TAMPA BAY ESTUARY PROGRAM

FINANCIAL STATEMENTS, REQUIRED
SUPPLEMENTARY INFORMATION,
AND COMPLIANCE SECTION

As of and for the Year Ended September 30, 2019

And Reports of Independent Auditor

Cherry Bekaert LLP
CPAs & Advisors

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Cherry Bekaert LLP
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Report of Independent Auditor

To the Members of the Board of Directors
Tampa Bay Estuary Program
St. Petersburg, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Tampa Bay Estuary Program (the "Estuary Program") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Estuary Program's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Estuary Program as of September 30, 2019, and the respective changes in its financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2020, on our consideration of the Estuary Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Estuary Program's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Estuary Program's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Tampa, Florida
February 3, 2020

As management of the Tampa Bay Estuary Program (the "Estuary Program"), we offer readers of the Estuary Program's financial statements this narrative overview and analysis of the financial activities of the Estuary Program for the fiscal year ended September 30, 2019. We encourage readers to read the information presented herein in conjunction with additional information furnished in the Estuary Program's financial statements following this narrative.

Financial Highlights

The Estuary Program's net position is $1,134,800, an increase of $396,415 over the previous year. Net position serves as both a contingency and rainy-day fund for the Estuary Program as well as a source of matching funds for grants for high priority projects.

During the year, total expenses were $2,097,669 versus total revenue of $2,494,084.

Using this Annual Report

The report consists of three components: 1) government-wide financial statements providing information about the activities of the Estuary Program as a whole; 2) fund financial statements providing information about the significant funds of the Estuary Program; and 3) notes to the financial statements providing supplementary and explanatory information. This report also includes required supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements – The first two statements on pages 6 and 7, "Statement of Net Position" and "Statement of Activities," are designed to provide a broad overview of the Estuary Program's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide information about the Estuary Program's financial status as a whole. These statements include details of income during the year and a breakdown by category of expenses for activities and administration of the Estuary Program. The statements include all assets, deferred outflows of financial resources, liabilities, and deferred inflows of financial resources using the accrual basis of accounting. This means that all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Estuary Program's net position and changes in net position. The net position – the difference between assets and deferred outflows and liabilities and deferred inflows – is an important measure of the Estuary Program's financial health.

Fund Financial Statements – The next five statements on pages 8 through 12 provide a detailed look at the Estuary Program's major fund. The Estuary Program, like all government entities, uses fund accounting to ensure and reflect compliance (or noncompliance) with finance related legal requirements. The fund statements do not reflect the activities of the Estuary Program as a whole. All of the funds of the Estuary Program are included in only one category: governmental funds. All activities of the governmental funds are included in only one fund: General Fund.

Tampa Bay Estuary Program - Net Position

	Governmental Activities		Increase
	2019	2018	(Decrease)
Current and other assets	$ 2,528,907	$ 1,839,271	$ 689,636
Capital assets	708	431	277
Total Assets	2,529,615	1,839,702	689,913
Deferred outflow of resources	174,988	236,552	(61,564)
Current liabilities	884,190	646,200	237,990
Long-term liabilities	556,377	582,701	(26,324)
Total Liabilities	1,440,567	1,228,901	211,666
Deferred inflow of resources	129,236	108,968	20,268
Net Position:			
Net investment in capital assets	708	431	277
Restricted for specialty license plate related expenditures	614,865	342,608	272,257
Unrestricted	519,227	395,346	123,881
Total Net Position	$ 1,134,800	$ 738,385	$ 396,415

Tampa Bay Estuary Program - Changes in Net Position

	Governmental Activities		Increase
	2019	2018	(Decrease)
Revenues:			
Program revenue:			
Operating grants and contributions	$ 1,119,535	$ 1,352,464	$ (232,929)
Charges for services	1,368,873	656,245	712,628
General revenues:			
Interest	5,676	4,184	1,492
Total Revenues	2,494,084	2,012,893	481,191
Functional/Program Expenses:			
Physical environment	2,097,669	1,963,180	134,489
Total Functional/Program Expenses	2,097,669	1,963,180	134,489
Increase in net position	$ 396,415	$ 49,713	$ 346,702

Governmental Activities

Revenues for the Estuary Program's activities totaled $2,494,084, an increase of $481,191 from the previous year. The significant changes in revenue are due to increased activity related to non-federal related projects, planned increases in non-federal match, and new settlement funds.

