

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
of the  
CITY OF TREASURE ISLAND, FLORIDA  
for the**

**Fiscal Year Ended  
September 30, 2020**



*Prepared by the Department of Finance*

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**CITY OF TREASURE ISLAND, FLORIDA  
COMMISSION-MANAGER FORM OF GOVERNMENT**

**CITY COMMISSION**

**Lawrence Lunn, Mayor**

**Deborah Toth, District 1**

**Saleene Partridge, District 3**

**Tyler Payne, District 2**

**Beth Wetzel, District 4**

**CITY MANAGER  
Garry Brumback**

**ASSISTANT CITY MANAGER/FINANCE DIRECTOR  
Amy L. Davis**

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**City of Treasure Island Florida**  
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# **I. INTRODUCTORY SECTION**

This section contains the following:

**LETTER OF TRANSMITTAL**

**GFOA CERTIFICATE OF ACHIEVEMENT**

**ORGANIZATIONAL CHART**

**LIST OF ELECTED AND APPOINTED OFFICIALS**

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# City of **Treasure Island**

Florida 33706  
Incorporated 1955

120 - 108<sup>th</sup> Avenue

Phone (727) 547-4575

Fax (727) 547-4584

March 30, 2021

Honorable Mayor and  
City Commissioners  
City of Treasure Island  
Treasure Island, Florida 33706

Dear Mayor and Commissioners:

The Comprehensive Annual Financial Report of the City of Treasure Island for the fiscal year ending September 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City on a Government-wide and a Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City of Treasure Island's financial statements have been audited by Carr, Riggs & Ingram, LLC, Certified Public Accountants. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The City of Treasure Island was incorporated in 1955. The City is a beach town located on the west coast of Florida in the Tampa Bay Region on the Gulf of Mexico. The City provides a full range of city services. These services include police and fire protection; solid waste services; the construction and maintenance of bridges, streets, a wastewater collection system, a stormwater system, City parks and facilities; general governmental services; and recreational activities and cultural events.

## **ECONOMIC CONDITION AND OUTLOOK**

The City of Treasure Island is an affluent barrier island community just off the mainland on the west central coast of Florida. With tourism being the major industry, most of the City's businesses are

service oriented with accommodation and restaurant businesses, small retail establishments, and financial related services rounding out the largest three types of industries in Treasure Island.

For many years, the City of Treasure Island had long enjoyed a strong viable economic and tax base, being affected, only slightly, by the cyclical fluctuations in the national economy. However, the Great Recession in 2008 caused major reductions in real estate values resulting in a cumulative decline of 38% in the City's tax base. This resulted in significant property tax revenue declines and negatively impacted other city revenues as well. In FY 2020, the tax base fully recovered and exceeded the pre-recession levels, reflecting a 7% higher value than in FY 2008.

It is projected that the City's overall revenue streams will continue to grow at a low rate or remain relatively flat into the future. This is largely due to a growing economy that was abruptly interrupted by the world-wide COVID-19 pandemic. The long-term effect of the pandemic, causing partial or complete shutdowns of segments of our economy both nationally and locally is unknown. The economic uncertainty and the large economic relief acts passed by Congress also adds to the unknown long-term effect on the City's revenues. Additionally, several tax revenue structures are outdated, not enabling real growth because of the advancement of technology. The structure of utility taxes, a major revenue source, for example is based in part on energy consumption. As more energy efficient appliances, systems and buildings are replacing old appliances and buildings, the consumption of energy decreases. Another example of an outdated tax structure is the Communication Services Tax, which is based on the cost of phone and cable services. As technology advances and the cost and/or use of these services decline, it results in lower revenue to the City. While these advances in energy efficiency and technology are good things for us as citizens, it negatively impacts revenue to cities over time resulting in limited growth in resources to cover the City's on-going and future operational and infrastructure needs.

Tourism in Pinellas County had been steadily increasing year over year for the past several years before the pandemic occurred. The beaches of the Pinellas County have been a place that many sought relief from the Stay At Home orders, offering a chance to be outdoors and still maintain social distancing. As a result, the beach goes and out-of-state visitors have been able to help sustain the City's tourism industry, while not yet at pre-pandemic levels, appears to be slowing returning.

The City's building activity continues to be strong throughout the year, despite the one-month shutdown. Real estate values have only increased as the inventory is not sufficient to meet the increasing demand. Increasing demand is in part due to low interest rates creating more affordability as well as an increase in the number of people relocating to Florida. These indicators allow for a cautiously optimistic view of the future, but one that will have to be monitored closely as these are unprecedented times.

### **LONG-TERM FINANCIAL PLANNING**

Unassigned fund balance in the General Fund had an increase of \$1,308,533 and is equal to 24% of expenditures for FY2020. The overall fund balance in the General Fund had an increase of \$2,120,778 due to a combination of the increase in the committed portion of the fund balance due to the increase in the millage rate dedicated to the Treasure Island Causeway and Bridge maintenance, the .10 mills assigned for the purposes of Facility Renewal and Rehabilitation that

continues to grow each year unless spent, the intentional increase of the assignment for the early pay-off of the BB&T Loan that was used for the reconstruction of the Capri and Palms bridges, and last a general under-expenditure of the budget coupled with unanticipated higher revenues due a lawsuit settlement paid by BP Oil. An increase in the overall General Fund balance was projected in the budget, but by \$1,268,023 for all the previously mentioned reasons. However, the total fund balance increased by more due to the unanticipated revenue received combined with a larger than anticipated under expenditure. The percentage of unassigned fund balance is within the target set by the Commission for a fund balance of between 15 to 25%. Having sufficient unassigned General Fund fund balance is essential to protect the City from unanticipated events, such as a revenue short-fall or an emergency event. In the case of an emergency weather event the City would need funds to begin to repair or rebuild while waiting for the possible FEMA recovery funds to be distributed. The availability of FEMA funding is not immediate and the reimbursement from FEMA to the City for events of recent years have taken upwards of a year or longer to receive reimbursement. Additionally, it is important that a smaller city maintain a healthy fund balance within the General Fund to protect itself from any unexpected revenue shortfalls or unanticipated expenses such as may occur with any emergency event like the health pandemic the world is experiencing currently or significant legislative changes.

Since FY 2014, the City was able to accumulate a dedicated portion of fund balance within the General Fund through an increase in the property tax rate towards the Treasure Island Causeway Bridge. As of FY 2020 the property tax rate was increased by an additional .10 mil to increase this dedicated portion of the property tax revenue to .30 mils. Additionally, the Commission adopted an ordinance that committed this portion of the property tax exclusively to be used to support the Treasure Island Causeway and Bridge. The City Commission should be commended for such taking action to increase the dedicated funding; however we recognize that this funding is not at a level to provide adequate resources necessary to maintain the bridge long-term. During the budget process the City discussed a five-year plan to increase the property tax rate by .10 mil annually for the next four years to provide for .50 mil committed portion of the property tax revenue to support the bridge. This level of funding is believed to be adequate to support the major capital projects but will not be sufficient to fund the eventual replacement of the bridge. Although the City Commission did not increase the millage rate by an additional .10 for the Treasure Island Causeway and Bridge when adopting the FY 2021 Budget because of the impact of the pandemic on City residents and business owners.

Appropriate fund balances in each fund vary depending on many factors. Enterprise/Business Type Funds that are providing services and have on-going or recurring personnel and operating costs should have larger fund balances to support operations through unanticipated events. Capital only funds can have lower fund balances because there are no recurring operating functions and there is generally more flexibility in the scheduling of the capital projects. It is important to look at each fund independently and what type of service is being supported by the fund when considering appropriate fund balances.

The City prepares and will continue updating its comprehensive capital improvement plan. The long-term capital needs of the City show taxpayers what the City's capital needs are for funding consideration as it moves into the future.

## **MAJOR INITIATIVES**

During the fiscal year, the City has continued to focus on maintaining City infrastructure such as city-wide repaving of roads, replacement of the lighting on the Causeway, the completion of the Gulf Boulevard Undergrounding and Beautification project, the purchase of property to be renovated to be used as the City's new City Hall to include community space, and vehicle/equipment replacements.

On-going investments in the City's utility systems continued in the Sewer Collection program with the refurbishment of Lift Stations and the relining of sewer pipes to help mitigate inflow and infiltration of rain and sea water.

The design for stormwater improvements in partnership with the Southwest Florida Water Management District (SWFWMD) for the East Causeway Roadway and Drainage Improvement were completed with construction slated to begin in FY 2021. The City designed another Street-End Improvements project to enhance drainage, beautify and reclaim these public areas with construction to begin next year. The city also completed a Stormwater Master Plan and a City Seawall inventory and assessment for future project prioritization and planning.

Significant investments will continue into FY 2021 to include the renovation of the City Hall, the start of Phase II of the Gulf Boulevard Undergrounding and Beautification project, the East Causeway Roadway, and Drainage Improvements (\$1.2M state grant and a SWFWMD Grant), roadway resurfacing (\$900,000 State Grant), sewer main relining, street-end drainage improvements, and the rehabilitation of the City's seawalls.

The daily operations of the Treasure Island Causeway continue to be funded within the City's General Fund, while the capital needs are funded through the committed portion of the fund balance. The City will continue moving towards goal of .5 mills combined with pursuing legislative strategies to qualify to apply for state transportation funding to ensure that the maintenance needs of the Treasure Island Causeway and Bridge are funded.

## **FINANCIAL INFORMATION**

**Reporting Entity:** The City of Treasure Island is a Florida Municipal Corporation providing a full range of municipal services, which includes general government, public safety, public works, and recreation. In addition to these governmental functions which are funded within the General Fund, the City operates a sewer, solid waste collection and disposal system, and a stormwater management program within its Enterprise Funds. In accordance with GASB Statement 14 "The Financial Reporting Entity", the City has addressed its potential component units and has determined that no other governmental organizations are includable within the City's reporting entity.

**Accounting and Budgetary System:** The City has a fully integrated accounting and budgetary system, which provides for on-line entry of data and control for such entry. The Uniform Accounting System, a manual issued by the State of Florida in 1978, as updated, has been used as the basic guide for

coding accounting transactions. The basis of accounting and budgeting is set forth in detail in the Notes to the Financial Statements.

Management of the City is responsible for establishing and maintaining the City's accounting system with consideration given to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Consideration is also given to the internal control structure, which is designed to give reasonable, but not absolute, assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition, and (2) reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

Budget Controls: In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the annually appropriated budget approved by the City's governing body. Activities of the general fund, special revenue funds and capital projects funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the fund. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at the end of the fiscal year are carried forward and are appropriated as part of the following year's budget.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found beginning on page 25. The MD&A summarizes the Statement of Net Assets and Statement of Activities. These are the Government-wide statements and are intended to present the City in a more corporate-style basis and provide a view of the larger picture. Additionally, the Fund Financial Statements (the remainder of the statements in the Basic Financial Statements section) are designed to address the major or more significant individual funds by category – governmental and proprietary. All of the Basic Financial Statements should be read in conjunction with the Notes to the Financial Statements, beginning on page 56. Budget to actual comparisons are presented for the General fund and all major special revenue funds. Finally, the Combining Statements provide further detail for the funds that were classified as "non-major" in the Basic Financial Statements.

#### **CHARTER REQUIREMENTS AND INDEPENDENT AUDIT**

Article III, Section 305, Paragraph (c) of the City Charter requires an annual audit of the financial statements of the City by a Certified Public Accountant selected by the Commission. This requirement was fulfilled and the accounting firm of Carr, Riggs & Ingram, LLC (CRI) was selected. The Auditor's report on the basic financial statements and the aggregate remaining fund information is included in the financial section of this report.

## AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Treasure Island for its comprehensive annual financial report for the fiscal year ended September 30, 2019. The Certificate of Achievement recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish a Comprehensive Annual Financial Report that is easily readable, efficiently organized and conforms to rigorous program standards. This Comprehensive Annual Financial Report must also promote consistency, full disclosure and uniformity and must meet both generally accepted accounting principles and legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Treasure Island has received a Certificate of Achievement for the last thirty-eight consecutive years (fiscal years ended 1981-2019). We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

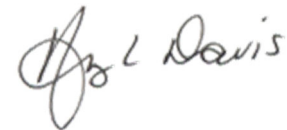
## ACKNOWLEDGMENTS

While the majority of the preparation of this report is performed by the staff of the Finance Department, it could not have been accomplished without the assistance from the other City departments that provided information. We would like to express our appreciation to all who assisted the Finance Department, in contributing to its preparation. We would also like to thank the Mayor and City Commission for their interest in the financial operations of the City and for their support in financial planning for the City in a responsible, responsive and forward-looking manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Garry Brumback", with a horizontal line underneath.

Garry Brumback  
City Manager

A handwritten signature in black ink, appearing to read "Amy L. Davis", with a horizontal line underneath.

Amy L. Davis, MPA  
Assistant City Manager/Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Treasure Island  
Florida**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

September 30, 2019

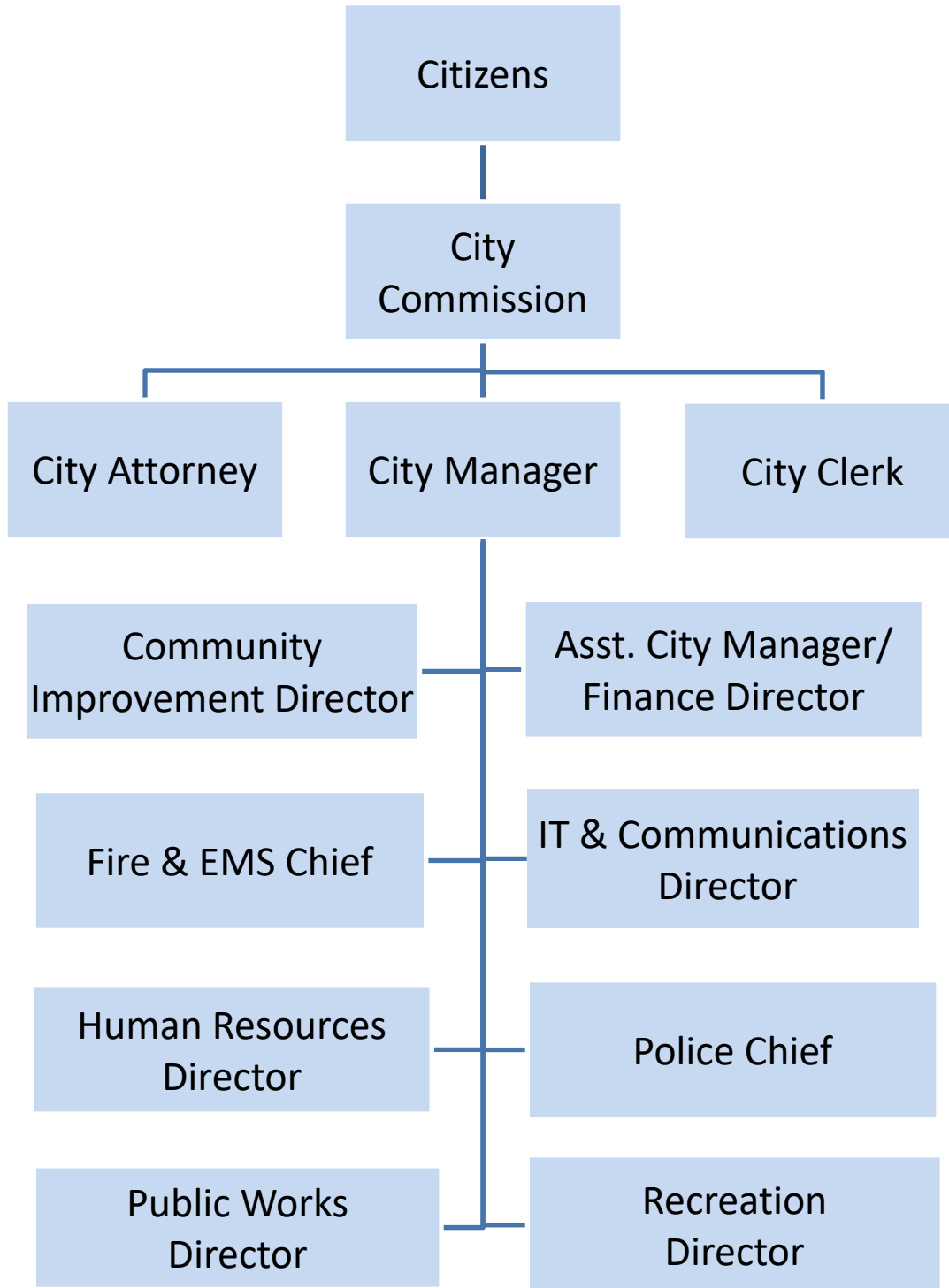
*Christopher P. Morill*

Executive Director/CEO

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# City of Treasure Island, FL Organizational Chart



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**City of Treasure Island, Florida**  
**List of Elected and Appointed Officials**  
**As of September 30, 2020**

Elected Officials

Mayor	Lawrence Lunn
Commissioner, District 1	Deborah Toth
Commissioner, District 2	Tyler Payne
Commissioner, District 3	Saleene Patridge
Commissioner, District 4	Beth Wetzel

Appointed Officials

City Manager	Garry Brumback
City Attorney	Jennifer Cowan
City Clerk	Ruth Nickerson
Community Improvement	Kathy Gademer
Asst. City Manager/Finance Director	Amy Davis
Fire & EMS Chief	William "Trip" Barrs
Police Chief	John Barkley
IT & Communication Director	Mark Santos
Human Resources Director	Tiffany Makras
Public Works Director	Mike Helfrich
Recreation Director	Cathy Hayduke

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## **II. FINANCIAL SECTION**

This section contains the following subsections:

**INDEPENDENT AUDITORS' REPORT**

**MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)**

**BASIC FINANCIAL STATEMENTS**

**REQUIRED SUPPLEMENTARY INFORMATION**

**COMBINING FINANCIAL STATEMENTS**

**SCHEDULES OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

**CAPITAL ASSETS USED IN THE OPERATION OF  
GOVERNMENTAL FUNDS**

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**INDEPENDENT AUDITORS'  
REPORT**

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## **INDEPENDENT AUDITORS' REPORT**

Honorable Mayor and Members of the City Commission  
City of Treasure Island, Florida

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Treasure Island, Florida (the "City"), as of and for the year ended September 30, 2020, 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.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, the Local Option Sales Tax Fund and the Building Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Treasure Island, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

CARR, RIGGS & INGRAM, LLC

Tampa, Florida  
March 31, 2021

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**MANAGEMENT'S DISCUSSION  
&  
ANALYSIS (MD&A)**

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## City of Treasure Island, Florida

### MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Treasure Island, we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information in the letter of transmittal, which can be found on pages 3 - 8 of this report.

#### **Financial Highlights**

- The assets of the City exceeded its liabilities at the close of the current fiscal year by \$79,782,463 (*net position*). Of this amount, \$7,416,169 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- Total assets of the City equal \$100,730,315 and total liabilities are \$23,834,683 as of the close of the current fiscal year.
- Deferred outflows are \$3,074,234 and deferred inflows are \$187,403 as of the close of the current fiscal year.
- Government-wide revenues for Governmental activities are \$16,244,666 and expenses are \$16,073,573.
- Fund statements for Governmental Funds reported total revenues of \$16,214,763 and expenditures of \$21,758,289, with \$8,009,900 in other sources of funding.
- Government-wide revenues for Business-type activities are \$8,202,693 and expenses are \$7,112,577.
- Fund statements for Business-type activities reported total revenues of \$8,034,033 and expenses of \$7,088,149, with \$86,633 in non-operating revenues plus \$57,599 in grants or capital contributions.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$12,427,239. \$4,476,911 is *available for spending* at the City's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,476,911, or 24.1 percent of total general fund expenditures net of transfers and 31.3 percent of total general fund revenues net of debt proceeds.

#### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise of three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

This report was prepared following Government Accounting Standards Board (GASB) Statement No. 34 *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Following, is a brief explanation of the sections of this report. Please refer to the Notes to the Financial Statements beginning on page 56 for more detailed information on the provisions of this statement.

The **Government-wide Financial Statements** are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These include the **Statement of Net Position** and the **Statement of Activities**.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, and culture and recreation. The business-type activities of the City include the Wastewater Fund (for collection and transmission of wastewater), the Solid Waste Fund (for collection and disposal of all solid wastes), and the Stormwater Management Fund (for collecting and managing the City's stormwater). If applicable, the *government-wide financial statements* would include not only the City itself (known as the *primary government*), but also any *component* units. The City has no component units as of September 30, 2020.

The government-wide financial statements can be found on pages 40 – 42 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and/or show operating performance. The City has both governmental funds and proprietary funds.

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a City's short-term funding needs.



Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's short-term funding decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds and governmental activities*.

The City maintained eight individual governmental funds during this fiscal year. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Local Option Sales Tax Fund, and Building Fund, which are considered to be major funds. Data from the other three governmental funds (County Gas Tax, Debt Service, two Capital Project Funds, Debt Service, and Transportation Trust Funds) are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement or schedule has been provided for each fund with a legally adopted budget to demonstrate compliance with its budget.

The basic governmental fund financial statements can be found on pages 45 – 49 of this report.

The City's *Proprietary funds* are maintained as *Enterprise funds*. They are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Wastewater, Solid Waste, and Stormwater Management services.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Wastewater, Solid Waste and Stormwater Management funds which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 50 – 52 of this report.

The ***Notes to the Financial Statements*** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 56 of this report.

The ***Combining Statements*** referred to earlier in connection with non-major governmental funds are presented immediately following the *notes to the financial statements*. Combining and individual fund statements and schedules can be found beginning on page 100 of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Treasure Island, assets exceeded liabilities by \$79,782,462 at the close of the most recent fiscal year.

A large portion of the City's net position (86 percent) reflects its investment in capital assets (e.g., land, buildings, infrastructure, and equipment) less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Below is a summary chart of the City's net position, comparing the current year versus the prior year.

	Governmental Activities		Business-type Activities	
	2020	2019	2020	2019
Current and other assets	\$ 13,291,412	\$ 10,554,909	\$ 7,311,595	\$ 6,786,991
Capital assets	67,478,738	60,957,261	12,648,570	11,540,149
Total assets	80,770,150	71,512,170	19,960,165	18,327,140
Deferred outflows of resources	3,041,761	2,563,786	32,473	22,032
Liabilities:				
Long-term	19,532,481	10,814,916	1,443,187	1,486,113
Other liabilities	1,897,717	594,043	961,298	366,976
Total liabilities	21,430,198	11,408,959	2,404,485	1,853,089
Deferred inflows of resources	182,896	619,272	4,507	2,553
Net position:				
Net investment in capital assets	57,132,749	58,239,009	11,422,096	10,241,415
Restricted	3,811,449	3,465,854	-	-
Unrestricted	1,254,619	342,862	6,161,550	6,252,115
Total net position	\$ 62,198,817	\$ 62,047,725	\$ 17,583,646	\$ 16,493,530

Please refer to the *Statement of Net position* on page 40 for specific numerical data.

**Governmental activities.** The City's net position for Governmental Activities had an immaterial slight increase from the prior year, with an increase of \$151,092. The overall net position remained relatively the same despite the increase in assets and liabilities because of the new loan

for the purchase of the City Hall property. Additionally, the increase in deferred outflows and decrease in deferred inflows of resources nearly negate their impact to the net position. The changes in deferred outflows and deferred inflows are because of the changes in the pension and other post-employment benefit (OPEB) liability and associated funding.

**Business-type activities.** Business-type activities increased the City’s net position by \$1,090,117. Key elements of this increase are because Wastewater and Stormwater Rates were increased more than expenses increased because the City is planning in making significant infrastructure investments as the sewer and stormwater systems in the City are aging. The city is funding the upgrades in infrastructure with a pay-as-you-go or cash approach as much as possible versus borrowing and as a result requires the increasing of fund balances. These significant capital projects will lengthen the life of the system and will reduce the number of unanticipated repairs throughout the year.

Following is a comparative summary chart of the City’s statement of activities:

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 4,489,471	\$ 4,593,314	\$ 8,032,104	\$ 7,618,696	\$ 12,521,575	\$ 12,212,010
Operating grants and contributions	101,797	31,261	-	-	101,797	31,261
Capital grants and contributions	411,526	343,899	57,599	47,008	469,125	390,907
General revenues:						
Ad Valorem taxes	6,961,096	6,148,249	-	-	6,961,096	6,148,249
Other taxes	2,766,773	2,865,538	-	-	2,766,773	2,865,538
Other general revenues	1,494,002	1,299,535	112,989	79,061	1,606,991	1,378,596
Total revenues	<u>16,224,665</u>	<u>15,281,796</u>	<u>8,202,692</u>	<u>7,744,765</u>	<u>24,427,357</u>	<u>23,026,561</u>
Expenses:						
General government	4,195,663	4,105,708	-	-	4,195,663	4,105,708
Public safety	7,143,218	6,551,349	-	-	7,143,218	6,551,349
Public works	2,837,633	2,437,780	-	-	2,837,633	2,437,780
Culture and recreation	1,761,200	1,890,558	-	-	1,761,200	1,890,558
Interest on long-term debt	135,859	94,859	-	-	135,859	94,859
Water pollution Control	-	-	4,206,669	3,929,700	4,206,669	3,929,700
Solid waste	-	-	2,237,153	2,311,942	2,237,153	2,311,942
Stormwater management	-	-	668,754	653,787	668,754	653,787
Total Expenses	<u>16,073,573</u>	<u>15,080,254</u>	<u>7,112,576</u>	<u>6,895,429</u>	<u>23,186,149</u>	<u>21,975,683</u>
Change in net position	151,092	201,542	1,090,116	849,336	1,241,208	1,050,878
Net position:						
Beginning of year	<u>62,047,725</u>	<u>61,846,183</u>	<u>16,493,530</u>	<u>15,644,194</u>	<u>78,541,255</u>	<u>77,490,377</u>
End of year	<u>\$ 62,198,817</u>	<u>\$ 62,047,725</u>	<u>\$ 17,583,646</u>	<u>\$ 16,493,530</u>	<u>\$ 79,782,463</u>	<u>\$ 78,541,255</u>

Please refer to the *Statement of Activities* on pages 41 – 42 for specific numerical data or both governmental and business-type activities.

## **Financial Analysis of the City's Funds**

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

### **General Fund Budgetary Highlights**

The General Fund's original budget was \$14,392,898. With supplemental appropriations included, the General Fund's final budget was \$21,762,803 (including transfers out) and can be briefly summarized as follows:



The transfers out from the General Fund were net debt proceeds of the loan to purchase the new City Hall property to establish the Capital Project Fund for the City Hall Remodeling project. This loan was issued through Truist for a principal amount of \$8,000,000 to be paid from non-advallorem revenues for the purchase and remodel of a new City Hall to include a Community Room. Actual General Fund expenditures were less than budgeted throughout the departments, however, approximately half of the under-expenditures are encumbrances or projects carried forward to the next year. General Fund revenues were higher than budgeted and greater than expenditures generating an increase in the overall and unassigned fund balance. The millage rate was increased by .1761 to reflect a .10 mill committed to support the Treasure Island Causeway and Bridges capital maintenance and to contribute towards the new debt service associated with the new City Hall loan. General Fund revenues were higher than anticipated due in part to a BP Oil settlement paid to the City. The metered parking, electric utility service tax, and franchise fees collected were also higher than anticipated and exceeded budget.

Please refer to the *Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund* on page 47 for specific numerical data.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$12,427,239, an increase of \$2,466,373 in comparison with the prior year. \$3,823,082 of this balance constitutes restricted fund balance for funds collected through the Green Utility Fee to be used towards the purchase of trees for public property, infrastructure,

transportation improvements and for the Building Fund. The committed fund balance of \$819,885 is for supporting the Treasure Island Causeway and Bridge's capital maintenance projects and \$3,257,151 is assigned for beach improvements, facilities renewal and replacement, encumbrances, carryforwards and donations received for specific purposes. The unassigned fund balance of \$4,476,911 is available for spending at the government's discretion, while the remainder of the fund balance \$50,209 is for non-spendable to include inventory and prepaid expenditures.

The General Fund is the primary operating fund of the City to provide services. At the end of FY2020 the unassigned fund balance of the General Fund was \$4,476,911, while total fund balance was \$8,615,790. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 24.1 percent of total General Fund expenditures net of transfers, while total fund balance represents 46.5 percent of that same amount. It is intended that the use of available fund balance can help offset revenue shortfalls and unanticipated expenditures.

The changes in fund balance vary from year to year based on has occurred during the year. During FY 2020, there was no significant change in the percentage of the General Fund unassigned fund balance as it compares to the General Fund expenditures and the total fund balance. However, the total fund balance did increase in each category due to the continuous building of the balances through the committed portion of the millage rates, the assignments and because the revenues exceeded expenditures.

On the next page, is a summary chart of the General Fund's revenues, expenditures and changes in fund balance.

**Revenues:**

Ad Valorem Taxes	\$ 6,961,096	
Other Taxes	1,925,529	
Licenses and Permits	111,298	
Intergovernmental	994,957	
Charges for Services	3,559,760	
Fines and Forfeitures	199,465	
Investment Earnings	106,201	
Contributions and Donations	37,319	
Miscellaneous Revenues	<u>396,277</u>	
Total Revenues		14,291,902

**Expenditures:**

General Government	2,487,241	
Public Safety	4,932,162	
Public Works	1,982,403	
Culture and Recreation	1,706,915	
Debt Service:		
Principal Retirement	269,360	
Interest	67,428	
Capital outlay	<u>7,100,722</u>	
Total Expenditures		18,546,231

**Other Financing Sources (Uses):**

Debt Proceeds	8,000,000	
Transfers Out	(1,634,793)	
Sale of Capital Assets	<u>9,900</u>	
Total Other Financing Sources (Uses)		<u>6,375,107</u>

Net Change in Fund Balance 2,120,778

Fund Balance - Beginning 6,495,012

Fund Balance - Ending \$ 8,615,790

Key factors in this change are as follows:

- Revenues being higher than the expenditures by \$2,120,778, because revenues were higher than budgeted for electric utility taxes, franchise fees and metered parking revenue in addition to the unplanned for BP Oil settlement paid to the City. Combined with the under-expenditures throughout the program budgets resulted in an increase in the total fund balance. The total fund balance went towards these major components:
  - a \$227,596 increase to the *committed* fund balance for the Treasure Island Causeway and Bridge
  - a \$192,487 increase in the *assigned fund balance* for the Facilities Renewal and Replacement
  - \$444,000 in *assigned fund balance* to save for an expedited loan repayment
  - \$108,454 increase to the *assigned fund balance* for the project carried forwards and encumbrances that were appended to the next year's budget
  - \$42,541 increase in the amount of *non-spendable* balance for pre-paid and inventory amounts
  - The remaining amount of \$1,308,533 makes up the unassigned fund balance

The Local Option Sales Tax Fund has a total fund balance of \$1,016,892, which is a decrease from the prior year due to revenues exceeding expenditures. The fund balance in the Local Option Sales Tax is a function of how many projects are completed each year compared to the revenue, of which is relatively stable. The major projects funded within the Local Option Sales Tax Fund are the street pavement management program, seawall and recreational facilities rehabilitation or replacement, and the purchase of public safety vehicles and equipment. The timing of the projects from year to year the City has control over and can vary, which will impact the fund balance from year to year.

The Building Fund has a total fund balance of \$1,014,598, a decrease of \$407,327 from the prior year. The reduction in fund balance was intentional with a 33 percent reduction in permit fees to meet a new Florida statute requiring the fund balance being carried over into the next year to not be exceed the prior four-year expenditure average. The Non-Major governmental fund balance increased largely because the Capital Project Fund for the City Hall Remodel was established with the loan net proceeds from the purchase of the City Hall property transferred from the General Fund.

The remaining Non-Major Governmental Funds consist of the County Gas Tax, the Capital Improvement Funds, Transportation and Debt Service Funds had an increase of \$1,149,520 in total fund balance. This increase is due to the loan net debt proceeds after the purchase of the new City Hall property being transferred to establish a new Capital Fund for the City Hall remodel project.

Please refer to the *Balance Sheet – Governmental Funds* and the *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds* on pages 42 & 44 for specific numerical data.

*Proprietary funds.* The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Following is a summary chart of the City’s enterprise funds revenues, expenses and changes in fund net position.

	<b>Wastewater Fund</b>	<b>Solid Waste</b>	<b>Stormwater Management</b>	<b>Total</b>
Operating Revenue	\$ 4,645,754	\$ 2,152,489	\$ 1,235,790	\$ 8,034,033
Operating Expenses	4,182,242	2,237,153	668,754	7,088,149
Operating Income (Loss)	463,512	(84,664)	567,036	945,884
Nonoperating Revenues	79,162	12,521	19,377	111,060
Nonoperating Expenses	(24,427)	-	-	(24,427)
Income before capital contributions	518,247	(72,143)	586,413	1,032,517
Capital contributions	-	4,941	52,658	57,599
Change in net position	518,247	(67,202)	639,071	1,090,116
Total Beginning Net Position as Restated	9,003,572	2,197,678	5,292,280	16,493,530
Total Ending Net Position	<u>\$ 9,521,819</u>	<u>\$ 2,130,476</u>	<u>\$ 5,931,351</u>	<u>\$ 17,583,646</u>

Please refer to the *Statement of Net position – Proprietary Funds* and the *Statement of Revenues, Expenses and Changes in Fund Net position – Proprietary Funds* on pages 50 – 51 for specific numerical data.

### **Capital Asset and Debt Administration**

**Capital assets.** The City’s investment in capital assets for its governmental and business type activities as of September 30, 2020 amounts to \$68,554,845 (net of related debt). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment and construction in progress.

Additional information on the City’s capital assets can be found in the Notes on pages 70 – 71 of this report.

**Long-term debt.** The City has four existing loan agreements, two loans with the Florida Department of Environmental Protection Clean Water State Revolving Fund for principal amounts of \$517,612 and \$1,056,884: and two loans with Truist Bank (previously BB&T) for the Palm & Capri Bridges for \$4,024,407 and for the purchase of the new City Hall property for \$8,000,000. Information on these loan agreements can be found as part of NOTE 2 in the Notes to the Financial Statements on pages 72 – 75.

### **Economic Factors and Next Year’s Budgets & Rates**

Treasure Island has enjoyed a stable and growing economy with most revenue streams increasing or remaining flat. And while the City’s tax base has fully regained the cumulative 38 percent loss in the value from the great recession, the experience has caused the City to look to other revenue streams to diversity revenues. As a result, the City has continued to invest in its’ public parking system by adopting the latest parking technology, methods and increasing the number of metered parking spaces. Parking revenue has grown significantly over the past few years allowing the City to rely less on property taxes to fund operations. However, there is still not enough resources to address all the City’s infrastructure needs, including maintaining the Treasure Island Causeway and



Bridges. The world-wide health pandemic resulted in a state-wide shut down in March through April of 2020 and as a result halted tourism in the City. The City saw tourism and day-visitors start to return in the summer months and continued to grow through the remainder of the year. Although, the long-term effect of the pandemic is unknown, the City is cautiously optimistic because of the increases in property values and the slow, but continuing return of tourism through the following year.

As part of the regular budget monitoring process, the Finance department prepares periodic reports that the Departments, City Manager and City Commission can use to follow the actual performance of revenue and expenditure estimates. At the end of July, an analysis of the budget estimates versus the actual expenditures is performed to assess the need for any supplemental appropriations. If necessary, the City Commission may consider passing a supplemental appropriations resolution prior to the end of the fiscal year.

The City continues to monitor the financial status and current performance in all its funds. A Wastewater rate increase to cover the increase to the bulk sewer rate charged to Treasure Island by the City of St. Petersburg for sewer treatment was implemented as of December 2019. This rate referred to as the pass-through-rate ensures the City recovers the cost of sewer treatment from usage by customers. The bulk sewer rate charged by the City of St. Petersburg for FY 2020 had a significant increase of an average of 10% between the two volumetric rate blocks for two reasons. First, the City of St. Petersburg continues to make significant investments to their sewer system to increase its capacity for sewer treatment and second, they have a five-year goal to reduce their debt-financed capital projects to 50%, thereby causing less smoothing of significant capital expenditures. In the following year, the City has adopted a 10% base rate increase, the first one since FY 2018 in addition to a 4.7% pass-through-rate increase to cover the sewer treatment costs charged by the City of St. Petersburg.

A Recycling rate increase of 4% was implemented as of December 2020 to cover the cost of providing recycling, which is provided to residents by contracting with two vendors. In the following year, a 10% reduction in recycling fees and a 4% refuse fee was implemented to begin to build up fund balance in preparation for the replacement of the garbage truck fleet.

A 10% Stormwater rate was also implemented as of December 2020 as part of a 5-year plan to build up this fund to support the required infrastructure improvements to the stormwater management system. In the following fiscal year, another 10% stormwater rate increase was implemented as the 5-year plan continues to grow this fund to support the kinds of stormwater infrastructure projects the City needs.

Lastly, the City purchased property with an office building that will be remodeled and used as City Hall with a Community Room. The City obtained a non-advallorem, tax-exempt note for \$8,000,000 through Truist Bank and the closing of the property was finalized in March 2020. The remodel of the building will take place throughout FY 2021 with the anticipated completion date by the end of the fiscal year.

### **Contacting the City's Finance Department**

This comprehensive annual financial report is designed to provide a general overview of the City of Treasure Island's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Treasure Island Finance Department, 120 108<sup>th</sup> Avenue, Treasure Island, Florida 33706. You may visit the City's website at [www.mytreasureisland.org](http://www.mytreasureisland.org) or send email to [Finance@mytreasureisland.org](mailto:Finance@mytreasureisland.org).

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## **BASIC FINANCIAL STATEMENTS**

The basic financial statements include the government-wide financial statements, fund financial statements and notes to the financial statements. The government-wide financial statements present financial information about the reporting government as a whole. The fund financial statements present financial information about major funds individually and non-major funds in the aggregate. The notes to the financial statements present information essential for a fair presentation of the financial statements not displayed on the face of the financial statements.

