and cash equivalents	1,883,787	-	235,826	2,119,613
	\$ 6,679,216	\$ 991,872	\$ 1,148,027	\$ 8,819,115

(continued)

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	Water and Sewer Fund	Stormwater Utility Fund	Solid Waste Fund	Total
OPERATING INCOME (LOSS)	\$ 1,479,256	\$ (33,453)	\$ 200,361	\$ 1,646,164
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	1,783,839	304,317	-	2,088,156
Construction in progress transferred to operating expenses	-	35,000	-	35,000
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(106,621)	1,386	11,973	(93,262)
(Increase) decrease in due from other governments	(6,034)	17,775	-	11,741
(Increase) decrease in prepaid expense	535	103	(129)	509
(Increase) decrease in deferred outflows - pension	29,312	-	-	29,312
(Increase) decrease in deferred outflows - OPEB	(3,762)	(438)	-	(4,200)
Increase (decrease) in accounts payable	84,226	36,117	(184,381)	(64,038)
Increase (decrease) in accrued items	16,902	1,060	(244)	17,718
Increase (decrease) in compensated absences	20,314	3,613	-	23,927
Increase (decrease) in OPEB	11,748	-	-	11,748
Increase (decrease) in deferred inflows - pension	17,101	2,496	-	19,597
Increase (decrease) in deferred inflows - OPEB	5,947	615	(905)	5,657
Increase (decrease) in net pension liability	(25,814)	-	-	(25,814)
Increase (decrease) in customer deposits	(4,813)	-	8,017	3,204
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 3,302,136</u>	<u>\$ 368,591</u>	<u>\$ 34,692</u>	<u>\$ 3,705,419</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

There were no noncash investing, capital or financing activities in the Water and Sewer, Stormwater Utility or Solid Waste Funds.

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

CITY OF OLDSMAR, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUND

For the year ended September 30, 2019
With comparative amounts for September 30, 2018

	Firefighters' Retirement Pension Trust Fund	
	2019	2018
ASSETS		
Cash and cash equivalents	\$ 63,110	\$ 25,622
Investments, at fair value		
Broad Market HQ Bond Fund	1,009,761	928,799
Core Plus Fixed Income Fund	1,002,749	1,101,748
Diversified Small to Mid Cap Fund	806,406	768,661
International Equity Portfolio	1,016,773	909,582
Diversified Large Cap Portfolio	2,433,244	2,094,602
Real Estate Portfolio	680,186	576,496
Total Investments, at fair value	6,949,119	6,379,888
Accounts receivable	-	64,146
TOTAL ASSETS	7,012,229	6,469,656
LIABILITIES		
TOTAL LIABILITIES	-	-
NET POSITION		
Restricted for pension benefits	\$ 7,012,229	\$ 6,469,656

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

CITY OF OLDSMAR, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND

For the year ended September 30, 2019
With comparative amounts for September 30, 2018

	Firefighters' Retirement Pension Trust Fund	
	2019	2018
ADDITIONS		
Contributions - employee	\$ 33,216	\$ 31,403
Contributions - city	176,460	147,698
Fire insurance premium tax	69,605	70,178
Investment return	358,209	441,185
Total additions	637,490	690,464
DEDUCTIONS		
Benefit payments	54,686	53,093
Administrative charges	40,231	40,926
Total deductions	94,917	94,019
NET INCREASE	542,573	596,445
NET POSITION RESTRICTED FOR PENSION BENEFITS - BEGINNING	6,469,656	5,873,211
NET POSITION RESTRICTED FOR PENSION BENEFITS - ENDING	\$ 7,012,229	\$ 6,469,656

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

September 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Oldsmar, Florida, was founded in 1916 by Ransom E. Olds, the inventor of the Oldsmobile. The City of Oldsmar, Florida, a municipal corporation, operates under Chapter 37-18947, Laws of Florida. The accounting and reporting policies of the City of Oldsmar, Florida, relating to the funds included in the accompanying financial statements, conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant accounting and reporting policies.

Defining the Financial Reporting Entity: In accordance with Governmental Accounting Standards Board Statement Nos. 14 and 61, the financial reporting entity includes the primary government, organizations for which the primary government is financially accountable and other organizations for which, if excluded, would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority to an organization's board or if the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or to impose specific financial burdens on, the primary government, the primary government is financially accountable. The City has determined that the Community Redevelopment Agency (CRA) is the only organization that meets these requirements, and therefore, has appropriately blended the component unit in the financial statements as a Special Revenue Fund. Although legally separate, the City Council serves as the CRA Board and City management has operational responsibility for the CRA. Separate financial statements for the CRA are not presently prepared. The CRA was created pursuant to Chapter 163.356, Florida Statutes and City Resolution 95-25.

Basic Financial Statements – GASB No. 34: The City's basic financial statements include both the government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

The Government-wide Statement of Net Position presents in columnar format the Governmental and Business-type activities of the City and reflects, on the full accrual basis, all long-term assets and receivables as well as long-term liabilities.

The Government-wide Statement of Activities presents the direct cost for each functional activity and applies program revenues and grants to arrive at a net cost for the identified functions. There are no indirect costs for allocation. Program revenues must be directly associated with the government function or business-type activity. Operating grants and contributions include operating-specific and discretionary (either operating or capital) grants and contributions, while the capital grants and contributions column reflects capital-specific grants and contributions. The overall combined net costs of governmental functions are further supported by general revenues of the City.

The governmental, proprietary and fiduciary funds present separate fund statements. The fiduciary fund statements are excluded from the government-wide financial statements. Major governmental funds and major proprietary funds are presented as separate columns in the fund financial statements as follows:

The City presents the following major governmental funds:

The *General Fund* is the government's primary reporting vehicle for current government operations. It accounts for all financial resources not required by law or administrative action to be accounted for in another fund.

The *Capital Improvement Fund* accounts for the accumulation of funds for the purpose of constructing major projects and improvements. Although not a major fund by definition, the City has chosen to present the fund as major.

The *Community Redevelopment Agency Fund Special Revenue Fund* accounts for property tax revenues restricted to be expended within the redevelopment district.

The City presents the following major proprietary funds:

The *Water and Sewer Operating/Impact Fund* accounts for the activities of the sewer treatment plant, sewer pumping stations and collection systems, the water distribution system and the reclaimed water system.

September 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The *Stormwater Utility and Solid Waste Funds* account for the activities of the stormwater system and refuse collection activities, respectively.

Basis of Accounting and Measurement Focus: Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied.

Governmental activities are accounted for in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting. Conversely, governmental funds employ the current financial resources measurement focus and the modified accrual basis of accounting for these same activities.

All Proprietary Funds are maintained on the accrual basis of accounting with revenues being recognized when earned and expenses recognized when incurred. Operating revenues and expenses of the proprietary funds are defined as revenues or expenses related to the provision of the applicable service. Non-operating revenues and expenses include items unrelated to the provision of services.

The Fiduciary Fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the fund are included on the balance sheet. Operating statements of the fund presents increases (e.g. additions) and decreases (e.g. deductions) in net position.

Under the modified accrual basis, revenues are recognized in the accounting period when they become measurable and available. Revenues are generally considered available when they are received in cash (unless legally restricted to some future period) or when earned and expected to be collected within 60 days after year-end to pay liabilities of the current period. Revenues which are susceptible to accrual are as follows: state revenue sharing, franchise fees, local infrastructure tax and intergovernmental grants. Expenditures are recognized at the time liabilities are incurred, if measurable. Interest and principal payments on general long-term debt are recognized when paid.

Fund Accounting: In order to ensure observance of limitations and restrictions on the use of the resources available, the financial records and accounts are maintained in accordance with the principles of fund accounting. The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, net position, revenues and expenditures or expenses.

The Fund Financial Statements are presented to emphasize the major funds of the City. GASB No. 34 sets forth criteria for the determination of major funds. The General fund is always a major governmental activity. Based on the criteria of GASB No. 34 the Community Redevelopment Agency Fund is not a major governmental fund, but the City has elected to reflect it as a major fund. The City has also chosen to reflect the Capital Improvement Fund as a major fund. The combined total of nonmajor funds is reflected as other governmental funds. For the business-type activities the Water and Sewer, Stormwater and Solid Waste funds are considered major funds. There are no other business-type activity funds for consideration. Fund financial statements are prepared on the modified accrual basis for governmental activities and the accrual basis for business-type activities.

Governmental Fund Types

General Fund: This fund is used to account for all financial resources except those required to be accounted for in other funds and, therefore, includes most of the general governmental activities.

Special Revenue Funds: These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund: This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Capital Improvement Fund: This fund is used to account for certain revenue sources that are to be used exclusively for infrastructure improvements.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary Fund Types: Presented in accordance with GASB Statement No. 62 – “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants (AICPA) Pronouncements”. The City’s Proprietary types consist of the following:

Water and Sewer Fund: This fund is used to account for the water and sewer system which is operated in a manner similar to a private business -- where the intent of the governing body is that costs (expenses, including depreciation) of providing services to the public be recovered primarily through user charges.

Stormwater Utility Fund: This fund is used to account for the collection of stormwater utility fees. The fees will be used to address stormwater drainage issues, provide for preventative maintenance and major capital improvements to areas subject to flooding.

Solid Waste Fund: This fund is used to account for the refuse collection activities. The charges for services are used to cover the cost of refuse collection provided by a third-party contractor.

Fiduciary Fund Types: Used to report assets held in a trustee capacity for others and therefore are not available to support City programs, and therefore, are not incorporated into the government-wide financial statements.

Pension Trust Fund: This fund is used to account for the activities of the Firefighters’ Retirement Pension Trust Fund, which accumulates resources for pension benefit payments to qualified public safety employees.

Non-current Governmental Assets and Liabilities: GASB No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the Governmental column in the government-wide Statement of Net Position.

Interfund Receivables and Payables: There were no interfund receivables or payables during the year.

Cash and Cash Equivalents: The City considers all highly liquid investments (including restricted assets) with maturities of three months or less when purchased to be cash equivalents. Deposits with the State Board of Administration, which are investments, are considered to be cash equivalents.

Equity in Pooled Cash and Cash Equivalents: The City utilizes consolidated accounts, wherein certain cash and equivalents (excluding those held in a fiduciary capacity) of all funds are commingled.

Inventories: Inventories of expendable supplies held for consumption are priced at cost using the weighted average method, which approximates First-In-First-Out. The cost of these supplies is recorded as an expenditure at the time the inventory is consumed.

Accounts Receivable: The City has recorded an allowance for potentially uncollectible water and sewer service billings. Accounts receivable in the Proprietary Funds are shown net of the allowance. The allowance at September 30, 2019 was \$9,447.

Prepaid Items: Payments made to vendors that will benefit periods beyond September 30, 2019 are recorded as prepaid items under the consumption method of accounting.

Budgets and Budgetary Accounting: The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) In July, the City Manager submits to the City Council a proposed budget for the ensuing fiscal year. It contains proposed expenditures and the means to finance them, including a proposed property tax millage rate.
- b) Public Hearings are conducted to obtain taxpayer comments on the proposed budget and property tax millage rate.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- c) The budget and property tax millage rate is approved by the City Council in September.

Annual budgets were adopted for the following funds: General Fund, Public Safety Impact Fund, Parkland Dedication Fund, Transportation Impact Fund, Community Redevelopment Agency Fund, Debt Service Fund, Capital Improvement Fund, Water & Sewer Operating/Impact Fund, Stormwater Utility Fund and Solid Waste Fund. The budget serves as legal authorization for all expenditures. Budgeted expenditures may not legally exceed appropriations on a departmental level.

- d) The City Manager is authorized to transfer budgeted amounts between line items of individual departments. Transfers across departmental lines and changes in overall fund appropriations require City Council approval.
- e) The budget is reviewed on a periodic basis, and revisions to the original budget may be approved by City Council when deemed necessary. Budget revisions were approved for fiscal year 2019 in the General, Public Safety, Community Redevelopment Agency, Capital Improvement, Water and Sewer Operating, Stormwater Utility and Solid Waste funds. All budget amounts presented in the accompanying supplemental information reflect the original budget and the amended budget.
- f) All appropriations lapse at fiscal year end except for issued but unreceived purchase orders for capital expenditures, which become automatic re-appropriations in the new year unless canceled. These re-appropriations are included in the amended budget amounts in the budget to actual comparison schedules.
- g) Budgets for governmental fund types and proprietary fund types are adopted on a financial flow basis (depreciation is excluded and capital outlay is included) and as a result is not consistent with GAAP.

Compensated Absences: Employees accrue sick leave at the rate of 8 hours per month for regular employees and 11.2 hours per month for Fire Department shift personnel. Vacation accruals vary from 2.4 to 5.4 weeks depending on years of employment. Sick leave maximum accrual is 96 hours per year and 134.4 per year for fire department shift personnel. Any accrued sick leave not used by an employee as of the last pay period of each calendar year shall be carried over to the next calendar year. Sick leave may be accumulated to a maximum of 552 hours for regular employees and 772 for Fire Department shift personnel. Upon death of an employee, or retirement from City service, the City will pay a portion of accumulated sick leave to the employee depending on the number of years of service. No accrual has been made for accumulated sick leave as a reasonable estimate of the amount payable cannot be made. A provision for accumulated vacation pay, related payroll taxes and retirement benefit costs as of September 30, 2019 has been made in the financial statements. The amount is included as a component of accrued items in the Governmental and Business-type Funds. The portion of the liability expected to be liquidated within the next year has been classified as a current liability. Amounts are reported in the governmental funds only if they have matured. Amounts not expected to be liquidated during the year are reported as a component of long-term obligations.

Property Taxes: Under Florida Law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. State Statutes permit cities to levy property taxes at a rate of up to 10 mills. The total direct millage rate in effect for the fiscal year ended September 30, 2019 was 4.05 mills.

The tax levy of the City is established by the City Council prior to October 1 of each year and the Pinellas County Property Appraiser incorporates the millage into the total tax levy, which includes the tax requirements of the municipalities, independent districts and the County School Board.

All property is reassessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. 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. The taxes paid in March are without discount.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Delinquent taxes on real property bear interest at 18% per year. On or prior to June 1 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 by the certificate holder after a period of two years. Unsold certificates are held by the County.

Capital Assets: Capital assets are recorded at historical cost if purchased or at acquisition value if donated. The City has elected to capitalize infrastructure improvements such as streets, bridges and drainage systems. The City's capitalization levels are \$2,000 on tangible personal property and \$10,000 for land, buildings and improvements. Interest costs incurred during construction of infrastructure improvements is capitalized as part of the assets historical cost. Interest costs of \$-0- were capitalized during the year. Costs incurred that significantly extend the useful life of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred. Depreciation on depreciable assets is provided on the straight-line method over the following estimated useful lives: Buildings – 20 to 50 years, Improvements – 7 to 50 years and Equipment – 3 to 12 years. Depreciation charged to expense for the year amounted to \$2,317,054 in the Governmental activities and \$2,088,156 in the Business-type activities.

Deferred Outflows/Inflows of Resources: The Statement of Net Position reflects separate elements for deferred outflows and deferred inflows of resources that represent a consumption or provision of net position that applies to a future period and will not be recognized as an outflow or inflow of resources until then.

The difference between the re-acquisition price (new debt) and the net carrying value of the old debt on refunded debt transactions is recorded as a deferred outflow (inflow) of resources and recognized as an adjustment to interest expense over the life of the new debt issue.

Unearned revenues are reflected as a deferred inflow of resources as they represent a provision of net position that applies to a future period for business tax receipts.

Deferred outflows (inflows) of resources related to OPEB that are derived from changes in assumptions are amortized to OPEB expense over a closed nine-year period. Contributions to the OPEB plan from the employer subsequent to the measurement date of the total OPEB liability and before the end of the reporting period are reported as a deferred outflow of resources related to OPEB.

Deferred outflows (inflows) of resources related to pensions are the difference between projected and actual earnings and are amortized to pension expense over a closed 5-year period. Differences between expected and actual experience with regard to economic or demographic factors in the pension plans total pension liability are amortized to pension expense over a closed period equal to the average of the expected remaining service lives of plan participants.

Net Position: The government-wide financial statements utilize a net position presentation. Net Position is presented in three components – net investment in capital assets, restricted and unrestricted. The net investment in capital assets component consists of capital assets less accumulated depreciation and any related long-term debt. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The unrestricted component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position. When both restricted and unrestricted resources are available for use, it is the option of the City to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances: The City has implemented Governmental Accounting Standards Board Statement (GASB) No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, effective September 30, 2011. The City's fund balances are presented in the following categories:

Nonspendable: Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventory, prepaid amounts or advances to other funds. The corpus or principal of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted: fund balances are reported as restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balances have been limited to the following items:

September 30, 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital projects: represents unexpended revenues legally restricted to expenditure for capital improvements.

CRA/Community Development: represents unexpended revenues legally restricted for the Community Redevelopment Agency Fund.

Debt service: represents unexpended pledged revenues legally restricted for payment of principal and interest on the Refunding Revenue Note, 2012.

Fire suppression: represents the unexpended fire suppression capital fees restricted for fire-suppression-related capital improvements, limited to facilities, vehicles and equipment for firefighting and fire protection services.

Multimodal improvements: represents the amount restricted by enabling legislation by Pinellas County for transportation related improvements.

Committed: fund balances reported as committed represent amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, in this case by City Council adopted Ordinance. Committed fund balances also include contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. Committed fund balances have been limited to:

Capital projects: open purchase orders for capital equipment/construction commitments.

Assigned: fund balances reported as assigned represent amounts that are constrained by the City's intent that they be used for specific purposes, but are not restricted. Intent is expressed by (a) the City Commission itself or (b) a body (a budget or finance committee, for example) or official (Director of Administrative Services) to which the City Commission has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balances have been limited to the following items:

Insurance: represents the amount set aside for anticipated additional insurance costs.

Art improvements: represents amounts set aside to promote the furtherance of the Arts in Public Places program.

Disaster recovery: represents amounts set aside for future emergency recovery efforts, per City Council directive. Initial cash deposits into the fund will equal cash received from FEMA for the 2017 Hurricane Irma reimbursement.

Appropriated reserve: represents an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget.

Unassigned: represents the residual classification for the general fund that has not been restricted, committed or assigned to specific purposes. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds, other than the general fund, if expenditures incurred for specific purposes exceeded the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund. City policy is to maintain a minimum unassigned fund balance in the General Fund equivalent to a 15% of the subsequent fiscal year original budgeted expenditures less capital outlay and transfers out budgeted for the fund. This requirement was met at September 30, 2019.

Restricted and Unrestricted Resources: When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then, unrestricted resources as needed to fund appropriations, but the City reserves the right to selectively defer the use of restricted assets. Unrestricted resources order of spending is first committed fund balance, then assigned and lastly, unassigned.

Interfund Activity: Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide statements.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Postretirement Health and Life Insurance Benefits: The City does not fund any postretirement health and life insurance benefits. Florida Statute 112.0801 provides that municipalities that provide life and health insurance to their employees must allow all retired personnel and their eligible dependents the option of continuing to participate in the group plan. The City offers its group policies to all retirees and their dependents, with retirees bearing the responsibility for the premiums. Under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the City is required to offer an election to deceased or terminated participants, their spouses and dependents, to continue coverage in the health plan provided by the City. The cost of coverage that the City may charge the participants may not exceed 102% of the applicable premium.

Net Pension Liability: The City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, in fiscal year ended September 30, 2015. The Net Pension Liability as defined by GASB 68 is the difference between the actuarial present value of projected pension benefit payments attributable to a participant's past service and the respective pension plan's fiduciary net position. See Note I for the net pension liability as of September 30, 2019.

Total Other Postemployment Benefits (OPEB) Liability: The City adopted GASB Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for the fiscal year ended September 30, 2018. See Note J for the net OPEB liability as of September 30, 2019.

NOTE B – CASH, POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS

The City maintains cash, pooled cash and cash equivalent accounts for use by all funds. The account balance of each fund is shown on the combined balance sheet as Cash, pooled cash and cash equivalents. In addition, cash, pooled cash and cash equivalent accounts are separately maintained by the City's enterprise funds.

Deposits: Florida Statutes require that all depositories holding public funds collateralize deposits in excess of FDIC insurance with the State Treasurer. All of the City's deposits are covered by the Florida Security for Deposits Act, Chapter 280, and are considered insured for risk categorization. At year end, the carrying amount of the City's deposits was \$4,894,757.

Cash equivalents and investments: Florida Statutes authorize the City to invest in the State Board of Administration's investment pool, mutual fund securities limited to U.S. Government obligations, obligations of the U.S. Treasury and U.S. agencies, interest-bearing time deposits and savings accounts in banks and savings and loans provided such deposits are at authorized public depositories that provide full collateralization, and money market funds of investment companies. In addition, the City, pursuant to Resolution 2018 – 01, may also invest in (1) Florida Municipal Investment Trust Funds, (2) Obligations of government-sponsored enterprises, and (3) Taxable or tax-exempt government bonds, notes or other obligations of investment grade quality. The City does not participate in any securities lending transactions nor has it used, held or written derivative financial instruments.

Florida Surplus Asset Fund Trust (the Trust) (FL SAFE) is an investment pool administered by Florida Management and Administrative Services, LLC. It is a common law trust organized in 2007 under the laws of the State of Florida. The Trust is organized pursuant to Florida Statutes 163.01 and is an authorized investment under section 218.415, Florida Statutes. The City has invested in a liquid money market like investment called the FL SAFE Fund that has a fair value of \$1 per unit. The amount on deposit with FL SAFE at September 30, 2019 was \$1,581,016.