Expenses totaled $2,097,669, an increase of $134,489 from the previous year.

General Fund Balance Sheet

	2019	2018	Increase
Current and other assets	$ 2,528,907	$ 1,839,271	$ 689,636
Liabilities	$ 884,190	$ 646,200	$ 237,990
Fund balance	1,644,717	1,193,071	451,646
Total liabilities and fund balance	$ 2,528,907	$ 1,839,271	$ 689,636

Fund balance increased this year by $451,646 to $1,644,717.

Budgetary Highlights

During the fiscal year, the Estuary Program revises the budget on two occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the initial budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Economic Factors and the 2018-2019 Budget

The $600,000 in Section 320, federal funding for fiscal year 2019 was the same as fiscal year 2018. Regardless, additional federal, state, and local funding, as noted below, allowed the Estuary Program to add several additional technical and outreach projects to support CCMP implementation.

Continued local government and industry support for the Tampa Bay Environmental Restoration Fund and the Tampa Bay Nitrogen Management Consortium, as well as the 2015 Amended Interlocal Agreement funding schedule has improved stability of funding for base program operations.

Additionally, in December 2018, the City of St. Petersburg contributed an additional $200,000 to TBERF from settlement funds from an FDEP Consent order.

Section 320 federal funding for fiscal years 2020 - 2021 will increase to the $662,500 level, an increase of $62,500 from the previous two years. The increase from the $600,000 level is anticipated in future years.

Lastly, specialty license plate revenue remained stable between fiscal years 2018 and 2019.

TAMPA BAY ESTUARY PROGRAM
STATEMENT OF NET POSITION

SEPTEMBER 30, 2019

ASSETS	
Cash	$ 1,727,108
Investments	137,176
Receivables	45,372
Prepaid expenses and other assets	4,386
Capital assets, net of accumulated depreciation	708
Restricted cash	523,977
Restricted investments	90,888
Total Assets	2,529,615
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pensions	174,988
LIABILITIES	
Accounts payable and accrued expenses	305,288
Unearned revenue	578,902
Noncurrent liabilities:	
Accrued compensated absences	55,365
Net pension liability	501,012
Total Liabilities	1,440,567
DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pensions	129,236
NET POSITION	
Net investment in capital assets	708
Restricted	614,865
Unrestricted	519,227
Total Net Position	$ 1,134,800

TAMPA BAY ESTUARY PROGRAM
STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2019

		Program Revenues		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Net Revenue and Changes in Net Position**
Primary Government:				
Governmental Activities:				
Physical environment - conservation and resource management	$ 2,097,669	$ 1,368,873	$ 1,119,535	$ 390,739
Total Governmental Activities	$ 2,097,669	$ 1,368,873	$ 1,119,535	390,739
	General Revenues:			
	Interest			5,676
	Total General Revenues			5,676
	Change in net position			396,415
	Net position - beginning			738,385
	Net position - ending			$ 1,134,800

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

TAMPA BAY ESTUARY PROGRAM
BALANCE SHEET – GENERAL FUND

SEPTEMBER 30, 2019

ASSETS		
Cash	$	1,727,108
Investments		137,176
Receivables - funding agencies		45,372
Prepaid expenses and other assets		4,386
Restricted cash		523,977
Restricted investments		90,888
Total Assets	$	2,528,907
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable and accrued expenses	$	305,288
Unearned revenue		578,902
Total Liabilities		884,190
Fund Balance:		
Nonspendable		4,386
Restricted for specialty license plate related expenditures		405,328
Restricted for future projects		209,537
Assigned for grant matching funds for future years		786,676
Unassigned		238,790
Total Fund Balance		1,644,717
Total Liabilities and Fund Balance	$	2,528,907

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

TAMPA BAY ESTUARY PROGRAM
RECONCILIATION OF THE BALANCE SHEET – GENERAL FUND
TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2019

Total fund balance - general fund		$ 1,644,717
Amounts reported for governmental activities in the statement of net position are different because:		
The cost of acquiring capital assets financed from the general fund are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the statement of net position includes capital assets of the Estuary Program as a whole, and their original costs are expensed annually over their useful lives.		
Original cost of capital assets	$ 27,685	
Accumulated depreciation	(26,977)	
		708
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions		174,988
Deferred inflows of resources related to pensions		(129,236)
Compensated absences are long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the general fund.		(55,365)
Net pension liability is a long-term liability that is not due and payable in the current period and, therefore, is not reported in the general fund.		(501,012)
Total net position - governmental activities		$ 1,134,800

