

# **CITY OF SEMINOLE, FLORIDA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

***Achieving Service through Dedication***

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
FOR THE  
CITY OF SEMINOLE, FLORIDA  
FOR THE  
FISCAL YEAR ENDED SEPTEMBER 30, 2019**

**Prepared by the  
Department of Administration  
Division of Finance**

**CITY OF SEMINOLE, FLORIDA**

**COUNCIL – MANAGER FORM OF GOVERNMENT**

**CITY COUNCIL**

**Leslie Waters, Mayor**

**Trish Springer, Vice Mayor**

**Thomas Barnhorn, Councilor**

**Chris Burke, Councilor**

**Roger Edelman, Councilor**

**Bob Matthews, Councilor**

**Jim Quinn, Councilor**

**CHARTER OFFICERS**

**Ann Toney-Deal, City Manager**

**Jay Daigneault, City Attorney**

# **Introductory Section**

CITY OF SEMINOLE, FLORIDA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2019

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## **Letter of Transmittal**



# CITY OF SEMINOLE

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March 24, 2020

Honorable Mayor and Members of the City Council,

State law requires that all general-purpose local governments publish, within 12 months of the close of each fiscal year, a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement the comprehensive Annual Financial Report of the City of Seminole for the Fiscal Year (FY) ended September 30, 2019, is hereby published.

This report consists of management's representations concerning the finances of the City of Seminole. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Seminole has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Seminole's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Seminole's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. The management team asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Seminole's financial statements have been audited by Wells, Houser & Schatzel, P.A., a firm of licensed Certified Public Accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Seminole for the fiscal year ended September 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Seminole's financial statements for the fiscal year ended September 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Seminole's MD&A can be found immediately following the report of the independent auditors.

### ***Profile of the Government***

The City of Seminole, incorporated in 1970, is located in the west central part of the state between the cities of Clearwater and St. Petersburg. The City of Seminole currently occupies a land area of five and three tenths (5.3) square miles and serves a population of 19,449. The City of Seminole also provides emergency fire and EMS services to the Pinellas County unincorporated fire district with an estimated population of 66,778 resulting in an estimated total fire and EMS service population of 85,218. The City of Seminole is also a member of the Pinellas County Library Cooperative and makes library services available to residents from all of Pinellas County. Police protection, including Community Policing and School Crossing Guards, is supplied through a contract with the Pinellas County Sheriff's Office. The City of Seminole offers recreation services and special community events to its citizens and surrounding County residents. All other traditional municipal services are offered consistent with those offered by cities of comparable size. The City of Seminole is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by *State Statute* to extend its corporate limits by annexations which occur when deemed appropriate by the governing City Council.

The annual budget serves as the foundation for the City of Seminole's financial planning and control. All departments of the City of Seminole submit appropriation requests to the City Manager in March each year. The City Manager is required by the City Charter to submit a balanced proposed budget to the City Council by July 1<sup>st</sup>. The Council is required to hold two public hearings on the proposed budget and adopt a final budget no later than September 30<sup>th</sup>, the close date of the City of Seminole's fiscal year. The appropriated budget is prepared by fund, department, division and section. Governmental funds included in the Fiscal Year 2019 annual budget appropriation include the General Fund and the following non-major funds: Debt Service Fund, Special Events Fund, and Tree Mitigation Fund. A transfer of appropriations from one department to another requires a budget amendment ordinance approved by the City Council. Budget estimates to actual cost comparisons are provided in this report for the general fund for which an appropriated annual budget has been adopted. The general fund comparison is presented on page 57 as part of required supplementary information.

### ***Factors Affecting Financial Condition***

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Seminole operates.

## **Local Economy**

The City's local economy is dependent upon retail, services, and retirement living as 32% of Seminole residents are age 65 and over. The City's largest employers also reflect the large senior citizen demographic of the community. Two of the top ten employers are senior living communities and three are major retail chains. The largest single employer is St. Petersburg College which provides unique opportunities for partnership including the Seminole Community Library, which serves as the college library as well as the City library. This educational center brings in numerous commuters to the City and enhances the economy.

The City of Seminole continues to see increases in property values and a steady stream of commercial and residential construction projects throughout the City. The City of Seminole has exceeded the countywide growth rate with a 45% increase in total taxable value over the past five years. This significant growth is due to a combination of appreciation in value of existing property and redevelopment / new construction.

The State of Florida reported record tourism in 2018-2019 which positively impacts both the City of Seminole and Pinellas County governments. The overall outlook for the City continues to be optimistic and in concert with regional, state, and national trending.

State lawmakers established property tax reductions as a major goal in 2007, 2008 and 2009. As a result of these reforms, in any given year the City may not set a millage rate higher than the rolled-back millage rate without a super-majority vote of the City Council. The Legislature also initiated a Constitutional amendment that was approved in January 2008, that further limited tax revenue. Florida does not collect income tax and is heavily dependent on sales tax collected from consumer spending, which it shares with local governments. The City of Seminole has utilized a broad-based approach to revenue generation, did not overextend its resources during the boom years, and was not as severely impacted as many other cities during the recession. We are also in a good position as we move into a period of growth. In Seminole, we are always looking for ways to get the most for each dollar spent. We are also looking at our user fees to ensure that unincorporated residents pay, to the extent possible, their fair share when they avail themselves to City services.

## **Long-term Financial Planning**

Twenty years ago, the City initiated a very detailed Capital Improvement Plan (CIP) that allocates funds each year over a period of time to fund major infrastructure and equipment needs, as well as their respective replacement. All of the City's existing fleet vehicles, facilities, and infrastructure are updated, as needed, during the annual budget process. The target year of replacement, the projected cost for each item, and an annual funding level is established. These annual funds are put into the Capital Improvement Plan Fund to ensure equipment or capital projects can be funded at the appropriate time with existing funds. This process has enabled the City to purchase high dollar value equipment, land, and fund capital improvements without affecting the operating budget or requiring an increase in the ad valorem tax rate. Utilizing this disciplined process for the past twenty years, the City of Seminole

has constructed an Emergency Operations Center, a new Public Works facility, a new fire station, hardened and renovated three existing fire stations, developed three community parks, replaced all of the Fire / Rescue emergency vehicles, completed a traffic island beautification program, renovated / constructed a new recreation center, added restroom facilities in three parks, constructed an aquatics complex, completed roadway improvements, initiated a citywide drainage improvement program and completed a major renovation of the former library building into a “new” City Hall. In FY12, the City purchased a little over eight acres of land with access to the inter-coastal waterway to establish Waterfront Park. The City has completed the first two phases of Waterfront Park with additional phases scheduled through FY 2021. All of the above-mentioned projects were or will be completed utilizing the funds available in the CIP Fund, Local Infrastructure Sales Tax (Penny for Pinellas) Fund and grants.

### **Cash Management Policies and Practices**

The City’s cash and investment management program involves a theory of keeping principal and interest earnings free from risk and maintaining reasonable liquidity to meet obligations. The investment cash is held at Wells Fargo Bank, SunTrust Bank, Florida Municipal Investment Trust, State Board of Administration, Florida Prime, Florida SAFE, Florida Cooperative Liquid Assets Securities Systems (Florida CLASS) and BB&T in collateralized accounts regulated by the State. The City’s total cash, cash equivalents and investments on September 30, 2019, totaled \$16,484,330. This represents a slight increase over the prior year.

### **Risk Management**

During 2002, the City of Seminole initiated a limited risk management program for workers’ compensation. Various control techniques are in place, including employee accident prevention training for all new hires and periodic specialized training for employees based on their risk category. The City’s Human Resource Director leads a multi-department Safety Committee which reviews claims and makes recommendations for future risk mitigation/prevention. The Director also reviews quarterly claims reports to ensure that the loss data is up to date and not overstated.

### **Pension Benefits**

The City maintains a single employer, defined benefit pension plan (Firefighters’ Pension Chapter 175 Plan) which covers all of its firefighters. The City rejoined the Florida Retirement System (FRS) on March 28, 2006. All future general employees will be in the FRS and current employees were given the option to re-enter the FRS retroactive to their starting date or to remain in the 401(a) plan. The plans also provide disability and survivor benefits. Benefits are determined by category and length of service as follows:

#### **Firefighters’ Chapter 175 Retirement Plan**

Normal retirement is at age 55 and the completion of 10 years of service, or 25 years of service regardless of age, or attainment of age 62 regardless of the number of years of service; benefit is 3 times number of years of service times the average of highest five years average earnings.

The pension benefit obligations for the firefighters' pension plan is determined as part of an actuarial valuation of the plan for all eligible employees. The City's funding policy is to provide for periodic employer contributions at actuarially determined rates. These rates are expressed as percentages of annual covered payroll which, when combined with employee and state contributions, are designed to accumulate sufficient assets to pay benefits when due.

## **Florida Retirement System**

### Defined Benefit Plan

For employees enrolled prior to 7/1/2011: Vesting is attained at six years of service. Normal retirement at the earlier of age 62 and full vesting, 30 years of service regardless of age, or the age after 62 when the employee becomes vested, whichever comes first. Benefit is 1.6 (for general employees) or 2.0 (for executive management) times years of service times the average of highest five years average earnings.

For employees enrolled after 7/1/2011: Vesting is attained at eight years of service. Normal retirement at the earlier of age 65 and full vesting, 33 years of service regardless of age, or the age after 65 when the employee becomes vested, whichever comes first. Benefit is 1.6 (for general employees) or 2.0 (for executive management) times years of service times the average of highest eight years average earnings.

### Defined Contribution Plan

Vesting is attained after one year of service. Employee is eligible for all employer and employee contributions and their earnings upon termination of employment.

## **401(a) Plan**

Select senior management positions and employees who elected not to participate in FRS pension plan when the City rejoined in 2006 have this plan type, whereby the City contributes 10% of salary to a self-directed 401(a) Plan. The employee is 25% vested after 2 years, 50% vested after 3 years, 75% vested after 4 years and 100% vested after the fifth year.

## **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Seminole for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2018. This was the 21st consecutive year that the City of Seminole has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR 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 for Fiscal Year 2019.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance division and the administration department. We would like to express our appreciation to all staff members who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the members of the City Council for their unfailing dedication in maintaining the highest standards of professionalism in the policy development for the City of Seminole's finances.

Respectfully submitted,

A handwritten signature in cursive script that reads "Ann Toney-Deal". The ink is dark and the signature is fluid, with the first and last names being more prominent than the middle name.

Ann Toney-Deal, ICMA-CM  
City Manager

# **Certificate of Achievement**





Government Finance Officers Association

**Certificate of  
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Presented to

**City of Seminole  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Morrell*

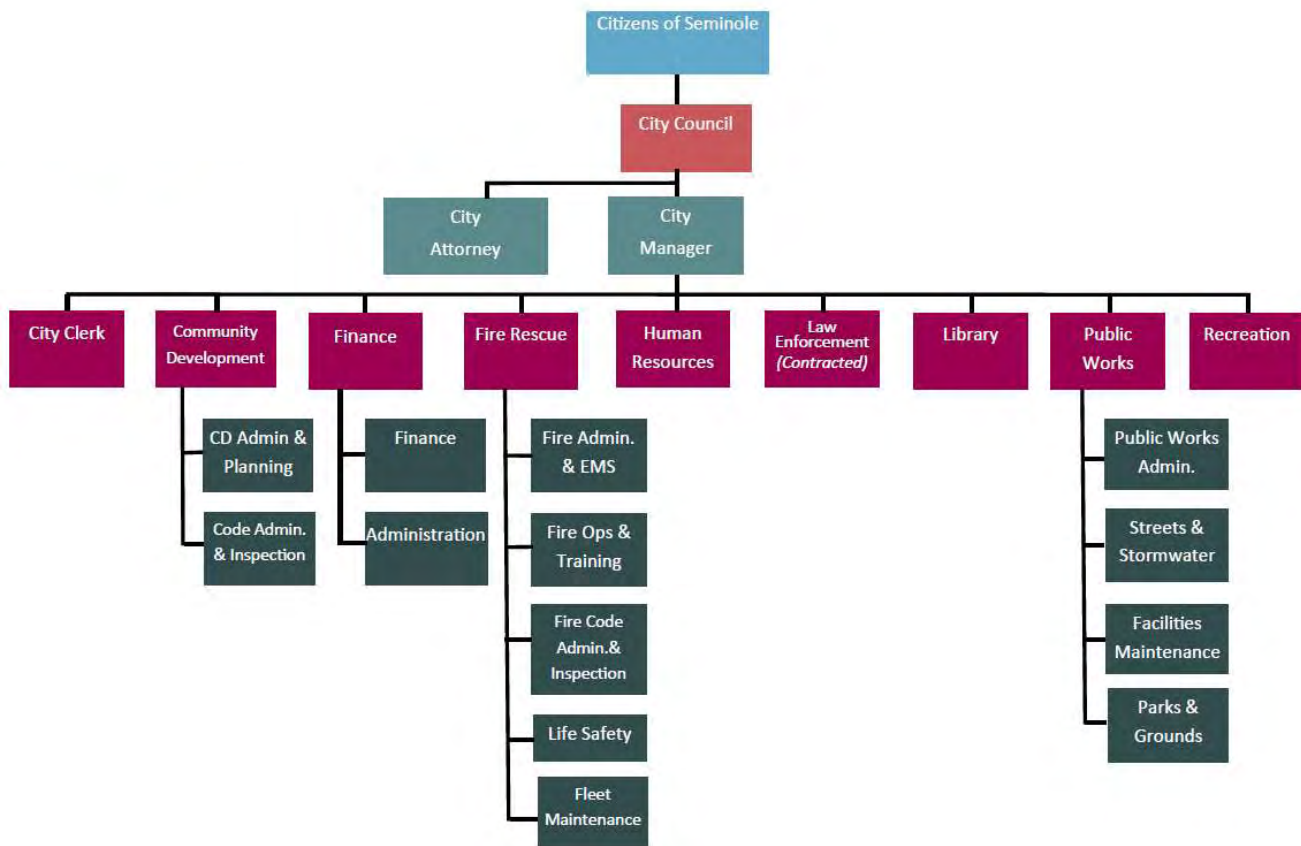
Executive Director/CEO

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## **Organization Chart**



**FY 2018-2019 City of Seminole  
Organizational Chart**



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# **Financial Section**

This section contains the following subsections:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Combining Financial Statements

Other Supplementary Schedules

## **Independent Auditor's Report**

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, City Council and City Manager  
City of Seminole, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Seminole, 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.

### **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, each major fund, and the aggregate remaining fund information of the City of Seminole, Florida, as of September 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.





## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis (pages 3-14) 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 Seminole, Florida's basic financial statements. The introductory section, combining and individual fund financial statements, statistical section and service efforts and accomplishments information (pages 99-112) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The required budgetary comparison schedule (pages 57-61) and the required pension and postemployment benefits schedules (pages 62-65) 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 budgetary comparison schedule, required pension schedules, combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule, required pension schedules, and the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

### *Prior Year Comparative Information*

The prior year summarized comparative information has been derived from the City's September 30, 2018 financial statements and, in our report dated March 15, 2019, we expressed an unmodified opinion on the basic financial statements.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2020, on our consideration of the City of Seminole, 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 Seminole, Florida's internal control over financial reporting and compliance.

*Wells, Houser & Schatzel, P.A.*

Wells, Houser & Schatzel, P.A.  
St. Petersburg, Florida

February 23, 2020

## **Management's Discussion and Analysis**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Seminole's discussion and analysis is designed to (a) assist the reader in focusing on significant issues (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page v) and the City's financial statements (beginning on page 16).

### HIGHLIGHTS

#### Financial Highlights

- The City was required to implement GASB Statement No. 75, *Accounting and Financial Reporting for Other Post-Employment Benefits (OPEB)*, for the fiscal year ending 9/30/18. As a result, an actuarial analysis was conducted and found the citywide liability to be \$456,256 as of September 30, 2018 and \$458,854 as of September 30, 2019.
- The City's net position increased \$2,751,623 (or 5.76%). On a government-wide basis, net position is the difference between total assets and deferred outflows of resources compared to total liabilities and total deferred inflows of resources.
- The City was required to implement Governmental Accounting Standards Board (GASB) Statement Number 68, *Accounting and Financial Reporting for Pensions*, during reporting for fiscal year 2015. This has resulted in the City recording a net pension liability for the Firefighters' Pension Trust Fund in the government-wide financial statements in the amount of \$4,624,434 as of September 30, 2019. Additionally, the City has recorded a net pension liability for its proportionate share of the Florida Retirement System (FRS) in the amount of \$4,455,074 as of September 30, 2019.
- The Firefighters' Pension Trust Fund *total* pension liability is 89% funded as of September 30, 2019. The *total* pension liability for the Florida Retirement System, excluding the pay-as-you-go Retiree Health Insurance Subsidy portion, is 83% funded. The overall net pension liability for the City for both retirement plans as of September 30, 2019 is \$9,079,508. This amount represents the cumulative net reduction of the City's net position as a result of recording the net pension liabilities.
- The City's total long-term bonded debt decreased by \$933,449 in 2019, resulting in the bond indebtedness being completely paid off. The final payment on the 2014 Revenue Bonds was made in September 2019. The cumulative amount of compensated absences increased \$73,018 and totaled \$932,689 at year-end.

- Total revenues in all funds increased \$1,160,034 (5.7%) with an increase in tax revenues of \$616,964 and an increase in intergovernmental revenues of \$538,267. The added tax revenues consisted primarily of ad valorem tax increases of \$327,518 and utility taxes and franchise fees increases totaling \$242,218. Intergovernmental revenue increases pertained primarily to the City receiving Federal and State of Florida FEMA reimbursements totaling \$524,497 related to Hurricane Irma.
- Total expenditures within all funds increased \$2,341,893 (12.4%) during the current year. General Fund expenditures, exclusive of inter-fund transfers, increased \$299,988 (1.8%). This increase occurred primarily due to an increase in public safety costs of \$518,334 being offset by a decrease in general government costs of \$382,627. An increase in capital outlay activity accounted for the increase in Infrastructure Sales Surtax Fund expenditures of \$576,931 and the increase in Capital Improvement Fund expenditures of \$1,464,272. The significant capital expenditures are discussed below in the “City Highlights” section.
- The General Fund realized an excess of revenues over expenditures in the amount of \$2,483,965, which is \$918,057, or 58.6%, higher than the same measure in the prior year. As noted above, the increase in ad valorem taxes, utility taxes and franchise fees contributed to the increase. The current year transfer of funds from the General Fund to the Capital Improvement Fund was \$1,230,935, a decrease from the prior year of \$509,805. The net result was that the General Fund had an overall increase in fund balances of \$1,287,915.
- Revenue in the City’s non-major funds, which are comprised of the Special Events, Library and Tree and Landscape Mitigation Funds, was down by \$48,324 in fiscal year 2019 due to fewer funds being received for special events and no additional revenue being received during 2019 for tree and landscape mitigation. While the expenditures in these funds remained stable, the decrease in revenue resulted in a decrease in fund balances for these funds of \$9,409 overall in 2019 compared to 2018 when there was an increase of \$36,822.
- The City’s capital asset additions (buildings and improvements, construction and projects in progress, equipment and infrastructure) were \$3,681,845 and current year depreciation of the capital assets totaled \$1,458,272.

## **City Highlights**

Preservation of the City’s infrastructure has continued to be a goal and priority of the City Council. The City completed a project rehabilitating stormwater conveyance pipes in fiscal year 2019 that was a part of the drainage master plan at a cost of \$132,925. Roadway resurfacing projects completed during fiscal year 2019 amounted to \$140,050. The City was also able to add to the available public space by acquiring land adjacent to existing City property at a cost of \$1,504,244 in fiscal year 2019. The City was able to make this purchase from funds available in the Infrastructure Sales Surtax Fund and the Capital Improvement Fund without having to incur new debt.

Recreation and greenspace are paramount to delivering a high quality of life for residents. The development of the City’s 8-acre waterfront land parcel has continued in fiscal year 2019 with \$176,519 being expended for development of the site. A new playground shade structure was added to the Recreation Center at a cost of \$93,276.

The lessons learned after Hurricane Irma, which hit the state of Florida in September 2017, have been acted on by the City during the years since the storm occurred. Although the City was spared from catastrophic damage, the event served as a catalyst to replace generators at City Hall, the Community Building and Fire Stations 30 and 31 in fiscal year 2018 and in fiscal year 2019 generators were purchased for the Recreation Center and Fire Station 29 at a cost of \$597,497 and \$96,995, respectively. The roof at City Hall was restored during 2019 at a cost of \$132,674 and the HVAC system was replaced for \$164,061. A city-wide computer backup system was put into service during 2019 that cost \$50,920 and new computer servers were installed at the City's Emergency Operations Center totaling \$11,889.

The Fire Rescue Department replaced a fire engine in fiscal year 2019 at a cost of \$435,201 that will be placed in service during fiscal year 2020.

### **Government-Wide Financial Statements**

The government-wide statements (see pages 16 to 19) are designed to be corporate-like in that all governmental activities are consolidated into a column that adds up to a total for the primary government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the City and its governmental activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The Statement of Activities (see pages 18 and 19) is focused on both the gross and net cost of various activities that are supported by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services.

The governmental activities in the Statement of Activities reflect the City's basic services, including general government, law enforcement, fire, code enforcement, physical environment, public works, library and recreation. Property taxes, utility service taxes, gas taxes, sales tax and charges for services finance the majority of these services.

### **Fund Financial Statements**

Traditional users of governmental financial statements will find the Fund Financial Statement presentation more familiar. The focus is now on Major Funds, rather than (the previous model's) fund types.

The Governmental Major Fund presentation (see pages 20 to 26) is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Fund (see pages 27 and 28) by type (employee retirement fund). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

## Infrastructure Assets

The City implemented GASB Statement #34 in fiscal year 2002. Prior to the implementation of this accounting pronouncement, a government's largest group of assets (infrastructure – roads, bridges, traffic signals, and underground pipes) had not been reported or depreciated in governmental financial statements. GASB Statement #34 required that these assets be valued and recorded within the governmental activities column of the government-wide financial statements. Additionally, the government must elect to either (a) depreciate these assets over their estimated useful life or (b) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The City of Seminole has elected to depreciate their assets over their estimated useful life.

## GOVERNMENT-WIDE STATEMENTS

### Statement of Net Position

The following table reflects a condensed comparative Statement of Net Position as of September 30, 2019.

**Table 1**  
**Statement of Net Position**  
**As of September 30**

	2019	2018
Current assets	\$ 18,717,328	\$ 18,569,387
Capital assets	41,289,855	39,107,284
Total assets	60,007,183	57,676,671
Deferred outflows of resources	4,111,765	4,609,172
Total assets and deferred outflows of resources	\$ 64,118,948	\$ 62,285,843
Current liabilities	\$ 2,055,288	\$ 3,157,333
Non-current liabilities	9,699,803	9,457,831
Total liabilities	11,755,091	12,615,164
Deferred inflows of resources	1,831,366	1,889,811
Net position:		
Net investment in capital assets	41,289,855	38,173,835
Restricted	8,026,615	7,800,173
Unrestricted	1,216,021	1,806,860
Total net position	50,532,491	47,780,868
Total liabilities, deferred inflows of resources and net position	\$ 64,118,948	\$ 62,285,843

For more detailed information see the Statement of Net Position (pages 16 - 17).

## **Normal Impacts**

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets.

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and net investment in capital assets.

## **Current Year Impacts**

The second and third transactions above will not directly or indirectly affect the unrestricted net position balance. The remaining basic transactions above directly/indirectly affect the unrestricted net position as indicated in the following schedule. The adjusted results of operation, current assets used for capital, and bond principal payments clearly demonstrate the change in unrestricted net position.

**Table 2**  
**Change in Unrestricted Net Position**

	2019
Unrestricted Net Position 9/30/18	\$ 1,806,860
Results of Operations	2,751,623
Adjustments:	
Restricted - Infrastructure <sup>1</sup>	(297,771)
Restricted - Impact fees <sup>1</sup>	(21,595)
Restricted - Fire equipment <sup>1</sup>	92,074
Restricted – Tree and landscape mitigation <sup>1</sup>	850
Depreciation <sup>2</sup>	1,458,272
Un-depreciated cost of assets sold or disposed <sup>2</sup>	41,002
Adjusted Results of Operations	4,024,455

**Table 2 (continued)**  
**Change in Unrestricted Net Position**

	2019
Capital Expenditures	(3,681,845)
Principal payments including refunding	(933,449)
Unrestricted Net Position 09/30/19	<u>\$ 1,216,021</u>

<sup>1</sup> These adjustments reflect an (increase) decrease in restricted net position and (decrease) increase in unrestricted results of operations.

<sup>2</sup> These adjustments are an expense that reduces the results of operations but does not have an impact on unrestricted net position.

### **Commitments Against Unrestricted Net Position**

The Unrestricted Net Position balance is intended to be a corporate-style measure of well being (or a bottom line) for the City and its related governmental activities. While the City Council and the administration (City Manager, Department Heads, etc.) may have made varying commitments against these balances, these choices are subject (and within local discretion) to be revisited and changed. A normal type of commitment is for future capital projects.

It should also be understood that having reasonable levels of reserves is essential to the bond markets' perceptions of local government strength and related ability to utilize private sector styled business practices, and provides for the availability to anticipate interest as a significant annual (recurring) revenue source.

### **Statement of Activities**

The following schedule reflects a condensed comparative Statement of Changes in Net Position as of September 30, 2019.

