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



## For the Fiscal Year Ended September 30, 2022

Prepared by: City of St. Pete Beach Finance Department

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

#### City officials in place as of September 30, 2022

#### Mayor:

Alan Johnson

#### **City Commission:**

District 1 – Christopher Graus

District 2 – Mark Grill

District 3 – Ward Friszolowski

District 4 – Melinda Pletcher

#### **City Officials:**

City Manager – Alex Rey

City Clerk – Amber LaRowe

City Attorney - Andrew Dickman

Assistant City Manager/Finance Director - Vincent Tenaglia

Chief Operating Officer – Jennifer McMahon

Community Development Director – Michelle Gonzalez

Public Works Director - Michael Clarke

Fire Chief – Jim Kilpatrick

Library Director – Betcinda Kettells



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

March 27, 2023

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

The Annual Comprehensive Financial Report (ACFR) of the City of St. Pete Beach for the fiscal year ended September 30, 2022 is hereby submitted. In addition to meeting legal requirements of the City Charter, Florida Statutes and the Rules of the Auditor General of the State of Florida, the report continues to present the City's tradition of full financial disclosure. The ACFR represents the official report of the City's financial position and operations to the City Commission, citizens, rating agencies, bond holders and other interested parties. Responsibility for the accuracy of the data and the completeness and fairness of presentation, including all disclosures, rests with management. Management believes the data as presented are accurate in all material respects; that the report is presented in a manner which fairly illustrates the financial activity of the various funds; and that all disclosures necessary to enable the reader to gain a complete understanding of the City's financial activities have been included.

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

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

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of St. Pete Beach's financial statements for the fiscal year ended September 30, 2022, are fairly presented in conformity with GAAP.

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

#### ST. PETE BEACH GOVERNMENT

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

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

- General Employees' Pension Board
- Firefighters' Pension Board
- Police Pension Board
- Board of Adjustment
- Beach Stewardship Committee

- Finance and Budget Review Committee
- Historic Preservation Board
- Library Advisory Committee
- Planning Board
- Recreation Advisory Committee

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

#### **BUDGETARY INFORMATION**

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

#### LOCAL ECONOMY

St. Pete Beach is located at the southern end of Pinellas County, just west of St. Petersburg and immediately south of Treasure Island. The City has a land area of approximately two and one quarter square miles and a year-round resident population of 9,064. St. Pete Beach is frequently recognized as a top beach destination and received a Travelers' Choice award in 2021 from TripAdvisor as the top-ranked beach in the United States. The City's beaches, hotels, and historic resources attract tourists and visitors from all over the world. The City is heavily concentrated with resorts, hotels, and other accommodations to support the tourist population.

Florida voters approved an amendment to Save Our Homes legislation in January 2008, limiting property taxes by increasing property value exemptions and providing portability of exemption provisions. The City of St. Pete Beach managed the impact of property tax limitations by steadily increasing its millage rate, peaking in fiscal year ("FY") 2013 to coincide with a historically low property tax base. The City has since rebuilt from the economic recession and housing market collapse by gradually increasing staffing levels and services, with a millage rate of 3.15 in place since FY 2015. Since bottoming in FY 2012, property values have increased by an average annual rate of 6.2%.

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

In 2016, the City of St. Pete Beach declared a development moratorium due to the status of its sanitary sewer infrastructure. The wastewater collection system was surcharged and required significant rehabilitation to establish sufficient capacity. The City completed a State Revolving Fund loan agreement in FY 2020 in the amount of \$12.95 million to fund \$15.6 million of improvements required to lift the moratorium. Construction was completed in FY 2022 to install approximately 15,000 linear feet of sanitary sewer force main and four new lift stations along the Gulf Blvd. and Gulf Winds Drive/Boca Ciega Drive corridor.

#### LONG TERM FINANCIAL PLANNING

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

In order to ensure that sufficient funds will be available, management begins the CIP process by calculating working capital projections and evaluating the impact of current spending on fund balance. When available funds are insufficient to support an identified project, new revenue must be generated or the project will be deferred to a later year. The most recent CIP was adopted for FY 2023 - FY 2027 with projects totaling \$50 million. Projects are supported by the following sources:

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

- **Resiliency Fund**: This is a new fund effective FY 2023, intended to help position the City for long-term infrastructure improvements related to sea level rise. It includes 50% of the FY 2023 estimated increase in property tax revenue growth as a transfer from the General Fund.
- Enterprise Funds: The Wastewater, Reclaimed Water, and Stormwater Funds are established to recover their cost of operations, including associated capital improvements. Rates or fees are managed at sufficient levels to fund projects financed by enterprise funds.
- **Debt Proceeds**: Recent projects supported by the issuance of debt include Pass-a-Grille Way roadway reconstruction (phases I and II), Blind Pass Road reconstruction, and sanitary sewer capacity improvements.
- Interlocal Agreement: The Gulf Blvd. electric undergrounding project includes funding derived from an agreement between Pinellas County and the Barrier Islands Government Council to fund improvements on or adjacent to Gulf Blvd. Funds are generated at the County level from the Penny for Pinellas local option sales tax and allocated to local communities in proportion to their Gulf Blvd. linear mileage.
- **Grants**: Grants are sought to aide in the funding of projects and are often used as a match for capital improvement projects. Grant-funded projects are pursued only if grant funding is secured.

#### **MAJOR INITIATIVES**

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

- Coastal resiliency
- Sustainability
- **♣** Community and neighborhoods
- **♣** Economic development
- ♣ Internal operations
- **♣** Transportation

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

- ♣ Coastal resiliency:
  - Water threats analysis plan complete
  - Check valves and baffle boxes installed in several areas
  - Belle Vista and Don CeSar Place stormwater outfall improvement project complete
  - Completed greenhouse gas survey with Audobon Florida
  - Resiliency Fund created
  - Vulnerability assessment underway to comply with Resilient Florida Program
  - City Sustainability action plan complete
  - Citywide facility generator plan complete
  - Selected as one of three entities in the Tampa Bay area to partner with the Tampa Bay Regional Planning Council on coastal resiliency capital improvements

- Received the top Local Mitigation Strategy ranking in Pinellas County for Community Center seawall coastal resiliency project
- Encouraging water conservation via new reclaimed water restrictions

#### Sustainability

- Fleet electrification underway, 11% complete
- City Hall mechanical system redesign and alternative power system evaluation underway
- Tree ordinance under review to require specific shade trees for new development

#### **♣** Community and neighborhoods:

- East-end Corey Avenue development to incorporate beach access and boating access
- Added kayak launch to McKenney Park and Belle Vista mini park to increase waterway access and connectivity
- Expanded community events through the Parks and Recreation, Fire, and Library departments (e.g., concerts, Santa and Sirens event, Arbor Day festival)
- Landscape beautification improvement underway on the Pinellas Bayway
- Awarded 2022 Tree City designation
- Partnership program underway to beautify privately owned concentrated asphalt locations throughout the City
- Hurley Park renovations complete
- Merry Pier renovations complete
- Installation of new placemaking signs at City-owned facilities complete
- Landscaping beautification improvements at various City facilities complete
- Aesthetic replacement of community street signs complete
- Egan Park fishing pier installation and barge acquisition underway
- Paddleboard rental station installation complete at McKenney Park, Egan Park, Upham Beach and Pass-a-Grille Beach
- Introduction of new "movies in the neighborhood" events
- Executed new interlocal agreements with nearby cities to share equipment and resources
- Introduction of new homeowner association and town hall meetings for each City district
- Launched new business incentive program with the chamber of commerce to address code compliance issues
- Introduction of a new resident assistance program to help maintain private properties
- Additional Community Development resources provided to facilitate proactive code enforcement and short-term rental compliance

#### **Lesson :** Economic development:

- Development moratorium lifted based on the status of the sanitary sewer capacity improvement project
- Approval of the Miramar Resort 54-room hotel construction redevelopment
- Approval of the Corey Landings project a 243-unit mixed-use development located in the City's downtown redevelopment district
- Expansion of the Don CeSar Resort
- Parklet program adopted by the City Commission

#### **♣** Internal operations

- Local General Employees' Retirement System closed, with new employees participating in a defined contribution plan
- Collective bargaining agreement reached to close the local Firefighters' Retirement System, with new employees participating in the Florida Retirement System
- Fund balance policy adopted by the City Commission
- Impact fees adopted for parks and recreation capital facilities
- Enterprise resource planning software implementation underway

- Transition to cloud-based hosting complete for all City software applications
- Joined interlocal cooperative trust to provide cost savings and stability to the health insurance program
- Updated capital asset definitions and disposal requirements to modernize financial practices
- Awarded \$2 million from the Florida Job Growth Grant Fund for the second phase of sanitary sewer capacity improvements
- Awarded \$1.5 million from the Florida Department of Transportation for Boca Ciega Drive roadway reconstruction

#### **4** Transportation:

- Updates to the Land Development Code for off-street parking adopted by City Commission
- Expansion of Freebee on-demand service north to 75<sup>th</sup> Avenue complete
- 73<sup>rd</sup> Avenue parking lot acquisition adjacent to public library and Corey Avenue
- Execution of shared parking agreements with private sector to provide public access to additional parking spaces
- Installation of parking sensors, accessible via mobile app to improve visitor parking experience
- Transition to license-plate recognition software complete for parking enforcement
- Upgraded parking permit technology to facilitate automated enforcement
- Micro-mobility ordinance adopted by the City Commission

#### **AWARDS**

The Government Finance Officers Association of the Unites States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Pete Beach, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2021. This was the 26th consecutive year the City of St. Pete Beach has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report (ACFR). This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Management believes the current ACFR continues to meet the Certificate of Achievement Program's requirements. It will be submitted to the GFOA to determine its eligibility for another certificate. Recognition by GFOA, as evidenced by this award, is verification of the Finance Department's dedication to producing documents that effectively communicate the City's financial condition.

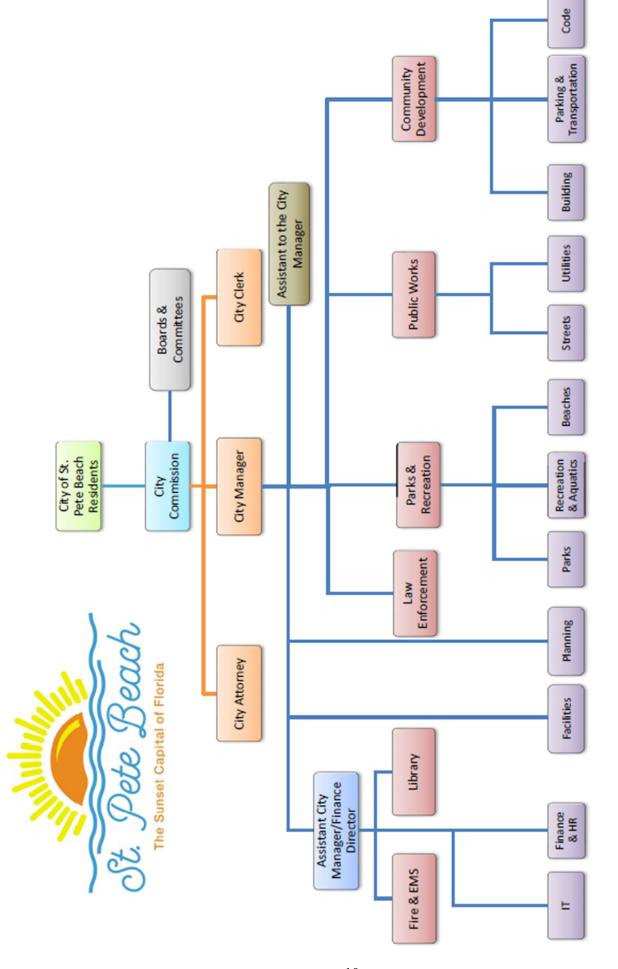
#### **ACKNOWLEDGMENTS**

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

Respectfully Submitted,

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



Fiscal Year 2022 Organizational Chart

Divisions

Departments



#### Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

### City of St. Pete Beach Florida

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

September 30, 2021

Christopher P. Morrill

Executive Director/CEO



#### INDEPENDENT AUDITORS' REPORT

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

#### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Pete Beach, Florida (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

#### 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, is the responsibility of management and, 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.

#### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements. The combining and individual nonmajor fund financial statements, other schedules, and schedule of expenditures of federal awards and state financial assistance as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Section 215.97, Florida Statutes, Florida Single Audit Act, and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, 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 other schedules, and schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

#### Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 27, 2023, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

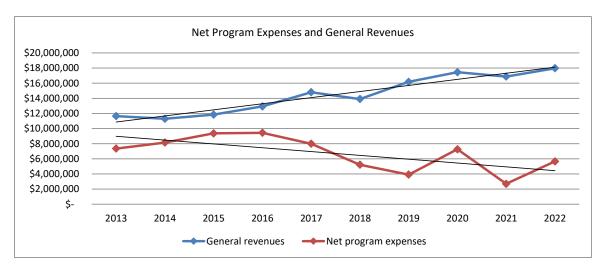
James Maore ; Co., P.L.

Daytona Beach, Florida March 27, 2023

Management's discussion and analysis (MD&A) is designed to focus on significant financial issues and provide an overview of the City of St. Pete Beach's financial activity for the fiscal year ended September 30, 2022. The MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the transmittal letter (beginning on page 4), basic financial statements (beginning on page 28), and notes to the financial statements (beginning on page 41).

#### **FINANCIAL HIGHLIGHTS**

The City's strong general revenue base comprised of taxes, fees, and intergovernmental sources far surpassed the net cost of government services, as illustrated below. The difference between the two lines in the chart represents the annual change in net position. To the extent the lines diverge, as has been the trend over the last ten years, the City accumulates more resources for future spending and capital investment. The net effect was a \$12.3 million increase in net position.



The City reported the highest general revenues on record, at \$17.97 million. Property values increased for the tenth consecutive year, while sales tax receipts benefited from higher prices throughout the economy. Half-cent sales taxes, local option taxes, and municipal revenue sharing all reported record totals. Meanwhile, the City's award-winning beaches continued to attract more visitors. Parking revenue outperformed and has now increased 250% over the last ten years, driven by higher fees, tourism activity, and new payment processing and citation issuing technologies.



#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

#### **Government-wide Financial Statements:**

The government-wide financial statements provide a broad overview of the City's finances, in a manner similar to the private sector. The statements can be found on pages 28-29 of this document, and include two different reports: 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 as of September 30, 2022. The difference between assets (plus deferred outflows of resources) and liabilities (plus deferred inflows of resources) is known in governmental accounting as net position. Analysis of net position requires evaluation of unrestricted and restricted net position as well as net investment in capital assets. The latter category represents the net assets being used by the City to provide goods and services to the community. As such, these assets are not readily available for spending without first being converted to financial resources. Restricted net assets represent those which are controlled by state statutes, enabling legislation, debt covenants, or other external requirements. The remaining balance is unrestricted net position, which represents the accumulated resources available to the City for meeting its future obligations.

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

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

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

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

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

Budgetary comparison statements are provided for the General Fund and ARPA Fund to demonstrate compliance with the legally adopted budget. Budgetary comparison schedules are provided as required supplementary information (RSI) for the Capital, Multimodal, Building, and Fleet funds. Governmental fund financial statements begin on page 30.

The City's **Proprietary Funds** include three enterprise funds: Wastewater, Reclaimed Water, and Stormwater. These funds report the same functions and use the same basis of accounting as the business-type activities presented in the government-wide financial statements. Proprietary fund statements are located on page 36.

**Fiduciary Funds** are those which are unavailable to support the City's operations and are held in a trustee or agency capacity. The City's fiduciary funds include three pension trusts, beginning on page 39: Police, Firefighters, and General Employees.

#### **Notes to the Financial Statements:**

Notes to the financial statements provide additional information that is essential to gaining a full understanding of the data provided in the government-wide and fund financial statements. The notes begin on page 41 of this report.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

♣ General revenue: The City maintains a strong base of general revenues, which were bolstered by property values and sales tax. Property values increased by 5%, which, when coupled with an unchanged millage rate of 3.1500, generated approximately \$530,000 in new revenue. The inflationary environment throughout much of the economy contributed to record level sales tax-related receipts:

Sales taxes:	FY 2021	FY 2022	Change
Local option	1,202,448	1,386,497	15.3%
Half-cent	696,300	765,166	9.9%
Intergovernmental:			
Municipal revenue sharing	221,913	273,431	23.2%
	\$ 2,120,661	\$ 2,425,094	14.4%

General government charges for service: Parking revenue increased by nearly \$600,000 as discussed previously. Plan review fees exceeded \$1 million, driven by several commercial projects. The City's sanitary sewer capacity improvement project had long been anticipated to facilitate economic development opportunities. The Corey Landings project was approved in March 2022, a mixed-use development with 243 multi-family dwelling units located in the downtown redevelopment district. Plans were also submitted for redevelopment of the Miramar Resort.

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

- General government expenses: Financial markets experienced broad declines throughout the fiscal year. Each of the City's defined benefit pension plans reported losses as reported in Note D of the Financial Statements. Pension expense increased by approximately \$1.5 million and was allocated across governmental and business-type activities. Building division expenses increased by over \$500,000 as had been anticipated for several years. New development and redevelopment project submittals required additional staffing and contractual inspectors to maintain customer service standards in the Community Development Department.
- ♣ Public safety expenses: Contractual expenses for the Pinellas County Sheriff's Office increased by nearly \$200,000 primarily due to the addition of a full-time community policing deputy. Fire Department expenses increased by approximately 8% due to pension expense, overtime, and the addition of an administrative position.

An interlocal agreement had historically been reported in capital grants and contributions. Effective FY 2022, it was reported in charges for service with no net financial impact.

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

STATEMENT OF NET POSITION	Governmental Activities		Business-ty	pe Activities	Totals			
	2022	2021	2022	2021	2022	2021		
Current and other assets Capital assets, net Total assets	\$ 32,601,822 75,009,013 107,610,835	\$ 23,280,282 73,588,182 96,868,464	\$ 5,838,474 47,379,035 53,217,509	\$ 6,439,961 44,375,143 50,815,104	\$ 38,440,296 122,388,048 160,828,344	\$ 29,720,243 117,963,325 147,683,568		
Deferred outflows related to pensions Deferred outflows related to OPEB Total deferred outflows	7,048,051 116,040 7,164,091	288,087 126,681 414,768	609,161 8,892 618,053	7,881 11,409 19,290	7,657,212 124,932 7,782,144	295,968 138,090 434,058		
Total assets and deferred outflows	114,774,926	97,283,232	53,835,562	50,834,394	168,610,488	148,117,626		
Current and other liabilities Long-term liabilities outstanding Total liabilities	2,262,471 36,744,095 39,006,566	2,272,657 25,981,679 28,254,336	1,296,498 21,149,102 22,445,600	2,778,545 18,004,873 20,783,418	3,558,969 57,893,197 61,452,166	5,051,202 43,986,552 49,037,754		
Deferred inflows related to pensions Deferred inflows related to OPEB Deferred inflows from lease resources Total deferred inflows	268,900 243,743 201,159 713,802	4,588,741 212,938 - 4,801,679	18,679	149,395 19,177 - 168,572	268,900 262,422 201,159 732,481	4,738,136 232,115 4,970,251		
Total liabilities and deferred inflows	39,720,368	33,056,015	22,464,279	20,951,990	62,184,647	54,008,005		
Net position: Invested in capital assets Restricted Unrestricted	63,600,446 3,684,802 7,769,310	61,795,073 3,074,937 (642,793)	27,627,567 880,864 2,862,852	24,996,934 743,776 4,141,694	91,228,013 4,565,666 10,632,162	86,792,007 3,818,713 3,498,901		
Total net position	\$ 75,054,558	\$ 64,227,217	\$ 31,371,283	\$ 29,882,404	\$ 106,425,841	\$ 94,109,621		

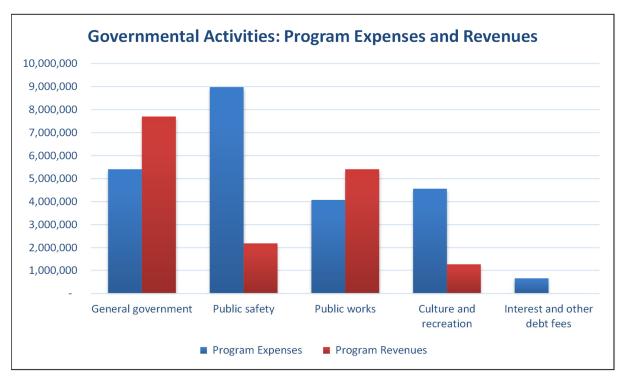
STATEMENT OF ACTIVITIES	ES Governmental Activities		Business-typ	oe Activities	Totals			
	2022	2021	2022	2021	2022	2021		
Revenues:								
Program revenues:								
Charges for services	\$ 11,102,510	\$ 8,225,914	\$ 9,916,015	\$ 9,917,036	\$ 21,018,525	\$ 18,142,950		
Operating grants & contributions	126,799	74,142	-	-	126,799	74,142		
Capital grants & contributions	5,335,610	7,935,491	-	-	5,335,610	7,935,491		
General revenues:					-	-		
Property taxes	10,990,637	10,478,967	-	-	10,990,637	10,478,967		
Sales taxes	2,151,663	1,898,748	-	-	2,151,663	1,898,748		
Franchise fees and utility taxes	3,700,674	3,519,038	-	-	3,700,674	3,519,038		
Other taxes	427,408	424,665	-	-	427,408	424,665		
Intergovernmental revenues	348,272	405,940	-	-	348,272	405,940		
Interest earnings	160,979	47,878	32,217	20,141	193,196	68,019		
Miscellaneous	165,187	86,197	<u>-</u> _		165,187	86,198		
Total revenues	34,509,739	33,096,980	9,948,232	9,937,177	44,457,971	43,034,158		
Expenses:								
General government	\$ 5,409,041	\$ 4,495,399	\$ -	\$ -	\$ 5,409,041	\$ 4,495,399		
Public safety	8,976,999	7,368,277	-	-	8,976,999	7,368,277		
Public works	4,078,617	4,006,182	-	-	4,078,617	4,006,182		
Culture and recreation	4,564,275	4,426,237	-	-	4,564,275	4,426,237		
Wastewater	-	-	6,429,399	6,182,325	6,429,399	6,182,325		
Reclaimed water	-	-	1,138,263	1,020,562	1,138,263	1,020,562		
Stormwater	-	-	891,691	669,953	891,691	669,953		
Interest on long-term debt	653,466	677,184			653,466	677,184		
Total expenses	23,682,398	20,973,279	8,459,353	7,872,840	32,141,751	28,846,119		
Increase (decrease) in net position:	10,827,341	12,123,701	1,488,879	2,064,337	12,316,220	14,188,039		
Net position: October 1	64,227,217	52,103,516	29,882,404	27,818,067	94,109,621	79,921,582		
Net position: September 30	<u>\$ 75,054,558</u>	<u>\$ 64,227,217</u>	\$ 31,371,283	\$ 29,882,404	\$ 106,425,841	\$ 94,109,621		

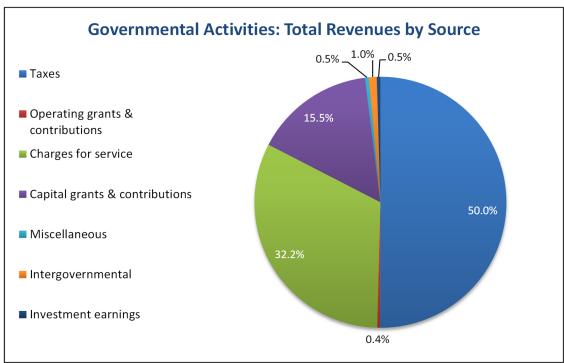
#### **Governmental Activities:**

Many of the contributing factors described on pages 17 and 18 were reported in governmental activities. Unlike the City's business-type activities, governmental activities are not necessarily expected to cover their cost of operations. General revenues (e.g., taxes, franchise fees, intergovernmental sources, etc.) are intended to support traditional public services that typically generate only limited revenue. General revenues totaled \$17.9 million, far more than net governmental activity expenses, supported by property and sales taxes highlighted on page 17. As a result, governmental activities increased the City's net position by approximately \$10.8 million – down approximately 10% from the prior year primarily due to pension plan losses. Pension expense increased by approximately \$925,000 in governmental activities.

#### **Governmental activities**

Change in net position	\$ 10,827,341
Plus general revenues	\$ 17,944,820
Net program expenses	\$ (7,117,479)





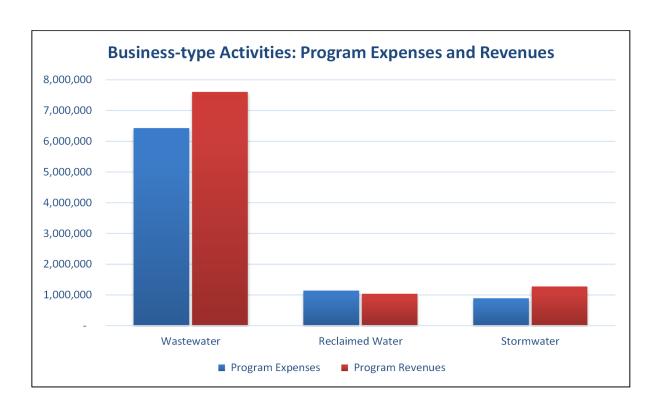
#### **Business-type Activities:**

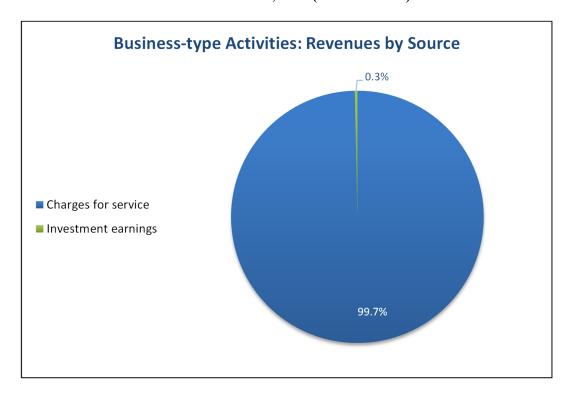
The fees and charges for the City's wastewater, reclaimed water, and stormwater programs are established at levels intended to recover the cost of recurring operations and provide adequate capital for infrastructure improvements. Collectively, business-type activities increased the City's net position by nearly \$1.5 million with only a \$32,000 contribution from general revenues.