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**City of Treasure Island, Florida**  
**Statement of Net Position**  
**September 30, 2020**

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 12,628,585	\$ 5,870,127	\$ 18,498,712
Receivables	612,618	1,433,078	2,045,696
Prepaid items	45,023	8,390	53,413
Inventory	5,186	-	5,186
Capital assets (net of accumulated depreciation)			
Land	8,589,387	13,885	8,603,272
Buildings	3,844,006	-	3,844,006
Improvements	70,734,455	18,321,277	89,055,732
Machinery and equipment	3,447,409	3,490,670	6,938,079
Capitalized leases	419,929	2,075,614	2,495,543
Construction in Progress	1,191,338	728,288	1,919,626
Accumulated depreciation	(20,747,786)	(11,981,164)	(32,728,950)
<b>Total assets</b>	<b>80,770,150</b>	<b>19,960,165</b>	<b>100,730,315</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows for pensions	2,903,336	-	2,903,336
Deferred outflows for OPEB	138,425	32,473	170,898
<b>Total deferred outflows of resources</b>	<b>3,041,761</b>	<b>32,473</b>	<b>3,074,234</b>
<b>LIABILITIES</b>			
Accounts payable	659,034	930,894	1,589,928
Accrued liabilities	205,139	30,404	235,543
Noncurrent liabilities:			
Due within one year	1,033,544	112,744	1,146,288
Due in more than one year	19,532,481	1,330,443	20,862,924
<b>Total liabilities</b>	<b>21,430,198</b>	<b>2,404,485</b>	<b>23,834,683</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows for pensions	163,688	-	163,688
Deferred inflows for OPEB	19,208	4,507	23,715
<b>Total deferred inflows of resources</b>	<b>182,896</b>	<b>4,507</b>	<b>187,403</b>
<b>NET POSITION</b>			
Net investment in capital assets	57,132,749	11,422,096	68,554,845
Restricted:			
Building division	1,014,598	-	1,014,598
Infrastructure improvements	1,016,892	-	1,016,892
Capital projects	1,532,455	-	1,532,455
Road improvements	247,504	-	247,504
Unrestricted	1,254,619	6,161,550	7,416,169
<b>Total net position</b>	<b>\$ 62,198,817</b>	<b>\$ 17,583,646</b>	<b>\$ 79,782,463</b>

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida**  
**Statement of Activities**  
**Year ended September 30, 2020**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
<b>Governmental activities:</b>				
General government	\$ 4,195,663	\$ 1,200,760	\$ 37,319	\$ -
Public Safety	7,143,218	1,566,068	39,478	-
Public Works	2,837,633	1,224,821	-	411,526
Culture and recreation	1,761,200	497,822	25,000	-
Interest on long-term debt	135,859	-	-	-
<b>Total governmental activities</b>	<b>16,073,573</b>	<b>4,489,471</b>	<b>101,797</b>	<b>411,526</b>
<b>Business-type activities:</b>				
Wastewater	4,206,669	4,645,754	-	-
Solid Waste	2,237,153	2,150,560	-	4,941
Stormwater Management	668,754	1,235,790	-	52,658
<b>Total business-type activities</b>	<b>7,112,576</b>	<b>8,032,104</b>	<b>-</b>	<b>57,599</b>
<b>Total primary government</b>	<b>\$ 23,186,149</b>	<b>\$ 12,521,575</b>	<b>\$ 101,797</b>	<b>\$ 469,125</b>

**General Revenues:**

- Property taxes
- Utility taxes
- Franchise fees
- Unrestricted Intergovernmental Revenues:
  - State revenue sharing
  - Communications services tax
  - Half-cent sales tax
  - Local option gas tax
  - Infrastructure sales surtax
  - Other taxes
- Unrestricted investment earnings
- Miscellaneous

Total General Revenues

Change in net position

Net Position - beginning of year

Net Position - end of year

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida**  
**Statement of Activities (Continued)**  
**Year ended September 30, 2020**

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-type Activities	Total	
\$ (2,957,584)	\$ -	\$	(2,957,584)
(5,537,672)	-		(5,537,672)
(1,201,286)	-		(1,201,286)
(1,238,378)	-		(1,238,378)
(135,859)	-		(135,859)
(11,070,779)	-		(11,070,779)
-	439,085		439,085
-	(81,652)		(81,652)
-	619,694		619,694
-	977,127		977,127
\$ (11,070,779)	\$ 977,127	\$	(10,093,652)
\$ 6,961,096	\$ -	\$	6,961,096
1,180,502	-		1,180,502
745,027	1,929		746,956
188,131	-		188,131
295,970	-		295,970
426,052	-		426,052
86,042	-		86,042
757,881	-		757,881
20,326	-		20,326
154,662	79,296		233,958
406,182	31,764		437,946
11,221,871	112,989		11,334,860
151,092	1,090,116		1,241,208
62,047,725	16,493,530		78,541,255
\$ 62,198,817	\$ 17,583,646	\$	79,782,463

*The accompanying notes are an integral part of these financial statements.*



**City of Treasure Island, Florida**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2020**

	Major Governmental Funds			Non Major Governmental Funds	Total Governmental Funds
	General	Local Option Sales Tax	Building		
<b>ASSETS</b>					
Cash and cash equivalents	\$ 8,685,144	\$ 967,491	\$ 1,086,202	\$ 1,889,748	\$ 12,628,585
Receivables					
Taxes:					
Utility	163,997	-	-	-	163,997
Franchise Fees	82,768	-	-	-	82,768
Accounts	55,983	-	-	-	55,983
Intergovernmental:					
State	65,516	182,037	-	21,230	268,783
County	8,092	-	-	-	8,092
Federal	32,947	-	-	-	32,947
Miscellaneous	-	-	48	-	48
Prepaid items	42,707	-	2,316	-	45,023
Inventories	5,186	-	-	-	5,186
<b>Total assets</b>	<b>\$ 9,142,340</b>	<b>\$ 1,149,528</b>	<b>\$ 1,088,566</b>	<b>\$ 1,910,978</b>	<b>\$ 13,291,412</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 333,488	\$ 132,636	\$ 61,891	\$ 131,019	\$ 659,034
Accrued liabilities	184,165	-	7,955	-	192,120
Due to other governments	8,897	-	4,122	-	13,019
<b>Total liabilities</b>	<b>526,550</b>	<b>132,636</b>	<b>73,968</b>	<b>131,019</b>	<b>864,173</b>
Fund balances:					
Nonspendable	47,893	-	2,316	-	50,209
Restricted	13,950	1,016,892	1,012,282	1,779,959	3,823,083
Committed	819,885	-	-	-	819,885
Assigned	3,257,151	-	-	-	3,257,151
Unassigned	4,476,911	-	-	-	4,476,911
<b>Total fund balances</b>	<b>8,615,790</b>	<b>1,016,892</b>	<b>1,014,598</b>	<b>1,779,959</b>	<b>12,427,239</b>
<b>Total liabilities and fund balances</b>	<b>\$ 9,142,340</b>	<b>\$ 1,149,528</b>	<b>\$ 1,088,566</b>	<b>\$ 1,910,978</b>	<b>\$ 13,291,412</b>

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida  
Reconciliation of the Balance Sheet –  
Governmental Funds to the Statement of Net Position  
September 30, 2020**

Fund balances - total governmental funds.	\$	12,427,239
Capital assets used in governmental activities are not financial resources and are therefore not reported in governmental funds.		67,478,738
Long term debt not due and payable in current period and, therefore; not reported the in governmental funds.		(10,345,989)
Some liabilities, compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		(861,091)
The net pension liability is not due and payable in the current period and, therefore, not reported in the governmental funds.		(8,992,702)
The total OPEB liability is not due and payable in the current period and, therefore, not reported in the governmental funds.		(366,243)
Deferred outflows and inflows of resources related to pension and OPEB are applicable to future periods and, therefore, are not reported in governmental funds.		
Deferred outflows of resources for pensions		2,903,336
Deferred outflows of resources for OPEB		138,425
Deferred inflows of resources for pensions		(163,688)
Deferred inflows of resources for OPEB		(19,208)
<b>Net position of governmental activities</b>	<b>\$</b>	<b>62,198,817</b>

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida**  
**Statement of Revenue, Expenditures, and Changes in Fund Balances -**  
**Governmental Funds**  
**Year ended September 30, 2020**

	Major Governmental Funds			Non Major Governmental Funds	Total Governmental Funds
	General	Local Option Sales Tax	Building		
<b>REVENUES</b>					
Taxes:					
Ad Valorem Taxes	\$ 6,961,096	\$ -	\$ -	\$ -	\$ 6,961,096
Franchise Fees	745,027	-	-	-	745,027
Utility Services Taxes	1,180,502	-	-	-	1,180,502
Business Fees and Permits	111,298	-	618,948	-	730,246
Intergovernmental	994,957	757,881	-	497,568	2,250,406
Charges for Services	3,559,760	-	-	-	3,559,760
Fines and Forfeitures	199,465	-	-	-	199,465
Investment Earnings	106,201	17,246	20,303	10,914	154,664
Contributions and Donations	37,319	-	-	-	37,319
Miscellaneous Revenues	396,277	-	-	-	396,277
<b>Total Revenues</b>	<b>14,291,902</b>	<b>775,127</b>	<b>639,251</b>	<b>508,482</b>	<b>16,214,762</b>
<b>EXPENDITURES</b>					
Current:					
General Government	2,487,241	-	-	-	2,487,241
Public Safety	4,932,162	-	974,611	-	5,906,773
Public Works	1,982,403	-	-	-	1,982,403
Culture and Recreation	1,706,915	-	-	-	1,706,915
Debt Service:					
Principal Retirement	269,360	102,903	-	-	372,263
Interest	67,428	12,493	-	55,938	135,859
Capital Outlay	7,100,722	1,056,328	71,967	937,818	9,166,835
<b>Total Expenditures</b>	<b>18,546,231</b>	<b>1,171,724</b>	<b>1,046,578</b>	<b>993,756</b>	<b>21,758,289</b>
Excess (deficiency) of revenues over expenditures	(4,254,329)	(396,597)	(407,327)	(485,274)	(5,543,527)
<b>Other Financing Sources (Uses)</b>					
Debt Proceeds	8,000,000	-	-	-	8,000,000
Transfers In	-	-	-	1,634,793	1,634,793
Transfers Out	(1,634,793)	-	-	-	(1,634,793)
Sale of capital assets	9,900	-	-	-	9,900
<b>Total other financing sources (uses)</b>	<b>6,375,107</b>	<b>-</b>	<b>-</b>	<b>1,634,793</b>	<b>8,009,900</b>
<b>Net Change in Fund Balances</b>	<b>2,120,778</b>	<b>(396,597)</b>	<b>(407,327)</b>	<b>1,149,519</b>	<b>2,466,373</b>
Fund Balances - Beginning	6,495,012	1,413,489	1,421,925	630,440	9,960,866
<b>Fund Balances - Ending</b>	<b>\$ 8,615,790</b>	<b>\$ 1,016,892</b>	<b>\$ 1,014,598</b>	<b>\$ 1,779,959</b>	<b>\$ 12,427,239</b>

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances -**  
**Governmental Funds to Statement of Activities**  
**Year ended September 30, 2020**

Net change in fund balances - total governmental funds	\$	2,466,373
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. This transaction is not reported on the government-wide financial statements.		372,263
The issuance of debt is reported as an other financing source in the current financial resources of governmental funds. This transaction is not reported on the government-wide financial statements.		(8,000,000)
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital additions, (\$8,608,108), exceeded depreciation, (\$2,086,631), in the current period.		6,521,477
Compensated absences 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.		(33,126)
Governmental funds report pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits net of employee contributions is reports as pension expense:		
City pension contributions		648,596
Costs of benefits earned net of employee contributions		(1,795,672)
In the government-wide financial statements, the City reports changes in total OPEB liability and related deferred outflows and inflows; however, this is not reported in the governmental funds:		
City OPEB benefit payment		(64,439)
Changes in total OPEB liability		35,620
Change in net position of governmental activities		\$ 151,092

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida**  
**Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Budget and Actual – General Fund**  
**Year ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad Valorem Taxes	\$ 6,995,070	\$ 6,995,070	\$ 6,961,096	\$ (33,974)
Franchise Fees	734,000	734,000	745,027	11,027
Utility Services Taxes	1,098,080	1,098,080	1,180,502	82,422
Licenses and Permits	148,500	148,500	111,298	(37,202)
Intergovernmental	1,223,800	1,223,800	994,957	(228,843)
Charges for Services	3,452,471	3,452,471	3,559,760	107,289
Fines and Forfeitures	139,000	139,000	199,465	60,465
Investment Earnings	180,000	180,000	106,201	(73,799)
Contributions and Donations	20,000	35,200	37,319	2,119
Miscellaneous Revenues	10,000	10,000	396,277	386,277
<b>Total Revenues</b>	<b>14,000,921</b>	<b>14,016,121</b>	<b>14,291,902</b>	<b>275,781</b>
<b>EXPENDITURES</b>				
Current:				
General Government	2,647,791	2,736,965	2,487,241	249,724
Public Safety	5,022,002	5,049,522	4,932,162	117,360
Public Works	2,147,963	2,311,681	1,982,403	329,278
Culture and Recreation	1,855,284	1,856,078	1,706,915	149,163
Debt Service:				
Principal Retirement	269,360	269,360	269,360	-
Interest	177,428	91,490	67,428	24,062
Capital outlay:				
General Government	90,300	6,603,920	6,524,094	79,826
Public Safety	11,420	59,354	47,444	11,910
Public Works	2,143,250	1,121,539	502,311	619,228
Culture and Recreation	28,100	28,100	26,873	1,227
<b>Total Expenditures</b>	<b>14,392,898</b>	<b>20,128,009</b>	<b>18,546,231</b>	<b>1,581,778</b>
Excess (deficiency) of revenues over expenditures	(391,977)	(6,111,888)	(4,254,329)	1,857,559
<b>Other Financing Sources (Uses)</b>				
Debt Proceeds	1,650,000	8,000,000	8,000,000	-
Transfers Out	-	(1,634,793)	(1,634,793)	-
Sale of capital assets	10,000	10,000	9,900	(100)
<b>Total other financing sources (uses)</b>	<b>1,660,000</b>	<b>6,375,207</b>	<b>6,375,107</b>	<b>(100)</b>
Net change in fund balances	1,268,023	263,319	2,120,778	1,857,459
Fund Balance - Beginning	6,495,012	6,495,012	6,495,012	-
<b>Fund Balance - Ending</b>	<b>\$ 7,763,035</b>	<b>\$ 6,758,331</b>	<b>\$ 8,615,790</b>	<b>\$ 1,857,459</b>

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida**  
**Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Budget and Actual – Local Option Sales Tax Fund**  
**Year ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Local Option Sales Tax	\$ 848,700	\$ 848,700	\$ 757,881	\$ (90,819)
Investment Earnings	10,000	10,000	17,246	7,246
Total Revenues	858,700	858,700	775,127	(83,573)
<b>EXPENDITURES</b>				
Capital Outlay:				
Public Safety	45,400	233,277	207,783	25,494
Public Works	788,380	1,337,647	584,221	753,426
Culture and Recreation	45,000	310,353	264,324	46,029
Debt Service:				
Principal Retirement	102,903	102,903	102,903	-
Interest	12,493	12,493	12,493	-
Total Expenditures	994,176	1,996,673	1,171,724	824,949
Excess of revenues over expenditures	(135,476)	(1,137,973)	(396,597)	741,376
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	5,000	5,000	-	(5,000)
Total other financing sources (uses)	5,000	5,000	-	(5,000)
Net change in fund balances	(130,476)	(1,132,973)	(396,597)	736,376
Fund Balance - Beginning	1,413,489	1,413,489	1,413,489	-
Fund Balance - Ending	\$ 1,283,013	\$ 280,516	\$ 1,016,892	\$ 736,376

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida**  
**Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Budget and Actual – Building Fund**  
**Year ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Licenses and Permits	\$ 537,500	\$ 537,500	\$ 618,948	\$ 81,448
Investment Earnings	18,000	18,000	20,303	2,303
Total Revenues	555,500	555,500	639,251	83,751
<b>EXPENDITURES</b>				
Current:				
Public Safety	963,488	1,070,408	974,611	95,797
Capital Outlay:				
Public Safety	-	79,453	71,967	7,486
Total Expenditures	963,488	1,149,861	1,046,578	103,283
Net change in fund balances	(407,988)	(594,361)	(407,327)	(187,034)
Fund Balance - Beginning	1,421,925	1,421,925	1,421,925	-
Fund Balance - Ending	\$ 1,013,937	\$ 827,564	\$ 1,014,598	\$ (187,034)

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida**  
**Statement of Net Position -**  
**Proprietary Funds**  
**September 30, 2020**

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Major Enterprise Funds</b>			
	<b>Wastewater</b>	<b>Solid Waste</b>	<b>Stormwater Management</b>	<b>Total</b>
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 3,534,239	\$ 801,960	\$ 1,533,928	\$ 5,870,127
Prepaid items	4,627	1,622	2,141	8,390
Accounts receivable	811,690	383,403	219,080	1,414,173
Due from other governments - State	-	-	18,905	18,905
<b>Total current assets</b>	<b>4,350,556</b>	<b>1,186,985</b>	<b>1,774,054</b>	<b>7,311,595</b>
Noncurrent Assets:				
Capital assets:				
Land	13,885	-	-	13,885
Improvements	13,247,603	-	5,073,674	18,321,277
Machinery and equipment	1,108,923	2,053,676	328,071	3,490,670
Capitalized leases-treatment plant	2,075,614	-	-	2,075,614
Construction in progress	518,861	83,146	126,281	728,288
Less accumulated depreciation	(9,890,969)	(995,053)	(1,095,142)	(11,981,164)
<b>Total capital assets (net of accumulated depreciation)</b>	<b>7,073,917</b>	<b>1,141,769</b>	<b>4,432,884</b>	<b>12,648,570</b>
<b>Total noncurrent assets</b>	<b>7,073,917</b>	<b>1,141,769</b>	<b>4,432,884</b>	<b>12,648,570</b>
<b>Total assets</b>	<b>\$ 11,424,473</b>	<b>\$ 2,328,754</b>	<b>\$ 6,206,938</b>	<b>\$ 19,960,165</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows for OPEB	\$ 12,553	\$ 15,830	\$ 4,090	\$ 32,473
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable and other accrued expenses	\$ 619,793	\$ 65,002	\$ 246,099	\$ 930,894
State Revolving Loan Fund	73,506	-	-	73,506
Accrued compensated absences	6,937	26,885	5,416	39,238
Accrued interest SRF	4,052	-	-	4,052
Accrued wages payable	6,808	15,411	4,133	26,352
<b>Total current liabilities</b>	<b>711,096</b>	<b>107,298</b>	<b>255,648</b>	<b>1,074,042</b>
Noncurrent liabilities:				
State Revolving Loan Fund	1,152,968	-	-	1,152,968
Accrued compensated absences	16,187	62,731	12,638	91,556
Total OPEB liability	33,214	41,882	10,823	85,919
<b>Total noncurrent liabilities</b>	<b>1,202,369</b>	<b>104,613</b>	<b>23,461</b>	<b>1,330,443</b>
<b>Total liabilities</b>	<b>\$ 1,913,465</b>	<b>\$ 211,911</b>	<b>\$ 279,109</b>	<b>\$ 2,404,485</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources for OPEB	\$ 1,742	\$ 2,197	\$ 568	\$ 4,507
<b>NET POSITION</b>				
Net investment in capital assets	5,847,443	1,141,769	4,432,884	11,422,096
Unrestricted	3,674,376	988,707	1,498,467	6,161,550
<b>Total net position</b>	<b>\$ 9,521,819</b>	<b>\$ 2,130,476</b>	<b>\$ 5,931,351</b>	<b>\$ 17,583,646</b>

*The accompanying notes are an integral part of these financial statements.*



**City of Treasure Island, Florida**  
**Statement of Revenues, Expenditures and Changes in Fund Net Position -**  
**Proprietary Funds**  
**Year Ended September 30, 2020**