**Table 3**  
**Change in Net Position**

	2019	2018
Revenues:		
Program revenues:		
Charges for services	\$ 9,131,672	\$ 9,154,941
Operating grants and contributions	811,112	383,514
Capital grants and contributions	107,000	12,724
General revenues		
Taxes	10,522,874	9,899,328
State revenue sharing	605,606	584,888
Investment income	225,351	122,915
Miscellaneous	176,694	261,965
Total revenues	<u>21,580,309</u>	<u>20,420,275</u>



**Table 3 (continued)**  
**Change in Net Position**

	2019	2018
Expenses:		
General government	\$1,690,641	\$ 2,030,218
Law enforcement	1,786,677	1,721,662
Fire	9,513,529	9,619,363
Code enforcement	560,764	490,354
Physical environment	1,040,052	978,715
Public works	1,121,291	1,080,151
Library	1,280,567	1,159,473
Recreation	1,824,599	1,762,796
Interest on long-term debt	10,566	21,912
Total expenses	<u>18,828,686</u>	<u>18,864,644</u>
Increase in Net Position	2,751,623	1,555,631
Net position – beginning of year	47,780,868	46,517,467
Prior period adjustment	-	(292,230)
Net position – beginning of year as restated	<u>47,780,868</u>	<u>46,225,237</u>
Net position – end of year	<u>\$ 50,532,491</u>	<u>\$ 47,780,868</u>

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

### **Normal Impacts**

There are eight basic impacts on revenues and expenses as reflected below.

#### **Revenues:**

*Economic Condition* – which can reflect a declining, stable or growing economic environment and has a substantial impact on property, sales, gas or other tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

*Increase/Decrease in Council approved rates* – while certain tax rates are set by statute, the City Council has a significant authority to impose and periodically increase/decrease rates (permitting, impact fee, recreation user fees, etc.)

*Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring)* – certain recurring revenues (state revenue sharing, block grant, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

*Market Impacts on Investment Income* – due to varying maturities on the City's investments and the varying nature of the market in general, City investment income may fluctuate from year to year.

### Expenses:

*Introduction to New Programs* –within the functional expense categories (General Government, Law Enforcement, Fire, Code Enforcement, Physical Environment, Public Works, Library, and Recreation) individual programs may be added or deleted to meet changing community needs.

*Increase/Decrease in Authorized Personnel* – changes in service demand may cause the Council to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 58% of the City's General Fund budget.

*Salary Increases (cost of living, merit and market adjustment)* – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace.

*Inflation* – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as chemicals, supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

### Current Year Impacts:

#### Revenues

##### *Year-Over-Year*

As previously noted, total revenues in all funds increased \$1,160,034 (5.68%) with significant increases in the General Fund of \$1,218,045 (6.72%) and the Infrastructure Sales Surtax Fund of \$115,930 (6.21%) offset by a decrease in Transportation Impact Fee Fund (due to slowing of development) of \$114,330 (59.81%).

The General Fund revenue increase pertaining to ad valorem property taxes was \$327,518 (10.34%) as additional properties were added in the Seminole City Center, through new construction and continued annexations. The City saw a significant 10.73% increase in taxable value of properties over the prior year.

There was an increase in non-ad valorem taxes in the area of utility taxes and franchise fees which saw a total increase of \$242,218 (8.93%) which was due in large part to the substantial completion of the \$150M Seminole City Center Entertainment and Retail District.

The City's intergovernmental revenues increased \$549,644 in fiscal year 2019 which represents a 22.94% increase. The increase was largely due to the receipt of Federal and State of Florida FEMA reimbursements totaling \$524,497 for expenses incurred in the clean-up from Hurricane Irma.

Charges for service increased 1.55% or \$126,354 overall. The City supplies Fire/EMS protection to a large unincorporated area surrounding the City. Pinellas County contributes 100% of EMS costs and approximately 70% of fire service costs for the City to provide these services to the unincorporated area. Fire protection service revenue for the unincorporated service area increased \$102,428 (2.13%) and EMS fees increased \$68,528 (3.00%) over prior year actuals.

The income from invested City funds increased \$93,057 or 77.07% over the prior year as the City was able to improve upon the yield of its investments.

### *Budget to Actual*

Total General Fund revenues of \$19,374,686 (page 57) were 11.2% higher than final budgeted levels of \$17,422,645 (this amount excludes the budgeted transfer from other funds of \$1,315,086 that were not made in 2019), yielding an additional \$1,952,041. Taxes, intergovernmental and charges for services comprised the majority of those overages. Current and delinquent ad valorem revenue was \$26,326 higher than budgeted levels. Franchise fees and utility taxes yielded \$496,247 in budget overages. These revenues are based on consumption and are budgeted conservatively because weather patterns are unpredictable.

Intergovernmental revenues, such as the one-half cent sales tax and a statewide sales tax revenue sharing, are signs of economic health and cannot always be predicted in advance. The one-half cent sales tax revenues were \$176,721 over budget and state sales tax revenue sharing was \$140,606 over budgeted levels. These revenues reflect a strong tourism industry within the State of Florida. The Federal and State of Florida FEMA reimbursements were \$524,497 over budget due to the uncertainty as to when these funds would be received.

Within charges for services, fire protection fees were \$216,685 over budgeted levels. This amount includes the Pinellas County capital asset acquisition reserve funding of \$215,308.

### Expenses

#### *Year-Over-Year*

As previously noted in the Financial Highlights section, citywide expenses within all funds increased \$2,341,893 or 12.4% over 2018 levels. The overall increase in all funds was a result of increased spending in the Infrastructure Sales Surtax Fund of \$576,931 and an increase in the Capital Improvement Fund of \$1,464,272. Significant capital expenditures were made in these two funds in fiscal year 2019 as was previously discussed in the Financial Highlights section.

General Fund expenditures, exclusive of inter-fund transfers, increased \$299,988 (1.8%). Public Safety costs increased in the areas of the City's funding of the Firefighters' Pension Plan (\$202,033), increases in fire vehicle maintenance (\$125,997), Code Enforcement salaries (\$45,806) and the contracted rate for law enforcement services to the Pinellas County Sheriff's Office (\$54,392). The increase in Public Safety expenditures was offset by a decrease in General Government costs in the areas of administration personnel costs (\$152,593) and facilities operating expenditures (\$40,678).

### *Budget to Actual*

The following is a brief review of the variances from the final budget to the actual expenditures for the General Fund.

- (a) The Executive division of General Government had a positive variance of \$104,617 primarily as a result of reduced retirement contributions (\$10,445) and not having to expend any amounts for budgeted contingencies (\$70,500).
- (b) The Administrative division of General Government had a positive variance of \$106,457 as a result of actual salaries and related costs being below budget (\$165,930) which was offset by unanticipated Hurricane Irma clean-up costs (\$62,914) that had not been invoiced timely.
- (c) The Fire Operations division of Public Safety had an unfavorable variance of \$194,921 primarily due to un-budgeted capital outlay expenditures (\$157,518 including a generator for Station 29 costing \$96,995). Fire Operations operating costs were over budget by \$159,047

due primarily to unanticipated vehicle maintenance costs increases (\$99,353). The operating expense negative budget variance was partially offset by a positive budget variance of \$121,644 for personnel expenses.

- (d) The Parks division of Physical Environment had a positive variance of \$152,118 due primarily to operating expenses being under budget in almost all categories.
- (e) The Administration division of Public Works had a favorable variance of \$181,351 primarily as a result of personnel costs being under budget (\$79,047), contractual services being under budget (\$49,491) and street light actual costs being under budget (\$19,919).
- (f) The Recreation Department had a positive variance of \$92,939 as a result of spending below budgeted levels for part-time salaries and seasonal employee salaries (\$44,440) and also as a result of incurring less expense for instructors and other contracted services (\$33,160). This reduction in instructor and contracted services also yielded reduced revenue charges for services from Recreation programs.

## **THE CITY FUNDS**

### **Governmental Funds**

As of year-end, the governmental funds (as presented on the balance sheet on pages 20-21) reported a combined fund balance of \$17.30 million, which is a 2.25% increase from the beginning of the year (\$16.92 million). The overall increase in fund balances of \$378,308 stems from the General Fund increase of \$1,287,915 and the Infrastructure Sales Surtax Fund increase of \$297,771 that is offset by the Capital Improvement Fund decrease of \$1,219,695. It should be noted that the Infrastructure Sales Surtax Fund increase of \$297,771 serves to increase the amount restricted for infrastructure capital improvements.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

As of year-end, the City had \$41,289,855 invested in a variety of capital assets, as reflected in the following schedule, which represents a net increase (additions less net retirements and depreciation) of \$2,182,571 or 5.6% from the end of last year.

**Table 4**  
**Capital Assets at Year-End**  
**(Net of Depreciation)**

	Governmental Activities	
	2019	2018
Non-Depreciable assets		
Land and improvements	\$ 7,041,882	\$ 5,537,638
Land improvements - roadway base	4,971,447	4,971,447
Construction in progress	2,141,215	1,870,902
Depreciable assets		
Buildings	26,151,437	25,987,376
Improvements other than buildings	4,640,695	3,813,528
Equipment	7,516,738	7,243,966

**Table 4 (continued)**  
**Capital Assets at Year-End**  
**(Net of Depreciation)**

	2019	2018
Infrastructure	\$ 8,304,944	\$ 8,031,968
Total at historical cost	60,768,358	57,456,825
Less accumulated depreciation for:		
Buildings	7,651,205	7,010,208
Improvements other than buildings	2,411,360	2,201,107
Equipment	4,840,565	4,796,412
Infrastructure	4,575,373	4,314,814
Total accumulated depreciation	19,478,503	18,349,541
Capital assets, net	<u>\$ 41,289,855</u>	<u>\$ 39,107,284</u>

The following reconciliation summarizes the Change in Capital Assets, which is presented in more detail on pages 40 and 41 of the notes to the financial statements.

**Table 5**  
**Change in Capital Assets**

	Governmental Activities
Capital Assets, Beginning Balance	\$ 39,107,284
Additions / Transfers In - Net	2,223,573
Deletions - Net	(41,002)
Capital Assets, Ending Balance	<u>\$ 41,289,855</u>

### **Debt Outstanding**

As of year-end, the City had no remaining bonded debt outstanding, which represents a net decrease of \$933,449 or 100% from the end of last year. On September 2, 2014, the City issued the Series 2014 Revenue bonds at a lower interest rate than the outstanding Series 2009 bonds and through a current refunding retired the 2009 Revenue Bonds resulting in a savings of \$324,648. The Series 2014 Revenue Bonds were also used to help finance the construction of a Community building. The City has no outstanding general obligation (G.O.) debt.

**Table 6**  
**Outstanding Debt, at year-end**  
**(excluding compensated absences)**

	Governmental Activities
	2019      2018
Revenue Bonds 2014 payable	<u>\$ -</u> <u>\$ 933,449</u>

More detail on the City's total debt outstanding as of September 30, 2019 is provided in the notes to the financial statements on pages 41 to 42.

## **ECONOMIC FACTORS**

The State of Florida, by constitution, does not have a state personal income tax and, therefore, the State 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 permitted other taxes (sales, gasoline, utilities services, etc.) and fees (franchise, local business tax, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments. For certain governmental activities (permitting, recreational programs, etc.) the user pays a related fee (or charge) associated with the service.

The level of taxes, fees and charges for services (including development related impact fees) will have a bearing on the City's specific competitive ability to (a) annex additional land into its corporate limits and (b) encourage development (office, retail, residential and industrial) to choose to be located in the jurisdiction. The City places significant emphasis on encouraging both annexation and economic development.

The Pinellas County unemployment rate (in which the City is located) has remained relatively constant at 3.3% compared to last year's level of 3.1%. Property values began increasing during 2013 and this favorable trend has continued to favorably impact Ad Valorem tax revenues in 2019. It is hoped that as the City continues to place more emphasis on neighborhood improvements in the residential areas (by providing improvements to the streets, sidewalks, drainage and infrastructure) and redevelopment, that property values within the City will respond and show a continued increase.

## **FINANCIAL CONTACT**

The City's financial statements are designed to present users (citizens, taxpayers, customers, rating agencies, 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 information contact the City's Finance Director or Senior Accountant, City of Seminole, 9199 113<sup>th</sup> Street North, Seminole, FL 33772 – telephone (727) 391-0204.

## **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, except for its fiduciary activities. The fund financial statements present financial information about major funds individually and nonmajor funds in the aggregate for the governmental funds and fiduciary funds in the aggregate. 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.

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## CITY OF SEMINOLE, FLORIDA

## STATEMENT OF NET POSITION

September 30, 2019

With Comparative Amounts for September 30, 2018

	Governmental Activities	
	2019	2018
ASSETS		
CURRENT ASSETS		
Cash, pooled cash, and cash equivalents	\$ 16,484,330	\$ 16,087,775
Receivables		
Accounts	-	5,426
Taxes	304,665	272,993
Due from other governments	1,740,164	1,983,905
Inventories - at cost	81,463	82,315
Prepaid items	106,706	136,973
Total current assets	<u>18,717,328</u>	<u>18,569,387</u>
NON-CURRENT ASSETS		
Land, improvements and land rights	12,013,329	10,509,085
Buildings	26,151,437	25,987,376
Improvements other than buildings	4,640,695	3,813,528
Equipment	7,516,738	7,243,966
Infrastructure	8,304,944	8,031,968
Construction in progress	2,141,215	1,870,902
Accumulated depreciation	(19,478,503)	(18,349,541)
Total non-current assets	<u>41,289,855</u>	<u>39,107,284</u>
TOTAL ASSETS	<u>60,007,183</u>	<u>57,676,671</u>
DEFERRED OUTFLOWS OF RESOURCES		
Total Other Postemployment Benefits	\$ 30,968	33,699
Defined benefit pension plan - Firefighters' Pension Fund	2,524,816	2,640,049
Defined benefit pension plan - Florida Retirement System	1,555,981	1,935,424
	<u>4,111,765</u>	<u>4,609,172</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 64,118,948</u>	<u>\$ 62,285,843</u>

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

	Governmental Activities	
	2019	2018
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 359,936	\$ 643,966
Accrued liabilities	924,104	891,009
Current portion of		
Compensated absences	771,248	688,909
Revenue bonds payable	-	933,449
Total current liabilities	<u>2,055,288</u>	<u>3,157,333</u>
NON-CURRENT LIABILITIES		
Total Other Postemployment Benefits liability	458,854	456,256
Compensated absences	161,441	170,762
Net Pension Liability - Firefighters' Pension Fund	4,624,434	4,545,439
Net Pension Liability - Florida Retirement System	4,455,074	4,285,374
Total non-current liabilities	<u>9,699,803</u>	<u>9,457,831</u>
TOTAL LIABILITIES	<u>11,755,091</u>	<u>12,615,164</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	136,803	117,152
Total Other Postemployment Benefits	44,611	24,495
Defined benefit pension plan - Firefighters' Pension Fund	1,186,320	1,374,528
Defined benefit pension plan - Florida Retirement System	463,632	373,636
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,831,366</u>	<u>1,889,811</u>
NET POSITION		
Net investment in capital assets	41,289,855	38,173,835
Restricted:		
Infrastructure	5,852,970	5,555,199
Impact fees	630,682	609,087
Fire equipment	1,284,168	1,376,242
Library	109,822	109,822
Tree and landscape mitigation	148,973	149,823
Unrestricted	<u>1,216,021</u>	<u>1,806,860</u>
TOTAL NET POSITION	<u>50,532,491</u>	<u>47,780,868</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 64,118,948</u>	<u>\$ 62,285,843</u>

CITY OF SEMINOLE, FLORIDA

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2019

With Comparative Amounts for the Year Ended September 30, 2018

<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>
			<u>Contributions</u>	<u>Contributions</u>
GOVERNMENTAL ACTIVITIES				
General government	\$ 1,690,641	\$ 626,496	\$ 524,497	\$ -
Law enforcement	1,786,677	21,137	-	-
Fire	9,513,529	7,327,021	24,114	1,000
Code enforcement	560,764	480,346	-	-
Physical environment	1,040,052	87,567	11,618	-
Public works	1,121,291	-	25,713	6,000
Library	1,280,567	80,300	225,170	-
Recreation	1,824,599	508,805	-	100,000
Interest on long-term debt	10,566	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	18,828,686	9,131,672	811,112	107,000

General Revenues

Taxes:

Ad valorem

Franchise fees

Utility taxes

Communication services tax

Half-cent sales tax

Infrastructure tax

Local option gas tax

Other taxes

State revenue sharing

Investment income

Miscellaneous

Total general revenues

Change in net position

Net position - beginning of year

Prior period adjustments - Note M

Net position - beginning of year as restated

Net position - end of year

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

Net (Expense) Revenue and Changes in Net Position - Governmental Activities	
2019	2018
\$ (539,648)	\$ (1,414,185)
(1,765,540)	(1,694,151)
(2,161,394)	(2,358,638)
(80,418)	(36,784)
(940,867)	(663,191)
(1,089,578)	(1,049,277)
(975,097)	(860,277)
(1,215,794)	(1,215,050)
(10,566)	(21,912)
<u>(8,778,902)</u>	<u>(9,313,465)</u>

3,494,421	3,166,903
1,594,494	1,469,464
1,359,180	1,241,992
625,481	684,754
1,224,721	1,197,042
1,972,451	1,865,950
227,493	248,941
24,633	24,282
605,606	584,888
225,351	122,915
176,694	261,965
<u>11,530,525</u>	<u>10,869,096</u>
<u>2,751,623</u>	<u>1,555,631</u>
47,780,868	46,517,467
-	(292,230)
<u>47,780,868</u>	<u>46,225,237</u>
<u>\$ 50,532,491</u>	<u>\$ 47,780,868</u>

## CITY OF SEMINOLE, FLORIDA

BALANCE SHEET  
GOVERNMENTAL FUNDS

September 30, 2019

With Comparative Amounts for September 30, 2018

	2019			
	General	Transportation Impact Fee	Grants	Infrastructure Sales Surtax
<b>ASSETS</b>				
Cash, pooled cash, and cash equivalents	\$ 7,200,943	\$ 725,888	\$ 247,697	\$ 5,577,339
Receivables:				
Accounts	-	-	-	-
Taxes	304,665	-	-	-
Due from other governments	1,464,533	-	-	275,631
Inventories - at cost	81,463	-	-	-
Prepaid items	106,706	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 9,158,310</u>	<u>\$ 725,888</u>	<u>\$ 247,697</u>	<u>\$ 5,852,970</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 213,225	\$ 95,206	\$ -	\$ -
Accrued liabilities	924,104	-	-	-
<b>TOTAL LIABILITIES</b>	<u>1,137,329</u>	<u>95,206</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue	<u>136,803</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Fund balances				
Nonspendable:				
Inventories	81,463	-	-	-
Prepaid items	106,706	-	-	-
Restricted for:				
Infrastructure	-	-	-	5,852,970
Impact fees	-	630,682	-	-
Fire equipment - County	-	-	-	-
Library	-	-	-	-
Tree and landscape mitigation	-	-	-	-
Committed for:				
Subsequent year contractual obligations	12,521	-	-	-
Grants fund	-	-	247,697	-
Special events fund	-	-	-	-
Assigned to:				
Capital projects	1,589,945	-	-	-
Unassigned:				
General fund	<u>6,093,543</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUND BALANCES</b>	<u>7,884,178</u>	<u>630,682</u>	<u>247,697</u>	<u>5,852,970</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 9,158,310</u>	<u>\$ 725,888</u>	<u>\$ 247,697</u>	<u>\$ 5,852,970</u>

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

			2018
Capital Improvement	Other Governmental Funds	Total Governmental Funds	Total
\$ 2,390,584	\$ 341,879	\$ 16,484,330	\$ 16,087,775
-	-	-	5,426
-	-	304,665	272,993
-	-	1,740,164	1,983,905
-	-	81,463	82,315
-	-	106,706	136,973
<u>\$ 2,390,584</u>	<u>\$ 341,879</u>	<u>\$ 18,717,328</u>	<u>\$ 18,569,387</u>
\$ 50,920	\$ 585	\$ 359,936	\$ 643,966
-	-	924,104	890,092
<u>50,920</u>	<u>585</u>	<u>1,284,040</u>	<u>1,534,058</u>
-	-	136,803	117,152
-	-	81,463	82,315
-	-	106,706	136,973
-	-	5,852,970	5,555,199
-	-	630,682	609,087
1,284,168	-	1,284,168	1,376,242
-	109,822	109,822	109,822
-	148,973	148,973	149,823
110,703	-	123,224	139,405
-	-	247,697	247,566
-	82,499	82,499	91,058
944,793	-	2,534,738	3,360,873
<u>-</u>	<u>-</u>	<u>6,093,543</u>	<u>5,059,814</u>
<u>2,339,664</u>	<u>341,294</u>	<u>17,296,485</u>	<u>16,918,177</u>
<u>\$ 2,390,584</u>	<u>\$ 341,879</u>	<u>\$ 18,717,328</u>	<u>\$ 18,569,387</u>

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CITY OF SEMINOLE, FLORIDA

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

September 30, 2019

Fund Balances - total governmental funds	\$ 17,296,485
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Amounts reported for governmental activities in the statement of  
net position are different because:

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

Governmental capital assets	\$ 60,768,358	
Less accumulated depreciation	<u>(19,478,503)</u>	41,289,855

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

Total Other Postemployment Benefits (OPEB) liability	(458,854)	
Compensated absences	(932,689)	
Net Pension Liability - Fire Pension	(4,624,434)	
Net Pension Liability - Florida Retirement System	<u>(4,455,074)</u>	(10,471,051)

Deferred inflows and outflows of resources related to total OPEB  
liability are not reported in the governmental funds but will be  
recognized in OPEB expense on a long-term basis and are therefore  
reported in the statement of net position.

Deferred inflows of resources related to total OPEB liability	(44,611)	
Deferred outflows of resources related to total OPEB liability	<u>30,968</u>	(13,643)

Deferred inflows and outflows of resources related to pensions are  
not reported in the governmental funds but will be recognized in  
pension expense on a long-term basis and are therefore reported in  
the statement of net position.

Deferred inflows of resources related to pensions - Fire Pension	(1,186,320)	
Deferred inflows of resources related to pensions - Fla. Ret. System	(463,632)	
Deferred outflows of resources related to pensions - Fire Pension	2,524,816	
Deferred outflows of resources related to pensions - Fla. Ret. System	<u>1,555,981</u>	<u>2,430,845</u>

Net position of governmental activities.	<u><u>\$ 50,532,491</u></u>
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The notes to the financial statements are an integral part of this statement.



## CITY OF SEMINOLE, FLORIDA

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

For the Year Ended September 30, 2019

With Comparative Amounts for the Year Ended September 30, 2018

				2019
	General	Transportation Impact Fee	Grants	Infrastructure Sales Surtax
REVENUES				
Taxes	\$ 7,073,576	\$ -	\$ -	\$ 1,972,451
Licenses and permits	605,568	-	-	-
Intergovernmental revenue	2,945,448	-	101,000	-
Charges for services	8,263,519	-	-	-
Fines and forfeitures	57,282	-	-	-
Miscellaneous revenue	394,390	76,818	6,000	11,434
TOTAL REVENUES	19,339,783	76,818	107,000	1,983,885
EXPENDITURES				
Current				
General government	1,360,440	70	-	628
Public safety	11,213,430	-	869	-
Physical environment	684,201	-	6,000	-
Public works	849,950	29,707	-	-
Culture and recreation	2,370,806	-	-	-
Capital Outlay	376,991	25,446	100,000	740,554
Debt service				
Principal retirement	-	-	-	933,449
Interest and fiscal charges	-	-	-	11,483
TOTAL EXPENDITURES	16,855,818	55,223	106,869	1,686,114
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,483,965	21,595	131	297,771
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	34,903	-	-	-
Transfers in	-	-	-	-
Transfers out	(1,230,953)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,196,050)	-	-	-
NET CHANGE IN FUND BALANCES	1,287,915	21,595	131	297,771
FUND BALANCES - BEGINNING OF YEAR	6,596,263	609,087	247,566	5,555,199
FUND BALANCES - END OF YEAR	\$ 7,884,178	\$ 630,682	\$ 247,697	\$ 5,852,970

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

			2018
Capital Improvement	Other Governmental Funds	Total Governmental Funds	Total
\$ -	\$ -	\$ 9,046,027	\$ 8,429,063
-	-	605,568	581,914
-	-	3,046,448	2,508,181
-	-	8,263,519	8,137,165
-	-	57,282	53,124
-	72,823	561,465	710,828
-	72,823	21,580,309	20,420,275
984	-	1,362,122	1,806,249
-	-	11,214,299	10,633,044
-	-	690,201	751,528
984	-	880,641	883,517
9,826	82,232	2,462,864	2,355,251
2,438,854	-	3,681,845	1,504,360
-	-	933,449	938,228
-	-	11,483	22,834
2,450,648	82,232	21,236,904	18,895,011
(2,450,648)	(9,409)	343,405	1,525,264
-	-	34,903	1,804
1,230,953	-	1,230,953	1,740,758
-	-	(1,230,953)	(1,740,758)
1,230,953	-	34,903	1,804
(1,219,695)	(9,409)	378,308	1,527,068
3,559,359	350,703	16,918,177	15,391,109
\$ 2,339,664	\$ 341,294	\$ 17,296,485	\$ 16,918,177

CITY OF SEMINOLE, FLORIDA

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

For the Year Ended September 30, 2019

Net change in fund balances - total governmental funds \$ 378,308

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.