TAMPA BAY ESTUARY PROGRAM

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2019

Revenues:	
Federal grants	$ 291,589
Member dues	516,959
State specialty license plate	111,446
Fees/contracts	1,368,873
In-kind services	171,551
Interest income	5,676
Other revenues	27,990
Total Revenues	2,494,084
Expenditures:	
Current:	
Physical environment - conservation and resource management	2,041,374
Capital outlay	1,064
Total Expenditures	2,042,438
Excess of revenues over expenditures	451,646
Fund balance - beginning of year	1,193,071
Fund balance - end of year	$ 1,644,717

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

TAMPA BAY ESTUARY PROGRAM

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GENERAL FUND TO THE STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2019

Net change in fund balance - total general fund	$	451,646
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in the general fund. However, in the statement of activities, the cost of assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital asset additions offset by depreciation expense in the current period.		277
In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the General Fund expenditures are recognized based on the amounts actually paid for leave used. This is the net amount of vacation, sick leave, and other incremental salary-related payments used in excess of the amount earned in the current		(266)
In the statement of activities, cost of pension benefits is measured by the decrease in the net pension liability during the year, while the governmental funds, expenditures are recognized based on the amounts actually paid for the pension expense. This is the amount of the decrease in the net pension liability in excess of the amount paid in the current period.		(55,242)
Change in net position of governmental activities	$	396,415

TAMPA BAY ESTUARY PROGRAM

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL – GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Federal grants	$ 605,194	$ 1,023,425	$ 291,589	$ (731,836)
Member dues	516,959	516,959	516,959	-
State specialty license plate	93,500	110,173	111,446	1,273
Fees/contracts	1,015,290	1,073,178	1,368,873	295,695
In-kind services	108,041	171,551	171,551	-
Other revenues and interest income	2,500	33,666	33,666	-
Total Revenues	2,341,484	2,928,952	2,494,084	(434,868)
Expenditures:				
Current:				
Physical environment - conservation and resource management	2,250,178	2,073,003	2,041,374	31,629
Capital outlay	3,000	1,064	1,064	-
Total Expenditures	2,253,178	2,074,067	2,042,438	31,629
Excess (deficiency) of revenues over expenditures	$ 88,306	$ 854,885	451,646	$ (403,239)
Fund balance - beginning of year			1,193,071	
Fund balance - end of year			$ 1,644,717	

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

Note 1—Organization and summary of significant accounting policies

Organization – The Tampa Bay Estuary Program (the "Estuary Program") is a tax-exempt association of cities, counties, and other non-federal agencies, which is organized to achieve the goals adopted in the Comprehensive Conservation and Management Plan for Tampa Bay through detailed action plans prepared by each member agency of the association.

The Estuary Program was established by interlocal agreement February 28, 1998 pursuant to the authority of Section 163.01, *Florida Statutes*. The basic operations of the Estuary Program are financed primarily through grants from the Environmental Protection Agency and member dues/contributions from the member cities and counties and four Basin Boards of the Southwest Florida Water Management District.

Reporting Entity – The financial reporting entity consists of the primary government and any organizations for which the primary government is financially accountable in accordance with the provisions described in Governmental Accounting Standards Board ("GASB") of Statement No. 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34.* This statement defines component units as legally separate organizations for which the elected officials of the primary government appoint the majority of the organization's board and in which a financial benefit and burden relationship between the primary government and the organization exist. Based on the application of these criteria, no potential component units were identified.

Government-Wide Financial Statements – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the primary government.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned, and expenses are recognized when incurred, regardless of the timing of related cash flows. Grants are recognized in the fiscal year in which all eligibility requirements are met.

Governmental Fund Financial Statements – The governmental fund financial statements are presented using the current financial resources and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Estuary Program considers all revenues available if they are collected within 60 days after year-end, with the exception of grant and contract fees for which the period is nine months. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds.

Under the terms of grant agreements, the Estuary Program funds certain programs by a combination of specific cost-reimbursement grants, other grants, and general revenues. Therefore, when program expenses are incurred and there are restricted and unrestricted net positions available to finance the program, it is the Estuary Program's policy to first apply cost-reimbursement grant resources to such programs, followed by other grants and then general revenues.