Florida Cooperative Liquid Assets Securities System (FLCLASS) is an external local government investment pool created by interlocal agreement under Florida Statute 163.01. The pool is supervised by an appointed Board of Trustees comprised of eligible participants of the program. The Board acts as the liaison between the participants, the custodian, and the program administrator. The fund is an S&P AAAM rated money market product offering a fiscally conservative option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with the preservation of principal and liquidity. The amount on deposit with FLCLASS at September 30, 2019 is \$7,183,275.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE B – CASH, POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

The Local Government Surplus Funds Trust Fund (Florida PRIME) is an investment pool administered by the Florida State Board of Administration (SBA) which is a three-member board made up of the State elected officials of Governor, Chief Financial Officer and Attorney General. They are empowered by Florida law to invest funds at the request of local governments. In accordance with GASB 31, Florida PRIME is considered a “2A-7 like” pool, and therefore the pool account balance (amortized cost) can be used as fair value for financial reporting. The funds may be withdrawn by the City upon demand. The carrying amount of the City’s investments with the State Board of Administration Florida PRIME was \$4,323,071.

Government sponsored enterprise investments are composed of bonds issued by the Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), Federal Farm Credit Bank and Federal Home Loan Banks.

Municipal debt issues include the Florida State Hurricane Catastrophe Fund Financial Corporation and Hillsborough County Aviation Authority. The City is also invested in United States Treasury Notes.

The investments are held with Manning & Napier Exeter Trust Company, Wells Fargo Bank, N.A., and Seabridge Wealth Management and are uninsured and uncollateralized. Federal and Florida bond investments are rated Aaa or Aa3 by Moody’s and AA + by Standard and Poor’s rating services, respectively. The investments are valued at quoted market prices with a fair value carrying amount at year-end of \$13,272,664.

Interest Rate Risk: The City minimizes interest rate risk, relating to the decline in fair value of securities due to rising interest rates, by investing funds in government investment pool, short-term certificates of deposit and government sponsored enterprise bonds, thereby avoiding the need to sell securities in the secondary market prior to maturity. The weighted average days to maturity of the FL SAFE Fund at September 30, 2019 was 37 days. The weighted average days to maturity of the Florida PRIME at September 30, 2019 was 39 days. The weighted average days to maturity of the FL CLASS at September 30, 2019 was 81 days. Scheduled maturities of government sponsored enterprise bonds range from 1 to 57 months, but are subject to call prior to maturity.

Credit Rate Risk: The City minimizes credit risk losses due to default of a security issuer or backer by diversifying its investments between issuers and limiting investments to certificates of deposit, SBA Florida Prime, FL SAFE and government sponsored enterprise bonds.

A summary of cash, pooled cash, cash equivalents and investments as reported in the accompanying Statement of Net Assets as of September 30, 2019, is summarized as follows:

	<u>Carrying Amounts</u>	<u>Credit Rating</u>
Petty cash	\$ 1,420	N/A
Deposits	4,894,757	N/A
Certificates of deposit	-	N/A
Florida Surplus Asset Fund Trust (FL SAFE)	1,581,016	AAAm (S&P)
Florida Cooperative Liquid Assets Securities System (FLCLASS)	7,183,275	AAAm (S&P)
Government Sponsored Enterprises:		
Federal Home Loan Mortgage Corporation Bonds	1,804,774	AA+ (S&P)
Federal Home Loan Bank Bonds	498,383	AA+ (S&P)
Federal National Mortgage Association Bonds	2,286,731	AA+ (S&P)
Florida Hurricane Catastrophe Fund Fin Corp	503,450	Aa3 (Moody’s)
Federal Farm Credit Bank	998,000	AA+ (S&P)
Hillsborough County Aviation Authority	1,000,000	Aa3 (Moody’s)
United States Treasury Notes	3,053,770	Aaa (Moody’s)
Vanguard Mortgage Backed Securities ETF	1,094,227	N/A
Goldman Sachs Short-Term Duration	1,128,990	N/A
Vanguard Short-Term Admiral	614,933	N/A
Vanguard Short-Term Govt Bond Index	275,002	N/A
State Street Institutional Liquid Reserves Fund	14,404	AAAm (S&P)
State Board of Administration Florida PRIME	4,323,071	AAAm (S&P)
Total	\$ 31,256,203	

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE B – CASH, POOLED CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Cash, pooled cash, cash equivalents and investments as reported in the accompanying Statement of Net Position as of September 30, 2019, is summarized as follows:

Cash, pooled cash and cash equivalents, current	\$ 15,958,189
Investments, current	3,499,106
Investments, noncurrent	9,679,295
Cash, pooled cash and cash equivalents, noncurrent restricted	2,119,613
	<u>\$ 31,256,203</u>

NOTE C - CHANGE IN CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2019, was as follows:

	Beginning Balance 10/01/18	Additions	Transfers In (Out)	Deletions	Ending Balance 9/30/19
Governmental activities					
Non-Depreciable Assets					
Land and land rights	\$ 14,427,807	\$ 905,690	\$ -	\$ -	\$ 15,333,497
Construction in progress	1,110,324	1,461,942	(587,462)	-	1,984,804
Depreciable Assets					
Buildings	17,590,015	150,001	362,401	-	18,102,417
Improvements	38,392,396	9,455	225,061	-	38,626,912
Equipment	7,113,388	458,592	-	(298,235)	7,273,745
Totals at historical cost	<u>76,633,930</u>	<u>2,985,680</u>	<u>-</u>	<u>(298,235)</u>	<u>81,321,375</u>
Less accumulated depreciation for					
Buildings	(5,982,824)	(473,583)	-	-	(6,456,407)
Improvements	(18,827,110)	(1,345,413)	-	-	(20,172,523)
Equipment	(4,597,200)	(498,058)	-	288,777	(4,806,481)
Total accumulated depreciation	<u>(29,407,134)</u>	<u>(2,317,054)</u>	<u>-</u>	<u>288,777</u>	<u>(31,435,411)</u>
Governmental activities capital assets, net	<u>\$ 49,226,796</u>	<u>\$ 668,626</u>	<u>\$ -</u>	<u>\$ (9,458)</u>	<u>\$ 49,885,964</u>
Business-type activities					
Non-Depreciable Assets					
Land and land rights	\$ 1,095,512	\$ -	\$ -	\$ -	\$ 1,095,512
Construction in progress	3,525,399	2,522,883	(1,976,695)	-	4,071,587
Depreciable Assets					
Buildings	24,008,278	-	84,517	-	24,092,795
Improvements	41,472,796	-	1,892,178	-	43,364,974
Equipment	2,956,124	450,455	-	(338,942)	3,067,637
Totals at historical cost	<u>73,058,109</u>	<u>2,973,338</u>	<u>-</u>	<u>(338,942)</u>	<u>75,692,505</u>
Less accumulated depreciation for					
Buildings	(5,984,701)	(754,389)	-	-	(6,739,090)
Improvements	(24,457,397)	(1,108,338)	-	-	(25,565,735)
Equipment	(1,887,886)	(225,429)	-	303,942	(1,809,373)
Total accumulated depreciation	<u>(32,329,984)</u>	<u>(2,088,156)</u>	<u>-</u>	<u>303,942</u>	<u>(34,114,198)</u>
Business-type activities capital assets, net	<u>\$ 40,728,125</u>	<u>\$ 885,182</u>	<u>\$ -</u>	<u>\$ (35,000)</u>	<u>\$ 41,578,307</u>

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE C - CHANGE IN CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 381,117
Law Enforcement	2,253
Fire Protection	178,152
Technical Services	3,273
Transportation	580,005
Library	112,674
Parks and Recreation	908,619
Community Redevelopment	150,961
Total depreciation expense	<u>\$ 2,317,054</u>

NOTE D - DUE FROM OTHER GOVERNMENTS

The amount of \$263,671 due from other governments as of September 30, 2019, consists of the following: September 2019 amounts collected on behalf of the City and not yet remitted that include Communications Service Tax in the amount of \$61,489 from the State of Florida, fines and forfeitures in the amount of \$11,262, training reimbursement of \$2,906, wastewater charges of \$24,597 and park mowing charges in the amount of \$10,272 from Pinellas County, EMS funding from Pinellas County in the amount of \$4,466, grant funding from Florida Department of Emergency Management in the amount of \$146,786 and from the Southwest Florida Water Management District in the amount of \$1,893. These amounts are unsecured and represent a concentration of credit risk in the event that any of the governmental entities were unable to remit the amounts due the City.

NOTE E - LONG-TERM LIABILITIES

The following is a summary of changes in Governmental Activities long-term liabilities for the year ended September 30, 2019:

<u>Governmental Activities</u>	<u>Balance October 1, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2019</u>	<u>Amount due within one year</u>
Refunding Revenue Note, 2012	\$ 810,000	\$ -	\$ (156,000)	\$ 654,000	\$ 161,000
Revenue Note, 2019	-	100,000	-	100,000	N/A
Accrued compensated absences	<u>357,599</u>	<u>88,891</u>	<u>(52,145)</u>	<u>394,345</u>	<u>66,854</u>
Governmental Activities Totals	<u>\$ 1,167,599</u>	<u>\$ 188,891</u>	<u>\$ (208,145)</u>	<u>\$ 1,148,345</u>	<u>\$ 227,854</u>

N/A denotes the amount due within one year is not available until the construction loan is drawn down and the principal amount is finalized.

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CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE E – LONG-TERM LIABILITIES (continued)

The following is a summary of changes in Business-type Activities long-term liabilities for the year ended September 30, 2019:

<u>Business-type Activities</u>	<u>Balance October 1, 2018</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2019</u>	<u>Amount due within one year</u>
State revolving fund loan 2002	\$ 665,535	\$ -	\$ (140,163)	\$ 525,372	\$ 144,471
State revolving fund loan 2010	2,367,988	-	(147,458)	2,220,530	151,475
State revolving fund loan 2012	3,796,318	-	(230,456)	3,565,862	236,122
Accrued compensated absences	169,081	144,746	(121,726)	192,101	140,551
Business-type Activities Totals	<u>\$ 6,998,922</u>	<u>\$ 144,746</u>	<u>\$ (639,803)</u>	<u>\$ 6,503,865</u>	<u>\$ 672,619</u>
Totals all Activities	<u>\$ 8,166,520</u>	<u>\$ 333,637</u>	<u>\$ (847,948)</u>	<u>\$ 7,652,210</u>	<u>\$ 900,473</u>

Accrued compensated absences are liquidated in the funds that incur the respective liabilities, which are the General and Enterprise funds.

Governmental Activities Long-Term Liabilities: The Governmental Activities long-term liabilities are comprised of the following as of September 30, 2019:

Refunding Revenue Note, Series 2012, in the amount of \$1,550,000 was issued to refund the Revenue Bonds, Series 2002. Principal installments ranging from \$141,000 to \$168,000 from November 1, 2013 to November 1, 2022, plus interest at 1.78% payable semiannually on May 1 and November 1 of each year, secured by non-ad valorem revenues. \$ 654,000

Revenue Note – Series 2019, in the amount of \$6,000,000 was issued to fund the construction costs for the Harbor Palms Infrastructure Improvement project. Semi-annual interest payments at 2.81% are required during the two-year draw period ending March 11, 2021. Annual principal payments will commence on October 1, 2021 and continue through October 1, 2033, estimated to range between \$389,000 to \$542,000, plus interest at 2.81% payable semiannually on April 1 and October 1 of each year, secured by non-ad valorem revenues. Debt incurred to fund reconstruction of the roadways, curbing and sidewalks will be considered Governmental Activity debt, while proceeds used to fund drainage and other underground improvements will be considered Business-type activity debt. At 9/30/2019, the initial principal draw of \$100,000, was outstanding and considered Governmental Activity debt. The future allocation of the remaining proceeds is unknown at 9/30/19. 100,000

Accrued compensated absences, unused accrued vacation pay for governmental funds. 394,345
\$ 1,148,345

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CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE E – LONG-TERM LIABILITIES (continued)

The annual requirements to amortize the Governmental Activities long-term liabilities, exclusive of compensated absences, as of September 30, 2019, are as follows:

Refunding Revenue Note, Series 2012

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 161,000	\$ 10,208	\$ 171,208
2021	160,000	7,351	167,351
2022	165,000	4,459	169,459
2023	168,000	1,495	169,495
Totals	<u>\$ 654,000</u>	<u>\$ 23,513</u>	<u>\$ 677,513</u>

The Public Service Utility Tax revenues totaled \$1,475,793, of which \$169,030 provided a coverage ratio of 1.00:1 for the debt service refunding principal and interest payments on the 2012 Series totaling \$169,030. The revenues are pledged until the final debt maturity date of November 1, 2022.

Revenue Note, Series 2019

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest*</u>	<u>Total</u>
2020	\$ -	\$ 30,000	\$ 30,000
2021	-	168,600	168,600
2022	389,000	163,135	552,135
2023	400,000	152,049	552,049
2024	411,000	140,655	551,655
	1,200,000	654,439	1,854,439
2025-2029	2,234,000	520,972	2,754,972
2030-2034	2,566,000	184,252	2,750,252
Totals	<u>\$ 6,000,000</u>	<u>\$ 1,359,663</u>	<u>\$ 7,359,663</u>

*The summary of the Revenue Note, Series 2019 is estimated. Actual annual interest payments will be calculated as the funds are disbursed.

Business-type Activities Debt: Business-type activities long-term liabilities are comprised of the following as of September 30, 2019:

Refunding and Improvement Revenue Bonds – Series 1990,

On June 28, 2018, pursuant to Resolution 2018-10, the City legally defeased the 1990 series Water and Sewer bonds, by placing \$1,404,079 in an irrevocable trust to provide all future debt service payments on the old obligation. Accordingly, the trust account assets and the future liability for the defeased obligation are not included in the City’s financial statements. The purpose of the defeasance was to relieve the City of certain bond rate covenants in anticipation of possible future debt issuances. At September 30, 2019, \$536,524 of the bonds legally defeased remain outstanding.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE E – LONG-TERM LIABILITIES (continued)

State Revolving Fund Construction Loan 2002: The City entered into a State Revolving Fund Construction Loan agreement for the purpose of constructing a water pumping station and ground storage facility. The original amount of the loan is \$2,372,426, which was disbursed as the project was constructed and includes principal of \$2,370,576 and capitalized interest of \$1,850. Semiannual loan payments of \$79,701, including interest at 3.05% per annum, began on June 15, 2007 and semiannually thereafter, on December 15 and June 15 until fully paid. The loan is subordinated to the Series 1990 bonds and the preexisting State Revolving Loan and is secured by a lien on pledged revenues derived from the water and sewer system after payment of operation and maintenance expenses and senior debt obligations. \$ 525,372

State Revolving Fund Construction Loan 2010: The City entered into a State Revolving Fund Construction Loan agreement for the purpose of funding a portion of the construction costs of a reverse osmosis water production facility. The principal amount is \$3,271,437, which was disbursed as the project was constructed and includes principal of \$3,207,179 and capitalized interest of \$64,258. Semiannual loan payments of \$105,310, including interest at 2.82% and 2.25% per annum, begin on September 15, 2012 and semiannually thereafter, on March 15 and September 15 until fully paid. The loan is subordinated to the Series 1990 bonds and the preexisting State Revolving Loan and is secured by a lien on pledged revenues derived from the water and sewer system after payment of operation and maintenance expenses and senior debt obligations. 2,220,530

State Revolving Fund Construction Loan 2012: The City entered into a State Revolving Fund Construction Loan agreement for the purpose of funding a portion of the construction costs of a reverse osmosis water production facility. The principal amount is \$5,063,204, which was disbursed as the project was constructed and includes principal of \$5,009,665 and capitalized interest and loan service fee of \$57,085. Semiannual loan payments of \$160,915, including interest at 2.43% and 2.50% per annum, begin on February 15, 2013 and semiannually thereafter, on August 15 and February 15 until fully paid. The loan is subordinated to the Series 1990 bonds and the preexisting State Revolving Loan and is secured by a lien on pledged revenues derived from the water and sewer system after payment of operation and maintenance expenses and senior debt obligations. 3,565,862

Accrued compensated absences: unused accrued vacation pay for business-type activities. 192,101
\$ 6,503,865

The net revenues of the water and sewer system for the year were \$3,660,220 and provided a coverage ratio of 5.29:1 for payment of the principal and interest on the Revenue Bonds and State Revolving Loans of the Business-Type Activities. The annual requirements to amortize the business-type activities long-term liabilities, exclusive of compensated absences, as of September 30, 2019 are as follows:

State Revolving Fund Construction Loan 2002

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 144,471	\$ 14,931	\$ 159,402
2021	148,910	10,491	159,401
2022	153,487	5,914	159,401
2023	78,504	1,197	79,701
Totals	<u>\$ 525,372</u>	<u>\$ 32,533</u>	<u>\$ 557,905</u>

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE E - LONG-TERM LIABILITIES (continued)

State Revolving Fund Construction Loan 2010

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 151,474	\$ 59,145	\$ 210,619
2021	155,602	55,017	210,619
2022	159,842	50,777	210,619
2023	164,199	46,420	210,619
2024	168,676	41,943	210,619
	<u>799,793</u>	<u>253,302</u>	<u>1,053,095</u>
2025-2029	914,949	138,146	1,053,095
2030-2032	505,788	20,760	526,548
Totals	<u>\$ 2,220,530</u>	<u>\$ 412,208</u>	<u>\$ 2,632,738</u>

State Revolving Fund Construction Loan 2012

The annual requirements, including interest, to service the State Revolving Fund Construction Loan 2012 are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 236,122	\$ 85,707	\$ 321,829
2021	241,928	79,902	321,830
2022	247,876	73,954	321,830
2023	253,970	67,859	321,829
2024	260,214	61,615	321,829
	<u>1,240,110</u>	<u>369,037</u>	<u>1,609,147</u>
2025-2029	1,400,245	208,902	1,609,147
2030-2032	925,507	39,981	965,488
Totals	<u>\$ 3,565,862</u>	<u>\$ 617,920</u>	<u>\$ 4,183,782</u>

A summary of debt service requirements (all outstanding indebtedness) as of September 30, 2019 are as follows:

<u>Year Ending September 30,</u>	<u>Revenue Bonds Debt Service*</u>	<u>State Revolving Fund Construction Loans</u>	<u>Total</u>
2020	\$ 201,208	\$ 691,850	\$ 893,058
2021	335,951	691,850	1,027,801
2022	721,594	691,850	1,413,444
2023	721,544	612,149	1,333,693
2024	551,655	532,448	1,084,103
	<u>2,531,952</u>	<u>3,220,147</u>	<u>5,752,099</u>
2025-2029	2,754,972	2,662,242	5,417,214
2030-2032	2,750,252	1,492,036	4,242,288
Totals	<u>\$ 8,037,176</u>	<u>\$ 7,374,425</u>	<u>\$ 15,411,601</u>

* The summary of the Revenue Note, Series 2019 is estimated. Actual annual interest payments will be calculated as the funds are disbursed.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE F - RESTRICTED ASSETS, BUSINESS-TYPE ACTIVITIES

Restricted assets consist of the following:

- (a) Water and Sewer Improvement Charges (Impact Fees):
The use of which is restricted by ordinances authorizing the collections of such charges for the construction of additions and improvements to the water and sewer systems.
- (b) Assets of the Water and Sewer Fund representing customer deposits.
- (c) Assets restricted under the provisions of ordinances and resolutions authorizing the City to enter into state revolving loan agreements.

A condensed summary of the restricted cash, pooled cash and cash equivalents is as follows:

	<u>Business-type Activities</u>
(a) Water and sewer impact fees	\$ 1,108,050
(b) Customer deposits	759,391
(b) State revolving loans	<u>252,172</u>
	<u>\$ 2,119,613</u>

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CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE G – NET POSITION

The government wide statement of net position reports \$9,961,854 of restricted net position, of which \$4,326,082 is restricted by enabling legislation.

NOTE H - DEFERRED REVENUE

Deferred revenue at September 30, 2019 relates to business tax receipts in the amount of \$121,809.

NOTE I - RETIREMENT PLANS

Florida Municipal Pension Trust Fund:

General Employees Plan

Plan Description. The City, in accordance with Florida Statute 121, elected to opt out of the Florida Retirement System for newly hired employees effective January 1, 1996. The City contributes to the Florida Municipal Pension Trust Fund (FMPTF), an agent multiple-employer defined contribution pension plan that covers all full time employees, except firefighters. General employees are covered after a ninety (90) day waiting period. The general plan is administered by the Florida League of Cities, Inc. (the League). The Florida League of Cities, Inc. issues a publicly available financial report that includes financial statements and required supplementary information for the FMPTF. That report may be obtained by writing to Florida League of Cities, Inc., 301 S. Bronough St., P.O. Box 1757, Tallahassee, Florida 32302-1757 or by calling (850) 222-9684.

Funding Policy. The City established by ordinance a contribution rate on a monthly basis of 8% of eligible wages for the defined contribution plan.

For fiscal years ended September 30, 2019, 2018 and 2017 the City contributed \$398,302, \$373,569 and \$357,082 respectively, to the general employees plan. Contributions were equal to required contributions for all three years.

Florida Retirement System:

Plan Description. The City contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of Florida Department of Management Services, Division of Retirement. As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two plans that include FRS Pension Plan (Pension Plan) and the Retiree Health Insurance Subsidy (HIS Plan). FRS provides retirement and disability, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Chapter 121 of Florida Statutes assigns the authority to establish and amend benefit provisions to the State of Florida Department of Management Services. The Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for FRS. That report may be obtained by writing to The Department of Management Services, Division of Retirement, Research, Education & Policy Section, Cedars Executive Center, Building C, 2639 North Monroe Street, Tallahassee, Florida 32399-1560 or by calling (850) 488-5706.