However, the reclaimed water program reported net expenses and net revenue was down in the wastewater and stormwater programs, all primarily because of pension losses. Pension expense totaling approximately \$555,000 was allocated across all business-type activities. Meanwhile charges for service were virtually identical to the prior year, with no rate or fee increases in effect.

#### **Business-type activities**

Net program revenues \$ 1,456,662 Plus general revenues \$ 32,217 Change in net position \$ 1,488,879





#### FUND STATEMENT FINANCIAL ANALYSIS

#### **Governmental Funds:**

#### General Fund

Management's goal is to generate sufficient excess revenue in the General Fund to support the capital improvement program via transfers to the Capital Fund. Excess revenue totaled \$8.2 million despite a 5.3% expenditure increase, due to factors highlighted previously reported in taxes (i.e., property taxes and sales taxes), permits and fees (i.e., plan reviews), and charges for service (i.e., parking revenue).

The most significant expenditure growth was reported in the administrative services, law enforcement, and fire departments. Administrative services costs increased 14% including new expenditures for cybersecurity insurance and the initial costs of enterprise resource planning (ERP) software implementation. Law enforcement costs increased 11% due to the addition of a community policing deputy and pension contribution expenditures. Fire department costs increased 8% based on higher pension contribution expenditures, overtime costs, and the addition of an administrative position.

#### Capital Fund

Fund balance increased by \$2.1 million in the Capital Fund. This was a temporary increase in fund balance based on the timing and execution status of capital projects. Ordinance 2023-01 was adopted on February 13, 2023, re-appropriating available balances to FY 2023 for future expenditure.

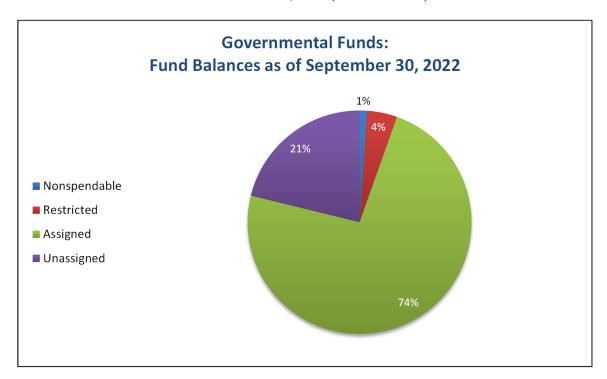
#### Non-major Funds

The Building Fund reported a 30% decline in revenue and a 76% increase in expenditures, yet still reported an increase in fund balance. Staffing and resources were added to maintain customer service standards in the Community Development Department after lifting the 2016 development moratorium. Permit revenue is often subject to large fluctuations depending on the timing of commercial activity. FY 2023 revenue is anticipated to increase approximately 70% based on the status of several pending projects. Other non-major funds experienced little change from the prior year.

							Police	]	Total Non-
<b>Governmental Funds</b>	Multimodal Building			Fleet		Confiscation	L	major	
Revenues	\$	354	\$	1,261,925	\$	250	\$ -	\$	1,262,529
Less expenditures	\$	-	\$	(1,175,594)	\$	(275,023)	\$ -	\$	(1,450,617)
Plus other financing sources	\$	-	\$	-	\$	282,190	\$ -	\$	282,190
Fund balance increase	\$	354	\$	86,331	\$	7,417	\$ -	\$	94,102

Fund balance is a commonly used measure of a government's available resources and liquidity. Designations are applied to various components of fund balance to describe the extent to which resources may be limited, as further described in Note A. The balances below reflect the limitations applicable to the City's total governmental fund resources as of September 30, 2022.

- Non-spendable fund balance items include prepaid accounts that are inherently not easily convertible into financial resources. The City's non-spendable fund balance was \$166,040.
- **Restricted** fund balance includes accounts and designations upon which restrictions have been externally imposed, totaling \$3,684,802.
- **Assigned** fund balance represents management's intended use of specific resources and reflects the City's fund balance policy as described in Note A. Assigned balance also includes reserves for future budget periods. The total balance was \$23,253,877.
- **Unassigned** balance also reflects the City's fund balance policy and was reported at the target goal of \$3,164,393, equivalent to two months of General Fund operating expenditures.



#### **Proprietary Funds:**

Net revenue generated by the City's business-type activities represents the net effect of operating income earned by the City's proprietary funds and non-operating items such as investment earnings and interest expense on outstanding debt. The Wastewater and Stormwater Funds reported operating income while the reclaimed water program reported a loss as described on page 21. Proprietary funds collectively increased the City's net position by approximately \$1.5 million.

#### **Proprietary Funds**

Operating income	\$ 1,618,676
Plus non-operating revenues	\$ 32,217
Less non-operating expenses	\$ (162,014)
Change in net position	\$ 1,488,879

#### Wastewater Fund

Working capital balance increased by nearly 240% based on two consecutive favorable true-up assessments from the City of St. Petersburg for wastewater treatment totaling approximately \$460,000. The State Revolving Fund loan agreement associated with the sanitary sewer capacity improvement project allowed for a delayed amortization schedule since the construction timeline was extended. Debt service expenses will therefore not begin until FY 2023 and amortization expenses declined when they were originally scheduled to increase.

#### Reclaimed Water Fund

The Reclaimed Water Fund reported a loss due to higher personnel costs than anticipated and a contractual service expense increase of 10%. Personnel costs reflected allocated pension expense as described

previously. A new program was developed to increase the City's response time to reclaimed water lateral breaks. The targeted maintenance program will continue in FY 2023 and a \$2 million transfer from the General Fund to the Reclaimed Water Fund was adopted in the FY 2023 budget.

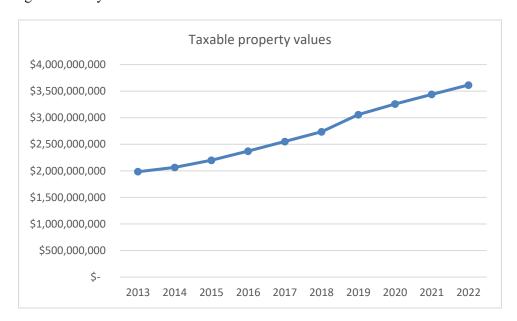
#### Stormwater Fund

Despite a 37% increase in operating expenses, the Stormwater Fund reported an increase in working capital. The cash-funded capital improvement program was executed under budget and accounts payable declined 88%.

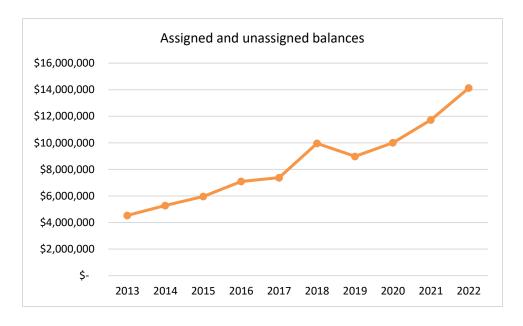
	Wastewater		Reclaimed				Stormwater		
Working capital balances	9/30/2022	9/30/2021	9	/30/2022	9/30/2021		9/30/2022	9	0/30/2021
Current assets	3,617,461	3,598,738		706,170	1,339,848		1,514,843		1,501,375
Less: current liabilities	(1,848,015)	(3,077,778)		(88,958)	(52,055)		(252,254)		(400,322)
Working capital	\$ 1,769,446	\$ 520,960	\$	617,212	\$ 1,287,793	\$	1,262,589	\$	1,101,053
Annual change	239.7%			-52.1%			14.7%		

#### GENERAL FUND BUDGETARY HIGHLIGHTS

Fund balance increased by \$2.37 million driven by many of the factors discussed previously, including property tax revenue, sales tax revenue, plan review revenue, and parking activity. Taxable values have continued to grow steadily since FY 2013.



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



#### Revisions from adopted to final budget:

Final authorized expenditures included supplemental appropriations of \$1,630,000, of which \$1,001,189 was transferred out to the Capital Fund to provide for additional infrastructure improvements. The remaining \$628,811 was allocated to the following items via Ordinance 2022-01:

Prior year encumbrances: \$462,660

Wage increases: \$50,000
Pressure washing: \$35,000
Digitizing records: \$25,000
IT security improvements: \$7,500

Contingency: \$48,651

#### Significant budgetary variances:

The General Fund reported no negative revenue variances. Permits and fees exceeded the budget estimate by over \$700,000, driven by the plan review revenue described previously. The significant variance was primarily the result of timing only. Fees associated with two significant commercial projects had been anticipated in FY 2023; plans for both projects were submitted ahead of schedule. Charges for service revenue exceeded the budget estimate by nearly \$1,000,000 primarily due to parking revenue, which continued to outperform all staff estimates.

All divisions and departments with the exception of law enforcement reported final expenditures under budget. The traditional method of projecting valuation results one year ahead for budget planning purposes was changed in the police pension system, resulting in an unplanned accrued employer pension contribution and a negative budget variance of \$84,049. Significant budget variances in the Planning and Facilities divisions at \$163,128 and \$178,333, respectively, were the result of multiple staff vacancies carried throughout the year. A collective budget variance of \$507,921 was reported for the Public Works department, primarily due to underutilization of the operating budget. This was addressed by management in the FY 2023 budget, with some programs being reduced and others being re-appropriated for future expenditure via Ordinance 2023-01.

#### **CAPITAL ASSETS**

The sanitary sewer capacity improvement project discussed throughout this report was reported in infrastructure for business-type activities. Note C includes more information on the City's capital assets and activity for FY 2022.

CAPITAL ASSETS, NET	Governmen	tal Activities	Business-typ	pe Activities	Totals			
	2022	2021	2022	2021	2022	2021		
Land, land rights and improvements	\$ 4,836,311	\$ 4,836,311	\$ 310,117	\$ 310,117	\$ 5,146,428	\$ 5,146,428		
Buildings and other improvements	11,748,352	12,326,443	678,533	87,621	12,426,885	12,414,064		
Infrastructure	45,755,892	45,508,518	45,594,378	27,119,152	91,350,270	72,627,670		
Furniture, machinery and equipment	3,507,593	3,190,234	483,912	518,625	3,991,505	3,708,859		
Capital projects in process	9,160,865	7,726,676	312,095	16,339,628	9,472,960	24,066,304		
Total	\$ 75,009,013	\$ 73,588,182	\$ 47,379,035	\$ 44,375,143	\$ 122,388,048	\$ 117,963,325		

#### **DEBT ADMINISTRATION**

Note F includes a detailed listing of long-term liabilities. Following is a summary of the City's outstanding debt as of September 30, 2022 compared to the prior year.

#### CITY OF ST. PETE BEACH'S OUTSTANDING DEBT

	Governmen	tal Activities	Business-typ	pe Activities	Totals			
	2022	2021	2022	2021	2022	2021		
Revenue bonds	\$ 17,064,712	\$ 17,727,646	\$ 5,725,703	\$ 6,166,000	\$ 22,790,415	\$ 23,893,646		
State revolving loans Leases	308,567	406,489	13,826,184	11,530,416	13,826,184 308,567	11,530,416 406,489		
Total	<u>\$ 17,373,279</u>	<u>\$ 18,134,135</u>	<u>\$ 19,551,887</u>	<u>\$ 17,696,416</u>	\$ 36,925,166	\$ 35,830,551		

#### Next Year's Budget, Rates, and Economic Factors

St. Pete Beach property values experienced strong growth, increasing 14.3% effective FY 2023. The City maintained its ad valorem tax rate of 3.1500 mills, which will generate approximately \$1,573,000 in new revenue. Half of the revenue growth was transferred out to establish a new Resiliency Fund, which is intended to begin positioning the City for long-term infrastructure improvements related to sea level rise. Estimated Wastewater Fund and Multimodal Fund revenue assumes continued progress on two significant commercial development projects; connection fee and impact fee revenue are collectively estimated at \$954,700 for FY 2023. Hourly parking fees were increased from \$3.25 to \$3.75 throughout the City effective October 2022.

#### **Requests for information**

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

#### BASIC FINANCIAL STATEMENTS

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

#### CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF NET POSITION SEPTEMBER 30, 2022

ASSETS		G	overnmental Activities	В	usiness-type Activities		Total
Case Investments         \$ 22,16,086         \$ 2,879,060         \$ 32,095,146           Receivables, net         634,977         1,346,682         2,071,558           Lease Receivable         317,907         -         317,907           Due from other governments         1,614,989         441,776         2,106,765           Inventories         -         28,222         28,522           Prepaids         166,040         22,092         188,132           Restricted assets:         -         89,0342         1,632,166           Capital assets         651,824         980,342         1,632,166           Other capital assets, net of depreciation         61,011,837         46,756,823         107,768,660           Total assets, net of depreciation         61,011,837         46,756,823         107,768,660           Total assets net of depreciation         5,076,003         5,017,609         5,009,161         5,057,212           Deferred outflows related to pensions         5,7048,051         5,609,161         5,7657,212           Deferred outflows related to OPEB         116,040         8,092         2,711,016           Custal deferred outflows related to OPEB         116,040         8,092         2,711,016           C		-	Activities		Activities	_	Total
Receivables, net	ASSETS						
Due from other governments	Cash and investments	\$	29,216,086	\$	2,879,060	\$	32,095,146
Due from other governments	Receivables, net		634,976		1,436,682		2,071,658
Prepaids	Lease Receivable		317,907		-		317,907
Prepaids         166,040         22,092         188,132           Restricted assets:	Due from other governments		1,614,989		491,776		2,106,765
Restricted assets:         651,824         980,342         1,632,166           Capital assets:         13,997,176         622,212         14,619,388           Other capital assets, net of depreciation         61,011,837         46,756,823         107,768,666           Total assets         \$ 107,610,835         \$53,217,509         \$160,828,344           DEFERRED OUTFLOWS OF RESOURCES           Deferred outflows related to OPEB         116,040         8,892         124,932           Total deferred outflows related to OPEB         1116,040         8,892         124,932           Total deferred outflows related to OPEB         116,040         8,892         124,932           Total deferred outflows related to OPEB         1116,040         8,892         124,932           Total deferred outflows related to OPEB         1116,040         8,892         124,932           Total deferred outflows         \$ 7,164,091         \$ 618,053         \$ 7,782,144           Lease payable and accrued liabilities         \$ 1,513,996         \$ 1,197,020         \$ 2,711,016           Customer deposits         211,970         \$ 20,711,016         \$ 20,711,016         \$ 20,711,016         \$ 20,711,016         \$ 20,711,016         \$ 20,711,016         \$ 20,711,016         \$ 20,711,016         \$ 20,711,016	Inventories		-		28,522		28,522
Cash and investments         651,824         980,342         1,632,166           Capital assets:         Non-depreciable capital assets         13,997,176         622,212         14,619,388           Other capital assets, net of depreciation         5 107,610,835         \$53,217,509         \$107,668,660           Total assets         5 107,610,835         \$53,217,509         \$160,828,344           DeFERRED OUTFLOWS OF RESOURCES         Deferred outflows related to pensions         \$ 7,048,051         \$609,161         7,657,212           Deferred outflows related to OPEB         116,040         8,892         124,932           Total deferred outflows related to OPEB         116,040         8,892         124,932           Total deferred outflows related to OPEB         116,040         8,892         124,932           Total deferred outflows related to OPEB         111,940         2         227,11,016           Customer deposits         211,970         2         211,970         211,970         211,970           Customer deposits         211,970         99,478         230,398         294,338         294,338         294,338         294,338         294,338         294,338         294,338         294,338         294,338         294,338         294,338         294,338         294,338         2	Prepaids		166,040		22,092		188,132
Non-depreciable capital assets   13,997,176   622,212   14,619,388   Other capital assets, net of depreciation   61,011,837   46,756,823   107,768,660   Total assets   5107,610,835   53,217,509   5160,828,344   Total assets   5107,610,835   53,217,509   5160,828,344   Total assets   5107,610,835   53,217,509   5160,828,344   Total assets   510,704,0051   50,007,62,121   Deferred outflows related to OPEB   116,040   8,892   124,932   Total deferred outflows related to OPEB   116,040   8,892   124,932   Total deferred outflows related to OPEB   116,040   8,892   124,932   Total deferred outflows related in OPEB   111,040   8,892   124,932   Total deferred outflows   51,197,020   \$2,711,016   Customer deposits   211,970   \$1,197,020   \$2,711,016   Customer deposits   211,970   \$1,197,020   \$2,711,016   Customer deposits   111,247   \$1,017,020   \$2,711,016   \$1,007,007   \$1,007,	Restricted assets:						
Non-depreciable capital assets         13,997,176         622,212         14,619,388           Other capital assets, net of depreciation         61,011,837         46,756,823         107,768,660           Total assets         \$107,610,835         \$53,217,509         \$160,828,344           Deferred outflows related to pensions         \$7,048,051         \$609,161         \$7,657,212           Deferred outflows related to OPEB         116,040         8,892         124,932           Total deferred outflows related to OPEB         116,040         8,892         124,932           Total deferred outflows related to OPEB         116,040         8,892         124,932           Total deferred outflows related to OPEB         111,640         8,892         124,932           Total deferred outflows related to OPEB         111,640         8,892         127,972,144           Accounts payable and accrued liabilities         \$1,513,996         \$1,197,020         \$2,711,016           Customer deposits         211,970         \$2,2711,016         \$2,271,1016           Customer deposits         211,970         \$2,94,338         \$2,94,338           Due to fiduciary funds         294,338         \$2,94,338         \$2,94,338           Noncurrent liabilities         688,824         880,864         \$1,569,688	Cash and investments		651,824		980,342		1,632,166
Other capital assets, net of depreciation         6.1,011,837         46,756,823         107,768,660           Total assets         \$ 107,610,835         \$ 53,217,509         \$ 160,828,344           DEFERRED OUTFLOWS OF RESOURCES         Peferred outflows related to pensions         \$ 7,048,051         \$ 609,161         \$ 7,657,212           Deferred outflows related to OPEB         116,040         8,892         124,932           Total deferred outflows         \$ 7,164,091         \$ 618,053         \$ 7,782,144           LIABILITES           Accounts payable and accrued liabilities         \$ 1,513,996         \$ 1,197,020         \$ 211,970           Uncarned revenue         1111,247         -         211,970           Uncarned irrest payable         130,920         99,478         230,338           Due to fiduciary funds         294,338         -         294,338           Noncurrent liabilities           Endes of March Inching the Mar	Capital assets:						
DEFERRED OUTFLOWS OF RESOURCES   Deferred outflows related to pensions   S 7,048,051   S 609,161   S 7,657,212   Deferred outflows related to OPEB   116,040   R,892   124,932   Total deferred outflows related to OPEB   116,040   R,892   124,932   Total deferred outflows   S 7,164,091   S 618,053   S 7,782,144   Total deferred outflows   S 1,513,996   S 1,197,020   S 2,711,016   Customer deposits   211,970   C 211,970   Customer deposits   211,970   C 211,1970   Customer deposits   211,970   Customer deposits   211,970   Customer deposits   211,970   Customer deposits   294,338   C 294,338   C 294,338   Customer deposits   Customer deposits   S 294,338   C			13,997,176		622,212		14,619,388
DEFERED OUTFLOWS OF RESOURCES           Deferred outflows related to pensions         \$ 7,048,051         \$ 609,161         \$ 7,657,212           Deferred outflows related to OPEB         \$ 116,040         \$ 8,892         \$ 124,932           Total deferred outflows related to OPEB         \$ 1,164,091         \$ 618,053         \$ 7,782,144           LIABILITIES           Accounts payable and accrued liabilities         \$ 1,513,996         \$ 1,197,020         \$ 2,711,016           Customer deposits         \$ 211,970         -         \$ 211,970           Uncarned revenue         \$ 111,247         -         \$ 211,970           Uncarned revenue         \$ 130,920         \$ 94,78         \$ 203,398           Due to fiduciary funds         \$ 294,338         -         \$ 294,338           Noncurrent liabilities         \$ 880,864         \$ 1,569,688         \$ 288,343           Due in more than one year:         \$ 148,45         \$ 1,569,688         \$ 268,900         \$ 268,900         \$ 208,218         \$ 200,218	Other capital assets, net of depreciation		61,011,837		46,756,823		
Deferred outflows related to OPEB         \$ 7,048,051         \$ 609,161         \$ 7,657,212           Total deferred outflows         \$ 7,164,091         \$ 8,892         124,932           Total deferred outflows         \$ 7,164,091         \$ 618,053         \$ 7,782,144           LIABILITIES         ***         ***         \$ 2,711,016           Customer deposits         211,970         -         211,970           Une armed revenue         111,247         -         111,247           Accruced interest payable         130,920         99,478         230,398           Due to fiduciary funds         294,338         -         294,338           Noncurrent liabilities:         ***         ***         294,338         -         294,338           Due to fiduciary funds         294,338         -         294,338         -         294,338         2         294,338         1         100,349         -         100,349         -         100,349         -         100,349         -         100,349         -         100,349         -         208,218         -         208,218         -         208,218         -         208,218         -         208,218         -         208,218         -         208,218         -	Total assets	\$	107,610,835	\$	53,217,509	\$	160,828,344
Deferred outflows related to OPEB         \$ 7,048,051         \$ 609,161         \$ 7,657,212           Total deferred outflows         \$ 7,164,091         \$ 8,892         124,932           Total deferred outflows         \$ 7,164,091         \$ 618,053         \$ 7,782,144           LIABILITIES         ***         ***         \$ 2,711,016           Customer deposits         211,970         -         211,970           Une armed revenue         111,247         -         111,247           Accruced interest payable         130,920         99,478         230,398           Due to fiduciary funds         294,338         -         294,338           Noncurrent liabilities:         ***         ***         294,338         -         294,338           Due to fiduciary funds         294,338         -         294,338         -         294,338         2         294,338         1         100,349         -         100,349         -         100,349         -         100,349         -         100,349         -         100,349         -         208,218         -         208,218         -         208,218         -         208,218         -         208,218         -         208,218         -         208,218         -	DEFENDED OUTEL OWG OF DEGOLIDOEG						
Deferred outflows related to OPEB		¢	7.049.051	ø	600 161	ď	7.657.010
Total deferred outflows		Ф		Þ		Э	
Name		•		•		•	
Accounts payable and accrued liabilities         \$ 1,513,996         \$ 1,197,020         \$ 2,711,016           Customer deposits         211,970         -         211,970           Unearned revenue         111,247         -         111,247           Accrued interest payable         130,920         99,478         230,398           Due to fiduciary funds         294,338         -         294,338           Noncurrent liabilities         -         294,338           Due within one year:         -         -         100,349           Compensated absences         276,478         11,865         288,343           Due in more than one year:         -         16,375,888         18,671,023         35,046,911           Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 2,445,600         \$ 61,452,166           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferre	Total deferred outflows	Ψ	7,104,091	φ	010,033	Ψ	7,762,144
Customer deposits         211,970         -         211,970           Unearned revenue         111,247         -         111,247           Accrued interest payable         130,920         99,478         230,398           Due to fiduciary funds         294,338         -         294,338           Noncurrent liabilities:         -         3294,338           Due within one year:         -         -         100,349           Bonds and notes payable         688,824         880,864         1,569,688           Lease payable         100,349         -         100,349           Compensated absences         276,478         11,865         288,343           Due in more than one year:         -         -         100,349           Lease payable         16,375,888         18,671,023         35,046,911           Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total diefered inflows related to pensions         \$ 268,900         \$ -         \$ 268,900	LIABILITIES						
Unearned revenue         111,247         -         111,247           Accrued interest payable         130,920         99,478         230,398           Due to fiduciary funds         294,338         -         294,338           Noncurrent liabilities:         30,908         -         294,338           Due within one year:         80,864         1,569,688         -         100,349           Compensated absences         276,478         11,865         288,343           Due in more than one year:         -         100,349         -         100,349           Compensated absences         16,375,888         18,671,023         35,046,911           Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         -         \$ 268,900           Deferred inflows from lease resources	Accounts payable and accrued liabilities	\$	1,513,996	\$	1,197,020	\$	2,711,016
Unearned revenue         111,247         -         111,247           Accrued interest payable         130,920         99,478         230,398           Due to fiduciary funds         294,338         -         294,338           Noncurrent liabilities:         30,908         -         294,338           Due within one year:         80,864         1,569,688         -         100,349           Compensated absences         276,478         11,865         288,343           Due in more than one year:         -         100,349         -         100,349           Compensated absences         16,375,888         18,671,023         35,046,911           Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         -         \$ 268,900           Deferred inflows from lease resources	Customer deposits		211,970		-		211,970
Accrued interest payable         130,920         99,478         230,398           Due to fiduciary funds         294,338         -         294,338           Noncurrent liabilities:         30,000         30,000         30,000           Due within one year:         880,864         1,569,688         1,569,688           Lease payable         100,349         -         100,349           Compensated absences         276,478         11,865         288,343           Due in more than one year:         31,862,188         18,671,023         35,046,911           Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows related to OPEB         243,743         18,679         273,481           Net investment in capital assets         \$ 6			111,247		-		
Due to fiduciary funds         294,338         -         294,338           Noncurrent liabilities:         -         -         294,338           Due within one year:         - <td></td> <td></td> <td>130,920</td> <td></td> <td>99,478</td> <td></td> <td>230,398</td>			130,920		99,478		230,398
Bonds and notes payable			294,338		-		294,338
Bonds and notes payable         688,824         880,864         1,569,688           Lease payable         100,349         -         100,349           Compensated absences         276,478         11,865         288,343           Due in more than one year:         Total or than one year:         31,867,023         35,046,911           Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567	Noncurrent liabilities:						
Lease payable Compensated absences         100,349         -         100,349           Compensated absences         276,478         11,865         288,343           Due in more than one year:         300         11,865         288,343           Bonds and notes payable         16,375,888         18,671,023         35,046,911           Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567	Due within one year:						
Compensated absences         276,478         11,865         288,343           Due in more than one year:         8         16,375,888         18,671,023         35,046,911           Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000 <td>Bonds and notes payable</td> <td></td> <td>688,824</td> <td></td> <td>880,864</td> <td></td> <td>1,569,688</td>	Bonds and notes payable		688,824		880,864		1,569,688
Due in more than one year:   Bonds and notes payable   16,375,888   18,671,023   35,046,911   Lease payable   208,218   - 208,218   Compensated absences   148,145   5,386   153,531   Total OPEB liability   405,578   31,079   436,657   Net pension liability   18,540,615   1,548,885   20,089,500   Total liabilities   \$39,006,566   \$22,445,600   \$61,452,166   \$1,548,885   20,089,500   \$2,445,600   \$61,452,166   \$1,548,885   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,500   \$1,548,855   20,089,	Lease payable		100,349		-		100,349
Bonds and notes payable         16,375,888         18,671,023         35,046,911           Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864	Compensated absences		276,478		11,865		288,343
Lease payable         208,218         -         208,218           Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,24	Due in more than one year:						
Compensated absences         148,145         5,386         153,531           Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -	Bonds and notes payable		16,375,888		18,671,023		35,046,911
Total OPEB liability         405,578         31,079         436,657           Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         <	Lease payable		208,218		-		208,218
Net pension liability         18,540,615         1,548,885         20,089,500           Total liabilities         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162 </td <td>Compensated absences</td> <td></td> <td>148,145</td> <td></td> <td>5,386</td> <td></td> <td>153,531</td>	Compensated absences		148,145		5,386		153,531
DEFERRED INFLOWS OF RESOURCES         \$ 39,006,566         \$ 22,445,600         \$ 61,452,166           Deferred inflows related to pensions Deferred inflows related to OPEB Deferred inflows from lease resources         \$ 268,900         \$ -         \$ 268,900           Deferred inflows from lease resources Deferred inflows from lease resources         \$ 201,159         -         \$ 201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION         ** 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for: Pension obligation         \$ 501,824         -         501,824           Library         \$ 150,000         -         \$ 150,000           Debt service         \$ 399,212         \$80,864         \$ 1,280,076           Building department         \$ 2,365,240         -         \$ 2,365,240           Law enforcement         \$ 5,404         -         \$ 5,404           Multimodal improvements         \$ 263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162	Total OPEB liability		405,578		31,079		436,657
DEFERRED INFLOWS OF RESOURCES           Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162	Net pension liability		18,540,615				20,089,500
Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162	Total liabilities	\$	39,006,566	\$	22,445,600	\$	61,452,166
Deferred inflows related to pensions         \$ 268,900         \$ -         \$ 268,900           Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162							
Deferred inflows related to OPEB         243,743         18,679         262,422           Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162		¢.	269,000	d.		ď	269,000
Deferred inflows from lease resources         201,159         -         201,159           Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162		<b>3</b>		Э	19 670	Э	
Total deferred inflows         \$ 713,802         \$ 18,679         \$ 732,481           NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162					18,679		
NET POSITION           Net investment in capital assets         \$ 63,600,446         \$ 27,627,567         \$ 91,228,013           Restricted for:         Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         2,363,122           Unrestricted         7,769,310         2,862,852         10,632,162		Φ.		Ф.	19.670	Ф.	
Net investment in capital assets       \$ 63,600,446       \$ 27,627,567       \$ 91,228,013         Restricted for:       Pension obligation       501,824       - 501,824         Library       150,000       - 150,000         Debt service       399,212       880,864       1,280,076         Building department       2,365,240       - 2,365,240         Law enforcement       5,404       - 5,404         Multimodal improvements       263,122       - 263,122         Unrestricted       7,769,310       2,862,852       10,632,162	Total deferred inflows	<b>3</b>	/13,802	3	18,079	3	/32,481
Net investment in capital assets       \$ 63,600,446       \$ 27,627,567       \$ 91,228,013         Restricted for:       Pension obligation       501,824       - 501,824         Library       150,000       - 150,000         Debt service       399,212       880,864       1,280,076         Building department       2,365,240       - 2,365,240         Law enforcement       5,404       - 5,404         Multimodal improvements       263,122       - 263,122         Unrestricted       7,769,310       2,862,852       10,632,162	NET POSITION						
Pension obligation         501,824         -         501,824           Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162	Net investment in capital assets	\$	63,600,446	\$	27,627,567	\$	91,228,013
Library         150,000         -         150,000           Debt service         399,212         880,864         1,280,076           Building department         2,365,240         -         2,365,240           Law enforcement         5,404         -         5,404           Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162	•						
Library     150,000     -     150,000       Debt service     399,212     880,864     1,280,076       Building department     2,365,240     -     2,365,240       Law enforcement     5,404     -     5,404       Multimodal improvements     263,122     -     263,122       Unrestricted     7,769,310     2,862,852     10,632,162	Pension obligation		501,824		-		501,824
Building department       2,365,240       -       2,365,240         Law enforcement       5,404       -       5,404         Multimodal improvements       263,122       -       263,122         Unrestricted       7,769,310       2,862,852       10,632,162	Library		150,000		-		150,000
Building department       2,365,240       -       2,365,240         Law enforcement       5,404       -       5,404         Multimodal improvements       263,122       -       263,122         Unrestricted       7,769,310       2,862,852       10,632,162					880,864		
Law enforcement       5,404       -       5,404         Multimodal improvements       263,122       -       263,122         Unrestricted       7,769,310       2,862,852       10,632,162	Building department				´-		
Multimodal improvements         263,122         -         263,122           Unrestricted         7,769,310         2,862,852         10,632,162	· .				-		5,404
Unrestricted 7,769,310 2,862,852 10,632,162	Multimodal improvements		263,122		-		
	Unrestricted				2,862,852		
	Total net position	\$		\$	31,371,283	\$	106,425,841

#### CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2022

Net (Expense) Revenue and **Program Revenues Changes in Net Position** Operating Capital Grants and Grants and Governmental Charges for Business-type Functions/Programs **Expenses** Services Contributions Contributions Activities Activities Total Governmental activities: General government 5,409,041 \$ 7,662,168 \$ 38,076 \$ 2,291,203 \$ 2,291,203 Public safety 8,976,999 2,193,042 (6,783,957)(6,783,957)Public works 20,000 58,913 5,335,610 1,335,906 1,335,906 4,078,617 29,810 Culture and recreation 4,564,275 1,227,300 (3,307,165)(3,307,165)Interest on long-term debt 653,466 (653,466)(653,466)23,682,398 11,102,510 126,799 5,335,610 (7,117,479)Total governmental activities (7,117,479)Business-type activities: Wastewater 6,429,399 7,603,558 1,174,159 1,174,159 Reclaimed water 1,036,352 1,138,263 (101,911)(101,911)Stormwater 384,414 891,691 1,276,105 384,414 Total business-type activities 8,459,353 9,916,015 1,456,662 1,456,662 32,141,751 \$ 21,018,525 126,799 \$ 5,335,610 (7,117,479)1,456,662 (5,660,817) Total primary government General revenues: Property taxes 10,990,637 10,990,637 Sales taxes 2,151,663 2,151,663 Utility taxes 1,947,172 1,947,172 Other taxes 427,408 427,408 Franchise fees 1,753,502 1,753,502 Other intergovernmental revenues-not restricted for specific programs 348,272 348,272 Investment earnings 160,979 32,217 193,196 Miscellaneous revenues 165,187 165,187 32,217 Total general revenues 17,944,820 17,977,037 Change in net position 10,827,341 1,488,879 12,316,220 Net position - beginning of year 64,227,217 29,882,404 94,109,621 Net position - end of year 75,054,558 31,371,283 106,425,841

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

#### CITY OF ST. PETE BEACH, FLORIDA BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2022

	G	eneral Fund	A	RPA Fund		Capital Fund		Nonmajor overnmental Funds	G	Total overnmental Funds
ASSETS										
Cash and investments	\$	14,725,630	\$	4,726,205	\$	6,794,470	\$	3,621,605	\$	29,867,910
Receivables, net		634,514		-		98		364		634,976
Lease Receivable		317,907		-		-		-		317,907
Due from other governments		750,910		-		864,079		-		1,614,989
Prepaid items		158,842		-		-		7,198		166,040
Total assets	\$	16,587,803	\$	4,726,205	\$	7,658,647	\$	3,629,167	\$	32,601,822
LIABILITIES										
Accounts payable and accrued liabilities	\$	996,149	\$	-	\$	439,266	\$	78,581	\$	1,513,996
Customer deposits		43,884		-		29,846		138,240		211,970
Unearned revenue		111,247		-		-		-		111,247
Due to other funds		294,338								294,338
Total liabilities		1,445,618		-	_	469,112	_	216,821		2,131,551
Deferred Inflows of Resources										
Deferred Inflows from Lease Resources	\$	201,159		_		_		_	\$	201,159
Total Deferred Inflows of Resources		201,159		-		-		-		201,159
FUND BALANCES										
Nonspendable:										
Prepaid items		158,842		-		-		7,198		166,040
Restricted:										
Pension obligation		501,824		-		-		-		501,824
Library		150,000		-		-		-		150,000
Debt service		-		-		399,212		2 2 6 5 2 4 0		399,212
Building department		-		-		-		2,365,240		2,365,240
Law enforcement		-		-		-		5,404		5,404
Transportation improvements Assigned:		-		-		-		263,122		263,122
Capital improvement projects				4,726,205		6,790,323		_		11,516,528
Fleet				4,720,203		0,770,323		771,382		771,382
Subsequent year's budget		346.015		_		_		771,362		346,015
Coastal vulnerabilities		10,619,952		_		_		_		10,619,952
Unassigned		3,164,393		_		_		_		3,164,393
Total fund balances		14,941,026		4,726,205		7,189,535	-	3,412,346		30,269,112
Total liabilities, deferred inflows and fund balances	\$	16,587,803	\$	4,726,205	\$	7,658,647	\$	3,629,167	\$	32,601,822

## CITY OF ST. PETE BEACH, FLORIDA RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION SEPTEMBER 30, 2022

Fund balances - total governmental funds		\$ 30,269,112
Amounts reported for governmental activities in the statement of activities are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Total governmental capital assets Less: accumulated depreciation	106,814,380 (31,805,367)	75,009,013
On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.  Net pension liability  Deferred outflows related to pensions	(18,540,615) 7,048,051	
Deferred inflows related to pensions	(268,900)	(11,761,464)
On the governmental fund statements, a total OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's total OPEB liability is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to OPEB are also reported.		
Total OPEB liability	(405,578)	
Deferred outflows related to OPEB  Deferred inflows related to OPEB	116,040	(522 201)
Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities, deferred outflows, and other debt-related deferred charges consist of the following:  Bonds and notes payable  Leases payable	(243,743) (17,064,712) (308,567)	(533,281)
Accrued interest payable	(130,920)	(17.000.000)
Compensated absences	(424,623)	(17,928,822)
Net position of governmental activities		\$ 75,054,558

## CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>General</u>		ARPA Fund	Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds	
Revenues		1.5.002.005	Φ.	0 1 206 105	Φ.	4.5.55.202	
Taxes	\$	15,883,885	\$ -	\$ 1,386,497	\$ -	\$ 17,270,382	
Permits and fees		2,172,955	4 001 604	522.026	1,250,004	3,422,959	
Intergovernmental		2,806,223	4,801,684	533,926	-	8,141,833	
Charges for services Investment income		6,027,945 110,044	11.718	26,692	12.525	6,027,945 160,979	
Miscellaneous		185,466	11,/18	10,000	12,323	,	
			4 912 402		1 2(2 520	195,466	
Total revenues		27,186,518	4,813,402	1,957,115	1,262,529	35,219,564	
Expenditures							
Current:							
General government		4,790,668	87,197	-	1,175,594	6,053,459	
Public safety		7,934,384	-	-	-	7,934,384	
Public works		1,784,285	-	197,429	-	1,981,714	
Culture and recreation		3,669,959	-	-	-	3,669,959	
Capital outlay		250,720	-	4,334,235	275,023	4,859,978	
Debt service:							
Principal retirement		372,934	-	387,922	-	760,856	
Interest and fiscal charges		179,614		472,540		652,154	
Total expenditures		18,982,564	87,197	5,392,126	1,450,617	25,912,504	
Excess (deficiency) of revenues over							
(under) expenditures		8,203,954	4,726,205	(3,435,011)	(188,088)	9,307,060	
Other financing sources (uses)							
Transfers in		-	-	5,550,189	282,190	5,832,379	
Transfers out		(5,832,379)				(5,832,379)	
Total other financing sources (uses)		(5,832,379)	-	5,550,189	282,190	-	
Net change in fund balances		2,371,575	4,726,205	2,115,178	94,102	9,307,060	
Fund balances, beginning of year		12,569,451	-	5,074,357	3,318,244	20,962,052	
Fund balances, end of year	\$	14,941,026	\$ 4,726,205	\$ 7,189,535	\$ 3,412,346	\$ 30,269,112	

# CITY OF ST. PETE BEACH, FLORIDA RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2022

Net change in fund balances - total governmental funds	\$ 9,307,060
Differences in amounts reported for governmental activities in the statement of activities are	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives	
Capital outlay expenditures	4,859,978
Depreciation expense	(3,443,163)
Contributed capital assets and adjustments	4,016
Bond and loan proceeds are reported as financing sources in the governmental funds. However	
the issuance of debt is reported as long-term debt payable in the statement of net position	
Repayment of bond and note principal is an expenditure in the governmental funds, bu	
the repayment of debt principal reduces long-term liabilities in the statement of net position	
These amounts are as follows:	
Principal repayment of general long-term deb	760,856
Governmental funds report contributions to defined benefit pension plans as expenditures	
However, in the Statement of Activities, the amount contributed to defined benefit pension plans	
reduces future net pension liability. Also included in pension expense in the Statement of Activities are amounts required to be amortized.	
Change in net pension liability and deferred inflows/outflows related to pensions	(708,657)
Under the modified accrual basis of accounting used in the governmental funds, expenditures	
are not recognized for transactions that are not normally paid with expendable available	
financial resources. In the statement of activities, however, which is presented on the accrua	
basis, expenses and liabilities are reported regardless of when financial resources are available	
In addition, interest on long-term debt is not recognized under the modified accrual basis of	
accounting until due, rather than as it accrues. These adjustments are as follows:	
Change in accrued interest on long-term debt	(1,313)
Change in compensated absences liability	25,320
Change in total OPEB liability	23,244
Change in net position of governmental activities	\$ 10,827,341

### CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budget	ed Amounts		Variance with Final Budget -	
	Original	Final	Actual	Positive (Negative)	
REVENUES		. 15.545.130	6 15 002 005		
Taxes Permits and fees	\$ 15,545,138 1,471,935	\$ 15,545,138 1,471,935	\$ 15,883,885 2,172,955	\$ 338,747 701,020	
Intergovernmental	2,686,155	2,686,155	2,806,223	120,068	
Charges for services	5,064,140	5,064,140	6,027,945	963,805	
Investment income	22,200	22,200	110,044	87,844	
Miscellaneous	25,000	25,000	185,466	160,466	
Total revenues	24,814,568	24,814,568	27,186,518	2,371,950	
EXPENDITURES Current: General Government					
Charter Officers Department					
Elected Officials Division	118,192	151,004	119,712	31,292	
City Clerk Division	328,346	331,856	295,759	36,097	
City Manager Division Manager's Office	519 022	524 022	520 215	2 917	
Planning	518,932 505,534	534,032 559,859	530,215 396,731	3,817 163,128	
Facilities	556,100	607,613	429,280	178,333	
Total City Manager's Division	1,580,566	1,701,504	1,356,226	345,278	
Legal Division	520,000	520,000	442,080	77,920	
Total Charter Officers Department	2,547,104	2,704,364	2,213,777	490,587	
Administrative Services Department					
Finance Division	808,070	823,819	750,299	73,520	
Information Technology Division Total Administrative Services Department	453,447 1,261,517	471,700 1,295,519	413,531 1,163,830	58,169 131,689	
Community Development Department	1,201,317	1,293,319	1,103,630	131,009	
Transportation Division	1,648,605	1,670,508	1,659,509	10,999	
Code Enforcement Division	209,216	241,577	182,832	58,745	
Total Community Development Department	1,857,821	1,912,085	1,842,341	69,744	
Total General Government	5,666,442	5,911,968	5,219,948	692,020	
Public Safety					
Law Enforcement Department	2,883,065	2,883,065	2,967,114	(84,049)	
Fire Department					
Fire Suppression Division	2,767,703	2,849,844	2,766,225	83,619	
EMS Division	2,245,026	2,253,739	2,201,045	52,694	
Total Fire Department	5,012,729	5,103,583	4,967,270	136,313	
Total Public Safety	7,895,794	7,986,648	7,934,384	52,264	
Public Works					
Public Works Department	(11.040	600 402	5(0.102	112 200	
Administration Division Streets Division	611,940 1,196,900	680,483 1,182,443	568,193 786,812	112,290 395,631	
Total Public Works Department	1,808,840	1,862,926	1,355,005	507,921	
Total Fuolic Works Department	1,000,040	1,002,720	1,333,003	307,721	
Culture and Recreation Library Department Parks and Recreation Department	716,356	725,593	632,546	93,047	
Parks Division	1,127,636	1,163,854	1,156,691	7,163	
Beaches Division	358,000	341,131	288,838	52,293	
Recreation Division	1,608,636	1,631,394	1,591,883	39,511	
Total Parks and Recreation Department	3,094,272	3,136,380	3,037,413	98,967	
Total Culture and Recreation	3,810,628	3,861,973	3,669,959	192,014	
Capital outlay Debt service:	372,800	560,800	250,720	310,079	
Principal retirement	372,934 179,615	372,934 179,615	372,934 179,614	- ,	
Interest and fiscal charges		177,013		1 754 200	
Total expenditures	20,107,053	20,736,864	18,982,564	1,754,300	
Excess of revenues over expenditures	4,707,515	4,077,704	8,203,954	4,126,250	
Other financing sources (uses)	(4.922.100)	(5 922 270)	(5.022.270)		
Transfers out Total other financing sources (uses)	(4,832,190)	(5,832,379)	(5,832,379)		
Net change in fund balances	(124,675)	(1,754,675)	2,371,575	4,126,250	
Fund balances, beginning of year	12,569,451	12,569,451	12,569,451	-	
Fund balances, end of year	\$ 12,444,776	\$ 10,814,776	\$ 14,941,026	\$ 4,126,250	

Note:

Law enforcement expenditures reflect recent changes to the Police Pension actuarial valuation process. Previously, employer contributions were projected one year in advance for budget planning purposes. The contribution rate is now determined on a current year basis, which will require management to estimate and, if needed, amend budgetary contribution expenditures. Net of the \$96,468 pension contribution, law enforcement expenditures were in budgetary compliance.

## CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - AMERICAN RESCUE PLAN ACT FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts						Variance with Final Budget - Positive	
	Or	iginal	Final		Actual		(Negative)	
REVENUES								
Intergovernmental	\$	-	\$	4,801,684	\$	4,801,684	\$	- -
Investment income		-				11,718		11,718
Total revenues				4,801,684		4,813,402		11,718
EXPENDITURES								
Current:				100 000		97.107		12 002
General Government		-		100,000		87,197	1	12,803
Capital outlay:		-		4,701,684		97 107		711,684
Total expenditures				4,801,684		87,197	4	,714,487
Net change in fund balances	-		-			4,726,205	4	-,726,205
Fund balances, beginning of year		-		-		-		-
Fund balances, end of year	\$	-	\$		\$	4,726,205	\$ 4	,726,205

#### CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF NET POSITION PROPRIETARY FUNDS SEPTEMBER 30, 2022

	Business-type Activities - Enterprise Funds							
				Reclaimed				
		Wastewater		Water	S	tormwater		Total
ASSETS	_						_	
Cash and investments	\$	1,106,624	\$	545,371	\$	1,227,065	\$	2,879,060
Accounts receivable, net		1,263,454		140,076		33,152		1,436,682
Due from other governments		457,555		14,099		20,122		491,776
Inventories		28,522		-		9 244		28,522
Prepaid items		7,224		6,624		8,244		22,092
Restricted current assets								
Cash and investments		754,082		-		226,260		980,342
Total current assets		3,617,461		706,170		1,514,843		5,838,474
Noncurrent assets:								
Capital assets:		210 117						210 117
Land Building and improvements		310,117 749,747		-		-		310,117 749,747
Infrastructure		42,744,274		12,856,190		5,793,397		61,393,861
Machinery and equipment		1,056,227		68,512		67,146		1,191,885
Intangibles		48,930		00,512		112,698		161,628
Construction in progress		312,095		_		-		312,095
Accumulated depreciation		(9,288,886)		(6,804,042)		(647,370)		(16,740,298)
Total capital assets, net		35,932,504		6,120,660		5,325,871		47,379,035
Total noncurrent assets		35,932,504		6,120,660		5,325,871		47,379,035
		,,		-, -,		- , ,		.,,
Total assets	\$	39,549,965	\$	6,826,830	\$	6,840,714	\$	53,217,509
			_		_			
DEFERRED OUTFLOWS OF RESOURCES	3							
Deferred outflows related to pensions	\$	315,725	\$	72,631	\$	220,805	\$	609,161
Deferred outflows related to OPEB		3,910		1,580		3,402		8,892
Total deferred outflows	\$	319,635	\$	74,211	\$	224,207	\$	618,053
LIABILITIES								
Current liabilities:								
Accounts payable and accrued liabilities	\$	1,086,886	\$	88,958	\$	21,176	\$	1,197,020
Compensated absences		7,047		-		4,818		11,865
Payable from restricted assets:		c= c o c t				• • • • • • •		
Current maturities on long-term debt		676,864		-		204,000		880,864
Accrued interest payable		77,218		- 00.050		22,260		99,478
Total current liabilities		1,848,015		88,958		252,254		2,189,227
Non assument lightliting.								
Noncurrent liabilities: Bonds and notes payable, net	\$	17,064,023	\$		\$	1,607,000	¢	18,671,023
Compensated absences	Ф	2,993	Ф	-	Ф	2,393	Ф	5,386
Total OPEB liability		13,663		5,523		11,893		31,079
Net pension liability		802,778		184,675		561,432		1,548,885
Total noncurrent liabilities		17,883,457		190,198		2,182,718		20,256,373
		17,000,107		1,0,1,0		2,102,710		20,200,070
Total liabilities	\$	19,731,472	\$	279,156	\$	2,434,972	\$	22,445,600
	=	12,701,.72		277,100		2, 10 1,7 7 2		22,::2,000
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows related to OPEB	\$	8,212	\$	3,319	\$	7,148	\$	18,679
Total deferred inflows	\$	8,212	\$	3,319	\$	7,148	\$	18,679
Total deferred lillions	Ψ	0,212	Ψ	3,317	Ψ	7,170	Ψ	10,079
NET POSITION								
Net investment in capital assets	\$	17,992,036	\$	6,120,660	\$	3,514,871	\$	27,627,567
Restricted for debt service	~	676,864	4	-,,	4	204,000	4	880,864
Unrestricted		1,461,016		497,906		903,930		2,862,852
Total net position	\$	20,129,916	\$	6,618,566	\$	4,622,801		31,371,283
•					_		_	

# CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

**Business-type Activities - Enterprise Funds** Reclaimed Wastewater Water Stormwater **Total Operating revenues** \$ Charges for services 1,019,729 9,832,163 7,539,279 1,273,155 Other revenues 64,279 16,623 2,950 83,852 Total operating revenues 7,603,558 1,036,352 1,276,105 9,916,015 **Operating expenses** Personnel services 635,671 156,587 459,596 1,251,854 Contractual and other services 5,394,440 4,476,243 733,604 184,593 Depreciation 1,210,857 248,072 192,116 1,651,045 Total operating expenses 6,322,771 1,138,263 836,305 8,297,339 **Operating income** 1,280,787 (101,911)439,800 1,618,676 Nonoperating revenues (expenses) 933 3,361 27,923 Interest earnings 32,217 Interest and amortization expense (106,628)(162,014)(55,386)(105,695)3,361 (27,463) (129,797)Total nonoperating revenues (expenses) **Income (loss) before contributions** and transfers 1,175,092 (98,550)412,337 1,488,879 412,337 Change in net position 1,175,092 (98,550)1,488,879 Net position, beginning of year 18,954,824 6,717,116 4,210,464 29,882,404 Net position, end of year 20,129,916 4,622,801 31,371,283 6,618,566

#### CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-type Activities - Enterprise Funds							
			J	Reclaimed				
		Wastewater		Water	S	tormwater		Total
Cash flows from operating activities								
Cash received from customers	\$	8,371,151	\$	1,037,633	\$	1,503,979	\$	10,912,763
Cash paid to employees	Ψ	(360,927)	Ψ	(95,235)	Ψ	(255,587)	Ψ	(711,749)
Cash paid to suppliers		(5,846,321)		(700,863)		(342,336)		(6,889,520)
Net cash provided by operating activities		2,163,903		241,535		906.056		3,311,494
Net easil provided by operating activities	-	2,103,903		271,333	_	700,030	_	3,311,777
Cash flows from capital and related financing activi	ities							
Acquisition and construction of capital assets		(3,328,884)		(883,066)		(442,988)		(4,654,938)
Principal payments of long-term debt		(457,116)		-		(198,000)		(655,116)
Proceeds from issuance of long-term debt		2,510,585		-		-		2,510,585
Interest paid		(105,520)		-		(57,823)		(163,343)
Net cash provided by (used in) capital								
and related financing activities		(1,380,935)		(883,066)		(698,811)		(2,962,812)
Cash flows from investing activities								
Interest received		933		3,361		27,923		32,217
Net cash provided by (used in)		733		3,301		21,723		32,217
investing activities		933		3,361		27,923		32,217
Net change in cash and cash equivalents		783,901		(638,170)		235,168		380,899
Thet change in easir and easir equivalents		705,701		(030,170)		255,100		300,077
Cash and cash equivalents, beginning of year		1,076,805		1,183,541		1,218,157		3,478,503
Cash and cash equivalents, end of year	\$	1,860,706	\$	545,371	\$	1,453,325	\$	3,859,402
Cash and cash equivalents classified as:								
Unrestricted	\$	1,106,624	\$	545,371	\$	1,227,065	\$	2,879,060
Restricted	Ψ	754,082	Ψ	545,571	Ψ	226,260	Ψ	980,342
Total cash and cash equivalents	\$	1,860,706	\$	545,371	\$	1,453,325	\$	3.859.402
1	Ť	-,000,000	Ť		Ť	-,,	Ť	-,,,,,,,
Reconciliation of operating income to net								
cash provided by operating activities:	Φ.	1 200 505	•	(101 011)	Ф	420.000	Φ	1 (10 (7)
Operating income	\$	1,280,787	\$	(101,911)	\$	439,800	\$	1,618,676
Adjustments to reconcile net operating income								
to net cash provided by operating activities:		1 210 957		249.072		102.116		1 (51 045
Depreciation		1,210,857		248,072		192,116		1,651,045
Changes in assets and liabilities:		(255,002)		2 679		227 974		(24.450)
Accounts receivable		(255,002)		2,678		227,874		(24,450)
Due from other governments Inventories		1,022,595		(1,397)		-		1,021,198
		1,827		(5.772)		(6.174)		1,827
Prepaid items		(4,242)		(5,773)		(6,174)		(16,189)
Accounts payable and accrued liabilities		(1,367,663)		38,514		(151,569)		(1,480,718)
Compensated absences		2,043		(1,611)		2,276		2,708
Net pension liability		280,538		62,805		203,306		546,649
Total OPEB liability	•	(7,837)	•	158	•	(1,573)	Ф.	(9,252)
Net cash provided by operating activities	\$	2,163,903	\$	241,535	\$	906,056	\$	3,311,494

# CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS SEPTEMBER 30, 2022

	 Pension Trust Funds
ASSETS	
Cash and cash equivalents with trustee	\$ 582,000
Total cash and cash equivalents	582,000
Receivables	
Due from general fund	294,338
Interest and dividends receivable	7,317
Total receivables	301,655
Investments, at fair value Government agency obligations	574,568
Asset-backed securities and collateralized obligations	154,437
Corporate bonds	670,620
Fixed-income mutual funds	12,338,111
Equities - common stock	1,674,261
Equities - mutual funds	24,453,272
Real estate funds	2,122,239
Total investments	 41,987,508
Total assets	\$ 42,871,163
LIABILITIES	
Accounts payable	\$ 64,803
Total liabilities	\$ 64,803
NET POSITION	
Restricted for pensions	\$ 42,806,360

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

# CITY OF ST. PETE BEACH, FLORIDA STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

## FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Pension Trust Funds
Additions	
Contributions:	
Employer	\$ 1,481,415
Plan members	279,351
State - insurance premium taxes	301,048
Total contributions	2,061,814
Investment earnings	
Net appreciation (depreciation) in fair value of investments	(10,096,696)
Interest and dividends	1,301,060
Total investment earnings	(8,795,636)
Less: investment expense	(127,508)
Net investment income (loss)	(8,923,144)
Total additions	(6,861,330)
Deductions	
Benefit payments and refunds	3,928,016
Administrative expenses	173,311
Total deductions	4,101,327
Change in net position	(10,962,657)
Net position restricted for pensions, beginning of year	53,769,017
Net position restricted for pensions, end of year	\$ 42,806,360

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

## **NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

## Financial reporting entity

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

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

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

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

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

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

## NOTE A – CONTINUED

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

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

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

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

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

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

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

## NOTE A – CONTINUED

#### **Governmental Funds**

The City reports three major governmental funds:

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

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

## **Proprietary Funds**

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

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

## NOTE A – CONTINUED

## **Fiduciary Funds**

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

## **Budgetary Accounting**

Annual budgets are adopted by fund and department for the following funds: General, Multimodal, Building, Fleet, American Rescue Plan Act (ARPA), Capital, Wastewater, Reclaimed Water, and Stormwater. The City's only legally adopted major governmental funds are the General, ARPA and Capital funds. For the purpose of financial reporting, the Multimodal, Building and Fleet Funds are reflected in non-major fund totals. Non-major funds also include the Police Confiscation fund, which is not legally adopted. Budgetary comparison statements are presented in the basic financial statements for the General Fund and ARPA fund. Budgetary comparison schedules are presented as supplementary information for the Capital, Building, Multimodal, and Fleet funds.

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

#### **Balance Sheet / Statement of Net Position Disclosures**

## **Definition of cash equivalents**

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

#### Valuation bases

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

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

## NOTE A – CONTINUED

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

In instances where inputs used to measure fair value fall into different levels in the above hierarchy, measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Investments that are measured at fair value using the net asset value per share (NAV) – or its equivalent – are not classified in the fair value hierarchy as a practical expedient and are instead reported at amortized cost Demand deposits, money market deposits, and certificates of deposit are likewise valued on an amortized cost basis. Investment assets held in the City's Pension Trust Funds are recorded at fair value. Note B discloses the inputs used to determine fair value of the pension funds' investments.

## **Inventories and prepaid items**

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

## Capital asset accounting policies

Capital assets, which include land and land rights, buildings and other land improvements, furniture, machinery and equipment, infrastructure and intangible assets are reported in the applicable governmental or business-type activity in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of \$5,000 (increased from \$2,500 for previous fiscal years per Ordinance 2022-11) or more and an estimated useful life in excess of one year. These assets are capitalized at historical cost or estimated historical cost if actual cost information is not available. Additions, improvements and other capital outlays that significantly extend the useful life of the asset are also capitalized.

#### **NOTE A – CONTINUED**

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

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

#### **Deferred Outflows and Inflows**

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

#### **Net Position/Fund Balance**

#### Net Position:

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

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

#### Fund Balance:

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

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

## NOTE A – CONTINUED

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

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

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

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

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

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

<b>Governmental Funds</b>	<b>Enterprise Funds</b>
Restricted	Restricted
Committed	Unrestricted
Assigned	
Unassigned	

#### Property tax policy

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

## NOTE A – CONTINUED

## Compensated absence policy

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

#### Leases policy

Leases receivable—When engaged in long-term leasing activity as the lessor, the City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the Consumer Price Index (CPI) in effect at fiscal year end as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.
- The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

## NOTE A – CONTINUED

Adoption of New Governmental Accounting Standards Board (GASB) Pronouncements

During the fiscal year ended September 30, 2022, the City implemented the following GASB Pronouncements:

GASB Statement No. 87, Leases

Issued in June 2017, this Statement is to improve the accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of

information about governments' leasing activities. See the lease receivable footnote in Note B for further information.

GASB Statement No. 92, Omnibus 2020 Issued in January 2020, this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The City implemented this Statement for fiscal year September 30, 2022 as it clarifies application of the City's lease accounting.

GASB Statement No. 99, Omnibus 2022 Issued in April 2022, this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The City implemented this Statement for fiscal year ending September 30, 2022 as it clarifies application of the City's lease accounting

## NOTE B. DETAILED NOTE DISCLOSURES

## **Assets:**

#### **Cash and Investments**

City of St. Pete Beach:

As of September 30, 2022, the City of St. Pete Beach held the following cash and investment account balances:

	Value and maturity schedule							
	3 months or less:	3-6 months:	6-12 months:	1-2 years:	Total:	Percent of Total:	Measurement Basis:	Fair Value Observation Level
Account balances:								
Demand deposits	\$13,358,312	\$ -	\$ -	\$ -	\$13,358,312	39.6%	Amortized Cost	N/A
Money market deposits	22,129	-	-	-	22,129	0.1%	Amortized Cost	N/A
Certificates of deposit	2,007,229	3,521,569	2,513,321	-	8,042,119	23.8%	Amortized Cost	N/A
U.S. Treasuries	1,012,848	491,752	493,060	486,015	2,483,675	7.4%	Fair Value	1
Local Government Investment Pools: FL PRIME	6,156,022	-	-	-	6,156,022	18.2%	Amortized Cost	N/A
FL CLASS	2,152,610	-	-	-	2,152,610	6.4%	Amortized Cost	N/A
FL PALM	1,512,445	-	-	-	1,512,445	4.5%	Amortized Cost	N/A
	\$26,221,595	\$ 4,013,321	\$ 3,006,381	\$ 486,015	\$33,727,312	100%		

U.S. Treasuries were valued based on active market quoted prices from the City's custodian bank as of September 30, 2022. Demand deposits and certificates of deposit were covered by Federal Depository Insurance and held at Florida Qualified Public Depository ("QPD") financial institutions for collateralization. Credit ratings and weighted average maturities for the City's money market deposits and local government investment pool accounts are listed below:

Account name	Account type	Credit rating	Agency	Weighted average maturity September 30, 2022
Goldman Sachs Financial	Money Market Fund	AAAmmf	Fitch	11 days
Square Government Fund				
FL PRIME	Local Government Investment Pool	AAAm	Standard and Poor's	21 days
FL CLASS	Local Government Investment Pool	AAAm	Standard and Poor's	27 days
FL PALM	Local Government Investment Pool	AAAm	Standard and Poor's	26 days

## NOTE B – CONTINUED

Reconciliation to Statement of Net Position:

Assets:

Cash and investments 32,095,146

Restricted assets:

Restricted cash and investments 1,632,166

\$ 33,727,312

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

#### Authorized investments:

- Investment pools organized pursuant to Section 163.01 and 218.415 of the Florida Statutes
- Local Government Surplus Trust Fund
- Florida Municipal Investment Trust Funds
- SEC registered money market funds with the highest credit quality from a nationally recognized rating agency
- Interest-bearing time deposits or savings accounts in qualified public depositories
- Direct obligations of the U.S. Treasury
- Certificates, notes, bonds, or bills of the United States or other obligations of the United States or its agencies
- Obligations of government-sponsored corporations (instrumentalities)
- Collateralized mortgage obligations
- Bankers' Acceptance guaranteed by banking institutions with ratings of "AA" on long-term debt
- Commercial Paper (A1/P1 rated)
- Non-negotiable certificates of deposit and bank investment contracts
- Taxable or tax-exempt government bonds, notes or other obligations of investment grade quality
- Repurchase agreements with primary dealers

Interest rate risk: Fixed income securities expose the City to the risk of prevailing interest rate changes. The City's investment policy seeks to control for this risk by establishing a maximum maturity of five years. Management further addresses the risk by laddering investments to mature at regular intervals, providing for frequent reinvestment opportunities. Management's practice is to hold all securities to maturity, so that any fair value losses are not realized.

Concentration risk: Concentration risk refers to the risk of loss resulting from over-exposures to a specific security or asset class. The City's investment policy addresses concentration risk by requiring diversification, limiting investments in securities that have higher credit risks, investing in securities with varying maturities, and continuously maintaining a portion of the portfolio in liquid funds.

#### NOTE B - CONTINUED

Credit risk: Credit risk is the risk that a security or portfolio will lose value due to a real or perceived change in the ability of the issuer to fulfill its obligations. To mitigate the credit risk of individual securities, management invests only in the highest quality, generally limited to direct obligations of the U.S. Treasury. The City holds all demand deposit account and certificate of deposit account balances with collateralized qualified public depositories. The City maintains balances only in local government investment pools and money market funds with the highest credit quality ratings.

Custodial risk: Custodial risk refers to the possibility of the City being unable to recover funds from another party in the event of failure. The City's investment policy addresses this risk by requiring a third-party custodial safekeeping agreement that properly segregates securities on behalf of the City. All individual securities are held in the name of the City of St. Pete Beach.

Police Officers' Retirement System (Police Pension):

As of September 30, 2022, the Police Pension held the following cash and investment balances:

			Fair Value
	Fair Value	Percentage	Level
Cash and cash equivalents	\$ 118,733	0.8%	N/A
Equity mutual funds	8,309,931	55.2%	1
Fixed income mutual funds	6,628,467	44.0%	2
Total	\$ 15,057,131	100.0%	

The fair value of the Police Pension's deposits and investments as of September 30, 2022 was \$15,057,131.

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

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

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

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

## NOTE B - CONTINUED

Firefighters' Retirement System (Fire Pension):

As of September 30, 2022, the Firefighters' Pension held the following cash and investment balances:

			Fair Value
	Fair Value	Percentage	Level
Cash and cash equivalents	\$ 233,509	1.5%	N/A
Equity mutual funds	9,339,558	58.1%	1
Fixed income mutual funds	4,371,001	27.2%	2
Real estate investment fund	2,122,239	13.2%	1
Total	\$16,066,307	100.0%	

The fair value of the Firefighters' Pension's deposits and investments as of September 30, 2022 was \$16,066,307.

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

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

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

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

## NOTE B - CONTINUED

General Employees' Retirement System (General Pension):

As of September 30, 2022, the General Pension held the following cash and investment balances:

			Fair Value
	Fair Value	Percentage	Level
Cash and cash equivalents	\$ 229,758	2.0%	N/A
Fixed Income mutual funds	1,338,643		
Equity mutual funds	6,803,783	59.4%	1
Common stock	1,674,260	14.6%	1
Fixed income securities:			
U.S. government obligations	574,568	5.0%	1
Asset backed securities	154,437	1.3%	2
Corporate bonds	670,620	5.9%	2
Fixed income subtotal	1,399,625		
Total	\$11,446,069	100.0%	

The fair value of the General Pension's deposits and investments as of September 30, 2022 was \$11,446,069. Maturity schedules for the General Pension's fixed income securities are summarized below:

	Maturities by				
	Year				
2023	\$	181,766			
2024		589,378			
2025		271,107			
2026		174,004			
2027		101,767			
2028		71,299			
Remaining - combined		10,304			
Total	\$	1,399,625			

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

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

## **NOTE B - CONTINUED**

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

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

#### Receivable balances

The Gulf Blvd. electrical undergrounding project is funded by Pinellas County on a reimbursement basis. Capital Fund receivables include County reimbursements totaling \$533,926, reported in "due from other governments."

#### Utility billing:

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

- General Fund water utility service tax, included in "Receivables, net" on page 30: \$44,286
- Wastewater Fund service charges, included in "Accounts receivable, net" on page 36: \$1,092,668
- Reclaimed Water service charges, included in "Accounts receivable, net" on page 36: \$139,847

#### Allowance for doubtful accounts

Utility billing accruals include an allowance for doubtful accounts past 60 days delinquent. Allowances included the following significant items:

• General Fund water utility service tax: \$3,276

• Wastewater Fund charges for service: \$84,190

Reclaimed Water Fund charges for service: \$13,675

#### Leases Receivable

The City has ongoing lease agreements with third parties related to rentals of Paradise Grille and Merry Pier. The two leases were entered into with 5-year terms.

A summary of the City's activity surrounding leases receivable as of and for the year ending September 30, 2022 is a follows:

	Gei	neral Fund	 vernmental Activities
Leases Receivable	\$	317,907	\$ 317,907
Deferred Inflows Related to Leases		201,159	201,159

## NOTE B - CONTINUED

#### **Liabilities:**

## Payable balances

Significant payables included the following items included in the "Accounts payable and accrued liabilities" total for the Wastewater Fund on page 36:

• City of St. Petersburg wastewater treatment billing: \$723,815

Significant payables included the following items included in the "Accounts payable and accrued liabilities" total for the Capital Fund on page 30:

Street paving project: \$138,953

#### **Construction commitments**

Governmental funds included encumbrances of \$2,780,627 for the Gulf Blvd undergrounding project, to be paid from assigned balance in the Capital Fund.

#### Risk management

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

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

Public Risk Management of Florida is an intergovernmental pool that assumes the risk of loss for all participating members. Members are subject to additional premium assessments in the event the risk pool requires additional funding to satisfy all claims. The City of St. Pete Beach has not been assessed any additional insurance premiums for the year ended September 30, 2022 nor is management aware of contingent assessments. The City has not reduced insurance coverage from the prior year for any category of insurance risk. Settlement claims, if any, have not exceeded insurance coverage at any time for any of the past three fiscal years.

# NOTE C. CAPITAL ASSETS

	Balance Additions / 9/30/2021 Transfers in			eletions /		Balance 9/30/2022		
Governmental activities			-					
Non-depreciable assets:								
Capital projects in process	\$	7,726,676	\$	2,314,809	\$	880,620	\$	9,160,865
Land, land rights and improvements		4,836,311		-		-		4,836,311
Depreciable assets:								
Buildings and other improvements		21,935,327		66,543		-		22,001,870
Furniture, machinery and equipment		7,428,435		978,368		67,766		8,339,037
Infrastructure		60,117,393		2,384,895		25,991		62,476,297
Total at historical cost	\$	102,044,142	\$	5,744,615	\$	974,377	\$	106,814,380
Less accumulated depreciation for:	-		<del></del>					
Buildings and other improvements	\$	9,608,884	\$	644,634	\$	_	\$	10,253,518
Furniture, machinery and equipment		4,238,202		661,008		67,766		4,831,444
Infrastructure		14,608,875		2,137,521		25,991		16,720,405
Total accumulated depreciation	\$	28,455,961	\$	3,443,163	\$	93,757	\$	31,805,367
•							_	
Total governmental capital assets, net	\$	73,588,181	\$	2,301,452	\$	880,620	\$	75,009,013
<b>Business-type activities</b>								
Non-depreciable assets:								
Capital projects in process	\$	16,339,628	\$	77,205	\$	16,104,738	\$	312,095
Land, land rights and improvements		310,117		-		-		310,117
Depreciable assets:								
Buildings and other improvements		129,409		620,338		-		749,747
Furniture, machinery and equipment		1,322,268		55,911		24,666		1,353,513
Infrastructure		41,384,262		20,009,598		-		61,393,860
Total at historical cost	\$	59,485,684	\$	20,763,052	\$	16,129,404	\$	64,119,332
Less accumulated depreciation for:			·			<del></del>		
Buildings and other improvements	\$	41,788	\$	29,426	\$	_	\$	71,214
Furniture, machinery and equipment		803,643		87,247		21,289		869,601
Infrastructure		14,265,110		1,534,372		_		15,799,482
Total accumulated depreciation	\$	15,110,541	\$	1,651,045	\$	21,289	\$	16,740,297
	-	,-10,0.1	*	-,001,0.0	*	,=-,-	-	-,, <del>-</del> -, ,
Total business-type capital assets, net	\$	44,375,143	\$	19,112,007	\$	16,108,115	\$	47,379,035

## NOTE C – CONTINUED

Depreciation expense was charged as follows:

Governmental	activities:
--------------	-------------

General government	\$ 100,646
Public safety	307,863
Public works	2,040,200
Culture and recreation	994,454
	\$ 3,443,163
<b>Business-type activities:</b>	
Wastewater	1,210,857
Reclaimed Water	248,072
Stormwater	192,116
	\$ 1,651,045
Total depreciation expense	\$ 5,094,208

In accordance with GASB Statement #51 – "Accounting and Financial Reporting for Intangible Assets", the City includes intangible purchases as a capital asset in the category of "Furniture, machinery and equipment" and property easements are included within the category of "Land, land rights and improvements".

The City recorded \$4,017 in contributed capital assets and adjustments for the fiscal year ended September 30, 2022. This includes donated capital assets (e.g., library books), which are recorded at acquisition value.

## **NOTE D. PENSION**

## **Defined Benefit Plans:**

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

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

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

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

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

#### **Significant Accounting Policies**

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

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

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

#### **NOTE D – CONTINUED**

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

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

	Police Pension	Firefighters' Pension	General Pension
Inactive plan members or beneficiaries currently receiving benefits	28	31	77
Inactive plan members entitled to but not yet receiving benefits	4	7	49
Active plan members	0	33	30
Total	32	71	156

Benefits Provided:

#### **Police Pension**

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

## NOTE D - CONTINUED

- Plan members will not be able to enter the Deferred Retirement Option Program (DROP) effective February 1, 2013 except for Plan members who have attained age 55 or 25 years of credited service as of that date. Participation is not to exceed 60 months and the member can elect a rate of return equal to 7.5% annual rate or actual net rate of investment return credited each fiscal quarter. The DROP balance as of September 30, 2022 was \$0.
- Member contribution rates were lowered from 8.3% to 3% effective February 1, 2013 except for Plan members who have attained age 55 or 25 years of credited service as of that date who will continue to make contributions at 8.3%.

## Firefighters' Pension

- A freeze on all accrued benefits was implemented as of December 31, 2012 except for Plan members who have attained the earlier of age 55 or 25 years of credited service as of that date, regardless of age. Such members will accrue benefits on the frozen portion in accordance with the Plan provisions in effect prior to December 31, 2012, receiving 3.4% of their average final compensation times credited service.
- The normal retirement date for all Plan members that had not completed 10 years of credited service by January 1, 2013 such that the normal retirement date is the earlier of attaining age 55 or the completion of 30 years of credited service regardless of age. These members will receive 3.4% of their average final compensation times credited service.
- The maximum combined benefit is 100% of average final compensation. If a member's accrued benefit as of January 1, 2013 is greater than or equal to 75% of average final compensation, the benefit percentage may not be reduced.
- For members with frozen benefits, early retirement is the earlier of age 50 and 10 years of credited service or the completion of 20 years credited service, regardless of age. The benefit amount is the accrued benefit reduced by 3% for each year commencement of benefits precedes the normal retirement date. There is no early retirement for members without frozen benefits.
- A member becomes 100% vested after attaining 10 years of credited service and is 0% vested prior to attaining 10 years of credited service. The members will receive the vested portion of their accrued benefits payable at the otherwise normal retirement date. Pre-freeze members will continue to use the 10% per year vesting schedule.
- Members are eligible for total and permanent disability benefits after 10 years of credited service (for non-service incurred) or from the date of hire (for service-incurred). The benefits are accrued to the date of disability but not less than 42% of average final compensation for service-incurred disability.
- Pre-retirement death benefits for vested individuals is equal to the value of accrued benefits payable
  on a monthly basis to the beneficiary for 10 years. For non-vested members, member contributions
  are refunded.
- Retirees receive a 3% per year cost of living adjustment (COLA) commencing 7 years after retirement on any frozen benefits. There is no COLA for members without frozen benefits.
- Plan members will not be able to enter the Deferred Retirement Option Program (DROP) effective January 1, 2013 except for Plan members who have attained age 55 or 25 years of credited service as of that date. Participation is not to exceed 60 months and the member can elect a rate of return equal to 7.5% annual rate or the actual net rate of investment return credited each fiscal quarter. The DROP balance as of September 30, 2022 was \$112,951.
- Member contribution rates were increased from 3% to 11.9% effective September 30, 2017, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.

## NOTE D - CONTINUED

- Member contribution rates were increased from 11.9% to 12.1% effective September 30, 2018, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.
- Member contribution rates were increased from 12.1% to 13.0% effective September 30, 2019, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.
- Member contribution rates were increased from 13.0% to 13.5% effective September 30, 2020, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.
- Member contribution rates were decreased from 13.90% to 11.0% effective September 30, 2021, except for Plan members who have attained age 55 or 25 years of credited service as of February 1, 2013, who will continue to make contributions at 10.3%.
- City-funded benefit accrual rate increased from 2.25% to 2.75% as of October 1, 2020.