The Estuary Program reports one major governmental fund. The general fund is used to account for the accumulation and expenditure of resources that are used for general purposes of the Estuary Program and do not require the establishment of any other type of fund.

Investments – Investments are recorded at fair value, except for amounts invested with the State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund, a 2a7-like investment pool, which are recorded at amortized cost, which approximates fair value.

Note 1—Organization and summary of significant accounting policies (continued)

Budgeting – The annual budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America ("U.S. GAAP"). A tentative budget is adopted by the Policy Board after appropriate public hearing in June of each year covering the proposed operations and requirements for the ensuing fiscal year. By September 30, the Policy Board, after the appropriate public hearing, adopts the final budget. Budgetary control is maintained at the program level. The governing body may, at any time within a fiscal year or up to 60 days following the end of the fiscal year, amend a budget for that year by resolution.

Estimates – The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Receivables – At September 30, 2019, there was no allowance for doubtful accounts since all receivables were deemed collectible by management.

Capital Assets – Purchased or constructed capital assets are reported at cost. Donated capital assets are reported at acquisition value at the date of donation. Minimum capitalization costs are $500 for all asset categories. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life is not capitalized. Depreciation is provided on a straight-line method over the estimated useful lives of the assets, generally 3 to 10 years.

Unearned Revenue – Unearned revenue represents membership fees collected in advance of the membership period and grants received before eligibility requirements are met.

Deferred Outflows and Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an expense or expenditure until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Estuary Program presents amounts related to pensions as deferred outflows of resources and deferred inflows of resources.

Pensions – In the government-wide statement of net position, pension liabilities are recognized for the Estuary Program's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Florida Retirement System ("FRS") defined benefit plan and the Health Insurance Subsidy ("HIS") defined benefit plan and additions to/deductions from the FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Net Position – Net position in government-wide financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Fund Balances – In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise the limitations on the funds in accordance with GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*. The fund balance is reported in five components – nonspendable, restricted, committed, assigned, and unassigned.

Note 1—Organization and summary of significant accounting policies (continued)

Nonspendable includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually bound. Restricted consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law. Committed consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Estuary Program. Assigned consists of amounts that are constrained by the Estuary Program's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Estuary Program Board. Unassigned represents amounts that have not been restricted, committed, or assigned to specific purposes within the general fund.

The Estuary Program's fund balance consists of the following categories.

(a) *Nonspendable* – this classification includes amounts that cannot be spent because they are not in spendable form, such as prepaid expenses.

(b) *Restricted for Specialty License Plate Related Expenditures* – portion of fund balance reserved for the specialty license plate program. Expenditures are made according to *Florida Statutes* 320.08056 and 320.08058.

(c) *Restricted for Future Projects* – portion of fund balance received from local sources restricted for projects to secure significant environmental benefits to the watersheds and ocean waters in and adjacent to the City of St. Petersburg.

(d) *Assigned for Grant Matching Funds* – portion of the fund balance not available for appropriation because it represents the year-end fund balance reserved for expenditures related to fiscal year 2018 grant matching requirements.

(e) *Assigned for Grant Matching Funds for Future Years* – portion of the fund balance not available for appropriation because it represents the year-end fund balance reserved for expenditures related to grant matching requirements after fiscal year 2019.

(f) *Unassigned* – This classification includes the residual fund balance for the general fund.

The Estuary Program would typically use restricted fund balance first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

In-Kind Revenue – The Estuary Program records in-kind revenue and expense if the services create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased.

Subsequent Events – The Estuary Program has evaluated subsequent events through February 3, 2020, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Note 2—Deposits and investments

Deposits
At September 30, 2019, the book balance of deposits was $2,250,885 and the bank balance was $2,242,841. The Estuary Program had $200 petty cash on hand at year-end. Deposits are covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Security for Public Deposits Act (the "Act"). Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Chief Financial Officer acting as State Treasurer, eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default.

Investments
Florida Statutes authorize the Estuary Program to invest in the SBA's Local Government Investment Pool, certain obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and interest-bearing time deposits and savings accounts held in banks and savings and loans.