Funding Policy. Effective July 1, 2012 employee participants contribute 3% of eligible wages. The City is required by State statute to contribute, on a monthly basis, at an actuarially determined rate. The current rate is 8.47% and 25.48% (both include the HIS Plan component rate of 1.66%) of eligible payroll for regular and special risk (firefighters) service classes, respectively. The City's contributions to FRS for the years ended September 30, 2019, 2018 and 2017 were \$146,296, \$156,563 and \$184,132, respectively, equal to the required contributions for each year and include the required contributions for participants in the Deferred Retirement Option Program discussed below.

Deferred Retirement Option Program – implemented on July 1, 1998, the DROP program allows member employees of the FRS to effectively “retire” without terminating employment for up to five years. During the period, retirement benefits accumulate and are distributed to the employee at the retirement date in a lump sum prior to the employee receiving normal periodic retirement benefits that follow. The City currently has one participant in the program. The current contribution rate for this program is 14.60%.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE I - RETIREMENT PLANS (continued)

Pension liabilities, Pension expense and Deferred Outflows (Inflows) of Resources related to pensions- At September 30, 2019, the City reported a liability of \$1,441,765 for the FRS Plan component and \$286,500 for the HIS Plan component for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The City's proportionate share at June 30, 2019 for the FRS Plan component was .004186479%. The City's proportionate share at June 30, 2019 for the HIS Plan component was .002560549%. The City's proportionate shares at June 30, 2018 were .005287895% and .003252954% for the FRS and HIS Plan components, respectively. For the fiscal year ended September 30, 2019 the City recognized pension expense of \$314,779 and (\$4,122) for the FRS and HIS Plan components, respectively. Deferred Outflows and Inflows of resources related to pensions are from the following sources:

FRS Plan Component

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 85,515	\$ 895
Changes in assumptions	370,307	-
Net difference between projected and actual earnings on investments	-	79,766
Changes in proportion and differences between City contributions and proportionate share of contributions	62,354	294,281
Contributions subsequent to the measurement date	33,884	-
	<u>\$ 552,060</u>	<u>\$ 374,942</u>

HIS Plan Component

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 3,480	\$ 351
Changes in assumptions	33,174	23,416
Net difference between projected and actual earnings on investments	185	-
Changes in proportion and differences between City contributions and proportionate share of contributions	14,908	127,231
Contributions subsequent to the measurement date	3,663	-
	<u>\$ 55,410</u>	<u>\$ 150,998</u>

The deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the fiscal year ending September 30, 2020. Other amounts related to deferred outflows and (inflows) of resources will be recognized as pension expense as follows:

<u>Fiscal year ending September 30,</u>	<u>FRS component</u>	<u>HIS component</u>
2019	\$ (36,327)	\$ (26,095)
2020	(33,447)	(18,200)
2021	(48,145)	(16,031)
2022	(56,970)	(19,709)
2023	(43,173)	(18,671)
Thereafter	361,296	(545)

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE I - RETIREMENT PLANS (continued)

Net Pension Liability –

	<u>FRS component</u>	<u>HIS component</u>
City's proportionate share of Total Pension Liability	\$ 8,289,745	\$ 294,234
City's proportionate share of Plan Fiduciary Net Position	(6,847,980)	(7,734)
City's proportionate share of Net Pension Liability	<u>\$ 1,441,765</u>	<u>\$ 286,500</u>
 Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	 82.61%	 2.63%

Change in Net Pension Liability –

	<u>FRS component</u>	<u>HIS component</u>
Beginning balance – City's proportionate share	\$ 1,592,741	\$ 344,296
Service Cost	105,628	5,943
Interest on total pension liability	552,402	10,707
Effect of economic/demographic gain or loss	(58,265)	11,815
Employer contributions	(351,710)	(86,059)
Member contributions	(31,516)	(5)
Net investment income	(368,334)	(202)
Administrative expense	819	5
Ending balance – City's proportionate share	<u>\$ 1,441,765</u>	<u>\$ 286,500</u>

Actuarial Assumptions – The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions:

	<u>FRS component</u>	<u>HIS component</u>
Valuation date	July 1, 2019	July 1, 2018
Measurement date	June 30, 2019	June 30, 2019
Inflation	2.60%	2.60%
Salary increases	3.25%, average, includes inflation	3.25%, average, includes inflation
Investment rate of return	6.90%, net of expense, includes inflation	3.50%, Municipal Bond Rate
Mortality tables	Generation RP-2000 with Projection Scale BB tables	Generation RP-2000 with Projection Scale BB tables
Discount rate	6.90%	3.50%

The actuarial assumptions that determined the total pension liability as of June 30, 2019, were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized as follows :

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE I - RETIREMENT PLANS (continued)

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	3.3%	3.3%	1.2%
Fixed Income	18%	4.1%	4.1%	3.5%
Global Equity	54%	8.0%	6.8%	16.5%
Real Estate	10%	6.7%	6.1%	11.7%
Private Equity	11%	11.2%	8.4%	25.8%
Strategic Investments	6%	5.9%	5.7%	6.7%
Total	100.00%			
Assumed Inflation – Mean			2.6%	1.7%

(1) As outlined in the Pension Plan’s Investment Policy

For the year ended June 30, 2019, the annual money-weighted rate of return on FRS pension plan investments, net of pension plan expense was 5.98%.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following table represents the City’s proportionate share of the net pension liability calculated at the respective discount rates and the proportionate share using a rate 1% less than and 1% more than the current rate.

FRS component	<u>1% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City’s Proportionate share of the net pension liability	\$ 2,492,332	\$ 1,441,765	\$ 564,364
HIS component	<u>1% Decrease (2.50%)</u>	<u>Current Discount Rate (3.50%)</u>	<u>1% Increase (4.50)</u>
City’s Proportionate share of the net pension liability	\$ 327,054	\$ 286,500	\$ 252,723

Firefighters’ Retirement Pension Trust Fund

Plan Description. On July 16, 1996, the City established a pension plan for its firefighters pursuant to Chapter 175, Florida Statutes. The Retirement Plan and Trust for the Firefighters’ of the City of Oldsmar (the Plan) is a single-employer, defined benefit pension plan established and administered by the City of Oldsmar and the Board of Trustees of the Plan. The Board of Trustees is composed of five members consisting of two elected firefighters, two city appointees and an appointed 5th member. Florida Statute 175 assigns the authority to establish and amend the benefit provisions of the plans that participate in FMPTF to the respective employer entities; for the City of Oldsmar this is the City Council. The City entered into a Master Trust Agreement with the Florida Municipal Pension Trust Fund (FMPTF) for administration of the plan. The investments of the plan are held by the FMPTF in a trustee capacity and are maintained in pooled trust accounts, which are managed by a professional trustee pursuant to a trust agreement with the City. The Plan provides retirement, disability and death benefits to Plan members and their beneficiaries. The Plan contains early retirement and cost of living increase provisions.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE I - RETIREMENT PLANS (continued)

The Plan's significant accounting policies are as follows:

Basis of accounting: The Plan's 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 Plan 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 Plan. Administrative costs are paid by the plan.

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. The FMPTF's plan investment portfolio is valued at fair value based on market quotes of the individual investments in the portfolio.

Deposits: FMPTF periodically holds un-invested cash in its capacity as custodian of the Plan. These funds exist temporarily as cash in the process of collection from the sale of investments.

Investments: The FMPTF investment policy authorizes investment in repurchase agreements, direct obligations of the United States Treasury, the State Board of Administration investment pool, commercial paper rated "A1/P1" with a maximum maturity of 270 days from the time of purchase, banker's acceptances with a long-term debt rating of at least "AA" or short-term debt rating of "P1" with no more than 5% issued by any one depository and a maturity not to exceed 270 days from the time of purchase, certificates of deposit issued by qualified public depositories in the State of Florida and a maximum maturity of 2 years, obligations of federal government agencies or instrumentalities, money market mutual funds, mortgage obligations guaranteed by the U.S. government and sponsored agencies and/or instrumentalities, corporate fixed income securities with any "A" rating with no more than 5% in any one issuing corporation, asset backed securities issued in the United States, U.S. denominated and issued obligations and securities of foreign sovereign states or non-U.S. corporations rated "A" or better, commingled governmental investment trusts, no-load investment funds, or no-load mutual funds, guaranteed investment contracts rated in the highest category by AM Best, investment agreements with other financial institutions, common stock, preferred stock and interest bearing obligations convertible into common stock, and securities lending with approved dealers and custodians. The fair value of investments is measured at quoted market prices. The Plan's investments have been determined to conform to the current investment policy.

Credit Risk: To limit the Plan's credit risks against possible losses, the maximum amount that may be invested in the securities of an individual issuer or trust, not backed by the full faith and credit of the United States Government, its sponsored agencies and/or instrumentalities shall not, at the time of purchase exceed 5% of the assets in the invested portfolio based on cost. Investments in the FMIvT Broad Market High Quality Bond Fund are Fitch rated AAf/S4. Other investments in FMIvT funds are not rated.

Foreign Currency Risk: Investments in the FMIvT International Blend Fund are not subject to foreign currency risk.

Interest Rate Risk: FMPTF manages interest rate risk through portfolio diversification, controlled duration strategies and maturity limitations. The weighted average maturity in years for the FMIvT Broad Market High Quality Bond fund is 6.43 years and for the Core Plus Fixed Income Fund 5.16 years.

Funding policy. The City is required to contribute to the Plan at actuarially determined rates using the aggregate actuarial cost method. The aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities. Plan members contribute 5% of their salary. In accordance with Florida Statute 175, excise taxes on fire insurance policies reduce the required contribution of the City. The contribution rate for the City was 37.04% for the fiscal year ended 2019, 34.69% for the fiscal year ended 2018, and 30.91% for the fiscal year ended 2017. For fiscal 2019 the City contributed \$176,460, which along with available on behalf payments of state excise tax contributions in the amount of \$69,605 equaled the actuarially determined minimum contribution rate. The net pension liability is liquidated in the fund that incurs the respective liability, which is the General Fund.

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CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE I - RETIREMENT PLANS (continued)

Membership of the Plan: Membership of the plan consisted of the following at September 30, 2019. The date of the latest actuarial valuation was October 1, 2018.

Retirees and beneficiaries receiving benefits	2
Terminated plan members entitled to but not receiving benefits	5
Vested active plan members	9
Non vested active plan members	1
Total active participants	<u>17</u>

Deferred Outflows and Inflows of Resources

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Beginning balance – October 1, 2018	\$ 1,292,551	\$ 1,206,531
Changes due to:		
Amortization payments	(254,314)	(200,592)
Investment gain (loss)	82,238	-
Demographic gain (loss)	129,277	-
Assumption changes	-	-
Total change	<u>(42,799)</u>	<u>(200,592)</u>
Ending balance – September 30, 2019	<u>\$ 1,249,752</u>	<u>\$ 1,005,939</u>

Other amounts related to deferred outflows and inflows of resources will be recognized as pension expense as follows:

<u>Fiscal year ending September 30,</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
2020	\$ 181,119	\$ 200,591
2021	181,119	180,957
2022	181,120	107,374
2023	172,541	107,374
2024	156,095	107,374
Thereafter	377,759	302,270

Net Pension (Asset) Liability –

Total Pension Liability	\$ 6,332,032
Plan Fiduciary Net Position	<u>(6,240,897)</u>
Net Pension (Asset) Liability	<u>\$ 91,135</u>

Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability 99%

Change in Net Pension (Asset) Liability –

	<u>Total Pension Liability</u>	<u>Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Beginning balance – October 1, 2018	\$ 5,608,460	\$ (5,731,241)	\$ (122,781)
Service Cost	241,827	-	241,827
Expected interest growth	407,154	(407,530)	(376)
Unexpected investment income	-	82,238	82,238
Effect of economic/demographic gain or loss	129,277	-	129,277
Employer contributions	-	(246,065)	(246,065)
Member contributions	-	(33,216)	(33,216)
Benefit payments & refunds	(54,686)	54,686	-
Administrative expense	-	40,231	40,231
Ending balance – September 30, 2019	<u>\$ 6,332,032</u>	<u>\$ (6,240,897)</u>	<u>\$ 91,135</u>

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE I - RETIREMENT PLANS (continued)

Net pension liability (asset): The City's net pension liability (asset) for the current year and related information is as follows:

Total pension liability	\$ 6,332,032
Fiduciary net position	\$ 6,240,897
Net pension liability (asset)	\$ 91,135
Measurement date	September 30, 2019
Actuarial valuation date	October 1, 2018
Employer's reporting date	September 30, 2019
Discount rate	7.00% per annum (2.77% attributed to long-term inflation)
Salary increases	4.50% per annum
Cost of living increases	3.00% per annum
Mortality basis	Sex-distinct rates set forth in the RP-2000 Blue Collar Mortality Table w/full generational improvements in mortality using Scale BB
Retirement	Assumed to occur at the most valuable retirement age
Non-investment expenses	Liabilities have been loaded by 2.75% to account for non-investment expenses
Future contributions	Employer and employee contributions are assumed to be made as legally required
Changes	No assumptions were changed since the prior measurement date.

Comparison of net pension liability (asset) using alternative discount rates:

	Discount rate minus 1%	Discount rate at 7.00%	Discount rate plus 1%
Total pension liability	\$ 7,507,901	\$ 6,332,032	\$ 5,398,172
Less fiduciary net position	(6,240,897)	(6,240,897)	(6,240,897)
Net pension liability	<u>\$ 1,267,004</u>	<u>\$ 91,135</u>	<u>\$ (842,725)</u>

Determination of the long-term expected rate of return:

	Target allocation	Expected long-term real return
Core bonds	15%	1.60% per annum
Multi-sector	15%	2.10% per annum
U.S. large cap equity	34%	4.60% per annum
U.S. small cap equity	11%	5.50% per annum
Non-U.S. equity	15%	6.70% per annum
Core real estate	10%	5.00% per annum
Weighted arithmetic average	100%	4.23% per annum

In accordance with City Ordinance 2002-07 adopted May 21, 2002, the Firefighters' Pension Plan was amended to increase the disability benefit for a member deemed to be totally and permanently disabled from a service connected injury or disease from 42% to 66% of average monthly salary at the time of disability.

In accordance with City Ordinance 2005-02 adopted April 5, 2005 the Firefighter's Pension Plan was amended to increase the benefit formula multiplier from 3% to 3.25% and increase the member contribution rate from 1% to 1.5%.

In accordance with City Ordinance 2011-05 adopted September 7, 2011 the Firefighter's Pension Plan was amended to increase the member contribution rate from 1.5% to 2%.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE I - RETIREMENT PLANS (continued)

In accordance with City Ordinance 2012-01 adopted May 5, 2012 the Firefighter’s Pension Plan was amended to increase the member contribution rate from 2% to 5% and decrease the benefit formula multiplier from 3.25% to 3.125%

In accordance with City Ordinance 2014-09 adopted November 4, 2015 the Firefighter’s Pension Plan was closed to new members. Effective October 1, 2015 newly hired firefighters will participate in the Florida Retirement System.

In accordance with City Ordinance 2018-01 adopted January 16, 2018 a defined contribution share plan component was created as an additional benefit for active participants of the Oldsmar Firefighter’s Pension Plan as of October 1, 2016. This additional benefit allowed the usage of \$500,000 in frozen excess premium tax monies held by the Plan.

Aggregate total amounts for the City retirement plans are as follows:

	FRS	HIS	Fire	Total
Net Pension Liabilities	\$ 1,441,765	\$ 286,500	\$ 91,135	\$ 1,819,400
Deferred Outflows	552,060	55,410	1,249,752	1,857,222
Deferred Inflows	374,942	150,998	1,005,939	1,531,879
Pension expense/expenditure	314,779	(4,122)	302,188	612,845

NOTE J – POSTEMPLOYMENT HEALTHCARE PLAN

GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” (OPEB) provides for the determination and disclosure of the Total OPEB Liability and the annual cost of providing other postemployment benefits. The City provides other postemployment benefits in the form of the Retiree Health Care Plan in the form of an implicit rate subsidy.

Plan Description. The City provides a single-employer, defined benefit postemployment health care plan, (the Plan), whereby retired employees are able to purchase health care benefits through the City’s health care providers. The Plan is administered by the health care providers and allows employees who retire and meet eligibility requirements under the City’s retirement plans to continue medical, dental and vision insurance coverage as a participant in the City’s plan.

In accordance with Section 112.0801 of the Florida Statutes, because the City provides a medical, dental and vision plan to active employees of the City and their eligible dependents, the City is required to provide retirees with the opportunity to participate in this Plan. The Plan is currently unfunded. There is no separate trust through which benefits for retirees are funded. No assets are currently accumulated or earmarked for the Plan. Accordingly, for purposes of applying paragraph 4 under GASB Statement 75, the Plan does not meet the requirements for an OPEB plan administered through a trust.

Employees Covered by benefit terms. To be eligible to participate in the plan employees must be a minimum of age 62 with 10 or more years of service or have at least 30 years of service at any age.

Inactive plan members or beneficiaries currently receiving benefits	4
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	125
Total plan members	<u>129</u>

Benefits Provided. The benefits provided to eligible retirees are the same as those provided for active employees. Spouses and dependents of eligible retirees are also eligible for medical, dental and vision coverage. All full-time employees of the City are eligible to purchase postemployment health care benefits. All approved benefits are paid from general assets when due.

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE J – POSTEMPLOYMENT HEALTHCARE PLAN (continued)

Contributions. The retired employees (including their eligible dependents) that are eligible to participate in the Plan may enroll in the plan offered by the City through the Florida Municipal Insurance Trust. Retiree Plan participants are required to pay 100% of their respective health care insurance premiums. The City does not contribute toward this payment. The City’s overall cost of providing health care benefits is increased as a result of an implicit insurance rate subsidy resulting from retired employees being permitted to pay lower than age-adjusted premiums through the use of blended premium for both retirees and active employees. Medicare eligible retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The City does not issue stand-alone financial statements for the Plan.

Funding Policy. While the City does not contribute directly towards the cost of retiree premiums via an explicit subsidy, the ability of retirees to obtain health insurance coverage at a group rate which includes active employees, constitutes a significant economic benefit to retirees, or an implicit subsidy. This implicit subsidy is considered to be another post-employment benefit (OPEB) obligation of the City. The annual required contribution to fund the incremental cost of the healthcare plan is based on a pay-as you-go funding approach.

Actuarial Assumptions. The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2018 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	Salary increase rates used for Regular Class members in the July 1, 2016 actuarial valuation of the Florida Retirement System; 3.7% - 7.8%, including inflation. For participants in the Firefighters Plan, 4.5% increases, including inflation. For participants in the General Plan, 5.0% increases, including inflation.
Discount Rate	3.83%
Initial Trend Rate	6.75%
Ultimate Trend Rate	4.24% plus 0.56% increase for excise tax

Mortality tables used for Regular Class and Special Risk Class members in the July 1, 2016 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013-2018.

Discount Rate. For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this actuarial roll-forward, the municipal bond rate is 3.83% (based on the daily rate of Fidelity’s “20-Year Municipal GO AA Index” closest to but not later than the measurement date). The discount rate used as of the beginning of the measurement year was 3.50%.

Total OPEB Liability. The measurement date for the Total OPEB Liability was September 30, 2018. The measurement date for the OPEB expense was October 1, 2017 to September 30, 2018. The reporting period is October 1, 2018 to September 30, 2019.

Change in Total OPEB Liability:

	Total OPEB Liability
	<u>Increase (Decrease)</u>
Reporting period ending September 30, 2018	\$ 1,431,789
Changes for the year:	
Service cost	152,133
Interest	54,481
Differences between expected and actual experience	-
Changes of assumptions	(35,635)
Benefit payments	(54,619)
Net changes in total OPEB liability	<u>116,360</u>
Reporting period ending September 30, 2019	<u>\$ 1,548,149</u>

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE J – POSTEMPLOYMENT HEALTHCARE PLAN (continued)

Changes in assumptions reflect a change in the discount rate from 3.50% for the reporting period ended September 30, 2018, to 3.83% for the reporting period ended September 30, 2019.

Sensitivity of the Total OPEB Liability to changes in the discount rate: the following presents the Total OPEB Liability of the City, as well as what the City’s Total OPEB Liability would be if calculated using a discount rate that is one percentage-point lower or one percentage point higher than the current discount rate.

	1% Decrease (2.83%)	Current Discount Rate (3.83%)	1% Increase (4.83%)
Total OPEB Liability	\$ 1,658,069	\$ 1,548,149	\$ 1,445,035

Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates : The following presents the Total OPEB Liability of the City, as well as what the City’s Total OPEB Liability would be if calculated using healthcare cost trend rates that are one percentage-point lower or one-percentage point higher than the current healthcare cost trend rates.

	1% Decrease (5.75%)	Current Healthcare Rates (6.75%)	1% Increase (7.75%)
Net OPEB Liability	\$ 1,360,713	\$ 1,548,149	\$ 1,772,284

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB: For the year ended September 30, 2019, the City will recognize OPEB expense of \$201,748

On September 30, 2019, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following resources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Changes in assumptions	\$ -	\$ 67,984
Employer contributions made subsequent to the measurement date	76,203	-
	<u>\$ 76,203</u>	<u>\$ 67,984</u>

The deferred outflows of resources related to employer contributions subsequent to the measurement date of \$67,984 will be recognized as an adjustment to the Total OPEB Liability for the fiscal year ending September 30, 2020 measurement date. Amounts reported as deferred inflows of resources and deferred inflows of resources, other than employer contributions made subsequent to the measurement date, related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ending September 30,	
2019	\$ (4,866)
2020	(4,866)
2021	(4,866)
2022	(4,866)
2023	(4,866)
Thereafter	(43,654)
	<u>\$ (67,984)</u>

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE K – EMPLOYER BENEFITS FROM ON-BEHALF PAYMENTS

The City receives insurance excise tax remittances from the State of Florida on behalf of the Firefighters' Retirement Plan that are restricted in purpose for the benefit of the retirement plans and must be transferred immediately upon receipt to the retirement plan. The amount received from the State of Florida on behalf of the Firefighters' Retirement Plan for the year ended September 30, 2019 was \$69,605. These amounts have been reported as revenues in the General Fund with a corresponding expenditure classified as part of personal services in the Fire department.