Expenditures for capital assets	\$ 3,681,845	
Less current year depreciation	<u>(1,458,272)</u>	2,223,573

In the statement of activities, a gain or loss is reported on the disposal of capital assets  
based on the sale price less the remaining un-depreciated cost, whereas in the  
governmental funds the proceeds from the sale of capital assets increase financial  
resources. The remaining un-depreciated cost of assets disposed of results in a  
decrease in net position.

Un-depreciated cost of capital assets sold as surplus or disposed of	(41,002)
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Repayment of debt principal is an expenditure in the governmental  
funds, but the repayment reduces long-term liabilities in the  
statement of net position.

933,449

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

Change in accrued interest	917	
Current year cost - Other Postemployment Benefits	(25,445)	
Change in compensated absences	(73,018)	
Pension expense - Fire Pension	(6,020)	
Pension expense - Florida Retirement System	<u>(639,139)</u>	<u>(742,705)</u>

Change in net position of governmental activities.	<u>\$ 2,751,623</u>
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The notes to the financial statements are an integral part of this statement.

CITY OF SEMINOLE, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND

September 30, 2019

With Comparative Amounts for September 30, 2018

		Firefighters' Pension Trust Fund	
		2019	2018
ASSETS			
Investments			
U.S. government securities	\$	4,602,198	\$ 3,965,366
Equity investments		23,391,126	24,437,203
Asset backed securities		1,331,792	1,531,370
Corporate bonds		2,512,255	2,380,800
Real estate investment trusts		68,067	54,518
Limited partnership interest - real estate investment fund		4,914,227	4,984,493
Temporary investment funds		1,005,665	501,694
Total investments		37,825,330	37,855,444
Receivables			
Accrued interest		51,037	52,213
Contributions		532,537	570,382
State of Florida		-	236,948
Brokerage transactions		55,664	31,924
Total receivables		639,238	891,467
Prepaid benefits		249,622	254,117
TOTAL ASSETS		38,714,190	39,001,028
LIABILITIES			
Account payable		5,676	5,772
Accounts payable - brokerage transactions		67,139	26,319
TOTAL LIABILITIES		72,815	32,091
NET POSITION			
Net Position Restricted for Pension	\$	38,641,375	\$ 38,968,937

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

CITY OF SEMINOLE, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND

For the Year Ended September 30, 2019

With Comparative Amounts for the Year Ended September 30, 2018

	Firefighters' Pension Trust Fund	
	2019	2018
ADDITIONS		
Contributions:		
Employer	\$ 903,857	\$ 749,182
Employee	542,695	488,990
State	250,614	236,948
Total contributions	1,697,166	1,475,120
Investment earnings:		
Net increase (decrease) in fair value of investments	472,484	2,468,729
Interest and dividends	697,849	749,820
Income from real estate investment fund	226,291	218,379
Miscellaneous	7,885	879
Total investment earnings	1,404,509	3,437,807
Less investment expense	253,594	267,495
Net investment earnings (loss)	1,150,915	3,170,312
TOTAL ADDITIONS	2,848,081	4,645,432
DEDUCTIONS		
Benefits	3,104,554	3,329,858
Administrative expenses	71,089	65,524
TOTAL DEDUCTIONS	3,175,643	3,395,382
CHANGE IN NET POSITION (DECREASE)	(327,562)	1,250,050
NET POSITION - BEGINNING OF YEAR	38,968,937	37,718,887
NET POSITION - END OF YEAR	\$ 38,641,375	\$ 38,968,937

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

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Seminole (the City) maintains its accounting records in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

The City is a political subdivision of the State of Florida, located in Pinellas County in the southwest portion of the State. The City incorporated on January 4, 1972 under the provisions of the Laws of Florida, Chapter 165.04 under a mayor-council structure. On September 8, 1994, the Charter was amended to provide for the appointment of a City Manager, among other items. The City is approximately 5.3 square miles in area. The City provides its citizens with a full complement of municipal services. These services include public safety (police and fire), construction and maintenance of streets and sidewalks, stormwater management, recreation, public improvements, planning and zoning and general administrative services.

**1. Defining the Financial Reporting Entity:** The City follows the principals of Section 2100, "Defining the Reporting Entity" of GASB "Codification of Governmental Accounting and Financial Reporting Standards", which establish standards for defining and reporting on the "Financial Entity". 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 and either the ability to impose its will on that organization, the possibility that the organization will impose or provide a financial burden or benefit to the primary government, or management of the primary government has operational responsibility for the component unit and manages the component unit in essentially the same manner in which it manages its own programs or departments. The City has no such applicable organizations that meet these requirements; therefore, the accompanying financial statements include only information relative to the primary government.

**2. Governmental Accounting Standards Board Statements**

The City presents its comprehensive annual financial report in accordance with the provisions of GASB Statement Number 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments". This standard establishes the financial reporting requirements for state and local governments. The Statement establishes specific standards for the basic financial statements, management's discussion and analysis (MD&A), and certain required supplementary information.

As part of reporting pursuant to GASB Statement #34, there is a requirement that infrastructure; that is roads, sidewalks, curbing, and drainage improvements, etc. be accounted for in the comprehensive annual financial report. All major general infrastructure assets that were acquired or significantly reconstructed, or that received significant improvements, in fiscal years ending after June 30, 1980, are required to be retroactively reported. All newly acquired or improved infrastructure assets must be reported in accordance with GASB Statement #34. The City has included infrastructure assets acquired prior to June 30, 1980 that continue to be in use.

The basic financial statements include both government-wide and fund financial statements. The government-wide statements are presented using a full accrual, economic resource basis, which incorporates long-term assets and receivables and long-term liabilities. Governmental activities include the General Fund, Special Revenue Funds, and the Capital Improvement Fund. The City's Fiduciary Fund is not included in the government-wide statements since by definition these assets are being held for the benefit of a third-party and cannot be used to address activities or obligations of the government.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The government-wide Statement of Activities reports the gross and net cost for the various functional categories of the City that are otherwise supported by general government revenues. The expenses for each functional category are reduced by program revenues to ascertain the net costs for that function. Program revenues are defined as charges for services, operating grants, and capital grants that specifically relate to a specific program function. Charges for services include revenues arising from charges to customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided. Operating grants and capital grants consist of revenues received from other governments, organizations, or individuals that are specifically attributable to a program and are restricted for either operating expenditures/expenses or capital expenditures/expenses associated with a specific program.

The City's comprehensive financial report is presented in accordance with the provisions of Statement Number 44, "Economic Condition Reporting: The Statistical Section," which improves the understandability and usefulness of the information that local governments present as supplementary information in the statistical section. Furthermore, this standard incorporates the government-wide, accrual-based information established by Statement Number 34.

**3. Measurement Focus:** The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The measurement focus is the determination of financial position and sources and uses of resources, rather than net income determination.

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

**4. Fund Accounting:** The City organizes its accounting system on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts. The various funds are grouped in the financial statements as follows:

Governmental Fund Types:

General Fund: This fund type is used to account for all financial resources, except those required by law or administrative action to be accounted for in another fund. The general fund is always reported as a major fund.

Special Revenue Funds: This fund type is used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes.

Transportation Impact Fee Fund – This fund accounts for the proceeds of transportation impact fees that are restricted for capital outlays associated with roads and streets. The City elected to have this fund reported as a major fund in the governmental fund financial statements.

Grants Fund – This fund accounts for the proceeds of grants that have restrictions placed on their use. The City elected to have this fund reported as a major fund in the governmental fund financial statements.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Infrastructure Sales Surtax Fund – This fund accounts for the proceeds of the infrastructure sales surtax which is restricted for fixed capital outlays associated with the construction, reconstruction, or improvement of public facilities that have a life expectancy in excess of five years or vehicles that have a life expectancy of at least five years. This fund is reported as a major fund in the governmental fund financial statements.

Special Events Fund – This fund accounts for the proceeds and expenditure of funds associated with various special events sponsored by the City. This fund is reported as a non-major fund in the governmental fund statements.

Library Fund – This fund accounts for the proceeds of donations that have been restricted by the donor for the library. This fund is reported as a non-major fund in the governmental fund statements.

Tree and Landscape Mitigation Fund - This fund accounts for the proceeds of tree mitigation fees that are restricted for capital outlays associated with the planting of trees and replacement of landscaping. This fund is reported as a non-major fund in the governmental fund statements.

Capital Improvement Fund: This fund type includes the Capital Improvement Fund which accounts for financial resources earmarked or segregated for the acquisition, construction and replacement of capital assets. This fund is reported as a major fund in the governmental fund financial statements.

Fiduciary Fund Types:

Trust Funds: This fund type accounts for the activities of the pension funds, which accumulate resources for pension benefit payments to qualified employees.

**5. Basis of Accounting:** Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

The government-wide financial statements and the fiduciary fund financial statement are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available (susceptible to accrual). 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 soon enough after year-end to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of year-end. Revenues that are susceptible to accrual include franchise fees, sales tax, local option gas tax, interest revenue, state revenue sharing entitlements, and intergovernmental grants. Expenditures are recorded at the time the related fund liabilities are incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Under the accrual basis of accounting, revenues are recognized in the period when earned and expenses are recognized in the period when incurred.



SEPTEMBER 30, 2019

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

- a. On or before June 1 of each year, the department heads submit requests for appropriations to the City Manager so that a budget may be prepared. The budget is prepared by fund, function and activity (departments), and includes information for the prior fiscal year, current year estimates, and requested appropriations for the next fiscal year.
- b. The City Manager presents the proposed budget to the City Council by July 1. The budget contains proposed expenditures and the means to finance them, including a proposed property tax millage. Any changes in the proposed budget are made at the direction of the City Council.
- c. Public hearings are conducted to obtain taxpayer comments on the proposed budget and property tax millage rate.
- d. The budget and property tax millage is approved by the City Council in September.
- e. An annual budget is adopted for the General Fund on a basis consistent with generally accepted accounting principles. The City does not formally adopt an annual budget for any other major fund.
- f. Expenditures may not exceed legal appropriations at the department level. The City Manager is authorized to transfer budget amounts within departments; however, any revision that alters the total expenditures of any department must be approved by the City Council. Appropriations lapse at year-end. All budget amounts presented in the accompanying financial statements have been adjusted for revisions as approved by the City Council during the year. General Fund appropriations were increased \$1,315,086 as a result of these approved revisions.
- g. For the year ended September 30, 2019, within the General Fund, expenditures exceeded appropriations in the following departments: fire control (fire / rescue) by \$192,957 and library by \$22,842.

**7. 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 Pinellas County Property Appraiser and Pinellas County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit municipalities to levy property taxes at a rate up to 10 mills. The millage rate in effect for the fiscal year ended September 30, 2019 was 2.4793, which has been the millage rate since 2008.

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

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 property. Tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. The certificate holder may make application for a tax deed on any unredeemed tax certificates after a period of two years.

Delinquent taxes on personal property bear interest at 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

Because of the Pinellas County Tax Collector's efficient system for selling tax certificates and remitting the proceeds to the City, any delinquent or uncollected property taxes at year-end are immaterial. The City's tax calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, succeeding year
Lien Date:	April 1, succeeding year

**8. Assets, Liabilities, and Fund Equity:**

Cash, Pooled Cash, and Cash Equivalents and Investments: The City utilizes a consolidated cash pool to account for cash and cash equivalents of all City funds. The consolidated cash pool concept allows each participating fund to benefit from the economies of scale and improved yield that are inherent to a larger pool. Formal accounting records detail the individual equities of the participating funds.

The City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The majority of the City's pooled investments have the general characteristics of demand deposits, in that additional funds may be deposited at any time and funds may be withdrawn at any time without prior notice or penalty. Therefore, all of the pooled investments regardless of their maturities are considered cash equivalents.

Investments, which are currently reported only in the fiduciary fund, are reported at fair value. Investments in common stocks and bonds traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Investments in mutual fund type securities are valued at the net asset value of the fund based on the underlying assets held in the fund. The fair value of an investment is the amount at which an investment could be exchanged in a current sale between a willing buyer and a willing seller, other than in a forced or liquidation sale.

Receivables: No allowance for doubtful accounts has been recorded as of September 30, 2019 and 2018 as management considers all accounts collectible.

Inventories: Inventories are valued at average cost. Inventories in the governmental funds are accounted for by the consumption method, wherein inventories are charged as expenditures when used.

Prepaid Items: Payments made to vendors for services that will benefit periods beyond September 30, 2019 are recorded as prepaid items and are accounted for based on the consumption method of accounting.

SEPTEMBER 30, 2019

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Capital Assets: Capital assets acquired or constructed in excess of \$5,000 are capitalized at historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value as of the date received. Additions, improvements, and other capital outlays that extend the useful life of an asset are capitalized. Other costs incurred for repair and maintenance are expensed as incurred. Depreciation is provided using the straight-line method. The estimated useful lives of the various classes of depreciable assets are as follows:

Buildings	50 years
Improvements other than buildings	10-30 years
Equipment	3-15 years
Infrastructure	15-50 years

Interest cost is not capitalized on assets in the governmental funds.

Compensated Absences: Employees earn vacation and sick leave beginning with their first pay period.

Vacation Leave: Annual vacation accrues according to the number of regularly scheduled hours an employee works and the employee's length of service. The vacation accrual for part-time employees is calculated based on the employee's estimated full-time equivalent. Non-union represented employees may accrue vacation time up to a maximum of 2 times their annual accrual. International Association of Fire Fighters union represented employees receive their prior year vacation accrual on January 1<sup>st</sup> of the succeeding calendar year. If vacation time is not used in the subsequent year, it is forfeited, unless a specific waiver is obtained from the City Manager. At termination, the employees, other than those dismissed for misconduct, are paid for any accumulated vacation leave that has been earned at that time.

Sick Leave: It is the City's policy that full-time (forty hour per week) employees earn eight (8) hours of sick leave for each full month of employment, full-time (fifty-six hour per week) employees earn twelve (12) hours of sick leave for each full month of employment, and part-time employees earn pro-rated sick leave based upon the employee's estimated full-time equivalent. Sick leave may be accumulated up to a maximum of nine hundred-sixty hours for all forty hour per week employees, one thousand eight hundred seventy-two hours for all fifty-six hour per week employees, and three hundred hours for all part-time employees. Upon separation, depending upon employee age and longevity of employment, non-union employees in good standing may receive between 10% to 30% of accumulated sick leave. Firefighter union member employees who have completed 10 years of service with the City and are in good standing are entitled to receive a payment of 2% of their accumulated sick leave for every year of service.

All compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Inflows of Resources: In the governmental funds and government-wide statements, the amount of business registration fees collected in advance of the October 1 due date is recorded as a deferred inflow of resources and will be recognized as revenue in the fiscal year the fees are due.

Deferred Inflows of Resources and Deferred Outflows of Resources Related to Other Postemployment Benefits (OPEB): Deferred inflows of resources and deferred outflows 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.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Deferred Inflows of Resources and Deferred Outflows of Resources Related to Pensions: Deferred inflows of resources and deferred outflows of resources related to pension plans that are derived from the difference between projected and actual earnings on the respective plan investments are amortized to pension expense over a closed five year period. Deferred inflows of resources and deferred outflows of resources related to pensions that are derived from changes in assumptions or differences between expected and actual experience with regard to economic or demographic factors (difference between expected and actual experience) in the measurement of the respective pension plan's total pension liability are amortized to pension expense over a closed period of six years for the Firefighters' Pension Fund and a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Florida Retirement System (active and inactive employees) determined as of the beginning of the measurement period. Contributions to the pension plans from the employer subsequent to the measurement date of the net pension liability and before the end of the reporting period are reported as a deferred outflow of resources related to pensions. This contribution is included as an increase in the respective pension plan fiduciary net position in the subsequent fiscal year.

Total Other Postemployment Benefits (OPEB) Liability: The City provides post retirement health insurance benefits to eligible retired employees. 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. As a result of the implementation of GASB 75, the City reported a restatement for the change in accounting principle as of October 1, 2017. The difference between the Net OPEB liability as of September 30, 2017 and the GASB 75 Unfunded Actuarial Accrued Liability (reported as the Total OPEB liability in the Statement of Net Position) as of the measurement date of September 30, 2017 has been reported as a restatement of net position as of October 1, 2017. The impact of the implementation and prior period adjustment is presented in Note M.

Net Pension Liability: The City adopted GASB Statement Number 68, *Accounting and Financial Reporting for Pensions* and GASB Statement Number 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement Number 27* for fiscal year ended September 30, 2015.

Net Position: The government-wide financial statements utilize a net position presentation. Net position is presented in three components – invested in capital assets (net of related debt), restricted, and unrestricted.

- Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any debt attributable to the acquisition, construction, or improvement of those assets. This component does not include the portion of debt attributable to the unspent proceeds.
- Restricted – This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, and contributors) or by law through constitutional provisions of enabling legislation. The City would typically use restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use of these funds. The government-wide statement of net position reports \$8,026,615 of restricted net position, of which impact fees and tree and landscape mitigation fees totaling \$779,655 are restricted by enabling legislation while all other restricted net positions are restricted by grantors, contributors or state law.
- Unrestricted – This component consists of net position that does not meet the definition of “net investment in capital assets” and “restricted”. Designations of net position made by the City's management are included in this component because these types of constraints are internal and management can remove or modify them.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Fund Balance Classification: The City reports fund balances in accordance with the provisions of GASB Statement Number 54 – “Fund Balance Reporting and Governmental Fund Type Definitions”. GASB Statement Number 54 provides that governmental fund financial statements will present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The City has classified Inventories and Prepaid Items as being Nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next current year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources through either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action by the City Council through the approval of an ordinance. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action, which is the approval of an ordinance that was employed when the funds were initially committed. This classification also includes contractual obligations (encumbrances) to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the City’s intent to be used for a specific purpose but are neither restricted nor committed. The intent is expressed through the City Council by the inclusion of the constrained amounts in the City’s subsequent year budget. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The City has assigned funds in the General Fund and the Capital Improvement Fund for capital projects and capital replacement or repairs.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The Unassigned classification would also include negative residual fund balances of any other governmental fund that cannot be eliminated by the offsetting of Assigned fund balance amounts.

The City would typically use Restricted fund balances first, followed by Committed resources and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first and to defer the use of these other classified funds.

**9. Interfund Transactions:** Interfund transactions are either reflected as loans, services provided, reimbursements or transfers. Loans are reported as 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 and are not eliminated in the consolidation of the government-wide financial statements. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers and are netted as part of the reconciliation of the government-wide presentation.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**10. Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**11. Comparative data / reclassifications:** The financial statements include summarized prior year comparative information that does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended September 30, 2018, from which such summarized information was derived.

**NOTE B - CASH, POOLED CASH, CASH EQUIVALENTS, AND INVESTMENTS**

**Deposits**

Florida Statutes require depositories of public funds to provide collateral each month at least equal to 50 percent of the average daily balance of all public deposits in excess of deposit insurance. The City's deposits are covered by the Florida Security for Public Deposits Act, Chapter 280. All of the City's pooled cash funds are deposited in qualified public depositories, and are considered insured. The carrying amounts of the City's deposits at year-end were \$6,467,504.

**Cash Equivalent Investments**

The City's investment policy is to maintain funds in investments that yield the highest possible efficiency and return within the limitations established by the Florida Statutes. Florida Statute 218.415(17) authorizes the City to invest in the Local Government Surplus Funds Trust Fund; SEC registered money market funds with the highest credit quality rating, interest-bearing time deposits or saving accounts in qualified public depositories, direct obligations of the United States Treasury, and federal agencies and their instrumentalities. The City adheres to the State of Florida authorized investment policy.

The Local Government Surplus Funds Trust Fund (Florida Prime) is an investment pool administered by the Florida State Board of Administration which is a three-member board that is made up of the State elected officials of Governor, Chief Financial Officer and Attorney General. This Board is empowered by Florida law to invest funds at the request of local governments. The Florida Prime is treated as a "2a-7 like" pool in accordance with GASB Statement Number 31 and Number 59 and is valued using the pooled share price (amortized cost), which approximates fair value. The Florida Prime funds may be withdrawn upon demand. Investment income is recognized as earned and is allocated to participants of the Fund based on their equity participation. The amount on deposit in the Florida Prime as of September 30, 2019 was \$4,665,225.

The Florida Municipal Investment Trust (Trust) is an investment pool administered by the Florida League of Cities, Inc. It is an inter-local governmental entity created under the laws of the State of Florida. The Trust is an authorized investment under section 163.01 of the Florida Statutes. The City has invested in the Trust 0-2 Year High Quality Bond Fund. The amount on deposit with the Florida Municipal Investment Trust at September 30, 2019 was \$632,639.

The Florida Surplus Asset Fund Trust (Florida Safe Investment Pool) is a common law trust organized in 2007 under the laws of the State of Florida. An elected five member Board of Trustees oversees all actions and decides on general policies. The trust is administered by Florida Management and Administrative Services, LLC, the operations manager is PMA Financial Network, Inc. and the investment advisor is Prudent Man Advisors, Inc., an affiliate of PMA Financial Network, Inc. The trust includes a liquid money

SEPTEMBER 30, 2019

**NOTE B - CASH, POOLED CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)**

market-like investment called the “FL SAFE Fund” and one or more Term Series portfolios that have a fixed duration. Participants in the trust may invest in the FL SAFE Fund or any of the Term Series Portfolios. The Term Series Portfolios may consist of certificates of deposit, obligations of the U. S. government or its agencies or other investments allowed under Florida statutes. The FL SAFE Fund is accounted for as a Stable Net Position Value investment pool. The total amount on deposit with the Florida Surplus Asset Fund Trust at September 30, 2019 was \$2,340,536. The amount on deposit at September 30, 2019 was invested in the following: FL SAFE Investment Pool Fund - \$90,536 and Term Series and Fixed Income Investment Program Portfolios - \$2,250,000.

The Florida Cooperative Liquid Assets Securities System (FLCLASS) is an independent local government investment pool under the direction of a Board of Trustees comprised of eligible participants of the FLCLASS program. FLCLASS may only invest in a manner that is permitted pursuant to the laws of the state of Florida and Florida’s Investment of Local Government Surplus Funds Act, Florida Statutes, Chapter 218.415. The amount on deposit with the Florida Cooperative Liquid Assets Securities System at September 30, 2019 was \$2,377,226.

GASB Statement Number 53 – “Accounting and Financial Reporting for Derivative Instruments” was effective for fiscal year 2011. The City does not invest in derivative type instruments.

Fair Value of Investments – The City categorizes its fair value of investments within the fair value hierarchy established by generally accepted accounting principles pursuant to GASB Statement 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, and Level 3 are significant unobservable inputs.

Interest Rate Risk – In compliance with the City’s investment policy, as of September 30, 2019, the City minimized the interest rate risk, related to the decline in market value of securities due to rising interest rates, by limiting the investment of operating funds to government investment pools so that securities are immediately available to meet cash requirements for ongoing operations without risk of market decline.

Credit Risk – In compliance with the City’s Investment Policy, as of September 30, 2019, the City minimized credit risk losses due to default of a security issuer or backer, by limiting investments to government investment pools.

A summary of cash, pooled cash, and cash equivalent type investments as reported in the accompanying Statement of Net Position as of September 30, 2019, is summarized in the following table:

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## CITY OF SEMINOLE, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

**NOTE B - CASH, POOLED CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)**

	Carrying Amount	Fair Value Measurement	Overall Credit Rating
Petty Cash	\$ 1,200	N/A	N/A
Deposits	6,467,504	N/A	N/A
Florida State Board of Administration Local Government Pooled Investment Fund – Florida Prime	4,665,225	Net Asset value	AAAm (S&P)
Florida Municipal Investment Trust 0-2 Year High Quality Bond Fund	632,639	Level 2 inputs	AAA/V1(Fitch)
Florida Surplus Asset Fund Trust FL SAFE Investment Pool Fund	90,536	Level 2 inputs	AAAm (S&P)
Term Series, Fixed Income Investments	2,250,000	Level 2 inputs	Non-rated
Florida Cooperative Liquid Assets Securities System Pooled Investment Fund	2,377,226	Level 2 inputs	AAAm (S&P)
Total Cash, Pooled Cash, and Cash Equivalents	<u>\$ 16,484,330</u>		

**Pension Plan Assets**

The City reports one pension fund in the accompanying financial statements: the Firefighters' Pension Fund. The Firefighters' Pension Fund has its own investment policy and related investment restrictions. The Firefighters' Pension Fund is a defined benefit plan. All investments at year-end were in compliance with the Firefighters' Pension Fund investment policies.

**Firefighters' Pension Fund****Deposits**

The Firefighters' Pension Fund (the Fund) Board of Trustees has appointed First State Trust Company as custodian of the Fund's investments. The Fund assets have been invested with Morgan Stanley and UBS Trumbull Property Fund. Morgan Stanley holds temporarily un-invested cash funds primarily in Morgan Stanley Bank Money Market accounts. First State Trust Company holds cash funds in a Northern Institutional Government Select account.

**Investments**

The Board of Trustees of the Firefighters' Pension Fund are authorized to invest in time, savings and money market accounts of an institution insured by the Federal Deposit Insurance Corporation; obligations of the U. S. Government or an agency or instrumentality of the U. S. Government, domestic and international equity securities such that not more than 5% of the Plan's assets shall be invested in the common stock of any one issuing company and no more than 10% of the Plan's assets shall be invested in foreign securities; domestic fixed income investments rated in one of the three highest classifications by a major rating service, and real estate such that no more than 10% of the Plan's assets may be invested in real estate with a limit of \$3,000,000 at the time of the initial investment. If commercial paper is acquired it must be only of the highest quality (A-1 or P-1). The Fund's targeted investment portfolio mix is as follows: large capitalization value stocks – 27.5%; large capitalization growth stocks – 27.5%; international stocks – 10%, fixed income securities – 25% and real estate – 10%.