The Estuary Program invests funds throughout the year with the SBA Local Government Surplus Funds Trust Fund, under the regulatory oversight of the State of Florida. Investments in the SBA consist of the Florida PRIME.

The Florida PRIME has met the criteria as a "2a7-like" pool; this pool was assigned a rating of "AAAm" by the Standard and Poor's Rating Service. The investment policy of Florida PRIME is to manage the weighted average maturity to 60 days or less. As of September 30, 2019, the Estuary Program had a balance of $228,064 in the Florida PRIME.

Additional information regarding Florida PRIME may be obtained from the Florida SBA at http://www.sbafla.com/prime.

Interest Rate Risk – The Estuary Program has no specific policy regarding interest rate risk.

Note 3—Capital assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets being depreciated:				
Furniture and equipment	$ 26,621	$ 1,064	$ -	$ 27,685
Less accumulated depreciation for:				
Furniture and equipment	(26,190)	(787)	-	(26,977)
Total capital assets being depreciated, net	$ 431	$ 277	$ -	$ 708

Note 4—Compensated absences

Compensated Absences – Employees with five years of service become eligible to receive 25% of accumulated sick leave upon termination and employees with ten years of service become eligible to receive 50% of accumulated sick leave upon termination. The actual payout of accumulated sick leave upon termination is limited to 150 hours. Other sick pay benefits are paid only in the event of actual sickness. At September 30, 2019, accrued vested benefits of $19,028 are reported in the financial statements.

The Estuary Program has also accrued $6,191 of estimated payroll taxes related to sick pay benefits and vacation payable at September 30, 2019.

Vacation pay can be accumulated by an employee up to one and one-half times the normal amount earned for one year and is payable, if not used, upon termination. At September 30, 2019, accrued vacation payable of $30,146 was reported in the financial statements.

A summary of changes in accrued compensated absences follows:

Balance October 1, 2018	Net Adjustments and Payments	Balance September 30, 2019
$ 55,099	$ 266	$ 55,365

Note 5—Lease commitments

The Estuary Program has entered into operating lease agreements for office space and office equipment. Minimum noncancelable lease commitments are as follows:

2020	$ 37,560
2021	38,628
2022	20,520
	$ 96,708

Total rental expense for all operating leases for the year ended September 30, 2019 was $36,577.

Note 6—Employee retirement plans

The Estuary Program provides retirement benefits to its employees through the FRS and a Deferred Retirement Option Program ("DROP"), as well as state approved other post-employment benefits in the form of subsidized health insurance premiums.

Florida Retirement System Overview – The Estuary Program participates in the FRS for all employees. The FRS was created in Chapter 121, *Florida Statutes*, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the DROP under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective October 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, *Florida Statutes*, established the Retiree HIS Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Note 6—Employee retirement plans (continued)

Essentially all regular employees of the Estuary Program are eligible to enroll as members of the state-administered FRS. Provisions relating to the FRS are established by Chapter 121 and 122, *Florida Statutes*; Chapter 112, Part IV, *Florida Statutes*; Chapter 238, *Florida Statutes*; and FRS Rules, Chapter 60S, *Florida Administrative Code*; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature.

The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information is available from the Florida Department of Management Services' website (http://www.dms.myflorida.com).

FRS Pension Plan

Plan Description – The FRS Pension Plan ("FRS Plan") is a cost-sharing, multiple-employer defined benefit pension plan with DROP for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class* – Members in senior management level positions.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011 vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011 vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service (except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service). All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service (except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the FRS Plan may include up to four years of credit for military service toward creditable service.

The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, *Florida Statutes*, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Note 6—Employee retirement plans (continued)

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

The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class Members Initially Enrolled Before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class Members Initially Enrolled on or After July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Elected County Officers	
Service as Supreme Court Justice, district court of appeal judge, Circuit court judge, or county judge	3.33
Service as Governor, Lt Governor, Cabinet Officer, Legislator, state attorney, public defender, elected county official, or elected official of a city or special district that chose EOC membership for its elected officials	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, *Florida Statutes*, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011 will not have a cost-of-living adjustment after retirement.

Note 6—Employee retirement plans (continued)

Contributions – The Florida Legislature establishes contribution rates for participating employers and employees. All participating employers must comply with statutory contribution requirements. Employer contribution rates under the uninform rate structure (a blending of both the pension plan and investment plan rates) are recommended in an annual actuarial valuation, but set by the Florida Legislature. Effective July 1, 2011, all plan members, except those in DROP, are required to make a 3% employee contribution on a pretax basis to the FRS.