NOTE L - DEFERRED COMPENSATION PLAN

The City offers employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. As of January 1, 1997, as a result of the Small Business Job Protection Act of 1996, the assets of the deferred compensation plan are no longer the property of the City and are not subject to the claims of the City's creditors. The City offers a choice of two plans and has appointed the Plan's Administrators, Nationwide Retirement Solutions and FMPTF, as trustees of the Plan effective January 1, 1997. As a result, the City no longer reflects the plan assets or liabilities in an Agency Fund as the City has no rights to these assets nor does the City act in a fiduciary capacity.

NOTE M - COMMITMENTS AND CONTINGENCIES

Commitment: At September 30, 2019, construction contract commitments in the Governmental Fund Types total \$3,419,247. The uncompleted commitments are included as fund balances committed to capital projects. Construction commitments in the Proprietary Fund Type for 2019 totaled \$3,193,717.

Contingency: The City has been named in various legal actions. In the opinion of management, based on the advice of legal counsel, any ultimate liability to the City resulting from the satisfaction of the various legal actions will have no material effect on the financial condition of the City.

Law Enforcement Services: The City has contracted with the Pinellas County Sheriff's Office to provide law enforcement services from October 1, 2019 through September 30, 2020 in the amount of \$1,774,392. The expenditure for the year ended September 30, 2019 was \$1,720,596.

Hurricane Irma Clean-up: The City conducted debris monitoring and management using city staff, and equipment on hand before the storm, supplemented with outside contractors, to provide clean-up from the damage caused by Hurricane Irma in September 2017. The cost of these services was originally estimated to be in excess of \$270,000. The City will receive reimbursement from the Federal Emergency Management Agency (FEMA) for a significant portion of the expenses incurred. The cost of these services and the amount to be received from FEMA as reimbursement have been recorded as of September 30, 2019. The City received reimbursement in the amount of \$126,320 during fiscal year 2019, of which \$121,470 was reimbursed by FEMA and \$4,850 was reimbursed by the State of Florida. During fiscal year 2020 the City has received reimbursement in the amount of \$122,054, of which \$115,630 was reimbursed by FEMA and \$6,424 was reimbursed by the State of Florida. As of the audit report date of January 2, 2020 reimbursement from FEMA and the State of Florida in the amount of \$12,997 is still outstanding.

NOTE N – INTERFUND LOANS AND TRANSFERS

Transfers of \$136,214 and \$150,000 were made from the General Fund and Parkland Dedication Funds, respectively, during the year to the Public Safety Impact Fund and Capital Improvement Funds, respectively. The transfers were to assist in funding capital outlay projects.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE O - LEASE COMMITMENTS

Operating Leases

The City leases equipment through various operating leases. The total rental expenditures incurred and charged to operating expense amounted to \$21,794. Information relative to the minimum future rentals is as follows:

<u>Year Ending September 30,</u>	<u>Total</u>
2020	\$ 22,648
2021	21,785
2022	13,877
2023	4,243
2024	<u>-</u>
	<u>\$ 62,553</u>

NOTE P - SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

The City provides refuse, water, sewer and stormwater service to businesses and residents of the City. As of September 30, 2019, the refuse accounts receivable was \$62,458 with customer deposits of \$235,826 held as security for payment of the outstanding accounts receivable. The water, sewer and stormwater accounts receivable totaled \$789,410 with customer deposits in the amount of \$523,565 held as security for payments of the outstanding accounts receivable.

NOTE Q - RATE AND DEBT COVENANTS

Pursuant to State Revolving Loan Agreements, the City shall maintain water and sewer system rates which will be sufficient to provide pledged revenues equal to or exceeding 1.30 (State Revolving Loan) and 1.15 (State Revolving Fund Construction Loan) times the annual loan payment after the satisfaction of all yearly payment obligations of superior liens. For the year ended September 30, 2019, these covenants were met.

The State Revolving Loan agreements provide that the City shall establish an account in which to maintain an “annual loan deposit” and the “loan repayment reserve”. The accounts are being maintained at the State Board of Administration and are accounted for in the Water and Sewer Enterprise Fund as a restricted asset.

The required balances and the amount of restricted assets as of September 30, 2019 are as follows:

	<u>State Revolving Fund Construction Loans</u>
Loan repayment reserve	\$ 94,936
Annual loan deposit	<u>157,236</u>
Total restricted assets	<u>\$ 252,172</u>

NOTE R - RISK FINANCING

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; environmental; and antitrust matters. The City has purchased commercial insurance to protect against employee dishonesty and employee health losses. The City participates in the Florida Municipal Liability Self Insurers Program for purposes of protecting against workers’ compensation losses; real and personal property losses; automobile damage; and general liability, including malpractice and errors and omissions. To the extent that the City has purchased commercial insurance, all risk of covered loss has been transferred to the insurance underwriter.

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

NOTE R - RISK FINANCING (continued)

The Florida Municipal Insurance Trust is a risk pool that assumes the risk of loss for all participating members. The members are subject to additional premium assessments in the event that the risk pool required additional funding to satisfy all claims. The City has not been assessed any additional insurance premiums during the year ended September 30, 2019, 2018 or 2017 nor is the City aware of any contingent assessments. For the same previous three fiscal years, the City has not decreased its insurance coverage nor have any settlements been in excess of such coverage.

NOTE S – SUBSEQUENT EVENTS

The City has evaluated whether any events have occurred subsequent to September 30, 2019 and before the issuance of the financial statements that would have an impact on the City’s financial condition as of September 30, 2019 or would influence the conclusions reached by a reader of the financial statements regarding the City’s overall financial condition. Management has evaluated such events through January 2, 2020 which is the date the financial statements were available to be issued and determined there were no events that should be disclosed.

NOTE T – FAIR VALUE OF INVESTMENTS

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles pursuant to *GASB No. 72, Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of September 30, 2019:

- Government Sponsored Enterprises of \$10,145,108 are valued using quoted market prices (Level 1 inputs)

The Firefighter’s Retirement Pension Trust Fund has the following recurring fair value measurements as of September 30, 2019:

	<u>Level 2 inputs</u>	<u>Level 3 inputs</u>
Broad Market HQ Bond Fund	\$ 1,009,761	\$ -
Core Plus Fixed Income Fund	-	1,002,749
Diversified Small to Mid Cap Fund	806,406	-
International Equity Portfolio	1,016,773	-
Diversified Large Cap Portfolio	2,433,244	-
Core Real Estate Portfolio	-	680,186
	<u>\$ 5,266,184</u>	<u>\$ 1,682,935</u>

Level 2 inputs are valued using market-corroborated data, while the Level 3 inputs are valued based on quarterly real estate appraisals and other factors.

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REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes a budgetary comparison schedule for the General Fund and Community Redevelopment Special Revenue Fund, along with schedules depicting the funding progress and contributions for the defined benefit plans.

CITY OF OLDSMAR, FLORIDA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the year ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
RESOURCES (INFLOWS):				
Property Taxes	\$ 5,080,000	\$ 5,080,000	\$ 5,008,038	\$ (71,962)
Franchise Fees	1,400,000	1,400,000	1,416,607	16,607
Utility Taxes	1,369,000	1,369,000	1,409,311	40,311
Fire insurance premium tax	50,000	50,000	69,605	19,605
Communications service tax	750,000	750,000	754,187	4,187
Business tax receipts	172,000	172,000	183,699	11,699
Licenses, permits and fees	315,500	315,500	396,718	81,218
Intergovernmental revenues	2,169,085	2,169,085	2,609,690	440,605
Charges for services	438,000	438,000	468,921	30,921
Rents and royalties	95,000	95,000	115,538	20,538
Fines and forfeitures	143,000	143,000	145,245	2,245
Investment income	150,000	150,000	269,191	119,191
Other Miscellaneous	666,100	666,100	843,811	177,711
Proceeds from sale of capital assets	80,000	80,000	28,771	(51,229)
AMOUNTS AVAILABLE FOR				
APPROPRIATION	12,877,685	12,877,685	13,719,332	841,647
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
General Government				
City council	155,315	177,815	177,726	(89)
City Manager	430,700	430,700	417,557	(13,143)
City Clerk	304,220	304,220	291,707	(12,513)
Legal Counsel	199,275	199,275	139,752	(59,523)
Planning and Redevelopment	998,845	998,845	943,858	(54,987)
Communication, Mkt and Arts	237,895	237,895	157,309	(80,586)
Administrative Services	1,163,250	1,163,250	1,078,431	(84,819)
Facilities	934,480	1,025,075	755,346	(269,729)
Total General Government	4,423,980	4,537,075.00	3,961,686	(575,389)
Public Safety				
Law Enforcement	1,753,590	1,770,590	1,748,392	(22,198)
Fire Rescue	2,217,660	2,406,635	2,334,025	(72,610)
Technical Services	450,815	450,815	391,342	(59,473)
Total Public Safety	4,422,065	4,628,040.00	4,473,759	(154,281)
Transportation				
Streets and Drainage	934,170	937,170	750,892	(186,278)
Fleet Maintenance	205,485	240,485	191,879	(48,606)
Total Transportation	1,139,655	1,177,655.00	942,771	(234,884)
Culture and Recreation				
Library	885,390	898,482	876,670	(21,812)
Parks	1,196,965	1,383,521	1,067,959	(315,562)
Recreation	763,850	763,850	699,910	(63,940)
Oldsmar Sports Complex	818,635	783,735	651,952	(131,783)
Total Culture and Recreation	3,664,840	3,829,588.00	3,296,491	(533,097)

CITY OF OLDSMAR, FLORIDA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the year ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Other Financing Sources (Uses)				
Interfund transfers	\$ -	\$ 136,250	\$ 136,214	\$ (36)
Contingency	1,227,145	1,013,395	-	(1,013,395)
Total Other Financing Sources (Uses)	<u>1,227,145</u>	<u>1,149,645</u>	<u>136,214</u>	<u>(1,013,431)</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>14,877,685</u>	<u>15,322,003</u>	<u>12,810,921</u>	<u>(2,511,082)</u>
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	<u>(2,000,000)</u>	<u>(2,444,318)</u>	<u>908,411</u>	<u>3,352,729</u>
FUND BALANCE - BEGINNING OF YEAR	<u>6,087,773</u>	<u>6,087,773</u>	<u>6,087,773</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 4,087,773</u>	<u>\$ 3,643,455</u>	<u>\$ 6,996,184</u>	<u>\$ 3,352,729</u>

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND
OUTFLOWS AND GAAP REVENUES AND EXPENDITURES
SOURCES/INFLOWS OF RESOURCES

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 13,719,332
Differences - budget to GAAP:	
Proceeds from the sale of capital assets are inflows of budgetary resources not revenues for financial reporting purposes.	<u>(28,771)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 13,690,561</u>

USES/OUTFLOWS OF RESOURCES

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 12,810,921
Differences - budget to GAAP:	
Interfund transfers are outflows of budgetary resources not expenditures for financial reporting purposes.	<u>(136,214)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 12,674,707</u>

CITY OF OLDSMAR, FLORIDA

BUDGETARY COMPARISON SCHEDULE
 MAJOR GOVERNMENTAL FUND - COMMUNITY REDEVELOPMENT AGENCY -
 SPECIAL REVENUE FUND

For the year ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Over <u>(Under)</u>
RESOURCES (INFLOWS):				
Ad valorem taxes	\$ 273,000	\$ 273,000	\$ 281,073	\$ 8,073
Intergovernmental revenue	442,000	442,000	373,763	(68,237)
Impact fees	30,000	30,000	-	(30,000)
Rents and royalties	35,000	35,000	101,843	66,843
Investment income	2,000	2,000	12,990	10,990
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>782,000</u>	<u>782,000</u>	<u>769,669</u>	<u>(12,331)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Operating	125,900	121,900	45,748	(76,152)
Capital Outlay	103,500	1,307,500	919,775	(387,725)
Reserve for improvements	552,600	552,600	-	(552,600)
TOTAL CHARGES TO APPROPRIATION	<u>782,000</u>	<u>1,982,000</u>	<u>965,523</u>	<u>(1,016,477)</u>
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	<u>-</u>	<u>(1,200,000)</u>	<u>(195,854)</u>	<u>1,004,146</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,497,098</u>	<u>1,497,098</u>	<u>1,497,098</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,497,098</u>	<u>\$ 297,098</u>	<u>\$ 1,301,244</u>	<u>\$ 1,004,146</u>
EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES				
SOURCES/INFLOWS OF RESOURCES				
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.				\$ 769,669
Differences - budget to GAAP:				
None				<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.				<u>\$ 769,669</u>
USES/OUTFLOWS OF RESOURCES				
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.				\$ 965,523
Differences - budget to GAAP:				
None				<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.				<u>965,523</u>

FIREFIGHTERS' PENSION TRUST FUND - PENSION SCHEDULES

September 30, 2019

Net Pension Liability (Asset)

Measurement Date	Total Pension Liability	Fiduciary Net Position	Net Pension Liability (Asset)	Funded Percentage	Covered Payroll	Net Pension Liability as a % of Covered Payroll
10/1/2010	\$ 1,870,125	\$ 1,706,045	\$ 164,080	91.23%	\$ 788,819	20.80%
10/1/2011	2,281,958	1,987,344	294,614	87.09%	807,256	36.50%
10/1/2012	3,039,133	2,714,391	324,742	89.31%	753,518	43.10%
9/30/2013	3,043,735	3,490,288	(446,553)	114.67%	764,280	N/A
9/30/2014	3,476,581	4,007,222	(530,641)	115.26%	764,280	N/A
9/30/2015	3,058,624	4,060,837	(1,002,213)	132.77%	663,716	N/A
9/30/2016	4,429,432	4,485,246	(55,814)	101.26%	577,978	N/A
9/30/2017	5,257,263	5,294,935	(37,672)	100.72%	619,479	N/A
9/30/2018	5,608,460	5,731,241	(122,781)	102.19%	622,131	N/A
9/30/2019	6,332,032	6,240,897	91,135	98.56%	656,329	13.89%

Schedule of Contributions

Year Ended September 30,	(1) Actuarially Determined Contribution	(2) Contributions Recognized by the Plan	(3) Difference Between (1) and (2)	Covered Payroll	Column (2) as a % of Covered Payroll
2010	\$ 286,753	\$ 286,753	\$ -	\$ 745,810	38.45%
2011	288,316	288,316	-	788,819	36.55%
2012	287,212	287,212	-	807,256	35.58%
2013	252,758	382,051	129,293	753,518	50.70%
2014	205,626	203,106	(2,520)	764,280	26.57%
2015	144,198	112,900	(31,298)	663,716	17.01%
2016	144,645	99,574	(45,071)	577,978	17.23%
2017	184,020	184,020	-	619,479	29.71%
2018	217,876	167,472	(50,404)	622,131	26.92%
2019	246,065	246,065	-	656,329	37.49%

Notes to Schedule

Employer's reporting date: September 30, 2019
 Measurement date: September 30, 2019
 Actuarial valuation date: October 1, 2018

Actuarial assumptions

Discount rate: 7.00% per annum (2.77% per annum is attributable to long-term inflation; this rate was used to discount all future benefit payments.)
 Salary increases: 4.50% per annum
 Cost of living increases: 3.00% per annum
 Mortality basis: Sex-distinct rates set forth in the RP-2000 Blue Collar Mortality Table, with full generational improvements in mortality using Scale BB
 Retirement: Retirement is assumed to occur at the most valuable retirement age.
 Other decrements: None assumed.
 Non-investment expenses: Liabilities have been loaded by 2.75% to account for non-investment expenses.
 Future contributions: Contributions from the employer and employees are assumed to be made as legally required.
 Changes: No assumptions were changed since the prior measurement period.

CITY OF OLDSMAR

FIREFIGHTER'S RETIREMENT PENSION TRUST FUND
SCHEDULE OF CHANGES TO THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS(Six years of data available for GASB 67 and 68)
September 30, 2019

	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total Pension Liability	\$ 6,332,032	\$ 5,608,460	\$ 5,257,263	\$ 4,429,432	\$ 3,058,624	\$ 3,476,581
Plan Fiduciary Net Position	(6,240,897)	(5,731,241)	(5,294,935)	(4,485,246)	(4,060,837)	(4,007,222)
Net Pension Liability (Asset)	<u>\$ 91,135</u>	<u>\$ (122,781)</u>	<u>\$ (37,672)</u>	<u>\$ (55,814)</u>	<u>\$ (1,002,213)</u>	<u>\$ (530,641)</u>
Plan Net Position as a Percentage of Total Net Pension Liability (Asset)	99%	102%	101%	101%	133%	115%
Service Cost	\$ 241,827	\$ 226,988	\$ 231,334	\$ 199,534	\$ 139,774	\$ 211,501
Expected interest growth	(376)	4,945	5,777	(64,218)	(40,079)	(26,889)
Effect of economic/demographic gain or loss	129,277	(201,974)	35,655	(246,786)	(311,266)	-
Changes in assumptions	-	-	288,393	1,242,240	(585,238)	-
Amortization payments	-	-	-	-	3,070	13,704
Investment gain/loss	82,238	42,881	(367,915)	(93,742)	365,974	(68,519)
Employer contributions	(246,065)	(167,472)	(184,020)	(99,574)	(112,900)	(203,106)
Member contributions	(33,216)	(31,403)	(29,767)	(29,640)	(29,561)	(34,887)
Net investment income	-	-	-	-	59,491	(13,704)
Benefit payments and refunds	-	-	-	-	2,600	(2,894)
Administrative expense	40,231	40,926	38,685	38,585	36,563	40,706
Net change in net pension liability (asset)	213,916	(85,109)	18,142	946,399	(471,572)	(84,088)
Net pension liability (asset) - beginning	(122,781)	(37,672)	(55,814)	(1,002,213)	(530,641)	(446,553)
Net pension liability (asset) - ending	<u>\$ 91,135</u>	<u>\$ (122,781)</u>	<u>\$ (37,672)</u>	<u>\$ (55,814)</u>	<u>\$ (1,002,213)</u>	<u>\$ (530,641)</u>
Covered employee payroll	\$ 656,329	\$ 622,131	\$ 619,479	\$ 577,978	\$ 663,716	\$ 764,280
Net pension liability (asset) as a percentage of covered employee payroll	14%	-20%	-6%	-10%	-151%	-69%

Ten years of historical changes in the net pension liability (asset) are not available but will be presented as the information becomes available.

FIREFIGHTER'S RETIREMENT PENSION TRUST FUND
SCHEDULE OF INVESTMENT RETURNS(Six years of data available for GASB 67 and 68)
September 30, 2019

	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Annual money-weighted rate of return	5.334%	7.495%	13.273%	8.225%	0.005%	8.491%

Ten years of historical data are not available but will be presented as the information becomes available.