#### **General Pension**

- A freeze on all accrued benefits was implemented as of September 30, 2012 except for Plan members who have attained age 55 or 25 years of credited service as of that date, regardless of age. Such members will accrue benefits on the frozen portion in accordance with the Plan provisions in effect prior to September 30, 2012, receiving 2.25% of their average final compensation times credited service.
- The normal retirement date for members hired before October 1, 2002 is the earlier of age 55 or the completion of 25 years of credited service, regardless of age. For individuals hired after October 1, 2002, normal retirement is the earlier of age 60 with 10 years of credited service or the completion of 30 years credited service, regardless of age, and will receive 1.00% of average final compensation time-credited service earned on and after October 1, 2012.
- The maximum combined benefit is 75% of average final compensation.
- For members with frozen benefits, early retirement is age 50 and the completion of 10 years of credited service. The benefit amount is the accrued benefit reduced by 1/15th for each year that the commencement of payments precedes normal retirement. There is no early retirement for members without frozen benefits.
- A member becomes 10% vested after 1 year of credited service for frozen benefits and is 100% vested after attaining 10 years of credited service. Members without frozen benefits are 0% vested prior to attaining 10 years of credited service. A member will receive the vested portion of their accrued benefit payable at the otherwise normal retirement date or on a reduced basis beginning at early retirement.
- Members are eligible for total and permanent disability after 10 years of credited service. The benefit is accrued to the date of disability.
- Pre-retirement death benefits are equal to the value of the accrued benefit payable on a monthly basis to the designated beneficiary for 10 years.
- Retirees receive a 3% per year cost of living adjustment (COLA) on any frozen benefits after completing 10 years of retirement. There is no COLA for members without frozen benefits.
- Plan members will not be able to enter the Deferred Retirement Option Program (DROP) effective October 1, 2012 except for Plan members who have attained age 55 or 25 years of credited service as of that date. Participation is not to exceed 60 months and the member can elect a rate of return equal to 7.5% annual rate or the actual net rate of investment return credited each fiscal quarter. The DROP balance as of September 30, 2022 was \$(372).

## NOTE D – CONTINUED

- Member contribution rates were lowered from 7.6% to 3% effective February 1, 2013 except for Plan members who have attained age 55 or 25 years of credited service as of that date who will continue to make contributions at 7.6%.
- The General pension plan was closed to management, administrative, professional and supervisory (MAPS) employees effective December 1, 2020. All MAPS employees participate in the City's defined contribution money purchase retirement plan.
- The General pension plan was closed to all remaining eligible employees effective October 1, 2021. All employees previously eligible for the General pension plan participate in the City's defined contribution money purchase retirement plan.

## *Net Pension Liability:*

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

The City's pension liability recorded in the September 30, 2022 financial statements was measured as of September 30, 2022.

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

	Police	Firefighters'	General
	Pension	Pension	Pension
Projected salary increases	N/A	Service based	Service based
Inflation rate	2.5%	2.5%	2.3%
Discount rate	6.2%	7.40%	7.25%
Investment rate of return	6.2%	7.40%	7.25%
Mortality rate	PubS.H-2010 Combined Healthy Mortality Table, set forward one year  Disabled Lives 80% PubG.H- 2010,  20% PubS.H- 2010	PubS.H-2010 (below median) Combined Healthy Mortality Table, set forward one year  Disabled Lives 80% PubG.H-2010,  20% PubS.H-2010	Pub G.H-2010 (Below Median) (males-set back one year)  Disabled Lives PubG.H-2010, set forward three years

## NOTE D - CONTINUED

Actuarial changes from the prior year:

*General Pension*: For measurement date 09/30/22, the investment rate of return and discount rate was lowered from 7.50% to 7.25% per year, net of investment related expenses. The City's General Pension plan was closed to new employees hired on or after December 1, 2021. Newly hired employees will, instead, participate in the City's defined contribution retirement plan.

*Firefighters' Pension*: For measurement date 09/30/22, the investment rate of return and discount rate was lowered from 7.50% to 7.40% per year, net of investment related expenses.

#### **General Pension Plan:**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class included in the Plans' adopted target asset allocation policy as of September 30, 2022 are summarized in the following table:

Asset Class	Police	Police	Firefighters'	Firefighters'	General	General
	Pension	Pension	Pension	Pension	Pension	Pension
	Target	Expected	Target	Expected	Target	Expected
	Allocation	Return	Allocation	Return	Allocation	Return
Cash					1%	.74%
Domestic	45%	7.5%	50%	7.5%	58%	5.84%
Equity						
International	10%	8.5%	15%	8.5%	8%	4.48%
Equity						
Global Fixed	5%	3.5%	5%	3.5%	-	-
Income						
Broad Market	40%	2.5%	20%	2.5%	-	-
Fixed Income						
Fixed Income	-	-	-	-	24%	1.19%
Real Estate	-	-	10%	4.5%	5%	4.22%
Funds						
Emerging					4%	6.34%
Markets						

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

## NOTE D - CONTINUED

The annual money-weighted loss on Plan investments, including investment expense, for the year ended September 30, 2022 was:

Police Pension: -17.83%
Firefighters' Pension: -15.43%
General Pension: -17.80%

The discount rate used to measure the total pension liability was 6.2% for the Police Pension, 7.40% for the Firefighters' Pension and 7.25% for the General Pension. The projection of cash flows used to determine the discount rate assumed that plan member (employee) contributions will be made at the current contribution rate and that plan sponsor (employer) contributions will be made at rates equal to the difference between actuarially determined contribution rates and the plan member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## Net Pension Liability:

	Police Pension		Firefighters' Pension		General Pension
Total pension liability Plan fiduciary net position Net pension liability (asset)	\$  19,623,327 (15,146,119) 4,477,208	\$	26,042,397 (16,232,887) 9,809,510	\$	17,230,136 (11,427,354) 5,802,782
Net position as a percentage of total pension liability	77.18%		62.33%		66.32%

Change in Net Pension Liability: The change in the net pension liability for each pension plan for the year ended September 30, 2022 is as follows, with various differences noted in the ending plan fiduciary net position per the actuarial valuation versus the financial statements due to timing differences resulting from the accrual of income and expense items.

# NOTE D - CONTINUED

	Increase (Decrease)				
					et Pension
	Liability	N	let Position	Lial	bility (asset)
	(a)		(b)		(a-b)
Police Pension					
Beginning balance	\$ 19,549,229	\$	19,724,409	\$	(175,180)
Changes for the year:					
Interest	1,170,536		-		1,170,536
Difference between expected & actual experience	242,803		-		242,803
Changes of assumptions	-		-		-
Contributions - employer	-		96,073		(96,073)
Contributions - State	-		103,178		(103,178)
Net investment income	_		(3,398,253)		3,398,253
Benefit payments	(1,339,241)		(1,339,241)		-
Administrative expense	-		(40,047)		40,047
Net changes	74,098		(4,578,290)		4,652,388
Ending balance	\$ 19,623,327	\$	15,146,119	\$	4,477,208
	\$ 15,020,027	_	10,110,115		.,,200
Firefighters' Pension					
Beginning balance	\$ 24,512,586	\$	19,206,165	\$	5,306,421
Changes for the year:					
Service cost	517,903		-		517,903
Interest	1,827,119		-		1,827,119
Difference between expected & actual experience	43,221		-		43,221
Changes of assumptions	479,381		-		479,381
Changes of benefit terms	-		-		-
Contributions - State	-		197,869		(197,869)
Contributions - employer	-		926,368		(926,368)
Contributions - employees	-		251,262		(251,262)
Net investment income (loss)	-		(2,948,102)		2,948,102
Benefit payments	(1,337,813)		(1,337,813)		-
Administrative expense			(62,862)		62,862
Net changes	1,529,811		(2,973,278)		4,503,089
Ending balance	\$ 26,042,397	\$	16,232,887	\$	9,809,510
General Pension					
Beginning balance	\$ 16,710,917	\$	14,838,443	\$	1,872,474
Changes for the year:	+,,,, -,	-	- 1,00 0,1 10	-	-, -, -, -, -,
Service cost	69,441		_		69,441
Interest	1,211,616		_		1,211,616
Difference between expected & actual experience	48,526		_		48,526
Changes of assumptions	440,598		_		440,598
Changes of benefit terms	-		_		-
Contributions - State	_		_		_
Change of assumptions	_		_		_
Contributions - employer	_		458,974		(458,974)
Contributions - employees	_		28,089		(28,089)
Net investment income	_		(2,576,788)		2,576,788
Benefit payments	(1,250,962)		(1,250,962)		_,5 / 0, / 00
Administrative expense	(1,230,702)		(70,402)		70,402
Net changes	519,219	_	(3,411,089)		3,930,308
Ending balance	\$ 17,230,136	\$	11,427,354	\$	5,802,782
Liming balance	φ 17,430,130	φ	11,74/,334	φ	3,004,704

## NOTE D – CONTINUED

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

<b>Police Pension</b>	1% Decrease	Current Discount Rate	1% Increase
	(5.20%)	(6.20%)	(7.20%)
Net Pension Liability	\$6,650,042	\$4,477,208	\$2,652,908
Firefighters' Pension	1% Decrease	Current Discount Rate	1% Increase
	(6.40%)	(7.40%)	(8.40%)
Net Pension Liability	\$13,163,607	\$9,809,510	\$7,050,638
<b>General Pension</b>	1% Decrease	Current Discount Rate	1% Increase
	(6.25%)	(7.25%)	(8.25%)
Net Pension Liability	\$7,547,056	\$5,802,782	\$4,328,354

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

For the year ended September 30, 2022 the City recognized pension expense in the following amounts:

Police Pension	\$ 765,966
Firefighters' Pension	1,218,048
General Pension	 1,053,752
Total Pension expense	\$ 3,037,766

The City has reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions in the Statement of Net Position as of September 30, 2022 from the following sources:

	Deferred Outflows of Resources							
	Police Pension		Firefighters' Pension		General Pension		Total	
Net difference between projected and actual earnings on pension plan investments	\$	2,418,834	\$	2,415,848	\$	2,037,615	\$	6,872,297
Differences between expected and actual experience Change of assumptions		<u>-</u>		108,247 432,106		24,263 220,299		132,510 652,405
	\$	2,418,834	\$	2,956,201	\$	2,282,177	\$	7,657,212
	Deferred Inflows of Resources							
	Police Pension		Firefighters' Pension		General Pension		Total	
Net difference between projected and actual								
earnings on pension plan investments	\$	-	\$	-	\$	=	\$	-
Differences between expected and actual experience		-		148,688		-		148,688
Change of assumptions				120,212				120,212
	\$	-	\$	268,900	\$	-	\$	268,900

## NOTE D – CONTINUED

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

Year ended September 30,	Police	Firefighters'	General			
2023	\$ 499,886	\$ 573,339	\$ 755,052			
2024	445,355	501,207	416,406			
2025	556,678	630,711	379,042			
2026	916,915	982,044	731,677			
2027	_	_	-			

*Financial Statements:* The financial statements for each of the pension funds as of and for the year ended September 30, 2022 are as follows:

## Statement of Fiduciary Net Position September 30, 2022

	 Police	Fire		General		 Total
ASSETS						
Cash and cash equivalents with trustee	\$ 118,733	\$	233,509	\$	229,758	\$ 582,000
Receivables						
Due from State	-		197,870		-	197,870
City Contributions in Transit	96,468		-		-	96,468
Interest and dividends receivable	 		_		7,317	 7,317
Total receivables	96,468		197,870		7,317	301,655
Investments, at fair value:						
Government agency obligations	-		-		574,568	574,568
Asset-backed securities & collateralized obligations	-		-		154,437	154,437
Corporate bonds	-		-		670,620	670,620
Municipal Obligations	-		-		-	-
Fixed income mutual funds	6,628,467		4,371,001		1,338,643	12,338,111
Equities - common stock	-		-		1,674,261	1,674,261
Equities - mutual funds	8,309,931		9,339,558		6,803,783	24,453,272
Real estate funds	 		2,122,239			 2,122,239
Total investments	14,938,398		15,832,798		11,216,312	41,987,508
Total assets	\$ 15,153,599	\$	16,264,177	\$	11,453,387	\$ 42,871,163
LIABILITIES						
Accounts payable	\$ 7,480	\$	31,290	\$	26,033	\$ 64,803
NET POSITION						
Restricted for pensions	\$ 15,146,119	\$	16,232,887	\$	11,427,354	\$ 42,806,360

## NOTE D - CONTINUED

## Statement of Changes in Fiduciary Net Position For the Year Ended September 30, 2022

	Police	Fire	General	Total	
Additions					
Contributions:					
Employer	\$ 96,073	\$ 926,368	\$ 458,974	\$ 1,481,415	
Plan members	-	251,262	28,089	279,351	
State-insurance premium taxes	103,178	197,870		301,048	
Total contributions	199,251	1,375,500	487,063	2,061,814	
Investment earnings					
Net appreciation (depreciation) - fair value of investments	(3,802,435)	(3,392,174)	(2,902,087)	(10,096,696)	
Interest and dividends	432,882	491,068	377,110	1,301,060	
Total investment earnings	(3,369,553)	(2,901,106)	(2,524,977)	(8,795,636)	
Less: investment expense	(28,700)	(46,997)	(51,811)	(127,508)	
Net investment income (loss)	(3,398,253)	(2,948,103)	(2,576,788)	(8,923,144)	
Total additions	(3,199,002)	(1,572,603)	(2,089,725)	(6,861,330)	
Deductions					
Benefit payments and refunds	1,339,241	1,337,813	1,250,962	3,928,016	
Administrative expenses	40,047	62,862	70,402	173,311	
Total deductions	1,379,288	1,400,675	1,321,364	4,101,327	
Change in net position	(4,578,290)	(2,973,278)	(3,411,089)	(10,962,657)	
Net position restricted for pensions, beginning of year	19,724,409	19,206,165	14,838,443	53,769,017	
Net position restricted for pensions, end of year	\$ 15,146,119	\$ 16,232,887	\$ 11,427,354	\$ 42,806,360	

## **Defined Contribution Plans**

## **Money Purchase Retirement Plan**

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

## NOTE D - CONTINUED

Funding Policy: Pursuant to the DC Plan agreement, the City contributes 15% of eligible wages for the city manager, 12% of eligible wages for department directors, and 10% of eligible wages for all other participants. The City's total contribution for the year ended September 30, 2022 was \$304,630.

#### **Hybrid Money Purchase Retirement Plan**

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

Funding Policy: The City makes a matching contribution to the Hybrid Plan as follows: general employees with less than 14 years of credited service as of October 1, 2012 can contribute up to 5% of their earnings each year and the City will match 50% of the contribution percentage up to 2.5% of the employee's contribution; general employees with more than 14 years of credited service as of the effective date can contribute up to 5% of earnings and the City will match 75% of the contribution percentage up to 3.75% of the employee's contribution. The City's total contribution for the year ended September 30, 2022 was \$23,638.

Both the DC Plan and Hybrid Plan are administered by ICMA Retirement Corporation. ICMA Retirement Corporation issues financial statements and reports as well as required supplementary information. This information can be obtained by writing MissionSquare Retirement at 777 North Capitol Street NE, Washington, D.C. 20002-4240 or by calling 800-669-7400.

## NOTE E. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

## Other Post-Employment Benefits Plan

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

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

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

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

*Plan Membership*: At October 1, 2021, the date of the latest actuarial valuation, plan participation consisted of the following:

Active employees:	84
Inactive employees entitled to, but not yet receiving, benefits:	0
Inactive employees:	7
Total:	91

*Total OPEB Liability*: The City's total OPEB liability of \$436,657 was measured as of September 30, 2022 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs: The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Inflation:	3.00%
Salary inreases:	4.00%
Discount rate:	4.77%
Healthcare cost trend rate:	4.50%
Retirees' share of benefit-related costs:	100.00%

## NOTE E - CONTINUED

Actuarial changes from the prior year: The discount rate was increased from 2.43% to 4.77% to comply with GASB 75. The discount rate was based the S&P Municipal Bond 20 Year High Grade Rate Index as of September 30, 2022. The mortality assumption was changed from the PubS.H-20102 Mortality Table – Safety for firefighters and PubG.H-2010 Mortality Table – General for all others to PubS.H-2010 Safety with Mortality Improvement using Scale MP-2020 – for firefighters and PubG.H-2010 Mortality Table – General with Mortality Improvement using Scale MP-2020 for all others.

Changes in the OPEB liability for the fiscal year ended September 30, 2022, were as follows:

	 tal OPEB Liability
Balance at September 30, 2021	\$ 512,621
Changes for year:	
Service Cost	41,332
Interest	11,636
Differences between expected and actual experience	(14, 134)
Changes of assumptions and other inputs	(47,232)
Benefit payment - implicit rate subsidy	(67,566)
Net changes	 (75,964)
Balance at September 30, 2022	\$ 436,657

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

The following presents the total OPEB liability of the City calculated using the discount rate of 4.5%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.5%) or 1% higher (5.5%) than the current rate:

	1%	6 Decrease	Current Discount		Decrease Current Discount 1% Increas			6 Increase
		(3.5%)	Rate (4.5%)		(5.5%)			
						_		
Total OPEB Liability	\$	460,674	\$	436,657	\$	414,555		

## NOTE E - CONTINUED

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

The following presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (3.5%) or 1% higher (5.5%) than the current healthcare cost trend rates (4.5%):

	1%	Decrease	Curre	ent Discount	1% Increase			
_		(3.5%)	Ra	te (4.5%)		(5.5%)		
Total OPEB Liability	\$	407,649	\$	436,657	\$	469,860		

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

For the year ended September 30, 2022, the City recognized OPEB expense of \$35,063. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB expense from the following sources:

	Deferred Outflows of		_	Deferred iflows of
	R	esources	R	esources
Differences between expected and actual experience	\$	57,511	\$	139,553
Changes of assumptions		67,421		122,869
Total	\$	124,932	\$	262,422

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:	Oı	utflows	Inflows	Net
•	2023	\$	25,336	\$ (43,240)	\$ (17,904)
	2024		25,336	(43,240)	(17,904)
	2025		25,336	(43,240)	(17,904)
	2026		25,336	(43,240)	(17,904)
	2027		12,285	(33,508)	(21,223)
	Thereafter		11,303	(55,954)	(44,651)

## **NOTE F. LONG-TERM LIABILITIES**

Long-term debt activity for the fiscal year ended September 30, 2022 was as follows:

	Balance					E	Balance	Dι	ıe Within
	9/30/2021	I	ncreases	D	ecreases	9/	30/2022		ne year
Governmental Activities									
Capital Improvement Revenue Bonds, Series 2015	\$ 11,390,000	\$	-	\$	290,000	\$ 1	1,100,000	\$	305,000
Police Pension Obligation Revenue Bonds, Series 2019	6,337,646		-		372,934	:	5,964,712		383,824
Leases	406,489		-		97,922		308,567		100,349
Accumulated unused Compensated absences	449,943		311,508		336,828		424,623		276,478
	\$ 18,584,078	\$	311,508	\$	1,097,684	\$ 1	7,797,902	\$ 1	1,065,651
<b>Business-Type Activities</b>									
State Revolving Loan (2003)	\$ 37,150	\$	-	\$	18,448	\$	18,702	\$	18,702
State Revolving Loan (2005)	1,033,106		-		196,371		836,735		201,531
State Revolving Loan (2020)	10,460,162		2,510,585		-	12	2,970,747		211,536
Wastewater Utility System Refunding Revenue Bond (2020)	4,157,000		-		242,297		3,914,703		245,095
Stormwater Revenue Bond, Series 2015	2,009,000		-		198,000		1,811,000		204,000
Accumulated unused Compensated absences	14,543		13,922		11,214		17,251		11,865
	\$ 17,710,961	\$	2,524,507	\$	666,330	\$ 19	9,569,138	\$	892,729
Total	\$ 36,295,039	\$	2,836,015	\$	1,764,014	\$ 3	7,367,040	<b>\$</b> 1	1,958,380

Long-term debt for the governmental activities is comprised of the following as of September 30, 2022:

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

\$5,964,712

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

\$11,100,000

#### **NOTE F - CONTINUED**

<u>Lease (2021)</u>: The City leases a Fire pumper under a lease-purchase agreement that expires in June, 2025, with an interest rate of 2.45%. The lease terms require the City to pay any taxes, insurance and maintenance expenses related to the fire pumper. As of September 30, 2022, the present value of future minimum lease payments was:

\$308,567

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

\$424,623

Total Governmental Activities Long-Term Debt

\$17,797,902

Long-term debt for the business-type activities is comprised of the following as of September 30, 2022:

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

\$ 18,702

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

\$836,735

#### **NOTE F – CONTINUED**

State Revolving Loan (2020): The City entered into a revolving loan agreement with the State of Florida Department of Environmental Protection (DEP) on March 31, 2020, whereby DEP agreed to finance the construction of wastewater pollution control facilities. The agreement provided for a total amount of available loan proceeds of \$12,970,747. The loan is to be repaid in semi-annual installments of \$662,969, including interest at .22%, through May 15, 2043. The first payment is due June 15, 2023. The loan is secured by a lien on pledged revenues from the wastewater system after payment of operation and maintenance expenses.

\$12,970,747

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

\$1,811,000

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

\$3,914,703

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

\$17,251

Total Business-Type Activities Long Term Debt

\$19,569,138

## NOTE F – CONTINUED

The annual requirements to amortize the long-term debt for governmental activities bonds payables as of September 30, 2022, are as follows:

	Principal	Interest	Total
2023	\$ 688,824	614,035	1,302,859
2024	715,032	587,414	1,302,446
2025	741,567	559,711	1,301,278
2026	768,438	530,915	1,299,353
2027	790,657	508,018	1,298,675
2028-2032	4,354,417	2,146,980	6,501,397
2033-2037	3,995,777	1,393,699	5,389,476
2038-2042	2,940,000	797,950	3,737,950
2043-2045	2,070,000	173,250	2,243,250
	\$17,064,712	\$ 7,311,972	\$24,376,684

Lease	 Total
2023	107,994
2024	107,994
2025	107,994
	323,982
Less: interest	(15,415)
Present value of lease liability	\$ 308,567

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

		Acc	umulated	Book
	Cost	De	preciation	Value
Governmental-type ac	tivities:			
Fire Pumper	\$650,000	\$	57,778	\$592,222

## NOTE F - CONTINUED

The annual requirements to amortize the notes and bonds payable for business-type activities as of September 30, 2022, are as follows:

_	Principal	Interest	Total
2023	880,864	295,122	1,175,986
2024	1,303,905	289,317	1,593,222
2025	1,321,492	264,962	1,586,454
2026	1,338,608	239,888	1,578,496
2027	1,134,824	214,778	1,349,602
2028-2032	5,356,674	715,860	6,072,534
2033-2037	4,480,577	201,141	4,681,718
2038-2042	3,291,550	23,296	3,314,846
2043	443,392	789	444,181
	\$19,551,886	\$2,245,153	\$21,797,039

## **NOTE G. INTERFUND TRANSACTIONS**

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

	T	ransfers In	Tra	ansfers Out
General Fund	\$	-	\$	5,832,379
Capital Improvement Projects Fund		5,550,189		-
Fleet Fund		282,190		
	\$	5,832,379	\$	5,832,379

#### NOTE H. RECENT ACCOUNTING PRONOUNCEMENTS

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

- (a) GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements, in May 2020. GASB 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The provisions in GASB 96 are effective for periods beginning after June 15, 2022.
- (b) GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends the existing guidance related to the calculation and disclosures surrounding the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023.

# CITY OF ST. PETE BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS SEPTEMBER 30, 2022 (UNAUDITED)

Fiscal Year Ending September 30,	2022	2021	2020	2019	2018
Total OPEB Liability Service cost Interest Difference between actual and expected experience Assumption changes	\$ 41,332 11,636 (14,134) (47,232)	\$ 38,834 10,713 - (8,659)	\$ 31,664 23,137 (185,814) 46,649	\$ 36,540 23,745 - 2,149	\$ 38,317 20,934 124,279 16,812
Benefit payments - implicit rate subsidy Other changes Net change in total OPEB liability Total OPEB liability - beginning Total OPEB liability - ending (a)	(67,566) (75,964) 512,621 \$ 436,657	(57,743) (16,855) 529,476 \$ 512,621	(56,785) (4,051) (145,200) 674,676 \$ 529,476	(79,832) (170) (17,568) 692,244 \$ 674,676	(72,733) (96,619) 30,990 661,254 \$ 692,244
Covered employee payroll  Total OPEB liability as a percentage of covered employee payroll	\$ 5,186,287 8.42%	\$ 4,665,479 10.99%	\$ 4,665,479 11.35%	\$ 4,282,059 15.76%	\$ 4,282,059 16.17%
Notes to Schedule: Valuation Date	10/1/2021	10/1/2019	10/1/2019	10/1/2018	10/1/2017

Changes of assumptions. For Fiscal year 2022, the discount rate was increased from 2.43% to 4.77% to comply with GASB 75. The discount rate was based on S&P Municipal Bond 20 Year High Grade Rate Index as of September 30, 2022. The mortality assumption was changed from PubS.H-2010 Mortality Table - Safety for firefighters and PubG.H-2010 Mortality Table - General for all others to PubS.H-2010 Safety with Mortality Improvement using Scale MP-2020 for firefighters and PubG.H-2010 Mortality Table-General with Mortality Improvement using Scale MP-2020 for all others. The following are the discount rates used in each period:

Discount Rate 4.77% 2.43% 2.14% 3.58% 3.64%

No assets are being accumulated in a trust to pay for OPEB benefits. Therefore, the City only reports a total OPEB liability.