The Firefighters' Pension Fund held the following investments as of September 30, 2019:



## CITY OF SEMINOLE, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

**NOTE B - CASH, POOLED CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)**

Investment Type	Fair Value	Fair Value Measurement	Overall Credit Rating	Average Effective Duration (Years)
Temporary investments funds:				
Cash and Money Market Balance	\$ 1,005,665	N/A	N/A	N/A
U. S. Government and Government Sponsored Entity Bonds	4,602,198	Level 1 inputs	AAA	6
Asset backed securities:				
Non-rated – Fed. Home Loan Mtg. Corp. and Fed. National Mortgage Association	1,331,792	Level 3 inputs	N/A	24
Equity investments	23,391,126	Level 1 inputs	N/A	N/A
Corporate bonds	2,512,255	Level 2 inputs	N/A	N/A
Real Estate Investment Trusts	68,067	Level 2 inputs		
Limited partnership interest - real estate investment fund (UBS Trumbull Property Fund)	4,914,227	Level 3 inputs	N/A	N/A
Total Investments	<u>\$37,825,330</u>			

**Credit Risk** – Consistent with state law the Plan’s investment guidelines limit its fixed income securities to a quality rating of “A” or equivalent as rated by one or more recognized bond rating services at the time of purchase. Fixed income investments which are downgraded to a “BAA” or equivalent rating must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments that are downgraded below a “BAA” rating are to be liquidated immediately.

**Interest Rate Risk** – Through its investment policies, the Plan manages its exposure to fair value losses arising from increasing interest rates.

**NOTE C - CAPITAL ASSETS**

Capital asset activity for the fiscal year ending September 30, 2019 was as follows:

	Balance 10/1/18	Additions / Transfers In	Deletions / Transfers Out	Balance 9/30/19
<b>Governmental Activities:</b>				
Non-Depreciable assets				
Land, improvements and land rights	\$ 5,537,638	\$1,504,244	\$ -	\$ 7,041,882
Land improvements - roadway base	4,971,447	-	-	4,971,447
Total land and improvements	10,509,085	1,504,244	-	12,013,329
Construction and projects in progress	1,870,902	647,322	377,009	2,141,215
Depreciable assets				
Buildings	25,987,376	164,061	-	26,151,437
Improvements other than buildings	3,813,528	827,167	-	4,640,695
Equipment	7,243,966	602,082	329,310	7,516,738
Infrastructure	8,031,968	272,976	-	8,304,944
Total at historical cost	57,456,825	4,017,852	706,319	60,768,358

## CITY OF SEMINOLE, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

**NOTE C - CAPITAL ASSETS** (continued)

	Balance 10/1/18	Additions / Transfers In	Deletions / Transfers Out	Balance 9/30/19
Less accumulated depreciation for:				
Buildings	\$ 7,010,208	\$ 640,997	\$ -	7,651,205
Improvements other than buildings	2,201,107	210,253	-	2,411,360
Equipment	4,796,412	373,463	329,310	4,840,565
Infrastructure	4,341,814	233,559	-	4,575,373
Total accumulated depreciation	18,349,541	1,458,272	329,310	19,478,503
Capital assets, net	<u>\$ 39,107,284</u>	<u>\$2,559,580</u>	<u>\$ 377,009</u>	<u>\$ 41,289,855</u>

The City has determined that the cost of land improvements – roadway base represents an inexhaustible asset and therefore these costs are not being depreciated. The cost of land improvement – roadway base includes site preparation, excavating, fill dirt, and compaction.

Depreciation was charged to the governmental activities as follows:

General government	\$ 123,226
Fire	461,087
Code enforcement	8,455
Physical environment	233,559
Public works	174,430
Library	7,444
Recreation	450,071
	<u>\$ 1,458,272</u>

In accordance with GASB Statement Number 51 –“Accounting and Financial Reporting for Intangible Assets”, the City includes computer software purchases as a capital asset in the category “Equipment” and property easements are included within the category “Land , improvements, and land rights”.

**NOTE D - LONG-TERM DEBT**

Long-term debt activity for the fiscal year ending September 30, 2019 was as follows:

	Balance 10/1/18	Additions	Reductions	Balance 9/30/19	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Revenue Bonds 2014 payable	\$ 933,449	\$ -	\$ 933,449	\$ -	\$ -
Compensated absences	859,671	99,272	26,254	932,689	771,248
Totals	<u>\$ 1,793,120</u>	<u>\$ 99,272</u>	<u>\$ 959,703</u>	<u>\$ 932,689</u>	<u>\$ 771,248</u>

The compensated absences liability will be liquidated by the general fund. The Revenue Bonds, Series 2014, were issued to partially finance the construction of a community center and to refund the Revenue Bonds, Series 2009. These bonds matured on September 1, 2019 and the debt was paid off at that time. The debt service for the Revenue Bonds was paid from the Infrastructure Sales Surtax Fund. Interest expense on the Series 2014 Revenue Bonds in the amount of \$10,566, based on the accrual basis of accounting, is reported in the Statement of Activities.

SEPTEMBER 30, 2019

**NOTE D - LONG-TERM DEBT**

Long-term debt for the governmental activities is comprised of the following at September 30, 2019:

<u>Compensated absences</u> , consisting of the vested portion of accumulated vacation and sick pay benefits due employees.	\$ 932,689
Total long-term debt	<u>\$ 932,689</u>

**NOTE E - RETIREMENT PLANS**

The City maintains a single employer, defined benefit pension plan (Firefighters' Pension Plan) which covers all of its firefighters and a defined contribution 401(a) plan which covers the City's general employees hired on or after January 1, 1996. General employees hired prior to January 1, 1996 participate in the Florida Retirement System (System), a cost-sharing multiple-employer public employee retirement system (PERS), and effective March 28, 2006, all eligible new general employees as well as general employees previously participating in the defined contribution 401(a) plan that have elected to participate in the Florida Retirement System.

The pension liabilities for both the Firefighters' Pension Plan and the Florida Retirement System are liquidated through the General Fund.

Florida Retirement System

*Plan Description:* The City of Seminole contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer public employee retirement system (PERS) defined benefit pension plan controlled by the State Legislature and administered by the Florida Department of Management Services, Division of Retirement. The System provides retirement and disability benefits, annual cost-of-living adjustments, a health insurance subsidy, and survivor benefits to plan members and beneficiaries. Chapter 121 of the 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 the FRS. The report may be obtained by writing to the Department of Management Services, Division of Retirement, P. O. Box 9000, Tallahassee, Florida 32399-9000, by calling (850) 488-5706 or online at the Florida Retirement System Website:

[www.myfrs.com/content/resources/publications/index](http://www.myfrs.com/content/resources/publications/index)

*Funding Policy:* Effective July 1, 2011, FRS requires contributions from covered members at a rate of 3%. The City is required by State Statute to contribute, on a monthly basis, an actuarially determined rate. The current rates for the indicated time periods, based on employees' gross earnings are:

	<u>07/01/2019 – 09/30/2019</u>	<u>07/01/2018 – 06/30/2019</u>
Regular Employees	8.47%	8.26%
Senior Management	25.41%	24.06%
Elected Officials	48.82%	48.70%

The City's contributions to the FRS for the fiscal years ending September 30, 2019, 2018, and 2017 were \$397,265, \$376,084, and \$355,557, respectively, and were equal to the required contributions for each year.

*Deferred Retirement Option Program:* The FRS Deferred Retirement Option Program (DROP) is a defined contribution plan and is available to a member when the member first reaches eligibility for normal retirement. The Plan is controlled by the State Legislature and administered by the Florida Department of

SEPTEMBER 30, 2019

**NOTE E - RETIREMENT PLANS** (continued)

Management Services, Division of Retirement. Chapter 121 of the Florida Statutes assigns the authority to establish and amend benefit provisions to the State of Florida Department of Management Services. DROP allows a member to retire while continuing employment up to 60 months. During DROP participation, the member's retirement benefits (increased by a cost-of-living adjustment each July) accumulate in the FRS Trust Fund and earn monthly interest equivalent to an annual rate of 6.5%. The member must cease employment after a maximum of 60 months, must satisfy the termination requirements for retirement, and is subject to reemployment restrictions thereafter. The member's DROP accumulation may be paid out as a lump sum payment, a rollover, or a combination partial lump sum payment and rollover. During the DROP eligibility period, the City is required to make contributions to FRS. The current rate, effective July 1, 2019 and continuing through September 30, 2019 based upon employees' gross earnings is 14.60%. The rate for the period July 1, 2018 through June 30, 2019 was 14.03%.

*Pension liabilities, Pension expense and Deferred Outflows (Inflows) of Resources related to pensions-* At September 30, 2019, as required by GASB 68 *Accounting and Financial Reporting for Pensions*, the City reported a net pension liability of \$3,414,199 for the FRS Plan component and \$1,040,875 for the HIS Plan component for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability, totaling \$4,455,074, 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 as of the indicated dates are as follows:

	June 30, 2019	June 30, 2018	June 30, 2017
FRS Plan Component	.009913870%	.010875388%	.010436709%
HIS Plan Component	.009302664%	.009539308%	.009562343%

For the fiscal year ended September 30, 2019 the City recognized pension expense of \$600,950 and \$38,189 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	\$ 202,506	\$ 2,119
Changes in assumptions	876,914	-
Net difference between projected and actual earnings on investments	-	188,891
Changes in proportion and differences between City contributions and proportionate share of contributions	215,029	163,447
Contributions subsequent to the measurement date	73,001	-
	<u>\$ 1,367,450</u>	<u>\$ 354,457</u>

## HIS Plan Component

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 12,643	\$ 1,275
Changes in assumptions	120,520	85,072
Net difference between projected and actual earnings on investments	672	-
Changes in proportion and differences between City contributions and proportionate share of contributions	43,173	22,828
Contributions subsequent to the measurement date	11,523	-
	<u>\$ 188,531</u>	<u>\$ 109,175</u>

The deferred outflows of resources related to contributions subsequent to the measurement date of \$73,001 for the FRS component and \$11,523 for the HIS component will be recognized as a reduction in the net

## CITY OF SEMINOLE, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

**NOTE E - RETIREMENT PLANS** (continued)

pension liability in the fiscal year ended September 30, 2020. Other amounts related to deferred outflows and inflows of resources in the amount of \$939,992 for the FRS component and \$67,833 for the HIS component will be recognized as pension expense as follows:

<u>Fiscal year ending September 30,</u>	<u>FRS component</u>	<u>HIS component</u>
2020	\$ 340,897	\$ 28,908
2021	102,838	23,136
2022	248,467	12,664
2023	187,434	(9,196)
2024	48,338	1,670
Thereafter	12,018	10,651

Net Pension Liability –

	<u>FRS component</u>	<u>HIS component</u>
City's proportionate share of Total Pension Liability	\$ 19,630,685	\$ 1,068,973
City's proportionate share of Plan Fiduciary Net Position	(16,216,486)	(28,098)
City's proportionate share of Net Pension Liability	<u>\$ 3,414,199</u>	<u>\$ 1,040,875</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	\$ 3,275,723	\$ 1,009,651
Service Cost	250,134	21,593
Interest on total pension liability	1,308,125	38,900
Plan changes	1,131	-
Effect of economic/demographic gain or loss	891	(341)
Effect of assumptions	62,565	47,868
Employer contributions	(501,116)	(76,207)
Member contributions	(74,633)	(18)
Projected investment earnings	(1,094,667)	(950)
Net investment (income) loss	184,105	361
Administrative expense	1,941	18
Ending balance – City's proportionate share	<u>\$ 3,414,199</u>	<u>\$ 1,040,875</u>

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

SEPTEMBER 30, 2019

**NOTE E - RETIREMENT PLANS (continued)**

	FRS component	HIS component
Valuation date	July 1, 2019	July 1, 2019
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	N/A
Mortality tables	PUB2010 base table varies by member category and sex	Generation RP-2000 with Projection Scale BB tables
Discount rate	6.90%	3.50%

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018. The following changes in actuarial assumptions occurred in 2019 for the FRS component: the long-term expected rate of return was decreased from 7.00% to 6.90%. Additionally, for the HIS component, a change in the actuarial assumption was made decreasing the municipal bond rate used to determine total pension liability from 3.87% to 3.50%.

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:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.30%	3.30%	1.20%
Fixed Income	18.00%	4.10%	4.10%	3.50%
Global Equity	54.00%	8.0%	6.80%	16.50%
Real Estate	10.00%	6.70%	6.10%	11.70%
Private Equity	11.00%	11.20%	8.40%	25.80%
Strategic Investments	6.00%	5.90%	5.70%	6.70%
Total	100.00%			
Assumed Inflation – Mean			2.60%	1.7%

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

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.

**NOTE E - RETIREMENT PLANS** (continued)

FRS component	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's Proportionate share of the net pension liability	\$ 5,902,013	\$ 3,414,199	\$ 1,336,453
HIS component	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
City's Proportionate share of the net pension liability	\$ 1,188,212	\$ 1,040,875	\$ 918,160

**Firefighters' Pension Fund**

*Plan Administration:* The Firefighters' Pension Fund (the Plan) is administered by a 5 member Board of Trustees that is comprised of two Council appointees, two members of the department that are elected by the membership, and a fifth member who is elected by the other four members and appointed by Council.

*Membership in the Plan:* Membership of the Plan as of September 30, 2018 (the measurement date):

Group	
Inactive plan members or beneficiaries currently receiving benefits	84
Inactive plan members entitled to but not yet receiving benefits	9
Active plan members:	68
Total	<u>161</u>

*Basis of Accounting:* The Plans' financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Expenses are recognized when due and payable in accordance with the terms of the Plan. The Firefighters' Pension Fund issues separate, audited financial statements that may be obtained at the City of Seminole, 9199 113<sup>th</sup> Street N., Seminole, FL 33772-2806 or by calling 393-8711. The financial statements for the Plan are also presented on pages 27 and 28 of the basic financial statements.

*Plan Description and Benefits Provided:* The City contributes to a single-employer defined benefit pension plan that covers all firefighters. Firefighters who retire at age 55 after completion of ten years of credited service, or age 62 regardless of credited service, or the completion of twenty-five years of credited service regardless of age, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 3% of their average annual compensation times their years of credited service. The Plan permits early retirement at age 50 and the completion of ten years of credited service with benefits being reduced from 3% for each year from age 55. Benefits vest upon completing ten years of credited service and the members will receive the vested portion of their benefits at age 55. There is no post-retirement cost of living increase.

The Plan also provides death and disability benefits for participants with coverage beginning from the date of employment. Service incurred disability benefits are equal to 42% plus 3% per year of credited service of the firefighter's final two years' average final compensation with a maximum benefit of 75%. Non-service incurred disability benefits are equal to 3% per year of credited service of the firefighter's final two

CITY OF SEMINOLE, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

**NOTE E - RETIREMENT PLANS** (continued)

years' average final compensation. For vested member, pre-retirement death benefits are payable monthly to the designated beneficiary for ten years at the members' normal or early retirement date.

Member contributions are 13.69% effective October 1, 2018 of salary and are adjusted with each actuarial valuation to ensure that the City and the members have equal funding requirements. The member contribution rate shall not exceed 15%. Accumulated firefighter contributions are refunded if a firefighter leaves covered employment before completing ten years of credited service. Interest is not paid on contributions of terminated firefighters.

Excise tax payments are also received from the State of Florida under Florida Statutes, Chapter 175. The Plan's administrative costs are financed through investment earnings.

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

The City's pension liability recorded in the September 30, 2019 financial statements was measured as of September 30, 2018.

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

Investment rate of return	7.75%
Post retirement benefit increases	None
Projected salary increases	Service based: 4% to 5%
Inflation rate	2.30%
Discount rate	7.75%
Mortality basis	RP-2000 table, Scale BB Generational, Female – 100% Annuitant White Collar, Male - 10% Annuitant White Collar, 90% Blue Collar

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by target asset allocation percentage and by adding expected inflation.

There were no changes of assumptions for the September 30, 2018 measurement date.

The best estimates of arithmetic real rates of return for each major asset class included in the Plan's adopted target asset allocation policy as of the September 30, 2018 measurement date are summarized in the following table:



SEPTEMBER 30, 2019

**NOTE E - RETIREMENT PLANS (continued)**

Asset Class	Target Allocation	Expected Return
Domestic Equity	55%	6.90%
International Equity	10%	6.40%
Fixed Income	25%	2.60%
Real Estate	10%	3.36%
Total	100%	

The Plan did not hold investments in any one organization that represent 5% or more of the Plan's fiduciary net position. For the year ended September 30, 2018 (measurement date) the annual money-weighted rate of return on Plan investments net of investment expense was 8.75%. The money-weighted rate of return expresses investment performance net of investment expense, adjusted for the changing amounts actually invested.

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member (employees) contributions will be made at the current contribution rate and that plan sponsor (employer) contributions will be made at rates equal to the difference between actuarially determined contribution rates and the plan member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Change in Net Pension Liability:* The change in the net pension liability for the year ended September 30, 2019 is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	a	b	a -b
Beginning balance	\$ 42,311,918	\$ 37,766,479	\$ 4,545,439
Changes for the year:			
Service cost	758,006	-	758,006
Interest	3,208,627	-	3,208,627
Differences between expected and actual experience	122,735	-	122,735
Changes of assumptions	-	-	-
Contributions - employer	-	178,800	(178,800)
Contributions - State	-	237,804	(237,804)
Contributions - employees	-	488,990	(488,990)
Contributions - buy back	-	-	-
Net investment income	-	3,164,531	(3,164,531)
Benefit payments, including refund of Employee contributions	(3,329,858)	(3,329,858)	-
Administrative expense	-	(59,752)	59,752
Net changes	759,510	680,515	78,995
Ending balance	\$ 43,071,428	\$ 38,446,994	\$ 4,624,434

The Plan Fiduciary Net Position as reported in the Statement of Fiduciary Net Position on page 27 of this report as of September 30, 2019 is \$38,641,375. The Plan Fiduciary Net Position as reported above of

CITY OF SEMINOLE, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

**NOTE E - RETIREMENT PLANS** (continued)

\$38,446,994 is as of the measurement date of September 30, 2018 and differs from the September 30, 2018 Plan Fiduciary Net Position as reported on page 27 of this report by \$521,943 due to timing differences resulting from the accrual of income (employer contributions) and expense items.

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

1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
\$9,419,157	\$4,624,434	\$597,715

For the year ended September 30, 2019, the City recognized pension expense under GASB 68 of \$1,160,491.

The City has reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions in the Statement of Net Position as of September 30, 2019 from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 184,255	\$ 148,758
Changes of assumptions	516,105	-
Net difference between projected and actual earnings on pension plan investments	669,985	1,037,562
Employer and State contributions subsequent to the measurement date	1,154,471	-
Total	<u>\$ 2,524,816</u>	<u>\$ 1,186,320</u>

The deferred outflows of resources related to employer and state contributions subsequent to the September 30, 2018 measurement date of \$1,154,471 will be recognized as a reduction in the net pension liability in the fiscal year ended September 30, 2019 measurement date. Other amounts related to deferred outflows and inflows of resources in the amount of \$184,025 will be recognized as pension expense as follows:

Year ended September 30:	Amount
2020	\$ 473,372
2021	(160,607)
2022	(104,231)
2023	(44,965)
2024	20,456
Thereafter	-

Employees' Pension Fund

*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, and subsequently established a non-contributory defined contribution 401(a) plan administered by the ICMA Retirement Corporation under their prototype Profit-Sharing Plan and Trust Agreement. All new full time employees, except firefighters who are covered by a separate plan, are eligible to participate in the plan after one year of employment. Employees are fully vested after five years of service. Plan provisions and contribution requirements are established and may be amended by the City Council.

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

**NOTE E - RETIREMENT PLANS (continued)**

As previously disclosed, effective March 28, 2006, the City Council approved rejoining the Florida Retirement System for all eligible new general employees and general employees previously participating in the single-employer defined contribution 401(a) plan that have elected to participate in the Florida Retirement System. Existing employees as of March 28, 2006, who desired to remain in the 401(a) plan were permitted to do so.

*Funding Policy:* The 401(a) plan does not require contributions from members. The City contributes 10% of the annual compensation for general employees and 16% for executive employees. For fiscal years ending September 30, 2019, 2018, and 2017 the City contributed \$27,584, \$26,760, and \$26,064, respectively, to the plan. Contributions made by the City were equal to the required contributions. The net position of the pension fund was \$611,802 as of September 30, 2019.

Any portion of the unvested City contributions for employees who leave employment before five years of service are used to reduce the City's current period contribution requirement.

**NOTE F – OTHER POST EMPLOYMENT BENEFITS**

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.

*Plan Description:* The City's Retiree Health Plan is a single employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet eligibility requirements under one of 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 GAB 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, *general* employees must have a minimum of 10 years of service with the City. *Firefighter* employees are eligible to participate in the Plan after 10 years of service upon retirement at age 55 or after completion of 25 years of service upon retirement at age 52. At October 1, 2017, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members:	<u>102</u>
Total	<u>111</u>

*Benefits Provided:* The benefits provided to eligible retiree 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 employees of the City are eligible to receive postemployment health care benefits.

*Contributions:* The retired employees, including their eligible dependents, that are eligible to participate in the Plan are required to pay 100% of their respective health care insurance premiums. The City does not

SEPTEMBER 30, 2019

**NOTE F – OTHER POST EMPLOYMENT BENEFITS (continued)**

contribute toward this payment. In future years, contributions are assumed to increase the same rate as the premiums. The City subsidizes the premium rates paid by retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of 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 OPEB obligation is currently 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, 2017 using the following actuarial assumptions:

Inflation	2.50 %
Salary increases	4.00 %
Discount rate	4.18%
Investment rate of return	0.00%
Initial trend rate	8.50%
Ultimate trend rate	4.00%
Years to ultimate	55

For all lives, mortality rates were based on the RP-2000 mortality tables projected to the valuation date using Projections Scale AA.

*Discount Rate:* Given the City's decision not to fund the program, all future benefit payments were discounted using a high quality municipal bond rate of 4.18%. The high quality municipal bond rate was based on the week closes but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligations bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

*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.

SEPTEMBER 30, 2019

**NOTE F – OTHER POST EMPLOYMENT BENEFITS** (continued)*Change in Total OPEB Liability:*

	Total OPEB Liability Increase (Decrease)
Reporting period ending September 30, 2018	\$ 456,256
Changes for the year:	
Service cost	37,867
Interest	17,504
Differences between expected and actual experience	-
Changes of assumptions	(26,074)
Changes of benefit terms	-
Contributions - employer	-
Net investment income (loss)	-
Benefit payments	(26,699)
Administrative expense	-
Net changes	2,598
Reporting period ending September 30, 2019	\$ 458,854

Changes in assumptions reflect a change in the discount rate from 3.64% for the reporting period ended September 30, 2018, to 4.18% for the reporting period ended September 30, 2019.

*Sensitivity If 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 (3.18%)	Current Discount Rate (4.18%)	1% Increase (5.18%)
Total OPEB Liability	\$ 508,553	\$ 488,854	\$ 414,941

*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 (3.00% -7.50%)	Current Healthcare Rates (4.00% -8.50%))	1% Increase (5.00% -9.50%)
Net OPEB Liability	\$ 399,154	\$ 458,854	\$ 530,589

*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 \$56,412.

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

## CITY OF SEMINOLE, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

**NOTE F – OTHER POST EMPLOYMENT BENEFITS** (continued)

	Deferred Outflows	Deferred Inflows
Changes in assumptions	\$ -	\$ 44,611
Employer contributions made subsequent to the measurement date	30,968	-
	<u>\$ 30,968</u>	<u>\$ 44,611</u>

The deferred outflows of resources related to employer contributions subsequent to the measurement date of \$30,968 will be recognized as an adjustment to the Total OPEB Liability for the fiscal year ended September 30, 2019 measurement date. Amounts reported as deferred outflows of resources and deferred inflows of resources, other than employer contributions made subsequent to the measurement date, related to OPEB will be recognized in OBEB expense as follows:

<u>Fiscal year ending September 30,</u>	
2020	\$ (5,959)
2021	(5,959)
2022	(5,959)
2023	(5,959)
2024	(5,959)
Thereafter	(14,816)
	<u>\$ (44,611)</u>

**NOTE G - FIRE PROTECTION FEES**

Fire protection fee revenue for the year ended September 30, 2019 was as follows:

Fire equipment – County	\$ 215,308
Fire equipment – Other	2,953
Fire protection fee – County	4,336,917
Fire protection fee – Redington Shores	116,079
Fire protection fee – North Redington Beach	78,248
Fire protection fee – Redington Beach	57,302
Fire protection fee – Bay Pines	107,368
	<u>\$ 4,914,175</u>

**NOTE H – INTERFUND TRANSFERS**

	Transfer in	Transfer out
General Fund	\$ -	\$ 1,230,953
Capital Improvement Fund	1,230,953	-
	<u>\$ 1,230,953</u>	<u>\$ 1,230,953</u>

The transfer from the General Fund to the Capital Improvement Fund in the amount of \$1,230,953 was for the acquisition and construction of capital assets.