	<b>Business-type Activities - Enterprise Funds</b>			
	<b>Major Enterprise Funds</b>			<b>Total</b>
	<b>Wastewater</b>	<b>Solid Waste</b>	<b>Stormwater Management</b>	
<b>OPERATING REVENUES</b>				
Licenses and permits	\$ -	\$ 1,929	\$ -	\$ 1,929
Charges for Services	4,645,754	2,150,560	1,235,790	8,032,104
<b>Total operating revenues</b>	<b>4,645,754</b>	<b>2,152,489</b>	<b>1,235,790</b>	<b>8,034,033</b>
<b>OPERATING EXPENSES</b>				
Personal Services	304,484	771,593	195,127	1,271,204
Contractual Services	3,100,656	954,545	187,432	4,242,633
Materials, Supplies, Repairs and Utilities	338,434	261,440	68,230	668,104
Depreciation	438,668	249,575	217,965	906,208
<b>Total operating expense</b>	<b>4,182,242</b>	<b>2,237,153</b>	<b>668,754</b>	<b>7,088,149</b>
<b>Operating income (loss)</b>	<b>463,512</b>	<b>(84,664)</b>	<b>567,036</b>	<b>945,884</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment Earnings	48,630	11,289	19,377	79,296
Interest and fees on bonds	(24,427)	-	-	(24,427)
Miscellaneous	30,532	1,232	-	31,764
<b>Total nonoperating revenues (expenses)</b>	<b>54,735</b>	<b>12,521</b>	<b>19,377</b>	<b>86,633</b>
<b>Income (loss) before capital contributions</b>	<b>518,247</b>	<b>(72,143)</b>	<b>586,413</b>	<b>1,032,517</b>
<b>Capital contributions (Grants)</b>	<b>-</b>	<b>4,941</b>	<b>52,658</b>	<b>57,599</b>
<b>Change in net position</b>	<b>518,247</b>	<b>(67,202)</b>	<b>639,071</b>	<b>1,090,116</b>
<b>Net position - beginning</b>	<b>9,003,572</b>	<b>2,197,678</b>	<b>5,292,280</b>	<b>16,493,530</b>
<b>Net position - ending</b>	<b>\$ 9,521,819</b>	<b>\$ 2,130,476</b>	<b>\$ 5,931,351</b>	<b>\$ 17,583,646</b>

*The accompanying notes are an integral part of these financial statements.*

**City of Treasure Island, Florida**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year ended September 30, 2020**

<b>Business-type Activities - Enterprise Funds</b>				
	<b>Major Enterprise Funds</b>			<b>Total</b>
	<b>Wastewater</b>	<b>Solid Waste</b>	<b>Stormwater Management</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 4,557,908	\$ 2,151,049	\$ 1,230,690	\$ 7,939,647
Payments to suppliers	(3,096,261)	(1,222,833)	(16,566)	(4,335,660)
Payments to employees	(295,388)	(753,412)	(190,702)	(1,239,502)
Other receipts (payments)	-	-	-	-
Net cash provided by operating activities	1,166,259	174,804	1,023,422	2,364,485
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition and construction of capital assets	(1,020,378)	(247,114)	(747,135)	(2,014,627)
Grant proceeds	-	4,941	52,658	57,599
Principal payments on state revolving loan	(72,261)	-	-	(72,261)
Interest paid on state revolving loan	(24,427)	-	-	(24,427)
Net cash provided by (used in) capital and related financing activities	(1,117,066)	(242,173)	(694,477)	(2,053,716)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Investment Earnings	48,630	11,289	19,377	79,296
Net cash provided by investing activities	48,630	11,289	19,377	79,296
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	97,823	(56,080)	348,322	390,065
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	3,436,416	858,040	1,185,606	5,480,062
END OF YEAR	\$ 3,534,239	\$ 801,960	\$ 1,533,928	\$ 5,870,127
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income	\$ 463,512	\$ (84,664)	\$ 567,036	\$ 945,884
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	438,668	249,575	217,965	906,208
Other receipts (payments)	30,532	1,231	-	31,763
Change in assets and liabilities:				
(Increase) Decrease in prepaid items	(4,627)	(1,622)	(2,141)	(8,390)
(Increase) Decrease in accounts receivable	(118,378)	(2,670)	(28,228)	(149,276)
(Increase) Decrease in due from other governments	-	-	23,128	23,128
(Increase) Decrease in deferred outflows	(4,036)	(5,090)	(1,315)	(10,441)
Increase (Decrease) in accts payable	347,456	(5,227)	241,237	583,466
Increase (Decrease) in accrued salaries payable	2,702	6,358	1,795	10,855
Increase (Decrease) in accrued compensated absences	3,781	8,527	1,778	14,086
Increase (Decrease) in OPEB liability	5,894	7,433	1,921	15,248
Increase (Decrease) in deferred inflows	755	953	246	1,954
Total adjustments	702,747	259,468	456,386	1,418,601
Net cash provided by operating activities	\$ 1,166,259	\$ 174,804	\$ 1,023,422	\$ 2,364,485

*The accompanying notes are an integral part of these financial statements.*

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**NOTES TO THE  
FINANCIAL STATEMENTS**

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## City of Treasure Island, Florida Notes to Financial Statements

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Treasure Island, Florida (the "City") maintains its accounting in accordance with generally accepted accounting principles (GAAP), as applied to governmental units, which are promulgated by the Governmental Accounting Standards Board (GASB). A summary of the City's significant accounting policies applied in the preparation of the accompanying financial statements follows.

#### ***The Reporting Entity***

The City of Treasure Island is a municipal corporation created by the Laws of Florida, 1955-31322. An elected mayor and a four-member commission govern the City. As required by generally accepted accounting principles, these financial statements present the City of Treasure Island (the primary government). The City has no component units as of September 30, 2020.

#### ***Government-Wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

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

Separate financial statements are provided for governmental funds, proprietary fund and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

## City of Treasure Island, Florida Notes to Financial Statements

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)***

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

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

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

## City of Treasure Island, Florida Notes to Financial Statements

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Government-Wide Financial Statements (Continued)***

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's wastewater and sanitation services functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

#### ***Fund Financial Statements***

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *General* fund is the City's primary operating fund. It accounts for all financial resources except those accounted for in another fund.

The *Local Option Sales Tax* fund accounts for the additional, voter approved, countywide one-cent local option sales tax designated to provide funds for capital items and infrastructure improvements. This tax is commonly referred to as the "Penny for Pinellas."

The *Building* fund is used to account for revenues and expenditures that are restricted by the State of Florida to be used only to enforce and implement the Florida Building Code.

The City reports the following proprietary funds:

Major:

The *Wastewater* fund accounts for the operation that collects and treats all wastewater generated within the City.

The *Solid Waste* fund accounts for the operation that collects and disposes of all refuse, recyclable materials and yard waste generated within the City.

The *Stormwater Management* fund accounts for the operation that manages the City's Municipal Stormwater System.



**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund Financial Statements (Continued)***

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

***Budgetary Information***

***Budgetary basis of accounting***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, special revenue funds and Capital Projects fund.

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a fund. Transfers of appropriations between funds require the approval of the commission through an ordinance or budget amendment. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to

## City of Treasure Island, Florida Notes to Financial Statements

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Budgetary Information (Continued)***

facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

#### ***Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity***

##### ***Cash and cash equivalents***

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

##### ***Investments***

Investments for the City are reported at amortized cost as all investments meet all of the specified criteria in Section 150: *Investments* to qualify to elect to measure their investments at amortized cost. Accordingly, the fair value of the City's position in external investment pools are equal to the value of the pooled shares.

##### ***Receivables and Payables***

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

The City considers all receivables at September 30, 2020 to be collectible; accordingly, no allowance for doubtful accounts is required. If any amounts are subsequently determined to be uncollectible, they are considered immaterial to the financial statements and will be charged to operations when that determination is made.

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" within the fund financial statements. Long-term borrowings between funds are classified as "advances to other funds" or "advances from other funds" in the fund financial statements. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any residual balance outstanding

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Receivables and Payables (Continued)***

between the governmental and business-type activities at the end of the fiscal year, which are reported in the government-wide financial statements as internal balances.

Interfund transactions are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or business-type funds are netted as part of the reconciliation to the government-wide presentation.

***Inventories and Prepaid Items***

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and vehicle repair parts. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

***Capital Assets***

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased. Donated capital assets are recorded at acquisition value at the date of the donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are incurred. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There was no capitalized interest during the current year.

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Capital Assets (Continued)***

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Land	–
Buildings and structures	7 – 75
Improvements	20 – 33
Machinery and equipment	4 – 20

Capital leases are amortized over the lives of the respective leases or the service lives of the leased equipment, whichever is shorter.

***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

The City has two (2) items that qualify for reporting as deferred outflows of resources, the *deferred outflows related to OPEB* and the *deferred outflows related to pensions*, both reported in the government-wide statement of net assets and only deferred outflows related to OPEB is reported in the business-type activities statement of net position. The deferred outflows related to OPEB and pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria* and Section P54: *Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria – Defined Benefit*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two (2) items that qualify for reporting as deferred inflows of resources. The *deferred inflows related to OPEB* and the *deferred inflows related to pensions* are an aggregate of items related to pensions, both reported in the government-wide statement of net assets and only deferred inflows related to OPEB is reported in the business-type activities statement of net position. The deferred inflows related to OPEB and pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That*

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Deferred Outflows/Inflows of Resources (Continued)***

*Meet Specified Criteria and Section P54: Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria – Defined Benefit.* The deferred inflows related to OEPB and pensions will be recognized as a reduction to pension expense in future reporting years.

***Compensated Absences***

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Accumulated sick leave lapses when employees leave employment with the City and, accordingly upon separation from service, no monetary obligation exists.

***Long-term Obligations***

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net position.

***Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Other Post-Employment Benefits (OPEB) Liability***

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The City's proportionate share of OPEB amounts were further allocated to each participating employer based on the contributions paid by each employer. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Categories and Classification of Fund Equity***

*Net position flow assumption* – Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

*Fund balance flow assumptions* – Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

*Fund balance policies* – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

*Nonspendable fund balance* – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted fund balance* – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance* – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City’s highest level of decision-making authority. The governing council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Categories and Classification of Fund Equity (Continued)***

*Assigned fund balance* – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the city manager to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

*Unassigned fund balance* – Unassigned fund balance is the residual classification for the General Fund.

***Revenues and Expenditures/Expenses***

*Program revenues* – Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

*Property taxes* – Property taxes attach as an enforceable lien on real property and are levied as of October 1st. The tax levy is divided into two billings: the first billing (mailed on August 20) is an estimate of the current year's levy based on the prior year's taxes; the second billing (mailed on November 1) reflects adjustments to the current year's actual levy. The billings are considered past due 30 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

*Proprietary funds operating and nonoperating revenues and expenses* – Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Wastewater Fund, Solid Waste Fund, Stormwater Management Fund are charges to customers for sales and services. The Wastewater Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Encumbrances***

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. At year-end, outstanding encumbrances represent material purchase commitments for goods and services which were ordered, budgeted, and appropriated, but had not been received or completed at date. Although encumbrances lapse at year-end, it is the intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. The following are the significant encumbrances at year end:

**Governmental Activities:**

General Fund	\$	149,559
Local Option Sales Tax Fund		380,067
Building Fund		11,313
Nonmajor Governmental Funds		355,168

**Business-Type Activities:**

Wastewater Fund		1,602,378
Solid Waste Fund		7,509
Stormwater Management Fund		352,554

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Total	\$	2,858,548
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***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 31, 2021 and determined there were no events that occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.



**NOTE 2: DETAILED NOTES ON ALL FUNDS**

***Cash Deposits***

The City has one cash pool that maintains the deposits of all governmental and enterprise funds of the City. Formal accounting records detail the individual equities of the participating funds. The cash deposits are held by a bank that qualifies as a public depository under the Florida Security and Public Deposits Act, as required by Chapter 280, Florida Statutes, and are considered fully insured.

***Investments***

Florida Statutes authorize the City to invest in the Local Government Surplus Funds Trust Fund administered by the State Board of Administration, obligations of the U.S. Treasury, and interest-bearing time deposits and savings accounts held in Federal or State chartered banks and savings and loan associations doing business in Florida provided that such deposits are secured by collateral as may be prescribed. It is the City's policy to only invest funds in vehicles specifically authorized by Florida Statutes. The City does not have formal policies relating to credit risk or interest rate risk aside from the policy of only investing in funds administered by the State Board of Administration and obligations of the U.S. government.

*Custodial credit risk* – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the City places its deposits are certified as “qualified public depositories,” as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of September 30, 2020, the City's pension investments are held in street name in the form of stock, debt securities and U.S. government bonds through a financial brokerage firms segregated out from the assets and investments held by other clients of the investment firm and their own assets.

*Interest Rate Risk* – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The City manages its exposure to fair value losses arising from increasing interest rates through its adopted investment policies. The City limits the effective duration of its investment portfolio through the adoption of nationally recognized risk measure benchmarks.

*Credit Risk* – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations. The City has limited its credit risk by limiting investments to the safest types of securities, primarily government investment pools. The City's investment objectives are prioritized by safety, liquidity

**NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)**

***Investments (Continued)***

and yield. Time Deposits, including Certificates of Deposit, are collateralized under the State of Florida Qualified Public Depository Program, whereby member institutions are collectively responsible for any individual member's default.

*Concentration risk* – Section 150: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The City's investment policy does not address concentration risk.

*Fair Value* – GASB Codification Section 3100: *Fair Value Measurements* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the codification are described as follows:

Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 (L2): Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)**

***Investments (Continued)***

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The City's investments are carried at amortized cost as of September 30, 2020, are as follows:

	<b>Amortized Cost</b>	<b>Weighted Average Maturity</b>	<b>Credit Rating</b>
Florida Safe Investment Pool	11,189,542	217.58	AAAm

The investments held by the City are not classified as Level 1, 2 or 3 as all investments are carried at amortized cost.

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)**

**Capital Assets**

Capital asset activity for the fiscal year ended September 30, 2020 as follows:

	Balance 9/30/19	Increases	Decreases	Balance 9/30/20
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	4,480,641	\$ 4,108,746	\$ -	\$ 8,589,387
Construction in progress	4,333,976	891,340	(4,033,978)	1,191,338
<b>Total capital assets, not being depreciated</b>	<b>8,814,617</b>	<b>5,000,086</b>	<b>(4,033,978)</b>	<b>9,780,725</b>
Capital assets, being depreciated				
Buildings	1,583,594	2,260,412	-	3,844,006
Building improvements	65,687,779	5,046,676	-	70,734,455
Machinery and equipment	3,595,483	334,911	(63,056)	3,867,338
<b>Total capital assets, being depreciated</b>	<b>70,866,856</b>	<b>7,641,999</b>	<b>(63,056)</b>	<b>78,445,799</b>
Less accumulated depreciation for:				
Buildings	(665,832)	(115,307)	-	(781,139)
Building improvements	(16,206,357)	(1,543,432)	-	(17,749,789)
Machinery and equipment	(1,852,022)	(427,892)	63,056	(2,216,858)
<b>Total accumulated depreciation</b>	<b>(18,724,211)</b>	<b>(2,086,631)</b>	<b>63,056</b>	<b>(20,747,786)</b>
<b>Total capital assets being depreciated, net</b>	<b>52,142,645</b>	<b>5,555,368</b>	<b>-</b>	<b>57,698,013</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 60,957,262</b>	<b>\$ 10,555,454</b>	<b>\$ (4,033,978)</b>	<b>\$ 67,478,738</b>

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)**

***Capital Assets (Continued)***

	Balance 9/30/19	Increases	Decreases	Transfers	Balance 9/30/20
<b>Business-type activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 13,885	\$ -	\$ -	\$ -	\$ 13,885
Construction in progress	286,548	689,604	-	(247,864)	728,288
Total capital assets, not being depreciated	300,433	689,604	-	(247,864)	742,173
Capital assets, being depreciated:					
Improvements other than buildings	19,248,583	994,901	-	153,407	20,396,891
Machinery and equipment	3,347,093	424,578	(281,001)	-	3,490,670
Total capital assets, being depreciated	22,595,676	1,419,479	(281,001)	153,407	23,887,561
Less accumulated depreciation for:					
Improvements other than buildings	(9,743,564)	(501,799)	-	-	(10,245,363)
Machinery and equipment	(1,612,394)	(404,408)	281,001	-	(1,735,801)
Total accumulated depreciation	(11,355,958)	(906,207)	281,001	-	(11,981,164)
Total capital assets being depreciated, net	11,239,718	513,272	-	153,407	11,906,397
Business-type activities capital assets, net	\$ 11,540,151	\$ 1,202,876	\$ -	\$ (94,457.00)	\$ 12,648,570

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,695,628
Public safety	60,527
Public works	283,546
Culture and recreation	46,931
<hr/>	
Total depreciation expense - governmental activities	<u>\$ 2,086,631</u>
Business-type activities:	
Water pollution control	\$ 438,667
Solid waste	249,575
Stormwater management	217,965
<hr/>	
Total depreciation expense - business-type activities	<u>\$ 906,207</u>

**NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)**

***Long-Term Debt***

*State Revolving Loan Fund*

The City entered into two agreements with the Florida Department of Environmental Protection for major sewer rehabilitation and inflow/infiltration correction and lift station rehabilitation. The projects are funded through the Clean Water State Revolving Fund (SRF) Loan Program protected under the Federal Clean Water Act. The principal amount of the first loan totaled \$1,056,884 at an interest rate of 2.62%. The principal amount of the second loan totaled \$517,612 at an interest rate of .68%. Both loans will be paid off in 40 semi-annual payments of \$34,250 beginning June 15, 2014 and \$14,094 beginning October 15, 2017, respectively. Both agreements call for pledged revenue as security for repayment of the loans, defined as gross revenues derived from the operation of the sewer system after payment of the operation and maintenance expense.

*Truist Loans*

The City has a general obligation revenue bond outstanding, Series Note 2011A. The bond was issued in 2011 in order to construct capital improvements to the Isle of Palms and Isle of Capri bridges. The principal amount of the loan is \$4,024,407. Providing for the payment of this loan are the City's Public Service Tax Revenues and Communication Services Tax Revenues. Repayment for the aforementioned Series Note 2011A will be repaid over 15 years and the interest rate is 2.98%.

The City has a Non-Ad Valorem Revenue Note, Series 2020. The note was issued in 2020 in order to purchase and renovate the new City Hall building. The principal amount of the loan is \$8,000,000. Non-Ad Valorem revenues budgeted, appropriated and deposited are pledged for the repayment of this loan. Repayment for the aforementioned Series 2020 Note will be repaid over 15 years and the interest rate is 2.17%.

*Capital Lease*

A fire truck was acquired through a capital lease for governmental activities in the amount of \$419,929 during fiscal year 2018. This lease was financed through U.S. Bancorp Government Leasing and Finance Inc. for annual payments over a period of four years. The payment of this loan will be funded by local option sales tax revenues through the Penny for Pinellas fund.