Employer contribution rates are as follows:

	Percentage of Covered Payroll	
Class	**July 1, 2019 - September 30, 2019(1)**	**October 1, 2018 - June 30, 2019(1)**
FRS, Regular	6.54%	8.26%
FRS, Elected County Officers	39.05%	48.70%
FRS, Senior Management Service	22.34%	24.06%
FRS, Special Risk Regular	22.78%	24.50%
DROP - Applicable to:		
Members from All of the Above Classes	12.37%	14.03%

(1) Employer rates include 1.66% for the postemployment health insurance subsidy. Also, employer rates other than for DROP participants, includes 0.06% for administrative costs of the Investment Plan.

The Estuary Program's contributions to the Pension Plan totaled $33,133 for the fiscal year ended September 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – The Estuary Program reported a liability of $362,309 for its proportionate share of the board's Pension Plan's net pension liability as of September 30, 2019. The net pension liability for each fiscal year was measured as of June 30, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation in each year as of July 1. The Estuary Program's proportionate share of the net pension liability was based on the Estuary Program's fiscal year contributions relative to the same fiscal year contributions of all participating members of the Estuary Program. At June 30, 2019, the Estuary Program's proportionate share was 0.00105%, which was a decrease of 0.00022% from its proportionate share of 0.00127%, measured as of June 30, 2018.

Note 6—Employee retirement plans (continued)

For the fiscal year ended September 30, 2019, the Estuary Program recognized pension expense of $89,154 related to the Plan. In addition, the Estuary Program reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 21,490	$ 225
Changes in assumptions	93,057	-
Net differences between projected and actual earnings on FRS Plan investments	-	20,045
Changes in proportion and differences between the Estuary Program's FRS contribution and proportionate share of contributions	22,388	63,499
The Estuary Program's FRS contributions subsequent to the measurement date	7,796	-
	$ 144,731	$ 83,769

The deferred outflows of resources related to pensions, totaling $7,796, resulting from Estuary Program contributions to the FRS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Years Ending September 30,	Amount
2020	$ 27,767
2021	3,891
2022	18,497
2023	12,375
2024	(1,575)
Thereafter	(7,789)
	$ 53,166

Note 6—Employee retirement plans (continued)

Actuarial Assumptions – The FRS pension actuarial valuation was determined using the following actuarial assumptions, as of July 1, 2019, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.9%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.2%
Fixed income	18.0%	4.1%	4.1%	3.5%
Global equity	54.0%	8.0%	6.8%	16.5%
Real estate (property)	10.0%	6.7%	6.1%	11.7%
Private equity	11.0%	11.2%	8.4%	25.8%
Strategic investment	6.0%	5.9%	5.7%	6.7%
	100.0%			
Assumed inflation - Mean			2.6%	1.7%

Note: (1) As outlined in the Plan's investment policy

Discount Rate – The discount rate used to measure the total pension liability was 6.90% for the FRS Plan. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 6—Employee retirement plans (continued)

Pension Liability Sensitivity – The following presents the Estuary Program's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the Estuary Program's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Estuary Program's proportionate share of the net pension liability	$ 626,312	$ 362,309	$ 141,822

Pension Plan Fiduciary Net Position – Detailed information about the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan – The Estuary Program reported no payables for the outstanding amount of contributions to the plan required for the fiscal year ended September 30, 2019.

The Retiree HIS Program

Plan Description – The Retiree Health Insurance Subsidy Program ("HIS Plan") is a cost-sharing, multiple-employer defined benefit pension plan established under section 112.363, *Florida Statutes*, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, *Florida Statutes*. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2019, the contribution rate was 1.66% of payroll pursuant to Section 112.363, *Florida Statutes*. The Estuary Program contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The Estuary Program's contributions to the HIS Plan totaled $6,985 for the fiscal year ended September 30, 2019.

Note 6—Employee retirement plans (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2019, the Estuary Program reported a net pension liability of $138,703 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the Estuary Program's proportionate share of benefit payments expected to be paid within one year, net of the Estuary Program's proportionate share of the pension plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. At June 30, 2019, the Estuary Program's proportionate share was 0.00124%, which was a decrease of 0.00013% from its proportionate share of 0.00137% measured as of June 30, 2018.