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

<sup>\*\* 10</sup> years of data will be presented as it becomes available

#### CITY OF ST. PETE BEACH, FLORIDA POLICE OFFICERS' RETIREMENT SYSTEM SCHEDULE OF CHANGES IN NET PENSION LIABILITY SEPTEMBER 30, 2022 (UNAUDITED)

Fiscal Year Ending September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,380	\$ 45,240
Interest	1,170,536	1,222,497	1,254,096	1,238,416	1,194,357	1,179,519	1,102,568	1,101,556	1,099,695
Difference between actual and expected experience	242,803	348	49,514	246,567	682,795	267,414	239,884	255,813	-
Assumption changes	-	1,519,746	(460,355)	-	-	-	1,161,657	-	-
Benefit payments including refunds of contributions		(1,315,175)	(1,274,210)	(1,247,733)	(1,247,746)	(1,222,178)	(1,587,440)	(1,098,393)	(1,078,586)
Net change in total pension liability	74,098	1,427,416	(430,955)	237,250	629,406	224,755	916,669	274,356	66,349
Total pension liability - beginning	19,549,229	18,121,813	18,552,768	18,315,518	17,686,112	17,461,357	16,544,688	16,270,332	16,203,983
Total pension liability - ending (a)	\$ 19,623,327	\$ 19,549,229	\$ 18,121,813	\$ 18,552,768	\$ 18,315,518	\$ 17,686,112	\$ 17,461,357	\$ 16,544,688	\$ 16,270,332
Total Fiduciary Net Position									
Contributions - employer (1)	\$ 96,468	\$ 395	\$ 6,000,000	\$ 614,925	\$ 553,743	\$ 472,080	\$ 494,855	\$ 444,748	\$ 577,960
Contributions - state	103,178	98,720	99,319	107,421	97,990	93,815	86,942	87,677	88,047
Contributions - employee	-	-	-	-	-	-	-	274	3,857
Net investment income	(3,398,253)	3,014,951	1,539,733	526,266	790,622	1,143,369	972,743	(133,318)	1,052,775
Benefit payments, including refunds of contributions		(1,315,175)	(1,274,210)	(1,247,733)	(1,247,746)	(1,222,178)	(1,587,440)	(1,098,393)	(1,078,586)
Administrative expense	(40,047)	(44,420)	(53,795)	(35,687)	(46,526)	(26,288)	(15,598)	(24,655)	(32,171)
Net change in plan fiduciary net position	(4,577,895)	1,754,471	6,311,047	(34,808)	148,083	460,798	(48,498)	(723,667)	611,882
Plan fiduciary net position - beginning	19,724,014	17,969,938	11,658,891	11,693,699	11,545,616	11,084,818	11,133,316	11,856,983	11,245,101
Plan fiduciary net position - ending (b)	\$ 15,146,119	\$ 19,724,409	\$ 17,969,938	\$ 11,658,891	\$ 11,693,699	\$ 11,545,616	\$ 11,084,818	\$ 11,133,316	\$ 11,856,983
Net pension liability (asset) - ending (a) - (b)	\$ 4,477,208	\$ (175,180)	\$ 151,875	\$ 6,893,877	\$ 6,621,819	\$ 6,140,496	\$ 6,376,539	\$ 5,411,372	\$ 4,413,349
Plan fiduciary net position as a percentage of the total									
pension liability	77.18%	100.90%	99.16%	62.84%	63.85%	65.28%	63.48%	67.29%	72.87%
Covered payroll*	N/A	\$ 9,453	\$ 124,414						
Net pension liability as a percentage of covered payroll	N/A	57,245.02%	3,547.31%						

#### NOTES:

#### Changes of assumptions:

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

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

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

In 2020 the City issued a Pension Obligation Bond

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

#### CITY OF ST. PETE BEACH, FLORIDA FIREFIGHTERS' RETIREMENT SYSTEM SCHEDULE OF CHANGES IN NET PENSION LIABILITY SEPTEMBER 30, 2022 (UNAUDITED)

Fiscal Year Ending September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 517,903	\$ 468,978	\$ 458,273	\$ 481,584	\$ 463,655	\$ 421,007	\$ 245,298	\$ 230,254	\$ 238,163
Interest	1,827,119	1,768,102	1,720,116	1,659,502	1,576,276	1,516,026	1,245,496	1,212,870	1,189,290
Change in excess State money	· -	· -	· · · · -	· · · · · -	· · · · -	(251,482)	· -	· · · · ·	· -
Changes of benefit terms	-	(2,436)	-	(1,397)	-	2,483,070	-	-	-
Difference between actual and expected experience	43,222	(172,163)	175,998	(226,945)	19,624	(251,797)	(786,356)	103,860	-
Assumption changes	479,381	-	(300,528)	135,391	129,145	167,748	1,212,697	-	-
Contributions - buy back	-	-	-	63,761	43,564	-	-	-	-
Benefit payments including refunds of contributions	(1,337,813)	(1,316,094)	(1,224,798)	(1,060,255)	(976,061)	(982,669)	(933,688)	(1,348,403)	(882,183)
Net change in total pension liability	1,529,812	746,387	829,061	1,051,641	1,256,203	3,101,903	983,447	198,581	545,270
Total pension liability - beginning	24,512,585	23,766,198	22,937,137	21,885,496	20,629,293	17,527,390	16,543,943	16,345,362	15,800,092
Total pension liability - ending (a)	\$ 26,042,397	\$ 24,512,585	\$ 23,766,198	\$ 22,937,137	\$ 21,885,496	\$ 20,629,293	\$ 17,527,390	\$ 16,543,943	\$ 16,345,362
Total Fiduciary Net Position									
Contributions - employer	\$ 926,368	\$ 811,509	\$ 719,591	\$ 782,210	\$ 737,476	\$ 675,894	\$ 690,612	\$ 413,656	\$ 632,678
Contributions - state	197,869	203,153	177,893	183,517	186,995	176,996	178,044	392,128	39,565
Contributions - employee	251,262	290,113	270,299	266,161	252,277	61,764	59,223	50,369	45,249
Contributions - buy back	-	-	-	63,761	43,564	-	-	-	-
Net investment income	(2,948,102)	2,816,274	1,645,839	742,409	1,257,530	1,080,346	962,019	(72,360)	999,549
Benefit payments, including refunds of contributions	(1,337,813)	(1,316,094)	(1,224,798)	(1,060,255)	(976,061)	(982,669)	(933,688)	(1,348,403)	(882,183)
Administrative expense	(62,862)	(56,229)	(64,161)	(29,627)	(34,157)	(50,943)	(21,656)	(19,804)	(16,250)
Net change in plan fiduciary net position	(2,973,278)	2,748,726	1,524,663	948,176	1,467,624	961,388	934,554	(584,414)	818,608
Plan fiduciary net position - beginning	19,206,165	16,457,439	14,932,776	13,984,600	12,516,976	11,555,588	10,621,034	11,205,448	10,386,840
Plan fiduciary net position - ending (b)	\$ 16,232,887	\$ 19,206,165	\$ 16,457,439	\$ 14,932,776	\$ 13,984,600	\$ 12,516,976	\$ 11,555,588	\$ 10,621,034	\$ 11,205,448
Net pension liability - ending (a) - (b)	\$ 9,809,510	\$ 5,306,420	\$ 7,308,759	\$ 8,004,361	\$ 7,900,896	\$ 8,112,317	\$ 5,971,802	\$ 5,922,909	\$ 5,139,914
Plan fiduciary net position as a percentage of the total pension liability	62.33%	78.35%	69.25%	65.10%	63.90%	60.68%	65.93%	64.20%	68.55%
Covered payroll	\$ 2,265,281	\$ 2,152,295	\$ 2,085,303	\$ 2,206,645	\$ 2,190,372	\$ 1,938,036	\$ 1,787,358	\$ 1,572,198	\$ 1,371,924
Net pension liability as a percentage of covered payroll	433.04%	246.55%	350.49%	362.74%	360.71%	418.58%	334.11%	376.73%	374.65%

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

- 1. The Normal Retirement Date for Members not eligible for Normal Retirement and who had less than 10 years of Credited Service on December 31, 2012 is changed to the earliest of A) Age 55 with 10 years of Credited Service, B) Age 52 with 25 years of Credited Service, or C) 30 years of Credited Service regardless of age.

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

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

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

#### Changes in assumptions:

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

For measurement date 9/30/22, amounts reported as changes of assumptions resulted from lowering the investment return from 7.50% to 7.40%, net of investment related expenses. For measurement date 9/30/20, amounts reported as changes of assumptions resulted from lowering the investment return from 7.55% to 7.50%, net of investment related expenses. For measurement date 9/30/2019, amounts reported as changes of assumptions resulted from lowering the investment return from 7.6% to 7.55% per year, net of investment related expenses

<sup>\*\* 10</sup> years of data will be presented as it becomes available.

#### CITY OF ST. PETE BEACH, FLORIDA GENERAL EMPLOYEES' RETIREMENT SYSTEM SCHEDULE OF CHANGES IN NET PENSION LIABILITY SEPTEMBER 30, 2022 (UNAUDITED)

Fiscal Year Ending September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service cost	\$ 69,441	\$ 69,827	\$ 53,202	\$ 60,393	\$ 48,627	\$ 55,922	\$ 63,167	\$ 67,894	\$ 79,454
Interest	1,211,616	1,199,830	1,221,290	1,259,117	1,252,251	1,274,501	1,248,359	1,244,204	1,235,212
Difference between actual and expected experience	48,526	117,328	(133,700)	(601,889)	46,018	(511,151)	(570,758)	(2,077)	-
Assumption changes	440,598	-	(248,501)	-	250,564	-	989,394	-	-
Benefit payments including refunds of contributions	(1,250,962)	(1,207,960)	(1,182,130)	(1,247,455)	(1,133,112)	(1,072,544)	(1,268,722)	(1,234,650)	(1,139,505)
Net change in total pension liability	519,219	179,025	(289,839)	(529,834)	464,348	(253,272)	461,440	75,371	175,161
Total pension liability - beginning	16,710,917	16,531,892	16,821,731	17,351,565	16,887,217	17,140,489	16,679,049	16,603,678	16,428,517
Total pension liability - ending (a)	\$ 17,230,136	\$16,710,917	\$ 16,531,892	\$ 16,821,731	\$ 17,351,565	\$ 16,887,217	\$ 17,140,489	\$ 16,679,049	\$ 16,603,678
T ( IF'1 ' N ( D '')									
Total Fiduciary Net Position	e 450.074	e ((0.527	e 722.720	e 012.225	e 656.000	e 502.025	0 562 121	e 505.026	e 557.646
Contributions - employer Contributions - employee	\$ 458,974 28,089	\$ 660,537 35,355	\$ 733,738 32,451	\$ 813,325 25,209	\$ 656,988 27,621	\$ 503,935 24,813	\$ 563,121 25,913	\$ 585,936 29,971	\$ 557,646
Net investment income	(2,576,788)	2.695.162	730,618	449.642	913.431	1,028,577	1,052,550	(6,633)	30,176 1,203,892
Benefit payments, including refunds of contributions	(1,250,962)	(1,207,960)	(1,182,130)	(1,247,455)	(1,133,112)	(1,072,544)	(1,268,722)	(1,234,650)	(1,139,505)
Administrative expense	(70,402)	(54,412)	(90,812)	(53,600)	(34,262)	(42,257)	(36,156)	(30,510)	(25,430)
Net change in plan fiduciary net position	(3,411,089)	2,128,682	223,865	(12,879)	430,666	442,524	336,706	(655,886)	626,779
Plan fiduciary net position - beginning	14,838,443	12,709,761	12,485,896	12,498,775	12,068,109	11,625,585	11,288,879	11,944,765	11,317,986
Plan fiduciary net position - ending (b)	\$ 11,427,354	\$14,838,443	\$12,709,761	\$ 12,485,896	\$ 12,498,775	\$ 12,068,109	\$11,625,585	\$11,288,879	\$11,944,765
, , , , (- )	* ***,*****	4 1 1,000 0,1 10	4,, -,,	4 12,100,000	<del>+ 12,13 0,170</del>	+,,,,-	4 11,020,000	4 11,200,011	4
Net pension liability - ending (a) - (b)	\$ 5,802,782	\$ 1,872,474	\$ 3,822,131	\$ 4,335,835	\$ 4,852,790	\$ 4,819,108	\$ 5,514,904	\$ 5,390,170	\$ 4,658,913
Plan fiduciary net position as a percentage of the total									
pension liability	66.32%	88.79%	76.88%	74.22%	72.03%	71.46%	67.83%	67.68%	71.94%
pension monity	00.3270	00.7770	70.0070	/4.22/0	72.0370	/1.40/0	07.0370	37.0070	/1.54/0
Covered payroll	\$ 936,310	\$ 1,178,506	\$ 1,081,710	\$ 817,412	\$ 799,160	\$ 700,400	\$ 738,138	\$ 1,017,523	\$ 761,318
Net pension liability as a percentage of covered payroll	619.75%	158.89%	353.34%	530.43%	607.24%	688.05%	747.14%	529.73%	611.95%

#### NOTES:

Changes of assumptions:

<sup>1.</sup> For measurement date 9/30/2022, the inflation assumption rate was lowered from 3.00% to 2.30%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

<sup>2.</sup> For measurement date 9/30/2022, the investment rate return was lowered from 7.50% to 7.25% per year compounded annually, net of investment related expenses.

<sup>3.</sup> For measurement date 09/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

<sup>4.</sup> For measurement date 9/30/2018, amounts reported as changes of assumptions resulted from lowering the investment rate return from 7.65% to 7.50%.

<sup>5.</sup> For measurement date 9/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System.

<sup>\*\* 10</sup> years of data will be presented as it becomes available

#### CITY OF ST. PETE BEACH, FLORIDA POLICE OFFICERS' RETIREMENT SYSTEM SCHEDULE OF CONTRIBUTIONS SEPTEMBER 30, 2022 (UNAUDITED)

Fiscal Year	De	ctuarially etermined ontribution (ADC)	 ntributions Relation to ADC	I	ontribution Deficiency (Excess)	Covered Payroll*	Contributions as Percentage of Employee Payroll
2022	\$	195,188	\$ 199,646	\$	(4,458)	N/A	N/A
2021		65,616	99,115		(33,499)	N/A	N/A
2020		772,890	6,099,319		(5,326,429)	N/A	N/A
2019		722,346	722,346		-	N/A	N/A
2018		651,733	651,733		-	N/A	N/A
2017		564,940	565,895		(955)	N/A	N/A
2016		581,797	581,797		- ′	N/A(1)	N/A
2015		530,921	532,425		(1,504)	9,453	5632.34%
2014		666,007	666,007		-	124,414	535.32%

Notes to Schedule:

Valuation Date: 10/1/2021

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method: Entry Age Normal

Amortization Method: Level Percentage of Pay, New UAAL amortization bases will be amortized over 17 years

Mortality: Healthy Lives:

Female: PubS.H-2010 for Employees, set forward one year. Male: PubS.H-2010 for Healthy Retirees, set forward one year.

Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees

Male: PubG.H-2010 for Healthy Retirees, set back one year.

Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% Pub S.H-2010 for Disabled Retirees

6.20% per year, compounded annually, net of investment-related expenses.

Interest Rate 6.20%
Retirement Age: N/A
Salary Increases: N/A
Payroll Growth: None.

Cost-of-Living Adjustment: 3% per year following completion of 7 years of retirement on old benefit

Asset Valuation Method: All assets are valued at fair value with an adjustment to uniformly spread actuarial

investment gains and losses (as measured by actual fair value investment return

against expected fair value investment return) over a five-year period.

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

<sup>\*\* 10</sup> years of data will be presented as it becomes available

#### CITY OF ST. PETE BEACH, FLORIDA FIREFIGHTERS' RETIREMENT SYSTEM SCHEDULE OF CONTRIBUTIONS **SEPTEMBER 30, 2022** (UNAUDITED)

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Employee Payroll
2022	\$ 1,116,783	\$ 1,124,237	\$ (7,454)	\$ 2,265,281	49.63%
2021	1,005,122	1,014,662	(9,540)	2,152,295	47.14%
2020	898,766	897,484	1,282	2,085,303	43.04%
2019	955,477	965,727	(10,250)	2,206,645	43.76%
2018	922,147	924,471	(2,324)	2,190,372	42.21%
2017	769,400	852,890	(83,490)	1,938,036	44.01%
2016	868,656	868,656	· -	1,787,358	48.60%
2015	740,688	804,784	(64,096)	1,572,198	51.19%
2014	672,243	672,243	-	1,371,924	49.00%

Notes to Schedule:

Valuation Date: 10/1/2021 (AIS 03/16/2021)

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method: Entry Age Normal

Level Percentage of Pay, Closed. Amortization Method Remaining Amortization Period: 30 Years (as of 10/01/2016).

Mortality: Healthy Lives:

Female: PubS.H-2010 for Employees, set forward one year. Male: PubS.H-2010 for Employees, set forward one year. Beneficiary Lives:

Female: PubG.H-2010 for Healthy Retirees

Male: PubG.H-2010 for Healthy Retirees, set back one year.

Disabled Lives

80% PubG.H-2010 for Disabled Retirees / 20% Pub S.H-2010 for Disabled Retirees

7.40% per year compounded annually, net of investment related expenses. This is Interest Rate:

supported by the target asset class allocation of the trust and the expected long-term

return by asset class

For members eligible for normal retirement on 1/1/2013 or hired before: Earlier of age Retirement Age:

56 or 26 years of service. For all others: earlier of age 60 with 10 years of services or

30 years of service.

Early Retirement: Immediate subsidized benefit at rate of 5% per year.

For all others: None.

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

Payroll Growth:

Up to 1.38% per year 3% per year of 7 years of retirement on old benefit. None after Cost-of-Living

Adjustment: January 1, 2013.

Asset Valuation Method: Each year, the Actuarial Value of Assets is brought forward using the historical 4-year

geometric average market value return. Over time, this may produce an insignificant

bias above or below Fair Value of Assets. See table below. Based on actuarial experience study issued January 18,2017. Termination Rates:

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

Disability Rates Other Information:

	% Becoming Disabled
Age	During the Year
20	0.03%
30	0.04%
40	0.07%
50	0.18%

<sup>\*\* 10</sup> years of data will be presented as it becomes available

#### CITY OF ST. PETE BEACH, FLORIDA GENERAL EMPLOYEES' RETIREMENT SYSTEM SCHEDULE OF CONTRIBUTIONS **SEPTEMBER 30, 2022** (UNAUDITED)

Fiscal Year	De	ctuarially etermined ntribution (ADC)	 ntributions Relation to ADC	De	ntribution eficiency Excess)	 Covered Payroll	Contributions as Percentage of Employee Payroll
2022	\$	451,938	\$ 458,974	\$	(7,036)	\$ 936,310	49.02%
2021		652,747	660,537		(7,790)	1,178,506	56.05%
2020		731,236	733,738		(2,502)	1,081,710	67.83%
2019		813,325	813,325		-	817,412	99.50%
2018		638,879	656,988		(18,109)	799,160	82.21%
2017		464,066	503,935		(39,869)	700,400	71.95%
2016		563,121	563,121		-	738,138	76.29%
2015		585,936	585,936		-	1,017,523	57.58%
2014		548,356	557,646		(9,290)	761,318	73.25%

Notes to Schedule:

10/1/2021 Valuation Date:

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

Methods and assumptions used to determine contribution rates

Actuarial Cost Method: Entry Age Normal

Amortization Method New UAAL amortization bases are amortized over 30 years

Remaining Amortization Period: 30 Years (as of 10/01/2017).

Mortality:

Interest Rate:

Healthy Lives Female: PubG.H-2010 (Below Median) for Employees.

Male: PubG.H-2010 (Below Median) for employees, set back one year.

Disabled Lives

PubG.H-2010 for Disabled Retirees, set forward three years.

7.25% per year compounded annually, net of investment related expenses.
Earlier of 1) age 60 with 10 years of service or 2) 30 years of service (earlier of 55

or 25 years if hired before 10/1/2012). No early retirement. Retirement Age:

Early Retirement: None.

Salary Increases: Based on a service-based table

Payroll Growth: None.

3% per year following completion of 10 years of retirement on old benefi All assets are valued at fair value with an adjustment to uniformly spread actuaria Cost-of-Living Adjustment Asset Valuation Method:

investment gains and losses over a five-year period. Over time, this may produce at insignificant bias above or below Fair Value of Assets.

See table below.

Termination Rates: Disability Rates See table below.

Termination and Disability Rate Table: Other Information:

% Terminating % Becoming Disabled

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

<sup>\*\* 10</sup> years of data will be presented as it becomes available

## CITY OF ST. PETE BEACH, FLORIDA REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN SEPTEMBER 30, 2022 (UNAUDITED)

Annual Money-Weighted Rate of Return, Net of Investment Expense

Fiscal Year	Police Pension	Fire Pension	General Pension
2022	-17.83%	-15.43%	-17.80%
2021	17.36%	17.23%	21.62%
2020	9.94%	11.13%	5.98%
2019	4.76%	5.31%	3.65%
2018	7.24%	10.06%	7.70%
2017	10.75%	9.48%	9.05%
2016	9.22%	9.25%	9.72%
2015	-1.17%	-0.66%	-0.06%
2014	9.67%	9.74%	10.84%

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

<sup>\*\* 10</sup> years of data will be presented as it becomes available

## SUPPORTING SCHEDULES

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

#### CITY OF ST. PETE BEACH, FLORIDA COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2022

		c · in	Б. 1		Total
	Multimodal	Special R	evenue Funds Fleet	Police Confiscation	Nonmajor Governmental Funds
ASSETS Cash and investments	\$ 263,122	\$ 2,560,031	\$ 793,048	\$ 5,404	\$ 3,621,605
Receivables, net	-	310	54	· -	364
Prepaid items		7,198			7,198
Total assets	\$ 263,122	\$ 2,567,539	\$ 793,102	\$ 5,404	\$ 3,629,167
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ 56,861	\$ 21,720	\$ -	\$ 78,581
Customer deposits		138,240			138,240
Total liabilities		195,101	21,720		216,821
FUND BALANCES  Nonspendable:  Prepaid items		7,198		_	7,198
Restricted for		7,170			7,170
Building department	-	2,365,240	-	-	2,365,240
Law enforcement	-	-	-	5,404	5,404
Transportation improvements	263,122	-	-	-	263,122
Assigned to			771 292		771 202
Vehicle Replacements Total fund balances	262 122	2 272 429	771,382	5 404	771,382
Total fund balances	263,122	2,372,438	771,382	5,404	3,412,346
Total liabilities and fund balances	\$ 263,122	\$ 2,567,539	\$ 793,102	\$ 5,404	\$ 3,629,167

## CITY OF ST. PETE BEACH, FLORIDA COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2022

		Special Rev	enue Funds		Total Nonmajor
	Multimodal	Building	Fleet	Police Confiscation	Governmental Funds
REVENUES					
Permits and fees	\$ -	\$ 1,250,004	\$ -	\$ -	\$ 1,250,004
Investment income	354	11,921	250	-	12,525
Total revenues	354	1,261,925	250	-	1,262,529
EXPENDITURES					
Current:					
General government	-	1,175,594	-	-	1,175,594
Capital outlay	-	-	275,023	-	275,023
Total expenditures		1,175,594	275,023	-	1,450,617
Excess (deficiency) of revenues over					
expenditures	354	86,331	(274,773)	-	(188,088)
Other financing sources (uses)					
Transfers in	_	-	282,190	_	282,190
Total other financing sources (uses)			282,190	-	282,190
Excess (Deficiency) of Revenues and other Sources Over Expenditures and					
Other Uses	354	86,331	7,417	-	94,102
Fund balances, beginning of year	262,768	2,286,107	763,965	5,404	3,318,244
Fund balances, end of year	\$ 263,122	\$ 2,372,438	\$ 771,382	\$ 5,404	\$ 3,412,346

## CITY OF ST. PETE BEACH, FLORIDA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - BUILDING FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budge	ted Amounts		Variance with Final Budget -
	Original	Final	Actual	Positive (Negative)
REVENUES				
Permits and fees	\$ 1,320,000	\$ 1,320,000	\$ 1,250,004	\$ (69,996)
Investment income	2,500	2,500	11,921	9,421
Total revenues	1,322,500	1,322,500	1,261,925	(60,575)
EXPENDITURES				
Current:				
General Government	1,098,940	1,147,392	1,175,594	(28,202)
Capital outlay	94,000	112,548		112,548
Total expenditures	1,192,940	1,259,940	1,175,594	84,346
Net change in fund balances	129,560	62,560	86,331	23,771
Fund balances, beginning of year	2,286,107	2,286,107	2,286,107	-
Fund balances, end of year	\$ 2,415,667	\$ 2,348,667	\$ 2,372,438	\$ 23,771

## CITY OF ST. PETE BEACH, FLORIDA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - MULTIMODAL FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budget	ted Amounts		Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Investment income	\$ -	\$ -	\$ 354	\$ 354
Miscellaneous				
Total revenues			354	354
EXPENDITURES				
Current:				
General Government	50,000	50,000	-	50,000
Capital outlay	100,000	100,000		100,000
Total expenditures	150,000	150,000		150,000
Excess (deficiency) of revenues over expenditures	(150,000)	(150,000)	354	(149,646)
Net change in fund balances	(150,000)	(150,000)	354	150,354
Fund balances, beginning of year	262,768	262,768	262,768	-
Fund balances, end of year	\$ 112,768	\$ 112,768	\$ 263,122	\$ 150,354

## CITY OF ST. PETE BEACH, FLORIDA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - CAPITAL FUND FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgete	ed Amounts		Variance with Final Budget - Positive	
	Original	Final	Actual	(Negative)	
REVENUES					
Taxes	\$ 1,110,000	\$ 1,110,000	\$ 1,386,497	\$ 276,497	
Intergovernmental	1,500,000	8,835,696	533,926	(8,301,770)	
Investment income	8,600	8,600	26,692	18,092	
Miscellaneous			10,000	10,000	
Total revenues	2,618,600	9,954,296	1,957,115	(7,997,181)	
EXPENDITURES					
Current:					
Public works:					
Streets	-	-	197,429	(197,429)	
Total public works	-	-	197,429	(197,429)	
Capital outlay	12,495,000	19,295,885	4,334,235	14,961,650	
Debt service:					
Principal retirement	387,923	387,923	387,922	1	
Interest and fiscal charges	472,542	472,542	472,540	2	
Total expenditures	13,355,465	20,156,350	5,392,126	14,764,224	
Excess (deficiency) of revenues over expenditures	(10,736,865)	(10,202,054)	(3,435,011)	6,767,043	
Other financing sources (uses)					
Transfers in	4,550,000	5,550,189	5,550,189	-	
Total other financing sources (uses)	4,550,000	5,550,189	5,550,189	-	
Net change in fund balances	(6,186,865)	(4,651,865)	2,115,178	6,767,043	
Fund balances, beginning of year	5,074,357	5,074,357	5,074,357	-	
Fund balances, end of year	\$ (1,112,508)	\$ 422,492	\$ 7,189,535	\$ 6,767,043	