**NOTE I - RISK MANAGEMENT**

The City is subject to losses in the normal course of operations resulting from general liability; property and casualty; workers' compensation; employee health and accident, environmental and antitrust matters. In an effort to reduce the rising costs of commercial insurance, the City purchases all of its insurance coverages, except for health coverage, from the Florida Municipal Insurance Trust (FMIT), which is serviced by the Florida League of Cities, Inc. The City does not retain any risk of loss as a member of the FMIT program.

The FMIT is a public entity risk pool currently operating as a common risk management and insurance program for local municipalities. The City pays an annual premium for property, liability, and workers' compensation based on members' experience. The City continues to carry commercial insurance for all other risks of loss including health and employee accident insurance.

During the fiscal year ended September 30, 2019, the City had no significant reductions of insurance coverage from the prior year. In addition, there have been no settlements that have exceeded the City's insurance coverage in any of the past three fiscal years.

**NOTE J - COMMITMENTS**

Grants: Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Law Enforcement: The City annually contracts with the Sheriff of Pinellas County, Florida for law enforcement services. The cost of this contract for services for the fiscal year ended September 30, 2019 was \$1,736,088.

Fire Control: The City provides fire protection and EMS services to unincorporated areas of Pinellas County, Florida known as the Seminole Fire District under annual contracts expiring September 30, 2019. Revenue from these contracts for the fiscal year ended September 30, 2019 was \$4,914,175 for fire services and \$2,352,901 for emergency medical services. Expenditures are subject to review for compliance. At September 30, 2019, the City recorded a receivable from the County in the amount of \$1,284,168 for future capital outlays of fire protection equipment.

Contractual Commitments: General Fund encumbrances of \$12,521 and Capital Improvement Fund encumbrances of \$110,703 are reported in the Balance Sheet – Governmental Funds and represent contractual commitments.

Hurricane Irma Clean-up: The City entered into a Participant Agreement for Disaster Debris Monitoring and Management Services to provide clean-up from the damage caused by Hurricane Irma in September, 2017. The City received reimbursement in the amount of \$524,497 during fiscal year 2019, of which \$494,090 was paid by FEMA and \$30,407 was reimbursed by the State of Florida. The Hurricane Irma claim process has not been finalized at the time of the audit report date. Therefore, the remaining amount to be received as reimbursement has not been recorded as of September 30, 2019 due to the uncertainty of the amount that the City will receive. As of the audit report date of February 23, 2020, reimbursements from FEMA and the State of Florida in excess of \$87,000 are still outstanding.

SEPTEMBER 30, 2019

**NOTE K - DEFERRED COMPENSATION PLAN**

The City maintains a deferred compensation plan (plan) under the provisions of Section 457 of the Internal Revenue Code, as amended. This law stipulates that all assets and income of the plan must be held in trust for the exclusive benefit of the Plan participants and their beneficiaries. The City's plan is administered by the International City Management Association (ICMA) Retirement Corporation and Nationwide Retirement Solutions and provides the plan participants with the option to invest in over twenty different registered investment funds (mutual funds). Although the City is the Trustee of the plan, the City has no administrative involvement and performs no investing function for the plan and has not, therefore, included the plan in this financial report.

**NOTE L – JOINT USE LIBRARY**

In May 2000, the City contracted with St. Petersburg College to develop, maintain, and operate a community library. The library serves as a multipurpose building for College and community use, including library program rooms, conference rooms, study rooms, offices, classrooms, computer lab rooms, a food service area, exhibition space, and College library instruction. The library was built and is owned by the College. The College is responsible for maintaining and repairing the facility, utilities, custodial services, security services, and all capital maintenance. The City is responsible for maintaining the collection and managing the daily operations of the library including the staffing of the library for a minimum of 62 hours per week with eight full-time and fifteen part-time employees. Additional staff positions or operating hours in excess of 62 hours per week are reimbursed by the College. For fiscal year ending September 30, 2019, the City billed the College \$60,297 for additional staffing requirements.

**NOTE M – PRIOR PERIOD ADJUSTMENTS**

During the fiscal year 2018, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result of the implementation of GASB Statements 75, the City reported a restatement of its net position for the change in accounting principle as of October 1, 2017. The restatement to net position was reported in the accompanying Statement of Activities.

The effects of this restatement on net position as reported in the Statement of Activities for Postemployment Benefits Other Than Pensions as of October 1, 2017 are as follows:

City's retiree Health Care Plan	
Total Other Postemployment Benefits liability at 9-30-17	\$ 315,720
Less: Deferred Outflows of Resources at 9-30-17	(24,551)
Effect of restatement on net position	291,169
Florida Retirement System – GASB 75 impact on FRS component	1,061
Total reduction in net position due to restatement as of 10-1-17	<u>\$ 292,230</u>

**NOTE N – SUBSEQUENT EVENTS**

The City has considered subsequent events through the date of the audit report which is the date that the financial statements were available to be issued. There were no subsequent events that required an adjustment to the financial statements or disclosure in the notes to the financial statements.



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## **Required Supplementary Information**

Required supplementary information includes a budgetary comparison schedule for the general fund, schedules depicting the changes in net pension liability and contributions for the single employer defined benefit pension plan, the changes in net pension liability for the cost-sharing multiple-employer public employee retirement system plan and a schedule of changes in the retiree health care plan other postemployment benefits liability.

## CITY OF SEMINOLE, FLORIDA

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

For the Year Ended September 30, 2019

With Comparative Amounts for the Year Ended September 30, 2018

	2019				2018
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Total
	Original	Final	(Budgetary Basis)		
RESOURCES (INFLOWS):					
TAXES					
Ad valorem	\$ 3,468,095	\$ 3,468,095	\$ 3,494,421	\$ 26,326	\$ 3,166,903
Utility taxes	1,135,427	1,135,427	1,359,180	223,753	1,241,992
Franchise fees	1,322,000	1,322,000	1,594,494	272,494	1,469,464
Communication services tax	660,000	660,000	625,481	(34,519)	684,754
TOTAL TAXES	6,585,522	6,585,522	7,073,576	488,054	6,563,113
LICENSES AND PERMITS					
Local business tax	150,000	150,000	172,158	22,158	169,542
Building permits and plan reviews	340,000	340,000	433,410	93,410	412,372
TOTAL LICENSES AND PERMITS	490,000	490,000	605,568	115,568	581,914
INTERGOVERNMENTAL					
Local option gas tax	245,000	245,000	227,493	(17,507)	248,941
State revenue sharing	465,000	465,000	605,606	140,606	584,888
Mobile home licenses	5,500	5,500	6,228	728	6,106
Alcoholic beverage licenses	11,000	11,000	16,873	5,873	16,665
Half-cent sales tax	1,048,000	1,048,000	1,224,721	176,721	1,197,042
Education reimbursement - Fire	29,550	29,550	75,998	46,448	90,745
State fuel tax refund	1,500	1,500	1,532	32	1,511
Library shared revenue	213,592	213,592	225,170	11,578	213,592
Department of Transportation maintenance reimbursement	29,000	29,000	25,712	(3,288)	24,964
Recycling grant	13,000	13,000	11,618	(1,382)	11,350
Federal FEMA reimbursement	-	-	494,090	494,090	-
State FEMA reimbursement	-	-	30,407	30,407	-
TOTAL INTERGOVERNMENTAL REVENUES	2,061,142	2,061,142	2,945,448	884,306	2,395,804
CHARGES FOR SERVICES					
Administrative	462,050	462,050	484,295	22,245	484,448
Fire protection fees	4,697,490	4,697,490	4,914,175	216,685	4,811,747
Emergency medical services	2,352,901	2,352,901	2,352,901	-	2,284,373
Culture and recreation	560,697	560,697	497,046	(63,651)	517,231
Other	37,000	37,000	15,102	(21,898)	39,366
TOTAL CHARGES FOR SERVICES	8,110,138	8,110,138	8,263,519	153,381	8,137,165
FINES AND FORFEITURES					
Court fines	42,000	42,000	21,137	(20,863)	27,511
Other fines	24,000	24,000	36,145	12,145	25,613
TOTAL FINES AND FORFEITURES	66,000	66,000	57,282	(8,718)	53,124
MISCELLANEOUS					
Investment income	25,143	25,143	213,786	188,643	120,729
Contributions	-	-	3,910	3,910	7,924
Rents	55,000	55,000	83,938	28,938	93,085
Proceeds from sale of capital assets	200	200	34,903	34,703	1,804
Other	29,500	29,500	92,756	63,256	168,880
TOTAL MISCELLANEOUS REVENUES	109,843	109,843	429,293	319,450	392,422
TRANSFERS FROM OTHER FUNDS	-	1,315,086	-	(1,315,086)	-
AMOUNTS AVAILABLE FOR APPROPRIATION	17,422,645	18,737,731	19,374,686	636,955	18,123,542

(continued)

## CITY OF SEMINOLE, FLORIDA

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUNDFor the Year Ended September 30, 2019 (continued)  
With Comparative Amounts for the Year Ended September 30, 2018

	2019				2018
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	
	Original	Final	(Budgetary Basis)		Total
CHARGES TO APPROPRIATIONS (OUTFLOWS)					
GENERAL GOVERNMENT					
Legislative					
Personal services	\$ 94,223	\$ 94,223	\$ 96,484	\$ (2,261)	\$ 92,831
Operating expenses	92,550	92,550	70,073	22,477	95,600
	186,773	186,773	166,557	20,216	188,431
Executive					
Personal services	317,877	317,877	295,752	22,125	306,317
Operating expenses	91,264	91,264	8,772	82,492	8,496
Capital outlay	-	-	-	-	41,369
	409,141	409,141	304,524	104,617	356,182
City Clerk					
Personal services	84,120	84,120	76,948	7,172	80,904
Operating expenses	45,065	45,065	36,281	8,784	42,224
Capital outlay	-	-	-	-	3,284
	129,185	129,185	113,229	15,956	126,412
Financial					
Personal services	244,481	244,481	251,101	(6,620)	157,168
Operating expenses	34,679	41,229	30,661	10,568	20,388
	279,160	285,710	281,762	3,948	177,556
Legal					
Operating expenses	57,080	57,080	46,559	10,521	37,452
	57,080	57,080	46,559	10,521	37,452
Administration					
Personal services	277,594	277,594	111,664	165,930	264,257
Operating expenses	101,831	101,831	161,304	(59,473)	472,605
	379,425	379,425	272,968	106,457	736,862
Facilities					
Personal services	59,754	59,754	46,994	12,760	56,544
Operating expenses	162,550	162,550	127,847	34,703	168,525
Capital outlay	-	125,080	138,929	(13,849)	34,032
	222,304	347,384	313,770	33,614	259,101
TOTAL GENERAL GOVERNMENT	1,663,068	1,794,698	1,499,369	295,329	1,881,996
PUBLIC SAFETY					
Law enforcement					
Operating expenses	1,850,223	1,850,223	1,786,677	63,546	1,721,662
Fire control					
Administration					
Personal services	537,490	537,490	520,453	17,037	506,239
Operating expenses	264,990	264,990	305,214	(40,224)	265,096
Capital outlay	6,000	6,000	5,945	55	88,409
	808,480	808,480	831,612	(23,132)	859,744

(continued)

## CITY OF SEMINOLE, FLORIDA

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUNDFor the Year Ended September 30, 2019 (continued)  
With Comparative Amounts for the Year Ended September 30, 2018

	2019				2018
	Budgeted Amounts		Actual Amounts	Variance with	
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)	Total
PUBLIC SAFETY (continued)					
Fire Control					
Emergency medical services					
Personal services	\$ 2,008,051	\$ 2,008,051	\$ 2,129,282	\$ (121,231)	\$ 1,937,282
Operating expenses	344,850	344,850	223,619	121,231	347,091
	2,352,901	2,352,901	2,352,901	-	2,284,373
Life safety services					
Personal services	244,410	244,410	231,650	12,760	269,938
Operating expenses	30,030	30,030	28,862	1,168	27,504
	274,440	274,440	260,512	13,928	297,442
Training					
Personal services	127,880	127,880	128,191	(311)	122,647
Operating expenses	46,540	46,540	39,339	7,201	38,760
Capital outlay	9,300	9,300	-	9,300	-
	183,720	183,720	167,530	16,190	161,407
Maintenance					
Personal services	200,440	200,440	204,032	(3,592)	195,373
Operating expenses	46,140	49,660	60,068	(10,408)	37,106
Capital outlay	40,000	36,480	27,502	8,978	5,989
	286,580	286,580	291,602	(5,022)	238,468
Fire Operations					
Personal services	4,304,530	4,304,530	4,182,886	121,644	4,050,939
Operating expenses	695,610	695,610	854,657	(159,047)	644,015
Capital outlay	-	-	157,518	(157,518)	164,681
	5,000,140	5,000,140	5,195,061	(194,921)	4,859,635
Total Fire control	8,906,261	8,906,261	9,099,218	(192,957)	8,701,069
Code enforcement					
Personal services	321,497	321,497	297,552	23,945	232,075
Operating expenses	215,225	215,225	220,948	(5,723)	229,065
Capital outlay	-	-	-	-	2,190
	536,722	536,722	518,500	18,222	463,330
TOTAL PUBLIC SAFETY	11,293,206	11,293,206	11,404,395	(111,189)	10,886,061
PHYSICAL ENVIRONMENT					
Community Development Administration					
Personal services	194,664	194,664	212,071	(17,407)	216,154
Operating expenses	41,615	41,615	19,353	22,262	23,132
	236,279	236,279	231,424	4,855	239,286
Parks					
Personal services	240,509	264,153	269,542	(5,389)	213,826
Operating expenses	271,724	308,170	183,235	124,935	215,172
Capital outlay	65,100	65,100	32,528	32,572	21,075
	577,333	637,423	485,305	152,118	450,073
TOTAL PHYSICAL ENVIRONMENT	813,612	873,702	716,729	156,973	689,359

(continued)

## CITY OF SEMINOLE, FLORIDA

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUNDFor the Year Ended September 30, 2019 (continued)  
With Comparative Amounts for the Year Ended September 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018
	Budgeted Amounts		Actual Amounts (Budgetary Basis)		Total
	Original	Final			
PUBLIC WORKS					
Administration					
Personal services	\$ 274,549	\$ 274,549	\$ 195,142	\$ 79,407	\$ 272,323
Operating expenses	440,386	456,006	347,924	108,082	367,420
Capital outlay	-	-	6,138	(6,138)	-
	<u>714,935</u>	<u>730,555</u>	<u>549,204</u>	<u>181,351</u>	<u>639,743</u>
Transportation					
Personal services	179,955	179,955	185,987	(6,032)	131,009
Operating expenses	117,200	117,200	120,897	(3,697)	107,077
	<u>297,155</u>	<u>297,155</u>	<u>306,884</u>	<u>(9,729)</u>	<u>238,086</u>
TOTAL PUBLIC WORKS	<u>1,012,090</u>	<u>1,027,710</u>	<u>856,088</u>	<u>171,622</u>	<u>877,829</u>
CULTURE AND RECREATION					
Library					
Personal services	1,013,212	1,013,212	1,035,204	(21,992)	951,548
Operating expenses	141,875	141,875	134,294	7,581	124,418
Capital outlay	-	-	8,431	(8,431)	-
	<u>1,155,087</u>	<u>1,155,087</u>	<u>1,177,929</u>	<u>(22,842)</u>	<u>1,075,966</u>
Recreation					
Personal services	821,511	821,511	780,277	41,234	734,283
Operating expenses	472,736	472,736	421,031	51,705	410,336
	<u>1,294,247</u>	<u>1,294,247</u>	<u>1,201,308</u>	<u>92,939</u>	<u>1,144,619</u>
TOTAL CULTURE AND RECREATION	<u>2,449,334</u>	<u>2,449,334</u>	<u>2,379,237</u>	<u>70,097</u>	<u>2,220,585</u>
TRANSFERS TO OTHER FUNDS	<u>119,900</u>	<u>1,227,646</u>	<u>1,230,953</u>	<u>(3,307)</u>	<u>1,740,758</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>17,351,210</u>	<u>18,666,296</u>	<u>18,086,771</u>	<u>579,525</u>	<u>18,296,588</u>
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	71,435	71,435	1,287,915	1,216,480	(173,046)
FUND BALANCE - BEGINNING OF YEAR	<u>6,596,263</u>	<u>6,596,263</u>	<u>6,596,263</u>	<u>-</u>	<u>6,769,309</u>
FUND BALANCE - END OF YEAR	<u>\$ 6,667,698</u>	<u>\$ 6,667,698</u>	<u>\$ 7,884,178</u>	<u>\$ 1,216,480</u>	<u>\$ 6,596,263</u>

(continued)

CITY OF SEMINOLE, FLORIDA

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

For the Year Ended September 30, 2019 (continued)

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.	\$ 19,374,686
Differences - budget to GAAP:	
Proceeds from sale of surplus capital assets are inflows of budgetary resources but are not revenues for financial reporting purposes.	<u>(34,903)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u><u>\$ 19,339,783</u></u>

USES/OUTFLOWS OF RESOURCES

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 18,086,771
Differences - budget to GAAP:	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	<u>(1,230,953)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u><u>\$ 16,855,818</u></u>

CITY OF SEMINOLE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
FIREFIGHTERS' PENSION TRUST FUND  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY

Reporting period ending:	9-30-15	9-30-16	9-30-17		
Measurement date:	9-30-14	9-30-15	9-30-16	9-30-18	9-30-19
	(Restated)	(Restated)	(Restated)	9-30-17	9-30-18
<b>Total Pension Liability</b>					
Service cost	\$ 650,715	\$ 673,538	\$ 716,045	\$ 729,257	\$ 758,006
Interest on the total pension liability	2,931,119	2,967,687	2,974,989	3,106,162	3,208,627
Change in funding standard account	(354,784)	-	-	-	-
Differences between expected and actual experience	-	(446,275)	161,240	626,941	122,735
Change in assumptions	-	-	1,032,209	-	-
Contributions - buy back	-	-	23,668	-	-
Benefit payments, including refunds of employee contributions	(2,719,110)	(2,836,936)	(3,449,539)	(3,008,090)	(3,329,858)
Net change in total pension liability	507,940	358,014	1,458,612	1,454,270	759,510
Total pension liability beginning	38,533,082	39,041,022	39,399,036	40,857,648	42,311,918
Total pension liability ending (a)	<u>\$ 39,041,022</u>	<u>\$ 39,399,036</u>	<u>\$ 40,857,648</u>	<u>\$ 42,311,918</u>	<u>\$ 43,071,428</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	\$ 207,920	\$ 60,525	\$ 310,573	\$ 407,567	\$ 178,800
Contributions - State	264,239	284,794	268,067	255,335	237,804
Contributions - employees	509,862	424,681	390,603	351,502	488,990
Contributions - buy back	-	-	23,668	-	-
Net investment income (loss)	3,386,823	(292,760)	2,584,673	3,981,916	3,164,531
Benefit payments, including refunds of employee contributions	(2,719,110)	(2,836,936)	(3,449,539)	(3,008,090)	(3,329,858)
Administrative expenses	(55,437)	(52,016)	(63,352)	(58,559)	(59,752)
Net Change in plan fiduciary net position	1,594,297	(2,411,712)	64,693	1,929,671	680,515
Plan fiduciary net position - beginning	36,589,530	38,183,827	35,772,115	35,836,808	37,766,479
Plan fiduciary net position - ending (b)	<u>\$ 38,183,827</u>	<u>\$ 35,772,115</u>	<u>\$ 35,836,808</u>	<u>\$ 37,766,479</u>	<u>\$ 38,446,994</u>
Net Pension Liability - Ending (a - b)	<u>\$ 857,195</u>	<u>\$ 3,626,921</u>	<u>\$ 5,020,840</u>	<u>\$ 4,545,439</u>	<u>\$ 4,624,434</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	97.80%	90.79%	87.71%	89.26%	89.26%
Covered Payroll	\$ 3,700,010	\$ 3,788,411	\$ 3,949,473	\$ 3,967,297	\$ 3,985,247
Net pension liability as a percentage of covered employee payroll	23.17%	95.74%	127.13%	114.57%	116.04%

Please refer to the notes to the financial statements (pages 47-48)  
for the assumptions used.

**NOTE:** GASB 68 requires ten years of information. Information is only available for five years.  
Additional years of information will be added as the information becomes available.



CITY OF SEMINOLE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
FIREFIGHTERS' PENSION TRUST FUND  
SCHEDULE OF CONTRIBUTIONS

Reporting date:	9-30-14	9-30-15	9-30-16	9-30-17	9-30-18	9-30-19
Actuarially determined contribution	\$ 826,943	\$ 713,089	\$ 670,715	\$ 673,202	\$ 800,930	\$ 855,177
Funding credit balance (used) created	(354,784)	(367,770)	(92,075)	(19,360)	185,200	299,294
Contributions in relation to the						
actuarially determined contribution	(472,159)	(345,319)	(578,640)	(653,842)	(986,130)	(1,154,471)
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,700,010	\$ 3,788,411	\$ 3,949,473	\$ 3,967,297	\$ 3,985,247	\$ 3,969,943
Contributions as a percentage of covered payroll	12.76%	9.12%	14.65%	16.48%	24.74%	29.08%

**NOTE:** GASB 68 requires ten years of information. Information is only available for six years.  
Additional years of information will be added as the information becomes available.

**NOTES TO SCHEDULE**

Valuation date: September 30, 2017  
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Funding Method: Entry Age Normal Actuarial Cost Method  
Interest - A half year, based on the current 7.75% assumption.  
Salary - A full year, based on the current 4.76% assumption.

Amortization Method: Level Dollar

Remaining Amortization Period: 23 years as of 10-1-18

Mortality: RP-2000 Generational - Female 100% Annuitant White Collar, Scale BB  
Male - 10% Annuitant White Collar, 90% Blue Collar, Scale BB  
These assumptions were mandated by Laws of Florida Chapter 2015-157.

Interest Rate: 7.75% per year compounded annually, net of investment related expenses.

Inflation: 2.3% per year.

Retirement Rates: Age and experience-based probability table considering eligibility for normal retirement.

Salary Increases: Less than 10 years of credited service - 5%, 10-20 years of credited service - 4.5%, and more than 20 years of credited service 4%.

Disability Rates: The rates are based on an experience study issued February 6, 2012 ranging from a disability assumption of 0.15% at age 20 to 1.20% at age 55.

Asset Smoothing Method: The total investment gain or loss for each plan year is recognized over a 4 year period. In the first year 25% of the gain or loss is recognized and 25% in each of the successive remaining three years. Investment gain or loss return is the difference between the actual rate of return on the Plan's assets and the assumed rate of return based on the actuarial assumption for investment return.

Payroll Growth: None.