For the fiscal year ended September 30, 2019, the Estuary Program recognized pension expense of $6,207 related to the HIS Plan. In addition, the Estuary Program reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,685	$ 170
Changes in assumptions	16,060	11,336
Net differences between projected and actual earnings on HIS pension plan investments	90	-
Changes in proportion and differences between the Estuary Program's HIS contribution and proportionate share of contributions	10,782	33,961
The Estuary Program's HIS contributions subsequent to the measurement date	1,640	-
	$ 30,257	$ 45,467

The deferred outflows of resources related to the HIS Plan, totaling $1,640, resulting from Estuary Program contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Years Ending September 30,	Amount
2020	$ (522)
2021	(1,061)
2022	(2,038)
2023	(4,077)
2024	(3,063)
Thereafter	(6,089)
	$ (16,850)

Note 6—Employee retirement plans (continued)

Actuarial Assumptions – The total pension liability in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	3.50%

Mortality rates were based on the Generational RP-2000 with Projected Scale BB tables. The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate – The discount rate used to measure the total pension liability was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Estuary Program's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Estuary Program's proportionate share of the net pension liability calculated using the discount rate of 3.50%, as well as what the Estuary Program's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

	1% Decrease 2.50%	Current Discount Rate 3.50%	1% Increase 4.50%
Estuary Program's proportionate share of the net pension liability	$ 158,336	$ 138,703	$ 122,350

Pension Plan Fiduciary Net Position – Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan – At September 30, 2019, the Estuary Program reported no payables for the outstanding amount of contributions to the HIS Plan.

Investment Plan

The Estuary Program contributes to the FRS Defined Contribution Investment Plan ("Investment Plan"). The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

Note 6—Employee retirement plans (continued)

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Estuary Program employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Allocations to the investment member's accounts during the 2018-19 fiscal year, as established by Section 121.72, *Florida Statutes* are based on a percentage of gross compensation, by class, as follows:

Class	Percent of Gross Compensation
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Estuary Program.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. If disability coverage is provided, the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Estuary Program's Investment Plan pension expense approximately $11,000 for the fiscal year ended September 30, 2019.

Note 7—Contingent liabilities

Expenditures incurred by the Estuary Program associated with the execution of various grants are subject to audit and possible disallowance by the grantor agency. The Estuary Program would be held responsible for recovery (reimbursement to the grantor agency) of disallowed amounts. Management believes that, if audited, any adjustment for disallowed expenses would be immaterial in amount.

REQUIRED SUPPLEMENTARY INFORMATION

TAMPA BAY ESTUARY PROGRAM

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM PENSION PLAN

LAST 10 FISCAL YEARS

Schedule of Proportionate Share of Net Pension Liabilities - Florida Retirement System Pension Plan
FLORIDA RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	2019*	2018	2017	2016	2015	2014
The Program's proportion of the net pension liability	0.001052044%	0.001271190%	0.001418554%	0.001182535%	0.001299507%	0.001600000%
The Estuary Program's proportionate share of the net pension liability	$ 362,309	$ 382,889	$ 419,599	$ 298,591	$ 175,883	$ 83,084
The Estuary Program's covered-employee payroll	$ 423,713	$ 446,570	$ 527,403	$ 495,664	$ 425,660	$ 437,027
The Estuary Program's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	86%	86%	80%	60%	41%	19%
FRS Plan fiduciary net position as a percentage of the total pension liability	83%	84%	84%	85%	92%	96%

* Represents the measurement date, period applied in the Estuary Program's following fiscal year

Note: Data was unavailable prior to 2014

The amounts presented for the fiscal year were determined as of the measurement date, June 30th

Schedule of Contributions - Florida Retirement System Pension Plan
FLORIDA RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 33,133	$ 31,589	$ 36,928	$ 32,435	$ 26,215	$ 21,585
Contributions in relation to the contractually required contribution	33,133	31,589	36,928	32,435	26,215	21,585
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
The Estuary Program's covered-employee payroll	$ 414,690	$ 434,633	$ 520,453	$ 480,613	$ 437,665	$ 436,563
Contributions as a percentage of covered-employee payroll	7.99%	7.27%	7.10%	6.75%	5.99%	4.94%

Note: Data was unavailable prior to 2014

The amounts presented for the fiscal year were determined as of the fiscal year-end date, September 30th