## CITY OF ST. PETE BEACH, FLORIDA SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - FLEET FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budg	eted Amounts		Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Investment income	\$ 1,300	\$ 1,300	\$ 250	\$ (1,050)
Total revenues	1,300	1,300	250	(1,050)
EXPENDITURES				
Current:				
Capital outlay	193,626	386,626	275,023	111,603
Total expenditures	193,626	386,626	275,023	111,603
Other financing sources (uses)				
Transfers in	282,190	282,190	282,190	-
Total other financing sources (uses)	282,190	282,190	282,190	-
Net change in fund balances	89,864	(103,136)	7,417	110,553
Fund balances, beginning of year	763,965	763,965	763,965	-
Fund balances, end of year	\$853,829	\$ 660,829	\$ 771,382	\$ 110,553

## CITY OF ST. PETE BEACH, FLORIDA SCHEDULE OF REVENUES AND EXPENDITURES EMERGENCY MEDICAL SERVICES (EMS) FOR THE YEAR ENDED SEPTEMBER 30, 2022

REVENUES		
EMS operating reimbursement	\$	2,131,469
Total revenues	_	2,136,469
EXPENDITURES		
Current:		
Salaries, wages, and employees benefits		2,129,302
Contract services		14,520
Insurance		16,061
Repairs and maintenance		15,295
Uniforms		9,142
Fuel		12,768
Other		3,957
Capital outlay	_	-
Total expenditures		2,201,045
Excess (deficiency) of revenues over (under) expenditures	\$	(64,576)

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

## **Statistical Section**

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

#### **Contents**

#### Financial Trends (Schedules 1-5)

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

#### Revenue Capacity (Schedules 6-9)

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

## **Debt Capacity (Schedules 10-12)**

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

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

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

## **Operating Information (Schedules 15-17)**

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

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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 25,885,225	\$ 26,275,283	\$ 26,222,880	\$ 26,880,493	\$ 32,831,443	\$ 38,579,444	\$ 50,265,720	\$ 52,565,902	\$ 61,795,073	\$ 63,600,446
Restricted	388,582	414,080	683,376	3,005,075	2,819,838	8,474,445	1,395,435	1,907,602	3,074,937	3,684,802
Unrestricted	6,818,460	7,900,552	(5,189,099)	(6,921,248)	(4,064,101)	(9,936,009)	(6,854,028)	(2,369,988)	(642,793)	7,769,310
Total governmental activities net position	33,092,267	34,589,915	21,717,157	22,964,320	31,587,180	37,117,880	44,807,127	52,103,516	64,227,217	75,054,558
Business-type activities										
Net investment in capital assets	\$10,617,326	\$ 13,045,091	\$ 14,956,744	\$17,279,462	\$17,577,589	\$ 18,051,782	\$ 19,259,026	\$ 20,617,331	\$ 24,996,934	\$ 27,627,567
Restricted	1,373,720	875,172	260,195	172,025	219,928	2,191,481	2,195,150	2,202,347	743,776	880,864
Unrestricted	2,866,840	2,589,632	2,105,940	2,110,454	(43,879)	95,743	3,464,160	4,998,389	4,141,694	2,862,852
Total business-type activities net position	14,857,886	16,509,895	17,322,879	19,561,941	17,753,638	20,339,006	24,918,336	27,818,067	29,882,404	31,371,283
Total primary government										
Net investment in capital assets	\$ 36,502,551	\$ 39,320,374	\$41,179,624	\$44,159,955	\$ 50,409,032	\$ 56,631,226	\$ 69,524,746	\$ 73,183,233	\$ 86,792,007	\$ 91,228,013
Restricted	1,762,302	1,289,252	943,571	3,177,100	3,039,766	10,665,926	3,590,585	4,109,949	3,818,713	4,565,666
Unrestricted	9,685,300	10,490,184	(3,083,159)	(4,810,794)	(4,107,980)	(9,840,266)	(3,389,868)	2,628,401	3,498,901	10,632,162
Total primary government net position	47,950,153	51,099,810	39,040,036	42,526,261	49,340,818	57,456,886	69,725,463	79,921,583	94,109,621	106,425,841

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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 2,740,336	\$ 2,655,993	\$ 3,041,062	\$ 3,321,599	\$ 5,049,394	\$ 3,356,645	\$ 4,032,184	\$ 4,345,118	\$ 4,495,399	\$ 5,409,041
Public safety	6,241,767	6,468,442	7,053,404	10,956,336	7,133,967	7,493,658	7,829,874	5,924,365	7,368,277	8,976,999
Public works	3,091,481	3,713,816	3,641,112	3,161,814	3,609,883	4,138,155	4,515,104	4,173,006	4,006,182	4,078,617
Culture and recreation	1,941,723	2,008,092	2,254,188	2,339,008	2,089,068	2,213,821	2,281,504	3,689,187	4,426,237	4,564,275
Interest and fees on long term-debt	123,922	109,061	227,514	471,029	507,083	508,910	490,244	672,342	677,184	653,466
Total governmental activities expenses	14,139,229	14,955,404	16,217,280	20,249,786	18,389,395	17,711,189	19,148,910	18,804,018	20,973,279	23,682,398
Business-type activities:	: <u></u>			<u> </u>				<del></del>		<del></del>
Wastewater	\$ 3,691,949	\$ 3,893,752	\$ 4,222,963	\$ 5,000,215	\$ 3,913,435	\$ 5,430,492	\$ 5,005,765	\$ 4,803,321	\$ 6,182,325	\$ 6,429,399
Reclaimed water	772,697	709,244	761,196	831,244	841,137	755,705	764,551	786,299	1,020,562	1,138,263
Stormwater	332,920	243,292	320,452	391,015	451,741	519,746	634,679	779,748	669,953	891,691
Total business-type activities expenses	4,797,566	4,846,288	5,304,611	6,222,474	5,206,313	6,705,943	6,404,995	6,369,368	7,872,840	8,459,353
Total primary government expenses	18,936,795	19,801,692	21,521,891	26,472,260	23,595,708	24,417,132	25,553,905	25,173,386	28,846,119	32,141,751
Program revenues										
Governmental activities:										
Charges for service										
General government	\$ 2,384,818	\$ 2,625,268	\$ 2,890,515	\$ 3,046,295	\$ 3,844,693	\$ 4,119,518	\$ 4,406,722	\$ 5,336,652	\$ 7,025,351	\$ 7,662,168
Public safety	41,819	147,864	24,649	53,518	75,117	84,186	69,337	69,797	52,120	2,193,042
Public works		_	-	· -	_	_	· -	25,120	64,115	20,000
Culture and recreation	765,787	751,239	856,764	1,055,449	1,045,575	1,097,056	1,192,666	949,430	1,084,328	1,227,300
Operating grants and contributions	1,800,650	1,544,867	1,650,010	3,369,796	1,777,535	2,296,165	1,850,411	2,156,338	74,142	126,799
Capital grants and contributions	353,008	6,309	2,810	919,891	87,714	640,389	3,279,516	180,827	7,935,491	5,335,610
Total governmental activities program revenues	5,346,082	5,075,547	5,424,748	8,444,949	6,830,634	8,237,314	10,798,652	8,718,164	16,235,547	16,564,919
Business-type activities:	·									
Charges for service										
Wastewater	\$ 4,680,651	\$ 5,051,892	\$ 5,219,730	\$ 5,806,838	\$ 6,047,688	\$ 6,733,254	\$ 6,554,556	\$ 6,647,101	\$ 7,582,102	\$ 7,603,558
Reclaimed water	800,471	864,886	869,447	866,099	849,628	863,271	853,663	1,025,050	1,033,479	1,036,352
Stormwater	637,350	636,163	644,968	862,478	1,005,387	1,099,125	1,190,234	1,276,363	1,301,455	1,276,105
Operating grants and contributions	118,280	-	-	-	199,838	217,746	-	-	-	-
Capital grants and contributions		24,450		1,043,852	668,599	2,050,091	2,248,115	244,919		
Total business-type activities program revenues	6,236,752	6,577,391	6,734,145	8,579,267	8,771,140	10,963,487	10,846,568	9,193,433	9,917,036	9,916,015
Total primary government program revenues	11,582,834	11,652,938	12,158,893	17,024,216	15,601,774	19,200,801	21,645,220	17,911,597	26,152,583	26,480,934
Net (expense)/revenue	<del></del>	<del></del>	<del></del>	<del></del>		_	_	_		_
Governmental activities	\$ (8,793,147)	\$ (9,879,857)	\$ (10,792,532)	\$ (11,804,837)	\$ (11,558,761)	\$ (9,473,875)	\$ (8,350,258)	\$ (10,085,854)	\$ (4,737,732)	\$ (7,117,479)
Business-type activities	1,439,186	1,731,103	1,429,534	2,356,793	3,564,827	4,257,544	4,441,573	2,824,065	2,044,196	1,456,662
Total primary government net expense	(7,353,961)	(8,148,754)	(9,362,998)	(9,448,044)	(7,993,934)	(5,216,331)	(3,908,685)	(7,261,789)	(2,693,536)	(5,660,817)

# Schedule 2 - Changes in Net Position (Continued) Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	\$ 6,474,606	\$ 5,694,314	\$ 6,783,032	\$ 7,235,035	\$ 7,768,938	\$ 8,368,981	\$ 9,325,425	\$ 9,961,492	\$ 10,478,967	\$ 10,990,637
Sales taxes	1,317,798	1,398,239	1,490,896	1,605,830	1,591,169	1,661,937	1,739,563	1,647,760	1,898,748	2,151,663
Franchise fees and utility taxes	3,187,616	3,386,877	3,373,281	3,312,619	3,269,998	3,301,671	3,471,683	3,476,989	3,519,038	3,700,674
Other taxes	456,578	470,427	456,808	362,120	411,279	419,938	421,126	395,487	424,665	427,408
Intergovernmental revenue	267,052	269,354	272,972	273,574	1,467,061	1,471,523	465,776	1,646,001	405,940	348,272
Investment earnings	9,700	9,320	17,210	66,585	150,154	297,731	326,849	210,394	47,878	160,979
Miscellaneous	93,367	68,078	108,059	49,193	86,481	104,888	289,083	44,120	86,197	165,187
Transfers	(75,418)	80,896	57,909	147,044	5,436,541	1,710,479	-	-	-	-
Special items										
Change in assumptions - OPEB	556,716	-	-	-	-	-	-	-	-	-
Transfer of operations	(747,433)	-	-	-	-	-	-	-	-	-
Legal settlement	-	-	(652,137)	-	-	349,523	-	-	-	-
Legal judgment	<del>-</del>					(2,165,195)				
Total governmental activities	11,540,582	11,377,505	11,908,030	13,052,000	20,181,621	15,521,476	16,039,505	17,382,243	16,861,433	17,944,820
Business-type activities:										
Investment income	4,584	2,132	1,827	29,313	63,411	104,084	137,757	75,666	20,141	32,217
Miscellaneous	(7,866)	(330)	-	-	-	-	-	-	-	-
Transfers	75,418	(80,896)	(57,909)	(147,044)	(5,436,541)	(1,710,479)	-	-	-	-
Special item - change in assumptions - OPEB	36,351									
Total business-type activities	108,487	(79,094)	(56,082)	(117,731)	(5,373,130)	(1,606,395)	137,757	75,666	20,141	32,217
Total primary government	\$ 11,649,069	\$ 11,298,411	\$ 11,851,948	\$ 12,934,269	\$ 14,808,491	\$ 13,915,081	\$ 16,177,262	\$ 17,457,909	\$ 16,881,574	\$ 17,977,037
Total change in net position										
Governmental activities	\$ 2,747,435	\$ 1,497,648	\$ 1,115,498	\$ 1,247,163	\$ 8,622,860	\$ 6,047,601	\$ 7,689,247	\$ 7,296,389	\$ 12,123,701	\$ 10,827,341
Business-type activities	1,547,673	1,652,009	1,373,452	2,239,062	(1,808,303)	2,651,149	4,579,330	2,899,731	2,064,337	1,488,879
Total primary government	\$ 4,295,108	\$ 3,149,657	\$ 2,488,950	\$ 3,486,225	\$ 6,814,557	\$ 8,698,750	\$ 12,268,577	\$ 10,196,120	\$ 14,188,038	\$ 12,316,220

#### Schedule 3 - Fund Balances of Governmental Funds Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Nonspendable	\$ 284,467	\$ 211,956	\$ 211,818	\$ 208,978	\$ 142,170	\$ 77,211	\$ 200,709	\$ 58,507	\$ 92,226	\$ 158,842
Restricted	198,063	198,063	198,063	2,477,505	2,497,700	151,518	150,000	150,000	748,292	651,824
Committed	-	-	431,487	-	-	-	-	-	-	-
Assigned	412,809	483,073	611,860	1,041,737	863,452	2,198,154	1,363,300	770,914	8,334,244	10,965,967
Unassigned	4,124,482	4,800,833	5,348,413	6,052,922	6,512,890	7,765,768	7,617,320	9,840,446	3,394,689	3,164,393
Total General Fund	5,019,821	5,693,925	6,801,641	9,781,142	10,016,212	10,192,651	9,331,329	10,819,867	12,569,451	14,941,026
All other governmental funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 343	\$ -	\$ 110,017	\$ 4,930	\$ 7,198
Restricted	190,519	216,017	12,885,834	12,193,093	16,850,788	11,665,073	2,685,001	1,757,602	2,924,937	3,032,978
Committed	-	-	494,378	-	-	-	-	-	-	-
Assigned	1,372,620	2,093,244	2,448,141	-	-	-	3,635,759	5,953,672	5,462,734	12,287,910
Unassigned										
Total all other governmental funds	1,563,139	2,309,261	15,828,353	12,193,093	16,850,788	11,665,416	6,320,760	7,821,291	8,392,601	15,328,086

#### Note:

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

#### Schedule 4 - Change in Fund Balances of Governmental Funds Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues by source:										
Taxes	\$11,388,888	\$10,908,517	\$12,052,487	\$12,557,697	\$13,041,384	\$13,752,527	\$14,957,797	\$15,481,728	\$16,321,418	\$17,270,382
Permits and fees	540,699	640,300	713,346	804,309	1,040,026	1,193,069	1,202,203	2,401,812	3,296,547	3,422,959
Intergovernmental	2,468,421	1,857,820	1,977,321	2,905,990	3,238,459	3,684,796	5,482,989	4,119,496	8,620,633	8,141,833
Charges for services	2,212,547	2,292,991	2,592,614	2,960,646	3,736,594	4,230,221	4,361,885	4,285,759	5,321,910	6,027,945
Investment income	9,700	9,320	17,210	31,396	150,154	297,731	326,849	210,394	47,878	160,979
Miscellaneous	506,876	694,489	561,817	2,476,911	820,324	1,114,725	1,160,584	114,080	56,460	195,466
Total revenues	\$17,127,131	\$16,403,437	\$17,914,795	\$21,736,949	\$22,026,941	\$24,273,069	\$27,492,307	\$26,613,269	\$33,664,846	\$35,219,564
Expenditures by function:										
General government	\$3,208,279	\$3,202,472	\$3,415,010	\$4,215,918	\$3,605,797	\$3,786,067	\$5,323,803	\$4,791,870	\$5,014,117	\$6,053,459
Public safety	6,985,526	6,154,403	6,272,784	6,680,246	7,491,435	7,634,470	7,581,988	12,942,901	7,279,296	7,934,384
Public works	2,408,160	2,798,998	2,790,557	2,739,822	2,840,780	3,333,091	3,472,251	2,220,766	2,262,816	1,981,714
Culture and recreation	1,045,861	1,074,734	1,139,551	1,122,687	1,221,966	1,281,613	1,392,726	2,910,629	3,297,073	3,669,959
Capital outlay	1,478,124	1,688,167	1,691,375	6,645,674	6,649,357	11,870,901	15,175,648	6,551,091	12,631,483	4,859,978
Debt service:										
Principal retirement	495,000	422,010	437,930	774,637	721,383	748,171	260,000	265,000	730,865	760,856
Interest and fiscal charges	121,397	106,855	241,985	360,768	548,338	522,496	491.869	641,943	678,302	652,154
Total expenditures	15,742,347	15,447,639	15,989,192	22,539,752	23,079,056	29,176,809	33,698,285	30,324,200	31,893,952	25,912,504
Excess (deficit) revenue over expenditures	\$1,384,784	\$955,798	\$1,925,603	(\$802,803)	(\$1,052,115)	(\$4,903,740)	(\$6,205,978)	(\$3,710,931)	\$1,770,894	\$9,307,060
Other financing sources (uses)										
Lease obligation incurred	\$0	\$379,132	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from issuance of lease	-	-	-	-	-	-	-	-	500,000	
Bond proceeds	-	-	13,048,318	-	-	-	-	6,700,000	-	-
Sale of surplus capital assets	19,056	4,400	23,615	-	-	-	-	-	-	-
Other financing sources	-	-	-	-	-	-	-	-	50,000	
Transfers in	1,384,400	1,905,896	1,961,909	2,122,044	11,946,377	4,519,554	4,758,057	5,662,764	4,783,119	5,832,379
Transfers out	(1,325,000)	(1,825,000)	(1,904,000)	(1,975,000)	(6,509,836)	(2,809,075)	(4,758,057)	(5,662,764)	(4,783,119)	(5,832,379)
Special item - transfer of operations	(342,729)	-	(428,637)	-	-	-	-	-	-	-
Special item - legal settlement	-	-	-	-	-	349,523	-	-	-	-
Special item - legal judgment	-	-	-	-	-	(2,165,195)	-	-	-	-
Total other financing sources (uses)	(264,273)	464,428	12,701,205	147,044	5,436,541	(105,193)		6,700,000	550,000	-
Total net change in fund balances	1,120,511	1,420,226	14,626,808	(655,759)	4,384,426	(5,008,933)	(6,205,978)	2,989,069	2,320,894	9,307,060
Debt service as a percentage of non-capital										
expenditures	4.3%	3.8%	4.8%	7.1%	7.7%	7.3%	4.1%	3.8%	7.3%	6.7%

#### Notes:

- 1) Library expenditures are reflected in general government function effective 2019
- 2) Parking enforcement expenditures are reflected in general government function effective 2019
- 3) Beaches expenditures are reflected in culture and recreation function effective 2022

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Property Tax	\$ 6,474,606	\$ 5,694,314	\$ 6,783,032	\$ 7,235,035	\$ 7,768,938	\$ 8,368,981	\$ 9,325,425	\$ 9,961,492	\$ 10,478,967	\$ 10,990,637
Utility Service Tax	2,082,201	2,211,732	2,167,637	2,181,759	2,161,813	2,148,226	2,251,007	2,326,786	2,350,130	2,433,266
Franchise Fees	1,105,415	1,175,145	1,205,644	1,130,860	1,108,185	1,153,445	1,220,676	1,150,203	1,168,908	1,267,408
Local Option Sales Tax	804,221	858,293	923,839	971,639	997,929	1,045,701	1,111,847	1,053,728	1,202,448	1,386,497
Half Cent Sales Tax	513,577	539,946	567,057	634,191	593,240	616,236	627,716	594,032	696,300	765,166
Casualty & Fire Insurance Premium Tax	277,654	297,977	269,876	264,986	270,811	284,985	290,938	277,211	301,873	301,048
County Gas Tax	131,214	131,110	135,402	139,227	140,468	134,953	130,188	118,276	122,792	126,360
Total	\$ 11,388,888	\$ 10,908,517	\$ 12,052,487	\$ 12,557,697	\$ 13,041,384	\$ 13,752,527	\$ 14,957,797	\$ 15,481,728	\$ 16,321,418	\$ 17,270,382

## Schedule 6 - Estimated Actual Value, Assessed Value, and Taxable Value of Property Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Tax roll <sup>1</sup>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Estimated actual value <sup>2</sup>	\$ 2,387,324,798	\$ 2,521,062,913	\$ 2,793,552,852	\$ 3,055,048,740	\$ 3,293,642,819	\$ 3,628,185,639	\$ 3,928,113,413	\$ 4,157,370,518	\$ 4,401,425,551	\$ 4,714,407,708
Assessed values:										
Residential property	1,785,350,119	1,793,883,055	1,920,699,855	2,050,677,526	2,193,984,291	2,336,668,474	2,492,563,814	2,626,622,072	2,786,676,120	2,998,034,100
Commercial property	383,501,063	393,536,407	397,961,637	432,117,910	471,088,007	513,243,211	676,175,722	743,396,747	768,015,690	735,893,448
Government property	25,393,771	25,463,444	29,848,399	31,260,231	35,932,573	36,792,796	39,965,145	43,198,296	45,862,430	48,873,426
Institutional property	19,389,257	19,456,265	20,159,599	21,380,662	22,784,996	23,233,393	24,428,720	23,821,676	25,843,363	28,121,678
Other real property	7,773,482	7,713,624	7,857,808	8,121,842	8,395,964	8,954,513	9,636,620	10,343,749	10,733,225	11,265,392
Personal property	57,629,771	61,230,630	63,539,771	70,313,910	70,207,385	69,072,139	72,915,002	76,766,625	74,570,475	77,049,719
Total assessed value	2,279,037,463	2,301,283,425	2,440,067,069	2,613,872,081	2,802,393,216	2,987,964,526	3,315,685,023	3,524,149,165	3,711,701,303	3,899,237,763
Less: property tax exemptions	(294,774,137)	(237,841,071)	(240,837,037)	(242,859,589)	(250,217,383)	(252,405,116)	(257,932,737)	(265,561,857)	(273,748,815)	(285,121,756)
Total taxable value	1,984,263,326	2,063,442,354	2,199,230,032	2,371,012,492	2,552,175,833	2,735,559,410	3,057,752,286	3,258,587,308	3,437,952,488	3,614,116,007
Total direct tax rate <sup>3</sup>	3.3697	2.8569	3.1500	3.1500	3.1500	3.1500	3.1500	3.1500	3.1500	3.1500
Assessed value as a percentage of actual value	95.5%	91.3%	87.3%	85.6%	85.1%	82.4%	84.4%	84.8%	84.3%	82.7%
Taxable value as a percentage of actual value	83.1%	81.8%	78.7%	77.6%	77.5%	75.4%	77.8%	78.4%	78.1%	76.7%

#### Note:

#### Source:

Pinellas County Property Appraiser

<sup>(1)</sup> FY 2022 final tax roll not not available as of reporting date. Estimated actual value, total assessed value, total exempt values, total taxable values all reported per interim roll. Land use values reported per preliminary roll.

<sup>(2)</sup> Estimated actual value is the "just value" of properties per Chapter 193.011, Florida Statutes, without exemptions.

<sup>(3)</sup> Total direct tax rate is the millage rate per \$1,000 of taxable value.