CITY OF OLDSMAR

FLORIDA RETIREMENT SYSTEM - CITY'S PROPORTIONATE SHARE
SCHEDULE OF CHANGES TO THE NET PENSION LIABILITY AND RELATED RATIOS

(Six years of data available for GASB 67 and 68)
September 30, 2019

	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
FRS Pension Plan Proportionate Share						
Employer's Proportion for the FRS Pension Plan	0.004186479%	0.005287895%	0.006050705%	0.006158568%	0.004978129%	0.005098045%
City's Proportionate Share						
Total Pension Liability	\$ 8,289,745	\$ 10,116,663	\$ 11,111,066	\$ 10,286,718	\$ 8,033,243	\$ 7,958,852
Plan Fiduciary Net Position	(6,847,980)	(8,523,922)	(9,321,309)	(8,731,674)	(7,390,251)	(7,647,796)
Net Pension Liability	<u>\$ 1,441,765</u>	<u>\$ 1,592,741</u>	<u>\$ 1,789,757</u>	<u>\$ 1,555,044</u>	<u>\$ 642,992</u>	<u>\$ 311,056</u>
Plan Net Position as a Percentage of Total Net Pension Liability	83%	84%	84%	85%	92%	96%
Service Cost	\$ 105,628	\$ 128,178	\$ 125,477	\$ 131,356	\$ 105,240	\$ 115,050
Interest on the total pension liability	552,402	679,385	755,380	745,748	583,515	585,761
Effect of economic/demographic gain or loss	(58,265)	52,269	716,736	314,705	61,166	41,153
Employer contributions	(351,710)	(286,717)	(174,232)	(150,187)	(121,371)	(128,501)
Member contributions	(31,516)	(39,467)	(45,068)	(43,770)	(34,762)	(34,795)
Net investment income	(368,334)	(732,346)	(1,144,689)	(86,942)	(262,752)	(1,162,982)
Administrative expense	819	1,067	1,110	1,142	900	936
Net change in net pension liability	(150,976)	(197,631)	234,714	912,052	331,936	(583,378)
Net pension liability - beginning	1,592,741	1,789,757	1,555,043	642,992	311,056	894,434
Restatement - GASB 75 implementation by FRS	-	615	-	-	-	-
Net pension liability - ending	<u>\$ 1,441,765</u>	<u>\$ 1,592,741</u>	<u>\$ 1,789,757</u>	<u>\$ 1,555,044</u>	<u>\$ 642,992</u>	<u>\$ 311,056</u>
Covered employee payroll	\$ 856,327	\$ 1,060,423	\$ 1,181,935	\$ 1,239,730	\$ 1,067,711	\$ 1,092,777
Net pension liability as a percentage of covered employee payroll	168%	150%	151%	125%	60%	28%
Retiree Health Insurance Subsidy (HIS Plan)						
Employer's Proportion for the HIS Plan	0.002560549%	0.003252954%	0.003835848%	.004015891%	.003658693%	.003678199%
City's Proportionate Share						
Total Pension Liability	\$ 294,234	\$ 351,858	\$ 416,987	\$ 472,608	\$ 374,987	\$ 347,355
Plan Fiduciary Net Position	(7,734)	(7,562)	(6,840)	(4,572)	(1,858)	(3,435)
Net Pension Liability	<u>\$ 286,500</u>	<u>\$ 344,296</u>	<u>\$ 410,147</u>	<u>\$ 468,036</u>	<u>\$ 373,129</u>	<u>\$ 343,920</u>
Plan Net Position as a Percentage of Total Net Pension Liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%
Service Cost	\$ 5,943	\$ 8,407	\$ 11,682	\$ 10,309	\$ 7,958	\$ 7,002
Interest on the total pension liability	10,707	12,677	12,945	15,692	14,834	15,077
Effect of economic/demographic gain or loss	11,815	(10,097)	(44,431)	89,484	22,234	14,212
Employer contributions	(86,059)	(76,694)	(38,026)	(20,584)	(15,809)	(83,654)
Member contributions	(5)	(8)	-	-	-	-
Net investment income	(202)	(141)	(65)	(3)	(15)	(8)
Administrative expense	5	5	7	9	7	2
Net change in net pension liability	(57,796)	(65,851)	(57,888)	94,907	29,209	(47,369)
Net pension liability - beginning	344,296	410,147	468,035	373,129	343,920	391,289
Net pension liability - ending	<u>\$ 286,500</u>	<u>\$ 344,296</u>	<u>\$ 410,147</u>	<u>\$ 468,036</u>	<u>\$ 373,129</u>	<u>\$ 343,920</u>
Covered employee payroll	\$ 856,327	\$ 970,979	\$ 1,182,168	\$ 1,285,583	\$ 1,092,785	\$ 1,077,366
Net pension liability as a percentage of covered employee payroll	33%	35%	35%	36%	34%	32%

Ten years of historical changes in the net pension liability (asset) are not available but will be presented as the information becomes available

CITY OF OLDSMAR

FLORIDA RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS

* (Six years of data available for GASB 67 and 68)
September 30, 2019

	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
FRS Pension Plan						
Contractually required contribution	\$ 130,280	\$ 140,445	\$ 164,508	\$ 156,309	\$ 129,545	\$ 113,804
Contributions in relation to the contractually required contribution	(130,280)	(140,445)	(164,508)	(156,309)	(129,545)	(113,804)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 852,813	\$ 970,979	\$ 1,182,168	\$ 1,285,583	\$ 1,092,785	\$ 1,077,366
Contributions as a percentage of covered-employee payroll	15.28%	14.46%	13.92%	12.16%	11.85%	10.56%
Retiree Health Insurance Subsidy (HIS Plan)						
Contractually required contribution	\$ 14,218	\$ 16,118	\$ 19,624	\$ 21,341	\$ 14,862	\$ 13,090
Contributions in relation to the contractually required contribution	(14,218)	(16,118)	(19,624)	(21,341)	(14,862)	(13,090)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 852,813	\$ 970,979	\$ 1,182,168	\$ 1,285,583	\$ 1,092,785	\$ 1,077,366
Contributions as a percentage of covered-employee payroll	1.67%	1.66%	1.66%	1.66%	1.36%	1.22%

* GASB 68 requires information for 10 years. Information is only available for the prior five years. Additional years info will be reflected as the information becomes available.

CITY OF OLDSMAR, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
 RETIREE HEALTH CARE PLAN
 SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY

Period ending:	9/30/2019	9/30/2018
Measurement date:	9/30/2018	9/30/2017
Total OPEB Liability		
Service cost	\$ 152,133	\$ 156,642
Interest	54,481	44,779
Change in benefit terms	-	-
Differences between expected and actual experience	-	-
Change of assumptions	(35,635)	(39,782)
Benefit payments, including refunds of employee contributions	(54,619)	(35,396)
Net change in OPEB liability	116,360	126,243
Total OPEB liability - beginning	1,431,789	1,305,546
Total OPEB liability - ending	<u>\$ 1,548,149</u>	<u>\$ 1,431,789</u>
Covered Employee Payroll	\$ 6,754,432	\$ 6,059,989
Total OPEB liability as a percentag of covered employee payroll	22.92%	23.63%

Notes to Schedule:

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

Fiscal year 2019	3.83%
Fiscal year 2018	3.50%
Fiscal year 2017	3.10%

There were no benefit changes during the year.

NOTE: GASB 75 requires 10 years of information. Information is only available for two years. Additional years of information will be added as the information becomes available.

COMBINING FINANCIAL STATEMENTS

These financial statements provide a more detailed view of the nonmajor funds that were combined for the governmental activities in the fund financial statements.

Also, budgetary comparison schedules are presented for the major Capital Improvement Fund and each nonmajor governmental fund.

CITY OF OLDSMAR, FLORIDA

COMBINING BALANCE SHEET - OTHER GOVERNMENTAL FUNDS

September 30, 2019

	Special Revenue Funds			Debt Service Fund	Total Other Governmental Funds
	Public Safety	Parkland Dedication	Multimodal Impact	Veteran's Park	
ASSETS					
Cash, pooled cash and cash equivalents	\$ 1,152,392	\$ 130,052	\$ 216,120	\$ 147,277	\$ 1,645,841
TOTAL ASSETS	<u>\$ 1,152,392</u>	<u>\$ 130,052</u>	<u>\$ 216,120</u>	<u>\$ 147,277</u>	<u>\$ 1,645,841</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 9,728	\$ -	\$ -	\$ -	\$ 9,728
Due to Other Governments	-	-	50,066	-	50,066
TOTAL LIABILITIES	9,728	-	50,066	-	59,794
FUND BALANCES					
Restricted for:					
Fire Suppression	927,086	-	-	-	927,086
Capital Projects	-	130,052	-	-	130,052
Debt Service	-	-	-	147,277	147,277
Transportation Improvements	-	-	166,054	-	166,054
COMMITTED TO:					
Capital Projects	215,578	-	-	-	215,578
TOTAL FUND BALANCES	<u>1,142,664</u>	<u>130,052</u>	<u>166,054</u>	<u>147,277</u>	<u>1,586,047</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,152,392</u>	<u>\$ 130,052</u>	<u>\$ 216,120</u>	<u>\$ 147,277</u>	<u>\$ 1,645,841</u>

CITY OF OLDSMAR, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS

For the year ended September 30, 2019

	Special Revenue Funds			Debt Service Fund	Total Other Governmental Funds
	Public Safety	Parkland Dedication	Multimodal Impact	Veteran's Park	
REVENUES					
Utility taxes	\$ -	\$ -	\$ -	\$ 169,030	\$ 169,030
Investment Income	21,290	704	426	-	22,420
Impact fees	25,279	36,432	53,987	-	115,698
TOTAL REVENUES	<u>46,569</u>	<u>37,136</u>	<u>54,413</u>	<u>169,030</u>	<u>307,148</u>
EXPENDITURES					
Capital Outlay	147,529	-	-	-	147,529
Debt Service					
Principal retirement	-	-	-	156,000	156,000
Interest and other charges	-	-	-	13,030	13,030
TOTAL EXPENDITURES	<u>147,529</u>	<u>-</u>	<u>-</u>	<u>169,030</u>	<u>316,559</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(100,960)	37,136	54,413	-	(9,411)
OTHER FINANCING SOURCES (USES)					
Transfers in (out)	136,214	(150,000)	-	-	(13,786)
TOTAL OTHER FINANCING SOURCES (USES)	<u>136,214</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>(23,197)</u>
NET CHANGE IN FUND BALANCES	35,254	(112,864)	54,413	-	(23,197)
FUND BALANCES BEGINNING	<u>1,107,410</u>	<u>242,916</u>	<u>111,641</u>	<u>147,277</u>	<u>1,609,244</u>
FUND BALANCES ENDING	<u>\$ 1,142,664</u>	<u>\$ 130,052</u>	<u>\$ 166,054</u>	<u>\$ 147,277</u>	<u>\$ 1,586,047</u>

CITY OF OLDSMAR, FLORIDA

BUDGETARY COMPARISON SCHEDULE
 MAJOR GOVERNMENTAL FUND - CAPITAL IMPROVEMENT FUND

For the year ended September 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
	Original	Final		
RESOURCES (INFLOWS):				
Sales Tax	\$ 1,190,000	\$ 1,190,000	\$ 1,175,756	\$ (14,244)
Intergovernmental Revenues	1,800,000	3,300,000	-	(3,300,000)
Interfund Transfers	150,000	150,000	150,000	-
Investment income	20,000	20,000	136,620	116,620
Charges for Services	-	-	175	175
Contributions	-	-	110,000	110,000
Debt Proceeds	1,450,000	3,000,000	100,000	(2,900,000)
AMOUNTS AVAILABLE FOR APPROPRIATION	4,610,000	7,660,000	1,672,551	(5,987,449)
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Capital Outlay	4,820,000	8,185,918	1,112,890	(7,073,028)
Debt Service				
Interest and other charges	-	64,000	63,838	(162)
TOTAL CHARGES TO APPROPRIATIONS	4,820,000	8,249,918	1,176,728	(7,073,190)
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	(210,000)	(589,918)	495,823	1,085,741
FUND BALANCE - BEGINNING OF YEAR	5,218,518	5,218,518	5,218,518	-
FUND BALANCE - END OF YEAR	\$ 5,008,518	\$ 4,628,600	\$ 5,714,341	\$ 1,085,741

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND
 OUTFLOWS AND GAAP REVENUES AND EXPENDITURES
 SOURCES/INFLOWS OF RESOURCES

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 1,672,551
Differences - budget to GAAP:	
Interfund Transfers	(150,000)
Debt Proceeds	(100,000)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 1,422,551

USES/OUTFLOWS OF RESOURCES

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 1,176,728
Differences - budget to GAAP:	
None	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 1,176,728

CITY OF OLDSMAR, FLORIDA

BUDGETARY COMPARISON SCHEDULE

NON MAJOR GOVERNMENTAL FUND - VETERANS MEMORIAL PARK - DEBT SERVICE FUND

For the year ended September 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
	Original	Final		
RESOURCES (INFLOWS):				
Utility taxes	\$ 169,030	\$ 169,030	\$ 169,030	\$ -
AMOUNTS AVAILABLE FOR APPROPRIATION	169,030	169,030	169,030	-
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Debt Service				
Principal Retirement	156,000	156,000	156,000	-
Interest and other charges	13,030	13,030	13,030	-
TOTAL CHARGES TO APPROPRIATIONS	169,030	169,030	169,030	-
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	-	-	-	-
FUND BALANCE - BEGINNING OF YEAR	147,277	147,277	147,277	-
FUND BALANCE - END OF YEAR	\$ 147,277	\$ 147,277	\$ 147,277	\$ -

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND
OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 169,030
Differences - budget to GAAP:	
None	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 169,030

USES/OUTFLOWS OF RESOURCES

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 169,030
Differences - budget to GAAP:	
None	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 169,030

CITY OF OLDSMAR, FLORIDA

BUDGETARY COMPARISON SCHEDULE
 NON-MAJOR GOVERNMENTAL FUND - PUBLIC SAFETY IMPACT - SPECIAL REVENUE FUND

For the year ended September 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Over <u>(Under)</u>
	<u>Original</u>	<u>Final</u>		
RESOURCES (INFLOWS):				
Impact fees	\$ 30,000	\$ 30,000	\$ 25,279	\$ (4,721)
Interfund Transfers	-	136,250	136,214	(36)
Investment income	1,000	1,000	21,290	20,290
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>31,000</u>	<u>167,250</u>	<u>182,783</u>	<u>15,533</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Capital Outlay	<u>315,000</u>	<u>516,421</u>	<u>147,529</u>	<u>(368,892)</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>315,000</u>	<u>516,421</u>	<u>147,529</u>	<u>(368,892)</u>
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	(284,000)	(349,171)	35,254	384,425
FUND BALANCE - BEGINNING OF YEAR	<u>1,107,410</u>	<u>1,107,410</u>	<u>1,107,410</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 823,410</u>	<u>\$ 758,239</u>	<u>\$ 1,142,664</u>	<u>\$ 384,425</u>

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND
 OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 182,783
Differences - budget to GAAP:	
Interfund Transfers	<u>(136,214)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 46,569</u>

USES/OUTFLOWS OF RESOURCES

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 147,529
Differences - budget to GAAP:	
None	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 147,529</u>

CITY OF OLDSMAR, FLORIDA

BUDGETARY COMPARISON SCHEDULE
 NON-MAJOR GOVERNMENTAL FUND - PARKLAND DEDICATION - SPECIAL REVENUE FUND

For the year ended September 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
	Original	Final		
RESOURCES (INFLOWS):				
Land dedication fees	\$ 70,000	\$ 70,000	\$ 36,432	\$ (33,568)
Investment income	500	500	704	204
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>70,500</u>	<u>70,500</u>	<u>37,136</u>	<u>(33,364)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Reserve for Improvements	70,500	70,500	-	(70,500)
Interfund Transfers	150,000	150,000	150,000	-
TOTAL CHARGES TO APPROPRIATIONS	<u>220,500</u>	<u>220,500</u>	<u>150,000</u>	<u>(70,500)</u>
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	(150,000)	(150,000)	(112,864)	37,136
FUND BALANCE - BEGINNING OF YEAR	<u>242,916</u>	<u>242,916</u>	<u>242,916</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 92,916</u>	<u>\$ 92,916</u>	<u>\$ 130,052</u>	<u>\$ 37,136</u>

EXPLANATION OF DIFFERENCES BETWEEN BUDUGETARY INFLOWS AND
 OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 37,136
Differences - budget to GAAP:	
None	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 37,136</u>

USES/OUTFLOWS OF RESOURCES

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 150,000
Differences - budget to GAAP:	
Interfund Transfers	(150,000)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ -</u>

CITY OF OLDSMAR, FLORIDA

BUDGETARY COMPARISON SCHEDULE
 NON-MAJOR GOVERNMENTAL FUND - MULTIMODAL IMPACT - SPECIAL REVENUE FUND

For the year ended September 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
	Original	Final		
RESOURCES (INFLOWS):				
Impact fees	\$ 70,000	\$ 70,000	\$ 53,987	\$ (16,013)
Investment income	500	500	426	(74)
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>70,500</u>	<u>70,500</u>	<u>54,413</u>	<u>(16,087)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS):				
Reserve for street improvements	70,500	70,500	-	(70,500)
TOTAL CHARGES TO APPROPRIATIONS	<u>70,500</u>	<u>70,500</u>	<u>-</u>	<u>(70,500)</u>
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	-	-	54,413	54,413
FUND BALANCE - BEGINNING OF YEAR	<u>111,641</u>	<u>111,641</u>	<u>111,641</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 111,641</u>	<u>\$ 111,641</u>	<u>\$ 166,054</u>	<u>\$ 54,413</u>

EXPLANATION OF DIFFERENCES BETWEEN BUDUGETARY INFLOWS AND
 OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

SOURCES/INFLOWS OF RESOURCES

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 54,413
Differences - budget to GAAP:	
None	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 54,413</u>

USES/OUTFLOWS OF RESOURCES

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ -
Differences - budget to GAAP:	
None	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ -</u>

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OTHER SUPPLEMENTARY INFORMATION

The information is presented to provide greater detailed information than reported in the preceding financial statements.

This information is not necessary for fair presentation in conformity with Generally Accepted Accounting Principles.

CITY OF OLDSMAR, FLORIDA

SCHEDULE OF OPERATIONS - ACTUAL AND BUDGET
WATER AND SEWER FUND

For the year ended September 30, 2019

	Budgetary Basis Actual	Budget	Variance Over (Under)
OPERATING REVENUES			
User Charges	\$ 7,944,919	\$ 7,490,000	\$ 454,919
Fees	220,343	229,500	(9,157)
Other income	40,975	51,000	(10,025)
TOTAL OPERATING REVENUES	8,206,237	7,770,500	435,737
EXPENSES			
Salaries, wages and benefits	2,720,126	2,791,520	(71,394)
Contract services	563,721	742,936	(179,215)
Utilities	424,736	472,450	(47,714)
Operating supplies	401,527	533,790	(132,263)
Repairs and maintenance	266,220	347,820	(81,600)
Other expense	243,812	316,315	(72,503)
Expense allocation	323,000	323,100	(100)
Capital outlay	2,555,679	5,469,069	(2,913,390)
Reserve for Renewal and Replacement	-	1,399,790	(1,399,790)
TOTAL EXPENSES	7,498,821	12,396,790	(4,897,969)
OPERATING INCOME/(LOSS)	707,416	(4,626,290)	5,333,706
NONOPERATING REVENUES (EXPENSES)			
Investment income	401,355	76,000	325,355
Intergovernmental Revenue	541,105	532,500	8,605
Gain (loss) on disposal of capital assets	10,396	15,000	(4,604)
Miscellaneous Income	555	3,000	(2,445)
Debt Proceeds	-	1,400,000	(1,400,000)
Debt service principal retirement	(518,077)	(518,085)	8
Interest expense and fiscal charges	(172,746)	(175,780)	3,034
TOTAL NONOPERATING REVENUES (EXPENSES)	262,588	1,332,635	(1,070,047)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	970,004	(3,293,655)	4,263,659
CONTRIBUTIONS AND TRANSFERS			
Capital Contributions	145,339	175,000	(29,661)
Net assets allocation	-	3,118,655	(3,118,655)
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES PER BUDGET RESOLUTIONS	\$ 1,115,343	\$ -	\$ 1,115,343
ADJUSTMENTS TO RECONCILE TO STATEMENT OF REVENUES AND EXPENSES - GAAP BASIS			
Depreciation	(1,783,839)		
Debt service principal retirement	518,077		
Capital Outlay	2,555,679		
CHANGE IN NET POSITION - GAAP BASIS	\$ 2,405,260		

CITY OF OLDSMAR, FLORIDA

SCHEDULE OF OPERATIONS - ACTUAL AND BUDGET
STORMWATER UTILITY FUND

For the year ended September 30, 2019

	Budgetary Basis Actual	Budget	Variance Over (Under)
OPERATING REVENUES			
Fees	\$ 736,194	\$ 750,000	\$ (13,806)
Other income	3,115	4,000	(885)
TOTAL OPERATING REVENUES	<u>739,309</u>	<u>754,000</u>	<u>(14,691)</u>
EXPENSES			
Salaries, wages and benefits	247,495	306,280	(58,785)
Contract services	98,273	98,300	(27)
Operating supplies	29,775	43,000	(13,225)
Repairs and maintenance	43,830	24,200	19,630
Other Expense	22,072	48,995	(26,923)
Capital Outlay	417,660	1,846,587	(1,428,927)
Expense allocation	27,000	27,000	-
Reserve for infrastructure	-	77,490	(77,490)
TOTAL EXPENSES	<u>886,105</u>	<u>2,471,852</u>	<u>(1,585,747)</u>
OPERATING INCOME/(LOSS)	(146,796)	(1,717,852)	1,571,056
NONOPERATING REVENUES (EXPENSES)			
Investment income	12,728	5,000	7,728
Debt proceeds	-	1,400,000	(1,400,000)
Gain (loss) on disposal of capital assets	-	20,000	(20,000)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>12,728</u>	<u>1,425,000</u>	<u>(1,412,272)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(134,068)	(292,852)	158,784
CONTRIBUTIONS AND TRANSFERS			
Intergovernmental revenue	1,893	-	1,893
Net assets allocation	-	292,852	(292,852)
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES PER BUDGET RESOLUTIONS	<u>\$ (132,175)</u>	<u>\$ -</u>	<u>\$ (132,175)</u>
ADJUSTMENTS TO RECONCILE TO STATEMENT OF REVENUES AND EXPENSES - GAAP BASIS			
Depreciation	(304,317)		
Capital outlay	417,660		
CHANGE IN NET POSITION - GAAP BASIS	<u>\$ (18,832)</u>		

CITY OF OLDSMAR, FLORIDA

SCHEDULE OF OPERATIONS - ACTUAL AND BUDGET
SOLID WASTE FUND

For the year ended September 30, 2019

	Budgetary Basis Actual	Budget	Variance Over (Under)
OPERATING REVENUES			
User Charges	\$ 2,836,940	\$ 2,773,000	\$ 63,940
Other income	-	-	-
TOTAL REVENUES	\$ 2,836,940	\$ 2,773,000	\$ 63,940
EXPENDITURES			
Solid waste disposal	2,438,088	2,440,000	(1,912)
Contract services	6,268	10,000	(3,732)
Other expense	52,223	58,785	(6,562)
Expense allocation	140,000	140,000	-
Reserve for infrastructure	-	160,715	(160,715)
TOTAL EXPENSES	2,636,579	2,809,500	(172,921)
OPERATING INCOME/(LOSS)	200,361	(36,500)	236,861
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental revenue	23,569	26,500	(2,931)
Investment income	18,403	10,000	8,403
TOTAL NONOPERATING REVENUES (EXPENSES)	41,972	36,500	5,472
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	242,333	-	242,333
CONTRIBUTIONS AND TRANSFERS			
Net assets allocation	-	-	-
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES PER BUDGET RESOLUTIONS	\$ 242,333	\$ -	\$ 242,333
ADJUSTMENTS TO RECONCILE TO STATEMENT OF REVENUES AND EXPENSES - GAAP BASIS			
None	-		
CHANGE IN NET POSITION - GAAP BASIS	\$ 242,333		