CITY OF SEMINOLE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
FLORIDA RETIREMENT SYSTEM - CITY'S PROPORTIONATE SHARE  
SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND  
EMPLOYER CONTRIBUTIONS

	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019
<b>SCHEDULE OF CHANGES IN NET PENSION LIABILITY</b>					
<b>FRS Pension Plan</b>					
Total Pension Liability	\$ 13,702,381	\$ 15,879,159	\$ 19,165,199	\$ 20,806,509	\$ 19,630,685
Plan Fiduciary Net Position	(12,605,623)	(13,478,706)	(16,078,091)	(17,530,786)	(16,216,486)
Net Pension Liability	<u>\$ 1,096,758</u>	<u>\$ 2,400,453</u>	<u>\$ 3,087,108</u>	<u>\$ 3,275,723</u>	<u>\$ 3,414,199</u>
Plan Net Position as a Percentage of Total Net Pension Liability	92%	85%	84%	84%	83%
City's proportionate share of the total FRS Pension Liability	0.008491243%	0.009506714%	0.010436709%	0.010875388%	0.009913870%
Service Cost	\$ 191,514	\$ 225,451	\$ 328,915	\$ 263,618	\$ 250,134
Interest on the total pension liability	1,061,870	1,279,953	1,980,093	1,397,262	1,308,125
Plan changes	-	3,415	14,621	-	1,131
Effect of economic/demographic gain or loss	146,836	103,608	224,028	71,528	891
Effect of assumptions	-	108,943	1,649,264	286,746	62,565
Employer contributions	(220,869)	(257,770)	(412,896)	(231,720)	(501,116)
Member contributions	(63,260)	(75,124)	(118,138)	(81,171)	(74,633)
Projected investment earnings	(1,015,541)	(1,170,686)	(1,670,426)	(1,163,639)	(1,094,667)
(Gain) Loss on investments	515,180	1,083,949	(1,311,714)	(357,263)	184,105
Administrative expense	1,637	1,956	2,907	2,194	1,941
Net change in net pension liability	617,367	1,303,695	686,654	187,555	138,476
Net pension liability - beginning	479,391	1,096,758	2,400,453	3,088,168	3,275,723
Net pension liability - ending	<u>1,096,758</u>	<u>2,400,453</u>	<u>3,087,107</u>	<u>3,275,723</u>	<u>3,414,199</u>
Net pension liability restated for GASB No. 75 OPEB implementation	-	-	1,061	-	-
Net pension liability - ending as restated	<u>\$ 1,096,758</u>	<u>\$ 2,400,453</u>	<u>\$ 3,088,168</u>	<u>\$ 3,275,723</u>	<u>\$ 3,414,199</u>
Covered payroll	\$ 2,777,527	\$ 2,972,117	\$ 3,037,158	\$ 3,115,004	\$ 3,112,061
Net pension liability as a percentage of covered employee payroll	39%	81%	102%	105%	110%
<b>Retiree Health Insurance Subsidy (HIS Plan)</b>					
Total Pension Liability	\$ 891,443	\$ 1,115,300	\$ 1,039,500	\$ 1,031,826	\$ 1,068,973
Plan Fiduciary Net Position	(4,416)	(10,791)	(17,050)	(22,175)	(28,098)
Net Pension Liability	<u>\$ 887,027</u>	<u>\$ 1,104,509</u>	<u>\$ 1,022,450</u>	<u>\$ 1,009,651</u>	<u>\$ 1,040,875</u>
Plan Net Position as a Percentage of Total Net Pension Liability	0.50%	0.97%	1.64%	2.15%	2.63%
City's proportionate share of the total HIS Plan Pension Liability	0.008697689%	0.009477035%	0.009562343%	0.009539308%	0.009302664%
Service Cost	\$ 23,443	\$ 38,340	\$ 25,974	\$ 24,654	\$ 21,593
Interest on the total pension liability	43,697	58,361	28,784	37,175	38,900
Effect of economic/demographic gain or loss	65,496	(4,604)	-	17,955	(341)
Effect of assumptions	-	201,994	(91,576)	(38,193)	47,868
Employer contributions	(41,199)	(76,553)	(45,138)	(54,065)	(76,207)
Member contributions	-	-	-	(23)	(18)
Projected investment earnings	(333)	(464)	(353)	(695)	(950)
(Gain) Loss on investments	290	380	235	377	361
Administrative expense	20	28	15	16	18
Net change in net pension liability	91,414	217,482	(82,059)	(12,799)	31,224
Net pension liability - beginning	795,613	887,027	1,104,509	1,022,450	1,009,651
Net pension liability - ending	<u>\$ 887,027</u>	<u>\$ 1,104,509</u>	<u>\$ 1,022,450</u>	<u>\$ 1,009,651</u>	<u>\$ 1,040,875</u>
Covered payroll	\$ 2,777,527	\$ 2,972,117	\$ 3,037,158	\$ 3,115,004	\$ 3,112,061
Net pension liability as a percentage of covered employee payroll	32%	37%	34%	32%	33%
<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS</b>					
<b>FRS Pension Plan</b>					
Total contractually required contributions - paid by employer	\$ 241,861	\$ 270,074	\$ 316,067	\$ 325,639	\$ 345,218
Covered payroll	\$ 2,840,484	\$ 2,890,662	\$ 3,055,095	\$ 3,072,363	\$ 3,135,371
Contributions as a percentage of covered payroll	8.51%	9.34%	10.35%	10.60%	11.01%
<b>Retiree Health Insurance Subsidy Plan (HIS Plan)</b>					
Total contractually required contributions - paid by employer	\$ 26,873	\$ 36,828	\$ 39,064	\$ 51,001	\$ 52,047
Covered payroll	\$ 2,840,484	\$ 2,890,662	\$ 3,055,095	\$ 3,072,363	\$ 3,135,371
Contributions as a percentage of covered payroll (as noted above)	0.95%	1.27%	1.28%	1.66%	1.66%

**NOTE:** GASB 68 requires ten years of information. Information is only available for five years. Additional years of information will be added as the information becomes available.

CITY OF SEMINOLE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
RETIREE HEALTH CARE PLAN  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY

Reporting period ending:	9-30-18	9-30-19
Measurement date:	<u>9-30-17</u>	<u>9-30-18</u>
<b>Total OPEB Liability</b>		
Service cost	\$ 40,514	\$ 37,867
Interest	14,732	17,504
Change in benefit terms	-	-
Differences between expected and actual experience	-	-
Change of assumptions	(27,558)	(26,074)
Benefit payments, including refunds of employee contributions	<u>(24,551)</u>	<u>(26,699)</u>
Net change in total opeb liability	3,137	2,598
Total OPEB liability beginning	<u>453,119</u>	<u>456,256</u>
Total OPEB liability ending	<u><u>\$ 456,256</u></u>	<u><u>\$ 458,854</u></u>
Covered Employee Payroll	\$ 6,108,118	\$ 6,352,442
Total OPEB liability as a percentage of covered employee payroll	7.47%	7.22%

**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 - 4.18%

Fiscal year 2018 - 3.64%

Fiscal year 2017 - 3.06%

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

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## **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.

## CITY OF SEMINOLE, FLORIDA

COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS

September 30, 2019

With Comparative Amounts for September 30, 2018

	2019				2018
	Special Events	Library	Tree and Landscape Mitigation	Total Non-major Governmental Funds	Total
ASSETS					
Cash, pooled cash, and cash equivalents	\$ 83,084	\$ 109,822	\$ 148,973	\$ 341,879	\$ 355,608
TOTAL ASSETS	<u>\$ 83,084</u>	<u>\$ 109,822</u>	<u>\$ 148,973</u>	<u>\$ 341,879</u>	<u>\$ 355,608</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 585	\$ -	\$ -	\$ 585	\$ 4,905
TOTAL LIABILITIES	<u>585</u>	<u>-</u>	<u>-</u>	<u>585</u>	<u>4,905</u>
FUND BALANCES					
Fund balances					
Restricted for:					
Library	-	109,822	-	109,822	109,822
Tree and landscape mitigation	-	-	148,973	148,973	149,823
Committed for:					
Special events	82,499	-	-	82,499	91,058
TOTAL FUND BALANCES	<u>82,499</u>	<u>109,822</u>	<u>148,973</u>	<u>341,294</u>	<u>350,703</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 83,084</u>	<u>\$ 109,822</u>	<u>\$ 148,973</u>	<u>\$ 341,879</u>	<u>\$ 355,608</u>

## CITY OF SEMINOLE, FLORIDA

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

For the Year Ended September 30, 2019

With Comparative Amounts for the Year Ended September 30, 2018

	2019				2018
	Special Events	Library	Tree and Landscape Mitigation	Total Non-major Governmental Funds	Total
REVENUES					
Miscellaneous revenues	\$ 72,823	\$ -	\$ -	\$ 72,823	\$ 121,147
TOTAL REVENUES	72,823	-	-	72,823	121,147
EXPENDITURES					
Current					
Culture and recreation	81,382	-	850	82,232	84,325
TOTAL EXPENDITURES	81,382	-	850	82,232	84,325
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(8,559)	-	(850)	(9,409)	36,822
OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(8,559)	-	(850)	(9,409)	36,822
FUND BALANCES - BEGINNING OF YEAR	91,058	109,822	149,823	350,703	313,881
FUND BALANCES - END OF YEAR	<u>\$ 82,499</u>	<u>\$ 109,822</u>	<u>\$ 148,973</u>	<u>\$ 341,294</u>	<u>\$ 350,703</u>

## **Other Supplementary Schedules**

These schedules are presented to provide greater detailed information than reported in the preceding financial statements. These schedules are not necessary for fair presentation in conformity with Generally Accepted Accounting Principles.



## CITY OF SEMINOLE, 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	Pension Related Items	Reclasses & Eliminations	Statement of Net Position Totals
<b>ASSETS</b>					
Cash, pooled cash, and cash equivalents	\$ 16,484,330	\$ -	\$ -	\$ -	\$ 16,484,330
Receivables					
Accounts	-	-	-	-	-
Taxes	304,665	-	-	-	304,665
Due from other governments	1,740,164	-	-	-	1,740,164
Inventories - at cost	81,463	-	-	-	81,463
Prepaid items	106,706	-	-	-	106,706
Capital assets	-	60,768,358	-	-	60,768,358
Accumulated depreciation	-	(19,478,503)	-	-	(19,478,503)
Deferred outflows of resources					
Total Other Post Employment Benefits	-	30,968	-	-	30,968
Defined benefit pension plan - Fire Pension	-	-	2,524,816	-	2,524,816
Defined benefit pension plan - Florida Retirement System	-	-	1,555,981	-	1,555,981
<b>TOTAL ASSETS</b>	<u>\$ 18,717,328</u>	<u>\$ 41,320,823</u>	<u>\$ 4,080,797</u>	<u>\$ -</u>	<u>\$ 64,118,948</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 359,936	\$ -	\$ -	\$ -	\$ 359,936
Accrued liabilities	924,104	-	-	-	924,104
Total Other Post Employment Benefits liability	-	458,854	-	-	458,854
Compensated absences	-	932,689	-	-	932,689
Net pension liability - Fire Pension	-	-	4,624,434	-	4,624,434
Net pension liability - Florida Retirement System	-	-	4,455,074	-	4,455,074
Deferred inflows of resources					
Deferred revenue	136,803	-	-	-	136,803
Total Other Post Employment Benefits	-	44,611	-	-	44,611
Defined benefit pension plan - Fire pension	-	-	1,186,320	-	1,186,320
Defined benefit pension plan - Florida Retirement System	-	-	463,632	-	463,632
<b>TOTAL LIABILITIES</b>	<u>1,420,843</u>	<u>1,436,154</u>	<u>10,729,460</u>	<u>-</u>	<u>13,586,457</u>
<b>TOTAL FUND BALANCES / NET POSITION</b>	<u>17,296,485</u>	<u>39,884,669</u>	<u>(6,648,663)</u>	<u>-</u>	<u>50,532,491</u>
<b>TOTAL LIABILITIES AND FUND BALANCES / NET POSITION</b>	<u>\$ 18,717,328</u>	<u>\$ 41,320,823</u>	<u>\$ 4,080,797</u>	<u>\$ -</u>	<u>\$ 64,118,948</u>

## CITY OF SEMINOLE, 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 Debt and OPEB Transactions	Pension Related Items	Reclasses & Eliminations	Statement of Activities Totals
REVENUES						
Taxes	\$ 9,046,027	\$ -	\$ -	\$ -	\$ (9,046,027)	\$ -
Licenses and permits	605,568	-	-	-	(605,568)	-
Intergovernmental revenue	3,046,448	-	-	-	(3,046,448)	-
Charges for services	8,263,519	-	-	-	868,153	9,131,672
Fines and forfeitures	57,282	-	-	-	(57,282)	-
Miscellaneous revenues	561,465	-	-	-	(561,465)	-
Operating grants and contributions	-	-	-	-	811,112	811,112
Capital grants and contributions	-	-	-	-	107,000	107,000
General revenues	-	-	-	-	11,530,525	11,530,525
TOTAL REVENUES	21,580,309	-	-	-	-	21,580,309
EXPENDITURES						
Current						
General government	1,362,122	123,226	16,425	188,868	-	1,690,641
Public safety	11,214,299	-	-	-	(11,214,299)	-
Law enforcement	-	-	-	-	1,786,677	1,786,677
Fire	-	431,087	85,869	87,451	8,909,122	9,513,529
Code enforcement	-	8,455	4,586	29,223	518,500	560,764
Physical environment	690,201	269,658	4,815	75,378	-	1,040,052
Public works	880,641	174,430	9,053	57,167	-	1,121,291
Culture and recreation	2,462,864	-	-	-	(2,462,864)	-
Library	-	7,444	(23,224)	126,849	1,169,498	1,280,567
Recreation	-	450,071	939	80,223	1,293,366	1,824,599
Capital Outlay	3,681,845	(3,681,845)	-	-	-	-
Debt service						
Principal retirement	933,449	-	(933,449)	-	-	-
Interest and fiscal charges	11,483	-	(917)	-	-	10,566
TOTAL EXPENDITURES	21,236,904	(2,217,474)	(835,903)	645,159	-	18,828,686
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets	34,903	(34,903)	-	-	-	-
Transfers in	1,230,953	-	-	-	(1,230,953)	-
Transfers out	(1,230,953)	-	-	-	1,230,953	-
TOTAL OTHER FINANCING SOURCES (USES)	34,903	(34,903)	-	-	-	-
NET CHANGE IN FUND BALANCE / NET POSITION	\$ 378,308	\$ 2,182,571	\$ 835,903	\$ (645,159)	\$ -	\$ 2,751,623

## Statistical Section

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These tables reflect financial trends, revenue capacity, debt capacity, demographics, and operating information of the City.

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## **Schedules of Financial Trends Information**

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

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City of Seminole, Florida  
Schedule 1  
Net Position by Component  
Last Ten Fiscal Years

	2010	2011	2012	2013
Governmental activities				
Net investment in capital assets	\$ 27,055,701	\$ 27,105,605	\$ 29,270,861	\$ 30,587,031
Restricted	3,112,622	3,259,596	3,241,844	3,728,343
Unrestricted	7,482,286	7,610,402	6,972,322	6,880,991
Total governmental activities net position	<u>\$ 37,650,609</u>	<u>\$ 37,975,603</u>	<u>\$ 39,485,027</u>	<u>\$ 41,196,365</u>

- (1) - The City implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The unrestricted balance for fiscal year 2014 has been restated to reflect the net pension liability of the Fire Fighters Pension Trust Fund. The unrestricted balance for fiscal year 2015 also reflects the net pension liability of the City's proportionate share of the Florida Retirement System.
- (2) - The City determined that the implementation of GASB Statements 68 and 71 was based on actuarial information for the reporting period ending September 30, 2016 rather than the reporting period ended September 30, 2015. As a result, the net position as of October 1, 2015 has been corrected and the impact of GASB Statements 68 and 71 on the fiscal year ended September 30, 2016 has been restated.
- (3) - The beginning net position balance for fiscal year 2018 has been restated to reflect the City's total OPEB liability as of October 1, 2017 as a result of implementing GASB 75.

(Restated) (1) 2014	(Restated) (2) 2015 (1)	(Restated) (2) 2016	2017	2018	(Restated) (3) 2019
\$ 30,606,323	\$ 33,226,494	\$ 34,346,639	\$ 37,082,445	\$ 38,173,835	\$ 41,289,855
4,347,386	4,763,310	5,669,123	6,812,078	7,800,173	8,026,615
7,405,080	4,610,907	4,107,215	2,622,944	1,806,860	1,216,021
<u>\$ 42,358,789</u>	<u>\$ 42,600,711</u>	<u>\$ 44,122,977</u>	<u>\$ 46,517,467</u>	<u>\$ 47,780,868</u>	<u>\$ 50,532,491</u>

City of Seminole, Florida  
Schedule 2  
Changes in Net Position  
Last Ten Fiscal Years

	2010	2011	2012	2013	(Restated) (1) 2014	(Restated) (2) (3) 2015
<b>Expenses</b>						
Governmental activities:						
General government	\$ 1,250,049	\$ 1,307,119	\$ 1,191,801	\$ 1,181,971	\$ 1,415,475	\$ 1,461,642
Law enforcement	1,766,399	1,715,071	1,699,930	1,571,901	1,574,965	1,599,188
Fire	8,249,873	8,471,797	8,286,660	7,912,490	7,142,895	7,614,360
Code enforcement	473,369	393,682	338,965	335,025	416,183	458,128
Physical environment	532,207	513,660	642,876	780,806	871,087	905,616
Public works	1,488,035	1,357,409	1,287,121	1,360,669	1,048,973	1,029,756
Library	962,652	917,293	988,308	1,073,879	1,045,562	1,031,000
Recreation	1,463,360	1,576,448	1,440,688	1,448,393	1,533,638	1,450,978
Interest on long-term debt	363,715	312,203	252,784	203,575	215,133	55,443
Total governmental activities expenses	<u>\$ 16,549,659</u>	<u>\$ 16,564,682</u>	<u>\$ 16,129,133</u>	<u>\$ 15,868,709</u>	<u>\$ 15,263,911</u>	<u>\$ 15,606,111</u>
<b>Program Revenues</b>						
Governmental activities:						
Charges for services						
General government	\$ 517,115	\$ 514,717	\$ 532,788	\$ 499,110	\$ 530,401	\$ 527,187
Law enforcement	201,121	201,005	150,917	45,131	27,942	34,632
Fire	6,483,420	6,307,225	6,544,427	6,451,407	6,258,082	6,188,399
Code enforcement	187,703	168,286	322,808	415,882	433,057	468,432
Physical environment	-	39,479	176,073	3,231	49,187	49,522
Library	68,036	73,584	75,450	82,424	85,856	86,909
Recreation	504,382	530,738	518,343	549,588	589,149	584,522
Operating grants and contributions	311,840	286,197	263,282	307,898	238,367	312,885
Capital grants and contributions	67,805	93,979	488,129	270,250	756,564	37,230
Total governmental activities program revenues	<u>\$ 8,341,422</u>	<u>\$ 8,215,210</u>	<u>\$ 9,072,217</u>	<u>\$ 8,624,921</u>	<u>\$ 8,968,605</u>	<u>\$ 8,289,718</u>
<b>Net (Expense)/Revenue</b>						
Governmental activities net expense	<u>\$ (8,208,237)</u>	<u>\$ (8,349,472)</u>	<u>\$ (7,056,916)</u>	<u>\$ (7,243,788)</u>	<u>\$ (6,295,306)</u>	<u>\$ (7,316,393)</u>
<b>General Revenues and Other Changes in Net Position</b>						
Governmental activities:						
Taxes						
Ad valorem	\$ 2,756,204	\$ 2,448,358	\$ 2,372,877	\$ 2,276,155	\$ 2,337,121	\$ 2,462,476
Franchise fees	1,549,743	1,420,630	1,361,423	1,286,329	1,372,643	1,411,294
Utility taxes	1,168,373	1,094,465	1,026,026	1,074,203	1,141,682	1,124,390
Communication services tax	791,165	819,458	830,481	773,387	720,765	711,714
Half-cent sales tax	897,505	930,163	907,237	947,232	992,067	1,049,621
Infrastructure tax	1,045,040	1,275,822	1,346,319	1,422,592	1,514,280	1,632,208
Local option gas tax	229,246	223,708	227,177	231,605	231,838	240,313
Other taxes	17,949	19,376	19,638	22,422	21,054	20,875
State revenue sharing	346,593	367,714	379,770	412,322	448,691	493,491
Investment income	48,909	15,046	5,952	5,840	10,253	19,755
Miscellaneous	54,325	59,726	104,857	111,069	138,369	133,449
Special Item	-	-	-	391,970	-	-
Total governmental activities	<u>\$ 8,905,052</u>	<u>\$ 8,674,466</u>	<u>\$ 8,581,757</u>	<u>\$ 8,955,126</u>	<u>\$ 8,928,763</u>	<u>\$ 9,299,586</u>
<b>Change in Net Position</b>						
Governmental activities	<u>\$ 696,815</u>	<u>\$ 324,994</u>	<u>\$ 1,524,841</u>	<u>\$ 1,711,338</u>	<u>\$ 2,633,457</u>	<u>\$ 1,983,193</u>
<b>Net position</b>						
Governmental activities:						
Net position - beginning of year	<u>\$ 36,953,794</u>	<u>\$ 37,650,609</u>	<u>\$ 37,960,186</u>	<u>\$ 39,485,027</u>	<u>\$ 39,725,332</u>	<u>\$ 40,617,518</u>
Net position - end of year	<u>\$ 37,650,609</u>	<u>\$ 37,975,603</u>	<u>\$ 39,485,027</u>	<u>\$ 41,196,365</u>	<u>\$ 42,358,789</u>	<u>\$ 42,600,711</u>

(1) - The beginning net position balance for fiscal year 2014 has been restated to reflect the net pension liability of the Fire Fighters' Pension Fund as of October 1, 2013 as a result of implementing Statement No. 68. Additionally, Fire expenses have been restated for fiscal year 2014 to reflect the change in pension expense from the implementation of GASB 68.

(2) - The beginning net position balance for fiscal year 2015 has been restated to reflect the net pension liability of the City's proportionate share of the Florida Retirement System as of October 1, 2014 as a result of implementing GASB 68.

(3) - The City determined that the implementation of GASB Statements 68 and 71 was based on actuarial information for the reporting period ending September 30, 2016 rather than the reporting period ended September 30, 2015. As a result, the net position as of October 1, 2015 has been corrected and the impact of GASB Statements 68 and 71 on the fiscal year ended September 30, 2016 has been restated.

(4) - The beginning net position balance for fiscal year 2018 has been restated to reflect the City's total OPEB liability as of October 1, 2017 as a result of implementing GASB 75.



(Restated) (3)		(Restated) (4)	
2016	2017	2018	2019
\$ 1,542,080	\$ 1,600,302	\$ 2,030,218	\$ 1,690,641
1,632,374	1,663,741	1,721,662	1,786,677
9,114,790	9,289,154	9,619,363	9,513,529
515,657	552,048	490,354	560,764
893,272	890,862	978,715	1,040,052
1,073,199	1,137,588	1,080,151	1,121,291
1,107,542	1,160,834	1,159,473	1,280,567
1,633,090	1,633,034	1,762,796	1,824,599
44,403	33,225	21,912	10,566
<u>\$ 17,556,407</u>	<u>\$ 17,960,788</u>	<u>\$ 18,864,644</u>	<u>\$ 18,828,686</u>
\$ 563,283	\$ 591,676	\$ 616,033	\$ 626,496
26,492	52,168	27,511	21,137
6,659,370	6,989,756	7,195,129	7,327,021
735,072	747,155	453,570	480,346
19,438	74,734	229,348	87,567
84,306	84,343	85,604	80,300
631,501	552,711	547,746	508,805
268,375	273,537	383,514	811,112
435,694	888,469	12,724	107,000
<u>\$ 9,423,531</u>	<u>\$ 10,254,549</u>	<u>\$ 9,551,179</u>	<u>\$ 10,049,784</u>
<u>\$ (8,132,876)</u>	<u>\$ (7,706,239)</u>	<u>\$ (9,313,465)</u>	<u>\$ (8,778,902)</u>
\$ 2,703,650	\$ 2,867,920	\$ 3,166,903	\$ 3,494,421
1,330,080	1,350,163	1,469,464	1,594,494
1,155,885	1,187,827	1,241,992	1,359,180
695,750	688,875	684,754	625,481
1,118,003	1,152,155	1,197,042	1,224,721
1,724,478	1,775,456	1,865,950	1,972,451
247,261	249,397	248,941	227,493
29,705	22,686	24,282	24,633
520,348	562,279	584,888	605,606
31,382	67,789	122,915	225,351
98,610	176,182	261,965	176,694
-			
<u>\$ 9,655,152</u>	<u>\$ 10,100,729</u>	<u>\$ 10,869,096</u>	<u>\$ 11,530,525</u>
<u>\$ 1,522,276</u>	<u>\$ 2,394,490</u>	<u>\$ 1,555,631</u>	<u>\$ 2,751,623</u>
<u>\$ 42,600,711</u>	<u>\$ 44,122,977</u>	<u>\$ 46,225,237</u>	<u>\$ 47,780,868</u>
<u>\$ 44,122,987</u>	<u>\$ 46,517,467</u>	<u>\$ 47,780,868</u>	<u>\$ 50,532,491</u>

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

	2010	2011	2012	2013
General Fund				
Nonspendable	\$ 154,773	\$ 161,612	\$ 148,090	\$ 194,533
Restricted	52,999	35,353	29,853	29,853
Committed	4,278,269	4,304,788	4,443,388	4,272,683
Assigned	754,832	616,728	226,215	894,037
Unassigned	650,000	650,000	915,132	915,132
Total general fund	<u>\$ 5,890,873</u>	<u>\$ 5,768,481</u>	<u>\$ 5,762,678</u>	<u>\$ 6,306,238</u>
All Other Governmental Funds				
Restricted	\$ 3,059,623	\$ 3,224,243	\$ 3,211,991	\$ 3,698,490
Committed	437,487	424,334	477,000	351,568
Assigned	2,375,192	2,687,150	2,100,086	1,191,732
Total all other governmental funds	<u>\$ 5,872,302</u>	<u>\$ 6,335,727</u>	<u>\$ 5,789,077</u>	<u>\$ 5,241,790</u>

2014	2015	2016	2017	2018	2019
\$ 181,662	\$ 170,207	\$ 200,955	\$ 190,472	\$ 219,288	\$ 188,169
-	-	-	-	-	-
4,317,047	57,059	19,050	45,645	139,405	12,521
1,297,325	1,149,994	1,897,191	1,473,378	1,177,756	1,589,945
787,131	5,059,814	5,059,814	5,059,814	5,059,814	6,093,543
<u>\$ 6,583,165</u>	<u>\$ 6,437,074</u>	<u>\$ 7,177,010</u>	<u>\$ 6,769,309</u>	<u>\$ 6,596,263</u>	<u>\$ 7,884,178</u>
\$ 4,347,386	\$ 4,763,310	\$ 5,669,123	\$ 6,812,078	\$ 7,800,173	\$ 8,026,615
320,187	321,952	327,776	328,935	338,624	440,899
2,477,888	1,501,937	1,376,097	1,480,787	2,183,117	944,793
<u>\$ 7,145,461</u>	<u>\$ 6,587,199</u>	<u>\$ 7,372,996</u>	<u>\$ 8,621,800</u>	<u>\$ 10,321,914</u>	<u>\$ 9,412,307</u>

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

	2010	2011	2012	2013
<b>Revenues</b>				
Taxes	\$ 7,310,525	\$ 7,058,733	\$ 6,937,126	\$ 6,832,666
Licenses and permits	320,064	298,568	468,235	541,743
Intergovernmental revenue	1,882,424	1,973,250	2,311,313	2,221,224
Charges for services	7,293,536	7,096,557	7,350,790	7,305,108
Fines and forfeitures	226,115	237,600	179,709	78,012
Miscellaneous revenue	213,810	224,968	397,752	204,401
Total revenues	17,246,474	16,889,676	17,644,925	17,183,154
<b>Expenditures</b>				
General government	1,109,629	1,182,615	1,068,290	1,034,420
Public safety	9,989,786	9,881,987	9,884,635	9,467,565
Physical environment	482,873	464,048	459,306	578,915
Public works	1,186,714	1,064,986	1,125,341	1,210,590
Culture and recreation	2,107,852	2,217,806	2,110,876	2,194,170
Capital outlay	6,238,474	481,478	2,285,496	1,716,466
Debt service				
Principal retirement	951,469	988,961	1,027,093	781,391
Interest and fiscal charges	323,831	291,054	252,043	208,287
Total expenditures	22,390,628	16,572,935	18,213,080	17,191,804
Excess of revenues over (under) expenditures	(5,144,154)	316,741	(568,155)	(8,650)
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	15,525	24,292	15,702	4,923
Issuance of debt	-	-	-	-
Issuance of debt - refunding bonds	-	-	-	-
Transfers in	6,125,897	1,162,392	463,088	343,926
Transfers out	(6,125,897)	(1,162,392)	(463,088)	(343,926)
Total other financing sources (uses)	15,525	24,292	15,702	4,923
Net change in fund balances	(5,128,629)	341,033	(552,453)	(3,727)
Fund balances - beginning of year	16,891,804	11,763,175	12,104,208	11,551,755
Fund balances - end of year	\$ 11,763,175	\$ 12,104,208	\$ 11,551,755	\$ 11,548,028
Debt service as a percentage of noncapital expenditures	7.9%	8.0%	8.0%	6.4%

Note 1 - September 30, 2014 debt principal retirement includes \$3,074,173 of current refunding of Revenue Bonds.