# Schedule 7 - Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

Southwest

													Florida	
	City of S	t. Pete Beach Pinellas County		Pinellas County School Board			Emerg.	Pinellas	Juvenile	Water				
Fiscal	Operating	Debt	Total	Operating	Health	Total	State	Local	Total	Medical	Planning	Welfare	Management	
Year	Millage	Millage	City	Millage	Department	County	Operating	Operating	School	Services	Council	Board	District	Total
2013	3.2819	0.0878	3.3697	5.0105	0.0622	5.0727	5.5540	2.7480	8.3020	0.9158	0.0125	0.8981	0.3928	18.9636
2014	2.8569	0.0000	2.8569	5.2755	0.0622	5.3377	5.3120	2.7480	8.0600	0.9158	0.0160	0.8981	0.3818	18.4663
2015	3.1500	0.0000	3.1500	5.2755	0.0622	5.3377	5.0930	2.7480	7.8410	0.9158	0.0160	0.8981	0.3658	18.5244
2016	3.1500	0.0000	3.1500	5.2755	0.0622	5.3377	5.0930	2.7480	7.8410	0.9158	0.0160	0.8981	0.3488	18.5074
2017	3.1500	0.0000	3.1500	5.2755	0.0622	5.3377	4.5700	2.7480	7.3180	0.9158	0.0150	0.8981	0.3317	17.9663
2018	3.1500	0.0000	3.1500	5.2755	0.0835	5.3590	4.2610	2.7480	7.0090	0.9158	0.0150	0.8981	0.3131	17.6600
2019	3.1500	0.0000	3.1500	5.2755	0.0835	5.3590	3.8360	2.7480	6.5840	0.9158	0.0150	0.8981	0.2955	17.2174
2020	3.1500	0.0000	3.1500	5.2755	0.0835	5.3590	3.8360	2.7480	6.5840	0.9158	0.0150	0.8981	0.2801	17.2020
2021	3.1500	0.0000	3.1500	5.2755	0.0835	5.3590	3.6790	2.7480	6.4270	0.9158	0.0150	0.8981	0.2669	17.0318
2022	3.1500	0.0000	3.1500	5.1302	0.0790	5.2092	3.5770	2.7480	6.3250	0.9158	0.0150	0.8981	0.2535	16.7666

Note:

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

Source:

Pinellas County Tax Collector

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

	2022			2013				
	Taxable		Percentage of	Taxable		Percentage of		
Taxpayer	Value	Rank	Total Value	Value	Rank	<b>Total Value</b>		
HHR St Pete Beach LLC	95,670,635	1	2.6%					
GPIF Sirata LLC	82,500,000	2	2.3%					
Vacation Trust Inc Tre	45,265,052	3	1.3%					
LCP S Postcard Inn LLC	39,600,000	4	1.1%					
PNC Bank Na Tre	36,968,525	5	1.0%					
5750 Gulf Blvd CR LLC	35,318,942	6	1.0%					
Grand Plaza Hotel Owner LLC	35,091,022	7	1.0%					
HHR Beach House LLC	21,725,000	8	0.6%					
Beachcomber Hotel Owner LLC	21,133,130	9	0.6%					
St Pete Beach Hotels LLC	20,206,544	10	0.6%					
Don Cesar Resort Hotel				47,400,000	1	2.39%		
Nicklaus, H Gregg Tre				22,250,000	2	1.12%		
B R E Mariner Dolphin Village LLC				15,700,000	3	0.79%		
RIA - Breckenridge, Inc.				15,180,000	4	0.77%		
RIA - Sandpiper, Inc.				14,900,000	5	0.75%		
St. Pete Partners LLC				12,262,560	6	0.62%		
Grand Plaza Resorts, Inc.				11,103,503	7	0.56%		
Dolphin Holdings, LTD				9,700,000	8	0.49%		
RIA - Tradewinds, Inc.				9,245,600	9	0.47%		
Reagan, Brownlee				8,552,500	10	0.43%		
Total taxable value of ten largest taxpayers	433,478,850		12.0%	166,294,163		8.38%		
Total taxable value of other taxpayers	3,180,637,157		88.0%	1,817,969,163		91.6%		
Total taxable value of all taxpayers	3,614,116,007		100%	1,984,263,326		100%		

Source:

Pinellas County Property Appraiser's Office

## Schedule 9 - Property Tax Levies and Collections Last Ten Fiscal Years

#### **Collected within the**

				_	Fiscal Year	Collections in	
		Taxable	Tax Rate			Percentage	Subsequent
Fiscal Year	Tax Roll	Value	in Mills	Tax Levy	Amount	of Levy	Years
2013	2012	1,984,263,326	3.3697	6,686,372	6,474,606	96.8%	133,935
2014	2013	2,063,442,354	2.8569	5,895,048	5,694,314	96.6%	143,385
2015	2014	2,199,230,032	3.1500	6,927,575	6,783,032	97.9%	188,569
2016	2015	2,371,012,492	3.1500	7,468,689	7,235,035	96.9%	148,544
2017	2016	2,552,175,833	3.1500	8,039,354	7,768,938	96.6%	179,641
2018	2017	2,735,559,410	3.1500	8,617,012	8,368,981	97.1%	174,520
2019	2018	3,057,752,286	3.1500	9,631,920	9,325,425	96.8%	253,019
2020	2019	3,258,587,308	3.1500	10,264,550	9,961,492	97.0%	159,372
2021	2020	3,437,952,488	3.1500	10,829,550	10,478,967	96.8%	150,234
2022	2021	3,614,116,007	3.1500	11,384,465	10,990,637	96.5%	1,861

## Note:

Fiscal year 2022 collections in subsequent years are reported through February 2023.

## Source:

Pinellas County Property Appraiser

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Revenue Bond, Series 2001 & 2006	1,915,000	1,570,000	1,205,000	820,000	420,000	-	-	-	-	-
Capital Improvement Revenue Bonds, Series 2015	-	-	13,000,000	12,685,000	12,440,000	12,190,000	11,930,000	11,665,000	11,390,000	11,100,000
Police Pension Obligation Revenue Bonds, Series 2019	-	-	-	-	-	-	-	6,700,000	6,337,646	5,964,712
Leases payable		302,121	229,191	154,554	78,171	<u> </u>			406,489	308,567
Total governmental activities	\$ 1,915,000	\$ 1,872,121	\$ 14,434,191	\$ 13,659,554	\$ 12,938,171	\$ 12,190,000	\$ 11,930,000	\$ 18,365,000	\$ 18,134,135	\$ 17,373,279
Business-type activities:										
State Revolving Fund Loan (1992)	1,133,436	576,600	-	-	-	-	-	-	-	-
State Revolving Fund Loans (2003, 2005)	2,601,769	2,427,708	2,249,010	2,065,552	1,875,315	1,681,824	1,483,306	1,279,497	1,070,256	855,437
State Revolving Fund Loan (2020)	-	-	-	-	-	-	-	-	10,460,162	12,970,747
Wastewater Revenue Bond, Series 2015	-	-	5,000,000	4,838,000	4,664,000	4,482,000	4,293,000	4,097,000	-	-
Wastewater Utility System Refunding Bank Note (2020)	-	-	-	-	-	-	-	-	4,157,000	3,914,703
Stormwater Revenue Bond, Series 2015	-	-	3,000,000	2,916,000	2,745,000	2,569,000	2,388,000	2,201,000	2,009,000	1,811,000
Leases payable				356,843	289,173	219,702	148,383	75,165		
Total business-type activities	\$ 3,735,205	\$ 3,004,308	\$ 10,249,010	\$ 10,176,395	\$ 9,573,488	\$ 8,952,526	\$ 8,312,689	\$ 7,652,662	\$ 17,696,418	\$ 19,551,887
Total primary government outstanding debt	\$ 5,650,205	\$ 4,876,429	\$ 24,683,201	\$ 23,835,949	\$ 22,511,659	\$ 21,142,526	\$ 20,242,689	\$ 26,017,662	\$ 35,830,553	\$ 36,925,166
Total outstanding debt as percent of personal income	1.3%	1.1%	5.4%	4.8%	4.2%	3.9%	3.6%	4.5%	5.7%	5.8%
Total outstanding debt per capita	\$ 604	\$ 515	\$ 2,633	\$ 2,522	\$ 2,311	\$ 2,172	\$ 2,070	\$ 2,662	\$ 3,738	\$ 4,074

#### Note:

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

# Schedule 11 - Direct and Overlapping Governmental Activities Debt

Governmental Unit	Debt Outstanding	Percentage Applicable to City of St. Pete Beach	Amount Applicable to City of St. Pete Beach		
City of St. Pete Beach Total direct debt	\$ 17,373,279	100%	\$	17,373,279	
rotar direct debt	\$ 17,373,279	10070	Φ	17,373,279	
Pinellas County Government:					
Governmental Activities Notes	6,318,081	3.7%		233,011	
Leases	35,905,598	3.7%		1,324,202	
Pinellas County School Board:					
Certificates of Participation	131,137,302	3.4%		4,459,557	
Bonds	-	3.4%		-	
Leases	9,314,547	3.4%		316,758	
Total overlapping debt	182,675,528		-	6,333,528	
Total direct and overlapping debt			\$	23,706,807	
Total direct and overlapping debt as a	nal income		3.5%		
Total direct and overlapping debt per o		\$	2,615		

#### Note:

The applicable share of overlapping debt is calculated based on the ratio of the City of St. Pete Beach taxable property value (\$3,614,116,007) to Pinellas County (\$97,996,408,346) and Pinellas County School Board (\$106,276,340,290) respective taxable property values.

#### Sources:

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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Obligation (G.O.) Bonds, 1993										
Pledged revenue - property taxes	\$6,474,606	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total debt service requirement	168,400	0	0	0	0	0	0	0	0	0
Coverage ratio	38.45	-	-	-	-	-	-	-	-	-
State Revolving Fund Loan, 1992										
Gross pledged revenue - reclaimed water fees	\$775,886	\$842,702	\$846,638	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net available revenue (gross revenue less operating										
expenses; plus sale of other assets)	787,196	897,992	829,543	0	0	0	0	0	0	0
Total debt service requirement	597,101	597,101	581,763	0	0	0	0	0	0	0
Coverage ratio	1.32	1.50	1.43	-	-	-	-	-	-	-
Revenue Bonds, Series 2001 & 2006										
Pledged revenue - Infrastructure Sales Tax (1)	\$804,221	\$858,293	\$923,839	\$971,639	\$997,929	\$0	\$0	\$0	\$0	\$0
Total debt service requirement	444,150	440,750	443,500	445,250	441,000	0	0	0	0	0
Coverage ratio	1.81	1.95	2.08	2.18	2.26	0.00	0.00	0.00	0.00	0.00
Capital Improvement Revenue Bonds, Series 2015										
Pledged revenue (2)	\$0	\$0	\$0	\$4,146,045	\$4,001,311	\$4,117,142	\$4,298,634	\$4,290,856	\$4,434,573	\$4,685,075
Total debt service requirement	0	0	0	749,681	746,769	746,869	746,569	745,970	745,969	750,468
Coverage ratio	-	-	-	5.53	5.36	5.51	5.76	5.75	5.94	6.24
State Revolving Fund Loan, 2003 & 2005										
Gross pledged revenue - sewer service fees	\$4,679,616	\$5,048,037	\$5,218,696	\$5,806,807	\$6,047,553	\$6,677,519	\$6,554,431	\$6,647,095	\$7,582,027	\$7,539,279
Net available revenue (gross revenue less operating										
expenses and parity debt service requirements)	1,309,323	1,524,879	1,573,624	669,411	1,976,733	1,116,852	1,405,961	1,684,350	1,600,806	847,009
Total debt service requirement	241,555	241,283	241,555	241,356	241,555	241,556	241,558	241,558	241,556	241,557
Coverage ratio	5.42	6.32	6.51	2.77	8.18	4.62	5.82	6.97	6.63	3.51
Wastewater Revenue Bonds, Series 2015										
Gross pledged revenue - sewer service fees	\$0	\$0	\$0	\$5,806,807	\$6,047,553	\$6,677,519	\$6,554,431	\$6,647,095	\$7,582,027	\$7,539,279
Net available revenue (gross revenue less operating										
expenses)	0	0	0	1,037,899	2,289,065	1,486,028	1,774,540	2,053,050	1,359,250	1,216,508
Total debt service requirement	0	0	0	368,488	369,493	369,176	368,579	368,700	369,498	369,499
Coverage ratio	-	-	-	2.82	6.20	4.03	4.81	5.57	3.68	3.29
Stormwater Revenue Bonds, Series 2015										
Gross pledged revenue - Stormwater assessment Net available revenue (gross revenue less operating	\$0	\$0	\$0	\$862,478	\$1,005,287	\$1,099,125	\$1,190,234	\$1,276,371	\$1,301,455	\$1,273,155
expenses)	0	0	0	525,021	575,164	656,910	627,789	563,390	692,670	436,850
Total debt service requirement	0	0	0	167,338	255,768	255,694	256,074	255,529	255,820	255,935
Coverage ratio	-	-	-	3.14	2.25	2.57	2.45	2.20	2.71	1.71
State Revolving Fund Loan, 2020										
Gross pledged revenue - sewer service fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,539,279
Net available revenue (gross revenue less operating	^	•							^	605.452
expenses and parity debt service requirements)	0	0	0	0	0	0	0	0	0	605,452
Total debt service requirement	0	0	0	0	0	0	0	0	0	338,255
Coverage ratio	-	-	-	-	-	-	-	-	-	1.79

#### Notes:

<sup>(1)</sup> Revenue bonds are supported by non-ad valorem revenue, but the Series 2001 & 2006 debt covenants did not specify a required funding source. The City chose to utilize Infrastructure Sales Tax ("Penny for Pinellas") proceeds.

<sup>(2)</sup> Pledged revenue includes: Half Cent Sales Tax, utility service franchise fees, utility service taxes, and the guaranteed entitlement portion of the Florida Municipal Revenue Sharing Program.

# Schedule 13 - Demographic and Economic Statistics Last Ten Calendar Years

			Per Capita		
		Personal	Personal	Median	Unemployment
Year	Population	Income	Income	Age	<b>Rate (1)</b>
2013	9,357	435,587,064	46,552	57.5	7.0%
2014	9,471	451,037,433	47,623	55.9	6.0%
2015	9,373	460,036,213	49,081	56.1	5.1%
2016	9,452	493,073,032	52,166	58.6	4.8%
2017	9,739	539,238,691	55,369	59.4	3.9%
2018	9,735	548,294,670	56,322	59.7	3.3%
2019	9,779	565,245,758	57,802	60.3	3.2%
2020	9,775	580,429,725	59,379	60.5	6.0%
2021	9,586	632,580,140	65,990	61.1	3.9%
2022	9,064	678,784,832	74,888	60.9	2.2%

# Sources:

Pinellas County Economic Development

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

# Notes:

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

# Schedule 14 - Principal Employers Current Year and Nine Years Ago

		2022			2013	
	Number of		Percentage of	Number of		Percentage of
Employer	Employees	Dank	Total City Employment		Dank	Total City
Employer	Employees	Kalik	Employment	Employees	Nalik	Employment
Tradewinds Island Resort	615	1	11.0%	800	1	
Grand Plaza Hotel & Resort	500	2	8.9%	100	5	
The Don CeSar Beach Resort	300	3	5.4%	550	2	
City of St. Pete Beach	141	4	2.5%	86	9	
Publix Supermarket	111	5	2.0%	200	4	
Toasted Monkey Beach Bar	69	6	1.2%			
Buoy's Waterfront Grill	56	7	1.0%			
Crackers Sea Grill Inc.	55	8	1.0%	300	3	
Hotel Zamora	46	9	0.8%			
Sea Hags Bar and Grill	45	10	0.8%			
Beachcomber Beach Resort				85	10	
Fortune Hotels				100	5	
Hurricane Lounge, Inc.				100	5	
Sandpiper Hotel & Suites				99	8	
Total employment of ten largest employers	1,938		34.6%	2,420		
Total employment of other employers	3,662		65.4%			
Total employment of all employers (1)	5,600		100.0%			

# Source:

Pinellas County Economic Development

# Note:

2013 total employment data unavailable.

# Schedule 15 - Full-time Equivalent City Government Employees by Function Last Ten Fiscal Years

-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function		_								
General government										
City Manager (1)	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	10.96
City Clerk	3.13	2.88	2.88	2.63	2.75	2.75	3.00	3.00	3.00	3.50
Community Development	6.00	7.00	7.00	7.00	11.00	12.40	13.03	13.03	12.40	16.85
Finance	4.00	4.00	4.00	3.20	3.00	3.63	4.63	5.63	5.75	5.75
Library	6.50	7.43	7.15	7.15	7.15	7.15	7.40	7.40	7.40	7.65
Parking Enforcement (2)	2.00	2.00	2.20	3.00	3.35	3.35	3.35	3.50	6.20	0.00
Information Technology	1.80	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Public Safety										
Law Enforcement (3)	33.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Fire/EMS	29.75	29.75	32.00	32.00	35.00	35.00	35.00	35.63	35.63	36.00
Public Works	18.33	17.00	18.00	19.00	22.19	25.80	29.00	22.00	22.46	16.00
Parks and Recreation (4)	11.36	13.83	13.83	15.14	15.34	15.59	16.54	24.77	24.82	26.07
Total (5)	<u>118.86</u>	<u>87.88</u>	<u>91.05</u>	<u>94.12</u>	104.78	110.67	<u>115.95</u>	<u>118.96</u>	<u>121.66</u>	124.78

#### Source:

City of St. Pete Beach Budget

#### Notes:

- (1) Facilities management division and City planning division are reported in the City Manager's office effective FY 2022.
- (2) Parking enforcement is reported in Community Development effective FY 2022.
- (3) Law enforcement services were outsourced to the Pinellas County Sheriff's Office effective FY 2014.
- (4) Parks division was reported in Parks and Recreation effective FY 2020. Beaches division is reported in Parks and Recreation effective FY 2022.
- (5) Full-time equivalent totals will not agree to City employment reported on Schedule 14 due to vacancies and variances associated with part-time and seasonal employees.

CITY OF ST. PETE BEACH, FLORIDA

# Schedule 16 - Operating Indicators by Function Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
Public Safety										
Law enforcement calls for service	23,469	7,023	6,324	6,962	6,218	5,816	5,655	5,815	5,965	5,832
Felony arrests	141	147	159	206	219	116	150	75	122	133
Traffic citations	3,235	1,629	2,986	2,799	3,903	2,769	3,071	2,095	2,076	4,128
Parking citations (2)	3,190	2,612	2,904	5,039	4,093	4,293	4,133	5,502	9,592	9,787
Fire structure responses	41	59	288	386	455	645	736	693	915	802
EMS medical calls	1,910	1,880	1,831	2,267	2,707	2,380	2,279	2,215	2,308	2,861
EMS auto crash responses	41	120	114	182	89	137	139	114	134	126
EMS water rescues	18	30	15	65	81	52	53	85	118	161
Public Works										
Street resurfacing (miles)	-	0.95	1.20	-	4.23	2.42	5.64	2.96	1.91	1.49
Culture and Recreation										
Summer camp participation	138	328	398	216	156	142	699	623	630	854
Recreation classes offered	49	53	59	39	42	45	37	39	37	36
Recreation program participation	46,890	58,390	62,000	68,778	89,551	112,655	115,302	56,003	66,791	77,450
Facility rentals booked (1)	318	250	321	290	212	205	61	33	71	410
Library materials borrowed	153,213	154,360	165,548	157,044	147,211	149,988	133,597	92,578	95,563	105,830
Library reference questions	15,706	15,685	17,620	22,414	27,724	20,623	17,842	18,745	26,008	21,002
Wastewater										
Average daily sewer flow (mgd)	2.63	2.95	2.78	2.99	2.87	2.61	2.61	2.56	2.63	2.54
Miles of sewer lines	42	42	42	42	42	42	42	42	42	45
Reclaimed Water										
Average daily consumption (mgd)	2.10	1.60	1.90	2.20	3.02	2.89	2.92	2.80	2.69	2.61

#### Source:

Internal City departments

#### Note:

<sup>(1)</sup> Warren Webster and Hurley Park facilities under construction in FY 2018.

<sup>(2)</sup> FY 2021 parking citation increase reflected additional staffing resources and new technology.

CITY OF ST. PETE BEACH, FLORIDA

# Schedule 17 - Capital Asset Statistics by Function Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										_
Public Safety										
Police Stations	1	1	0	0	0	0	0	0	0	0
Fire Stations	2	2	2	2	2	2	2	2	2	2
Libraries										
Main	1	1	1	1	1	1	1	1	1	1
Transportation										
Streets (miles)	45.73	45.73	45.73	45.73	45.73	45.73	45.73	45.73	45.73	45.73
Recreation										
Parks (acres)	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5
Beaches (acres)	39.8	39.8	40	40	40	40	40	40	40	40
Playgrounds	5	5	5	5	5	5	5	5	5	5
Picnic areas	6	6	6	6	6	6	6	6	6	6
Fishing piers	2	2	2	2	2	2	2	2	2	2
Fishing areas	5	5	5	5	5	5	5	5	5	5
Boat ramps	2	2	2	2	2	2	2	2	2	2
Tennis courts	9	9	9	9	9	9	9	9	9	9
Baseball fields	3	3	3	3	3	3	3	3	3	3
Basketball courts	3	3	3	3	3	3	3	3	3	3
Wastewater										
Sanitary sewers (miles)	42	42	42	42	42	42	42	42	42	45
Pump stations	17	17	17	17	17	17	17	17	17	21
Average daily flow (mgd)	2.63	2.95	2.78	2.99	2.87	2.61	2.61	2.56	2.63	2.54
Reclaimed water										
Reclaimed lines (miles)	40	40	40	40	40	40	40	40	40	40

Source:

Internal City departments

#### CITY OF ST. PETE BEACH, FLORIDA SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal/State Grantor/Pass Through Grantor/ Program Title	ALN/ CSFA Number	Contract / Grant Number	Expenditures
FEDERAL AGENCY			
Department of the Treasury Direct Programs:			
Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5048	\$ 4,801,684
Total Department of the Treasury			4,801,684
Department of Homeland Security Direct Programs:			
(Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	Z2144	58,913
Total Department of Homeland Security			58,913
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 4,860,597
STATE FINANCIAL ASSISTANCE			
State of Florida Department of Environmental Protection Direct Programs:			
Wastewater Treatment Facility Construction	37.077	WW520310	\$ 2,510,584
Total Florida Department of Environmental Protection			2,510,584
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 2,510,584

#### **Notes:**

# 1) Basis of Presentation:

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

#### 2) Subrecipients:

The City provided no state awards to subrecipients during the year ended September 30, 2022.

# CITY OF ST. PETE BEACH, FLORIDA SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2022

# I. Summary of Auditors' Results:

Financial Statements:		
Type of audit report issued on the financial statements:	Unmodifi	ed
Internal control over financial reporting:		
Material weakness(es) identified?	yes	X no
Significant deficiency(ies) identified?	yes	X none reported
Noncompliance material to financial statements noted?	yes	X_no
Federal Awards:		
Internal control over major Federal programs:		
Material weakness(es) identified?	yes	X no
Significant deficiency(ies) identified?	yes	X none reported
Type of auditors' report issued on compliance for major Federal programs:	Unmodifi	ed
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	yes	X none reported
Auditee qualified as a low-risk auditee?	yes	X no
Dollar threshold used to distinguish between type A and type B programs:		<u>\$750,000</u>
Identification of major Federal programs:		
AL Number Program	Name	
21.027 COVID-19 - Coronavirus State and	Local Fiscal Re	ecovery Funds
State Financial Assistance:		
Internal control over major State projects:		
Material weakness(es) identified?	yes	X no
Significant deficiency(jes) identified?	ves	X none reported

Type of auditors' report issu State projects:	ed on compliance for major	Unmodified				
Any audit findings disclereported for state financiaccordance with Chapter		yes	X none reported			
Dollar threshold used to type B programs:		<u>\$750,000</u>				
Identification of major State	projects:					
CSFA Number	Program Name					
37.077	Wastewater Treatment Facility Construction					

- II. Financial Statement Findings: None.
- III. Federal Program Findings and Questioned Costs: None.
- IV. State Project Findings and Questioned Costs: None.
- V. Summary Schedule of Prior Audit Findings: Not applicable as there were no prior year findings.
- VI. **Corrective Action Plan:** Not applicable as there are no current year comments related to internal control and/or compliance over financial reporting or federal and state awards.



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

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

#### Report on Compliance for Each Major Federal Program and State Project

# Opinion on Each Major Federal Program and State Project

We have audited the City of St. Pete Beach, Florida (the City)'s compliance with the types of compliance requirements described in the U.S. Office of Management and Budget Compliance Supplement and the requirements described in the Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2022. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2022.

#### Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

#### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs and state projects.

# Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses, or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

James Moore & Co., P.L.

Daytona Beach, Florida March 27, 2023



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Pete Beach, Florida as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 27, 2023.

#### Report on Internal Control over Financial Reporting

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

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

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

### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

James Moore : 6., P.L.

Daytona Beach, Florida March 27, 2023

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

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

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

We have audited the financial statements of the City of St. Pete Beach, Florida (the City), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 27, 2023.

#### **Auditors' Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

# **Other Reporting Requirements**

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report(s) on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 27, 2023, should be considered in conjunction with this management letter.

#### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no such findings and recommendations in the preceding audit report.

# Official Title and Legal Authority

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

#### **Financial Condition and Management**

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we noted the following recommendation:

#### 2022-001 - Unexpended Balance - Building Permits

Section 553.80(7)(a) of Florida Statutes has been updated to limit the amount of unexpended building permit funds carried forward to future fiscal years to no more than the City's average operating budget for enforcing the Florida Building Code for the previous four (4) fiscal years. A local government must use any funds in excess of this limitation to rebate or reduce fees. The City's unexpended building permit funds at September 30, 2022, exceeded the City's average operating budget for enforcing the Florida Building Code for the previous four fiscal years by approximately \$1,600,000. The City should identify how it intends to reduce the amount of unexpected building code balances in order to comply with Section 553.80(7)(a) of Florida Statutes. Such action may require the City to modify subsequent fiscal year budgets.

### 2022-002 - Purchasing Card Testing

During testing of Purchasing Card (P-Card) disbursements, there were observed instances where supporting documentation included only receipts and did not identify explicitly the business intention of the purchase. Although this is not a current City policy requirement, the City should consider enhancing their documentation of P-Card transactions to include the business purpose and description of purchases made.

#### **Special District Component Units**

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

#### **Additional Matters**

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

# **Management's Response to Findings**

The City's response to the findings identified in our audit is outlined as listed in the table of contents. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

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

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

Daytona Beach, Florida March 27, 2023 James Maore : Co., P.L.



James Maore ; Co., P.L.

#### INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

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

We have examined the City of St. Pete Beach, Florida's (the City) compliance with Section 218.415, Florida Statutes, Local Government Investment Policies (the Statute), for the year ended September 30, 2022. Management is responsible for the City's compliance with the Statute. Our responsibility is to obtain reasonable assurance by evaluating the City's compliance with the Statute and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with attestation standards for a direct examination engagement established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we obtain reasonable assurance for evaluating the City's compliance with the Statute, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the City's compliance with the Statute. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks that the City was not in compliance with the Statute in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion..

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

Daytona Beach, Florida March 27, 2023

# **Management Responses to Findings**

# 2022-001 - Unexpended Balance - Building Permits

Staffing and resources were gradually added to maintain customer service standards after lifting the 2016 development moratorium. The City has added 3.5 FTE positions in the Building Fund since FY 2021 and is currently in the solicitation phase of an ERP project with an initial cost estimate of \$300,000 and \$75,000 in recurring expenditures. Meanwhile, permit fees were restructured to provide for more direct cost recovery. FY 2022 net revenue declined by 92%.

# 2022-002 - Purchasing Card Testing

Management will accept this recommendation and require additional reporting information on P-Card transactions.