CITY OF OLDSMAR, FLORIDA

RECONCILIATION OF TOTAL FUND BALANCE FOR THE GOVERNMENTAL FUNDS
TO TOTAL NET POSITION FOR GOVERNMENTAL ACTIVITIES

September 30, 2019

	Total Governmental Funds	Long-term Assets, Liabilities	Reclasses & Eliminations	Statement of Net Position Totals
ASSETS				
Cash, pooled cash and cash equivalents	\$ 9,258,687	\$ -	\$ -	\$ 9,258,687
Investments	6,571,505	-	(4,569,186)	2,002,319
Receivables				
Accounts and other	57,500	-	-	57,500
Due from other funds	-	-	-	-
Due from other governments	237,181	-	-	237,181
Inventories	20,504	-	-	20,504
Prepaid Items	411,928	-	-	411,928
Capital Assets	-	81,321,376	-	81,321,376
Accumulated Depreciation	-	(31,435,412)	-	(31,435,412)
Net pension asset	-	-	-	-
Investments, noncurrent	-	-	4,569,186	4,569,186
TOTAL ASSETS	16,557,305	49,885,964	-	66,443,269
DEFERRED OUTFLOWS OF RESOURCES				
OPEB	\$ -	\$ 1,682,687	\$ -	\$ 1,682,687
Defined benefit pension plans	-	59,952	-	59,952
TOTAL ASSETS & DEFERRED OUTFLOWS	\$ 16,557,305	\$ 51,628,603	\$ -	\$ 68,185,908
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 457,917	\$ -	\$ -	\$ 457,917
Retainage Payable	64,176	-	-	64,176
Accrued Items	265,521	-	-	265,521
Due to Other Governments	50,066	-	-	50,066
Current portion of long-term obligations	-	161,000	-	161,000
Compensated absences, long term	-	394,345	-	394,345
Other post employment benefits	-	1,217,999	-	1,217,999
Net pension liability	-	1,368,907	-	1,368,907
Bonds payable, long-term	-	593,000	-	593,000
TOTAL LIABILITIES	837,680	3,735,251	-	4,572,931
DEFERRED INFLOWS OF RESOURCES				
Defined Benefit Pension plans	-	1,446,107	-	1,446,107
Local business tax receipts/Deferred revenue	121,809	-	-	121,809
OPEB Plans	-	52,631	-	52,631
Unamortized bond refunding premium	-	16,456	-	16,456
TOTAL DEFERRED INFLOWS	121,809	1,515,194	-	1,637,003
TOTAL LIABILITIES AND DEF INFLOWS	959,489	5,250,445	-	6,209,934
TOTAL FUND BALANCES / NET POSITION	15,597,816	46,378,158	-	61,975,974
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES / NET POSITION	\$ 16,557,305	\$ 51,628,603	\$ -	\$ 68,185,908

CITY OF OLDSMAR, FLORIDA

RECONCILIATION OF NET CHANGE IN FUND BALANCES FOR THE GOVERNMENTAL FUNDS
TO CHANGE IN NET POSITION FOR GOVERNMENTAL ACTIVITIES

For the year ended September 30, 2019

	Total Governmental Funds	Capital Related Items	Long-term Pension, Debt Transactions	Rounding, Reclasses & Eliminations	Statement of Activities Totals
REVENUES					
Taxes					
Property taxes	\$ 5,289,111	\$ -	\$ -	\$ -	\$ 5,289,111
Sales taxes	1,175,756	-	-	-	1,175,756
Franchise fees	1,416,607	-	-	-	1,416,607
Utility taxes	1,578,341	-	-	-	1,578,341
Fire insurance premium tax	69,605	-	-	(69,605)	-
Communications services tax	754,187	-	-	-	754,187
Business tax receipts	183,699	-	-	(183,699)	-
Licenses, permits and fees	396,718	-	-	(396,718)	-
Intergovernmental revenue/State revenue sharing	2,983,453	-	-	(1,420,916)	1,562,537
Charges for services	469,096	-	-	2,013,171	2,482,267
Rents and royalties	217,381	-	-	(217,381)	-
Operating grants and contributions	-	-	-	558,099	558,099
Capital grants and contributions	-	-	-	618,763	618,763
Fines and forfeitures	145,245	-	-	(145,245)	-
Investment income	441,221	-	-	-	441,221
Impact fees	115,698	-	-	(115,698)	-
Special assessments	-	-	-	-	-
Gain from sale of capital asset	-	19,313	-	-	19,313
Miscellaneous revenues	953,810	-	-	(640,771)	313,039
TOTAL REVENUES	16,189,928	19,313	-	-	16,209,241
EXPENDITURES					
Current					
General Government	3,733,765	381,117	144,824	-	4,259,706
Law Enforcement	1,748,392	2,253	-	-	1,750,645
Fire Protection	2,159,238	178,152	148,127	-	2,485,517
Technical Services	391,342	3,273	25,072	-	419,687
Transportation and Drainage	880,553	580,004	(853)	-	1,459,704
Library	864,041	112,674	8,845	-	985,560
Parks and Recreation	2,091,890	908,619	21,784	-	3,022,293
Planning and Redevelopment	45,748	150,961	-	-	196,709
Capital Outlay	2,985,680	(2,985,680)	-	-	-
Debt Service					
Principal Retirement	156,000	-	(156,000)	-	-
Interest and other fiscal charges	76,868	-	(5,486)	-	71,382
TOTAL EXPENDITURES	15,133,517	(668,627)	186,313	-	14,651,203
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	28,771	(28,771)	-	-	-
Debt Proceeds	100,000	-	(100,000)	-	-
Transfers In	150,000	-	-	(150,000)	-
Transfers Out	(150,000)	-	-	150,000	-
TOTAL OTHER FINANCING SOURCES	128,771	(28,771)	(100,000)	-	-
NET CHANGE IN FUND BALANCES	\$ 1,185,182	\$ 659,169	\$ (286,313)	\$ -	\$ 1,558,038

CITY OF OLDSMAR

SCHEDULE OF EMS ALLOWABLE COSTS - ACTUAL AND BUDGET

For the year ended September 30, 2019

	Budgetary Basis Actual	Budget	Variance Over (Under)
REVENUES			
EMS reimbursement	\$ 464,431	\$ 464,574	\$ (143)
Reflected in the Statement of Activities on page 18 as:			
Fire Protection - Charges for Services	\$ 520,752		
Composed of:			
EMS reimbursement	\$ 459,965		
Allowable Overhead and Station Cost FY 093018	4,466		
Fire protection service	31,042		
Public safety impact fees	25,279		
Total Fire Protection - Charges for Services	\$ 520,752		
EXPENSES			
Salaries, wages and employee benefits	\$ 523,237	\$ 428,274	\$ 94,963
Medical services	1,519	1,150	369
Accounting and auditing	3,000	2,200	800
Insurance	5,540	5,000	540
Repairs and maintenance	5,965	13,500	(7,535)
Fuel	5,577	6,850	(1,273)
Uniforms	1,750	2,000	(250)
Licenses, permits and certifications	235	1,000	(765)
Station/overhead	4,466	4,466	-
	\$ 551,289	\$ 464,440	\$ 86,849
Reflected in the Statement of Activities on page 18 as:			
Fire Protection - Expenses	\$ 2,485,517		
Composed of:			
EMS expenses	\$ 551,289		
Fire expenses	1,934,228		
Total Fire Protection - Expenses	\$ 2,485,517		

Statistical tables differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data.

These tables reflect social and economic data, financial trends and the fiscal activities of the government.

SCHEDULES OF FINANCIAL TRENDS INFORMATION

These schedules contain trend information to help the reader understand how the City's financial performance has changed over time.

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City of Oldsmar
Schedule 1
Net Position by Component
Last Ten Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities				
Net investment in capital assets	\$ 43,206,962	\$ 44,918,527	\$ 44,789,124	\$ 47,442,048
Restricted	3,389,922	1,838,919	2,103,146	1,115,915
Unrestricted	5,139,687	5,488,222	6,067,486	5,843,262
Total governmental activities net position	<u>\$ 51,736,571</u>	<u>\$ 52,245,668</u>	<u>\$ 52,959,756</u>	<u>\$ 54,401,225</u>
Business-type activities				
Net investment in capital assets	\$ 21,591,556	\$ 24,746,198	\$ 36,368,932	\$ 34,576,558
Restricted	7,301,155	4,231,692	1,418,506	1,512,571
Unrestricted	82,191	3,836,700	97,146	2,882,636
Total business-type activities net position	<u>\$ 28,974,902</u>	<u>\$ 32,814,590</u>	<u>\$ 37,884,584</u>	<u>\$ 38,971,765</u>
Primary Government				
Net investment in capital assets	\$ 64,798,518	\$ 69,664,725	\$ 81,158,056	\$ 82,018,606
Restricted	10,691,077	6,070,611	3,521,652	2,628,486
Unrestricted	5,221,878	9,324,922	6,164,632	8,725,898
Total primary government activities net position	<u>\$ 80,711,473</u>	<u>\$ 85,060,258</u>	<u>\$ 90,844,340</u>	<u>\$ 93,372,990</u>

- (1) The GASB *Comprehensive Implementation Guide - 2008* states that capital-related debt should not include accretion of interest on deep-discount (capital appreciation) debt that was issued for capital purposes. The 2008, and subsequent years, net position reflects the exclusion of accreted interest from the net investment in capital assets.
- (2) The 2016 Unrestricted Net Assets have been restated to reflect a correction of the 09/30/16 Firefighter Pension Net Pension Asset and Deferred Inflows. The Net Pension asset decreased \$128,860 and the Deferred Inflows increase \$3,542 for a net decrease in Unrestricted net assets of \$132,222.

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$48,951,705	\$ 55,250,819	\$ 48,802,822	\$ 48,333,907	\$ 48,394,854	\$ 49,115,508
2,101,705	3,270,470	4,342,120	5,735,950	8,324,860	8,601,632
5,840,837	709,616	6,347,706	5,640,247	3,698,222	4,258,834
<u>\$56,894,247</u>	<u>\$ 59,230,905</u>	<u>\$ 59,492,648</u>	<u>\$ 59,710,104</u>	<u>\$ 60,417,936</u>	<u>\$ 61,975,974</u>
\$34,804,657	\$ 33,912,721	\$ 33,805,583	\$ 33,758,439	\$ 33,898,285	\$ 35,266,543
1,493,037	1,644,321	1,774,330	1,917,231	1,205,209	1,360,222
3,582,913	5,216,989	6,556,423	8,519,015	11,158,737	12,264,227
<u>\$39,880,607</u>	<u>\$ 40,774,031</u>	<u>\$ 42,136,336</u>	<u>\$ 44,194,685</u>	<u>\$ 46,262,231</u>	<u>\$ 48,890,992</u>
\$83,756,362	\$ 89,163,540	\$ 82,608,405	\$ 82,092,346	\$ 82,293,139	\$ 84,382,051
3,594,742	4,914,791	6,116,450	7,653,181	9,530,069	9,961,854
9,423,750	5,926,605	12,904,129	14,159,262	14,856,959	16,523,061
<u>\$96,774,854</u>	<u>\$100,004,936</u>	<u>\$ 101,628,984</u>	<u>\$ 103,904,789</u>	<u>\$ 106,680,167</u>	<u>\$ 110,866,966</u>

City of Oldsmar
Schedule 2
Changes in Net Position
Last Ten Fiscal Years

	2010	2011	2012	2013	2014
Expenses					
Governmental activities:					
General government	\$ 2,838,167	\$ 3,046,763	\$ 3,162,820	\$ 3,254,536	\$ 3,370,916
Law enforcement	1,508,378	1,534,252	1,566,145	1,767,674	1,764,468
Fire protection	2,465,409	2,460,618	2,251,609	2,184,053	2,021,776
Technical Services/Community Redevelop	307,380	348,023	286,762	363,053	346,331
Public works/Transportation	1,670,302	1,690,844	1,608,024	1,569,245	1,646,974
Culture and recreation/Library, Parks and Rec	3,359,810	3,188,818	3,209,888	3,281,618	3,364,435
Interest and fiscal charges on long-term debt	92,669	87,649	82,745	103,112	20,849
Total governmental activities expenses	<u>12,242,115</u>	<u>12,356,967</u>	<u>12,167,993</u>	<u>12,523,291</u>	<u>12,535,749</u>
Business-type activities:					
Water/Distribution and Collection	3,286,483	3,390,235	3,503,772	-	-
Sewer/Water Reclamation	2,872,311	2,710,024	2,471,037	3,575,192	3,461,871
Reclaimed water/Reverse Osmosis water plant	224,390	209,758	287,949	3,087,764	2,995,966
Stormwater utility	524,216	578,322	640,495	674,956	742,922
Solid waste	2,314,173	2,240,027	2,308,691	2,297,004	2,381,572
Total business-type activities expenses	<u>9,221,573</u>	<u>9,128,366</u>	<u>9,211,944</u>	<u>9,634,916</u>	<u>9,582,331</u>
Total primary government expenses	<u>\$ 21,463,688</u>	<u>\$ 21,485,333</u>	<u>\$ 21,379,937</u>	<u>\$ 22,158,207</u>	<u>\$ 22,118,080</u>
Program Revenues					
Governmental activities:					
Charges for services	\$ 1,501,580	\$ 1,551,116	\$ 1,809,498	\$ 2,244,671	\$ 2,197,517
Operating grants and contributions	391,376	317,553	349,696	328,608	302,852
Capital grants and contributions	296,097	505,400	487,144	1,286,131	1,664,180
Total governmental activities program revenues	<u>\$ 2,189,053</u>	<u>\$ 2,374,069</u>	<u>\$ 2,646,338</u>	<u>\$ 3,859,410</u>	<u>\$ 4,164,549</u>
Business-type activities:					
Charges for services	\$ 8,884,152	\$ 9,389,910	\$ 9,612,355	\$ 9,666,398	\$ 9,779,848
Operating grants and contributions	23,147	23,167	35,827	23,113	23,136
Capital grants and contributions	2,055,994	2,726,800	3,824,234	425,020	161,321
Total business-type activities program revenues	<u>10,963,293</u>	<u>12,139,877</u>	<u>13,472,416</u>	<u>10,114,531</u>	<u>9,964,305</u>
Total primary government program revenues	<u>\$ 13,152,346</u>	<u>\$ 14,513,946</u>	<u>\$ 16,118,754</u>	<u>\$ 13,973,941</u>	<u>\$ 14,128,854</u>
Net (Expense)/Revenue					
Governmental activities net expense	\$ (10,053,062)	\$ (9,982,898)	\$ (9,521,655)	\$ (8,663,881)	\$ (8,371,200)
Business-type activities net expense	1,741,720	3,011,511	4,260,472	479,615	381,974
Total primary government net expense	<u>\$ (8,311,342)</u>	<u>\$ (6,971,387)</u>	<u>\$ (5,261,183)</u>	<u>\$ (8,184,266)</u>	<u>\$ (7,989,226)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 5,084,504	\$ 4,500,720	\$ 4,287,547	\$ 4,236,658	\$ 4,355,617
Franchise fees	1,549,092	1,477,506	1,420,070	1,376,347	1,432,786
Utility taxes	1,472,798	1,438,663	1,394,453	1,396,466	1,458,828
Communication services tax	1,497,240	1,415,554	1,304,078	1,242,248	1,149,968
Sales and use taxes	458,748	403,112	459,997	518,172	877,289
State revenue sharing	1,030,890	1,073,065	1,116,138	1,138,481	1,275,061
Investment income	129,203	73,015	110,911	37,258	14,241
Miscellaneous and transfers	109,159	110,360	142,549	189,719	300,432
Total governmental activities	<u>11,331,634</u>	<u>10,491,995</u>	<u>10,235,743</u>	<u>10,135,349</u>	<u>10,864,222</u>
Business-type activities					
State and local revenue sharing	565,511	750,000	750,000	750,000	467,495
Investment income	99,669	59,584	53,927	16,672	48,588
Miscellaneous	54,508	18,593	5,595	17,147	10,785
Total business-type activities	<u>719,688</u>	<u>828,177</u>	<u>809,522</u>	<u>783,819</u>	<u>526,868</u>
Total primary government	<u>\$ 12,051,322</u>	<u>\$ 11,320,172</u>	<u>\$ 11,045,265</u>	<u>\$ 10,919,168</u>	<u>\$ 11,391,090</u>
Change in Net Position					
Governmental activities	\$ 1,278,572	\$ 509,097	\$ 714,088	\$ 1,471,468	\$ 2,493,022
Business-type activities	2,461,408	3,839,688	5,069,994	1,263,434	908,842
Total primary government	<u>\$ 3,739,980</u>	<u>\$ 4,348,785</u>	<u>\$ 5,784,082</u>	<u>\$ 2,734,902</u>	<u>\$ 3,401,864</u>

Note:

Beginning in 2013 Reclaimed water is shown as a component of Sewer/Water Reclamation. Water distribution and collection costs are allocated between Water reclamation and Reverse osmosis water plant.

2015	2016	2017	2018	2019
\$ 3,595,857	\$ 3,630,907	\$ 4,119,934	\$ 4,248,085	\$ 4,259,706
1,809,188	1,619,201	1,643,239	1,694,673	1,750,645
1,909,404	2,112,052	2,239,771	2,396,878	2,485,517
372,674	546,533	525,158	571,933	616,396
1,675,173	1,677,230	1,695,784	1,556,622	1,459,704
3,468,799	3,900,977	3,927,298	3,947,069	4,007,853
18,322	15,714	13,044	10,320	71,382
<u>12,849,417</u>	<u>13,502,614</u>	<u>14,164,228</u>	<u>14,425,580</u>	<u>14,651,203</u>
-	-	-	-	-
3,501,209	3,559,372	3,336,571	3,319,181	3,327,698
3,117,614	2,989,204	3,218,103	3,187,687	3,572,030
694,281	682,700	721,802	719,270	772,762
2,571,553	2,603,487	2,681,736	2,781,091	2,636,579
9,884,657	9,834,763	9,958,212	10,007,229	10,309,069
<u>\$22,734,074</u>	<u>\$ 23,337,377</u>	<u>\$ 24,122,440</u>	<u>\$ 24,432,809</u>	<u>\$ 24,960,272</u>
\$ 2,092,515	\$ 1,929,184	\$ 2,197,295	\$ 2,309,072	\$ 2,482,267
335,320	326,871	544,793	813,703	558,099
1,931,041	482,718	320,747	386,789	618,763
<u>\$ 4,358,876</u>	<u>\$ 2,738,773</u>	<u>\$ 3,062,835</u>	<u>\$ 3,509,564</u>	<u>\$ 3,659,129</u>
\$10,337,154	\$ 10,536,367	\$ 11,063,579	\$ 11,393,875	\$ 11,782,487
21,036	10,485	10,435	10,486	34,067
61,203	28,109	305,757	312,594	145,339
<u>10,419,393</u>	<u>10,574,961</u>	<u>11,379,771</u>	<u>11,716,955</u>	<u>11,961,893</u>
<u>\$14,778,269</u>	<u>\$ 13,313,734</u>	<u>\$ 14,442,606</u>	<u>\$ 15,226,519</u>	<u>\$ 15,621,022</u>
\$ (8,490,541)	\$ (10,763,841)	\$ (11,101,393)	\$ (10,916,016)	\$ (10,992,074)
534,736	740,198	1,421,559	1,709,726	1,652,824
<u>\$ (7,955,805)</u>	<u>\$ (10,023,643)</u>	<u>\$ (9,679,834)</u>	<u>\$ (9,206,290)</u>	<u>\$ (9,339,250)</u>
\$ 4,669,724	\$ 4,545,289	\$ 4,861,168	\$ 5,024,275	\$ 5,289,111
1,456,699	1,454,907	1,388,566	1,403,988	1,416,607
1,472,143	1,492,720	1,520,236	1,568,462	1,578,341
1,093,287	998,257	827,924	799,160	754,187
910,282	984,964	1,026,437	1,095,543	1,175,756
1,356,324	1,410,558	1,458,450	1,518,745	1,562,537
123,499	139,540	82,447	100,823	441,221
149,860	131,571	153,621	392,516	332,352
<u>11,231,818</u>	<u>11,157,806</u>	<u>11,318,849</u>	<u>11,903,512</u>	<u>12,550,112</u>
532,500	532,397	532,500	532,500	532,500
92,977	78,732	67,897	118,263	432,486
26,693	10,978	36,393	(206,928)	10,951
652,170	622,107	636,790	443,835	975,937
<u>\$11,883,988</u>	<u>\$ 11,779,913</u>	<u>\$ 11,955,639</u>	<u>\$ 12,347,347</u>	<u>\$ 13,526,049</u>
\$ 2,741,277	\$ 393,965	\$ 217,456	\$ 987,496	\$ 1,558,038
1,186,906	1,362,305	2,058,349	2,153,561	2,628,761
<u>\$ 3,928,183</u>	<u>\$ 1,756,270</u>	<u>\$ 2,275,805</u>	<u>\$ 3,141,057</u>	<u>\$ 4,186,799</u>

City of Oldsmar
Schedule 3
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	(1)				
	2010	2011	2012	2013	2014
General Fund					
Reserved	\$ 133,492	\$ -	\$ -	\$ -	\$ -
Unreserved	5,382,882	-	-	-	-
Nonspendable	-	95,476	144,977	1,159,871	853,292
Committed to capital projects	-	109,856	222,907	983,342	942,740
Assigned to:					
CERT	-	15,000	7,000	-	-
Insurance	-	511,630	529,345	539,294	525,293
Art improvements	-	-	-	-	-
Emergency Operations	-	-	-	-	-
Appropriated reserve	-	1,556,549	1,506,006	1,500,000	1,500,000
Unassigned	-	3,585,464	4,130,595	2,291,170	3,130,890
Total general fund	<u>\$ 5,516,374</u>	<u>\$ 5,873,975</u>	<u>\$ 6,540,830</u>	<u>\$ 6,473,677</u>	<u>\$ 6,952,215</u>
All Other Governmental Funds					
Reserved	\$ 1,998,680	\$ -	\$ -	\$ -	\$ -
Unreserved					
Special revenue funds	720,849	-	-	-	-
Debt service fund	329,111	-	-	-	-
Capital project fund	224,881	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted for:					
Capital projects	-	469,339	786,855	807,745	1,394,859
CRA	-	5,049	378,478	-	-
Debt service	-	43,296	139,715	139,864	141,549
Fire suppression	-	230,344	165,637	170,998	55,589
Transportation improvements	-	-	-	70,200	96,785
Committed to:					
Capital projects	-	708,500	155,715	448,083	45,423
Assigned to:					
Transportation improvements	-	245,577	285,676	-	-
Appropriated reserve	-	136,815	191,070	148,000	367,500
Unassigned	-	-	-	(668,975)	(414,247)
Total all other governmental funds	<u>\$ 3,273,521</u>	<u>\$ 1,838,920</u>	<u>\$ 2,103,146</u>	<u>\$ 1,115,915</u>	<u>\$ 1,687,458</u>

(1) The City implemented GASB Statement No. 54 for the fiscal year ended September 30, 2011.
Amounts for earlier period are not available for comparison purposes.