2014	2015	2016	2017	2018	2019
\$ 7,086,491	\$ 7,342,082	\$ 7,609,843	\$ 7,870,241	\$ 8,429,063	\$ 9,046,027
559,750	569,266	845,312	871,133	581,914	605,568
2,696,505	2,166,168	2,665,072	3,223,209	2,508,181	3,046,448
7,176,437	7,087,101	7,617,744	7,905,874	8,137,165	8,263,519
65,468	76,125	62,102	83,499	53,124	57,282
278,200	348,562	278,610	401,322	710,828	561,465
17,862,851	17,589,304	19,078,683	20,355,278	20,420,275	21,580,309
1,244,404	1,385,947	1,325,626	1,411,617	1,806,249	1,362,122
9,215,578	9,226,960	9,981,601	10,241,068	10,633,044	11,214,299
671,160	741,708	650,431	691,150	751,528	690,201
881,187	865,374	864,539	926,459	883,517	880,641
2,270,071	2,139,779	2,265,869	2,268,671	2,355,251	2,462,864
2,229,184	2,973,807	1,509,625	3,241,823	1,504,360	3,681,845
3,606,085	903,909	915,211	926,376	938,228	933,449
225,393	56,173	45,302	34,136	22,834	11,483
20,343,062	18,293,657	17,558,204	19,741,300	18,895,011	21,236,904
(2,480,211)	(704,353)	1,520,479	613,978	1,525,264	343,405
43,636	-	5,254	227,125	1,804	34,903
1,500,000	-	-	-	-	-
3,117,173	-	-	-	-	-
798,993	1,254,642	1,267,321	3,234,981	1,740,758	1,230,953
(798,993)	(1,254,642)	(1,267,321)	(3,234,981)	(1,740,758)	(1,230,953)
4,660,809	-	5,254	227,125	1,804	34,903
2,180,598	(704,353)	1,525,733	841,103	1,527,068	378,308
11,548,028	13,728,626	13,024,273	14,550,006	15,391,109	16,918,177
\$ 13,728,626	\$ 13,024,273	\$ 14,550,006	\$ 15,391,109	\$ 16,918,177	\$ 17,296,485
21.2%	6.3%	6.0%	5.8%	5.5%	5.4%
Note 1					

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## **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 Seminole, Florida  
Schedule 5  
Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year Ended September 30	Amounts			
	Residential	Commercial	Governmental	Institutional
2010	\$ 1,175,854,053	\$ 313,044,318	\$ 78,815,945	\$ 92,265,540
2011	1,002,257,459	268,749,921	68,862,592	86,884,529
2012	958,108,790	256,385,346	66,556,977	83,453,992
2013	886,541,181	255,861,874	65,846,748	86,156,092
2014	950,903,585	266,267,243	67,627,741	85,928,141
2015	1,067,475,461	271,501,712	70,441,180	88,906,537
2016	1,242,067,559	283,973,414	72,413,737	90,329,380
2017	1,358,140,391	293,864,481	72,396,438	89,828,341
2018	1,465,109,198	344,656,863	89,441,131	72,714,475
2019	1,596,303,157	402,962,790	92,232,189	76,798,243
	Percentages			
2010	67.67%	18.01%	4.54%	5.31%
2011	66.99%	17.96%	4.60%	5.81%
2012	66.80%	17.87%	4.64%	5.82%
2013	65.16%	18.80%	4.84%	6.33%
2014	66.47%	18.61%	4.73%	6.01%
2015	68.59%	17.45%	4.53%	5.71%
2016	71.05%	16.25%	4.14%	5.17%
2017	72.44%	15.67%	3.86%	4.79%
2018	71.93%	16.92%	4.39%	3.57%
2019	71.07%	17.94%	4.11%	3.42%

Note:

1. Source: Pinellas County Property Appraiser

Amounts					
Misc. & Personal	Total Assessed	Less: Tax-Exempt	Total Taxable Assessed	Total Direct Tax	
\$ 77,775,551	\$ 1,737,755,407	\$ 594,243,839	\$ 1,143,511,568	2.4793	
69,409,939	1,496,164,440	475,426,732	1,020,737,708	2.4793	
69,888,558	1,434,393,663	445,853,226	988,540,437	2.4793	
66,250,821	1,360,656,716	410,232,747	950,423,969	2.4793	
59,771,829	1,430,498,539	454,262,276	976,236,263	2.4793	
58,003,299	1,556,328,189	527,299,405	1,029,028,784	2.4793	
59,253,169	1,748,037,259	618,047,694	1,129,989,565	2.4793	
60,603,885	1,874,833,536	677,685,205	1,197,148,331	2.4793	
64,938,102	2,036,859,769	718,243,705	1,318,616,064	2.4793	
77,658,411	2,245,954,790	785,913,485	1,460,041,305	2.4793	

Percentages			
4.48%	100.00%	34.20%	65.80%
4.64%	100.00%	31.78%	68.22%
4.87%	100.00%	31.08%	68.92%
4.87%	100.00%	30.15%	69.85%
4.18%	100.00%	31.76%	68.24%
3.73%	100.00%	33.88%	66.12%
3.39%	100.00%	35.36%	64.64%
3.23%	100.00%	36.15%	63.85%
3.19%	100.00%	35.26%	64.74%
3.46%	100.00%	34.99%	65.01%

City of Seminole, Florida  
Schedule 6  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years  
(rates per \$1,000 of assessed value)

Fiscal Year	City	County	School Board	County-Wide Overlapping Rates						Total
				Pinellas County Transit	Pinellas County Planning	Juvenile Welfare	Southwest Florida Water Management	Pinellas Anclote River	EMS	
2010	2.4793	4.8730	8.3400	0.5601	0.0125	0.7915	0.3866	0.2900	0.5832	18.3162
2011	2.4793	4.8730	8.3400	0.5601	0.0125	0.7915	0.3770	0.2600	0.5832	18.2766
2012	2.4793	4.8730	8.3850	0.7305	0.0125	0.8337	0.3928	n/a	0.8506	18.5574
2013	2.4793	5.0727	8.3020	0.7305	0.0125	0.8981	0.3928	n/a	0.9158	18.8037
2014	2.4793	5.3377	8.0600	0.7305	0.0160	0.8981	0.3818	n/a	0.9158	18.8192
2015	2.4793	5.3377	7.8410	0.7305	0.0160	0.8981	0.3658	n/a	0.9158	18.5842
2016	2.4793	5.3377	7.7700	0.7305	0.0160	0.8981	0.3488	n/a	0.9158	18.4962
2017	2.4793	5.3377	7.3180	0.7500	0.0150	0.8981	0.3317	n/a	0.9158	18.0456
2018	2.4793	5.3590	7.0090	0.7500	0.0150	0.8981	0.3131	n/a	0.9158	17.7393
2019	2.4793	5.3590	6.7270	0.7500	0.0150	0.8981	0.2955	n/a	0.9158	17.4397

Note:

1. Source: Pinellas County Property Appraiser
2. The Ad valorem direct tax rate for the City of Seminole pertains to operating expenditures only, and therefore no further breakdown of the direct rate can be shown.
3. May 31, 2011 - Pinellas Anclote River merged and consolidated into the Southwest Florida Water Management District.

City of Seminole, Florida  
Schedule 7  
Principal Property Taxpayers  
Current Year and Nine Years Ago

2019				2010			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Seminole Mall LP	\$ 72,890,132	1	4.99%	Downtown Seminole LLC	\$ 24,805,733	1	2.17%
Northwestern Mutual Life Ins Co	52,000,000	2	3.56%	Freedom Square Trust	21,661,285	2	1.89%
Freedom Square Trust	21,072,512	3	1.44%	Sembler Family Partnership	15,716,380	3	1.37%
Wal-Mart Stores East LP	18,875,000	4	1.29%	East Madeira Corp	13,780,000	4	1.21%
Sembler Family Ptnshp #47 LTD	18,608,403	5	1.27%	Essilor North America Inc	11,977,147	5	1.05%
Harbor Lights MHC LLC	11,085,580	6	0.76%	Home Depot	10,392,581	6	0.91%
Dayton Hudson Corp	10,525,000	7	0.72%	R C Properties IV LLC	10,037,361	7	0.88%
New Plan Realty Trust	10,480,500	8	0.72%	Dayton Hudson Corp	9,350,000	8	0.82%
Eastern Oil Co	9,775,000	9	0.67%	New Plan Realty Trust	9,285,000	9	0.81%
Suso 4 Seminole LP	<u>9,705,000</u>	10	0.66%	Colonnades Seminole LLC	<u>8,600,000</u>	10	0.75%
Total Principal Taxpayers	235,017,127		16.10%	Total Principal Taxpayers	\$ 135,605,487		11.86%
All Other Taxpayers	<u>1,225,024,178</u>		83.90%	All Other Taxpayers	<u>\$ 1,007,906,081</u>		88.14%
Total	<u><u>\$ 1,460,041,305</u></u>		<u>100.00%</u>	Total	<u><u>\$ 1,143,511,568</u></u>		<u>100.00%</u>

Notes:

1. Source: Pinellas County Property Appraiser

Notes:

1. Source: Pinellas County Property Appraiser

City of Seminole, Florida  
Schedule 8  
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		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 2,835,108	\$ 2,750,186	97.00%	6,018	\$ 2,756,204	97.22%
2011	2,530,593	2,445,770	96.65%	2,588	2,448,358	96.75%
2012	2,450,887	2,369,604	96.68%	3,273	2,372,877	96.82%
2013	2,356,381	2,269,898	96.33%	6,257	2,276,155	96.60%
2014	2,420,380	2,331,440	96.33%	5,681	2,337,121	96.56%
2015	2,551,270	2,458,626	96.37%	3,850	2,462,476	96.52%
2016	2,801,581	2,699,852	96.37%	3,798	2,703,650	96.50%
2017	2,968,213	2,859,518	96.34%	8,402	2,867,920	96.62%
2018	3,268,103	3,122,278	95.54%	44,625	3,166,903	96.90%
2019	3,619,880	3,488,211	96.36%	6,210	3,494,421	96.53%

Notes:

1. Source: Pinellas County Property Appraiser
2. The Pinellas County Property Appraiser does not provide information on subsequent year collections by year. The City is continuing to work with Pinellas County to obtain the delinquent collections by year.

## **Schedules of Debt Capacity Information**

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

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City of Seminole, Florida  
Schedule 9  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Revenue Bonds	Total	Percentage of Personal Income	Per Capita
2010	\$ 6,403,531	\$ 6,403,531	0.86%	\$ 340
2011	5,414,569	5,414,569	0.79%	314
2012	4,387,476	4,387,476	0.65%	254
2013	3,606,085	3,606,085	0.51%	209
2014	4,617,173	4,617,173	0.63%	259
2015	3,713,264	3,713,264	0.49%	207
2016	2,798,053	2,798,053	0.42%	154
2017	1,871,677	1,871,677	0.31%	56
2018	933,449	933,449	0.15%	27
2019	-	-	0.00%	-

Notes:

1. The City has had no general obligation bonded debt in the last ten years.
2. The Revenue Bonds, Series 2014 were paid off in September 2019.



City of Seminole, Florida  
Schedule 10  
Direct and Overlapping Governmental Activities Debt  
As of September 30, 2019

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Pinellas County School Board (2)	\$ 618,000	1.71%	10,556
Capital Leases:			
Pinellas County (2)	298,264	1.71%	5,094
Pinellas County School Board (2)	4,752,393	1.71%	81,173
Pinellas County Governmental Activities Bonds (2)	18,634,328	1.71%	318,282
Total Overlapping	<u>\$ 24,302,985</u>		404,549
City direct debt	<u>\$ -</u>	100.00%	-
Total direct and overlapping debt			<u>\$ 404,549</u>
Total direct and overlapping debt per capita			<u>\$ 21</u>

Notes:

1. The City's share is calculated based on the ratio of the 2019 City Taxable Value of \$1,460,041,305 to the County's Taxable Value of \$85,480,410,458.
2. The City of Seminole is not responsible for the debt of the County or School Board.
3. 2018 permanent Seminole population is 18,857.

City of Seminole, Florida  
Schedule 11  
Legal Debt Margin Information  
Last Ten Fiscal Years

	2010	2011	2012	2013
Debt limit	\$ 114,351,157	\$ 102,073,771	\$ 98,854,044	\$ 95,042,397
Total net debt applicable to limit	-	-	-	-
Legal debt margin - General Obligation Debt	<u>\$ 114,351,157</u>	<u>\$ 102,073,771</u>	<u>\$ 98,854,044</u>	<u>\$ 95,042,397</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Notes:

1. State law does not provide for a legal debt margin; however, the City's Code provides for a legal debt margin of 10% of assessed value.
2. The City did not have any General Obligation (G.O.) debt outstanding during fiscal years 2010 through 2019. General Obligation debt is defined as debt that is secured by the full faith and credit of the City and would generally be secured by the City's ad valorem tax revenues.

2014	2015	2016	2017	2018	2019
\$ 97,623,626	\$ 102,902,878	\$ 112,998,957	\$ 119,714,833	\$ 131,861,606	\$ 146,004,131
-	-	-	-	-	-
<u>\$ 97,623,626</u>	<u>\$ 102,902,878</u>	<u>\$ 112,998,957</u>	<u>\$ 119,714,833</u>	<u>\$ 131,861,606</u>	<u>\$ 146,004,131</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

City of Seminole, Florida  
Schedule 12  
Pledged-Revenue Coverage  
Last Ten Fiscal Years

Year	Infrastructure	Revenue Bonds		Coverage
	Sales Surtax (1)	Principal	Interest	
2010 (1)	\$ 1,045,040	\$ 951,469	\$ 323,831	0.82
2011	1,275,822	988,961	291,054	1.00
2012	1,346,319	1,027,093	252,043	1.05
2013	1,422,592	781,391	208,287	1.44
2014 (2)	1,514,280	3,606,085	182,393	0.40
2015	1,632,208	903,909	56,173	1.70
2016	1,724,478	915,211	45,302	1.80
2017	1,775,456	926,376	34,136	1.85
2018	1,865,950	938,228	22,834	1.94
2019	1,972,450	933,449	11,483	2.09

Notes:

1. The City utilized the available fund balance in the Infrastructure Sales Surtax Fund to pay the balance of the debt service payments not covered by the infrastructure sales surtax revenues in fiscal year 2010.
2. Principal payments made in 2014 include \$3,074,173 of currently refunded bonds pertaining to the Revenue Bonds Series 2009 issue. Proceeds from the Revenue Bonds Series 2014 were used to refund the debt.

## **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 Seminole, Florida  
Schedule 13  
Demographic and Economic Statistics  
Last Ten Calendar Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)(7)	Median Age (3)(6)	Education Level in Years of Schooling (3)	School Enrollment (4)	Unemployment Rate (5)(6)
2010	18,832	\$ 743,694,512	\$ 39,491	59.1	12.6	14,492	11.7%
2011	17,233	688,665,146	39,962	59.1	12.6	12,237	10.7%
2012	17,250	677,252,250	39,261	51.6	12.6	12,568	10.0%
2013	17,267	705,564,154	40,862	53.5	12.6	12,819	6.8%
2014	17,830	730,780,380	40,986	53.5	12.6	12,987	6.4%
2015	17,923	760,011,595	33,057	52.1	12.6	13,116	5.7%
2016	18,153	664,998,849	36,633	55.2	12.8	13,267	4.3%
2017	18,335	611,508,920	33,352	55.5	13.1	14,008	3.4%
2018	18,711	643,190,625	34,375	55.9	13.1	14,128	3.1%
2019	18,857	700,198,124	37,132	55.6	13.3	14,162	3.3%

Sources:

1. U.S. Census Bureau Quick Fact Finder
2. Office of Economic and Demographic Research
3. U.S. Census Bureau Quick Fact Finder
4. National Center of Educational Statistics and St. Petersburg College/Census Fact Finder
5. Unemployment Rate Pinellas County; Florida Labor Market Statistics Local Area Unemployment Statistics
6. Sperlings Best Places
7. City-Data.com
7. Pinellas County Property Appraiser

City of Seminole  
Schedule 14  
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
Freedom Square	532	1	N/A	800	1	N/A
Walmart	426	2	N/A			
St Petersburg College	256	3	N/A	150	9	N/A
Lake Seminole Square	231	4	N/A	170	8	N/A
Target	179	5	N/A			
City of Seminole	151	6	N/A	138	10	N/A
Home Depot	136	7	N/A	292	3	N/A
Tandem Health Care	117	8	N/A			N/A
Inn at Freedom Square	101	9	N/A	650	2	N/A
Publix	84	10	N/A	175	7	N/A
ARC-Lake Seminole				280	4	N/A
Pinellas Board of Election				232	5	
Seminole Nursing Pavillion				180	6	N/A
	<u>2,213</u>		<u>0.00%</u>	<u>3,067</u>		<u>0.00%</u>

Note:

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

Sources:

Seminole Chamber of Commerce

City of Seminole

## **Schedules of Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.



City of Seminole, Florida  
Schedule 15  
Full-time Equivalent City Government Employees by Function/Program  
Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government										
Legislative	7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000
Executive	2.000	2.000	2.000	2.000	2.000	3.000	3.000	3.000	4.000	4.000
City Clerk	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Financial	2.000	2.000	2.000	2.000	2.000	2.000	2.500	2.500	3.630	3.630
Administration	5.375	5.375	5.375	5.375	5.375	5.375	5.000	5.000	4.000	4.000
Facilities	1.000	1.000	1.000	2.000	2.000	2.000	2.500	2.500	2.000	2.000
Fire										
Administration	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	
Emergency Medical Services	16.000	16.000	16.000	16.000	16.000	16.000	16.000	16.000	16.000	16.000
Life and Safety Services	2.500	2.500	2.500	3.000	3.000	3.000	3.000	3.000	3.000	3.000
Training	1.000	1.000	1.000	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Maintenance	2.000	2.000	2.000	2.500	2.500	2.500	2.500	2.500	2.500	2.500
Fire Operations	52.000	51.500	51.500	51.500	51.500	51.500	51.500	51.500	54.500	55.925
Code Enforcement	3.500	3.500	3.500	4.000	4.000	4.200	3.625	3.625	4.630	4.625
Physical environment										
Comm. Development Administration	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Parks	2.625	3.000	3.000	5.500	5.500	5.000	5.000	5.000	5.200	5.250
Public Works										
Public Works Administration	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	4.000	4.000
Transportation	6.000	6.000	6.000	3.000	3.000	3.000	2.500	2.500	3.000	3.000
Library	17.550	17.800	17.550	17.500	18.230	17.850	17.875	17.875	17.880	18.250
Recreation	11.500	11.500	11.500	11.500	11.500	11.380	10.750	12.875	12.380	14.687
	<u>138.550</u>	<u>138.675</u>	<u>138.425</u>	<u>140.875</u>	<u>141.605</u>	<u>141.805</u>	<u>140.750</u>	<u>142.875</u>	<u>149.720</u>	<u>151.867</u>

Sources:

1. City of Seminole Finance Division

City of Seminole, Florida  
Schedule 16  
Operating Indicators by Function/Program  
Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Physical arrests	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Parking violations	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Traffic violations	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire - A										
Emergency responses (3)	1,513	10,903	10,973	10,815	11,031	12,060	12,363	12,762	12,777	12,648
Fires extinguished	418	413	422	419	152	592	309	319	336	289
Inspections	1,326	952	897	902	1,431	1,450	998	943	935	825
Public works - B										
Street resurfacing (miles)	0.63	1.50	2.45	2.06	1.91	3.40	2.62	0.67	2.34	2..36
Potholes repaired	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recreation -C										
Memberships	6,500	6,820	3,904 (4)	3,911	3,631	4,292	4,615	3,586	4,162	2,765
Library - D										
Volumes in collection	86,160	93,775	97,451	90,003	91,700	90,704	92,953	94,213	91,691	106,374
Total volumes borrowed	292,847	286,012	286,012	298,308	290,296	273,208	253,519	242,636	241,658	247,326

Notes:

1. N/A = not available
2. Police services are contracted with the Pinellas County Sheriff's Office
3. Emergency responses only include fire responses in 2010 after which time Emergency Medical Services responses are also included.
4. Prior years included fees not pertaining to membership

Sources:

- A. City of Seminole Fire Department
- B. City of Seminole Public Works Department
- C. City of Seminole Recreation Division
- D. City of Seminole Library Division

City of Seminole, Florida  
Schedule 17  
Capital Asset Statistics by Function / Program  
Last Ten Fiscal Years

Function / Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fire stations	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Public works										
Streets (miles)	63.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0
Highways (miles)	-	-	-	-	-	-	-	-	-	-
Streetlights	1,161	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291
Traffic signals	21	21	39	39	39	39	39	39	39	39
Parks										
Acreage	21.08	21.08	21.08	29.16	29.16	29.16	29.16	29.16	29.16	34.49
Playgrounds	3	3	3	3	3	3	3	3	3	3
Baseball/softball diamonds	0	0	0	0	0	0	0	0	0	0
Soccer/football fields	2	2	2	2	2	2	2	2	2	2
Community centers	1	1	1	1	1	1	1	1	1	1

Sources:

1. City of Seminole Public Works Department
2. City of Seminole Recreation Division

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## **Other Information**

This section provides the reader with the service efforts and accomplishments of the City's fire department, recreation division, and library division

# ***City of Seminole - Fire Rescue Department***

## **Service Efforts and Accomplishments**

**Fiscal Year 2019**

The City of Seminole Fire Rescue Department is lead by the Fire Chief. The Department is divided into; Administration, Operations, Emergency Medical Services, Training, Life Safety Services and Fleet Maintenance Sections. Emergency Medical Services (EMS) and Fire Operations personnel are divided into three shifts of personnel. Personnel work a schedule of rotating 24 hour shifts. The Department operates from four fire stations providing comprehensive public safety services that include; emergency fire, rescue, hazardous materials mitigation and medical services, fire prevention and code enforcement, and public education. In addition to providing emergency services for the City of Seminole, the City contracts with; Pinellas County for emergency fire and EMS services to the unincorporated area surrounding the City, Bay Pines Veterans Administration complex for emergency fire response, and the Towns of Redington Beach, North Redington Beach, and Redington Shores through joint Seminole/Madeira Beach Fire Protection Interlocal agreements. The Seminole Fire District's service area covers 25 square miles and protects approximately 100,000 full time residents and an additional 8,000 tourists and daytime workforce. The Department funds 78 full-time employees and three part time employees. Emergency response personnel staff four advanced life support (ALS) fire engines, one 78 ft ladder truck, one ALS support heavy rescue vehicle and a District Chief vehicle on a 24-hour a day basis. A hazardous materials vehicle, a brush fire fighting vehicle, and a number of support vehicles are staffed as needed. All firefighter personnel are State of Florida certified firefighters and are either emergency medical technician (EMT) or paramedic certified. In addition, all officers are State of Florida certified Fire Officers. The Insurance Services Office (ISO) rating for the Seminole Fire District is a Class One (1) rating (on a ten-point scale with one being the best).

### **I. Administration**

- A. The Fire Chief coordinates and manages the Administration Division including Fleet Maintenance and Life Safety Services. The Department provides Fire Suppression and Fire Inspection services in three Redington communities through an inter-local agreement with each Town. The Division tracks department contracts, purchases and expenses and continues to reduce costs through cooperative purchasing, competitive requests for proposals, and purchasing through State contracts where practical. The Fire Chief represents the city's interests within Pinellas County at the Pinellas County Fire Chiefs Association and other meetings as directed by the City Manager.
- B. **Fleet Maintenance Section** – The Fleet Maintenance Section provides full-time comprehensive vehicle repairs, apparatus equipment installation, and preventative maintenance to all City vehicles including fire apparatus. The section is also responsible for the routine maintenance and repair of City equipment including mowers, generators, and hand tools.
- C. **Life Safety Services** - The Life Safety Services Section includes all phases of inspection, enforcement of fire and safety codes/issues, fire investigations, and education. This

single authority provides codes interpretation, application, and enforcement functions over all development and safety codes and standards. A Certified Fire Inspector, in addition to the Fire Marshal, is responsible for conducting fire safety inspections and fire code enforcement of all commercial and multi-residential entities within the fire district and the three Redington towns. The Fire Marshal represents the city's interests within Pinellas County at the Pinellas County Fire Marshals Association and other meetings as directed by the Fire Chief.