TAMPA BAY ESTUARY PROGRAM

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN

LAST 10 FISCAL YEARS

Schedule of Proportionate Share of Net Pension Liabilities - Health Insurance Subsidy Pension Plan
HEALTH INSURANCE SUBSIDY PROGRAM
LAST 10 FISCAL YEARS

	2019*	2018	2017	2016	2015	2014
The Program's proportion of the net pension liability	0.001239634%	0.001367266%	0.001632807%	0.001556862%	0.001403032%	0.001470875%
The Estuary Program's proportionate share of the net pension liability	$ 138,703	$ 144,713	$ 174,587	$ 181,446	$ 150,007	$ 137,530
The Estuary Program's covered-employee payroll	$ 423,713	$ 446,570	$ 527,403	$ 495,664	$ 425,660	$ 437,027
The Estuary Program's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	33%	32%	33%	37%	35%	31%
HIS Plan fiduciary net position as a percentage of the total pension liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* Represents the measurement date, period applied in the Estuary Program's following fiscal year

Note: Data was unavailable prior to 2014

The amounts presented for the fiscal year were determined as of the measurement date, June 30th

Schedule of Contributions - Health Insurance Subsidy Pension Plan
HEALTH INSURANCE SUBSIDY PROGRAM
LAST 10 FISCAL YEARS

	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 6,985	$ 6,596	$ 8,641	$ 8,989	$ 5,654	$ 5,341
Contributions in relation to the contractually required contribution	6,985	6,596	8,641	8,989	5,654	5,341
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
The Estuary Program's covered-employee payroll	$ 414,690	$ 446,687	$ 520,453	$ 480,613	$ 437,655	$ 436,563
Contributions as a percentage of covered-employee payroll	1.68%	1.48%	1.66%	1.87%	1.29%	1.22%

Note: Data was unavailable prior to 2014

The amounts presented for the fiscal year were determined as of the fiscal year-end date, September 30th

COMPLIANCE SECTION

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor 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 Members of the Board of Directors
Tampa Bay Estuary Program
St. Petersburg, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Tampa Bay Estuary Program (the "Estuary Program"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Estuary Program's basic financial statements, and have issued our report thereon dated February 3, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Estuary Program's internal control over financial reporting ("internal control") to determine the 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 Estuary Program's internal control. Accordingly, we do not express an opinion on the effectiveness of the Estuary Program's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Cherry Bekaert LLP

Tampa, Florida
February 3, 2020

Finding 2018-001: Corrected

Finding 2018-002: Corrected

Cherry Bekaert LLP
CPAs & Advisors

Independent Auditor's Management Letter

To the Members of the Board of Directors
Tampa Bay Estuary Program
St. Petersburg, Florida

Report on the Financial Statements

We have audited the financial statements of the Tampa Bay Estuary Program (the "Estuary Program") as of and for the fiscal year ended September 30, 2019 and have issued our report thereon dated February 3, 2020.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Report of Independent Auditor 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;* and Report of Independent Accountant on Compliance with Local Government Investment Policies, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosure in those reports, which are dated February 3, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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 Estuary Program was established by an interlocal agreement pursuant to the authority of Section 163.01, Florida Statutes. The Estuary Program has no component units.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Estuary Program has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Estuary Program 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 Estuary Program. It is management's responsibility to monitor the Estuary Program's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

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

Additional Matters

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

Purpose of this Letter

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.

Cherry Bekaert LLP

Tampa, Florida
February 3, 2020

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Accountant on Compliance with Local Government Investment Policies

To the Members of the Board of Directors
Tampa Bay Estuary Program
St. Petersburg, Florida

We have examined the Tampa Bay Estuary Program's (the "Estuary Program") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2019. Management of the Estuary Program is responsible for the Estuary Program's compliance with those specific requirements. Our responsibility is to express an opinion on the Estuary Program's compliance with the specific requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Estuary Program complied, in all material respects, with the specific requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Estuary Program complied with the specific requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Estuary Program's compliance with the specified requirements.

In our opinion, the Estuary Program complied, in all material respects, with the local investment policy requirements Section 218.415, *Florida Statutes*, during the year ended September 30, 2019.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and Rules of the Auditor General.

Cherry Bekaert LLP

Tampa, Florida
February 3, 2020