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)**

***Long-Term Debt (Continued)***

Long-term liability activity for the fiscal year ended September 30, 2020 as follows:

	Balance 9/30/2020	Additions	Reductions	Balance 9/30/2020	Due within One Year
<b>Governmental Activities:</b>					
Total OPEB liability	\$ 301,246	\$ 64,997	\$ -	\$ 366,243	\$ -
Truist - Series Note 2011A	2,397,369	-	(269,360)	2,128,009	277,508
Truist - Series Note 2020	-	8,000,000	-	8,000,000	380,900
Capital Lease	320,883	-	(102,903)	217,980	106,909
Net pension liability	6,967,452	2,025,250	-	8,992,702	9,900
Compensated absences	827,966	462,688	(429,563)	861,091	258,327
<hr/>					
Governmental activities long-term liabilities	\$ 10,814,916	\$ 10,552,935	\$ (801,826)	\$ 20,566,025	\$ 1,033,544
<hr/>					
<b>Business-type Activities:</b>					
Total OPEB liability	\$ 70,671	\$ 15,248	\$ -	\$ 85,919	\$ -
State Revolving Loan - 53601P	821,939	-	(47,272)	774,667	48,518
State Revolving Loan - 520810	476,796	-	(24,989)	451,807	25,158
Compensated absences	116,707	76,503	(62,416)	130,794	39,238
<hr/>					
Business-type activities long-term liabilities	\$ 1,486,113	\$ 91,751	\$ (134,677)	\$ 1,443,187	\$ 112,914
<hr/>					

Net pension and compensated absences are generally liquidated by the general fund for governmental activities. OPEB liabilities will be liquidated by the general fund for governmental activities and the wastewater fund, solid waste fund and stormwater management fund for business-type activities.

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)**

***Long-Term Debt (Continued)***

The following tables indicate future debt service requirements for Governmental Activities:

Capital Improvement Revenue Note, Series 2011A	Principal	Interest	Total
2021	277,508	59,280	336,788
2022	285,903	50,885	336,788
2023	294,551	42,237	336,788
2024	303,462	33,326	336,788
2025	312,642	24,146	336,788
2026 - 2027	653,943	19,633	673,576
	<u>\$ 2,128,009</u>	<u>\$ 229,507</u>	<u>\$ 2,357,516</u>

Non Ad Valorem Revenue Note, Series 2020	Principal	Interest	Total
2021	380,900	169,467	550,367
2022	471,600	160,218	631,818
2023	481,800	149,873	631,673
2024	492,300	139,304	631,604
2025	502,900	128,506	631,406
2026-2030	2,683,200	472,181	3,155,381
2031-2035	2,987,300	164,843	3,152,143
	<u>\$ 8,000,000</u>	<u>\$ 1,384,392</u>	<u>\$ 9,384,392</u>



**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)**

***Long-Term Debt (Continued)***

The following tables represent debt service of business-type activities:

State Revolving Loan Fund - 53601P		Principal	Interest	Total
	2021	48,518	19,981	68,499
	2022	49,798	18,701	68,499
	2023	51,111	17,388	68,499
	2024	52,459	16,040	68,499
	2025	53,843	14,656	68,499
	2026-2030	291,275	51,220	342,495
	2031 -2034	227,663	12,085	239,748
		<u>\$ 774,667</u>	<u>\$ 150,071</u>	<u>\$ 924,738</u>

State Revolving Loan Fund - 520810		Principal	Interest	Total
	2021	25,158	3,030	28,188
	2022	25,330	2,858	28,188
	2023	25,502	2,686	28,188
	2024	25,675	2,512	28,187
	2025	25,851	2,337	28,188
	2026-2030	131,919	9,020	140,939
	2031-2035	136,473	4,466	140,939
	2036-2037	55,899	476	56,375
		<u>\$ 451,807</u>	<u>\$ 27,385</u>	<u>\$ 479,192</u>

***Obligations under Capital Lease***

Equipment was acquired through a capital lease for governmental activities in the amount of \$419,929. Future minimum capital lease payments and the present value of the minimum lease payments at September 30 are as follows:

Capital Lease		Principal	Interest	Total
	2021	106,909	8,487	115,396
	2022	111,071	4,324	115,395
		<u>\$ 217,980</u>	<u>\$ 12,811</u>	<u>\$ 230,791</u>

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 3: OTHER INFORMATION**

***Pledged Revenues***

The City has revenue notes outstanding at September 30, 2020, for which revenues of the City have been pledged for repayment. Revenues pledged to repay these obligations are as follows:

	Amount Issued	Future Principal and Interest	Current Pledged Revenue	Current Year Principal and Interest	Current Percentage of Revenue
<b>Governmental Activities</b>					
<b>Revenue Notes</b>					
Capital Improvement Revenue Note, Series 2011A					
Maturity: 2026					
Interest rate: 2.98%	\$4,024,407	\$ 2,357,516	1,476,472	\$ 336,788	22.8%
Purpose: Improvements to Isle of Palms and Isle of Capri bridges					
Pledged revenue: Public Service Tax revenues and Communication Services Tax revenues					
Non-Ad Valorem Revenue Note, Series 2020					
Maturity: 2035					
Interest rate: 2.17%	\$8,000,000	\$ 9,440,331	N/A	\$ -	N/A
Purpose: Purchase and renovation of new City Hall building					
Pledged revenue: Non-Ad Valorem revenues					

***Risk Management***

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of property and other assets; errors and omissions by employees; and natural disasters, particularly during the hurricane season of June through November. The City has purchased various types of insurance to protect itself. There have been no changes in insurance coverage during the current fiscal year. There were no changes in insurance coverage from the previous year. The City does not participate in a risk pool and does not retain any of the risks of loss.

***Contingent Liabilities***

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

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City.

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 3: OTHER INFORMATION (Continued)**

***Fund Balance Classification***

<b>General Fund</b>	
Nonspendable:	
Inventories	\$ 5,186
Prepaid items	42,707
Total nonspendable	47,893
Restricted	
Green utility	13,950
Committed	
.30 Mill for Bridge Renewal & Replacement	819,885
Assigned:	
Beach improvements	500,000
.10 mill for facilities renewal and replacement	1,070,751
Expedited loan repayment	850,000
City IT supplies and maintenance	41,921
City infrastructure improvements	557,055
Professional services	179,910
Contractual service	57,365
Donations for specific purpose	149
Total assigned	3,257,151
Unassigned	4,476,911
<hr/>	
Total General Fund fund balance	\$ 8,615,790
<hr/>	
<b>Local Option Sales Tax</b>	
Restricted for Public Safety vehicle purchase	\$ 13,221
Restricted for infrastructure improvements	1,003,671
Total restricted	1,016,892
<hr/>	
Total Local Option Sales Tax fund balance	\$ 1,016,892
<hr/>	
<b>Building Fund</b>	
Nonspendable for Building Division	\$ 2,316
Restricted:	
Restricted for Building Division	1,000,969
Restricted for Contractual Services	3,827
Restricted for software	7,486
Total restricted	1,012,282
<hr/>	
Total Building Fund fund balance	\$ 1,014,598
<hr/>	
<b>Nonmajor Governmental Funds</b>	
Restricted:	
Capital Projects, County Gas Tax, City Hall Renovation Debt Service, Police Forfeiture, Transportation Trust, and Transportation Improvements	\$ 1,779,959
<hr/>	
<b>TOTAL</b>	<b>\$ 12,427,239</b>
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**NOTE 3: OTHER INFORMATION (Continued)**

***Employee Retirement Systems and Pension Plans***

The City participates in two pension programs: First, for qualified public safety employees, the City participates in the Florida Retirement System's defined benefit plans. For all other employees, the City has a defined contribution pension plan which consists of a 401(A) qualified plan. Employees contribute five (5) percent of their gross earnings and the City contributed eight (8) percent for the fiscal year ending September 30, 2020. The City makes these contributions to the Plan as a part of the regular weekly payroll process.

***Defined Benefit Plans***

The City participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

**NOTE 3: OTHER INFORMATION (Continued)**

***Benefits Provided***

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

***Contributions***

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2020, were as follows:

	FRS	HIS
Regular Class	8.34%	1.66%
Special Risk Class	22.79%	1.66%
Senior Management Service Class	25.63%	1.66%
Elected Officials	47.52%	1.66%
DROP	15.32%	1.66%

The employer's contributions for the year ended September 30, 2020, were \$616,772 to the FRS and \$44,702 to the HIS.

***Pension Liabilities and Pension Expense***

In its financial statements for the year ended September 30, 2020, the City reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2020. The City's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 3: OTHER INFORMATION (Continued)**

***Pension Liabilities and Pension Expense (Continued)***

	FRS	HIS
Net pension liability	\$ 8,045,548	\$ 947,154
Proportion at:		
Current measurement date	0.0186%	0.0078%
Prior measurement date	0.0178%	0.0074%
Pension expense (benefit)	\$ 1,712,403	\$ 83,270

***Deferred Outflows/Inflows of Resources Related to Pensions***

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 307,919	\$ -	\$ 38,744	\$ (731)
Changes of assumptions	1,456,500	-	101,846	(55,073)
Net difference between projected and actual earnings on pension plan investments	479,040	-	756	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	311,015	(85,034)	60,959	(22,850)
Employer contributions subsequent to the measurement date	136,106	-	10,451	-
<b>Total</b>	<b>\$ 2,690,580</b>	<b>\$ (85,034)</b>	<b>\$ 212,756</b>	<b>\$ (78,654)</b>

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2021.

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

Year ending September 30,	FRS	HIS
2021	\$ 539,763	\$ 28,216
2022	761,851	23,728
2023	637,568	9,482
2024	404,207	18,759
2025	126,051	24,963
Thereafter	-	18,503
<b>Total</b>	<b>\$ 2,469,440</b>	<b>\$ 123,651</b>

**NOTE 3: OTHER INFORMATION (Continued)**

***Actuarial Assumptions***

The total pension liability for each of the defined benefit plans was measured as of June 30, 2020. The total pension liability for both the FRS Pension Plan and for the HIS Program were determined by actuarial valuations dated July 1, 2020. The individual entry age actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.80%	N/A
Discount rate	6.80%	2.21%

Mortality assumptions for both plans were based on the PUB-2010 base tables projected generationally with Scale MP-2018.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2020:

FRS:

- The long-term expected rate of return and the discount rate used to determine the total pension liability decreased from 6.90% to 6.80%.
- The assumed rate of inflation was decreased from 2.60% to 2.40%.

HIS:

- The municipal bond index rate and the discount rate used to determine the total pension liability decreased from 3.50% to 2.21%.
- The assumed rate of inflation was decreased from 2.60% to 2.40%.
- Mortality assumptions for the HIS Program were changed from the Generational RP-2000 with Projection Scale BB to the PUB2010 base tables projected generationally with Scale MP-2018.

The long-term expected investment rate of return for the FRS Pension Plan was not based on historical returns, but instead was based on a forward-looking capital market economic model developed during 2020 by an outside investment consultant to the Florida State Board of Administration. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption of 2.40%.

**NOTE 3: OTHER INFORMATION (Continued)**

***Actuarial Assumptions (Continued)***

For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return
Cash	1.0%	2.2%	2.2%
Fixed income	19.0%	3.0%	2.9%
Global equity	54.2%	8.0%	6.7%
Real estate	10.3%	6.4%	5.8%
Private equity	11.1%	10.8%	8.1%
Strategic investments	4.4%	5.5%	5.3%
	<u>100%</u>		

***Discount Rate***

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.80%. The 6.80% reported investment return assumption differs from the 7.00% investment return assumption chosen by the 2020 FRS Actuarial Assumption Conference for funding policy purposes, as allowable under governmental accounting and reporting standards. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis and the depletion date is considered to be immediate, a municipal bond rate of 2.21% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.



**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 3: OTHER INFORMATION (Continued)**

***Sensitivity Analysis***

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer’s proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	Current Discount Rate			Current Discount Rate		
	1% Decrease (5.8%)	Rate (6.8%)	1% Increase (7.8%)	1% Decrease (1.21%)	Rate (2.21%)	1% Increase (3.21%)
Employer's proportionate share of the net pension liability	\$ 12,847,388	\$ 8,045,548	\$ 4,035,030	\$ 1,094,868	\$ 947,154	\$ 826,251

***Pension Plans’ Fiduciary Net Position***

Detailed information about the pension plans’ fiduciary net position is available in the State’s separately issued financial reports.

***401 (A) Pension Plan***

The City offers a Section 401(A) Money Purchase Plan as a defined contribution retirement plan for all of its employees not eligible to participate in the Florida Retirement System.

The Plan provides for employees to contribute five percent of their earnings, with the City contributing eight percent. Employee contributions are made through payroll deduction and remitted to the Plan Administrator, the ICMA Retirement Trust, along with the City's contribution, for deposit and investment. The authority responsible for establishing or amending plan provisions and contribution requirements is the City Commission.

Employees choose from several investment options, ranging from aggressive to conservative, to invest both their contribution and the City's. At September 30, 2020, those options included five (5) classifications as follows:

- Stable / Money Market Funds
- Bond Funds
- U. S. Stock Funds
- International Stock Funds
- Balanced Funds

**NOTE 3: OTHER INFORMATION (Continued)**

***401 (A) Pension Plan (Continued)***

For the current fiscal year, employee contributions totaled \$173,328 and the City's contributions totaled \$277,322 for a grand total of \$450,650.

Employees are fully vested with the City's contribution after five years. If the employee terminates with the City with less than five years of service, the City's contribution reverts back to the City. All contributions to the 401(A) Plan are tax deferred for the purposes of federal income tax. All employees are still eligible to participate in the City's Section 457 Deferred Compensation Plan.

The City's total payroll in fiscal year ended September 30, 2020 was \$6,794,856. The City's contributions were calculated using the participant's salary amount of \$3,466,529. The City made its required contribution of \$277,322.

***Postemployment Health Care Benefits***

***General Information about the OPEB Plan***

*Plan description.* The City's defined benefit OPEB plan provides OPEB for all permanent full-time employees of the City. The Plan is a single-employer defined benefit OPEB plan administered by the City. The Plan is not administered through a trust and no assets are accumulated to meet the criteria of a trust in the accounting standards.

*Benefits provided.* The Plan provides retired employees to elect to continue medical coverage into retirement on the City's health care plan by paying the entire premium. Coverage is also available for eligible dependents on a pay-all basis.

*Employees covered by benefit terms.* At September 30, 2020, the following employees were covered by the benefit terms:

Active employees	99
Inactive employees currently receiving benefits	4
Inactive employees entitled to but not yet receiving benefits	-
Total	103

***Total OPEB Liability***

The City's total OPEB liability of \$452,162 was measured as of September 30, 2020, and was determined by an actuarial valuation as of October 1, 2019.

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 3: OTHER INFORMATION (Continued)**

***Postemployment Health Care Benefits (Continued)***

*Actuarial assumptions and other inputs.* The total OPEB liability in the September 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.50%
Discount rate	2.14%
Salary rate increase	4.00%
Health Care Trend rates	5.5% initial rate decreasing to ultimate rate of 4.5%
Mortality table	PubG.H-2010 mortality table - general

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index.

The actuarial assumptions used in the September 30, 2020 valuation was based on actuarial experience.

***Changes in the Total OPEB Liability***

	<b>Total OPEB Liability</b>
Balance at September 30, 2019	\$ 371,917
Changes for the year:	
Service cost	38,194
Interest on total OPEB liability	26,089
Difference between expected and actual experience	(19,195)
Changes of assumptions and other inputs	81,593
Benefit payments	(64,439)
Other changes	18,003
Net changes	80,245
Balance at September 30, 2020	\$ 452,162

Changes of assumptions and other inputs reflect a change in the discount rate from 3.35 percent in 2019 to 2.14 percent in 2020.

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 3: OTHER INFORMATION (Continued)**

***Postemployment Health Care Benefits (Continued)***

using a discount rate that is 1-percentage-point lower (1.14 percent) or 1-percentage-point higher (3.14 percent) than the current discount rate:

	1% Decrease (1.14%)	Discount Rate (2.14%)	1% Increase (3.14%)
Total OPEB liability	\$ 485,086	\$ 452,162	\$ 421,752

*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 it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5 percent decreasing to 3.5 percent) or 1-percentage-point higher (6.5 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease (4.5% decreasing to 3.5%)	Health Care Cost Trend Rate (5.5% decreasing to 4.5%)	1% Increase (6.5% decreasing to 5.5%)
Total OPEB liability	\$ 411,929	\$ 452,162	\$ 499,051

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

For the year ended September 30, 2020, the City recognized OPEB expense of \$54,549. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 75,927	\$ (17,074)
Changes of assumptions or other inputs	94,972	(6,638)
Total	\$ 170,899	\$ (23,712)

**City of Treasure Island, Florida**  
**Notes to Financial Statements**

**NOTE 3: OTHER INFORMATION (Continued)**

***Postemployment Health Care Benefits (Continued)***

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

Year ended September 30,	
2021	\$ 23,197
2022	23,197
2023	23,197
2024	23,197
2025	23,197
Thereafter	31,202
Total	\$ 147,187

**Note 4: UNCERTAINTIES**

In March 2020, the World Health Organization made the assessment that the outbreak of the novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the ongoing operating activities and the future results of the City. The occurrence and extent of such an impact will depend on future developments, including (i) the spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain as of March 31, 2021.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

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**City of Treasure Island, Florida  
Required Supplementary Information  
Schedule of Changes in the City's Total OPEB  
Liability and Related Ratios**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 38,194	\$ 19,064	\$ 20,630
Interest on total OEPB liability	26,089	11,862	6,260
Difference between expected and actual experience	(19,195)	-	133,177
Changes of assumptions and other inputs	81,593	(4,823)	(2,199)
Benefit payments	(64,439)	(21,751)	(23,291)
Other changes	18,003	2,588	2,141
<b>Net change in total OPEB liability</b>	<b>80,245</b>	<b>6,940</b>	<b>136,718</b>
<b>Total OPEB liability - beginning</b>	<b>371,917</b>	<b>364,977</b>	<b>228,259</b>
<b>Total OPEB liability - ending</b>	<b>\$ 452,162</b>	<b>\$ 371,917</b>	<b>\$ 364,977</b>
<b>Covered-employee payroll</b>	<b>\$ 5,294,420</b>	<b>\$ 4,882,312</b>	<b>\$ 4,492,334</b>
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>8.54%</b>	<b>7.62%</b>	<b>8.12%</b>

Notes to Schedule:

**Note 1:** GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

**Note 2:** The Plan's long-term expected rate of return and the discount used to determine the the total OPEB liability decreased from 3.35% to 2.14%.



**City of Treasure Island, Florida**  
**Schedule of Proportionate Share of Net Pension Liability –**  
**Florida Retirement System (Last 10 fiscal years)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of net pension liability (asset)	0.018563162%	0.017811185%	0.017248153%	0.017691499%	0.018311777%	0.015912654%
City's proportionate share of the net pension liability (asset)	\$ 8,045,548	\$ 6,133,924	\$ 5,195,233	\$ 5,233,027	\$ 4,623,738	\$ 2,055,333
City's covered payroll	\$ 2,634,787	\$ 2,497,865	\$ 2,349,746	\$ 2,313,204	\$ 2,245,865	\$ 2,257,738
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	305.36%	245.57%	221.10%	226.22%	205.88%	91.04%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

\* The amounts presented for each Plan measurement year were determined as of 6/30.

**Note 1:** GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

**Note 2:** The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 3 of the Plan's Comprehensive Annual Financial Report.

**Note 3:** The Plan's long-term expected rate of return and the discount used to determine the total pension liability decreased from 6.90% to 6.80%.

**City of Treasure Island, Florida**  
**Schedule of Proportionate Share of Net Pension Liability –**  
**Health Insurance Subsidy (Last 10 fiscal years)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of net pension liability (asset)	0.007757302%	0.007449531%	0.007085356%	0.007173178%	0.007516286%	0.007338387%
City's proportionate share of the net pension liability (asset)	\$ 947,154	\$ 833,528	\$ 947,154	\$ 766,989	\$ 875,992	\$ 748,400
City's covered payroll	\$ 2,634,787	\$ 2,497,865	\$ 2,349,746	\$ 2,313,204	\$ 2,245,865	\$ 2,257,738
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.95%	33.37%	40.31%	33.16%	39.00%	33.15%
Plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

\* The amounts presented for each Plan measurement year were determined as of 6/30.