- D. **Public Education** – Public Education is part of the Life Safety Services Section. This portion of the Section provides comprehensive safety and accident prevention educational programs within our community through many different delivery methods. An annual Fire Department Open House has expanded into a broad-spectrum fire prevention and safety program for families with increased emphasis upon hurricane preparation and damage prevention efforts. The Public Educator participates actively in the Suncoast Safe Kids Coalition, a coalition consisting of law enforcement, fire, public health, 911, and many other safety related agencies both public and private. Each year 911 statistics are evaluated to determine child injury trends in order to focus on relevant prevention efforts. The Public Educator is involved in numerous safety education endeavors and also participates with the Pinellas County Juvenile Fire Setters Program. This program is a coalition of public educators who network to address the issue of educating/diverting children who have had incidence of fire setting/fire play. Comprehensive safety programs are delivered in our schools, community groups/ organizations, businesses and individuals on a daily basis. Free battery powered smoke detectors are provided and installed within a home at any request by our residents.

## **II. Fire Operations:**

The Assistant Fire Chief of Operations coordinates and oversees the management of the Fire Operations and Training Sections along with department logistics. The EMS Sections is managed by the Assistant Fire Chief of Administration who also serves as the EMS Coordinator. This Division is charged with the responsibility for responding to all emergency and non-emergency requests for service in the Seminole Fire and EMS District. The Department has sixty-six (69) firefighters, cross trained as EMTs and paramedics, assigned to the Operations Division. Requests for assistance include responses to medical emergencies, fires, hazardous materials incidents, technical rescue emergencies, animal rescues, assistance to other public agencies and various other requests for service. In addition, this division installs smoke detectors and is the primary provider of public education. Assigned shift personnel serve on the City's Safety Committee. The Assistant Fire Chief of Operations serves as the Department's Health & Safety Officer and participates in the Department's Health & Safety Committee. He also represents the City's interests within Pinellas County at the Pinellas County Operations Chief's Association. The Assistant Fire Chief of Administration participates in the Pinellas County EMS Association, the Pinellas County Equipment Committee, as well as attending State EMS Advisory Committee meetings and other meetings as directed by the Fire Chief.

- A. **Operations Section** is responsible for response and mitigation within an all-hazards response profile whether the request is for emergency or non-emergency services. The City of Seminole also participates with the Pinellas County Hazardous Materials

Response Team providing trained team members and command officers who respond within Pinellas County as the need arises. Fire Operations responds within the Seminole Fire District. The Pinellas County EMS Authority contracts with the City of Seminole Fire Rescue Department to provide First Response advanced life support (ALS) services to the community. After initial treatment and stabilization is provided by Seminole EMTs and paramedics, a private ambulance company transports the patient to the hospital.

- B. EMS Section** is responsible for providing department directed EMS training and all support necessary for shift personnel to affectively respond to emergency and non-emergency medical incidents. This Section maintains a quality assurance program to monitor the medical performance of EMTs and Paramedics on medical incidents that meets the requirements of the County EMS contract.
- C. Training Section** is responsible for the development and delivery of monthly formal training programs for the Department's personnel as well as proper training documentation. Directly managed by the Assistant Fire Chief of Operations, training programs are designed to meet the growing needs of the department and to ensure compliance with recognized standards. In addition to regular training, the Section works with Department personnel on educational goals and facilitates efforts for attendance at seminars and college classes. The Assistant Fire Chief of Operations is responsible for the department's Personal Protective Equipment and Self Contained Breathing Apparatus. The position is also responsible for; representing the City's training interests within Pinellas County at the Pinellas County Training Officers Association Committee meetings; functioning as a Commander of the county Hazardous Materials Response Team serving as a liaison between our city and county government; and attending other meetings as directed by the Fire Chief.



**CITY OF SEMINOLE, FLORIDA**  
**FIRE DEPARTMENT**

**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
**Year Ended September 30, 2019**

	<u>Target</u> <u>Performance</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>Four Year</u> <u>Average</u>	<u>Peer Group</u> <u>Average</u>
Outcomes:							
Percentage of citizens rating performance satisfactory		not captured	not captured	not captured	not captured	not captured	
ISO * fire insurance rating	3	1	1	1	1	1	3
Total dollars in fire losses (millions)	\$0.00	\$0.35	\$0.45	\$0.5000	\$1.2000	\$0.6250	
Total fire-related deaths	0	0	0	0	0	0	
Total fire-related injuries	0	2	2	3	4	2.75	
Outputs:							
Population served		84,600	84,600	84,600	84,600	84,600	
Residential		76,700	76,700	76,700	76,700	76,700	
Workforce		2,900	2,900	2,900	2,900	2,900	
Tourist, average daily		5,000	5,000	5,000	5,000	5,000	
Total property value protected (millions)		5,500	5,500	4,761	4,761	5,131	
Residential (millions)		n/a	n/a	n/a	n/a	n/a	
Commercial (millions)		n/a	n/a	n/a	n/a	n/a	
Inputs:							
Personnel:		79	79	79	79	79	
Full Time		76	76	76	74	75.5	
Part-time and volunteer		3	3	3	4	3.25	
Total operating expenditures (thousands)		\$7,980	\$7,745	\$7,689	\$7,306	\$7,680	
Total capital expenditures (thousands)		\$1,250	\$1,312	\$1,136	\$1,042	\$1,185	

**CITY OF SEMINOLE, FLORIDA  
FIRE DEPARTMENT**

**SERVICE EFFORTS AND ACCOMPLISHMENTS  
Year Ended September 30, 2019**

	<u>Target Performance</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>Four Year Average</u>
Outcomes:						
Number of fires (reported and unreported)	0	289	336	319	309	313
Percentage of fires preventable by Inspection or education	100%	unknown	unknown	unknown	unknown	unknown
Fires of suspicious origin	0	1	2	3	0	2
Fires in inspected/un-inspected buildings:						
Industrial *	0	1	2	2	0	1
Other	0		334	317	309	240
Citizens participating in or aware of education programs **	16,000	8,400	22,500	25,500	23,500	19,975
Outputs:						
Number of inspections	1,850	825	935	943	998	925
Number of education programs given	225	280	278	265	277	275
Number of fire investigations		21	19	16	12	17
Number of child safety seat inspections		0	0	0	0	0
Inputs:						
Personnel:						
Full Time	4	3	3	2	3	3
Part-time and volunteer	1	0	0	0	0	0
Total man-hours worked (thousands)			6.4	6.4	4.8	4.4
Efficiency:						
Total operating expenditures (thousands)		\$274	\$274	\$262	\$273	\$271
Total capital expenditures (thousands)		\$141.70	\$204.70	\$40.94	\$56.81	\$111.04

Footnotes:

\* Defined as other than residential

\*\* In 2014 advertised in five (5) Counties using one time Grant

**CITY OF SEMINOLE, FLORIDA  
FIRE DEPARTMENT**

**SERVICE EFFORTS AND ACCOMPLISHMENTS**

Year Ended September 30, 2019

	<u>Target Performance</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>Four Year Average</u>
Outcomes:						
Average emergency response time	7:30	4:49	4:55	5:52	4:44	5:05
Percentage of responses in under seven minutes 30 seconds	90.00%	96.50%	95.53%	98.00%	97.56%	96.90%
Inputs:						
Personnel:						
Full Time	25	16	16	16	16	16
Part-time and volunteer	0	0	0	0	0	0
Man-hours in training programs						
(thousands) PMs	1.000	1.7	1.656	1.589	1.665	1.65
EMTs	1.000	0.89	0.880	0.89	0.87	0.88
Efficiency:						
Total operating expenditures (thousands)		\$2,353	\$2,353	\$2,284	\$2,061	\$2,263
Total capital expenditures (thousands)		\$925	\$923	\$921	\$813	\$896

Footnotes:

\* Average cost of ALS unit in county (412,120) x number of units (5)

**CITY OF SEMINOLE, FLORIDA  
FIRE DEPARTMENT**

**SERVICE EFFORTS AND ACCOMPLISHMENTS**

**Year Ended September 30, 2019**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>Four Year Average</u>
Outcomes:					
Total Facility Training (hrs)	2,075	2,125	1,978	1,097	1,819
Total Special Training (hrs)	2,605	2,430	2,045	3,250	2,583
Total Company Officers' Development	2,510	2,400	4,737	3,593	3,310
Total Department Training (hrs)	28,500	29,850	30,066	28,874	29,323
Total Conferences/Seminars/College	316	325	450	540	408
Special Projects					
Hazardous Material Team (hrs)	650	620	620	597	622
Technical Rescue Team (desolved)	0	0	0	0	0
Extrication Team (hrs)	N/A	N/A	N/A	N/A	N/A
Inputs:					
Personnel:					
Full Time	1	1	1	1	1
Part-time and volunteer	1	1	1	1	1
Total operating expenditures (thousands)	\$184	\$184	\$181	\$169	\$180
Total capital expenditures (thousands)	\$9.30	\$9.30	\$0.29	\$0.28	\$4.79

## FIRE DEPARTMENT

### SERVICE EFFORTS AND ACCOMPLISHMENTS

Year Ended September 30, 2019

	<u>Target Performance</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>Four Year Average</u>
Outcomes:						
Average response time	<7:30	4:54	5:05	4:52	4:44	4:53
Percentage of responses in under seven minutes, 30 seconds	90%	97%	95%	98%	98%	97.00%
Minimum water volume available	Limited by fire hydrants - Avg. min 1000 gpm/hydrant					
Minimum water flow available	Limited by fire apparatus plumbing capacity at scene- Avg. 1000-1500 gpm/pump					
Population with access to adequate water supply	75,000	110,000	110,000	77,000	77,000	93,500
Average time to control fires:	Information not captured by dispatch					
Single-alarm, residential						
Single-alarm, industry						
Two-alarm, industry						
Percentage of fires spread limited to 115% square feet on arrival:						
Single-alarm, residential	0	0	0	0	0	<1%
Single-alarm, industry	0	0	0	0	0	0
Two-alarm, industry	0	0	0	0	0	0
Outputs:						
Number of fire calls answered		1,826	1,997	1,997	1,746	1,892
Inputs:						
Personnel:						
Full Time		56	56	56	56	56
Part-time and volunteer		2	2	2	3	2
Total man-hours worked (thousands)		158	158	158	158	158
Total operating expenditures (thousands)		\$5,000	\$5,000	\$4,962	\$4,803	\$4,941
Total capital expenditures (thousands)		\$174	\$175	\$173	\$172	\$173.50
Man-hours in training programs (thousands) suppression only		27.5	27.5	26.2	28.8	28
Percentage of firefighters		100%	100%	100%	100%	100%
Efficiency:						
Operating expenditures per capita		\$30.25	\$32.35	\$31.41	\$30.40	\$31.10

# ***City of Seminole – Recreation Department***

Service Efforts and Accomplishments

Fiscal Year 2019

## **CITY OF SEMINOLE – RECREATION DEPARTMENT**

### ***Recreation Department Mission Statement***

While the City of Seminole is dedicated to excellence, professionalism, and integrity in the delivery of community services for an enhanced quality of life. The City of Seminole Recreation Departments mission is to provide a diverse community recreation programs for those living, working, and visiting our community by creating memorable experiences through exceptional programs, facilities, customer service and leadership.

### ***Recreation Advisory Board Mission Statement***

The City of Seminole Recreation Advisory Board serves as the link between the community, and city officials. The board is dedicated to excellence through the evaluation of recreation programs, City parks & facilities, and events on behalf of the citizens of Seminole. The advisory board meets four times a year and provides volunteer service in order to improve and enhance the quality of City recreation programs, parks & facilities, and events.

### ***Recreation Department Description of Responsibilities***

The recreation services provided to the community through the Recreation Department is intended to enhance the quality of life for citizen and visitor, alike. The City of Seminole Recreation Department provides programs ranging in age from toddlers to Seniors Citizens.

Responsibilities include the following programs:

- a) Children's Camp & Break Programs: Winter Break Camp, Spring Break Camp, Summer Break Camp, and Specialty Activity Camps provide childcare through various organized activities for the children of Seminole and surrounding cities during the time that the children are out of school. Activities offered include: Swimming, Field Trips, Crafts, Music, Games, Special Activities, Sports, Special Events, and many other diversified activities.
- b) Athletic Programs: Athletic programming for the community includes sports activities and leagues for Adults and youth. Athletic opportunities include adult Flag Football, Adult Basketball, adult racquetball, adult pickle-ball, youth soccer, youth cross country, youth basketball, youth track and field, youth flag football, youth volleyball, youth triathlon, youth swim team, youth sports and athletic conditioning, NFL Football Camp and Esports.

- c) Aquatic Programs: The Seminole Family Aquatic Center offers seasonal recreational swimming along with aquatic based programs for all ages. Programs include Lifeguard Certification, Red Cross Swim Lessons, Recreational Swim Team, Youth Triathlon Team, Family Movie Nights, Doggie Derby, Water Aerobics, Dive In Movies and Pool Party Rentals.
- d) Classes/Programs: The classes/programs offered by the Recreation Department reach all age groups throughout the City. The classes/programs include crafts, instructional classes, group fitness, the digital arts, fitness & wellness activities, pre-school activity programs, pre-school sport playgroups, senior day trips, Senior lounge, and various senior related activities.
- e) Special Events: The Recreation Department is responsible for conducting special events for the community through such offerings as Music in the Park, Field of Screams, Winterfest, “Fit over Fifty” Health & Wellness Expo, Family Night Out, Pow Wow Festival & Parade, Art In The Park, “Tri if you Dare” Kids Triathlon, Back to School Open House, and Teen Events including the annual Community Yard Sale. This year includes the various events celebrating the City’s 50<sup>th</sup> Anniversary.
- f) Community Partnerships: The Recreation Department has been involved with the Seminole Shooting Stars Soccer Association for many years. This organization provides the youth soccer programs for the children in the Fall and Spring. In addition, the Recreation Department has established partnerships with Seminole Junior Woman’s Club (Winter Fest), Kiwanis Club of Seminole (Every Child a Swimmer, Tri If You Dare), Seminole Kiwanis Club Breakfast (Pow Wow Festival), and the Seminole Chamber of Commerce (Kids Appreciation Day and Holiday Parade). We have also formed partnerships with such organizations as Bridgepoint Church and St Petersburg College.

**CITY OF SEMINOLE, FLORIDA  
RECREATION DIVISION**

**SERVICE EFFORTS AND ACCOMPLISHMENTS**

Year Ending September 30, 2019

<b>Outcomes:</b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Recreation Center Memberships	2765	4,162	3,586	4,615	3,568
Fitness Center Daily Use	158	194	271	203	163
Aquatic Daily Use	130	163	133	165	190
 Holiday Camp participants	 144	 73	 42	 76	 11
Spring Break Camp	41	32	26	26	11
Summer Day Camp participants	249	233	270	485	430
Summer Sports Camp participants	142	83	56	66	87
Summer Aquatic Program participants	511	468	390	295	285
<b>Summer Camp Programs offered</b>	<b>99</b>	<b>73</b>	<b>71</b>	<b>81</b>	<b>63</b>
 Pre-School Day program participants	 0	 0	 0	 0	 27
School Age Program participants	1904	3,681	5,032	5,032	853
<b>Programs Offered - Youth</b>	<b>119</b>	<b>241</b>	<b>239</b>	<b>236</b>	<b>36</b>
 Youth Sports participants	 587	 320	 337	 339	 308
<b>Youth Sports Programs Offered</b>	<b>27</b>	<b>18</b>	<b>21</b>	<b>15</b>	<b>14</b>
 Adult Sports participants	 24	 1	 2,126	 335	 289
<b>Programs Offered</b>	<b>2</b>	<b>4</b>	<b>17</b>	<b>14</b>	<b>16</b>
 Adult Program participants	 11,209	 12,058	 10,992	 12,812	 12,371
<b>Programs Offered Adult</b>	<b>157</b>	<b>125</b>	<b>94</b>	<b>92</b>	<b>60</b>
 Special Events Youth participants	 550	 811	 870	 1,125	 1,246
Special Events Adult participants	775	366	450	455	1,065
Special Events Family participants	24,073	36,091	23,180	43,876	39,160
<b>Special Events Offered</b>	<b>28</b>	<b>25</b>	<b>21</b>	<b>24</b>	<b>19</b>
 <b>Inputs:</b>					
Personnel:					
Full-time	10	10	10	10	10
Part-time	5	5	4	3	3
Seasonal	24	24	24	24	24
<b>Total man hours worked</b>	<b>34,560</b>	<b>34,560</b>	<b>24,960</b>	<b>39,433</b>	<b>39,142</b>
 Total Expenditures	 \$ 1,393,665	 \$ 1,332,255	 \$ 1,220,469	 \$ 1,294,612	 \$ 1,101,650
 <b>Revenue:</b>					
Program generated	\$ 509,572	\$ 548,338	\$ 537,100	\$ 564,073	\$ 513,741
Tax base generated	\$ 598,018	\$ 687,392	\$ 666,631	\$ 730,539	\$ 587,909



## ***City of Seminole – Library Division***

Service Efforts and Accomplishments

Fiscal Year 2019

The Library Division serves the residents of the City of Seminole and qualified borrowers of the Pinellas Public Library Cooperative (PPLC). In addition, the library is a joint use partnership facility between the City and St. Petersburg College (SPC), functioning both as a public library and a college library, and serving the students, faculty, and staff of the College as well as the general public. Public and College library collections, resources, programs, and services are located in the facility. Under the terms and conditions of the *Intergovernmental Agreement*, the contractual document of the joint use partnership, the City is responsible for managing, directing, and coordinating the daily activities and services of the library, including administering staff appointments, scheduling, evaluation, training, and development. The Library Division is under the management of the Community Library Director who reports to the City Manager.

Key areas of service include:

### ***Technical Services***

This section of the library is responsible for the classification, cataloging, and processing of library materials, making them ready for circulation and use to library patrons.

### ***Circulation***

On the City side of the joint-use partnership, the library is a member of the Pinellas Public Library Cooperative, along with 14 other member libraries. On the College side of the partnership, the library participates in the Florida Academic Library Services Cooperative (FALSC), a statewide automated library system used by all public college and universities statewide. These two networks provide shared library catalogs and collections of online journals, e-books, and other e-resources.

### ***Collection and Resources***

A library's collection and resources require careful development and management if they are to be of maximum value and efficiency for library users. Library staff evaluate and select library materials and resources – print, audio-visual, and electronic. In addition, staff monitor and analyze the collection and resources on an ongoing basis to meet patrons' recreational, informational, and educational interests.

No library can own or have access to everything, and so libraries have a long history of sharing resources through "inter-library loan," both among local libraries and those in other counties or states. Through its membership in the Pinellas Public Library Cooperative (PPLC), the Tampa Bay Library Consortium (TBLC), and the Florida Academic Library Services Cooperative, the library is able to participate in inter-library loan networks with other libraries to mutual benefit. The library borrows more items

through inter-library loan than it lends, thus making this service especially valuable for our local patrons.

The library also offers the community online access through computers and free wireless Internet access.

#### *Adult and Information Services*

Finding one's way through a wealth of books, periodicals, audio/visual materials, and e-resources sometimes requires assistance. The library serves patrons who want to use the collection and resources independently and those who desire guidance in searching for the right book, audio/visual, or e-resource material. The library's adult and information services librarians are expert in navigating the various media and bringing together the patron and the item the patron is searching for. The library's adult and information services staff also provides a variety of programs to engage patrons with lifelong learning and social opportunities.

#### *Youth Services*

The library serves as a community gathering place for children, teens, and families with a wide variety of programs, events, and activities, as well as a comfortable and enchanting children's library and teen collection and teen room. The library's youth services staff encourage early literacy, school readiness, academic success and family engagement.

#### *Support Organizations*

A public institution such as a library benefits greatly from dedicated volunteers who assist staff with daily operations, fundraising, advocacy, and advice from the citizen's perspective on library policies and management. The Friends of Seminole Library, Inc., the Library Advisory Board, the Library Teen Board, and many dedicated Library Volunteers are invaluable in working with staff to provide high quality library service to patrons.

**CITY OF SEMINOLE, FLORIDA  
LIBRARY DIVISION**

**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
Year Ending September 30, 2019

<b>Outcomes:</b>	<b>FY 2019</b>	<b>FY 2018</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>FY 2015</b>
Library Visitors	223,195	236,598	251,540	270,954	296,071
Public Service Hours	3,678	3,678	3,678	3,678	3,678
Registration and Circulation					
Registered Borrowers	38,856	36,732	39,838	36,757	*
New Borrowers Registered *	746	*	*	*	*
Library Materials Circulation	247,326	241,658	242,638	253,519	273,206
Collection and Resources					
Print Books	78,412	81,971	81,858	84,182	81,360
Electronic Books **	17,780	*	11,393	*	*
Databases **	80	70	68	68	71
Audio Materials -- Physical units	4,344	4,060	3,762	3,557	3,760
Video Materials -- Physical units	5,758	5,660	5,197	5,214	5,584
Print Periodical Subscriptions	127	127	127	127	139
Reference and Information Transactions	17,024	15,712	18,324	16,534	16,738
Resource Sharing					
Interlibrary Loans Provided	299	266	335	258	150
Interlibrary Loans Received	241	219	358	392	355
Programming					
Number of Adult Programs	428	157	547	692	529
Number of Youth Programs	528	484	479	487	488
Total Number All Programs	956	641	1,026	1,179	1,017
Attendance at Adult Programs	4,361	1,303	6,941	11,784	6,362
Attendance at Youth Programs	16,562	14,958	19,376	19,597	19,850
Total Attendance All Programs	20,923	16,261	26,317	31,381	26,212
<b>Inputs:</b>					
Personnel					
Full-time	10	10	10	10	10
Part-time	15	15	15	15	15
Full-time Equivalent	18	18	18	18	18
Total Personnel Expenditures	\$ 1,035,204	\$ 951,545	\$ 948,841	\$ 908,896	\$ 884,675
General Operations Expenditures (excluding Collection/Resources Expenditures and Programming Expenditures)	\$ 47,215	\$ 57,799	\$ 55,875	\$ 49,163	\$ 41,992
Collection/Resources Expenditures (books, magazines, newspapers, audio-visuals, digital resources)	\$ 78,345	\$ 74,191	\$ 76,282	\$ 73,737	\$ 83,258
Programming Expenditures					
Adult programs	\$ 5,654	\$ 4,961	\$ 5,252	\$ 4,730	\$ 3,709
Teen programs	1,999	983	981	991	1,011
Children's programs	2,900	1,975	1,992	1,989	1,994
Total Programming Expenditures	\$ 10,553	\$ 7,919	\$ 8,225	\$ 7,710	\$ 6,714
Volunteer Service					
Library Volunteer Hours	4,102	3,954	2,530	2,562	4,646
Friends' Shoppe Volunteer Hours	3,063	2,755	3,061	3,164	2,912
Total Volunteer Hours	7,165	6,709	5,591	5,726	7,558

\* Reliable figures not currently available

\*\* Available thru shared Cooperative collection

## **Other Reports of Independent Certified Public Accountants**

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, City Council,  
and City Manager  
City of Seminole, 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, each major fund, and the aggregate remaining fund information of the City of Seminole, 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 February 23, 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wells, Houser & Schatzel, P.A.*

Wells, Houser & Schatzel, P.A.  
St. Petersburg, Florida

February 23, 2020

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor, City Council,  
and City Manager  
City of Seminole, Florida

**Report of the Financial Statements**

We have audited the financial statements of the City of Seminole, Florida, as of and for the year ended September 30, 2019, and have issued our report thereon dated February 23, 2020.

**Auditor's Responsibility**

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

**Other Reports and Schedules**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in these reports, which are dated February 23, 2020, should be considered in conjunction with this management letter.

**Prior Audit Findings**

Section 10.554 (1)(i) 1., Rules of the Auditor General requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings and recommendations made 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 Seminole, Florida, is a municipal corporation and operates under applicable provisions of Florida Statutes Chapter 166. The City of Seminole, Florida has no component units.

**Financial Condition**

Section 10.554 (1)(i) 5.a. and 10.556 (7), Rules of the Auditor General require that we apply appropriate procedures and communicate the results of our determination as to whether or not the City of Seminole, Florida has met one or more the conditions described in Section 218.503(1), Florida Statutes, "Determination of Financial Emergency" and identification of the specific condition(s) met. In connection with our audit, we determined that the City of Seminole, 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 for the City of Seminole. It is management's responsibility to monitor the City of Seminole, 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 same.



Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendation to improve financial management. In connection with our audit, we did not have any such recommendations other than suggesting minor improvements to certain procedural matters.

#### **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 there were no special district component units.

#### **Additional Matters**

Section 10.554 (1)(i) 3., Rules of the Auditor General requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but 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 State 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.*

Wells, Houser & Schatzel, P.A.  
St. Petersburg, Florida

February 23, 2020



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

The Honorable Mayor, City Council  
and City Manager  
City of Seminole, Florida

We have examined the City of Seminole, 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 Seminole, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

*Wells, Houser & Schatzel, P.A.*

Wells, Houser & Schatzel, P.A.  
St. Petersburg, Florida

February 23, 2020



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