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
619,069	370,083	127,089	114,441	102,606
57,371	170,092	106,019	434,891	430,452
-	-	-	-	-
541,489	563,127	565,542	556,862	579,159
-	-	25,674	29,551	2,185
-	-	-	-	117,742
1,500,000	1,500,000	2,000,000	2,000,000	2,000,000
4,411,817	5,157,235	4,599,096	2,952,028	3,764,040
<u>\$ 7,129,746</u>	<u>\$ 7,760,537</u>	<u>\$ 7,423,420</u>	<u>\$ 6,087,773</u>	<u>\$ 6,996,184</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	435,846	396,394	376,630	329,826
2,144,636	2,825,670	4,087,124	4,649,888	1,644,271
24,058	165,487	892,814	597,098	968,440
147,276	147,276	142,276	147,277	147,277
134,857	44,322	36,624	758,240	927,086
46,947	30,521	37,174	111,641	166,054
527,254	148,698	92,544	140,086	3,338,678
-	-	-	-	-
269,500	544,300	46,000	1,544,000	1,080,000
-	-	-	-	-
<u>\$ 3,294,528</u>	<u>\$ 4,342,120</u>	<u>\$ 5,730,950</u>	<u>\$ 8,324,860</u>	<u>\$ 8,601,632</u>

City of Oldsmar
Schedule 4
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues				
Taxes	\$ 10,181,596	\$ 9,345,265	\$ 8,976,565	\$ 8,616,629
Licenses, permits and charges for services	593,628	592,741	707,290	734,139
Intergovernmental revenue	1,920,810	2,128,755	2,189,075	3,276,563
Fines and forfeitures	185,191	183,928	267,524	601,194
Miscellaneous revenue	666,113	626,737	754,863	733,500
Total revenues	<u>13,547,338</u>	<u>12,877,426</u>	<u>12,895,317</u>	<u>13,962,025</u>
Expenditures				
General government	2,572,221	2,703,988	2,726,600	2,110,427
Public safety	4,049,532	3,844,218	3,693,101	3,831,140
Physical environment	1,036,985	1,293,887	1,175,027	1,860,695
Culture and recreation	2,709,375	2,518,328	2,528,643	2,584,740
Capital outlay	2,264,288	3,410,447	1,656,716	4,516,543
Debt service				
Principal retirement	100,000	100,000	110,000	-
Interest and fiscal charges	96,570	91,550	86,645	63,663
Total expenditures	<u>12,828,971</u>	<u>13,962,418</u>	<u>11,976,732</u>	<u>14,967,208</u>
Excess of revenues over (under) expenditures	718,367	(1,084,992)	918,585	(1,005,183)
Other Financing Sources (Uses)				
Refunding bonds proceeds	-	-	-	1,550,000
Payment to refunded bond escrow agent	-	-	-	(1,649,735)
Debt Proceeds	-	-	-	-
Proceeds from sale of capital assets	25,204	7,992	12,496	50,534
Transfers in	908,013	35,000	-	-
Transfers out	(908,013)	(35,000)	-	-
Total other financing sources (uses)	<u>25,204</u>	<u>7,992</u>	<u>12,496</u>	<u>(49,201)</u>
Net change in fund balances	743,571	(1,077,000)	931,081	(1,054,384)
Fund balances - beginning of year	<u>8,046,324</u>	<u>8,789,895</u>	<u>7,712,895</u>	<u>8,643,976</u>
Fund balances - end of year	<u>\$ 8,789,895</u>	<u>\$ 7,712,895</u>	<u>\$ 8,643,976</u>	<u>\$ 7,589,592</u>
Debt service as a percentage of noncapital expenditures	1.9%	1.8%	1.9%	0.6%

2014	2015	2016	2017	2018	2019
\$ 9,391,492	\$ 9,449,002	\$ 9,575,711	\$ 9,705,954	\$ 9,961,606	\$10,283,607
903,538	809,964	815,767	981,833	1,050,674	1,049,513
3,383,897	4,166,542	2,497,424	2,593,855	2,933,900	2,983,453
436,436	192,056	143,321	153,596	126,929	145,245
763,864	966,163	860,484	910,348	1,057,082	1,728,111
<u>14,879,227</u>	<u>15,583,727</u>	<u>13,892,707</u>	<u>14,345,586</u>	<u>15,130,191</u>	<u>16,189,929</u>
2,931,858	3,153,244	3,115,252	3,536,679	3,735,150	3,733,765
3,622,629	3,586,594	3,578,333	3,561,122	3,785,804	3,907,630
1,235,254	1,274,888	1,329,238	1,437,968	1,394,076	1,317,643
2,679,704	2,712,822	2,955,570	2,979,454	2,955,708	2,955,931
3,727,798	3,409,149	1,405,954	1,895,343	2,128,012	2,985,680
141,000	143,000	150,000	150,000	156,000	156,000
26,335	23,808	21,200	18,530	15,806	76,868
<u>14,364,578</u>	<u>14,303,505</u>	<u>12,555,547</u>	<u>13,579,096</u>	<u>14,170,556</u>	<u>15,133,517</u>
514,649	1,280,222	1,337,160	766,490	959,635	1,056,412
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	100,000
535,432	504,379	341,223	290,223	43,627	28,771
100,000	740,000	325,000	745,000	1,250,000	-
(100,000)	(740,000)	(325,000)	(745,000)	(1,000,000)	-
<u>535,432</u>	<u>504,379</u>	<u>341,223</u>	<u>290,223</u>	<u>293,627</u>	<u>128,771</u>
1,050,081	1,784,601	1,678,383	1,056,713	1,253,262	1,185,183
<u>7,589,592</u>	<u>8,639,673</u>	<u>10,424,274</u>	<u>12,102,657</u>	<u>13,159,371</u>	<u>14,412,633</u>
<u>\$ 8,639,673</u>	<u>\$10,424,274</u>	<u>\$12,102,657</u>	<u>\$13,159,371</u>	<u>\$14,412,633</u>	<u>\$15,597,816</u>
1.6%	1.5%	1.5%	1.4%	1.4%	1.9%

City of Oldsmar
Schedule 5
Program Revenue by Function / Program
Last Ten Fiscal Years

	2010	2011	2012
Function / Program			
Governmental activities :			
Charges for services			
General government	\$ 731,442	\$ 713,598	\$ 717,813
Law enforcement	-	-	85,295
Fire Protection	423,257	401,944	427,134
Technical services/Community Redevelopment	111,910	91,474	149,035
Public Works/Transportation and Drainage	30,074	94,943	140,356
Culture and Recreation	204,897	249,157	289,865
Total charges for services	<u>1,501,580</u>	<u>1,551,116</u>	<u>1,809,498</u>
Operating grants and contributions			
General government	-	500	15,115
Fire Protection	140,429	115,945	120,106
Culture and Recreation	250,947	201,108	214,475
Total operating grants and contributions	<u>391,376</u>	<u>317,553</u>	<u>349,696</u>
Capital grants and contributions			
General Government	-	-	-
Law Enforcement	6,100	5,248	3,841
Fire Protection	3,135	-	-
Public Works/Transportation	140,747	90,921	369,211
Community redevelopment	-	-	-
Culture and Recreation	146,115	409,231	114,092
Total capital grants and contributions	<u>296,097</u>	<u>505,400</u>	<u>487,144</u>
Sub-total governmental activities	<u>2,189,053</u>	<u>2,374,069</u>	<u>2,646,338</u>
Business-type activities:			
Charges for services			
Water/Distribution and Collection	3,187,492	3,423,459	3,832,550
Sewer/Water Reclamation	2,677,226	2,823,148	2,960,689
Reclaimed/Reverse Osmosis water plant	302,261	367,302	-
Stormwater Utility	385,469	490,027	578,122
Solid Waste	2,331,704	2,285,974	2,240,994
Total charges for services	<u>8,884,152</u>	<u>9,389,910</u>	<u>9,612,355</u>
Operating grants and contributions			
Water recalcation	-	-	12,640
Stormwater Utility	12,667	12,667	12,667
Solid Waste	10,480	10,500	10,520
Total operating grants and contributions	<u>23,147</u>	<u>23,167</u>	<u>35,827</u>
Capital grants and contributions			
Water/Reverse Osmosis water plant	1,901,192	2,685,122	3,824,234
Water reclamation	-	-	-
Reclaimed	127,479	-	-
Stormwater Utility	27,323	41,678	-
Total capital grants and contributions	<u>2,055,994</u>	<u>2,726,800</u>	<u>3,824,234</u>
Sub-total business-type activities	<u>10,963,293</u>	<u>12,139,877</u>	<u>13,472,416</u>
Total primary government revenues	<u>\$ 13,152,346</u>	<u>\$ 14,513,946</u>	<u>\$ 16,118,754</u>

Note: In 2013 Water revenues are now shown as a part of Reverse osmosis water plant and Reclaimed revenues are shown as a part of water reclamation.

In 2016 Community Redevelopment Agency Fund ad valorem taxes from Pinellas County are reflected as a capital grant.

2013	2014	2015	2016	2017	2018	2019
\$ 1,476,041	\$ 1,339,577	\$ 1,129,586	\$ 1,041,029	\$ 1,239,965	\$ 1,305,549	\$ 1,429,524
-	-	-	-	-	-	-
447,356	483,145	474,678	471,643	466,427	525,409	520,752
26,977	71,506	77,886	36,623	48,163	38,501	101,843
45,857	33,446	71,075	58,789	72,734	88,751	78,622
248,440	269,843	339,290	321,100	370,006	350,862	351,526
<u>2,244,671</u>	<u>2,197,517</u>	<u>2,092,515</u>	<u>1,929,184</u>	<u>2,197,295</u>	<u>2,309,072</u>	<u>2,482,267</u>
3,400	3,178	26,135	10,170	224,698	509,408	257,633
122,786	125,441	120,970	107,153	91,256	75,236	73,925
202,422	174,233	188,215	209,548	228,839	229,059	226,541
<u>328,608</u>	<u>302,852</u>	<u>335,320</u>	<u>326,871</u>	<u>544,793</u>	<u>813,703</u>	<u>558,099</u>
-	143,102	-	-	-	-	-
2,684	2,699	2,343	2,748	-	-	-
-	-	8,238	-	-	-	-
3,199	172,812	84,921	193,417	665	40,273	135,000
-	-	-	282,784	311,373	346,516	373,763
1,280,248	1,345,567	1,835,539	3,769	8,709	-	110,000
<u>1,286,131</u>	<u>1,664,180</u>	<u>1,931,041</u>	<u>482,718</u>	<u>320,747</u>	<u>386,789</u>	<u>618,763</u>
<u>3,859,410</u>	<u>4,164,549</u>	<u>4,358,876</u>	<u>2,738,773</u>	<u>3,062,835</u>	<u>3,509,564</u>	<u>3,659,129</u>
-	-	-	-	-	-	-
3,124,453	3,222,036	3,478,925	3,522,312	3,659,091	3,751,385	3,956,929
3,778,087	3,673,009	3,662,741	3,719,559	4,006,076	4,092,202	4,249,309
513,380	516,084	654,263	673,829	733,971	731,360	739,309
2,250,478	2,368,719	2,541,225	2,620,667	2,664,441	2,818,928	2,836,940
<u>9,666,398</u>	<u>9,779,848</u>	<u>10,337,154</u>	<u>10,536,367</u>	<u>11,063,579</u>	<u>11,393,875</u>	<u>11,782,487</u>
-	-	-	-	-	-	8,605
12,667	12,667	10,556	-	-	-	1,893
10,446	10,469	10,480	10,485	10,435	10,486	23,569
<u>23,113</u>	<u>23,136</u>	<u>21,036</u>	<u>10,485</u>	<u>10,435</u>	<u>10,486</u>	<u>34,067</u>
199,171	-	-	-	102,621	95,619	59,856
225,849	156,507	31,588	2,228	179,228	176,086	85,483
-	-	-	-	-	-	-
-	4,814	29,615	25,881	23,908	40,889	-
<u>425,020</u>	<u>161,321</u>	<u>61,203</u>	<u>28,109</u>	<u>305,757</u>	<u>312,594</u>	<u>145,339</u>
<u>10,114,531</u>	<u>9,964,305</u>	<u>10,419,393</u>	<u>10,574,961</u>	<u>11,379,771</u>	<u>11,716,955</u>	<u>11,961,893</u>
<u>\$ 13,973,941</u>	<u>\$ 14,128,854</u>	<u>\$ 14,778,269</u>	<u>\$ 13,313,734</u>	<u>\$ 14,442,606</u>	<u>\$ 15,226,519</u>	<u>\$ 15,621,022</u>

City of Oldsmar
 Schedule 6
 Tax Revenues by Source, Governmental Funds
 Last Ten Fiscal Years

Fiscal Year Ended September 30,	Ad Valorem	Franchise Fees	Sales and Use Taxes (2)	Utility Taxes	Communications Service Tax	Fire Insurance Premium Tax (1)	Total
2019	\$5,289,111	\$ 1,416,607	\$ 1,175,756	\$ 1,578,341	\$ 754,187	\$ 69,605	\$ 10,283,606
2018	5,024,275	1,403,988	1,095,543	1,568,462	799,160	70,178	9,961,606
2017	4,861,168	1,388,566	1,026,437	1,520,236	827,924	81,623	9,705,954
2016	4,545,289	1,454,907	984,964	1,492,720	998,257	99,574	9,575,711
2015	4,403,691	1,456,699	910,282	1,472,143	1,093,287	112,900	9,449,002
2014	4,355,617	1,432,786	877,289	1,458,827	1,149,968	117,005	9,391,492
2013	4,167,447	1,376,347	318,172	1,396,466	1,242,248	115,949	8,616,629
2012	4,287,547	1,420,070	459,997	1,394,453	1,304,078	110,420	8,976,565
2011	4,500,720	1,477,506	403,112	1,438,663	1,415,554	109,710	9,345,265
2010	5,084,504	1,472,798	458,748	1,549,092	1,497,240	119,214	10,181,596

(1) Fire Insurance Premium Taxes represent on behalf payments from the State of Florida that are earmarked for Firefighter's pension contributions.

(2) Infrastructure Sales Surtax are budgeted and expended in the Enterprise Funds/Business-Type Activities in accordance with the following approved budget amounts:

2019	\$ 532,500
2018	532,500
2017	532,500
2016	532,397
2015	532,500
2014	467,495
2013	750,000
2012	750,000
2011	750,000

SCHEDULES OF REVENUE CAPACITY INFORMATION

These schedules contain information to help the reader assess the City's most significant local revenue source - the property tax.

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City of Oldsmar
Schedule 7
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Residential Property	Commercial Property	Governmental Property	Institutional Property	Misc & Personal Property
2019	\$ 1,074,368,444	\$ 536,148,184	\$ 96,998,087	\$ 17,483,217	\$ 196,405,944
2018	963,352,986	504,443,802	93,667,964	16,498,270	197,199,865
2017	867,785,422	487,635,384	91,136,361	16,627,300	207,605,184
2016	811,291,853	468,286,783	90,184,907	15,781,777	195,596,019
2015	738,199,233	452,915,793	89,810,363	15,476,261	199,277,455
2014	622,688,900	432,268,296	85,652,709	15,031,206	187,541,939
2013	684,645,788	424,200,752	81,415,678	15,025,531	86,544,489
2012	641,812,478	425,366,273	80,634,986	11,113,039	171,457,125
2011	621,192,729	458,296,409	84,137,808	12,516,069	221,553,791
2010	813,039,113	516,722,686	93,437,881	13,604,942	172,995,273

Percentages

2019	55.92%	27.90%	5.05%	0.91%	10.22%
2018	54.27%	28.42%	5.28%	0.93%	11.11%
2017	51.94%	29.19%	5.45%	1.00%	12.43%
2016	51.31%	29.62%	5.70%	1.00%	12.37%
2015	49.36%	30.28%	6.00%	1.03%	13.32%
2014	46.36%	32.18%	6.38%	1.12%	13.96%
2013	53.00%	32.84%	6.30%	1.16%	6.70%
2012	48.24%	31.97%	6.06%	0.84%	12.89%
2011	44.44%	32.79%	6.02%	0.90%	15.85%
2010	50.51%	32.10%	5.80%	0.85%	10.75%

Source: Pinellas County Property Appraiser

Total Assessed Value	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
\$ 1,921,403,876	\$ 559,264,403	\$ 1,362,139,473	4.0500
1,775,162,887	489,643,979	1,285,518,908	4.0500
1,670,789,651	435,747,519	1,235,042,132	4.0500
1,581,141,339	419,180,025	1,161,961,314	4.0500
1,495,679,105	373,109,335	1,122,569,770	4.0500
1,343,183,050	298,770,983	1,044,412,067	4.0500
1,291,832,238	281,089,742	1,010,742,496	4.0500
1,330,383,901	302,764,054	1,027,619,847	4.0500
1,397,696,805	314,091,885	1,083,604,920	4.0500
1,609,799,895	397,253,307	1,212,546,588	4.0500

100.00%	29.11%	70.89%
100.00%	27.58%	72.42%
100.00%	26.08%	73.92%
100.00%	26.51%	73.49%
100.00%	24.95%	75.05%
100.00%	22.24%	77.76%
100.00%	21.76%	78.24%
100.00%	22.76%	77.24%
100.00%	22.47%	77.53%
100.00%	24.68%	75.32%

City of Oldsmar
Schedule 8
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rates per \$1,000 of assessed value)

Fiscal Year	Direct City	County Operating			Total County Operating	Transit District	Emergency Medical Services
		General Fund	Health Department	Mosquito Control			
2019	4.0500	5.2755	0.0835	-	5.3590	0.7500	0.9158
2018	4.0500	5.2755	0.0835	-	5.3590	0.7500	0.9158
2017	4.0500	5.2755	0.0622	-	5.3377	0.7500	0.9158
2016	4.0500	5.2755	0.0622	-	5.3377	0.7305	0.9158
2015	4.0500	5.2755	0.0622	-	5.3377	0.7305	0.9158
2014	4.0500	5.2755	0.0622	-	5.3377	0.7305	0.9158
2013	4.0500	5.0105	0.0622	-	5.0727	0.7305	0.9158
2012	4.0500	4.8108	0.0622	-	4.8730	0.7305	0.8506
2011	4.0500	4.8108	0.0622	-	4.8730	0.5601	0.5832
2010	4.0500	4.8108	0.0622	-	4.8730	0.5601	0.5832

Note:

The Ad Valorem tax rate for the City of Oldsmar pertains to operating expenditures only, and therefore no further breakdown of the direct rate can be show.

Source: Pinellas County Tax Collector

School Board			Southwest Florida Water Management District	Juvenile Welfare Board	Pinellas Anclote River Basin	Pinellas County Planning Council	Total
School State	Pinellas County School Board Required Local Effort	Total School Board					
3.9790	2.7480	6.7270	0.2955	0.8981	-	0.0150	19.0104
4.2610	2.7480	7.0090	0.3131	0.8981	-	0.0150	19.3100
4.5700	2.7480	7.3180	0.3317	0.8981	-	0.0150	19.6163
5.0220	2.7480	7.7700	0.3488	0.8981	-	0.0160	20.0669
5.0930	2.7480	7.8410	0.3658	0.8981	-	0.0160	20.1549
5.3120	2.7480	8.0600	0.3818	0.8981	-	0.0160	20.3899
5.5540	2.7480	8.3020	0.3928	0.8981	-	0.0125	20.3744
5.6370	2.7480	8.3850	0.3928	0.8337	-	0.0125	20.1281
5.3420	2.9980	8.3400	0.3770	0.7915	0.2600	0.0125	19.8473
5.3480	2.9980	8.3460	0.3866	0.7915	0.3200	0.0125	19.9229

City of Oldsmar
Schedule 9
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
TNC (US) Holdings INC	\$ 42,494,652	1	3.31%	\$ -		0.00%
MT (2002) Statutory Trust	38,981,895	2	3.03%	-		0.00%
Woodlands Square C R P LLC	36,195,898	3	2.82%	32,475,000	3	2.35%
Pacifica Forest Lakes LLC	32,250,000	4	2.51%	-		0.00%
The Nielsen Company (US) LLC	23,313,081	5	1.81%	91,532,240	1	6.62%
Breit Florida Property Owner LLC	20,100,000	6	1.56%	-		0.00%
580 Center LLC	19,940,000	7	1.55%	-		0.00%
Wal-Mart Stores East LP	16,400,000	8	1.28%	17,776,686	6	1.29%
MT (2003) Statutory Trust	14,250,000	9	1.11%	-		0.00%
Tampa Electric Company	13,846,978	10	1.08%			0.00%
MT Statutory Trust	-		-	63,747,213	2	4.61%
KTR Central Florida LLC	-		-	20,410,000	4	1.48%
ICS Village	-		-	17,900,000	5	1.29%
TWC 79, LTD	-		-	12,000,000	7	0.87%
Metal Industries, Inc.	-		-	8,950,000	8	0.65%
H/A Partners II LTD	-		-	8,100,000	9	0.59%
BELAC LLC	-		-	7,885,482	10	0.57%
Total Principal Taxpayers	257,772,504		20.05%	280,776,621		20.30%
All Other Taxpayers	1,027,746,404		79.95%	1,102,323,303		79.70%
Total	\$ 1,285,518,908		100.00%	\$ 1,383,099,924		100.00%

Note:

Source: Pinellas County Property Appraiser's Office & 2010 City of Oldsmar CAFR.