**Note 1:** GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

**Note 2:** The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 3 of the Plan's Comprehensive Annual Financial Report.

**Note 3:** The municipal rate used to determine the total pension liability decreased from 3.50% to 2.21%.

**City of Treasure Island, Florida**  
**Schedule of Contributions –**  
**Florida Retirement System (Last 10 fiscal years)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 604,170	\$ 559,529	\$ 506,157	\$ 464,877	\$ 460,749	\$ 387,964
Contributions in relation to the contractually required contribution	<u>604,170</u>	<u>559,529</u>	<u>506,157</u>	<u>464,877</u>	<u>460,749</u>	<u>387,964</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,589,950	\$ 2,497,865	\$ 2,349,746	\$ 2,313,204	\$ 2,245,865	\$ 2,257,738
Contributions as a percentage of covered payroll	23.33%	22.40%	21.54%	20.10%	20.52%	17.18%

\* The amounts presented for each Plan measurement year were determined as of 6/30.

**Note 1:** GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

**City of Treasure Island, Florida**  
**Schedule of Contributions –**  
**Health Insurance Subsidy (Last 10 fiscal years)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 44,426	\$ 41,473	\$ 39,015	\$ 38,045	\$ 37,281	\$ 28,052
Contributions in relation to the contractually required contribution	<u>44,426</u>	<u>41,473</u>	<u>39,015</u>	<u>38,045</u>	<u>37,281</u>	<u>28,052</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,589,950	\$ 2,497,865	\$ 2,349,746	\$ 2,313,204	\$ 2,245,865	\$ 2,257,738
Contributions as a percentage of covered payroll	1.72%	1.66%	1.66%	1.64%	1.66%	1.24%

\* The amounts presented for each Plan measurement year were determined as of 6/30.

**Note 1:** GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

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## **COMBINING FINANCIAL STATEMENTS**

The combining financial statements provide a more detailed view of the non-major funds that were combined in the basic financial statements.

A description of these non-major funds follows on the next page.

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## NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

The ***Capital Projects Fund*** is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition of capital assets.

The ***County Gas Tax Fund*** is financed through a six cent per gallon county gas tax. Expenditure is limited to road projects contained in the M.P.O. five-year transportation plan.

The ***Transportation Trust Fund*** accounts for revenues received from the Transportation Impact Fee established by Pinellas County and are restricted to expenditure for capital improvements and expansion of transportation facilities.

The ***Debt Service Fund*** is used to account for and report financial resources that are restricted, committed or assigned to expenditure for debt principal and debt payments.

The ***City Hall Renovation Fund*** is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the renovation of the new City Hall building.



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**City of Treasure Island, Florida**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**September 30, 2020**

	Capital Projects	County Gas Tax	Transportation Trust	Debt Service	City Hall Remodel	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 27,895	\$ 324,629	\$ 12,638	\$ 21	\$ 1,524,565	\$ 1,889,748
Receivables:						
Due from other governments	-	21,230	-	-	-	21,230
<b>Total assets</b>	<b>\$ 27,895</b>	<b>\$ 345,859</b>	<b>\$ 12,638</b>	<b>\$ 21</b>	<b>\$ 1,524,565</b>	<b>\$ 1,910,978</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ -	\$ 110,993	\$ -	\$ -	20,026	\$ 131,019
<b>Total liabilities</b>	<b>-</b>	<b>110,993</b>	<b>-</b>	<b>-</b>	<b>20,026</b>	<b>131,019</b>
<b>FUND BALANCES:</b>						
Restricted	27,895	234,866	12,638	21	1,504,539	1,779,959
<b>Total fund balances</b>	<b>27,895</b>	<b>234,866</b>	<b>12,638</b>	<b>21</b>	<b>1,504,539</b>	<b>1,779,959</b>
<b>Total liabilities and fund balances</b>	<b>\$ 27,895</b>	<b>\$ 345,859</b>	<b>\$ 12,638</b>	<b>\$ 21</b>	<b>1,524,565</b>	<b>\$ 1,910,978</b>

**City of Treasure Island, Florida**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance**  
**Non-Major Governmental Funds**  
**September 30, 2020**

	Capital Projects	County Gas Tax	Transportation Trust	Debt Service	City Hall Remodel	Total
<b>REVENUES</b>						
Intergovernmental	\$ 411,526	\$ 86,042	\$ -	\$ -	\$ -	\$ 497,568
Investment Earnings	(398)	7,620	243	21	3,428	10,914
<b>Total Revenues</b>	<b>411,128</b>	<b>93,662</b>	<b>243</b>	<b>21</b>	<b>3,428</b>	<b>508,482</b>
<b>EXPENDITURES</b>						
Debt Service:						
Interest	-	-	-	55,938	-	55,938
Capital Outlay	422,818	427,336	9,920	-	77,744	937,818
<b>Total Expenditures</b>	<b>422,818</b>	<b>427,336</b>	<b>9,920</b>	<b>55,938</b>	<b>77,744</b>	<b>993,756</b>
Excess (deficiency) of revenues over expenditures	(11,690)	(333,674)	(9,677)	(55,917)	(74,316)	(485,274)
<b>Other Financing Sources (Uses)</b>						
Transfers In	0	-	-	55,938	1,578,855	1,634,793
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,938</b>	<b>1,578,855</b>	<b>1,634,793</b>
Net change in fund balances	(11,690)	(333,674)	(9,677)	21	1,504,539	1,149,519
Fund Balances - Beginning	39,585	568,540	22,315	-	-	630,440
<b>Fund Balances - Ending</b>	<b>\$ 27,895</b>	<b>\$ 234,866</b>	<b>\$ 12,638</b>	<b>\$ 21</b>	<b>\$ 1,504,539</b>	<b>\$ 1,779,959</b>

**SCHEDULES OF REVENUES,  
EXPENDITURES AND CHANGES IN  
FUND BALANCES – BUDGET AND ACTUAL**

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**City of Treasure Island, Florida**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance –**  
**Budget and Actual**  
**Capital Projects Fund**  
**Year ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)			
	Original	Final					
<b>REVENUES</b>							
Intergovernmental	\$	-	\$	-	\$ 411,526	\$ 411,526	
Interest		-		-	(398)	(398)	
<hr/>							
Total Revenues		-		-	411,128	411,128	
<hr/>							
<b>EXPENDITURES</b>							
Capital Outlay		-	452,371	422,818		29,553	
<hr/>							
Total Expenditures		-	452,371	422,818		29,553	
<hr/>							
Net change in fund balances		-	(452,371)	(11,690)		440,681	
<hr/>							
Fund Balance - Beginning		39,585	39,585	39,585		-	
<hr/>							
Fund Balance - Ending	\$	39,585	\$	(412,786)	\$	27,895	\$ 440,681

**City of Treasure Island, Florida**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance –**  
**Budget and Actual**  
**County Gas Tax Fund**  
**Year ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental:				
County Gas Tax	\$ 105,000	\$ 105,000	\$ 86,042	\$ (18,958)
Miscellaneous:				
Investment Earnings	4,000	4,000	7,620	3,620
Total Revenues	109,000	109,000	93,662	(15,338)
<b>EXPENDITURES</b>				
Current:				
Capital outlay	211,995	578,148	427,336	150,812
Total Expenditures	211,995	578,148	427,336	150,812
Net change in fund balances	(102,995)	(469,148)	(333,674)	135,474
Fund Balance - Beginning	568,540	568,540	568,540	-
Fund Balance - Ending	\$ 465,545	\$ 99,392	\$ 234,866	\$ 135,474

**City of Treasure Island, Florida**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance –**  
**Budget and Actual**  
**Transportation Trust Fund**  
**Year ended September 30, 2020**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Miscellaneous:				
Investment Earnings	\$ -	\$ -	\$ 243	\$ 243
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>243</b>	<b>243</b>
<b>EXPENDITURES</b>				
Capital Outlay	340	22,199	9,920	12,279
<b>Total Expenditures</b>	<b>340</b>	<b>22,199</b>	<b>9,920</b>	<b>12,279</b>
Net change in fund balances	(340)	(22,199)	(9,677)	12,522
Fund Balance - Beginning	22,315	22,315	22,315	-
<b>Fund Balance - Ending</b>	<b>\$ 21,975</b>	<b>\$ 116</b>	<b>\$ 12,638</b>	<b>\$ 12,522</b>



**City of Treasure Island, Florida**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance –**  
**Budget and Actual**  
**Debt Service Fund**  
**Year ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Miscellaneous:				
Investment Earnings	\$	-	\$	21
			21	21
Total Revenues		-	-	21
<b>EXPENDITURES</b>				
Debt Service:				
Interest		-	55,938	55,938
		-	55,938	-
Total Expenditures		-	55,938	-
Excess (deficiency) of revenues over (under) expenditures		-	(55,938)	(55,917)
				21
<b>Other Financing Sources (Uses)</b>				
Transfers In		-	55,938	55,938
		-	55,938	-
Total other financing sources (uses)		-	55,938	-
Net change in fund balances		-	-	21
				(21)
Fund Balance - Beginning		-	-	-
				-
Fund Balance - Ending	\$	-	\$	21
			21	(21)

**City of Treasure Island, Florida**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance –**  
**Budget and Actual**  
**City Hall Renovation Fund**  
**Year ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Miscellaneous:				
Investment Earnings	\$ -	\$ -	\$ 3,428	\$ 3,428
<b>Total Revenues</b>	-	-	3,428	3,428
<b>EXPENDITURES</b>				
Capital Outlay	-	1,578,855	77,744	1,501,111
<b>Total Expenditures</b>	-	1,578,855	77,744	1,501,111
Excess (deficiency) of revenues over (under) expenditures	-	(1,578,855)	(74,316)	1,504,539
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	1,578,855	1,578,855	-
<b>Total other financing sources (uses)</b>	-	1,578,855	1,578,855	-
Net change in fund balances	-	-	1,504,539	(1,504,539)
Fund Balance - Beginning	-	-	-	-
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,504,539</b>	<b>\$ (1,504,539)</b>

### **III. STATISTICAL SECTION**

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# STATISTICAL SECTION

This part of the City of Treasure Island’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends .....	115 – 120
<i>These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.</i>	
Revenue Capacity.....	123 – 126
<i>These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.</i>	
Debt Capacity .....	129 – 132
<i>These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.</i>	
Demographic and Economic Information.....	135 – 136
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.</i>	
Operating Information .....	139 – 141
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.</i>	

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

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# **FINANCIAL TRENDS**

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**City of Treasure Island, Florida**  
**Net Position by Component -**  
**Last Ten Fiscal Years**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 57,132,749	\$ 58,239,009	\$ 58,441,065	\$ 55,708,180	\$ 55,418,462	\$ 55,452,891	\$ 55,775,791	\$ 55,035,870	\$ 56,222,960	\$ 55,654,875
Restricted	3,811,449	3,465,854	3,168,963	3,606,871	3,340,941	3,455,213	1,905,886	2,194,764	-	-
Unrestricted	1,254,619	342,862	236,155	302,115	(262,014)	(531,730)	2,475,352	2,820,014	4,285,666	4,547,630
<b>Total governmental activities net assets</b>	<b>\$ 62,198,817</b>	<b>\$ 62,047,725</b>	<b>\$ 61,846,183</b>	<b>\$ 59,617,166</b>	<b>\$ 58,497,389</b>	<b>\$ 58,376,374</b>	<b>\$ 60,157,029</b>	<b>\$ 60,050,648</b>	<b>\$ 60,508,626</b>	<b>\$ 60,202,505</b>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 11,422,096	\$ 10,241,415	\$ 9,762,309	\$ 8,175,686	\$ 7,867,811	\$ 5,533,880	\$ 5,537,038	\$ 4,930,183	\$ 4,370,006	\$ 3,757,145
Restricted or Assigned	-	-	-	-	-	-	-	-	-	-
Unrestricted	6,161,550	6,252,115	5,881,885	5,576,682	4,088,107	4,970,944	3,816,248	3,170,981	2,908,439	2,792,710
<b>Total business-type activities net assets</b>	<b>\$ 17,583,646</b>	<b>\$ 16,493,530</b>	<b>\$ 15,644,194</b>	<b>\$ 13,752,368</b>	<b>\$ 11,955,918</b>	<b>\$ 10,504,824</b>	<b>\$ 9,353,286</b>	<b>\$ 8,101,164</b>	<b>\$ 7,278,445</b>	<b>\$ 6,549,855</b>
<b>Primary government:</b>										
Net investment in capital assets	\$ 68,554,845	\$ 68,480,424	\$ 68,203,374	\$ 63,883,866	\$ 63,286,273	\$ 60,986,771	\$ 61,312,829	\$ 59,966,053	\$ 60,592,966	\$ 59,412,020
Restricted	3,811,449	3,465,854	3,168,963	3,606,871	3,340,941	3,455,213	1,905,886	2,194,764	-	-
Unrestricted	7,416,169	6,594,977	6,118,040	5,878,797	3,826,093	4,439,214	6,291,600	5,990,995	7,194,105	7,340,340
<b>Total primary government net assets</b>	<b>\$ 79,782,463</b>	<b>\$ 78,541,255</b>	<b>\$ 77,490,377</b>	<b>\$ 73,369,534</b>	<b>\$ 70,453,307</b>	<b>\$ 68,881,198</b>	<b>\$ 69,510,315</b>	<b>\$ 68,151,812</b>	<b>\$ 67,787,071</b>	<b>\$ 66,752,360</b>

## City of Treasure Island, Florida Changes in Net Position - Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>EXPENSES</b>										
Governmental activities:										
General government	\$4,195,663	\$4,105,708	\$ 3,545,736	\$ 3,445,797	\$ 3,023,297	\$ 3,100,750	\$ 3,059,328	\$ 2,616,740	\$ 3,233,294	\$ 2,626,350
Public Safety	7,143,218	6,551,349	5,200,712	4,764,149	4,813,545	4,107,508	4,294,575	4,438,408	4,437,898	4,619,128
Public Works	2,837,633	2,437,780	2,483,434	2,393,235	2,738,271	2,217,027	2,173,996	2,021,674	1,803,930	1,904,503
Culture and recreation	1,761,200	1,890,558	1,765,960	1,470,607	1,325,097	1,285,986	1,258,982	1,203,034	1,113,669	1,049,834
Interest on Long-term Debt	135,859	94,859	109,630	126,775	143,452	146,784	142,560	201,965		
<b>Total governmental activities expenses</b>	<b>16,073,573</b>	<b>15,080,254</b>	<b>13,105,471</b>	<b>12,200,563</b>	<b>12,043,662</b>	<b>10,858,055</b>	<b>10,929,441</b>	<b>10,481,821</b>	<b>10,588,791</b>	<b>10,199,815</b>
Business-type activities:										
Wastewater	4,206,669	3,929,700	3,295,676	3,346,250	3,404,087	3,291,043	3,470,698	3,414,281	3,475,736	2,974,115
Solid Waste	2,237,153	2,311,942	2,047,546	1,750,506	1,815,631	1,713,922	1,752,275	1,523,329	1,587,639	1,604,151
Stormwater Management	668,754	653,787	536,963	504,116	468,424	475,098	414,394	368,207	392,716	355,452
<b>Total business-type activities expenses</b>	<b>7,112,576</b>	<b>6,895,429</b>	<b>5,880,185</b>	<b>5,600,873</b>	<b>5,688,142</b>	<b>5,480,063</b>	<b>5,637,367</b>	<b>5,305,817</b>	<b>5,456,091</b>	<b>4,933,718</b>
<b>Total primary government expenses</b>	<b>\$ 23,186,149</b>	<b>\$ 21,975,683</b>	<b>\$ 18,985,658</b>	<b>\$ 17,801,435</b>	<b>\$ 17,731,804</b>	<b>\$ 16,338,118</b>	<b>\$ 16,566,808</b>	<b>\$ 15,787,638</b>	<b>\$ 16,044,882</b>	<b>\$ 15,133,533</b>
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for services:										
General government	\$ 1,200,760	\$ 1,324,774	\$ 1,207,380	\$ 1,138,648	\$ 1,147,967	\$ 1,094,673	\$ 1,080,323	\$ 929,436	\$ 932,103	\$ 831,014
Public Safety	1,566,068	1,725,603	1,688,959	1,482,003	1,249,625	1,484,615	992,829	887,987	1,072,246	1,037,434
Public Works	1,224,821	952,320	718,683	680,712	510,674	440,751	373,516	308,578	282,757	274,631
Culture and recreation	497,822	590,617	565,289	496,084	469,916	521,691	511,979	493,634	508,511	402,588
Operating Grants and Contributions	101,797	31,261	2,680	5,989	5,702	5,002	4,942	42,482	49,696	94,752
Capital Grants and Contributions	411,526	343,899	827,371	683,521	377,723	1,125,996	-	228,852	497,371	113,714
<b>Total Governmental Activities Program Revenues</b>	<b>\$ 5,002,794</b>	<b>\$ 4,968,474</b>	<b>\$ 5,010,363</b>	<b>\$ 4,486,957</b>	<b>\$ 3,761,607</b>	<b>\$ 4,672,728</b>	<b>\$ 2,963,589</b>	<b>\$ 2,890,969</b>	<b>\$ 3,342,684</b>	<b>\$ 2,754,133</b>
Business-type activities:										
Capital Grants and Contributions	\$ 57,599	\$ 47,008	\$ 315,015	\$ 389,723	\$ 344,508	\$ 417,734	\$ 533,375	\$ 144,765	\$ 486,825	\$ -
Charges for services:										
Wastewater	4,645,754	4,384,406	4,160,144	4,149,533	4,081,892	3,983,203	3,915,615	3,620,957	3,357,131	3,195,693
Solid Waste	2,150,560	2,115,123	2,123,493	1,848,792	1,807,889	1,799,927	1,764,988	1,754,570	1,795,841	1,812,956
Stormwater Management	1,235,790	1,119,167	1,001,067	925,342	824,566	830,715	643,715	592,602	538,998	432,692
<b>Total business-type activities Program Revenues</b>	<b>\$ 8,089,703</b>	<b>\$ 7,665,704</b>	<b>\$ 7,599,719</b>	<b>\$ 7,313,390</b>	<b>\$ 7,058,855</b>	<b>\$ 7,031,579</b>	<b>\$ 6,857,693</b>	<b>\$ 6,112,894</b>	<b>\$ 6,178,795</b>	<b>\$ 5,441,341</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 13,092,497</b>	<b>\$ 12,634,178</b>	<b>\$ 12,610,083</b>	<b>\$ 11,800,347</b>	<b>\$ 10,820,462</b>	<b>\$ 11,704,307</b>	<b>\$ 9,821,282</b>	<b>\$ 9,003,863</b>	<b>\$ 9,521,479</b>	<b>\$ 8,195,474</b>
<b>NET (EXPENSE) REVENUE</b>										
Governmental Activities	\$ (11,070,779)	\$ (10,111,780)	\$ (8,095,111)	\$ (7,713,606)	\$ (8,282,055)	\$ (6,185,327)	\$ (7,965,852)	\$ (7,590,852)	\$ (7,246,107)	\$ (7,445,682)
Business-type Activities	977,127	770,275	1,719,534	1,712,517	1,370,713	1,551,516	1,220,326	807,077	722,704	507,623
<b>Total Primary Government Net Expense</b>	<b>\$ (10,093,652)</b>	<b>\$ (9,341,505)</b>	<b>\$ (6,375,577)</b>	<b>\$ (6,001,089)</b>	<b>\$ (6,911,342)</b>	<b>\$ (4,633,811)</b>	<b>\$ (6,745,526)</b>	<b>\$ (6,783,775)</b>	<b>\$ (6,523,403)</b>	<b>\$ (6,938,059)</b>

**City of Treasure Island, Florida**  
**Governmental Activities Tax Revenues by Source -**  
**(Accrual Basis of Accounting)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>GENERAL REVENUES AND OTHER</b>										
<b>CHANGES IN NET ASSETS</b>										
Governmental activities:										
Ad Valorem Taxes	\$ 6,961,096	\$ 6,148,249	\$ 5,584,737	\$ 5,144,646	\$ 4,793,125	\$ 4,485,887	\$ 4,213,370	\$ 3,785,535	\$ 3,885,358	\$ 3,388,803
Franchise Fees	745,027	767,835	713,777	1,041,247	682,507	724,311	710,361	665,446	698,360	730,504
Utility Taxes	1,180,502	1,149,525	1,067,000	678,268	1,035,446	1,007,967	1,018,239	960,772	919,930	973,997
Unrestricted Intergovernmental Revenues:										
Communications Services Tax	295,970	305,664	336,868	338,122	342,861	349,246	352,080	366,088	371,048	374,584
Half-cent Sales Tax	426,052	451,105	441,284	428,621	426,212	411,008	387,375	369,364	353,047	373,761
Infrastructure Sales Surtax	757,881	838,139	796,662	751,856	731,449	695,465	646,122	605,417	572,983	541,308
State Shared Revenues	188,131	197,161	192,859	189,156	186,700	201,809	183,605	182,375	182,767	181,956
Other	106,368	121,105	122,772	125,463	126,617	141,228	117,889	106,492	122,880	107,404
Gain on Sale of Machinery & Equipment	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	406,182	136,529	1,037,484	81,018	56,333	82,414	56,376	78,280	82,780	43,508
Unrestricted investment earnings	154,662	198,010	102,195	54,986	21,820	21,920	21,835	13,105	15,432	25,015
Transfers	-	-	-	-	-	-	-	-	-	-
<b>Total governmental activities</b>	<b>\$ 11,221,871</b>	<b>\$ 10,313,322</b>	<b>\$ 10,395,637</b>	<b>\$ 8,833,383</b>	<b>\$ 8,403,070</b>	<b>\$ 8,121,255</b>	<b>\$ 7,707,252</b>	<b>\$ 7,132,874</b>	<b>\$ 7,204,585</b>	<b>\$ 6,740,840</b>
Business-type activities:										
Capital Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted Investment Earnings	79,296	95,552	57,230	30,001	10,463	14,784	7,281	2,844	4,534	16,544
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Miscellaneous	33,693	(16,491)	131,838	53,931	69,918	8,241	24,515	12,800	1,350	6,152
Transfers	-	-	-	-	-	-	-	-	-	-
<b>Total business-type activities</b>	<b>\$ 112,989</b>	<b>\$ 79,061</b>	<b>\$ 189,068</b>	<b>\$ 83,932</b>	<b>\$ 80,381</b>	<b>\$ 23,025</b>	<b>\$ 31,796</b>	<b>\$ 15,644</b>	<b>\$ 5,884</b>	<b>\$ 22,696</b>
<b>Total primary government revenues</b>	<b>\$ 11,334,860</b>	<b>\$ 10,392,383</b>	<b>\$ 10,584,705</b>	<b>\$ 8,917,315</b>	<b>\$ 8,483,451</b>	<b>\$ 8,144,280</b>	<b>\$ 7,739,048</b>	<b>\$ 7,148,518</b>	<b>\$ 7,210,469</b>	<b>\$ 6,763,536</b>
<b>CHANGE IN NET POSITION</b>										
Governmental activities:	\$ 151,092	\$ 201,542	\$ 2,300,526	\$ 1,119,777	\$ 121,015	\$ 1,935,927	\$ (258,600)	\$ (457,978)	\$ (41,522)	\$ (704,842)
Business-type activities:	1,090,116	849,336	1,908,602	1,796,450	1,451,094	1,574,542	1,252,122	822,721	728,588	530,319
<b>Total primary government</b>	<b>\$ 1,241,208</b>	<b>\$ 1,050,878</b>	<b>\$ 4,209,128</b>	<b>\$ 2,916,227</b>	<b>\$ 1,572,109</b>	<b>\$ 3,510,469</b>	<b>\$ 993,522</b>	<b>\$ 364,743</b>	<b>\$ 687,066</b>	<b>\$ (174,523)</b>

**City of Treasure Island, Florida**  
**Fund Balances of Government Funds –**  
**Last Ten Fiscal Years**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>General Fund:</b>										
Nonspendable	\$ 47,893	\$ 5,352	\$ 32,279	\$ 17,414	\$ 10,623	\$ 9,851	\$ 85,298	\$ 150,447	\$ 43,714	\$ 62,731
Restricted	13,950	-	1,477,702	1,116,276	800,068	638,291	136,378	-	-	-
Committed	819,885	592,289	-	-	-	-	-	-	-	729,963
Assigned	3,257,151	2,728,993	1,990,218	2,086,390	1,650,430	1,185,302	1,124,155	1,467,556	1,735,738	1,020,970
Unassigned	4,476,911	3,168,378	3,436,675	3,073,851	2,668,605	2,595,893	2,045,722	1,940,223	2,442,390	2,325,468
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
<b>Total General Fund</b>	<b>\$ 8,615,790</b>	<b>\$ 6,495,012</b>	<b>\$ 6,936,874</b>	<b>\$ 6,293,931</b>	<b>\$ 5,129,726</b>	<b>\$ 4,429,337</b>	<b>\$ 3,391,553</b>	<b>\$ 3,558,226</b>	<b>\$ 4,221,842</b>	<b>\$ 4,139,132</b>
<b>All Other Governmental Funds:</b>										
Nonspendable	\$ 2,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	3,809,133	3,465,854	1,691,261	2,490,595	2,540,873	2,816,921	1,769,508	2,194,764	6,331,534	1,099,900
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
<b>Total all other Governmental Funds</b>	<b>\$ 3,811,449</b>	<b>\$ 3,465,854</b>	<b>\$ 1,691,261</b>	<b>\$ 2,490,595</b>	<b>\$ 2,540,873</b>	<b>\$ 2,816,921</b>	<b>\$ 1,769,508</b>	<b>\$ 2,194,764</b>	<b>\$ 6,331,534</b>	<b>\$ 1,099,900</b>

Note: GASB 54 was implemented in the fiscal year ended September 30, 2011.

## City of Treasure Island, Florida Changes in Fund Balances of Government Funds – Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>REVENUES:</b>										
Ad Valorem Taxes	\$ 6,961,096	\$ 6,148,249	\$ 5,584,737	\$ 5,144,646	\$ 4,793,125	\$ 4,485,887	\$ 4,213,370	\$ 3,785,535	\$ 3,885,358	\$ 3,388,803
Franchise Fees	745,027	767,834	713,776	678,268	682,507	724,311	710,361	665,446	698,360	730,504
Utility Services Taxes	1,180,502	1,149,525	1,067,000	1,041,247	1,035,446	1,007,967	1,018,239	960,772	919,930	973,997
Business Taxes & Permits	730,246	1,121,391	1,139,679	991,670	801,697	1,056,216	579,822	394,422	535,814	480,078
Intergovernmental	2,250,406	2,288,334	2,720,495	2,522,727	2,197,263	2,929,754	1,692,013	1,722,078	2,138,804	1,778,613
Charges for Service	3,559,760	3,293,309	2,932,465	2,671,553	2,475,227	2,402,469	2,279,237	2,077,507	2,065,467	1,852,223
Fines & Forfeitures	199,465	178,930	108,533	134,485	101,257	83,268	99,588	140,968	160,206	208,343
Miscellaneous Revenue	588,260	278,553	1,125,561	108,436	66,746	98,531	74,972	294,226	131,295	82,077
<b>Total Revenues</b>	<b>16,214,762</b>	<b>15,226,125</b>	<b>15,392,246</b>	<b>13,293,032</b>	<b>12,153,267</b>	<b>12,788,403</b>	<b>10,667,602</b>	<b>10,040,954</b>	<b>10,535,234</b>	<b>9,494,638</b>
<b>EXPENDITURES:</b>										
General Government	2,487,241	2,805,424	2,344,389	2,258,524	1,841,626	1,872,027	1,709,359	1,474,024	1,801,207	1,441,732
Public Safety	5,906,773	5,507,857	4,833,878	4,441,029	4,537,913	4,273,937	4,248,038	4,387,786	4,434,693	4,618,976
Public Works	1,982,403	2,116,718	2,204,174	2,130,287	1,930,170	1,924,440	2,007,034	1,899,133	1,715,575	1,812,659
Culture & Recreation	1,706,915	1,717,155	1,614,130	1,331,022	1,200,822	1,156,800	1,148,905	1,106,800	1,035,824	990,124
Debt Service:										
Principal retirement	372,263	830,497	1,538,945	845,394	824,716	379,226	369,166	309,799	-	-
Interest	135,859	94,859	109,630	126,775	143,452	146,784	142,560	201,965	-	-
Capital Outlay	9,166,835	879,239	3,337,172	1,073,382	1,269,907	2,765,573	2,002,690	5,489,993	1,831,691	921,790
<b>Total Expenditures</b>	<b>21,758,289</b>	<b>13,951,750</b>	<b>15,982,318</b>	<b>12,206,413</b>	<b>11,748,606</b>	<b>12,518,787</b>	<b>11,627,752</b>	<b>14,869,500</b>	<b>10,818,990</b>	<b>9,785,281</b>
Excess of Revenues over (under) Expenditures	\$ (5,543,527)	\$ 1,274,375	\$ (590,072)	\$ 1,086,617	\$ 404,662	\$ 269,616	\$ (960,150)	\$ (4,828,546)	\$ (283,756)	\$ (290,643)
<b>OTHER FINANCING SOURCES (USES)</b>										
Debt proceeds (payments)	8,000,000	-	419,929	-	-	1,810,000	-	-	5,586,066	-
Transfers in	1,634,793	1,479,759	-	246,071	3,429	4,690	1,037,596	255,740	289,000	197,750
Transfers out	(1,634,793)	(1,479,759)	-	(246,071)	(3,429)	(4,690)	(1,037,596)	(255,740)	(289,000)	(197,750)
Sale of capital assets	9,900	58,355	13,753	27,310	19,680	5,580	3,240	28,160	12,034	2,250
<b>Total other financing sources (uses)</b>	<b>8,009,900</b>	<b>58,355</b>	<b>433,682</b>	<b>27,310</b>	<b>19,680</b>	<b>1,815,580</b>	<b>3,240</b>	<b>28,160</b>	<b>5,598,100</b>	<b>2,250</b>
<b>Net change in fund balances</b>	<b>\$ 2,466,373</b>	<b>\$ 1,332,730</b>	<b>\$ (156,390)</b>	<b>\$ 1,113,927</b>	<b>\$ 424,342</b>	<b>\$ 2,085,196</b>	<b>\$ (956,910)</b>	<b>\$ (4,800,386)</b>	<b>\$ 5,314,344</b>	<b>\$ (288,393)</b>
Debt Service as a percentage of non-capital expenditures, excluding transfers, special items and prior period adjustments.	4%	7%	13%	9%	9%	5%	5%	5%	0%	0%

**City of Treasure Island, Florida**  
**General Government Tax Revenues by Source –**  
**Last Ten Fiscal Years**

	TOTAL TAXES <sup>1</sup>	AD VALOREM TAXES	FRANCHISE TAXES	UTILITY SERVICE TAXES
2011	5,093,304	3,388,803	730,504	973,997
2012	5,503,648	3,885,358	698,360	919,930
2013	5,411,753	3,785,535	665,446	960,772
2014	5,941,970	4,213,370	710,361	1,018,239
2015	6,218,165	4,485,887	724,311	1,007,967
2016	6,511,077	4,793,125	682,507	1,035,445
2017	6,864,160	5,144,645	678,268	1,041,247
2018	7,365,513	5,584,737	713,777	1,067,000
2019	8,065,610	6,148,249	767,835	1,149,525
2020	8,886,625	6,961,096	745,027	1,180,502

(1) Includes the General Fund and all Special Revenue Funds.

# **REVENUE CAPACITY**

**BLANK**



**City of Treasure Island, Florida**  
**Assessed and Estimated Actual Value of Taxable Property –**  
**Last Ten Fiscal Years**

Fiscal Year <sup>1</sup>	Real Property			Less:	Total Taxable Value	Total Assessed Value	Property Tax Rate <sup>2</sup>	Estimated Actual Taxable Value
	Residential Property	Commercial Property	Personal Property	Tax Exempt Property				
2011	1,301,619	291,761	20,920	295,123	1,319,177	1,614,300	2.6868	1,899,176
2012	1,269,831	275,476	20,236	293,368	1,272,175	1,565,543	3.1368	1,841,815
2013	1,283,389	266,735	19,438	324,585	1,244,977	1,569,562	3.1368	1,846,544
2014	1,317,130	269,451	19,404	305,286	1,300,699	1,605,985	3.3368	1,889,394
2015	1,348,755	422,851	19,697	401,693	1,389,610	1,791,303	3.3368	2,107,416
2016	1,456,888	455,156	20,029	444,972	1,487,100	1,932,072	3.3368	2,273,026
2017	1,581,763	510,824	18,304	515,868	1,595,023	2,110,892	3.3368	2,483,402
2018	1,689,375	565,728	20,101	541,656	1,733,489	2,275,145	3.3368	2,676,641
2019	1,770,220	614,719	21,432	554,421	1,851,913	2,406,334	3.4368	2,830,981
2020	1,873,787	656,828	21,707	578,616	1,973,655	2,552,270	3.6129	3,002,671

(1) City's fiscal year taxes are based on County's prior calendar year assessments.

(2) Property Tax Rate (millage) is per \$1,000 of taxable value

SOURCE: Tax Roll Certification Recapitulation  
Pinellas County Property Appraiser's Office

**City of Treasure Island, Florida  
Property Tax Rates and Tax Levies –  
Direct and Overlapping Governments –  
Last Ten Fiscal Years**

FISCAL YEAR	CITY OF TREASURE ISLAND			OVERLAPPING RATES						TOTAL DIRECT & OVERLAPPING RATES
	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL CITY MILLAGE	COUNTY			DEBT SERVICE MILLAGE	TOTAL SCHOOL MILLAGE	SPECIAL DISTRICTS	
				OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL COUNTY MILLAGE				
2011	2.6868	-	2.6868	4.8730	-	4.8730	-	8.3400	2.0242	17.9240
2012	3.1368	-	3.1368	4.8730	-	4.8730	-	8.3850	2.0896	18.4844
2013	3.1368	-	3.1368	5.0727	-	5.0727	-	8.3020	2.2192	18.7307
2014	3.3368	-	3.3368	5.3377	-	5.3377	-	8.0600	2.2117	18.9462
2015	3.3368	-	3.3368	5.3377	-	5.3377	-	7.8410	2.1957	18.7112
2016	3.3368	-	3.3368	5.3537	-	5.3537	-	7.7700	2.1627	18.6232
2017	3.3368	-	3.3368	5.3527	-	5.3527	-	7.3180	2.1456	18.1531
2018	3.3368	-	3.3368	5.3740	-	5.3740	-	7.0090	2.1270	17.8468
2019	3.4368	-	3.4368	5.3740	-	5.3740	-	6.7270	2.1094	17.6472
2020	3.6129	-	3.6129	5.3740	-	5.3740	-	6.5840	2.0940	17.6649

SOURCE: Pinellas County Tax Collector

**City of Treasure Island, Florida  
Principal Property Taxpayers –  
Current Year and Ten Years Ago**

TAXPAYER	Fiscal Year 2020			Fiscal Year 2011		
	2020 TAXABLE VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE VALUE	2011 TAXABLE VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE VALUE
Treas Island LLC	\$ 24,200,000	1	1.21%			
Treas Res LLC	22,743,936	2	1.14%	13,955,040		
Which Treasure Island Owner, LLC	18,962,771	3	0.95%			
King, Henry G TRE	8,381,972	4	0.42%	4,995,000		
Publix Super Markets, Inc.	7,970,000	5	0.40%	7,737,321		
Sunset Bay Properties LLC	7,600,000	6	0.38%	5,000,000		
SFMB Treasure Island Property LLC	6,885,643	7	0.35%			
Properties of TI LLC	6,507,708	8	0.33%			
Treasure Island Palms LLC	6,429,639	9	0.32%			
Pride Enterprises LLP	5,381,080	10	0.27%			
TI Resort LLC	-		-	10,649,145		
RICE FAMILY HOLDINGS LLLP	-		-	9,459,175		
Treasure Island Property Devel.	-		-	6,162,981		
Slezak, Richard M Trust	-		-	4,395,760		
Gulf Golf Development LLC	-		-	4,500,000		
SAND PEBBLE RESORT OF TREASURE	-		-	5,049,062		
<b>SUB-TOTAL:</b>	<b>115,062,749</b>		<b>5.77%</b>	<b>71,903,484</b>		<b>5.45%</b>
<b>ALL OTHERS:</b>	<b>1,878,592,816</b>		<b>94.23%</b>	<b>1,246,838,033</b>		<b>94.55%</b>
<b>TOTAL:</b>	<b>\$ 1,993,655,565</b>		<b>100.00%</b>	<b>\$ 1,318,741,517</b>		<b>100.00%</b>

NOTES: The 2019 tax roll was the basis for ad valorem tax receipts received during FY 2020 and the 2010 tax roll was the basis for ad valorem tax receipts received during FY 2011

SOURCE: Pinellas County Property Appraiser, Real Estate Taxes not including TPP

**City of Treasure Island, Florida**  
**Property Tax Levies and Collections -**  
**Last Ten Fiscal Years**

FISCAL YEAR	COLLECTIONS WITHIN THE FISCAL YEAR OF LEVY			COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
	TAX LEVY	AMOUNT	PERCENT OF LEVY		AMOUNT	PERCENT OF CURRENT LEVY
2011	3,544,363	3,377,162	95.3%	11,641	\$ 3,388,803	95.6%
2012	3,993,339	3,871,296	96.9%	14,062	3,885,358	97.3%
2013	3,905,244	3,781,450	96.8%	4,085	3,785,535	96.9%
2014	4,340,171	4,210,245	97.0%	3,125	4,213,370	97.1%
2015	4,636,851	4,481,472	96.6%	4,415	4,485,887	96.7%
2016	4,962,155	4,789,471	96.5%	3,654	4,793,125	96.6%
2017	5,322,273	5,143,630	96.6%	1,015	5,144,645	96.7%
2018	5,784,308	5,571,486	96.3%	13,251	5,584,737	96.5%
2019	6,364,657	6,145,404	96.6%	2,845	6,148,249	96.6%
2020	7,202,878	6,954,360	96.5%	6,736	6,961,096	96.6%

# **DEBT CAPACITY**

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## City of Treasure Island, Florida Ratios or Outstanding Debt by Type – Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities		Total Business-Type Activities	Total Primary Government	Percentage of Personal Income	Government Activities Debt Per Capita	Business-Type Activities Debt Per Capita	Total Debt Per Capita
	Revenue Bonds	Capital Leases	State Revolving Loan Fund	Revenue Bonds						
2011	\$ -	\$ -	\$ 60,515	\$ -	\$ 60,515	\$ 60,515	0.02%	-	8.19	8.19
2012	5,586,066	-	613,726	-	613,726	6,199,792	1.87%	836.11	91.86	927.97
2013	5,276,267	-	736,933	-	736,933	6,013,200	1.92%	787.15	109.94	897.09
2014	4,907,101	-	1,020,244	-	1,020,244	5,927,345	1.88%	723.55	150.43	873.98
2015	6,337,875	-	999,189	-	999,189	7,337,064	2.28%	933.41	147.16	1,080.57
2016	5,513,159	-	956,591	-	956,591	6,469,750	1.80%	810.16	140.57	950.73
2017	4,667,765	-	1,430,481	-	1,430,481	6,098,246	1.58%	676.19	207.23	883.42
2018	3,548,749	419,929	1,369,610	-	1,369,610	5,338,288	1.30%	500.81	193.28	694.10
2019	2,718,252	320,883	1,298,735	-	1,298,735	4,337,870	0.98%	374.78	179.06	553.84
2020	10,345,989	217,980	1,226,475	-	1,226,475	11,790,444	2.92%	1,454.11	172.38	1,626.49

**City of Treasure Island, Florida**  
**Direct and Overlapping Governmental Activities Debt**

GOVERNMENTAL UNIT	NET DEBT OUTSTANDING	APPLICABLE TO CITY OF TREASURE ISLAND	
		PERCENT <sup>1</sup>	AMOUNT
<b>Direct Debt:</b>			
City of Treasure Island	\$ 10,128,009	100%	\$ 10,128,009
Capital lease	\$ 217,980	100%	\$ 217,980
	\$ 10,345,989		\$ 10,345,989
<b>Bonded Debt:</b>			
Pinellas County School Board	\$ 14,000	2.33%	\$ 327
Pinellas County Government	\$ 12,691,808	2.33%	\$ 296,050
<b>Capital Leases:</b>			
Pinellas County School Board	\$ 3,873,480	2.33%	\$ 90,353
Pinellas County Government	\$ 615,497	2.33%	\$ 14,357
Total overlapping debt <sup>2</sup>	\$ 17,194,785		\$ 401,087
Total direct debt	\$ 10,345,989		\$ 10,345,989
Total direct and overlapping debt	\$ 27,540,774		\$ 10,747,076
Overall debt to FY 2018 taxable value <sup>3</sup>			1.38%
Overall debt to per capita <sup>4</sup>			\$ 1,510

(1) Applicable net debt percentage is based on ratio of City to County taxable values.