City of Oldsmar
Schedule 10
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Subsequent Year Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2019	\$ 5,518,078	\$ 5,236,485	94.90%	\$ 52,627	\$ 5,289,112	95.85%
2018	5,215,309	4,936,256	94.65%	88,019	5,024,275	96.34%
2017	5,001,834	4,775,220	95.47%	85,948	4,861,168	97.19%
2016	4,788,526	4,491,523	93.80%	53,766	4,545,289	94.92%
2015	4,559,970	4,305,187	94.41%	98,504	4,403,691	96.57%
2014	4,246,624	4,092,047	96.36%	6,351	4,098,398	96.51%
2013	4,088,025	3,733,218	91.32%	111,898	3,845,116	94.06%
2012	4,161,956	3,883,440	93.31%	150,106	4,033,546	96.91%
2011	4,388,600	4,073,483	92.82%	163,351	4,236,834	96.54%
2010	4,910,814	4,512,858	91.90%	249,713	4,762,571	96.98%

Notes:

Source: Pinellas County Property Appraiser

The Pinellas County Property Appraiser does not provide information on subsequent year collections by year. Therefore, this column represents collections for prior year tax levies that were received in the year indicated.

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SCHEDULES OF DEBT CAPACITY INFORMATION

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

The City Charter makes no provision for a general obligation debt margin.

There has been no general obligation bonded debt outstanding for the prior ten fiscal years.

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City of Oldsmar
Schedule 11
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities			
	2002 Revenue Bonds	2012 Refunding Revenue Note	2019 Revenue Note	Water/Sewer Revenue Bonds - 1990	SRF Loan WWTP Upgrades	SRF Loan Water Booster Station	SRF Loan Alternate Water Supply
2019	\$ -	\$ 654,000	\$ 100,000	\$ -	\$ -	\$ 525,372	\$ 2,220,530
2018	-	810,000	-	-	-	665,535	2,367,988
2017	-	966,000	-	1,439,392	-	801,519	2,511,535
2016	-	1,116,000	-	1,854,469	-	933,449	2,651,277
2015	-	1,266,000	-	2,242,536	-	1,061,445	2,787,315
2014	-	1,409,000	-	2,602,645	-	1,185,624	2,919,748
2013	-	1,550,000	-	2,937,351	-	1,306,101	3,048,672
2012	1,590,000	-	-	3,248,720	-	1,422,986	2,125,942
2011	1,700,000	-	-	3,538,396	-	1,536,386	1,459,045
2010	1,800,000	-	-	3,805,381	-	1,646,405	986,984

Notes:

The City has had no general obligation bonded debt in the last ten years.

The Constitution of the State of Florida, Florida Statute 200.181 and the Charter of the City of Oldsmar, Florida set no legal debt margin.

Water Revenue Bond - 2010	SRF Water Supply 2012	Total	Percentage of Personal Income	Per Capita
\$ -	\$ 3,565,862	\$ 7,065,764	1.08%	\$ 488
-	3,796,318	7,639,841	1.22%	533
-	4,021,245	9,739,691	1.55%	680
-	4,240,773	10,795,968	1.76%	759
-	4,455,035	11,812,331	2.04%	844
-	4,664,154	12,781,171	2.28%	922
-	4,868,255	13,710,379	2.44%	999
-	4,609,353	12,997,001	2.44%	957
5,563,935	1,002,854	14,800,616	2.88%	1,089
5,563,935	-	13,802,705	3.66%	998

City of Oldsmar
 Schedule 12
 Direct and Overlapping Governmental Activities Debt
 As of September 30, 2019

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping debt:			
Pinellas County School Board	\$ 618,000		
Capital leases	5,050,657		
Pinellas County Governmental Activities Bonds	<u>18,634,328</u>		
Total overlapping debt (1)	\$ 24,302,985	1.716%	\$ 417,053
City direct debt			<u>754,000</u>
Total direct and overlapping debt			<u><u>\$ 1,171,053</u></u>

Notes:

Source: Pinellas County and Pinellas County School Board.

(1) The City's share is calculated based on the ratio of the 2018 City Taxable Value of \$1,362,139,473 to the County's Taxable Value of \$79,376,212,411

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City of Oldsmar
 Schedule 13
 Pledged-Revenue Coverage
 Last Ten Fiscal Years

Year	Public Services Tax	Revenue Bonds Series 2002		
		Principal	Interest	Coverage
2019	\$ 169,030	\$ -	\$ -	\$ -
2018	171,806	-	-	-
2017	168,530	-	-	-
2016	171,200	-	-	-
2015	172,535	-	-	-
2014	169,020	-	-	-
2013	163,547	1,590,000	44,935	0.10
2012	195,670	110,000	86,645	1.00
2011	191,550	100,000	91,550	1.00
2010	196,570	100,000	96,570	1.00

Note:

Pledged revenue amounts include interest earned on sinking fund accounts.

Interest expense includes other fiscal charges such as bond agent fees.

The Revenue Bonds, Series 2002 were refunded with proceeds from the Refunding Revenue Note, Series 2012.

Proceeds from the Series 2012 Note were used to cover refunding the 2002 series, bond issue costs and interest not covered by the pledged revenues.

(continued)

Refunding Revenue Note Series 2012

Principal	Interest	Coverage
\$ 156,000	\$ 13,030	1.00
156,000	15,806	1.00
150,000	18,530	1.00
150,000	21,200	1.00
143,000	23,808	1.03
141,000	26,355	1.01
-	14,791	0.84
-	-	-
-	-	-
-	-	-

City of Oldsmar
Schedule 13
Pledged-Revenue Coverage (continued)
Last Ten Fiscal Years

Year	Revenues	Expenses	Net Available Revenue	Refunding and Improvement Revenue Bonds Series 1990		State Revolving Loan	
				Principal	Interest	Principal	Interest
2019	\$8,603,362	\$4,943,142	\$3,660,220	\$ -	\$ -	\$ -	\$ -
2018	7,919,865	4,255,337	3,664,528	71,405	474,618	-	-
2017	7,719,522	4,323,946	3,395,576	76,983	470,407	-	-
2016	7,188,596	4,274,110	2,914,486	83,120	466,499	-	-
2015	7,054,590	4,300,952	2,753,638	89,256	459,589	-	-
2014	6,863,407	4,125,647	2,737,760	95,950	452,761	-	-
2013	6,789,235	4,324,976	2,464,259	103,202	445,600	-	-
2012	6,661,133	4,966,734	1,694,399	111,012	437,871	-	-
2011	6,622,146	4,973,567	1,648,579	118,822	427,526	-	-
2010	6,202,933	5,037,730	1,165,203	132,396	417,604	169,140	6,205

Note:

Revenues include operating revenues of the Water and Sewer fund and investment income.
Expenses do not include interest or depreciation expenses.

State Revolving Fund Construction Loan #2		State Revolving Fund Construction Loan #3		State Revolving Fund Construction Loan #4		Total		
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Coverage
\$140,163	\$ 19,239	\$147,460	\$ 63,165	\$230,456	\$ 91,373	\$ 518,079	\$173,777	5.29
135,984	23,417	143,547	67,072	224,926	96,903	575,862	662,010	2.96
131,930	27,472	139,742	70,877	219,529	102,301	568,184	671,057	2.74
127,996	31,405	136,038	74,581	214,261	107,569	561,415	680,054	2.35
124,180	34,112	132,433	78,039	209,120	112,066	554,989	683,806	2.22
120,477	37,906	128,924	81,504	204,101	117,222	549,452	689,393	2.21
116,885	41,477	138,711	80,184	349,717	130,865	708,515	698,126	1.75
113,400	44,993	84,054	49,129	-	-	308,466	531,993	2.02
110,019	48,404	-	-	-	-	228,841	475,930	2.34
106,738	51,713	-	-	-	-	408,274	475,522	1.32

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SCHEDULES OF DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

City of Oldsmar
 Schedule 14
 Demographic and Economic Statistics
 Last Ten Calendar Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Median Age (4)	School Enrollment (5)	Unemployment Rate (6)
2019	14,800	\$ 699,152,000	\$ 47,240	39.8	1,353	2.7%
2018	14,489	652,975,763	45,067	39.3	1,256	2.7%
2017	14,321	627,360,047	43,807	39.1	1,209	3.1%
2016	14,230	612,003,840	43,008	37.5	1,264	4.4%
2015	13,993	577,854,928	41,296	35.7	1,282	4.7%
2014	13,859	560,250,075	40,425	37.2	1,267	5.8%
2013	13,725	560,830,950	40,862	37.9	1,310	6.5%
2012	13,583	533,282,163	39,261	39.3	1,373	8.4%
2011	13,597	514,782,420	37,860	39.5	1,406	10.9%
2010	13,828	377,186,356	27,277	37.1	1,465	11.7%

Note:

Sources:

- (1) State of Florida Office of Economic and Demographic Research - Estimate for April 1, 2019
- (2) Extrapolated from Per Capita info, times the population
- (3) U.S. Dept. of Commerce - Bureau of Economic Analysis
 Table CA1-3 Personal Income Summary for Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area - Updated November 14, 2019
- (4) U.S. Census Bureau, American Community Survey for Oldsmar, FL
 (2014-2018 American Community Survey 5-Year Estimates)
- (5) Enrollment figures acquired by contacting each of three schools in the Community
- (6) Florida Department of Economic Opportunity Local Area Unemployment Statistics Program
 September 2017 Unemployment Rate for Pinellas County, FL

City of Oldsmar
Schedule 15
Principal Employers
Current Year and Nine Years Ago

Employer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Nielsen Media Research (5)	2,500	#1	N/A	1,725	#1	N/A
United Health Care	500	#2	N/A	644	#2	N/A
Walmart	330	#3	N/A	-		N/A
S&S Electrical Company (4)	168	#4	N/A	-		N/A
City of Oldsmar	148	#5	N/A	147	#4	N/A
Osgood Industries	125	#6	N/A	-		N/A
Micon Packaging	112	#7	N/A	70	#6	N/A
Knight Dental Group	111	#8	N/A	-		N/A
MI Metals	87	#9	N/A	68	#7	N/A
IC Intracom	20	#10	N/A	52	#8	N/A
Baycare Health Systems (3)	15	#11	N/A	290	#3	N/A
Goodrich Lighting Systems (1,2)	N/A	N/A	N/A	99	#5	N/A
	<u>4,116</u>		<u>-</u>	<u>3,095</u>		<u>-</u>

N/A - Total employment within the City is not available.

(1) Formerly Goodrich-Hella Aero.

(2) Goodrich Lighting Systems has moved outside of Oldsmar City limits.

(3) Baycare Health Systems has temporarily relocated outside of Oldsmar City Limits, but is repurposing the facility for use in 2017.

(4) Formerly S&S Air Conditioning.

(5) Nielsen website: <https://careers.nielsen.com/en-us/locations/na/fl-tampa-oldsmar/>

SCHEDULES OF OPERATING INFORMATION

These schedules offer detailed operations information to help the reader understand the services provided by the City.

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City of Oldsmar
Schedule 16
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees as of September 30					
	2019	2018	2017	2016	2015	2014
General government						
City Manager	2.5	2.5	1.5	1.5	1.5	1.5
Administrative Services	18.5	18.5	18.0	18.0	18.0	17.5
City Clerk	3.0	5.0	5.0	5.0	5.0	4.5
Public Safety						
Fire	20.0	20.0	20.0	20.0	20.0	20.0
Police	*	*	*	*	*	*
Protective Inspections/Planning	7.0	7.0	7.0	7.0	7.0	8.0
Public Works						
Technical Services/Building	5.0	5.0	3.5	2.5	2.5	2.5
Road and Street Facilities	9.0	10.0	11.0	11.0	10.0	10.0
Utilities Maintenance	3.0	3.0	3.0	4.0	4.0	4.0
Water Distribution	12.0	12.0	12.0	12.0	11.0	11.0
Water Reclamation	8.0	9.0	9.0	9.0	9.0	9.0
Reclaimed Water	-	-	-	-	-	-
RO Water Treatment Plant	7.0	7.0	7.0	7.0	7.0	7.0
Environmental Management	2.0	-	-	-	-	-
Solid Waste	-	0.5	1.0	1.0	1.0	1.0
Stormwater	5.0	4.0	4.0	4.0	4.0	4.0
Culture and recreation						
Library	11.5	12.0	12.0	12.0	12.0	11.5
Parks	12.4	12.4	15.4	22.9	19.9	18.4
Recreation	9.3	9.3	8.8	7.8	7.8	7.8
Oldsmar Sports Complex	8.0	8.0	6.5	-	-	-
Comms., Marketing and the Arts	2.5	-	-	-	-	-
Facilities	6.0	6.0	5.0	5.0	5.0	5.0
	<u>151.7</u>	<u>151.2</u>	<u>149.7</u>	<u>149.7</u>	<u>144.7</u>	<u>142.7</u>

* Note: The City contracts for Law Enforcement Services through a contract with the Pinellas County Sheriff's Office.

Source: City of Oldsmar Budget

2013	2012	2011	2010
2.0	2.0	2.0	4.0
17.0	17.5	17.5	17.5
4.5	4.5	4.5	2.5
22.0	23.0	23.0	23.0
*	*	*	*
6.0	7.0	7.0	9.0
2.0	2.0	2.0	5.0
10.0	10.0	10.0	10.0
4.0	5.0	-	-
12.0	12.0	17.0	12.0
9.0	9.0	14.0	14.0
-	-	1.0	1.0
6.0	6.0	-	-
-	-	-	-
1.0	2.0	2.0	2.0
4.0	4.0	4.0	4.0
11.5	12.0	12.0	12.0
16.9	15.9	15.9	17.9
8.3	8.3	8.3	8.8
-	-	-	-
-	-	-	-
5.0	5.0	5.0	-
141.2	145.2	145.2	142.7

City of Oldsmar
 Schedule 17
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

<u>Function/Program</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Police (1)					
Physical arrests	373	456	492	501	448
Parking violations	7	20	39	117	228
Traffic violations	7,362	6,699	7,876	5,801	6,432
Fire (2)					
Total Responses	1,765	1,819	1,962	1,681	1,619
EMS Responses	1,479	1,546	1,618	1,415	1,385
Fire Responses	286	273	344	266	234
Inspections	1,038	621	617	314	300
Recreation (3)					
Memberships	1,546	1,846	1,674	1,171	1,744
Library (4)					
Volumes in collection	65,063	63,793	62,363	61,643	60,613
Water (5)					
Number of connections	5,394	5,396	5,385	5,384	5,372
Average daily consumption (mgd)	1.373	1.328	1.324	1.253	1.202
Sewer (6)					
Number of connections	5,225	5,221	5,207	5,211	5,213
Average daily flow (mgd)	1.599	1.625	1.518	1.520	1.471
Reclaimed water (7)					
Number of connections	1,846	1,838	1,819	1,791	1,770

Notes:

N/A = not available

Sources:

- (1) Pinellas County Sheriff's Office
- (2) City of Oldsmar Fire Department
- (3) City of Oldsmar Recreation Division
- (4) City of Oldsmar Library Department
- (5) City of Oldsmar Public Works Department
- (6) City of Oldsmar Public Works Department
- (7) City of Oldsmar Public Works Department

2014	2013	2012	2011	2010
601	633	219	552	504
307	565	895	751	704
7,355	6,835	7,214	5,049	4,264
1,531	1,526	1,562	1,656	1,722
1,316	1,315	1,323	1,387	1,400
215	211	239	269	322
562	564	1,032	1,401	1,708
1,456	1,957	2,038	1,779	893
59,398	61,155	68,410	60,450	60,139
5,359	5,332	5,305	5,334	5,584
1.236	1,221	1.327	1.296	1.320
5,214	5,215	5,215	5,251	5,301
1.524	1,460	1.672	1.274	1.620
1,726	1,701	1,656	1,641	1,615

City of Oldsmar
Schedule 18
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Police (1)						
Stations	1	1	1	1	1	-
Fire (2)						
Stations	1	1	1	1	1	1
Public works (3)						
Streets (miles)	50.30	50.30	49.70	49.70	50.30	49.21
Recreation (4)						
Number of parks	11	11	11	11	9	9
Playgrounds	8	8	8	8	8	8
Recreation Centers	1	1	1	1	1	1
Community Centers	1	1	1	1	1	1
Baseball Fields	6	8	8	8	7	7
Softball Fields	3	3	3	3	3	3
Tennis Courts	4	4	4	4	4	4
Basketball Courts	3	3	3	3	3	3
Soccer and Football fields	3	3	3	3	3	3
Picnic Areas	25	25	25	25	25	25
Boat Ramps	3	3	3	3	2	2
Fishing Areas	4	4	4	4	4	4
BMX Track	1	1	1	1	1	1
Sprayground	1	1	1	1	1	1
Preserve	1	1	1	1	1	1
Outdoor Hocker Rink	1	-	-	-	-	-
Pickleball Court	3	-	-	-	-	-
Bocce Ball Court	2	-	-	-	-	-
Shuffleboard Court	1	-	-	-	-	-

Sources:

- (1) Pinellas County Sheriff's Office
- (2) City of Oldsmar Fire Department
- (3) City of Oldsmar Administrative Services Department
- (4) City of Oldsmar Leisure Services Department

2013	2012	2011	2010
-	-	-	-
1	1	1	1
51.63	51.63	51.63	51.63
9	9	8	8
8	8	8	8
1	1	1	1
1	1	1	1
8	8	9	9
3	3	3	3
4	4	4	4
3	3	3	3
3	3	3	3
25	25	25	24
2	2	2	2
4	4	4	4
1	1	1	1
1	1	1	1
1	1	1	1
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

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CITY OF OLDSMAR
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 AND STATE FINANCIAL ASSISTANCE
 For the fiscal year ended September 30, 2019

Federal/State Agency Pass-through entity Federal Program/State Project	CFDA/ CSFA No.	Contract or grant number	Expenditures
FEDERAL AWARDS			
Federal Emergency Management Agency Florida Department of Emergency Management Flood Mitigation Assistance Grant	97.029	15FM-J2-08-62-02-401	\$ 485
Federal Emergency Management Agency Florida Division of Emergency Management Bureau of Recovery Hurricane Irma Recovery	97.036	Z0439	261,373
TOTAL FEDERAL AWARDS			<u>\$ 261,858</u>
STATE FINANCIAL ASSISTANCE			
Florida Department of Transportation Highway Landscape Reimbursement and Maintenance SR 580/Forest Lakes Blvd Phase II	N/A	#AS356	\$ 135,000
TOTAL STATE FINANCIAL ASSISTANCE			<u>\$ 135,000</u>

CITY OF OLDSMAR, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 2019

CITY OF OLDSMAR, FLORIDA

NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

September 30, 2019

Basis of Accounting: Federal awards and State financial assistance programs for the City of Oldsmar, Florida (the City) are accounted for in the Statement of Net Position as increases in long-term debt; in the Statement of Activities as operating and capital grants; in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds as intergovernmental revenues; and in the Statement of Revenues, Expenses and Changes in Net Position – Business Type Activities – Enterprise Funds as intergovernmental revenue, as applicable. The accompanying schedule of expenditures of federal awards and state financial assistance has been prepared on the same basis of accounting as the financial statements of the City of Oldsmar.

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

The Honorable Mayor
and City Council Members
City of Oldsmar, 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 Oldsmar, Florida (the City) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 2, 2020.

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) to determine the auditing 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of 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.



Wells, Houser & Schatzel, P.A.
St. Petersburg, FL
January 2, 2020

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor and
City Council Members
City of Oldsmar, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Oldsmar, Florida, as of and for the fiscal year ended September 30, 2019 and have issued our report thereon dated January 2, 2020.

Auditor's Responsibility

We have 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 and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Reports on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 24, 2019, 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 significant findings and recommendations made in the preceding annual financial report. There were no such items disclosed in the preceding annual financial audit report.

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 City of Oldsmar, Florida, a municipal corporation, operates under Chapter 51-27687, Laws of Florida. The City of Oldsmar, Florida included the following component unit: the Community Redevelopment Agency (CRA) was created pursuant to Florida Statute 163.356 and City Resolution 95-25. The CRA is the only component unit identified by the City and is appropriately blended in the financial statements as a special revenue fund.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City of Oldsmar, Florida has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City of Oldsmar, Florida, 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. It is management's responsibility to monitor the City of Oldsmar, Florida'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 the 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 that we determine whether or not a special district that is a component unit of a county, municipality, or special district , provided 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 determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

Sections 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 have 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 the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, City Council Members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Wells, Houser & Schatzel, P.A.
St. Petersburg, Florida
January 2, 2020

INDEPENDENT ACCOUNTANT'S REPORT
REGARDING COMPLIANCE REQUIREMENTS IN RULES
OF THE AUDITOR GENERAL 10.556(10)

Honorable Mayor and
City Council Members
City of Oldsmar, Florida

We have examined the City of Oldsmar, Florida's (the City's) compliance with the requirements of Section 218.415, Florida Statutes during the year ended September 30, 2019. 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 and, accordingly, included 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 examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City of Oldsmar, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.



Wells, Houser & Schatzel, P.A.
St. Petersburg, Florida
January 2, 2020

Photo by Hector Colon