(2) The City of Treasure Island is not responsible for the debt of the County or School Board.

(3) 2019 taxable value was used to compute the FY 2018 budget.

(4) 2020 permanent Treasure Island population is estimated at 7,115



## City of Treasure Island, Florida Legal Debt Margin Information – Last Ten Fiscal Years

<b>LEGAL DEBT MARGIN - TOTAL DEBT<sup>1</sup></b>	9/30/20	9/30/19	09/30/18	09/30/17	09/30/16	09/30/15	09/30/14	9/30/13	9/30/12	09/30/11
Assessed Valuation of Tax Base <sup>2</sup>	\$ 2,190,522,405	\$ 2,042,582,845	\$ 1,922,362,364	\$ 1,777,019,734	\$ 1,644,198,313	\$ 1,563,428,668	\$ 1,300,698,703	\$ 1,244,977,194	\$ 1,272,175,299	\$ 1,319,176,519
Debt Limit-3.5% of Assessed Valuation	76,668,284	71,490,400	67,282,683	62,195,691	57,546,941	54,720,003	45,524,455	43,574,202	44,526,135	46,171,178
Amount of Debt Applicable to Debt Limit: Total Outstanding Principal	11,572,464	4,016,987	4,918,360	6,098,247	6,469,750	7,337,064	5,927,345	736,933	613,726	60,515
<b>LEGAL DEBT MARGIN</b>	<b>\$ 65,095,820</b>	<b>\$ 67,473,413</b>	<b>\$ 62,364,323</b>	<b>\$ 56,097,444</b>	<b>\$ 51,077,191</b>	<b>\$ 47,382,939</b>	<b>\$ 39,597,110</b>	<b>\$ 42,837,269</b>	<b>\$ 43,912,409</b>	<b>\$ 46,110,663</b>
<b>LEGAL DEBT MARGIN - ANNUAL DEBT<sup>1</sup></b>										
Revenues Applicable to Debt Limit										
Total City Revenues	\$ 24,427,357	\$ 23,029,240	\$ 23,194,786	\$ 20,963,728	\$ 19,303,912	\$ 19,848,587	\$ 17,560,330	\$ 19,637,181	\$ 16,227,204	\$ 14,935,979
Less: State Revenue Sharing	188,131	197,161	192,859	189,156	186,700	201,809	183,605	182,375	182,767	181,956
Causeway Revenue	-	-	-	-	-	-	-	-	-	-
Total Revenues Applicable to Debt Limit:	24,239,226	22,832,079	23,001,927	20,774,572	19,117,212	19,646,778	17,376,725	19,454,806	16,044,437	14,754,023
Debt Limit: 20% of Total Revenues	4,847,845	4,566,416	4,600,385	4,154,914	3,823,442	3,929,356	3,475,345	3,890,961	3,208,887	2,950,805
Amount of Debt Applicable to Debt Limit: Current Debt Service <sup>3</sup>	604,808	1,022,042	1,736,568	1,040,669	1,036,647	559,717	559,533	-	-	-
<b>LEGAL DEBT MARGIN</b>	<b>\$ 4,243,037</b>	<b>\$ 3,544,374</b>	<b>\$ 2,863,817</b>	<b>\$ 3,114,245</b>	<b>\$ 2,786,795</b>	<b>\$ 3,369,639</b>	<b>\$ 2,915,812</b>	<b>\$ 3,890,961</b>	<b>\$ 3,208,887</b>	<b>\$ 2,950,805</b>

(1) Article IV, Section 4.10, Paragraph (b) (1) and (b) (2) of the City Charter specifically excludes Causeway debt from the Legal Debt Margin Computations.

(2) Assessed valuation per the DR-403V, the number reported prior to 2015 was the taxable vs assessed value.

(3) The Central Beach Trail BB&T Loan was paid off as of the 5/1/2018 payment date by paying off the loan to include a payment of \$667,597 in addition to the debt service payment.

**City of Treasure Island, Florida**  
**Pledged Revenue Coverage –**  
**Wastewater Fund –**  
**Last Ten Fiscal Years**

	GROSS REVENUE	EXPENSE <sup>1</sup>	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS <sup>2</sup>			COVERAGE
				PRINCIPAL	INTEREST	TOTAL	
2011	3,195,693	2,757,752	\$ 437,941	-	-	\$ -	n/a
2012	3,357,131	3,251,010	106,121	-	-	-	n/a
2013	3,620,957	3,161,795	459,162	-	-	-	n/a
2014	3,915,615	3,168,244	747,371	36,640	11,166	47,806	15.63
2015	3,983,203	3,013,693	969,510	21,055	26,974	48,029	20.19
2016	4,081,892	3,115,100	966,792	42,598	25,902	68,499	14.11
2017	4,149,533	2,973,322	1,176,211	43,721	24,778	68,499	17.17
2018	4,160,144	2,903,698	1,256,446	60,871	27,116	87,987	14.28
2019	4,384,406	3,488,284	896,122	70,876	25,811	96,687	9.27
2020	4,645,754	3,743,574	902,180	72,260	24,427	96,687	9.33

<sup>1</sup> Exclusive of Depreciation, Bond Interest and Transfers to Other Funds.

A State Revolving Loan required repayment in June 2014 and a second State Revolving Loan will requirement repayment beginning in October 2017.

# **DEMOGRAPHIC AND ECONOMIC INFORMATION**

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## City of Treasure Island, Florida Demographic and Economic Statistics – Last Ten Fiscal Years

	Population <sup>1</sup>	Total City Personal Income <sup>2</sup>	Median Household Income <sup>2</sup>	Per Capita Personal Income <sup>2</sup>	Median Age <sup>2</sup>	Average Years of Formal Schooling <sup>3</sup>	Percentage of Bachelors Degree or Higher <sup>3</sup>	Public School Enrollment <sup>4</sup>	Unemployment Rate <sup>5</sup>
2011	7,393	300,118,835	-	40,595	55.3	13.88	-	241	11.4
2012	6,681	330,963,378	-	49,538	55.5	13.88	-	230	9.4
2013	6,703	312,829,010	-	46,670	56.5	13.88	-	233	7.4
2014	6,782	316,095,456	-	46,608	57.9	14.00	-	217	6.4
2015	6,790	321,669,460	-	47,374	58.3	14.00	-	216	5.7
2016	6,805	359,079,435	56,699	52,767	58.5	15.00	42.6%	198	4.4
2017	6,903	387,065,016	61,461	56,072	59.3	15.00	42.2%	199	3.1
2018	7,086	411,781,632	65,204	58,112	56.2	15.00	42.7%	198	3.5
2019	7,253	442,063,097	75,083	60,949	56.2	15.00	44.1%	168	3.0
2020	7,115	403,676,640	74,185	56,736	60.1	15.00	45.1%	135	6.1

#### Data Sources

- (1) U.S. Census Bureau estimate and the University of Florida Bureau of Economic and Business Research between census.
- (2) Pinellas County Economic Development, Treasure Island Demographics as of 2020
- (3) Estimate based on educational attainment figures for population 25 years and over, U.S. Census Bureau and Pinellas County Economic Development for 2010 through 2019.  
[Towncharts.com/Florida/Education/Treasure-Island-city-FL-Education-data.html](https://www.towncharts.com/Florida/Education/Treasure-Island-city-FL-Education-data.html) and US Census for 2011-2016.
- (4) Public Pinellas County School District's demographer, K-12 school counts taken end of September 2010 to 2019
- (5) Pinellas County Economic Indicators 2020  
Pinellas County Economic Development Data for 2015-2019

**City of Treasure Island, Florida  
Principal Employers –  
Current Year and Ten Years Ago**

Employer Name	2020			2011		
	Number of ** Employees	Rank	Percentage* of Total City Employment	Number of ** Employees	Rank	Percentage* of Top 10 City Employment
City of Treasure Island	140	1	6.01%	127	1	3.14%
Publix Super Markets, Inc	120	2	5.15%	98	2	2.42%
Bimar Beach Resort	100	3	4.29%	58	9	1.43%
Sloppy Joe's	100	4	4.29%	75	5	1.85%
Middle Ground Grill	80	5	3.43%	63	6	1.56%
Thunderbird Beach Resort	70	6	3.01%	50	10	1.24%
Marriott Residence Inn	70	7	3.01%	n/a		
Ricky T's Bar and Grill	60	8	2.58%	n/a		
Sea Dogs Brew Pub	60	9	2.58%	n/a		
VIP Mexican American Cuisin	50	10	2.15%	n/a		
Allied Specialty Insurance	n/a			83	3	2.05%
The Club at Treasure Island	n/a			76	4	1.88%
Caddy's	n/a			60	T7	1.48%
Gators Café & Saloon	n/a			60	T7	1.48%
Top 10 City Employment Total**	850			750		
Total City Employment Total*	2,329			4,047		

# **OPERATING INFORMATION**

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**City of Treasure Island, Florida**  
**City Employees by Function -**  
**Last Ten Fiscal Years**

	2020	2019	2018*	2017	2016	2015	2014	2013	2012	2011
<b>FUNCTION</b>										
General Government	13.00	11.95	11.98	12.00	12.00	12.00	12.00	11.50	11.50	12.50
<b>Public Safety</b>										
Police	24.73	23.60	24.10	23.00	23.00	23.00	23.00	26.50	26.50	28.50
Fire	17.43	14.93	14.58	14.50	14.50	14.50	14.50	13.50	13.38	13.38
Community Improvement	6.60	6.20	5.05	7.00	7.00	6.00	6.00	6.00	7.00	6.00
<b>Public Works</b>										
Equipment & Vehicle Maint.	0.65	0.65	0.65	1.55	1.55	2.30	2.30	2.30	2.30	2.30
Beautification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Municipal Facilities	8.76	8.76	8.76	14.15	14.15	14.65	14.65	14.65	14.65	15.15
Causeway	8.42	8.42	8.40	5.55	5.55	5.05	5.05	4.55	4.55	4.55
Wastewater	5.50	5.70	5.70	7.90	7.90	8.00	8.00	8.00	8.25	7.75
Solid Waste	9.93	9.93	9.93	9.60	9.60	10.35	10.35	10.35	10.35	10.35
Stormwater Management	3.15	3.15	3.15	2.75	2.75	2.65	2.65	2.65	2.40	2.40
Culture and recreation	17.19	16.27	15.65	11.51	11.51	10.51	10.51	10.51	11.62	11.62
<b>Total Full-Time Equivalents</b>	<b>115.36</b>	<b>109.56</b>	<b>107.95</b>	<b>109.51</b>	<b>109.51</b>	<b>109.01</b>	<b>109.01</b>	<b>110.51</b>	<b>112.50</b>	<b>114.50</b>

Source: Budget Document

\* Beginning in FY 2018 the calculation for Full-Time Equivalents uses hours budgeted as a factor of total hours available for a more precise number, mostly impacting pa position calculations.

## City of Treasure Island, Florida Operating Indicators by Function - Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>FUNCTION</b>										
<b>Police</b>										
Physical arrests	265	333	343	336	425	329	349	385	467	823
Parking violations	4,071	4,108	3,151	4,400	4,027	2,830	2,418	3,013	4,725	4,939
Traffic violations	1,654	1,535	1,889	1,736	1,643	1,142	1,733	1,982	1,726	1,986
<b>Fire</b>										
Incidents/Calls answered										
EMS	1,192	1,308	1,291	1,373	1,257	1,255	1,197	1,015	1,132	1,269
Fire	101	124	117	268	253	249	189	366	295	180
Fire alarm systems	74	109	93	122	114	118	101	107	94	100
Hazardous conditions	6	5	-	-	-	66	27	63	36	30
Other incidents	109	2	63	321	248	61	23	66	68	50
Inspections	196	366	240	35	10	295	152	137	124	128
<b>Highways and streets</b>										
Street sweeping (miles)	648	648	648	648	648	648	648	648	648	648
<b>Causeway</b>										
Bridge openings	1,626	1,613	1,876	2,008	2,135	1,946	2,237	979	2,424	2,685
<b>Sanitation</b>										
Yard waste collected (tons)	764	721	857	676	421	243	353	211	459	448
Recyclables collected (tons)	796	714	723	829	819	775	707	744	600	612
Solid waste collected (tons)	6,597	7,501	7,495	7,631	7,947	7,807	7,446	7,567	7,534	7,611
<b>Culture and recreation</b>										
Number of golfers	6,870	8,013	8,581	9,333	9,326	10,015	10,257	9,658	12,202	9,007
Number of tennis players	6,078	8,100	8,420	8,320	8,537	7,295	9,139	8,148	8,177	7,434
Children's program enrollments	82	195	175	180	174	261	196	200	236	218
Number paid facilities rentals	67	146	147	88	81	76	66	41	57	74
<b>Wastewater</b>										
Wastewater processed (thousands of gallons)	476,416	451,670	435,847	431,274	510,373	490,985	459,713	372,431	434,627	404,361
<b>Sanitary Sewers/Storm Drains</b>										
Lines Cleaned (lineal feet)	22,321	59,421	12,361	16,055	32,368	48,185	37,553	36,234	40,276	40,484

Sources: Various City Departments

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>FUNCTION</b>										
<b>Public Safety</b>										
<b>Police</b>										
Police station	1	1	1	1	1	1	1	1	1	1
Patrol units	5	5	5	5	5	5	5	5	5	5
Patrol boats	1	1	1	1	1	1	1	1	1	1
<b>Fire</b>										
Fire station	1	1	1	1	1	1	1	1	1	1
Pumper trucks	2	2	2	2	2	2	2	2	2	2
Rescue Vehicles	1	1	1	1	1	1	1	1	1	1
<b>Sanitation</b>										
Collection trucks	7	6	8	6	5	5	5	5	5	5
Refuse dumpsters	423	390	390	384	384	384	394	392	392	390
<b>Highways and streets</b>										
Streets (miles)	25	25	25	25	25	25	25	25	25	25
Streetlights	1060	1060	1060	1060	1060	1060	1060	1060	1060	1060
Traffic signals <sup>(1)</sup>	6	6	6	6	6	6	6	6	5	5
<b>Causeway</b>										
Bascule bridge	1	1	1	1	1	1	1	1	1	1
East/West bridges	2	2	2	2	2	2	2	2	2	2
<b>Culture and recreation</b>										
Beach Trail	1	1	1	1	1	1	1	1	1	1
Public beach access	30	30	30	30	30	30	30	30	30	30
Public beach acreage	181	181	181	181	181	181	181	181	181	181
Parks acreage	24.45	24.45	24.45	24.45	24.45	24.45	24.45	24.45	24.45	24.45
Community/Neighborhood Parks	5	5	5	5	5	5	5	5	5	5
Mini Parks/Bay Access	15	15	15	15	15	15	15	15	15	15
Golf course	1	1	1	1	1	1	1	1	1	1
Tennis courts	12	12	12	12	12	12	12	12	12	12
Community centers	1	1	1	1	1	1	1	1	1	1
Auditorium	1	1	1	1	1	1	1	1	1	1
Marina (number of slips)	14	14	14	14	14	14	14	14	14	14
Pavillion	1	1	1	1	1	1	1	1	1	1
<b>Sewer</b>										
Gravity lines (miles)	24	24	24	24	24	24	24	24	24	24
Force main (miles)	4	4	4	4	4	4	4	4	4.3	4.3
Manholes	466	466	466	466	466	466	466	466	466	466
CTI Cleanouts	48	48	48	48	48	48	48	48	48	48
Lift Stations (sewer)	11	11	11	11	11	11	11	11	11	11
Lift Stations (stormwater)	1	1	1	1	1	1	1	1	1	1
Master pump station	1	1	1	1	1	1	1	1	1	1

Sources: Various city departments.

(1) Number of Streetlights were estimated in year 2006.

(2) Addition of Signal at 104th Ave & Gulf Blvd in year 2013.

(3) East/West bridges were replaced 2013

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## **OTHER AUDITORS' REPORTS**

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

Honorable Mayor and Members of the City Commission  
City of Treasure Island, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Treasure Island, Florida (the "City"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated March 31, 2021.

**Internal Control Over Financial Reporting**

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

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

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

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

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

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

CARR, RIGGS & INGRAM, LLC

Tampa, Florida  
March 31, 2021



**MANAGEMENT LETTER REQUIRED BY  
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Mayor and Members of the City Commission  
City of Treasure Island, Florida

**Report on the Financial Statements**

We have audited the financial statements of the City of Treasure Island, Florida (the "City"), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 31, 2021.

**Auditors' Responsibility**

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

**Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of Auditor General. Disclosures in those reports, which are dated March 31, 2021, 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. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report.

**Financial Condition and Management**

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

City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

#### **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 note any such findings.

#### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Mayor and Members of the City Commission and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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

CARR, RIGGS & INGRAM, LLC

Tampa, Florida  
March 31, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415,  
FLORIDA STATUTES, LOCAL GOVERNMENT INVESTMENT POLICIES**

Honorable Mayor and Members of the City Commission  
City of Treasure Island, Florida

We have examined City of Treasure Island, Florida's, (the "City"), compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2020. 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. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. 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 complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

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

CARR, RIGGS & INGRAM, LLC

Tampa, Florida  
March 31, 2021

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